

# CITY OF LAREDO, TEXAS

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended 09/30/2021



**CITY OF LAREDO, TEXAS**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2021**

**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, 2021**

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March 25, 2022

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

We are pleased to submit the Annual Comprehensive Financial Report of the City of Laredo, Texas for the fiscal year ending September 30, 2021. 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, 2021, 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, 2021 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 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 established 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 banks 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, Tamaulipas, Mexico and one with Colombia, Nuevo Leon, 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 264,069 in 2021, 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 Annual Comprehensive Financial Report.

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. The Port of Laredo is the #1 inland port in the United States and the #3 port in the nation just behind Chicago O'Hare International Airport and Port of Los Angeles California. We have four (4) international bridges; two of which are commercial crossings and have over 2.52 million trucks crossing southbound annually. The Laredo Customs District trades over \$248.5 billion in imports and exports annually. 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. Port Laredo is the nation's primary gateway for U.S. exports to and imports from México. During the workweek, more than 9,600 trucks cross daily into Laredo.

On rail, more than 950 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, Japan, France, Japan and Nicaragua are Laredo's top trade partners.

Top imports totaled \$149.4 billion that crossed through Laredo were:

- Motor vehicle parts
- Tractors
- Insulated wire and cable
- Air conditioner machines and parts Computers
- Refrigerators, freezers
- Motor vehicles engines
- Electrical panels, boards
- Engine parts
- Catalytic converters, filters
- Electric motors, generators

Top exports totaled \$99.12 billion that crossed through Laredo were:

- Motor vehicle parts
- Diesel engines
- Catalytic converters, air filters, oil filters
- Engine parts
- Taps and valves for pipes and tanks
- Rubber tires
- Plastic boxes, containers
- Refined copper
- Pumps for dispensing liquids
- Insulated wire and cable

The international trade has been enhanced by other projects such as the two Cold Storage Facilities built 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. City Council approved a third cold storage facility in September 2020 which will help generate more imports of fruit and vegetables. 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 Ford Motor Company.

In addition to the FIS facility, the Laredo International Airport handled approximately 637.9 million pounds of cargo in landed weight.

## 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 2021, to City's tax supported debt was \$164.12 million. The City is complying with the requirement of the Public Funds Investment Act. The City's investment portfolio as of September 30, 2021 was \$723.75 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 |                  |                  |                   |                   |                  |                     |
|-----------------------------|------------------|------------------|-------------------|-------------------|------------------|---------------------|
| 2025-2026                   |                  |                  |                   |                   |                  |                     |
|                             | 2022             | 2023             | 2024              | 2025              | 2026             | Total               |
| General Government          | \$ 19,000        | \$ 19,000        | \$ 15,000         | \$ 15,000         | \$ -             | \$ 68,000           |
| Health & Welfare            | 2,930            | 1,050            | 1,050             | 1,050             |                  | 6,080               |
| Public Safety               | 22,388           | 1,106            | 935               | 828               | 833              | 26,090              |
| Public Works                | 51,956           | 531,153          | 16,287            | 3,297             | 3,818            | 606,511             |
| Utilities                   | 137,278          | 60,975           | 66,852            | 162,395           | 90,088           | 517,588             |
| Cultural & Recreational     | 46,105           | 500              | 500               | -                 | -                | 47,105              |
| Transportation              | 195,500          | 11,815           | 8,425             | 3,332             | -                | 219,072             |
|                             | <u>\$475,157</u> | <u>\$625,599</u> | <u>\$ 109,049</u> | <u>\$ 185,902</u> | <u>\$ 94,739</u> | <u>\$ 1,490,446</u> |

## MAJOR INITIATIVES

### For the Year 2020-2021

The City staff, following the direction of the City Manager, have addressed and completed various projects during the year. The projects adopted by City Council annually through a five-year Capital Improvement Plan are been implemented as funding is secure. 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 \$5.90 million during this fiscal year.
- Drainage improvements projects completed during the current year totaled \$1.53 million
- Infrastructure projects at a cost of \$6.74 million were completed during fiscal year 2021. 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.
- Improvements to the utilities system water and sewer lines and plant improvements at a cost of \$14.33 million.
- Acquisition of machinery and equipment including vehicles and equipment for all City departments total \$8.46 million.
- Land at a cost of \$8.37 million was acquired during the fiscal year for City's South Laredo Sports Venue Complex and noise abatement project as well as for other proprietary funds.
- Work continues on other projects and \$11.7 million was added to the construction in process for governmental activities. The projects include Airport Improvements for the NE cargo apron, taxiway improvements and access road. Other projects that are underway includes work on a major arterial in south Laredo for Los Presidentes arterial. The road that will provide a much needs ingress and egress to various subdivisions.
- The business type activities added \$18.3 million to the construction in progress. Major projects underway for the Utilities System include the following: Lyon Tank Improvements, major waterline improvements, Unitec wastewater treatment plant, eastern Chacon interceptor among other projects.
- The acquisition of a new landfill for an estimated cost of \$24,000,000.

### **Future Major Initiatives**

The City with the input from the general public, as part of a survey, has identified certain areas that are key priorities to our community. The fiscal year 2022 budget



addresses some of those priorities. The priorities identified includes, affordable housing, health services, public safety and street and infrastructure improvements.

The City address these priorities in its FY 2022 budget by allocating funds in the various funds of the City. The major funds addressing these priorities include the following:

- The Department of Community Development Department has allocated \$2.6 million in federal funding for various housing programs including but not limited to rental assistance, mortgage assistance, home rehabilitation assistance and down payment assistance. In addition, the City received \$16 million from the Federal Treasury that is specifically for rental assistance, mortgage assistance and utilities assistance for families who have been affected by the pandemic.
- The Health Department continues to provide health services to the general community with support from over sixty federal and state grants totaling approximately \$35 million.
- The City has allocated \$10 million for maintaining streets and infrastructure that is being funded by the American Recovery Act for much needed street improvement.
- The City's General Fund budget includes \$149.58 million for public safety that funds the Fire, Police and Traffic Departments. This amount represents an increase of \$9.28 million increase from the previous year.
- The budget also includes \$1 million for street lighting improvements. The improvements include over 6,800 street lights that will be converted to LED lighting. This is the second phase of this program.
- The City will also be working on improving lighting in major thoroughfares and over certain areas identified by the Police and Traffic Department.
- A new project for FY 22 is El Pico Water Plant project improvement to enhance and improve the system reliability.
- Included in the FY 22 budget is the improvements of various City's projects. Planned improvements include: Energy Efficient Program for the Utilities System, booster station improvements, line replacement program, sanitary sewer line improvements, booster and plant pump replacement and Manadas Wastewater Treatment Plant.

## **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-two years. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized annual comprehensive 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 City of Laredo also received the GFOA's Distinguished Budget Presentation Award for its twenty-seven-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,

A handwritten signature in dark ink, appearing to read 'Samuel Keith Selman', written over a horizontal line.

Samuel Keith Selman  
Interim City Manager



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
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Presented to

**City of Laredo  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

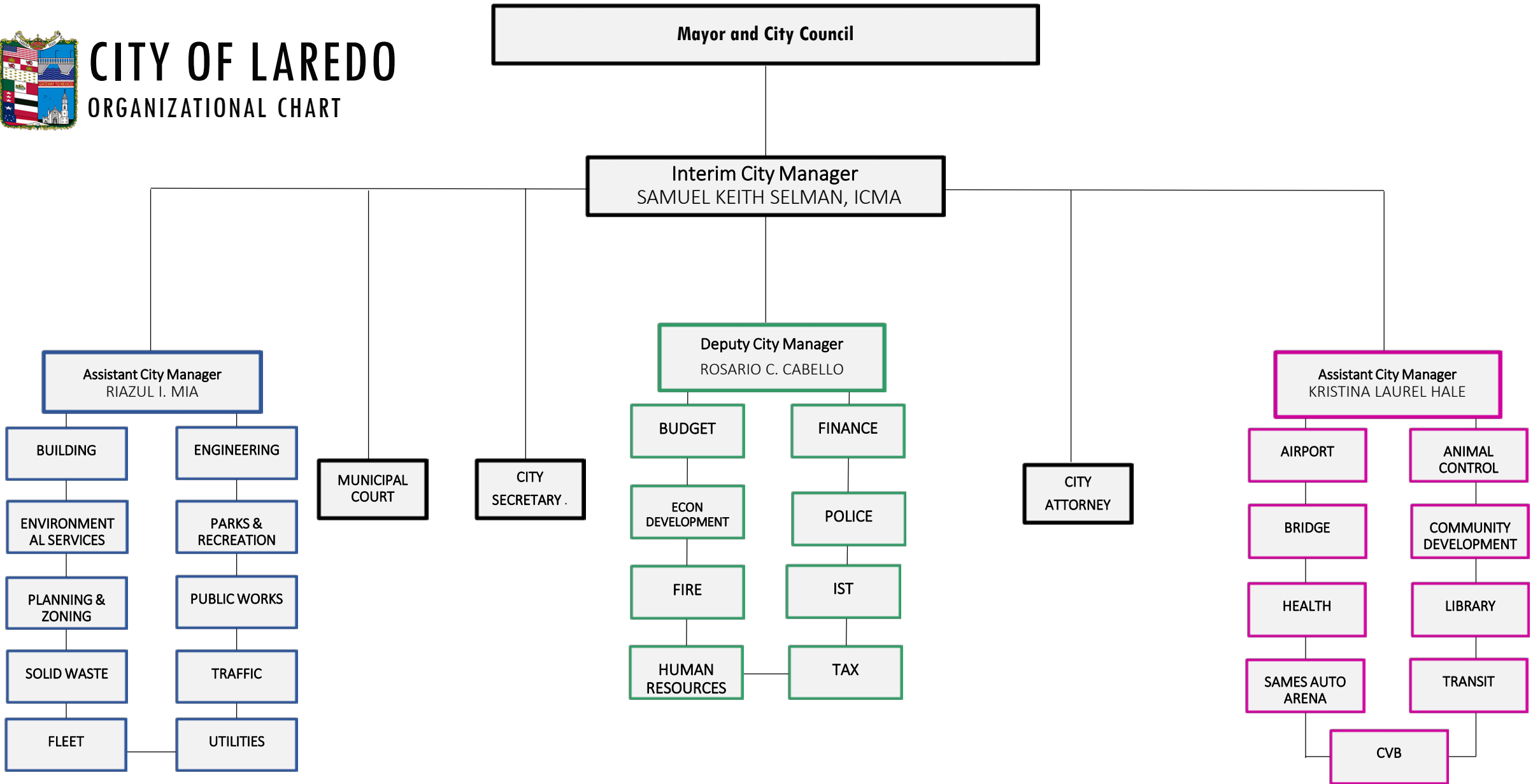
Executive Director/CEO



# CITY OF LAREDO

## ORGANIZATIONAL CHART

IX





**CITY OF LAREDO, TEXAS  
ADMINISTRATIVE OFFICIALS**

**CITY COUNCIL**

**Pedro I. Saenz, Jr., Mayor**

| COUNCIL MEMBER         | DISTRICT | COUNCIL MEMBER        | DISTRICT |
|------------------------|----------|-----------------------|----------|
| Rodolfo Gonzalez, Jr.  | I        | Ruben Gutierrez Jr.   | V        |
| Vidal Rodriguez        | II       | Dr. Marte A. Martinez | VI       |
| Mayor Pro Tempore      |          |                       |          |
| Mercurio Martinez, III | III      | Vanessa Perez         | VII      |
| Alberto Torres, Jr.    | IV       | Alyssa Cigarroa       | VIII     |

**CITY STAFF**

Samuel Keith Selman, Interim City Manager

Rosario C. Cabello, Deputy City Manager

Kristina Laurel Hale, Assistant City Manager

Riazul I. Mia, Assistant City Manager

Jose F. Castillo, Acting Finance Director

Sylvia Borunda-Firth, Interim City Attorney

## FINANCIAL SECTION

Aaron Canales, CPA  
Juan José Garza, CPA  
† J. Clayton Baum, CPA  
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 Audit of the Financials Statements**

#### ***Opinions***

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, 2021, 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.

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, 2021, 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.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Laredo, Texas and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of

Laredo, Texas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Governmental Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Laredo, Texas' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Laredo, Texas' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to

supplement the basic financial statements. Such information is the responsibility of management and, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Laredo, Texas' basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, and the schedules of expenditures of federal and state awards, 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information 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.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the information exists, we are required to describe it in our report.

### ***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 25, 2022, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Laredo, Texas' 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.

*Canale, Hargis & Baum, PLLC*

Laredo, Texas  
March 25, 2022

## **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 comprehensive financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended September 30, 2021. 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 \$786.23 million (net position) which represent an increase of \$85.90 million from the previous year. The increase in the net position is mainly the result of the recognition of a decrease of \$59.42 million in Net Pension Obligation – OPEB and a decrease of \$16.34 million in Compensated Absences. The unrestricted net position would under normal circumstances, be used to meet the government's ongoing obligations to its citizens and creditors.
- The City's governmental activities reported a combined ending net position of \$360.00 million. This represents an increase of \$62.21 million. The business type activities reported a combined ending net position of \$426.23 million, representing an increase of \$23.69 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 \$293.71 million, an increase \$75.43 million compared to the fiscal year 2020 ending fund balance. The total fund balances consist of \$173.39 million is restricted, \$4.35 million is committed, \$73.92 million is assigned, \$114,685 is non-spendable and \$1.08 is an unassigned deficit.
- At the end of the current fiscal year, total fund balance for the General Fund of \$49.96 million represented 25.99% of General Fund expenditures net of capital outlay.
- During the fiscal year, the City issued \$190.09 million in long-term debt. Principal payments paid during the fiscal year were \$278.49 million for a net increase in long-term liabilities of \$88.38 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

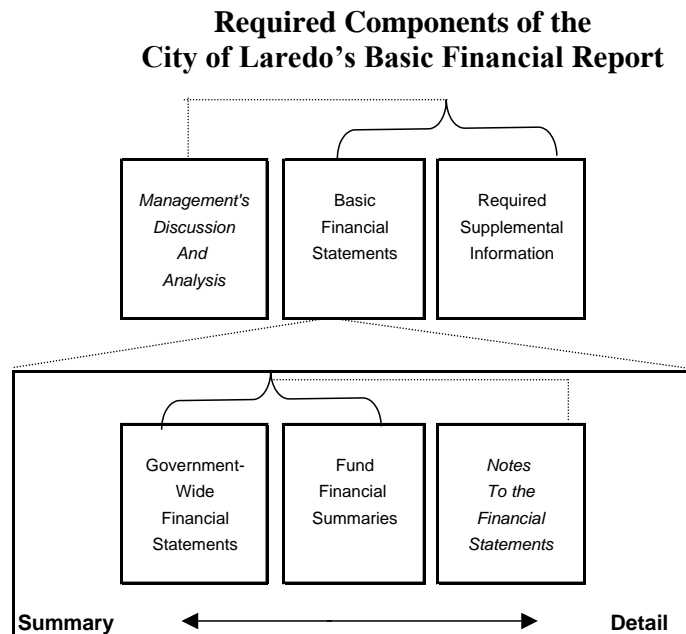
|   | <b>Government –<br/>Wide Statements</b>  | <b>Governmental<br/>Funds</b>  | <b>Proprietary Funds</b>   | <b>Fiduciary Funds</b>  |
|---|--|--|--|---|
| <b>Scope</b>                                  | <ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul> | <ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of Revenues and Expenditures, and changes in fund balances</li> </ul>                                | <ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of Revenues, expenses, and changes in net position</li> <li>• Statement of Cash Flows</li> </ul> | <ul style="list-style-type: none"> <li>• Statement of fiduciary net position</li> <li>• Statement of changes in fiduciary net position</li> </ul> |
| <b>Accounting basis and measurement focus</b> | 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   |
| <b>Type of asset/liability information</b>    | 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.            |
| <b>Type of inflow/outflow information</b>     | 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 Annual Comprehensive Financial Report 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 \$786.23 million as of September 30, 2021. The net position of the City is further breakdown between the governmental net position of \$360.00 million and the business-type net position is \$426.23 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, 2021 and 2020

|                          | Governmental   |                | Business-Type  |                |                |                |
|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                          | Activities     |                | Activities     |                | Total          |                |
|                          | 2021           | 2020           | 2021           | 2020           | 2021           | 2020           |
| Current and other assets | \$ 409,971,602 | \$ 288,008,545 | \$ 197,091,423 | \$ 187,238,239 | \$ 607,063,025 | \$ 475,246,784 |
| Capital assets           | 717,218,095    | 722,286,765    | 891,236,549    | 827,115,541    | 1,608,454,644  | 1,549,402,306  |
| Total Assets             | 1,127,189,697  | 1,010,295,310  | 1,088,327,972  | 1,014,353,780  | 2,215,517,669  | 2,024,649,090  |
| Resources                | 120,265,576    | 125,044,881    | 21,255,406     | 20,466,256     | 141,520,982    | 145,511,137    |
| outflows of resources    | 1,247,455,273  | 1,135,340,191  | 1,109,583,378  | 1,034,820,036  | 2,357,038,651  | 2,170,160,227  |
|                          |                |                |                |                |                |                |
| Current liabilities      | 100,649,321    | 54,212,957     | 49,182,634     | 45,162,593     | 149,831,955    | 99,375,550     |
| Non-current liabilities  | 695,321,409    | 728,626,084    | 631,654,072    | 581,403,317    | 1,326,975,481  | 1,310,029,401  |
| Total Liabilities        | 795,970,730    | 782,839,041    | 680,836,706    | 626,565,910    | 1,476,807,436  | 1,409,404,951  |
| resources                | 91,487,343     | 54,716,176     | 2,518,333      | 5,716,072      | 94,005,676     | 60,432,248     |
| deferred inflows of      | 887,458,073    | 837,555,217    | 683,355,039    | 632,281,982    | 1,570,813,112  | 1,469,837,199  |
| Net Position:            |                |                |                |                |                |                |
| Net investments in       |                |                |                |                |                |                |
| capital assets           | 599,421,456    | 540,492,170    | 248,734,311    | 284,339,056    | 848,155,767    | 824,831,226    |
| Restricted               | 67,998,262     | 55,603,164     | 68,666,984     | 61,771,418     | 136,665,246    | 117,374,582    |
| Unrestricted             | (307,422,518)  | (298,310,360)  | 108,827,044    | 56,427,580     | (198,595,474)  | (241,882,780)  |
| Total net position       | \$ 359,997,200 | \$ 297,784,974 | \$ 426,228,339 | \$ 402,538,054 | \$ 786,225,539 | \$ 700,323,028 |

A portion of the City's net position or \$136.67 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 \$19.29 million or 16.44% 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 \$43.29 million decreasing the negative balance to \$241.88 million for the year. The negative balance is due to the recognition of a liability of \$206.58 million for the net pension obligation for OPEB.

Unrestricted net position in the business-type activities reflect an increase of \$52.40 million to a surplus balance of \$108.83 million as of September 30, 2021.

The table below provides a summary of the City's operations for the year ended September 30, 2021. Governmental activities increased the City's net position by \$62.21 million, while Business-Type activities increased by \$23.69 million. The City's Net Position increased by \$85.90 million. Total revenues realized by the City total \$561.95 million for the year. (See Table A-2). The largest revenue category was charges for services totaling \$300.49 million, which are comprised for the most part of administrative fees from all departments, bridge tolls and utility charges.

Total operating cost of all programs decreased by \$73.47 million from the prior year to \$476.04 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 \$77.01 and Fire Department at a cost of \$56.63 million. Police and Fire personnel cost includes salaries, wages, overtime and benefits.

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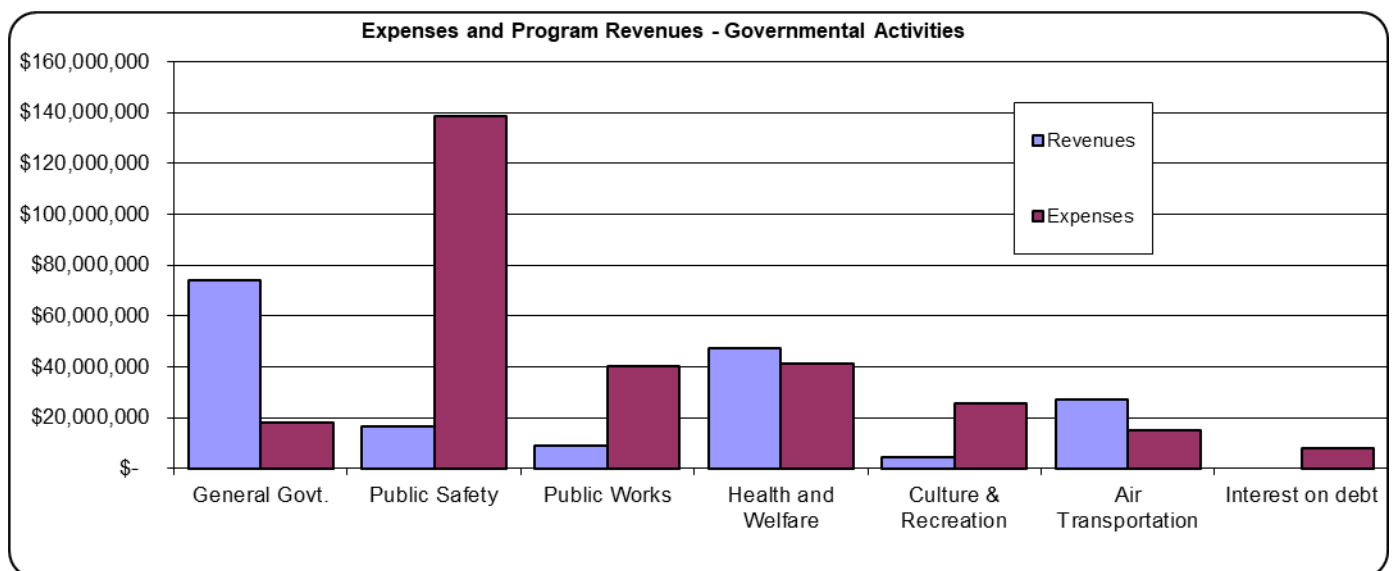
**Table A-2**

**City of Laredo's Changes in Net Position  
September 30, 2021 and 2020**

|                                    | <b>Governmental<br/>Activities</b> |                | <b>Business-Type<br/>Activities</b> |                | <b>Total</b>   |                |
|------------------------------------|------------------------------------|----------------|-------------------------------------|----------------|----------------|----------------|
|                                    | 2021                               | 2020           | 2021                                | 2020           | 2021           | 2020           |
| Revenues:                          |                                    |                |                                     |                |                |                |
| Program revenues:                  |                                    |                |                                     |                |                |                |
| Charges for services               | \$ 97,587,173                      | \$ 86,434,319  | \$ 202,900,304                      | \$ 187,724,211 | \$ 300,487,477 | \$ 274,158,530 |
| Operating grants and contributions | 54,140,316                         | 48,315,827     | 3,264,134                           | 11,814,442     | 57,404,450     | 60,130,269     |
| Capital grants and contributions   | 26,813,220                         | 21,442,849     | 10,793,976                          | 9,246,680      | 37,607,196     | 30,689,529     |
| General revenues:                  |                                    |                |                                     |                |                |                |
| Sales tax                          | 47,350,096                         | 33,876,247     | 9,134,586                           | 8,200,121      | 56,484,682     | 42,076,368     |
| Property taxes                     | 96,486,425                         | 102,772,794    | -                                   | -              | 96,486,425     | 102,772,794    |
| Other taxes                        | 11,828,761                         | 11,465,772     | -                                   | -              | 11,828,761     | 11,465,772     |
| Other                              | 1,212,236                          | 3,112,907      | 435,232                             | 1,978,847      | 1,647,468      | 5,091,754      |
| Total revenue                      | \$ 335,418,227                     | \$ 307,420,715 | \$ 226,528,232                      | \$ 218,964,301 | \$ 561,946,459 | \$ 526,385,016 |

|                           |  | Governmental   |                | Business-Type  |                |                |                |
|---------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|
|                           |  | Activities     |                | Activities     |                | Total          |                |
|                           |  | 2021           | 2020           | 2021           | 2020           | 2021           | 2020           |
| Expenses:                 |  |                |                |                |                |                |                |
| General Government        |  | \$ 17,961,579  | \$ 73,496,272  | \$ -           | \$ -           | \$ 17,961,579  | \$ 73,496,272  |
| Public Safety             |  | 138,610,304    | 157,618,090    | -              | -              | 138,610,304    | 157,618,090    |
| Public Works              |  | 39,967,506     | 38,283,612     | -              | -              | 39,967,506     | 38,283,612     |
| Health & Welfare          |  | 41,051,472     | 39,997,943     | -              | -              | 41,051,472     | 39,997,943     |
| Culture & Recreation      |  | 25,341,404     | 27,198,270     | -              | -              | 25,341,404     | 27,198,270     |
| Air Transportation        |  | 14,927,530     | 14,303,446     | -              | -              | 14,927,530     | 14,303,446     |
| Interest & Other long -   |  |                |                |                |                |                |                |
| term debt                 |  | 7,773,879      | 8,185,072      | -              | -              | 7,773,879      | 8,185,072      |
| Transit System            |  | -              | -              | 18,482,214     | 18,974,940     | 18,482,214     | 18,974,940     |
| Bridge System             |  | -              | -              | 53,016,352     | 51,761,177     | 53,016,352     | 51,761,177     |
| Solid Waste               |  | -              | -              | 55,448,024     | 25,155,954     | 55,448,024     | 25,155,954     |
| Water System              |  | -              | -              | 35,916,953     | 55,225,607     | 35,916,953     | 55,225,607     |
| Sewer System              |  | -              | -              | 24,895,900     | 37,664,072     | 24,895,900     | 37,664,072     |
| Municipal Housing         |  | -              | -              | 2,650,831      | 1,652,187      | 2,650,831      | 1,652,187      |
| Total expenses            |  | 285,633,674    | 359,082,705    | 190,410,274    | 190,433,937    | 476,043,948    | 549,516,642    |
| Inc (dec) in net position |  |                |                |                |                |                |                |
| before transfers          |  | 49,784,553     | (51,661,990)   | 36,117,958     | 28,530,364     | 85,902,511     | (23,131,626)   |
| Transfers                 |  | 12,427,673     | 8,634,537      | (12,427,673)   | (8,634,537)    | -              | -              |
| Change in Net Position    |  | 62,212,226     | (43,027,453)   | 23,690,285     | 19,895,827     | 85,902,511     | (23,131,626)   |
| Net position, beginning   |  | 297,784,974    | 340,812,427    | 402,538,054    | 382,642,227    | 700,323,028    | 723,454,654    |
| Prior Period Adj.         |  | -              | -              | -              | -              | -              | -              |
| Net position, ending      |  | \$ 359,997,200 | \$ 297,784,974 | \$ 426,228,339 | \$ 402,538,054 | \$ 786,225,539 | \$ 700,323,028 |
|                           |  |                |                |                |                |                |                |

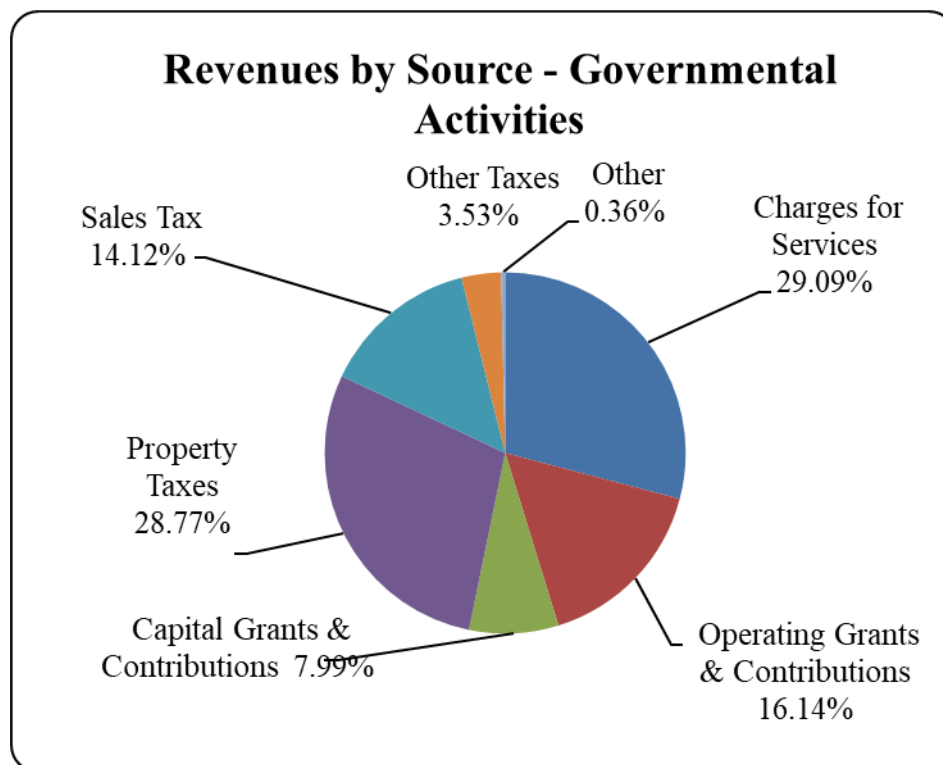
**Graph 1**



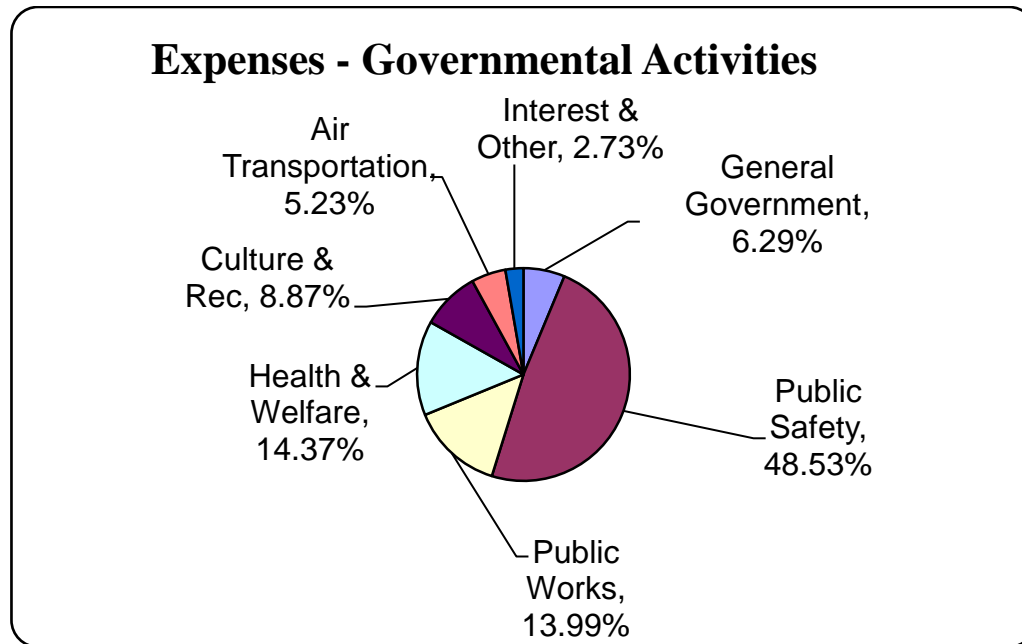
Graph 1 represents the cost of each of the City's seven largest programs as well as each of the program's revenue. The net cost is the financial burden that was placed on the City's taxpayers by each of these functions.

- The cost of all Governmental activities this year was \$285.63 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 \$335.42 million.
- General Government expenses (support services) comprised approximately 6.29% of the total expenses in Fiscal Year 2021; this represents a decrease of 75.56% or \$55.53 million from prior year.
- Expenses for Public Safety represent 48.53% of total expenditures with a decrease of 12.06% or \$19.01 million as compared to the prior year.
- Public Works expenses represent 13.99% of total expenditures and an increase of \$1.68 million or an increase of 4.40% as compared to the prior year.
- Health and Welfare expenses represent 14.37% of total expenditures with an increase of \$1.05 million or 2.63% as compared to the prior year.
- Cultural & Recreational expenses represent 8.87% of the total expenditures with a decrease of \$1.86 million or a decrease of 6.83% as compared to prior year.
- Air Transportation and Other expenditures represent 7.96% of total expenditures with an increase of \$213 thousand or 0.66% from prior year.
- Business-Type Activities transferred to Governmental Activities a total of \$12.43 million; an increase of \$3.79 million from prior year.
- Overall, there was an increase in the net position of \$85.90 million. There was an increase of \$62.21 million in the governmental activities and an increase of \$23.69 million in the business type activities.
- Governmental Activity revenues were generated by charges for services 29.09%, property taxes 28.77%, sales tax and other taxes 14.12% and Capital and Operating Grants generated 24.13% (see Graph 2).

**Graph 2**



**Graph 3**



### **Business-type Activities**

Revenues of the City's business-type activities were \$226.53 million for the fiscal year ending September 30, 2021, an increase of \$7.56 million from prior year. Charges for Services increased by \$15.18 million; Operating Grants and Contributions decreased by \$8.55 million; Capital Grants and Contributions increased by \$1.55 million; while all other revenues decreased by \$609 thousand. Expenses for the City's business-type activities were \$190.41 million for the year, representing a decrease of \$23.6 thousand from the prior fiscal year. (Refer to Table A-2). The areas where these increases and decreases occurred are as follows:

- Waterworks System expenses decreased by \$87 thousand. Operating expenses decreased by \$1.54 million and non-operating expenses increased \$1.45 million.
- Sewer System expenses decreased by \$1.68 million. Operating expenses decreased by \$1.14 million and non-operating expenses decreased by \$534 thousand.
- Bridge System expenses increased by \$1.07 million; operating expenses increased by \$321 thousands, and non-operating expenses decreased by \$7505 thousand.
- Other business-type activities decreased by \$201 thousands 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 \$293.71 million. The fund balance is categorized as follows: \$115 thousand for non-spendable funds which are used for inventory items and an endowment fund; \$173.40 million which are restricted for debt and grants; \$47.35 million are committed for specific purposes as it relates to reserves, public safety, etc.; \$73.92million are assigned for a specific use for Governmental Funds other than General Fund and \$1.08 million in unassigned deficit.

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 \$49.96 million of which \$35.35 million is committed, and \$11.10 million is unassigned, \$3.48 million is restricted and \$14.76 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 25.99%. The unassigned fund balance in General Fund represents 22.23% of the total fund balance category.

During the current fiscal year, the City's General Fund balance increased by \$7.34 million as compared to prior year. As a result of the pandemic the City's revenues were not realized. Expenses were cutback or reduced to only essential and necessary to continue to operate and provide citizens with the same level of services. Some of the key factors are as follows:

- As compared to prior year, property tax revenues increased by \$2.61 million. Assessed valuations increased by \$418.83 million from prior year. The City's tax rate for 2021 was maintained at \$0.634 per \$100-dollar valuation.
- Other tax revenues reflect an increase of \$3.87 million. Sales tax increased \$3.83 million as compared to prior year.
- Charges for services increased by \$2.02 million as compared to prior year due to administrative fee charged to various funds but mainly to the Bridge System which increased by \$1.48 million.
- General Fund expenses decreased by \$2.58 million from prior year. There were increase and decrease in several areas of the General Fund. Decreases were in the areas of Public Safety \$4.83 million; Health and Welfare \$2.24 and Cultural & Recreational of \$1.88 million. Increases in expenditures were in the area of General Government \$3.74 million and Capital Outlay of \$3.45 million. The major decrease in Public Safety is because some of the expenses for Fire and Police Dept are been charged to the American Recovery Plan Act Fund.

The Debt Service Fund has a total fund balance of \$6.69 million, all of which is reserved for the payment of debt. The fund balance decreased by \$267 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 \$426.23 million. The total net position increased by \$23.69 million as compared to prior year. The largest area of change was in the Waterworks System, with an increase of \$15.42 million, the Sewer System with an increase of \$8.59 million, the Solid Waste Management with an increased by \$4.18 million and other enterprise funds decreased by \$4.04 million.

### **General Fund Budgetary Highlights**

Overall, the City has exceeded the fund balance ratio required to be maintain. The City Charter requires a ratio of 15% of operating expenditures net of capital outlay. The ratio increased to 25.99% from 21.50% for the prior year. This was due to a combination of factors that include a decrease in the operating expenses and an increase



in the fund balance by \$7.34 million. Operating Revenues for General Fund increased by \$11.65 million while operating expenditures decreased by \$2.58 million. General Fund revenues increase in the areas of Property Taxes by \$2.61 million; Sales tax increase by \$3.83 million; Charges for Services increased by \$2.02 million; Fines increased by \$1.84 million and \$4.74 million in Contributions and Donations. All other revenues decreased by \$3.39 million

*Original Budget vs. Final Amended Budget:*

Revenues and Other Financing Sources:

- The General Fund revenue and other financing sources increase by \$7.44 million for additional revenues appropriated during the year for the balance of CARES Act grant of \$4.14 and FEMA grant \$1.92 million funding and a residual equity transfer in for \$1.2 million.

Expenditures and Other Financing Uses:

- General Fund expenditures and other financing uses budget was amended by a net increase of \$8.60 million. The operating budget for CARES Act Grant, FEMA and other divisions 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 \$19.47 million as compared to the amended budget. This variance had various attributes:
  - Revenues exceeded projections in the following areas: Property taxes by \$1.74 million; Sales taxes by \$6.25 million; Charges for services \$1.32 million and Contributions and donations by \$9.80 million. Revenues that experience a shortfall of estimated revenues include: Fees and Collections \$548 thousand; Intergovernmental revenues \$654 thousand; Alcoholic beverage taxes by \$193 thousand.
  - Transfers in or other financing sources of \$20.16 million did not materialize during the year.

Expenditures and Other Financing Uses:

- Expenditures and Other Financing Uses reflect a positive variance of \$8.08 million when comparing the amended budget to the actual expenditures.
  - General Government realized savings of \$3.18 million from various areas including Budget, Municipal Court, Building Services, Finance, Planning Zoning and Engineering Department.
  - Public Safety realized savings of \$9.43 million from various departments included Fire, Police and Traffic Department. The saving in Fire and Police are the result of expenses charged to the American Rescue Plan Act Fund.
  - Other department with realized savings includes Public Works \$2.13 million and Cultural and Recreational with savings of \$3.29 million.
  - Health and Welfare division of General Fund exceeded the budget by \$3.51 million. The Health Department of the City of Laredo exceeded their budget allocation by \$4.19 million due to expenses related to the treatment and prevention of COVID 19.
  - 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, 2021 was \$1.41 billion (net of accumulated depreciation). The City's net investment in capital

assets increased by \$95.36 million during current fiscal year. Additions, to capital assets such as land, infrastructure, buildings, equipment and construction in progress for the year totaled \$39.45 million for governmental activities and \$55.91 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**

|                            |  | <b>Governmental</b> |                  | <b>Business-Type</b> |                  |                  |                  |
|----------------------------|--|---------------------|------------------|----------------------|------------------|------------------|------------------|
|                            |  | <b>Activities</b>   |                  | <b>Activities</b>    |                  | <b>Total</b>     |                  |
|                            |  | 2021                | 2020             | 2021                 | 2020             | 2021             | 2020             |
| Land                       |  | \$ 114,054,364      | \$ 105,767,590   | \$ 66,464,136        | \$ 41,707,581    | \$ 180,518,500   | \$ 147,475,171   |
| Buildings                  |  | 228,782,951         | 228,649,617      | 367,160,722          | 365,390,575      | 595,943,673      | 594,040,192      |
| Machinery & Equipment      |  | 172,179,059         | 167,015,058      | 110,723,301          | 107,422,654      | 282,902,360      | 274,437,712      |
| Water Rights               |  | -                   | -                | 52,507,919           | 52,457,919       | 52,507,919       | 52,457,919       |
| Improve'ts other than Bldg |  | 839,499,122         | 825,333,455      | 540,116,089          | 525,782,589      | 1,379,615,211    | 1,351,116,044    |
| Construction in Progress   |  | 16,696,562          | 4,994,214        | 21,443,708           | 9,750,071        | 38,140,270       | 14,744,285       |
|                            |  |                     |                  |                      |                  |                  |                  |
| Total                      |  | \$ 1,371,212,058    | \$ 1,331,759,934 | \$ 1,158,415,875     | \$ 1,102,511,389 | \$ 2,529,627,933 | \$ 2,434,271,323 |
|                            |  |                     |                  |                      |                  |                  |                  |

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

#### Governmental

- Fixed asset Land increase \$8.29 million during the current fiscal year. Land acquisition of \$8.2 for a new sports venue complex to be located in South Laredo and land acquisition for airport improvements and noise abatement program.
- Assets for the Building category increased by \$133 thousand for various building.
- Infrastructure Improvements increased by \$14.17 million for various projects including Airport improvements, Parks improvements, Traffic signals, Drainage improvements and Street and sidewalk improvements.
- Machinery, equipment, vehicles and heavy equipment acquired during the fiscal year amounted to \$5.16 million for all departments within the City.
- Construction in Progress increased by \$11.70 million for various projects. Projects include Airport Improvements of \$9.9 million and major road improvements of \$1.7 million

#### Proprietary

- The fixed assets for Land increased \$24.76 million for the proprietary funds. Land acquisition for a new landfill at a cost of \$24 million for the Solid Waste Department.
- Building Improvements increased by \$1.77 million. The Laredo Waterworks System added a building to El Pico Water Treatment Plant at a cost of \$1.59 million.
- Improvements other than building increased by \$14.33 million, which include Water (\$11.98 million), Sewer (\$6.43 million) in plant improvements, collections and distribution systems.
- Improvements other than building increased by \$11.70 million, which include Water (\$11.98 million), Sewer (\$6.43 million) in plant improvements, collections and distribution systems.
- Construction in progress decreased by \$28.08 million. The majority of the decreases were in the Waterworks System (\$2.27 million) and Sewer System (\$25.81 million).
- Machinery, equipment, vehicle and heavy equipment acquired during the fiscal year totaled \$3.3 million.

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 \$1.38 billion in outstanding bonds and other long-term debt representing a net increase of \$15.3 million over last year. The Governmental Activities recorded a net decrease of \$35.72 million while the Business Type Activities recorded a decrease of \$51.02 million. Net Pension Liability and net other net pension obligations decreased by \$57.40 million. (See Table A-4). Detailed information about the City's long-term liabilities is presented in Note 11 and 12 of the financial statements.

| Bond Ratings  |     |
|---|-----|
| The City's most recent general obligation bond ratings are the following: |     |
| Standard & Poor's   | AA  |
| Moodv's   | Aa2 |

New debt issues for Governmental activities were \$19.70 million in general obligation refunding bonds, certificates of obligation bonds and contractual obligations. Business Type activities issued \$170.394 million in revenue bonds, refunding revenue bonds and certificates of obligation bonds during fiscal year 2021. Bonds issued were as follows: General obligation bonds \$9.31, Certificates of obligation of \$29.67 million and revenue bond of \$151.11 million. The issuance of the certificates of obligations is to finance the acquisition of equipment and vehicles for various city departments and various infrastructure projects. The issuance of revenue bond is for the infrastructure improvement of the utilities system.

**Table A-4**  
**City of Laredo's Outstanding Debt**

|                            | Governmental   |                | Business-Type  |                |                 |                 |
|----------------------------|----------------|----------------|----------------|----------------|-----------------|-----------------|
|                            | Activities     |                | Activities     |                | Total           |                 |
|                            | 2021           | 2020           | 2021           | 2020           | 2021            | 2020            |
| General obligation bonds   | \$ 88,443,992  | \$ 95,769,191  | \$ 83,562,175  | \$ 85,277,331  | \$ 172,006,167  | \$ 181,046,522  |
| Certificates of obligation | 122,687,374    | 116,186,761    | 46,462,171     | 39,325,495     | 169,149,545     | 155,512,256     |
| Revenue bonds              | 57,390,000     | 18,817,719     | 473,777,658    | 426,553,209    | 531,167,658     | 445,370,928     |
| Capital lease obligations  | 3,690,311      | 5,608,829      | 32,467         | 44,951         | 3,722,778       | 5,653,780       |
| Compensated Absences       | 25,362,860     | 41,675,785     | 2,580,569      | 2,603,480      | 27,943,429      | 44,279,265      |
| Notes payable              | -              | -              | 1,415,165      | 1,480,535      | 1,415,165       | 1,480,535       |
| Landfill Post Closure      | -              | -              | 13,466,123     | 12,824,117     | 13,466,123      | 12,824,117      |
| Net Penion Ob. - OPEB      | 206,576,960    | 265,995,373    | -              | -              | 206,576,960     | 265,995,373     |
| Net Penion Liability       | 212,883,940    | 208,703,088    | 39,462,233     | 41,626,348     | 252,346,173     | 250,329,436     |
| Total                      | \$ 717,035,437 | \$ 752,756,746 | \$ 660,758,561 | \$ 609,735,466 | \$1,377,793,998 | \$1,362,492,212 |

## **Economic Factors and Next Year's Budgets and Rates**

The fiscal year 2022 budget reflects the City's response to the ongoing challenges of the COVID-19 pandemic while maintaining services offered to the community. It also identifies funding to address Council's goals for the coming fiscal year and was developed with the input from the community through a survey designed to identify areas of concern and need from the community. The coordination with Federal, State and others has emerged from the pandemic with sound financial footing and persistent in the adherence of our mission to be a well-run City that keeps residents safe, grows the economy and provides conditions for living well. The balancing of the budget was particularly difficult. We expect revenues that were impacted by the pandemic to return to its pre-pandemic levels if not higher. Revenues from property taxes, sales tax and bridge toll collections are coming in stronger than predicted.

The FY 2022 consolidated budget for revenue reflects an appropriation of \$845.33 million. This represents an increase of \$96.11 million or 12.83% over the FY 2021 Original Budget. The property tax rate for FY 2022 is 0.615370 per \$100 valuation or a decrease of almost \$0.02. Assessed valuations for FY 2022 are \$16.25 billion, which represents an increase of 8.29% over prior year with an estimated levy of \$98.63 million. Of the 0.61537 tax rate, 76.28% or 0.469421cents are utilized for General Fund activities, the remaining 23.72% or 0.145949 cents are designated for Debt Service. The General Fund's portion of property tax revenue for FY 2022 is projected to be \$72.98 million. Sales tax revenues for the General Fund for FY 2022 are estimated at \$36.31 million, an increase of \$4.86 million or 15.43% as compared to prior year's budgeted amounts.

No cost of living increases for all civilian personnel was budgeted for FY 2022, however a 2% cost of living increase was given in June 2021 with the exception of Public Safety employees under collective bargaining agreements. The merit increase program was suspended for fiscal year 2022. The budget includes a lump sum payment of \$2,200 for the police officers and a 3.0% increase for firefighters. The FY 2022 budget includes 3113 full time equivalent positions with an estimated cost of \$243.37 million.

### **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.

## BASIC FINANCIAL STATEMENTS

**CITY OF LAREDO, TEXAS**  
**STATEMENT OF NET POSITION**  
**September 30, 2021**

|   | Primary Government      |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
|   | Governmental            | Business-type           | Total                   |
|   | Activities              | Activities              |                         |
| <b>ASSETS</b>   |                         |                         |                         |
| Current Assets:   |                         |                         |                         |
| Cash and Cash Equivalents: (Note 4)                     |                         |                         |                         |
| Cash  | \$ 1,030,529            | \$ 46,660               | \$ 1,077,189            |
| Equity in Investment Pool                               | 860,105                 | 704,786                 | 1,564,891               |
| Investments (Note 5)                                    | 353,374,787             | 171,023,085             | 524,397,872             |
| Receivable, net of allowances: (Note 6)                 |                         |                         |                         |
| Accrued Interest  | 362,637                 | 259,751                 | 622,388                 |
| Property Taxes, Penalty and Interest                    | 8,256,817               | -                       | 8,256,817               |
| Hotel-Motel Tax, Penalty and Interest                   | 374,052                 | -                       | 374,052                 |
| Accounts  | 13,835,876              | 14,139,507              | 27,975,383              |
| Notes   | 17,053,720              | 13,127                  | 17,066,847              |
| Paving Assessments                                      | 3,268                   | -                       | 3,268                   |
| Internal Balances (Note 13)                             | (7,581,263)             | 7,581,263               | -                       |
| Due From Other Governments                              | 21,026,767              | 520,195                 | 21,546,962              |
| Inventory, at cost                                      | 1,073,546               | 2,803,049               | 3,876,595               |
| Prepaid Items   | 300,761                 | -                       | 300,761                 |
| Total Current Assets                                    | 409,971,602             | 197,091,423             | 607,063,025             |
| Noncurrent Assets:                                      |                         |                         |                         |
| Restricted Assets: (Note 7)                             |                         |                         |                         |
| Investments (Note 5)                                    | -                       | 191,948,943             | 191,948,943             |
| Accrued Interest (Note 6)                               | -                       | 231,949                 | 231,949                 |
| Notes Receivable (Note 6)                               | -                       | 35                      | 35                      |
| Net Pension Assets                                      | -                       | 1,326,670               | 1,326,670               |
| Capital Assets: (Note 8)                                |                         |                         |                         |
| Nondepreciable Assets:                                  |                         |                         |                         |
| Land and Improvements                                   | 114,054,364             | 118,972,055             | 233,026,419             |
| Construction in Progress                                | 16,696,562              | 21,443,708              | 38,140,270              |
| Depreciable Assets:                                     |                         |                         |                         |
| Buildings   | 228,782,951             | 367,160,722             | 595,943,673             |
| Machinery and Equipment                                 | 172,179,059             | 110,723,301             | 282,902,360             |
| Infrastructure  | 839,499,122             | 540,116,089             | 1,379,615,211           |
| Accumulated Depreciation                                | (653,993,963)           | (460,772,048)           | (1,114,766,011)         |
| Unamortized Bond Issuance Cost                          | -                       | 85,125                  | 85,125                  |
| Total Non Current Assets                                | 717,218,095             | 891,236,549             | 1,608,454,644           |
| TOTAL ASSETS  | 1,127,189,697           | 1,088,327,972           | 2,215,517,669           |
| Deferred Outflows of Resources (Note 1)                 |                         |                         |                         |
|   | 120,265,576             | 21,255,406              | 141,520,982             |
| <b>TOTAL ASSETS AND DEFERRRED OUTFLOWS OF RESOURCES</b> | <b>\$ 1,247,455,273</b> | <b>\$ 1,109,583,378</b> | <b>\$ 2,357,038,651</b> |

(Continued)

**CITY OF LAREDO, TEXAS**  
**STATEMENT OF NET POSITION**  
**September 30, 2021**

(Continued)

|  | Primary Government    |                       |                       |
|--|-----------------------|-----------------------|-----------------------|
|  | Governmental          | Business-type         | Total                 |
|  | Activities            | Activities            |                       |
| <b>LIABILITIES</b>   |                       |                       |                       |
| Current Liabilities:                                       |                       |                       |                       |
| Accounts Payable   | \$ 8,389,424          | \$ 5,661,631          | \$ 14,051,055         |
| Claims and Judgments Payable (Note 18)                     | 6,009,257             | -                     | 6,009,257             |
| Retainage Payable  | 1,513,890             | 741,302               | 2,255,192             |
| Accrued Wages and Employee Benefits                        | 6,764,407             | 1,619,999             | 8,384,406             |
| Accrued Interest Payable                                   | 1,168,449             | 1,637,832             | 2,806,281             |
| Compensated Absences (Note 11 & 12)                        | 2,983,025             | 895,945               | 3,878,970             |
| Contracts Payable  | 1,574,983             | 582,283               | 2,157,266             |
| Customer and Tenant Deposits                               | 244,432               | 6,573,030             | 6,817,462             |
| Due To Other Governments                                   | 26,394                | -                     | 26,394                |
| Due to Developers  | 1,741,445             | -                     | 1,741,445             |
| Unearned Revenue   | 51,502,612            | 3,262,068             | 54,764,680            |
| General Obligation Bonds (Note 11 & 12)                    | 10,531,290            | 5,018,710             | 15,550,000            |
| Certificates of Obligation (Note 11 & 12)                  | 5,919,236             | 5,305,764             | 11,225,000            |
| Revenue Bond Payable (Note 11 & 12)                        | 1,790,000             | 17,733,999            | 19,523,999            |
| Capital Lease Obligation (Note 11)                         | 490,477               | 13,030                | 503,507               |
| Notes Payable (Note 12)                                    | -                     | 137,041               | 137,041               |
| Total Current Liabilities                                  | 100,649,321           | 49,182,634            | 149,831,955           |
| Noncurrent Liabilities:                                    |                       |                       |                       |
| Noncurrent portion of long term liabilities:               |                       |                       |                       |
| General Obligation Bonds (Note 11 & 12)                    | 77,912,702            | 78,543,465            | 156,456,167           |
| Certificates of Obligation (Note 11 & 12)                  | 116,768,138           | 41,156,407            | 157,924,545           |
| Revenue Bonds Payable (Note 11 & 12)                       | 55,600,000            | 456,043,659           | 511,643,659           |
| Notes Payable (Note 12)                                    | -                     | 1,278,124             | 1,278,124             |
| Capital Lease Obligations (Note 11)                        | 3,199,834             | 19,437                | 3,219,271             |
| Compensated Absences (Note 11 & 12)                        | 22,379,835            | 1,684,624             | 24,064,459            |
| Net Pension Obligations - OPEB (Note 11)                   | 206,576,960           | -                     | 206,576,960           |
| Net Pension Liability (Note 9)                             | 212,883,940           | 39,462,233            | 252,346,173           |
| Landfill Closure & Postclos.Costs (Note 12)                | -                     | 13,466,123            | 13,466,123            |
| Total Noncurrent Liabilities                               | 695,321,409           | 631,654,072           | 1,326,975,481         |
| <b>TOTAL LIABILITIES</b>                                   | <b>795,970,730</b>    | <b>680,836,706</b>    | <b>1,476,807,436</b>  |
| Deferred Inflows of Resources (Note 1)                     | 91,487,343            | 2,518,333             | 94,005,676            |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b> | <b>887,458,073</b>    | <b>683,355,039</b>    | <b>1,570,813,112</b>  |
| <b>NET POSITION</b>  |                       |                       |                       |
| Net Investments in Capital Assets                          | 558,314,171           | 294,206,155           | 852,520,326           |
| Restricted for:  |                       |                       |                       |
| Debt Service   | 6,688,081             | 31,371,302            | 38,059,383            |
| Capital Projects   | 61,195,496            | -                     | 61,195,496            |
| Improvements   | -                     | 37,295,682            | 37,295,682            |
| Nonexpendable  | 114,685               | -                     | 114,685               |
| Unrestricted   | (266,315,233)         | 63,355,200            | (202,960,033)         |
| <b>TOTAL NET POSITION</b>                                  | <b>\$ 359,997,200</b> | <b>\$ 426,228,339</b> | <b>\$ 786,225,539</b> |

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, 2021**

|   | Program Revenues      |                      |                                    |                                  | Net (Expense) Revenue and Changes in Net Assets |                          |                      |
|---|-----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|----------------------|
|   | Expenses              | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government                              |                          |                      |
|   |                       |                      |                                    |                                  | Governmental Activities                         | Business-Type Activities | Total                |
| <b>Functions/Programs</b>                   |                       |                      |                                    |                                  |   |                          |                      |
| <b>Primary Government:</b>                  |                       |                      |                                    |                                  |   |                          |                      |
| <b>Governmental Activities:</b>             |                       |                      |                                    |                                  |   |                          |                      |
| General Government                          | \$ 17,961,579         | 59,903,287           | 3,983,243                          | 10,003,702                       | 55,928,653                                      | -                        | 55,928,653           |
| Public Safety                               | 138,610,304           | 8,727,967            | 7,983,155                          | -                                | (121,899,182)                                   | -                        | (121,899,182)        |
| Public Works                                | 39,967,506            | 2,563,903            | -                                  | 6,568,545                        | (30,835,058)                                    | -                        | (30,835,058)         |
| Health and Welfare                          | 41,051,472            | 15,299,183           | 31,739,610                         | 298,399                          | 6,285,720                                       | -                        | 6,285,720            |
| Culture and Recreation                      | 25,341,404            | 3,813,256            | 69,197                             | 648,765                          | (20,810,186)                                    | -                        | (20,810,186)         |
| Air Transportation                          | 14,927,530            | 7,279,577            | 10,365,111                         | 9,293,809                        | 12,010,967                                      | -                        | 12,010,967           |
| Interest and Other on Long-Term Debt        | 7,773,879             | -                    | -                                  | -                                | (7,773,879)                                     | -                        | (7,773,879)          |
| <b>Total Governmental Activities</b>        | <b>285,633,674</b>    | <b>97,587,173</b>    | <b>54,140,316</b>                  | <b>26,813,220</b>                | <b>(107,092,965)</b>                            | <b>-</b>                 | <b>(107,092,965)</b> |
| <b>Business-Type Activities:</b>            |                       |                      |                                    |                                  |   |                          |                      |
| Transit System                              | 18,482,214            | 2,505,092            | 2,847,636                          | 859,124                          | -   | (12,270,362)             | (12,270,362)         |
| Bridge System                               | 53,016,352            | 66,418,602           | 194                                | 591,171                          | -   | 13,993,615               | 13,993,615           |
| Waterworks System                           | 55,448,024            | 63,143,748           | 7,722                              | 5,531,748                        | -   | 13,235,194               | 13,235,194           |
| Sewer System                                | 35,916,953            | 40,680,916           | -                                  | 3,811,933                        | -   | 8,575,896                | 8,575,896            |
| Solid Waste Management System               | 24,895,900            | 28,381,481           | -                                  | -                                | -   | 3,485,581                | 3,485,581            |
| Municipal Housing                           | 2,650,831             | 1,770,465            | 408,582                            | -                                | -   | (471,784)                | (471,784)            |
| <b>Total Business-Type Activities</b>       | <b>190,410,274</b>    | <b>202,900,304</b>   | <b>3,264,134</b>                   | <b>10,793,976</b>                | <b>-</b>  | <b>26,548,140</b>        | <b>26,548,140</b>    |
| <b>Total Primary Government</b>             | <b>\$ 476,043,948</b> | <b>300,487,477</b>   | <b>57,404,450</b>                  | <b>37,607,196</b>                | <b>(107,092,965)</b>                            | <b>26,548,140</b>        | <b>(80,544,825)</b>  |
| General Revenues:                           |                       |                      |                                    |                                  |   |                          |                      |
| Property Taxes                              |                       |                      |                                    |                                  | 96,486,425                                      | -                        | 96,486,425           |
| Sales Tax                                   |                       |                      |                                    |                                  | 47,350,096                                      | 9,134,586                | 56,484,682           |
| Franchise Fees                              |                       |                      |                                    |                                  | 8,231,085                                       | -                        | 8,231,085            |
| Hotel Motel Tax                             |                       |                      |                                    |                                  | 3,200,369                                       | -                        | 3,200,369            |
| Alcoholic Beverage Tax                      |                       |                      |                                    |                                  | 397,307   | -                        | 397,307              |
| Unrestricted investment earnings            |                       |                      |                                    |                                  | 1,055,460                                       | 783,751                  | 1,839,211            |
| Gain on sale of capital assets              |                       |                      |                                    |                                  | 156,776   | (348,519)                | (191,743)            |
| Transfers (Note 14)                         |                       |                      |                                    |                                  | 12,427,673                                      | (12,427,673)             | -                    |
| <b>Total general revenues and transfers</b> |                       |                      |                                    |                                  | <b>169,305,191</b>                              | <b>(2,857,855)</b>       | <b>166,447,336</b>   |
| Change in net position                      |                       |                      |                                    |                                  | 62,212,226                                      | 23,690,285               | 85,902,511           |
| Net position-beginning                      |                       |                      |                                    |                                  | 297,784,974                                     | 402,538,054              | 700,323,028          |
| <b>Net position-ending</b>                  |                       |                      |                                    |                                  | <b>\$ 359,997,200</b>                           | <b>426,228,339</b>       | <b>786,225,539</b>   |

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



**CITY OF LAREDO, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2021**

|  | GENERAL              | DEBT<br>SERVICE  | AMERICA<br>RESCUE ACT | OTHER<br>GOVERNMENT<br>FUNDS | TOTAL<br>GOVERNMENT<br>FUNDS |
|--|----------------------|------------------|-----------------------|------------------------------|------------------------------|
| <b>ASSETS</b>  |                      |                  |                       |                              |                              |
| Cash and Cash Equivalents:                                     |                      |                  |                       |                              |                              |
| Cash   | \$ 26,118            | -                | -                     | 1,004,011                    | 1,030,129                    |
| Equity in Investment Pool                                      | 200,320              | 28,888           | -                     | 560,199                      | 789,407                      |
| Investments (Note 5)   | 46,263,292           | 6,649,049        | 42,342,762            | 241,919,166                  | 337,174,269                  |
| Receivable, net of allowances:                                 |                      |                  |                       |                              |                              |
| Accrued Interest (Note 6)                                      | 73,999               | 10,636           | 603                   | 251,485                      | 336,723                      |
| Taxes, Penalty and Interest (Note 6)                           | 7,005,484            | 1,175,783        | -                     | 72,203                       | 8,253,470                    |
| Accounts (Note 6)  | 1,940,258            | -                | -                     | 2,392,743                    | 4,333,001                    |
| Notes (Note 6)   | -                    | -                | -                     | 17,053,720                   | 17,053,720                   |
| Paving Assessments (Note 6)                                    | -                    | 3,268            | -                     | -                            | 3,268                        |
| Due from Other Funds   | 12,146,144           | -                | -                     | 260,345                      | 12,406,489                   |
| Due from Other Governments                                     | 1,657,654            | -                | -                     | 19,369,113                   | 21,026,767                   |
| Inventory, at cost   | 14,763               | -                | -                     | 105,263                      | 120,026                      |
| <b>TOTAL ASSETS</b>  | <b>69,328,032</b>    | <b>7,867,624</b> | <b>42,343,365</b>     | <b>282,988,248</b>           | <b>402,527,269</b>           |
| <b>LIABILITIES AND FUND BALANCES</b>                           |                      |                  |                       |                              |                              |
| <b>LIABILITIES</b>   |                      |                  |                       |                              |                              |
| Accounts Payable   | 3,108,173            | -                | 22,717                | 3,936,766                    | 7,067,656                    |
| Retainage Payable  | -                    | -                | -                     | 1,513,890                    | 1,513,890                    |
| Accrued Wages and Employee Benefits                            | 5,520,267            | -                | 8,177                 | 1,002,545                    | 6,530,989                    |
| Contracts Payable  | -                    | -                | -                     | 1,574,983                    | 1,574,983                    |
| Customer and Tenant Deposits                                   | 2,000                | -                | -                     | 242,432                      | 244,432                      |
| Due to Other Funds   | -                    | -                | 9,620,356             | 1,583,177                    | 11,203,533                   |
| Due to Other Governments                                       | -                    | -                | -                     | 26,394                       | 26,394                       |
| Due to Developers  | -                    | -                | -                     | 1,741,445                    | 1,741,445                    |
| Unearned Revenues  | 2,245,507            | 492              | 32,692,115            | 16,564,498                   | 51,502,612                   |
| <b>TOTAL LIABILITIES</b>                                       | <b>10,875,947</b>    | <b>492</b>       | <b>42,343,365</b>     | <b>28,186,130</b>            | <b>81,405,934</b>            |
| Deferred Inflows of Resources                                  | 8,495,336            | 1,179,051        | -                     | 17,741,137                   | 27,415,524                   |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>19,371,283</b>    | <b>1,179,543</b> | <b>42,343,365</b>     | <b>45,927,267</b>            | <b>108,821,458</b>           |
| <b>FUND BALANCES (Note 23)</b>                                 |                      |                  |                       |                              |                              |
| Nonspendable   | 14,763               | -                | -                     | 99,922                       | 114,685                      |
| Restricted   | 3,483,117            | 6,688,081        | -                     | 163,222,414                  | 173,393,612                  |
| Committed  | 35,354,112           | -                | -                     | 12,000,231                   | 47,354,343                   |
| Assigned   | -                    | -                | -                     | 73,924,828                   | 73,924,828                   |
| Unassigned (Deficit)   | 11,104,757           | -                | -                     | (12,186,414)                 | (1,081,657)                  |
| <b>TOTAL FUND BALANCES</b>                                     | <b>49,956,749</b>    | <b>6,688,081</b> | <b>-</b>              | <b>237,060,981</b>           | <b>293,705,811</b>           |
| <b>TOTAL LIABILITIES AND FUND<br/>BALANCES</b>                 | <b>\$ 69,328,032</b> | <b>7,867,624</b> | <b>42,343,365</b>     | <b>282,988,248</b>           |                              |

(Continued)

**CITY OF LAREDO, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2021**

(Continued)

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.   | 713,753,125                  |
| Revenues not available to pay for current-period expenditures and, therefore, reported as deferred inflows of resources-unavailable revenue   | 9,862,226                    |
| 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. | 4,679,724                    |
| Deferred outflows of resources related to pension, OPEB, and loss/gain on bond refunding  | 120,265,576                  |
| Deferred inflows of resources related to pension, OPEB, and loss/gain on bond refunding   | (64,071,819)                 |
| 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)  | <u>(718,197,443)</u>         |
| <b>Net position of governmental activities</b>  | <b>\$ <u>359,997,200</u></b> |

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, 2021**

|  | <u>GENERAL</u>       | <u>DEBT<br/>SERVICE</u> | <u>AMERICA<br/>RESCUE ACT</u> | <u>OTHER<br/>GOVERNMENT<br/>FUNDS</u> | <u>TOTAL<br/>GOVERNMENT<br/>FUNDS</u> |
|--|----------------------|-------------------------|-------------------------------|---------------------------------------|---------------------------------------|
| <b>REVENUES:</b>   |                      |                         |                               |                                       |                                       |
| Taxes:   |                      |                         |                               |                                       |                                       |
| Property   | \$ 75,179,105        | 21,337,722              | -                             | 188,294                               | 96,705,121                            |
| Sales  | 37,709,425           | -                       | -                             | 9,427,356                             | 47,136,781                            |
| Bingo Tax  | 35,966               | -                       | -                             | -                                     | 35,966                                |
| Alcoholic Beverage   | 405,844              | -                       | -                             | -                                     | 405,844                               |
| Hotel Motel  | -                    | -                       | -                             | 3,166,183                             | 3,166,183                             |
| Franchise Fees   | 8,182,578            | -                       | -                             | -                                     | 8,182,578                             |
| Licenses and Permits   | 8,508,862            | -                       | -                             | 782,878                               | 9,291,740                             |
| Intergovernmental Revenues                                   | 7,633,501            | -                       | 10,087,329                    | 53,229,303                            | 70,950,133                            |
| Charges for Services   | 52,512,481           | -                       | -                             | 10,854,900                            | 63,367,381                            |
| Fines  | 5,807,061            | -                       | -                             | 486,978                               | 6,294,039                             |
| Fees and Collections   | 986,731              | -                       | -                             | 3,001,948                             | 3,988,679                             |
| Rents  | -                    | -                       | -                             | 8,631,216                             | 8,631,216                             |
| Interest and Other   | 1,467,273            | 67,489                  | 3,442                         | 849,697                               | 2,387,901                             |
| Miscellaneous  | 985,656              | 3,993                   | -                             | 5,576,730                             | 6,566,379                             |
| Contributions & Donations                                    | 10,048,972           | -                       | -                             | -                                     | 10,048,972                            |
| Reimbursements   | -                    | 1,182                   | -                             | -                                     | 1,182                                 |
| <b>TOTAL REVENUES</b>  | <b>209,463,455</b>   | <b>21,410,386</b>       | <b>10,090,771</b>             | <b>96,195,483</b>                     | <b>337,160,095</b>                    |
| <b>EXPENDITURES:</b>   |                      |                         |                               |                                       |                                       |
| Current:   |                      |                         |                               |                                       |                                       |
| General Government   | 31,559,634           | -                       | 750,166                       | 2,671,580                             | 34,981,380                            |
| Public Safety  | 128,905,541          | -                       | 7,399,281                     | 10,305,834                            | 146,610,656                           |
| Public Works   | 6,872,273            | -                       | 652,040                       | 4,223,361                             | 11,747,674                            |
| Health and Welfare   | 8,671,826            | -                       | 720,383                       | 29,535,417                            | 38,927,626                            |
| Cultural and Recreational                                    | 15,434,337           | -                       | 568,901                       | 8,582,585                             | 24,585,823                            |
| Air Transportation Services                                  | -                    | -                       | -                             | 8,093,138                             | 8,093,138                             |
| Capital Outlay   | 10,847,031           | -                       | -                             | 27,695,655                            | 38,542,686                            |
| Debt Service:  |                      |                         |                               |                                       |                                       |
| Bond Costs   | -                    | 152,195                 | -                             | 980,808                               | 1,133,003                             |
| Principal Retirement   | 688,752              | 26,494,756              | -                             | 409,268                               | 27,592,776                            |
| Interest and Fiscal Expenditures                             | 66,822               | 8,797,585               | -                             | 9,178                                 | 8,873,585                             |
| <b>TOTAL EXPENDITURES</b>                                    | <b>203,046,216</b>   | <b>35,444,536</b>       | <b>10,090,771</b>             | <b>92,506,824</b>                     | <b>341,088,347</b>                    |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | 6,417,239            | (14,034,150)            | -                             | 3,688,659                             | (3,928,252)                           |
| <b>OTHER FINANCING SOURCES (USES):</b>                       |                      |                         |                               |                                       |                                       |
| Transfers In   | 6,591,396            | 14,495,086              | -                             | 38,044,886                            | 59,131,368                            |
| Issuance of Debt (Note 11)                                   | -                    | 4,391,400               | -                             | 65,065,000                            | 69,456,400                            |
| Bond Premium (Note 11)                                       | -                    | 906,237                 | -                             | 2,432,320                             | 3,338,557                             |
| Transfers Out  | (5,823,291)          | -                       | -                             | (40,880,404)                          | (46,703,695)                          |
| Sale of Assets   | 155,832              | -                       | -                             | 944                                   | 156,776                               |
| Payment to Refunded Bond Escrow Agent                        | -                    | (6,025,914)             | -                             | -                                     | (6,025,914)                           |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>              | <b>923,937</b>       | <b>13,766,809</b>       | <b>-</b>                      | <b>64,662,746</b>                     | <b>79,353,492</b>                     |
| Net Change in Fund Balances                                  | 7,341,176            | (267,341)               | -                             | 68,351,405                            | 75,425,240                            |
| Fund Balances-Beginning                                      | 42,615,573           | 6,955,422               | -                             | 168,709,576                           | 218,280,571                           |
| <b>FUND BALANCES-ENDING</b>                                  | <b>\$ 49,956,749</b> | <b>6,688,081</b>        | <b>-</b>                      | <b>237,060,981</b>                    | <b>293,705,811</b>                    |

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, 2021**

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

|  |                             |
|--|-----------------------------|
| <b>Net change in fund balances-total governmental funds</b>  | <b>\$ 75,425,240</b>        |
| 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)  | (4,829,864)                 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.   | (2,051,463)                 |
| 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) | (39,176,267)                |
| Accrued interest expense recorded for entity-wide statements.  | 2,519,590                   |
| 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.  | 31,266,074                  |
| 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.  | (941,084)                   |
| <b>Change in net position of governmental activities</b>   | <b>\$ <u>62,212,226</u></b> |

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

**CITY OF LAREDO, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
Year Ended September 30, 2021**

|                                | <u>Budgeted Amounts</u> |                    |                    |                    | <u>Actual</u>       | <u>Variance</u>            |
|--------------------------------|-------------------------|--------------------|--------------------|--------------------|---------------------|----------------------------|
|                                | <u>Original</u>         | <u>Final</u>       | <u>Actual</u>      | <u>Adjustments</u> | <u>Budget Basis</u> | <u>Positive (Negative)</u> |
| <b>REVENUES:</b>               |                         |                    |                    |                    |                     |                            |
| Taxes                          |                         |                    |                    |                    |                     |                            |
| Property Taxes                 | \$ 71,552,810           | 71,552,811         | 73,295,895         | -                  | 73,295,895          | 1,743,084                  |
| Penalty and Interest           | 1,440,568               | 1,440,568          | 1,883,210          | -                  | 1,883,210           | 442,642                    |
| Alcoholic Beverage             | 598,611                 | 598,611            | 405,844            | -                  | 405,844             | (192,767)                  |
| Bingo Tax                      | 65,000                  | 65,000             | 35,966             | -                  | 35,966              | (29,034)                   |
| Sales and Use                  | 31,458,210              | 31,458,210         | 37,709,425         | -                  | 37,709,425          | 6,251,215                  |
| Franchise Fees                 | 8,163,339               | 8,163,339          | 8,182,578          | -                  | 8,182,578           | 19,239                     |
| Licenses and Permits           | 8,294,229               | 8,294,229          | 8,508,862          | -                  | 8,508,862           | 214,633                    |
| Intergovernmental Revenues     | 2,222,122               | 8,287,444          | 7,633,501          | -                  | 7,633,501           | (653,943)                  |
| Charges for Services           | 51,194,686              | 51,194,686         | 52,512,481         | -                  | 52,512,481          | 1,317,795                  |
| Fines                          | 5,188,281               | 5,188,281          | 5,807,061          | -                  | 5,807,061           | 618,780                    |
| Fees and Collections           | 1,534,738               | 1,534,738          | 986,731            | -                  | 986,731             | (548,007)                  |
| Interest and Other             | 1,567,019               | 1,567,019          | 1,467,273          | -                  | 1,467,273           | (99,746)                   |
| Miscellaneous                  | 250,523                 | 401,588            | 985,656            | -                  | 985,656             | 584,068                    |
| Contributions and Donations    | 250,000                 | 250,839            | 10,048,972         | -                  | 10,048,972          | 9,798,133                  |
| <b>TOTAL REVENUES</b>          | <b>183,780,136</b>      | <b>189,997,363</b> | <b>209,463,455</b> | <b>-</b>           | <b>209,463,455</b>  | <b>19,466,092</b>          |
| <b>EXPENDITURES:</b>           |                         |                    |                    |                    |                     |                            |
| General Government             |                         |                    |                    |                    |                     |                            |
| Mayor and City Council         | 1,145,127               | 1,136,451          | 948,280            | 79,863             | 1,028,143           | 108,308                    |
| City Manager                   | 1,376,742               | 1,412,412          | 1,432,517          | 7,995              | 1,440,512           | (28,100)                   |
| Internal Audit                 | 353,354                 | 355,308            | 318,021            | 3,267              | 321,288             | 34,020                     |
| Council Support                | 767,555                 | 849,555            | 678,212            | 58,137             | 736,349             | 113,206                    |
| Public Information Office      | 227,484                 | 287,667            | 270,427            | 87                 | 270,514             | 17,153                     |
| City Hall Annex II             | 130,830                 | 130,830            | 108,984            | 17,801             | 126,785             | 4,045                      |
| Budget                         | 485,125                 | 485,125            | 382,297            | 938                | 383,235             | 101,890                    |
| Municipal Court                | 2,235,472               | 2,379,789          | 2,153,978          | 52,203             | 2,206,181           | 173,608                    |
| Building Inspections           | 2,140,645               | 2,173,880          | 1,724,541          | 20,711             | 1,745,252           | 428,628                    |
| Development Review Engineering | 450,236                 | 443,434            | 213,796            | 569                | 214,365             | 229,069                    |
| Code Enforcement               | 483,386                 | 518,952            | 412,323            | 30,050             | 442,373             | 76,579                     |
| Public Right of Way            | 400,819                 | 399,392            | 338,235            | -                  | 338,235             | 61,157                     |
| Geographic Information Systems | 85,898                  | 82,996             | 85,175             | -                  | 85,175              | (2,179)                    |
| City Attorney                  | 1,203,364               | 1,203,364          | 1,070,896          | 3,333              | 1,074,229           | 129,135                    |
| City Secretary                 | 531,723                 | 537,723            | 484,917            | 7,511              | 492,428             | 45,295                     |
| Elections                      | 9,292                   | 9,292              | 64,609             | -                  | 64,609              | (55,317)                   |
| City Hall Maintenance          | 509,045                 | 503,045            | 426,146            | 35,120             | 461,266             | 41,779                     |
| Tax Office                     | 1,390,684               | 1,390,088          | 1,216,337          | 21,316             | 1,237,653           | 152,435                    |
| Accounting                     | 1,262,825               | 1,261,325          | 1,016,755          | 3,259              | 1,020,014           | 241,311                    |
| Purchasing                     | 532,916                 | 532,916            | 497,441            | 41                 | 497,482             | 35,434                     |
| Payroll                        | 270,272                 | 270,272            | 264,245            | 3,506              | 267,751             | 2,521                      |
| Accounts Payable               | 389,138                 | 389,138            | 348,609            | -                  | 348,609             | 40,529                     |
| Personnel and Civil Service    | 434,574                 | 430,377            | 398,514            | 1,493              | 400,007             | 30,370                     |
| Training                       | 534,988                 | 534,988            | 490,090            | 1,257              | 491,347             | 43,641                     |
| Municipal Civil Service        | 86,265                  | 88,720             | 46,459             | 455                | 46,914              | 41,806                     |
| Planning                       | 959,454                 | 959,454            | 766,834            | 11,882             | 778,716             | 180,738                    |
| Section 112                    | 1,035,309               | 1,035,309          | 552,276            | 121,073            | 673,349             | 361,960                    |
| Engineering                    | 470,607                 | 477,953            | 353,621            | 784                | 354,405             | 123,548                    |
| Drafting & Surveying           | 1,124,354               | 1,109,213          | 841,563            | 2,658              | 844,221             | 264,992                    |
| Construction & Inspections     | \$ 599,963              | 577,836            | 539,125            | 254                | 539,379             | 38,457                     |

(Continued)

**CITY OF LAREDO, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**Year Ended September 30, 2021**

|                               | <u>Budgeted Amounts</u> |              | <u>Actual</u> | <u>Adjustments</u> | <u>Actual<br/>Budget<br/>Basis</u> | <u>Variance<br/>Positive<br/>(Negative)</u> |
|-------------------------------|-------------------------|--------------|---------------|--------------------|------------------------------------|---|
|                               | <u>Original</u>         | <u>Final</u> |               |                    |                                    |   |
| General Government (cont.)    |                         |              |               |                    |                                    |   |
| 311 Program                   | \$ 396,756              | 396,756      | 334,434       | 3,797              | 338,231                            | 58,525                                      |
| Public Acces Center           | 522,427                 | 521,707      | 479,089       | 10,178             | 489,267                            | 32,440                                      |
| Center for Non-Profit         | 53,246                  | 53,246       | 44,773        | 3,850              | 48,623                             | 4,623                                       |
| Real Estate                   | 169,043                 | 189,043      | 178,953       | -                  | 178,953                            | 10,090                                      |
| Economic Development          | 376,330                 | 375,690      | 328,547       | 5,146              | 333,693                            | 41,997                                      |
| Public Safety                 |                         |              |               |                    |                                    |   |
| Police-Admin/Training/IA      | 5,516,587               | 5,451,564    | 5,472,811     | 7,399              | 5,480,210                          | (28,646)                                    |
| Records/Property              | 1,684,964               | 1,630,949    | 1,321,369     | 314                | 1,321,683                          | 309,266                                     |
| Autotheft Grant Match         | 904,842                 | 962,352      | 1,002,781     | 62,880             | 1,065,661                          | (103,309)                                   |
| Detective                     | 8,831,893               | 8,772,048    | 7,408,164     | 139,396            | 7,547,560                          | 1,224,488                                   |
| Narcotics/Pipeline/K-9        | 3,524,308               | 3,519,972    | 2,546,774     | 6,064              | 2,552,838                          | 967,134                                     |
| 911 Communications            | 2,779,963               | 2,778,959    | 2,174,704     | -                  | 2,174,704                          | 604,255                                     |
| Criminal Int. Acquisition     | 1,144,527               | 1,138,427    | 955,850       | 5,917              | 961,767                            | 176,660                                     |
| Patrols                       | 52,142,924              | 52,157,437   | 50,479,174    | 776,735            | 51,255,909                         | 901,528                                     |
| Fire-Administration           | 7,333,149               | 7,158,707    | 5,182,709     | 112,558            | 5,295,267                          | 1,863,440                                   |
| Fire - EMS Division           | 2,228,196               | 2,204,451    | 1,959,820     | 126,304            | 2,086,124                          | 118,327                                     |
| Fire - EMS Trauma (Webb Co.)  | 2,000                   | 2,000        | -             | -                  | -                                  | 2,000                                       |
| Fire Civilians                | 1,094,926               | 1,094,926    | 1,077,321     | 1,655              | 1,078,976                          | 15,950                                      |
| Fire - Prevention & Arson     | 1,699,421               | 1,702,028    | 1,531,112     | 3,994              | 1,535,106                          | 166,922                                     |
| Fire Airport                  | 1,324,661               | 1,335,216    | 1,318,656     | 9,150              | 1,327,806                          | 7,410                                       |
| Fire - Training (In House)    | 1,191,362               | 1,190,130    | 1,123,892     | 55,279             | 1,179,171                          | 10,959                                      |
| Fire Emergency Management     | 27,490                  | 27,440       | 22,567        | 1,079              | 23,646                             | 3,794                                       |
| Fire Suppression              | 42,814,599              | 43,237,073   | 41,063,898    | -                  | 41,063,898                         | 2,173,175                                   |
| Traffic                       | 3,061,236               | 3,061,236    | 1,989,212     | 132,162            | 2,121,374                          | 939,862                                     |
| Street Lighting               | 2,359,664               | 2,359,664    | 2,274,727     | 3,282              | 2,278,009                          | 81,655                                      |
| Public Works                  |                         |              |               |                    |                                    |   |
| Administration                | 928,934                 | 924,224      | 848,491       | 21,254             | 869,745                            | 54,479                                      |
| Street Maintenance            | 864,419                 | 839,413      | 683,749       | 3,044              | 686,793                            | 152,620                                     |
| Street Construction           | 3,128,531               | 2,956,174    | 2,048,799     | 11,561             | 2,060,360                          | 895,814                                     |
| Street Cleaning               | 1,534,347               | 1,534,347    | 1,138,476     | 4,470              | 1,142,946                          | 391,401                                     |
| Building Rehabilitation       | 914,074                 | 904,074      | 786,655       | 8,339              | 794,994                            | 109,080                                     |
| Warehouse                     | 170,099                 | 165,099      | 122,342       | 10,553             | 132,895                            | 32,204                                      |
| Special Construction Projects | 1,018,622               | 1,018,622    | 609,450       | -                  | 609,450                            | 409,172                                     |
| Cemetery                      | 617,044                 | 625,877      | 503,158       | 51,613             | 554,771                            | 71,106                                      |
| City Wide Projects            | 209,516                 | 147,927      | 131,153       | -                  | 131,153                            | 16,774                                      |
| Health and Welfare            |                         |              |               |                    |                                    |   |
| Third-Party Funding           | 372,203                 | 563,012      | 577,024       | 10,858             | 587,882                            | (24,870)                                    |
| Animal Care                   | 3,363,851               | 3,232,762    | 2,283,431     | 335,128            | 2,618,559                          | 614,203                                     |
| Non CDBG Code Enforcement     | 281,164                 | 326,164      | 259,998       | 2,089              | 262,087                            | 64,077                                      |
| COVID                         | 278,313                 | 1,479,270    | 5,551,373     | 86,571             | 5,637,944                          | (4,158,674)                                 |
| Cultural and Recreational     |                         |              |               |                    |                                    |   |
| Parks                         | 672,250                 | 809,239      | 799,650       | 11,105             | 810,755                            | (1,516)                                     |
| Maintenance                   | 7,755,196               | 7,613,974    | 6,547,932     | 539,442            | 7,087,374                          | 526,600                                     |
| Horticulture/Forestry         | 351,342                 | 309,842      | 222,276       | 53,408             | 275,684                            | 34,158                                      |
| Aquatics                      | 2,014,701               | 2,004,801    | 1,198,435     | 177,247            | 1,375,682                          | 629,119                                     |
| Recreation Centers            | 4,815,302               | 4,780,299    | 3,004,305     | 264,429            | 3,268,734                          | 1,511,565                                   |
| Library                       | 4,474,349               | 4,474,349    | 3,661,739     | 220,243            | 3,881,982                          | 592,367                                     |
| Other                         | \$ 11,027,036           | 16,118,565   | 11,748,615    | 756,325            | 12,504,940                         | 3,613,625                                   |
| Capital Outlay                | 175,000                 | 1,262,304    | 10,847,031    | 371,631            | 11,218,662                         | (9,956,358)                                 |

(Continued)

**CITY OF LAREDO, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**Year Ended September 30, 2021**

|   | <b>Budgeted Amounts</b> |                    |                    |                    | <b>Actual</b>       | <b>Variance</b>            |
|---|-------------------------|--------------------|--------------------|--------------------|---------------------|----------------------------|
|   | <b>Original</b>         | <b>Final</b>       | <b>Actual</b>      | <b>Adjustments</b> | <b>Budget Basis</b> | <b>Positive (Negative)</b> |
| Debt Service:                                     |                         |                    |                    |                    |                     |                            |
| Principal Retirement                              | \$ 19,402               | 394,445            | 688,752            | -                  | 688,752             | (294,307)                  |
| Interest and Fiscal Expenditures                  | 2,252                   | 65,346             | 66,822             | -                  | 66,822              | (1,476)                    |
| <b>TOTAL EXPENDITURES</b>                         | <b>207,799,907</b>      | <b>215,837,954</b> | <b>203,046,216</b> | <b>4,892,012</b>   | <b>207,938,228</b>  | <b>7,899,726</b>           |
| Excess (Deficiency) of Revenues Over Expenditures | (24,019,771)            | (25,840,591)       | 6,417,239          | (4,892,012)        | 1,525,227           | 27,365,818                 |
| <b>OTHER FINANCING SOURCES (USES):</b>            |                         |                    |                    |                    |                     |                            |
| Transfers In:                                     |                         |                    |                    |                    |                     |                            |
| Hotel Motel Fund                                  | 160,818                 | 160,818            | 112,717            | -                  | 112,717             | (48,101)                   |
| Capital Improvements Fund                         | 21,336,314              | 21,336,314         | 5,278,679          | -                  | 5,278,679           | (16,057,635)               |
| Covid 19 Economic Assistance                      | -                       | 1,200,000          | 1,200,000          | -                  | 1,200,000           | -                          |
| Solid Waste Fund                                  | 4,000,000               | 4,000,000          | -                  | -                  | -                   | (4,000,000)                |
| Waterworks System                                 | 50,000                  | 50,000             | -                  | -                  | -                   | (50,000)                   |
| Transfers Out:                                    |                         |                    |                    |                    |                     |                            |
| Auto Theft Task Force                             | (474,549)               | (474,549)          | (451,419)          | -                  | (451,419)           | 23,130                     |
| Health Fund                                       | (3,270,512)             | (3,270,512)        | (3,270,512)        | -                  | (3,270,512)         | -                          |
| Special Police Program                            | (872,949)               | (872,949)          | (872,949)          | -                  | (872,949)           | -                          |
| Special Fire Grants                               | -                       | (563,086)          | (563,085)          | -                  | (563,085)           | 1                          |
| Max Mandel Golf Course                            | (734,751)               | (734,751)          | (665,326)          | -                  | (665,326)           | 69,425                     |
| Sale of Assets                                    | 66,653                  | 66,653             | 155,832            | -                  | 155,832             | 89,179                     |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>       | <b>20,261,024</b>       | <b>20,897,938</b>  | <b>923,937</b>     | <b>-</b>           | <b>923,937</b>      | <b>(19,974,001)</b>        |
| Net Change in Fund Balance                        | (3,758,747)             | (4,942,653)        | 7,341,176          | (4,892,012)        | 2,449,164           | 7,391,817                  |
| Fund Balances at Beginning of Year                | 41,971,514              | 42,615,573         | 42,615,573         | (5,168)            | 42,610,405          | (5,168)                    |
| <b>FUND BALANCES AT END OF YEAR</b>               | <b>\$ 38,212,767</b>    | <b>37,672,920</b>  | <b>49,956,749</b>  | <b>(4,897,180)</b> | <b>45,059,569</b>   | <b>7,386,649</b>           |

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

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**CITY OF LAREDO, TEXAS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**September 30, 2021**

|  | <b>BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS</b> |                              |                         |
|--|--|------------------------------|-------------------------|
|  | <b>BRIDGE<br/>SYSTEM</b>                         | <b>WATERWORKS<br/>SYSTEM</b> | <b>SEWER<br/>SYSTEM</b> |
| <b>ASSETS</b>  |  |                              |                         |
| Current Assets:  |  |                              |                         |
| Cash and Cash Equivalents: (Note 4)                        |  |                              |                         |
| Cash   | \$ 24,150  | 2,400                        | 300                     |
| Equity in Investment Pool                                  | 48,995   | 306,249                      | 195,732                 |
| Investments (Note 5)                                       | 8,535,032  | 71,302,310                   | 49,166,828              |
| Receivable:  |  |                              |                         |
| Accrued Interest (Note 6)                                  | 18,072   | 112,773                      | 72,134                  |
| Accounts (Note 6)  | -  | 6,445,093                    | 5,566,091               |
| Notes (Note 6)   | -  | 953                          | 12,174                  |
| Prepaid Items  | -  | -                            | -                       |
| Due from Other Governments                                 | 238,495  | 7,722                        | -                       |
| Due from Other Funds                                       | -  | 2,014,834                    | 16,322                  |
| Inventory, at Cost   | -  | 2,247,351                    | 281,507                 |
| Total Current Assets                                       | 8,864,744  | 82,439,685                   | 55,311,088              |
| Noncurrent Assets:   |  |                              |                         |
| Restricted Assets:   |  |                              |                         |
| Investments (Note 5)                                       | 5,810,936  | 69,382,952                   | 104,850,473             |
| Accrued Interest Receivable (Note 6)                       | 9,769  | 102,131                      | 75,577                  |
| Notes Receivable (Note 6)                                  | -  | 35                           | -                       |
| Due from Other Funds                                       | -  | -                            | 3,905                   |
| Net Pension Assets   | -  | -                            | -                       |
| Total Restricted Assets (Note 7)                           | 5,820,705  | 69,485,118                   | 104,929,955             |
| Capital Assets: (Note 8)                                   |  |                              |                         |
| Transportation Vehicles and Equipment                      | 18,549,085                                       | 13,533,104                   | 16,849,490              |
| Buildings  | 33,435,915                                       | 189,017,980                  | 125,033,913             |
| Improvements   | 78,686,663                                       | 258,263,935                  | 178,874,259             |
| Land and Improvements                                      | 11,265,265                                       | 57,786,081                   | 10,035,393              |
| Land Easements   | -  | 4,315,993                    | 1,038,012               |
| Construction in Progress                                   | -  | 9,252,262                    | 9,258,173               |
| Less Accumulated Depreciation                              | (68,435,778)                                     | (194,339,000)                | (131,920,278)           |
| Total Capital Assets (net of<br>accumulated depreciation)  | 73,501,150                                       | 337,830,355                  | 209,168,962             |
| Other Assets:  |  |                              |                         |
| Unamortized Bond Issuance Costs                            | 85,125   | -                            | -                       |
| Total Noncurrent Assets                                    | 79,406,980                                       | 407,315,473                  | 314,098,917             |
| TOTAL ASSETS   | 88,271,724                                       | 489,755,158                  | 369,410,005             |
| Deferred Outflows of Resources                             | 1,455,676  | 13,751,975                   | 3,590,987               |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS<br/>OF RESOURCES</b> | <b>\$ 89,727,400</b>                             | <b>503,507,133</b>           | <b>373,000,992</b>      |

(Continued)

**BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS**

| <b>SOLID WASTE<br/>MANAGEMENT</b> | <b>OTHER<br/>ENTERPRISE FUNDS</b> | <b>TOTALS</b>        | <b>ADJUSTED<br/>TOTALS</b> | <b>INTERNAL SERVICE<br/>FUNDS</b> |
|-----------------------------------|-----------------------------------|----------------------|----------------------------|-----------------------------------|
| 3,250                             | 16,560                            | 46,660               | 46,660                     | 400                               |
| 136,372                           | 17,438                            | 704,786              | 704,786                    | 70,698                            |
| 37,921,381                        | 4,097,534                         | 171,023,085          | 171,023,085                | 16,200,518                        |
| 50,217                            | 6,555                             | 259,751              | 259,751                    | 25,914                            |
| 2,110,988                         | 17,335                            | 14,139,507           | 14,139,507                 | 18,048                            |
| -                                 | -                                 | 13,127               | 13,127                     | -                                 |
| -                                 | -                                 | -                    | -                          | 300,761                           |
| -                                 | 273,978                           | 520,195              | 520,195                    | -                                 |
| 269,328                           | -                                 | 2,300,484            | 9,881,747                  | -                                 |
| 571                               | 273,620                           | 2,803,049            | 2,803,049                  | 953,520                           |
| 40,492,107                        | 4,703,020                         | 191,810,644          | 199,391,907                | 17,569,859                        |
| 10,881,867                        | 1,022,715                         | 191,948,943          | 191,948,943                | -                                 |
| 44,362                            | 110                               | 231,949              | 231,949                    | -                                 |
| -                                 | -                                 | 35                   | 35                         | -                                 |
| 416,268                           | -                                 | 420,173              | 420,173                    | -                                 |
| -                                 | 1,326,670                         | 1,326,670            | 1,326,670                  | -                                 |
| 11,342,497                        | 2,349,495                         | 193,927,770          | 193,927,770                | -                                 |
| 38,875,055                        | 22,916,567                        | 110,723,301          | 110,723,301                | 21,461,376                        |
| 1,443,271                         | 18,229,643                        | 367,160,722          | 367,160,722                | 447,264                           |
| 13,240,073                        | 11,051,159                        | 540,116,089          | 540,116,089                | 208,017                           |
| 24,625,638                        | 9,905,673                         | 113,618,050          | 113,618,050                | -                                 |
| -                                 | -                                 | 5,354,005            | 5,354,005                  | -                                 |
| -                                 | 2,933,273                         | 21,443,708           | 21,443,708                 | -                                 |
| (30,650,861)                      | (35,426,131)                      | (460,772,048)        | (460,772,048)              | (18,651,687)                      |
| 47,533,176                        | 29,610,184                        | 697,643,827          | 697,643,827                | 3,464,970                         |
| -                                 | -                                 | 85,125               | 85,125                     | -                                 |
| 58,875,673                        | 31,959,679                        | 891,656,722          | 891,656,722                | 3,464,970                         |
| 99,367,780                        | 36,662,699                        | 1,083,467,366        | 1,091,048,629              | 21,034,829                        |
| 1,197,159                         | 1,259,609                         | 21,255,406           | 21,255,406                 | -                                 |
| <b>100,564,939</b>                | <b>37,922,308</b>                 | <b>1,104,722,772</b> | <b>1,112,304,035</b>       | <b>21,034,829</b>                 |

(Continued)

**CITY OF LAREDO, TEXAS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**September 30, 2021**

(Continued)

|  | <b>BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS</b> |                              |                         |
|--|--|------------------------------|-------------------------|
|  | <b>BRIDGE<br/>SYSTEM</b>                         | <b>WATERWORKS<br/>SYSTEM</b> | <b>SEWER<br/>SYSTEM</b> |
| <b>LIABILITIES</b>   |  |                              |                         |
| Current Liabilities:   |  |                              |                         |
| Accounts Payable   | \$ 438,912                                       | 1,844,974                    | 570,555                 |
| Retainage Payable  | -  | 456,811                      | 256,457                 |
| Contracts Payable  | -  | 524,845                      | 57,438                  |
| Due to Other Funds (Note 13)                                   | -  | 2,014,834                    | 20,227                  |
| Accrued Interest   | -  | 970,225                      | 512,961                 |
| Accrued Wages & Employee Benefits                              | 273,323  | 403,496                      | 222,794                 |
| Claims and Judgments Payable                                   | -  | -                            | -                       |
| Compensated Absences   | 212,089  | 196,734                      | 107,279                 |
| Capital Lease Obligation                                       | 3,169  | 4,269                        | 1,503                   |
| Customer Deposits  | 8,000  | 6,442,800                    | -                       |
| Unearned Revenue   | 1,652,768  | 1,561,646                    | 29,131                  |
| General Obligation Bonds (Note 12)                             | -  | 2,666,357                    | 1,096,747               |
| Certificates of Obligation (Note 12)                           | -  | 1,161,929                    | 318,071                 |
| Revenue Bonds Payable (Note 12)                                | 5,050,000  | 5,929,173                    | 6,754,826               |
| Notes Payable (Note 12)  | -  | 137,041                      | -                       |
| Total Current Liabilities                                      | 7,638,261  | 24,315,134                   | 9,947,989               |
| Noncurrent Liabilities:  |  |                              |                         |
| General Obligation Bonds (Note 12)                             | -  | 57,592,358                   | 14,244,256              |
| Certificates of Obligation (Note 12)                           | -  | 3,332,552                    | 1,153,403               |
| Revenue Bonds Payable (Note 12)                                | 22,474,628                                       | 218,648,448                  | 214,920,583             |
| Notes Payable (Note 12)  | -  | 1,278,124                    | -                       |
| Capital Lease Obligations                                      | 4,727  | 6,368                        | 2,242                   |
| Closure and Postclosure Cost (Note 12)                         | -  | -                            | -                       |
| Net Pension Liability  | 10,993,445                                       | 13,903,870                   | 5,400,705               |
| Compensated Absences   | 465,289  | 384,386                      | 228,057                 |
| Total Noncurrent Liabilities                                   | 33,938,089                                       | 295,146,106                  | 235,949,246             |
| <b>TOTAL LIABILITIES</b>                                       | <b>41,576,350</b>                                | <b>319,461,240</b>           | <b>245,897,235</b>      |
| Deferred Inflows of Resources                                  | 130,627  | 197,264                      | 102,514                 |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>41,706,977</b>                                | <b>319,658,504</b>           | <b>245,999,749</b>      |
| <b>NET POSITION</b>  |  |                              |                         |
| Net Investment in Capital Assets                               | 46,784,693                                       | 130,042,783                  | 82,687,536              |
| Restricted for Debt Service                                    | 2,814,892  | 14,457,982                   | 14,098,428              |
| Restricted for Improvements                                    | -  | 23,378,317                   | 13,917,365              |
| Unrestricted (Deficit)   | (1,579,162)                                      | 15,969,547                   | 16,297,914              |
| <b>TOTAL NET POSITION</b>                                      | <b>\$ 48,020,423</b>                             | <b>183,848,629</b>           | <b>127,001,243</b>      |

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)

| <b>BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS</b> |                                   |                       |                                   |
|--|-----------------------------------|-----------------------|-----------------------------------|
| <b>SOLID WASTE<br/>MANAGEMENT</b>                | <b>OTHER<br/>ENTERPRISE FUNDS</b> | <b>TOTALS</b>         | <b>INTERNAL SERVICE<br/>FUNDS</b> |
| 1,939,678  | 867,512                           | 5,661,631             | 1,321,768                         |
| -  | 28,034                            | 741,302               | -                                 |
| -  | -                                 | 582,283               | -                                 |
| 685,596  | -                                 | 2,720,657             | 1,202,955                         |
| 140,434  | 14,212                            | 1,637,832             | -                                 |
| 294,175  | 426,211                           | 1,619,999             | 233,418                           |
| -  | -                                 | -                     | 6,009,257                         |
| 188,360  | 191,483                           | 895,945               | 138,394                           |
| 1,503  | 2,586                             | 13,030                | 2,587                             |
| -  | 122,230                           | 6,573,030             | -                                 |
| 1,815  | 16,708                            | 3,262,068             | -                                 |
| 819,293  | 436,313                           | 5,018,710             | -                                 |
| 3,680,764  | 145,000                           | 5,305,764             | -                                 |
| -  | -                                 | 17,733,999            | -                                 |
| -  | -                                 | 137,041               | -                                 |
| <b>7,751,618</b>                                 | <b>2,250,289</b>                  | <b>51,903,291</b>     | <b>8,908,379</b>                  |
| 5,742,551  | 964,300                           | 78,543,465            | -                                 |
| 34,622,949                                       | 2,047,503                         | 41,156,407            | -                                 |
| -  | -                                 | 456,043,659           | -                                 |
| -  | -                                 | 1,278,124             | -                                 |
| 2,242  | 3,858                             | 19,437                | 3,857                             |
| 13,466,123                                       | -                                 | 13,466,123            | -                                 |
| 8,397,451  | 766,762                           | 39,462,233            | -                                 |
| 451,585  | 155,307                           | 1,684,624             | 317,299                           |
| <b>62,682,901</b>                                | <b>3,937,730</b>                  | <b>631,654,072</b>    | <b>321,156</b>                    |
| <b>70,434,519</b>                                | <b>6,188,019</b>                  | <b>683,557,363</b>    | <b>9,229,535</b>                  |
| <b>146,272</b>                                   | <b>1,941,656</b>                  | <b>2,518,333</b>      | <b>-</b>                          |
| <b>70,580,791</b>                                | <b>8,129,675</b>                  | <b>686,075,696</b>    | <b>9,229,535</b>                  |
| 7,548,485  | 27,142,658                        | 294,206,155           | 3,459,774                         |
| -  | -                                 | 31,371,302            | -                                 |
| -  | -                                 | 37,295,682            | -                                 |
| 22,435,663                                       | 2,649,975                         | 55,773,937            | 8,345,520                         |
| <b>29,984,148</b>                                | <b>29,792,633</b>                 | <b>418,647,076</b>    | <b>11,805,294</b>                 |
|  |                                   | <b>7,581,263</b>      |                                   |
|  |                                   | <b>\$ 426,228,339</b> |                                   |

**CITY OF LAREDO, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**Year ended September 30, 2021**

|  | <b>BUSINESS TYPE ACTIVITIES-<br/>ENTERPRISE FUNDS</b> |                              |                         |
|--|---|------------------------------|-------------------------|
|  | <b>BRIDGE<br/>SYSTEM</b>                              | <b>WATERWORKS<br/>SYSTEM</b> | <b>SEWER<br/>SYSTEM</b> |
| <b>OPERATING REVENUES:</b>                     |   |                              |                         |
| Charges for Services                           | \$ -  | 47,868,810                   | 39,402,732              |
| Rental of Facilities                           | 185,122   | -                            | -                       |
| Toll Receipts                                  | 64,933,554  | -                            | -                       |
| Miscellaneous                                  | 866,442   | 5,896,340                    | 313                     |
| <b>TOTAL OPERATING REVENUES</b>                | <b>65,985,118</b>                                     | <b>53,765,150</b>            | <b>39,403,045</b>       |
| <b>OPERATING EXPENSES:</b>                     |   |                              |                         |
| Costs of Services                              | -   | -                            | -                       |
| Personnel Services                             | 7,306,392   | 10,166,457                   | 5,164,181               |
| Materials and Supplies                         | 645,904   | 4,941,915                    | 1,749,138               |
| Contractual Services                           | 38,820,656  | 10,594,461                   | 12,906,740              |
| Other  | (802)   | 2,163,365                    | 596,383                 |
| Debt Service                                   | -   | -                            | -                       |
| Total Operating Expenses Before Depreciation   | 46,772,150  | 27,866,198                   | 20,416,442              |
| Depreciation Expense (Note 8)                  | 3,056,705   | 11,799,721                   | 9,060,264               |
| <b>TOTAL OPERATING EXPENSES</b>                | <b>49,828,855</b>                                     | <b>39,665,919</b>            | <b>29,476,706</b>       |
| Operating Income (Loss)                        | 16,156,263  | 14,099,231                   | 9,926,339               |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>      |   |                              |                         |
| Intergovernmental                              | -   | 7,722                        | -                       |
| Sales Tax                                      | -   | -                            | -                       |
| Interest Earnings                              | 92,830  | 285,655                      | 204,281                 |
| Interest Earnings - Restricted                 | 40,356  | 358,158                      | 211,999                 |
| Discount Earnings                              | -   | 22,773                       | 10,194                  |
| Miscellaneous                                  | -   | 5,469,542                    | 746,529                 |
| Closure/Post Closure                           | -   | -                            | -                       |
| Water Availability Fees                        | -   | 2,800,224                    | -                       |
| Gain (Loss) on Sale of Assets                  | 47  | 11,651                       | -                       |
| Operating Grant                                | 194   | -                            | -                       |
| Capital Grant                                  | 591,171   | -                            | -                       |
| Interest Expense                               | (1,311,587)   | (10,309,102)                 | (5,816,241)             |
| Gain (Loss) on Advance Refunding               | (183,129)   | (814,270)                    | (266,618)               |
| Water Rights Acq./Water Conservation           | -   | (19,741)                     | -                       |
| Other Non-Operating Expenses                   | -   | (4,516,881)                  | (541,199)               |
| Fiscal Agent Fees                              | (5,900)   | (8,475)                      | (8,500)                 |
| Bond Issuance Cost/Premiums Amortized          | 393,128   | 727,901                      | 309,149                 |
| Other Non- Operating Expenses                  | -   | -                            | -                       |
| State Operating Grant                          | -   | -                            | -                       |
| Construction                                   | (1,615,839)   | -                            | -                       |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b> | <b>(1,998,729)</b>                                    | <b>(5,984,843)</b>           | <b>(5,150,406)</b>      |
|  |   |                              | (Continued)             |

**BUSINESS TYPE ACTIVITIES-  
ENTERPRISE FUNDS**

| <b>SOLID WASTE<br/>MANAGEMENT</b> | <b>OTHER<br/>ENTERPRISE FUNDS</b> | <b>TOTALS</b>      | <b>INTERNAL SERVICE<br/>FUNDS</b> |
|-----------------------------------|-----------------------------------|--------------------|-----------------------------------|
| 27,872,060                        | 1,620,483                         | 116,764,085        | 55,967,293                        |
| 83,711                            | 2,049,075                         | 2,317,908          | -                                 |
| -                                 | 13,200                            | 64,946,754         | -                                 |
| -                                 | 547,302                           | 7,310,397          | 5,620,288                         |
| <b>27,955,771</b>                 | <b>4,230,060</b>                  | <b>191,339,144</b> | <b>61,587,581</b>                 |
| -                                 | -                                 | -                  | 50,508,628                        |
| 7,918,296                         | 11,782,492                        | 42,337,818         | 6,445,926                         |
| 2,082,505                         | 2,200,198                         | 11,619,660         | 418,215                           |
| 7,730,890                         | 4,369,564                         | 74,422,311         | 5,001,226                         |
| 359,822                           | 93,954                            | 3,212,722          | -                                 |
| -                                 | 25                                | 25                 | -                                 |
| 18,091,513                        | 18,446,233                        | 131,592,536        | 62,373,995                        |
| 4,664,542                         | 2,360,623                         | 30,941,855         | 768,692                           |
| <b>22,756,055</b>                 | <b>20,806,856</b>                 | <b>162,534,391</b> | <b>63,142,687</b>                 |
| 5,199,716                         | (16,576,796)                      | 28,804,753         | (1,555,106)                       |
| -                                 | 2,475,712                         | 2,483,434          | -                                 |
| -                                 | 9,134,586                         | 9,134,586          | -                                 |
| 138,101                           | 38,115                            | 758,982            | 79,644                            |
| 75,727                            | 3,745                             | 689,985            | -                                 |
| 14,238                            | 211                               | 47,416             | 1,038                             |
| -                                 | 843                               | 6,216,914          | -                                 |
| (642,007)                         | -                                 | (642,007)          | -                                 |
| -                                 | -                                 | 2,800,224          | -                                 |
| 6,954                             | (8,344)                           | 10,308             | 96,906                            |
| -                                 | -                                 | 194                | -                                 |
| -                                 | -                                 | 591,171            | -                                 |
| (1,288,997)                       | (142,540)                         | (18,868,467)       | (16,614)                          |
| (100,568)                         | (47,742)                          | (1,412,327)        | -                                 |
| -                                 | -                                 | (19,741)           | -                                 |
| -                                 | -                                 | (5,058,080)        | -                                 |
| (4,192)                           | (292)                             | (27,359)           | -                                 |
| 335,745                           | 40,698                            | 1,806,621          | -                                 |
| (383)                             | (113,265)                         | (113,648)          | -                                 |
| -                                 | 780,506                           | 780,506            | -                                 |
| -                                 | -                                 | (1,615,839)        | -                                 |
| <b>(1,465,382)</b>                | <b>12,162,233</b>                 | <b>(2,437,127)</b> | <b>160,974</b>                    |

(Continued)

**CITY OF LAREDO, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**Year ended September 30, 2021**

(Continued)

|   | <b>BUSINESS TYPE ACTIVITIES-<br/>ENTERPRISE FUNDS</b> |                              |                         |
|---|---|------------------------------|-------------------------|
|   | <b>BRIDGE<br/>SYSTEM</b>                              | <b>WATERWORKS<br/>SYSTEM</b> | <b>SEWER<br/>SYSTEM</b> |
| Income Before Contributions and Transfers | 14,157,534  | 8,114,388                    | 4,775,933               |
| Capital Contributions-Grants              | -   | -                            | -                       |
| Capital Contributions-Developers          | -   | 5,531,748                    | 3,811,933               |
| Transfers In                              | -   | 1,768,873                    | -                       |
| Transfers Out                             | (14,616,711)  | -                            | -                       |
| Change in Net Position                    | (459,177)   | 15,415,009                   | 8,587,866               |
| Total Net Position-Beginning              | 48,479,600  | 168,433,620                  | 118,413,377             |
| <b>Total Net Position-Ending</b>          | <b>\$ 48,020,423</b>                                  | <b>183,848,629</b>           | <b>127,001,243</b>      |

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**

| <b>SOLID WASTE<br/>MANAGEMENT</b> | <b>OTHER<br/>ENTERPRISE FUNDS</b> | <b>TOTALS</b>        | <b>INTERNAL SERVICE<br/>FUNDS</b> |
|-----------------------------------|-----------------------------------|----------------------|-----------------------------------|
| 3,734,334                         | (4,414,563)                       | 26,367,626           | (1,394,132)                       |
| -                                 | 859,124                           | 859,124              | -                                 |
| -                                 | -                                 | 9,343,681            | -                                 |
| 448,647                           | -                                 | 2,217,520            | -                                 |
| -                                 | (28,482)                          | (14,645,193)         | -                                 |
| 4,182,981                         | (3,583,921)                       | 24,142,758           | (1,394,132)                       |
| 25,801,167                        | 33,376,554                        |                      | 13,199,426                        |
| <b>29,984,148</b>                 | <b>29,792,633</b>                 |                      | <b>11,805,294</b>                 |
|                                   |                                   | (452,473)            |                                   |
|                                   |                                   | <b>\$ 23,690,285</b> |                                   |



**CITY OF LAREDO, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**Year ended September 30, 2021**

|  | <b>BUSINESS-TYPE ACTIVITIES-<br/>ENTERPRISE FUNDS</b> |                              |                         |
|--|---|------------------------------|-------------------------|
|  | <b>BRIDGE<br/>SYSTEM</b>                              | <b>WATERWORKS<br/>SYSTEM</b> | <b>SEWER<br/>SYSTEM</b> |
| <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>  |   |                              |                         |
| Receipts from customers and users  | \$ 66,290,756   | 53,283,717                   | 38,808,949              |
| Receipts from interfund services provided  | -   | 921,997                      | 762,683                 |
| Payments to suppliers  | (2,670,349)   | (12,957,546)                 | (12,039,795)            |
| Payments to employees  | (8,465,352)   | (12,029,903)                 | (6,058,938)             |
| Payments for interfund services used   | (36,547,025)  | (4,351,763)                  | (3,361,605)             |
| <b>Net cash provided (used) by operating activities</b>                            | <b>18,608,030</b>                                     | <b>24,866,502</b>            | <b>18,111,294</b>       |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>                            |   |                              |                         |
| Transfer to other funds  | (14,616,711)  | (23,639,817)                 | (16,399,572)            |
| Transfer from other funds  | -   | 25,408,690                   | 16,399,572              |
| Advances from other funds  | -   | -                            | -                       |
| Subsidy from federal and state grants  | 352,870   | 368,524                      | -                       |
| Sales Tax  | -   | -                            | -                       |
| <b>Net cash provided (used) by noncapital<br/>and related financing activities</b> | <b>(14,263,841)</b>                                   | <b>2,137,397</b>             | <b>-</b>                |
| <b>CASH FLOWS FROM CAPITAL AND<br/>RELATED FINANCING ACTIVITIES:</b>               |   |                              |                         |
| Proceeds from capital debt   | (4,833,036)   | 72,136,906                   | 38,359,547              |
| Subsidy from federal and state grants  | -   | -                            | -                       |
| Purchase of capital assets   | -   | (8,043,610)                  | -                       |
| Acquisition and construction of capital assets                                     | (1,795,139)   | -                            | (9,471,712)             |
| Principal paid on capital debt   | -   | (39,317,261)                 | (23,473,249)            |
| Interest paid on capital debt  | (1,317,487)   | (10,258,563)                 | (5,790,053)             |
| Proceeds from sales of capital assets  | 47  | -                            | -                       |
| <b>Net cash provided (used) by capital<br/>and related financing activities</b>    | <b>(7,945,615)</b>                                    | <b>14,517,472</b>            | <b>(375,467)</b>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                       |   |                              |                         |
| Proceeds from sales and maturities of investments                                  | 3,259,984   | (42,942,495)                 | (18,744,498)            |
| Interest and dividends received  | 329,038   | 1,467,738                    | 1,023,314               |
| Issuance of Notes Receivable   | -   | (64)                         | (10,825)                |
| <b>Net cash provided (used) by investing activities</b>                            | <b>3,589,022</b>                                      | <b>(41,474,821)</b>          | <b>(17,732,009)</b>     |
| <b>Net increase (decrease) in cash<br/>and cash equivalents</b>                    | <b>(12,404)</b>                                       | <b>46,550</b>                | <b>3,818</b>            |
| <b>Cash and cash equivalents, October 1</b>  | <b>85,549</b>   | <b>262,099</b>               | <b>192,214</b>          |
| <b>Cash and cash equivalents, September 30</b>                                     | <b>\$ 73,145</b>                                      | <b>308,649</b>               | <b>196,032</b>          |

(Continued)

**BUSINESS-TYPE ACTIVITIES-  
ENTERPRISE FUNDS**

| <b>SOLID WASTE<br/>MANAGEMENT</b> | <b>OTHER<br/>ENTERPRISE FUNDS</b> | <b>TOTALS</b>       | <b>INTERNAL SERVICE<br/>FUNDS</b> |
|-----------------------------------|-----------------------------------|---------------------|-----------------------------------|
| 27,400,983                        | 3,839,955                         | 189,624,360         | 6,463,748                         |
| 397,522                           | 399,031                           | 2,481,233           | 55,119,754                        |
| (4,256,798)                       | (5,808,800)                       | (37,733,288)        | (53,591,600)                      |
| (9,133,132)                       | (12,497,484)                      | (48,184,809)        | (6,377,889)                       |
| (4,899,616)                       | (492,534)                         | (49,652,543)        | (1,524,408)                       |
| <b>9,508,959</b>                  | <b>(14,559,832)</b>               | <b>56,534,953</b>   | <b>89,605</b>                     |
| (17,356,789)                      | (10,633,234)                      | (82,646,123)        | -                                 |
| 17,805,436                        | 10,604,752                        | 70,218,450          | -                                 |
| -                                 | -                                 | -                   | 655,077                           |
| -                                 | 6,009,773                         | 6,731,167           | -                                 |
| -                                 | 9,134,586                         | 9,134,586           | -                                 |
| <b>448,647</b>                    | <b>15,115,877</b>                 | <b>3,438,080</b>    | <b>655,077</b>                    |
| 19,096,309                        | 917,247                           | 125,676,973         | (480)                             |
| -                                 | 859,124                           | 859,124             | -                                 |
| -                                 | (12,399)                          | (8,056,009)         | (433,373)                         |
| (27,355,873)                      | (2,147,447)                       | (40,770,171)        | -                                 |
| (6,637,176)                       | (1,938,096)                       | (71,365,782)        | (820,022)                         |
| (1,324,930)                       | (150,096)                         | (18,841,129)        | (16,614)                          |
| 6,954                             | -                                 | 7,001               | 391                               |
| <b>(16,214,716)</b>               | <b>(2,471,667)</b>                | <b>(12,489,993)</b> | <b>(1,270,098)</b>                |
| 5,495,943                         | 1,810,843                         | (51,120,223)        | 279,171                           |
| 768,218                           | 90,743                            | 3,679,051           | 241,535                           |
| -                                 | -                                 | (10,889)            | -                                 |
| <b>6,264,161</b>                  | <b>1,901,586</b>                  | <b>(47,452,061)</b> | <b>520,706</b>                    |
| <b>7,051</b>                      | <b>(14,036)</b>                   | <b>30,979</b>       | <b>(4,710)</b>                    |
| 132,571                           | 48,034                            | 720,467             | <b>75,808</b>                     |
| <b>139,622</b>                    | <b>33,998</b>                     | <b>751,446</b>      | <b>71,098</b>                     |

(Continued)

**CITY OF LAREDO, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**Year ended September 30, 2021**

(Continued)

|  | <b>BUSINESS-TYPE ACTIVITIES-<br/>ENTERPRISE FUNDS</b> |                              |                         |
|--|---|------------------------------|-------------------------|
|  | <b>BRIDGE<br/>SYSTEM</b>                              | <b>WATERWORKS<br/>SYSTEM</b> | <b>SEWER<br/>SYSTEM</b> |
| <b>Reconciliation of operating income to<br/>net cash provided (used) by operating<br/>activities:</b> |   |                              |                         |
| Operating income   | \$ 16,156,263   | 14,099,231                   | 9,926,339               |
| Adjustments to reconcile operating<br>income to net cash provided (used)<br>by operating activities:   |   |                              |                         |
| Depreciation expense   | 3,056,705   | 11,799,721                   | 9,060,264               |
| (Increase) decrease in accounts receivable   | -   | (875,659)                    | (431,608)               |
| Increase (decrease) in allowance for uncollectible accounts  | -   | 946,752                      | 589,371                 |
| (Increase) decrease in inventories   | -   | (160,397)                    | (96,594)                |
| Increase (decrease) in customer deposits   | -   | 262,657                      | -                       |
| Increase (decrease) in accounts payable  | 248,384   | 550,829                      | (52,545)                |
| Increase (decrease) in retainage payable   | -   | -                            | -                       |
| Increase (decrease) in unearned revenues   | 305,638   | 106,814                      | 10,824                  |
| Increase (decrease) in compensated absences payable  | 15,510  | (64,659)                     | (5,671)                 |
| Increase (decrease) in deferred outflows-pension   | 129,421   | 211,186                      | 73,380                  |
| Increase (decrease) in deferred inflows-pension  | (1,054,076)   | (1,616,046)                  | (783,795)               |
| Increase (decrease) in net pension liability   | (302,350)   | (456,588)                    | (237,279)               |
| Increase (decrease) in accrued wages and employee benefits   | 52,535  | 62,661                       | 58,608                  |
| Increase (decrease) in claims & judgements payables  | -   | -                            | -                       |
| Total adjustments  | 2,451,767   | 10,767,271                   | 8,184,955               |
| <b>Net cash provided (used) by operating activities</b>  | <b>\$ 18,608,030</b>                                  | <b>24,866,502</b>            | <b>18,111,294</b>       |
| <b>Noncash investing, capital, and financing<br/>activities:</b>                                       |   |                              |                         |
| Bond issuance cost amortized   | (393,128)   | 1,460,735                    | 691,905                 |
| Contributions of capital assets from developers & others   | -   | 5,531,748                    | 381,193                 |
| Current landfill closure and postclosure cost  | -   | -                            | -                       |
| Sale of assets   | -   | -                            | -                       |
| Loss on advance refunding  | 183,129   | 964,822                      | 555,739                 |
| Increase (Decrease) in accrued interest payable  | -   | (50,539)                     | (26,188)                |

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

(Continued)

| BUSINESS-TYPE ACTIVITIES-<br>ENTERPRISE FUNDS |                           |                   |                           |
|---|---------------------------|-------------------|---------------------------|
| SOLID WASTE<br>MANAGEMENT                     | OTHER<br>ENTERPRISE FUNDS | TOTALS            | INTERNAL SERVICE<br>FUNDS |
| 5,199,716                                     | (16,576,796)              | 28,804,753        | (1,555,106)               |
| 4,664,542                                     | 2,360,623                 | 30,941,855        | 768,692                   |
| (519,669)                                     | (6,916)                   | (1,833,852)       | (4,077)                   |
| 361,893                                       | 5,905                     | 1,903,921         | -                         |
| (309)   | (33,772)                  | (291,072)         | (131,675)                 |
| -   | 10,161                    | 272,818           | -                         |
| 1,017,112                                     | 368,420                   | 2,132,200         | (81,309)                  |
| -   | 28,034                    | 28,034            | -                         |
| 510   | (226)                     | 423,560           | -                         |
| 38,763  | (6,855)                   | (22,912)          | 576                       |
| 83,633  | 13,188                    | 510,808           | -                         |
| (1,085,902)                                   | 1,342,080                 | (3,197,739)       | -                         |
| (338,561)                                     | (2,156,007)               | (3,490,785)       | -                         |
| 87,231  | 92,329                    | 353,364           | 67,460                    |
| -   | -                         | -                 | 1,025,044                 |
| 4,309,243                                     | 2,016,964                 | 27,730,200        | 1,644,711                 |
| <b>9,508,959</b>                              | <b>(14,559,832)</b>       | <b>56,534,953</b> | <b>89,605</b>             |
| 574,558                                       | -                         | 2,334,070         | -                         |
| -   | -                         | 5,912,941         | -                         |
| (642,007)                                     | -                         | (642,007)         | -                         |
| -   | -                         | -                 | 32,142                    |
| (18,474)                                      | -                         | 1,685,216         | -                         |
| (317,239)                                     | -                         | (393,966)         | -                         |

**CITY OF LAREDO, TEXAS  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2021**

|   | <b>LAREDO<br/>FIREFIGHTERS<br/>RETIREMENT<br/>SYSTEM<br/>PENSION<br/>TRUST FUND</b> | <b>AGENCY<br/>FUNDS</b> |
|---|---|-------------------------|
| <b>ASSETS</b>   |   |                         |
| Cash and Cash Equivalents (Note 4)                    | \$ 396,622  | -                       |
| Equity in Investment Pool (Note 4)                    | -   | 13,168                  |
| Accrued Interest Receivable (Note 6)                  | 29,006  | 4,770                   |
| Investments, at Fair Value (Note 5)                   | -   | 2,982,337               |
| Investment with Fiscal Agent, at Fair Value (Note 5): |   |                         |
| Money Market Funds                                    | 1,012,544   | -                       |
| Private Equity  | 4,744,130   | -                       |
| Domestic Corporate Bonds                              | 33,089,835  | -                       |
| Domestic Stocks                                       | 94,282,390  | -                       |
| Foreign Stocks  | 78,242,041  | -                       |
| Accounts Receivable (Note 6)                          | -   | 2,813                   |
| <b>TOTAL ASSETS</b>                                   | <b>211,796,568</b>  | <b>3,003,088</b>        |
| <b>LIABILITIES</b>                                    |   |                         |
| Accounts Payable                                      | 112,747   | 3,003,088               |
| Accrued Wages and Employee Benefits                   | 2,679   | -                       |
| <b>TOTAL LIABILITIES</b>                              | <b>115,426</b>  | <b>3,003,088</b>        |
| <b>NET POSITION RESTRICTED FOR PENSIONS</b>           | <b>\$ 211,681,142</b>   | <b>-</b>                |

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, 2021**

|   | <b>PENSION<br/>(AND OTHER<br/>EMPLOYEE<br/>BENEFIT)<br/>TRUST FUNDS</b> |
|---|---|
| <b>ADDITIONS:</b>   |   |
| Contributions:  |   |
| Employer Contributions                                      | \$ 10,593,668   |
| Plan Members  | 6,256,710   |
| Other Contributions   | 5,545   |
|   | <hr/>   |
| Total Contributions   | 16,855,923  |
|   | <hr/>   |
| Investment Earnings:  |   |
| Interest Earnings and Dividends                             | 2,506,408   |
| Net Increase (decrease) in the Fair<br>Value of Investments | 41,857,887  |
|   | <hr/>   |
| Total Investment Earnings                                   | 44,364,295  |
| Less: Investment Expense                                    | (450,898)   |
|   | <hr/>   |
| Net Investment Earnings                                     | 43,913,397  |
|   | <hr/>   |
| <b>TOTAL ADDITIONS</b>                                      | <b>60,769,320</b>   |
|   | <hr/>   |
| <b>DEDUCTIONS:</b>  |   |
| Benefits  | 16,275,725  |
| Administrative Expenses                                     | 483,037   |
|   | <hr/>   |
| <b>TOTAL DEDUCTIONS</b>                                     | <b>16,758,762</b>   |
|   | <hr/>   |
| Change in Net Position                                      | 44,010,558  |
| Net Position - Beginning                                    | 167,670,584   |
|   | <hr/>   |
| <b>NET POSITION - ENDING</b>                                | <b>\$ 211,681,142</b>   |
|   | <hr/> <hr/>   |

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, 2021

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**CITY OF LAREDO, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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 24 bus routes. The fixed route bus service has a total of 37 buses operating during a regular weekday, 30 buses on a Saturday and 18 buses on Sunday. The Laredo Transit Management, Inc. bus fleet consists of 49 buses and 1 rubber-tire trolley. The El Lift program has a total fleet of 17 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.

America Rescue Act is an economic stimulus bill created to alleviate the ongoing recession due to COVID-19 pandemic.

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 77,802 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 72,125 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 assets that applies to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. Deferred outflows



CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

of resources represent a consumption of net assets 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<br>Activities | Business Type<br>Activities | Total                 |
|--|----------------------------|-----------------------------|-----------------------|
| Deferred Outflows of Resources                   |                            |                             |                       |
| Deferred outflows from pension activities        |                            |                             |                       |
| Difference in expected & actual earnings         | \$ 8,788,826               | \$ 557,948                  | \$ 9,346,774          |
| Difference in projected & actual earnings        | 8,780,755                  | 503,476                     | 9,284,231             |
| Contributions after measurement date             | 24,549,306                 | 2,879,827                   | 27,429,133            |
| Change in assumptions                            | 12,825,000                 | -                           | 12,825,000            |
| Change in assumptions - OPEB                     | 63,086,212                 | -                           | 63,086,212            |
| Unamortized advance refunding loss from bonds    | 2,235,477                  | 17,314,155                  | 19,549,632            |
| Total Deferred Outflows of Resources             | <u>\$ 120,265,576</u>      | <u>\$ 21,255,406</u>        | <u>\$ 141,520,982</u> |
| Deferred Inflows of Resources                    |                            |                             |                       |
| Deferred inflows from pension activities         |                            |                             |                       |
| Difference in expected and actual experience     | \$ 4,352,154               | \$ 160,776                  | \$ 4,512,930          |
| Change in assumptions                            | 3,013,824                  | 267,475                     | 3,281,299             |
| Difference in projected earnings                 | 3,247,474                  | 2,090,082                   | 5,337,556             |
| Difference in projected & actual earnings - OPEB | 66,279,727                 | -                           | 66,279,727            |
| Change in assumptions-OPEB                       | 11,692,473                 | -                           | 11,692,473            |
| Unamortized deferred gain on refunding bonds     | 1,601,127                  | -                           | 1,601,127             |
| Unearned Revenues                                | 1,300,564                  | -                           | 1,300,564             |
| Total Deferred Inflows of Resources              | <u>\$ 91,487,343</u>       | <u>\$ 2,518,333</u>         | <u>\$ 94,005,676</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 \$718,197,443 difference are as follows:

|  |                              |
|--|------------------------------|
| Bonds, notes payable, and capital leases   | \$ 272,205,233               |
| Accrued interest   | 1,168,449                    |
| Compensated absences   | 25,362,861                   |
| Elimination of Interfund activity  | 0                            |
| Net Pension Liability  | 212,883,940                  |
| Net Pension Obligations-OPEB   | <u>206,576,960</u>           |
| Net adjustment to reduce <i>fund balance-total governmental funds</i> to arrive at <i>net position-governmental activities</i> | \$ <u><u>718,197,443</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 \$(39,176,267) difference are as follows:

|  |                               |
|--|-------------------------------|
| Debt issued:   |                               |
| Bond & Capital lease proceeds  | \$ (63,430,486)               |
| Premiums   | (3,338,557)                   |
| Repayments:  |                               |
| Bond & Notes payments  | 26,494,759                    |
| Capital lease  | <u>1,098,017</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>(39,176,267)</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 not exceeding depreciation in this fiscal year were \$(4,829,864). The details of this are as follows:

|  |                       |
|--|-----------------------|
| Assets that were purchased and capitalized in the current year | \$ 38,542,686         |
| Assets that were disposed during the current fiscal year       | (291,912)             |
| Current year depreciation                                      | (43,080,638)          |
| Amount by which capital outlays exceed depreciation            | <u>\$ (4,829,864)</u> |

### NOTE 3 - FUND DEFICITS

The following is a list of the unassigned deficit fund balances in the Non-Major Governmental Funds: Block Grants \$1,125,106; Housing Rehab \$188,267; Emergency Shelter \$1,928,623; Financial Task Force \$268,281; 911 Emergency Communications \$1,716,996; Health Fund \$2,209,242; Parks Capital Grants \$115,701; and Capital Grants \$4,620,220. 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: Public Access \$13,978. Deficits are a result of operations. The deficit balances will be covered by revenues received next fiscal year.

### 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 \$28,401,878 for the Laredo Firefighters Retirement System.

As of September 30, 2021, cash and cash equivalents consisted of the following:

|                            |                     |
|----------------------------|---------------------|
| Petty Cash and Change Fund | \$ 118,403          |
| Cash with Fiscal Agent     | 1,355,406           |
| Cash in Pooled Funds       | <u>1,578,061</u>    |
|                            | <u>\$ 3,051,870</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, 2021, the book value of all the City's deposits was \$3,034,319.94. 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, 2021 were as follows:

|                                       | Fair Value            | Allocation (2) | Rating (3) | WAM           |
|---------------------------------------|-----------------------|----------------|------------|---------------|
| Short Term Money Market Accts (1) (4) | \$ 1,012,544          | 0.11%          | N/A        | N/A           |
| Domestic Corporate Bonds (1)          | 33,089,835            | 3.56%          | A          | 6.8-8.4 years |
| Private Equity (1)                    | 4,744,130             | 0.51%          | N/A        | N/A           |
| Foreign & Domestic Stocks (1)         | 172,524,431           | 18.54%         | N/A        | N/A           |
| Managed Pools                         | 719,329,152           | 77.29%         | AAAm       | .41 years     |
| Total Investments                     | <u>\$ 930,700,092</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%.

The gain realized during the year-ended September 30, 2021 for the Laredo Firefighters’ Retirement System was \$ 13,456,009. This gain is included with the net increase (decrease) in the fair value of investments on the Statement of Changes in Fiduciary Net Position.

**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, 2021, 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, 16% were invested in mutual funds and 84% 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, 2021, 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.

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

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:

|   | 9/30/2021      |             |            |         |
|---|----------------|-------------|------------|---------|
|   | Fair Value     | Level 1     | Level 2    | Level 3 |
| Investments by Fair Value Level         |                |             |            |         |
| Domestic Corporate Bonds                | \$ 33,089,835  | -           | 33,089,835 | -       |
| Domestic Stocks                         | 94,282,390     | 94,282,390  | -          | -       |
| Private Equity                          | 4,744,130      | 4,744,130   | -          | -       |
| Foreign Stocks                          | 78,242,041     | 78,242,041  | -          | -       |
| Money Market Accounts                   | 1,012,544      | 1,012,544   | -          | -       |
| Total Investments at Fair Value Level   | 211,370,940    | 178,281,105 | 33,089,835 | -       |
| Investments Measured at net Asset Value |                |             |            |         |
| Managed Pool Accounts                   | 112,342,435    |             |            |         |
| Money Market Accounts                   | 138,203,130    |             |            |         |
| Certificate of Deposits                 | 468,783,587    |             |            |         |
| Total Investments                       | \$ 930,700,092 |             |            |         |

## NOTE 6 - RECEIVABLES

The City's property tax is levied each October 1<sup>st</sup> on the assessed value listed on the tax roll as of the prior January 1<sup>st</sup> for all real and personal property located in the City. The City Charter stipulates that taxes shall become due on October 1<sup>st</sup> of the year of levy and shall be paid by the following January 31<sup>st</sup>. All real and personal property in the City on January 1<sup>st</sup> 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, 2020, upon which the 2021 levy was based, was \$15,371,554,108.

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.



CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

The tax rate to finance general governmental services including the payment and interest on long-term debt for the year ended September 30, 2021 was \$.634000 per \$100 of assessed valuation (\$.491536 for general government and \$.142464 for debt service). Thus, the City has a tax margin of approximately \$.866000 per \$100, and could levy approximately \$133,117,658 in additional taxes per year from the present assessed valuation of \$15,371,554,108 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, 2021 are reflected in the following table:

|                             | Accounts      | Property<br>Taxes | Hotel/Motel<br>Taxes | Notes      | Accured<br>Interest | Paving<br>Assessment | Total Net<br>Receivables |
|-----------------------------|---------------|-------------------|----------------------|------------|---------------------|----------------------|--------------------------|
| Governmental Activities     | \$ 13,835,876 | 8,256,817         | 374,052              | 17,053,720 | 362,637             | 3,268                | 39,886,370               |
| Business-Type Funds         |               |                   |                      |            |                     |                      |                          |
| Bridge                      | \$ -          | -                 | -                    | -          | 27,841              | -                    | 27,841                   |
| Waterworks System           | 6,445,093     | -                 | -                    | 988        | 214,904             | -                    | 6,660,985                |
| Sewer System                | 5,566,091     | -                 | -                    | 12,174     | 147,711             | -                    | 5,725,976                |
| Solid Waste                 | 2,110,988     | -                 | -                    | -          | 94,579              | -                    | 2,205,567                |
| Other Enterprise Funds      | 17,335        | -                 | -                    | -          | 6,665               | -                    | 24,000                   |
| Total Business Type Funds   | \$ 14,139,507 | -                 | -                    | 13,162     | 491,700             | -                    | 14,644,369               |
| Allowance for Uncollectible | \$ 75,177,619 | 39,454            | 12,466               | 1,325,406  | -                   | 132,568              | 76,687,513               |

#### 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.

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

The following table summarizes restricted assets by purpose as of September 30, 2021:

|                                    | Other<br>Enterprise<br>Fund | Bridge<br>System | Waterworks<br>System | Sewer<br>System | Solid<br>Waste | Total       |
|------------------------------------|-----------------------------|------------------|----------------------|-----------------|----------------|-------------|
| Revenue Bond Retirement Reserve \$ | -                           | 2,314,892        | 14,457,982           | 14,098,428      | -              | 30,871,302  |
| Revenue Bond Contingency           | -                           | 500,000          | -                    | -               | -              | 500,000     |
| Construction Account               | 2,349,495                   | 3,005,813        | 47,599,887           | 90,831,527      | 11,342,497     | 155,129,219 |
| Water Rights                       | -                           | -                | 7,427,249            | -               | -              | 7,427,249   |
| Total Restricted Assets            | \$ 2,349,495                | 5,820,705        | 69,485,118           | 104,929,955     | 11,342,497     | 193,927,770 |

## NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

### A – Governmental Activities:

|  | Balance as of<br>September 30,<br>2020 | Additions    | Deletions<br>and Transfers | Balance as of<br>September 30,<br>2021 |
|--|--|--------------|----------------------------|--|
| Capital Assets, Not Being Depreciated:       |  |              |                            |  |
| Land   | \$ 105,767,590                         | 8,425,274    | (138,500)                  | 114,054,364                            |
| Construction in Progress                     | 4,994,214                              | 11,702,348   | -                          | 16,696,562                             |
| Total Capital Assets, Not Being Depreciated  | 110,761,804                            | 20,127,622   | (138,500)                  | 130,750,926                            |
| Capital Assets Being Depreciated:            |  |              |                            |  |
| Buildings                                    | 228,649,617                            | 190,456      | (57,122)                   | 228,782,951                            |
| Improvements Other Than Buildings            | 825,333,455                            | 14,165,667   | -                          | 839,499,122                            |
| Machinery & Equipment                        | 167,015,058                            | 4,492,313    | 671,688                    | 172,179,059                            |
| Total Assets Being Depreciated               | 1,220,998,130                          | 18,848,436   | 614,566                    | 1,240,461,132                          |
| Less Accumulated Depreciation For:           |  |              |                            |  |
| Buildings                                    | (78,407,134)                           | (5,491,448)  | 26,502                     | (83,872,080)                           |
| Improvements Other Than Buildings            | (404,125,817)                          | (27,730,079) | -                          | (431,855,896)                          |
| Machinery & Equipment                        | (126,940,218)                          | (10,627,803) | (697,966)                  | (138,265,987)                          |
| Total Accumulated Depreciation               | (609,473,169)                          | (43,849,330) | (671,464)                  | (653,993,963)                          |
| Total Capital Assets, Being Depreciated, Net | 611,524,961                            | (25,000,894) | (56,898)                   | 586,467,169                            |
| Governmental Activities Capital Assets, Net  | \$ 722,286,765                         | (4,873,272)  | (195,398)                  | 717,218,095                            |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

**B- Business Type Activities:**

|  | Balance as of<br>September 30,<br>2020 | Additions    | Deletions<br>and Transfers | Balance as of<br>September 30,<br>2021 |
|--|--|--------------|----------------------------|--|
| Capital Assets, Not Being Depreciated:       |  |              |                            |  |
| Land   | \$ 41,707,581                          | 24,756,555   | -                          | 66,464,136                             |
| Construction in Progress                     | 9,750,071                              | 18,335,088   | (6,641,451)                | 21,443,708                             |
| Waterrights                                  | 52,457,919                             | 50,000       | -                          | 52,507,919                             |
| Total Capital Assets, Not Being Depreciated  | 103,915,571                            | 43,141,643   | (6,641,451)                | 140,415,763                            |
| Capital Assets Being Depreciated:            |  |              |                            |  |
| Buildings                                    | 365,390,573                            | 94,163       | 1,675,986                  | 367,160,722                            |
| Improvements Other Than Buildings            | 525,782,590                            | 9,368,034    | 4,965,465                  | 540,116,089                            |
| Machinery & Equipment                        | 107,422,655                            | 7,787,514    | (4,486,868)                | 110,723,301                            |
| Total Assets Being Depreciated               | 998,595,818                            | 17,249,711   | 2,154,583                  | 1,018,000,112                          |
| Less Accumulated Depreciation For:           |  |              |                            |  |
| Buildings                                    | (75,527,834)                           | (7,969,766)  | -                          | (83,497,600)                           |
| Improvements Other Than Buildings            | (276,699,272)                          | (15,110,647) | -                          | (291,809,919)                          |
| Machinery & Equipment                        | (82,081,599)                           | (7,864,228)  | 4,481,298                  | (85,464,529)                           |
| Total Accumulated Depreciation               | (434,308,705)                          | (30,944,641) | 4,481,298                  | (460,772,048)                          |
| Total Capital Assets, Being Depreciated, Net | 564,287,113                            | (13,694,930) | 6,635,881                  | 557,228,064                            |
| Business Type Activities Capital Assets, Net | \$ 668,202,684                         | 29,446,713   | (5,570)                    | 697,643,827                            |

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

|  |    |            |
|--|----|------------|
| Government Activities:   |    |            |
| General Government   | \$ | 3,564,263  |
| Public Health  |    | 1,981,614  |
| Culture and Recreational   |    | 757,432    |
| Public Works   |    | 28,117,094 |
| Public Safety  |    | 1,850,385  |
| Air Transportation   |    | 6,809,850  |
| Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets |    | 768,692    |
| Total depreciation expense-governmental activities   | \$ | 43,849,330 |
| Business-Type Activities:  |    |            |
| Solid Waste Management   | \$ | 4,664,542  |
| Municipal Transit System   |    | 2,322,560  |
| Bridge System  |    | 3,056,705  |
| Waterworks System  |    | 11,799,721 |
| Sewer System   |    | 9,060,264  |
| Municipal Housing  |    | 38,063     |
| Total depreciation expense-business-type activities  | \$ | 30,941,855 |

## **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 cash balance defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 895 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 (overfunded) actuarial liability (asset) over the remainder of the plan's 24-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).

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As of actuarial valuation and measurement date of 12/31/20, membership data for the City's pension plan is as follows:

Number of:

|  |              |
|--|--------------|
| Inactive employees or beneficiaries currently receiving benefits | 1,136        |
| Inactive employees entitled to but not yet receiving benefits    | 633          |
| Active employees   | <u>2,268</u> |
| Total  | <u>4,037</u> |

Actuarial Assumptions

|                                |  |
|--------------------------------|--|
| Actuarial Cost Method -        | Entry Age Normal                       |
| Amortization Method-           | Level Percent of Payroll-Closed Period |
| Remaining Amortization Period- | 24 Years                               |
| 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 895 municipalities having the benefit plan administered by TMRS. Each of the 895 municipalities has an annual, individual actuarial valuation performed. All assumptions of the December 31, 2020 valuations are contained in the 2020 TMRS Annual Comprehensive 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, 2020 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, 2020

|                             |                      |
|-----------------------------|----------------------|
| Total Pension Liability     | \$739,142,146        |
| Plan Fiduciary Net Position | <u>\$615,206,887</u> |
| Net Pension Liability       | <u>\$123,935,259</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 12/31/20 are presented below:

#### Total pension liability

|   |                       |
|---|-----------------------|
| Service cost  | \$ 21,660,281         |
| Interest (on the Total Pension Liability)                     | 46,889,636            |
| Changes of benefit terms                                      | -                     |
| Difference between expected and actual experience             | (26,803)              |
| Changes of assumptions  | -                     |
| Benefit payments, including refunds of employee contributions | (26,424,189)          |
| Net change in total pension liability                         | 42,098,925            |
| Total pension liability-beginning                             | 697,043,221           |
| Total pension liability-ending                                | <u>\$ 739,142,146</u> |

#### Plan fiduciary net position

|   |                       |
|---|-----------------------|
| Contributions-employer  | \$ 26,071,999         |
| Contributions-employee  | 8,786,917             |
| Net investment income   | 42,872,980            |
| Benefit payments, including refunds of employee contributions | (26,424,189)          |
| Administrative Expense  | (277,112)             |
| Other   | (10,811)              |
| Net change in plan fiduciary net position                     | 51,019,784            |
| Plan fiduciary net position-beginning                         | 564,187,103           |
| Plan fiduciary net position-ending                            | <u>\$ 615,206,887</u> |

|                                 |                       |
|---------------------------------|-----------------------|
| Net Change                      | (8,920,859)           |
| Net pension liability-beginning | 132,856,118           |
| Net pension liability-ending    | <u>\$ 123,935,259</u> |

### Pension Expense

|   |                      |
|---|----------------------|
| Total Service Cost  | \$ 21,660,281        |
| Interest on the Total Pension Liability                               | 46,889,636           |
| Current Period Benefit Changes  | -                    |
| Employee Contributions (Reduction of Expenses)                        | (8,786,917)          |
| Projected Earnings on Plan Investments (Reduction of Expense)         | (38,082,629)         |
| Administrative Expense  | 277,112              |
| Other Changes in Fiduciary Net Position                               | 10,812               |
| Recognition of Current Year Outflow (Inflow) of Resources-Liabilities | (4,927)              |
| Recognition of Current Year Outflow (Inflow) of Resources-Assets      | (958,070)            |
| Amortization of Prior Year Outflow (Inflow) of Resources-Liabilities  | (1,576,151)          |
| Amortization of Prior Year Outflow (Inflow) of Resources-Assets       | (4,909,493)          |
| Total Pension Expense   | <u>\$ 14,519,654</u> |

### Schedule of Deferred Outflow and Inflows of Resources

|  | Recognition<br>Period (or<br>amortization<br>yrs) | Total (Inflow)<br>or Outflow of<br>Resources | Recognized<br>in current<br>pension expense | Deferred<br>(Inflow)/Outflow<br>in future expense |
|--|---|--|---|---|
| Due to Liabilities:  |   |  |   |   |
| Contrib after measurement date   | 0.00  | \$ 18,871,727                                | -   | 18,871,727  |
|  |   |  | <u>\$ -</u>                                 | <u>\$ 18,871,727</u>                              |
| Due to Assets:   |   |  |   |   |
| Difference in expected<br>and actual experience<br>(actuarial (gains) or losses)                               | 5.44  | \$ (26,803)                                  | \$ (4,927)                                  | \$ (21,876)                                       |
| Difference in projected<br>and actual earnings<br>on pension plan investments<br>(actuarial (gains) or losses) | 5.00  | \$ (4,790,351)                               | (958,070)                                   | \$ (3,832,281)                                    |
|  |   |  | <u>\$ (958,070)</u>                         | <u>\$ (3,854,157)</u>                             |
| Total:   |   |  | \$  | <u>15,017,570</u>                                 |

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

|            | outflows<br>(inflows) of<br>resource |
|------------|--------------------------------------|
| 2022 \$    | (6,287,837)                          |
| 2023       | 42,748                               |
| 2024       | (9,334,450)                          |
| 2025       | (945,546)                            |
| 2026       | (2,168)                              |
| Thereafter | -                                    |
| Total \$   | <u>(16,527,253)</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<br>5.75% | Discount Rate<br>6.75% | 1% Increase<br>7.75% |
|---------------------------------|----------------------|------------------------|----------------------|
| City's net pension liability \$ | 233,679,580          | \$ 123,935,259         | \$ 34,034,487        |

### 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 contributory 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, 2020, 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, 2020 is shown below.

|   | 9/30/20    |
|---|------------|
| Retirees and beneficiaries currently receiving benefits       | 176        |
| Inactive employees entitled to but not yet receiving benefits | 0          |
| Active employees  | 407        |
| Total   | <u>583</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, 2020 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 20.60% of pay for each active firefighter. The actuarial valuation includes the assumption that the city contribution rate will be 21.10% over the UAAL amortization period.

### Annual Pension Cost

For the fiscal year ending September 30, 2021, the City of Laredo's annual pension cost of \$14,307,065 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, 2021 the city contribution rate was 20.60% of pay for all firefighters. The required contributions were reflected in the September 30, 2020 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 7.40% 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 57 years as of September 30, 2020 actuarial valuation.

### Schedule of Employer Contributions

| Plan Year Ended | Annual Contribution<br>As a Percentage of Payroll | Annual<br>Required<br>Contribution | Percentage of Required<br>Contribution |
|-----------------|---|------------------------------------|--|
| 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       | 20.35%  | 7,555,193                          | 100%                                   |
| 9/30/2020       | 20.60%  | 8,145,656                          | 100%                                   |
| 9/30/2021       | 20.85%  | 8,557,405                          | 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, 2020, 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     | \$296,081,499        |
| Plan Fiduciary Net Position | <u>\$167,670,584</u> |
| Net Pension Liability       | <u>\$128,410,915</u> |

### Schedule of Changes in Net Pension Liability

Changes in the System's Net Pension Liability and Related Ratios as of fiscal year ended 9/30/21 are presented below:

#### Total pension liability

|   |                       |
|---|-----------------------|
| Service cost  | \$ 7,359,403          |
| Interest (on the Total Pension Liability)                     | 20,761,291            |
| Changes of benefit terms                                      | -                     |
| Difference between expected and actual experience             | 8,026,480             |
| Changes of assumptions  | (3,312,518)           |
| Benefit payments, including refunds of employee contributions | <u>(12,421,926)</u>   |
| Net change in total pension liability                         | 20,412,730            |
| Total pension liability-beginning                             | <u>275,668,769</u>    |
| Total pension liability-ending                                | <u>\$ 296,081,499</u> |

#### Plan fiduciary net position

|   |                       |
|---|-----------------------|
| Contributions-employer  | \$ 8,145,656          |
| Contributions-employee  | 5,931,306             |
| Net investment income   | 7,260,258             |
| Benefit payments, including refunds of employee contributions | (12,421,926)          |
| Administrative Expense  | (242,952)             |
| Other   | -                     |
| Net change in plan fiduciary net position                     | <u>8,672,342</u>      |
| Plan fiduciary net position-beginning                         | <u>158,998,242</u>    |
| Plan fiduciary net position-ending                            | <u>\$ 167,670,584</u> |

|                                 |                       |
|---------------------------------|-----------------------|
| Net Change                      | \$ 11,740,388         |
| Net pension liability-beginning | <u>116,670,527</u>    |
| Net pension liability-ending    | <u>\$ 128,410,915</u> |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

**Pension Expense**

|   |                      |
|---|----------------------|
| Total Service Cost  | \$ 7,359,403         |
| Interest on the Total Pension Liability   | 20,761,291           |
| Employee Contributions (Reduction of Expenses)  | (5,931,306)          |
| Projected Earnings on Plan Investments (Reduction of Expense)                         | (11,977,821)         |
| Amortization of differences between projected and actual earnings on plan investments | 2,025,459            |
| Amortization of changes of assumptions  | 1,399,240            |
| Amortization of differences between expected and actual experience                    | 427,847              |
| Pension Plan administrative expenses  | 242,952              |
| Changes of benefit provisions   | -                    |
| Total Pension Expense   | \$ <u>14,307,065</u> |

**Schedule of Deferred Outflows and Inflows of Resources**

|  | Recognition<br>Period (or<br>amortization<br>yrs) | Total (Inflow)<br>or Outflow of<br>Resources | Recognized<br>in current<br>pension expense | Deferred<br>(Inflow)/Outflow<br>in future expense |
|--|---|--|---|---|
| Due to Liabilities   |   |  |   |   |
| Difference in projected<br>and actual earnings<br>on pension plan investments<br>(actuarial (gains) or losses) | 5.00  | \$ 10,806,214                                | \$ 2,025,459                                | \$ 8,780,755                                      |
| Changes of assumptions   | 11.09   | 14,522,934                                   | 1,697,934                                   | 12,825,000  |
| Difference between expected<br>and actual experience   | 11.09   | 9,646,169                                    | 857,343                                     | 8,788,826   |
| Contrib after measurement date   | -   | 8,557,405                                    | -   | 8,557,405   |
|  |   |  | \$ <u>4,580,736</u>                         | \$ <u>38,951,986</u>                              |
| Due to Assets  |   |  |   |   |
| Difference between expected<br>and actual experience   | 11.09   | \$ (4,763,112)                               | \$ (429,496)                                | \$ (4,333,616)                                    |
| Changes of assumptions   | 11.09   | (3,312,518)                                  | (298,694)                                   | (3,013,824)                                       |
|  |   |  |   | \$ <u>(7,347,440)</u>                             |
| Total:   |   |  |   | \$ <u>31,604,546</u>                              |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

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<br>outflows<br>(inflows) of<br>resource |
|------------|--|
| 2022       | \$ 3,911,050   |
| 2023       | 4,743,649  |
| 2024       | 4,663,804  |
| 2025       | 2,770,600  |
| 2026       | 1,827,087  |
| Thereafter | 5,130,951  |
| Total      | \$ <u>23,047,141</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 7.4%, 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 (6.4%) or 1-percentage-point higher (8.4%) than the current rate:

|                              | 1% Decrease<br>6.40% | Discount Rate<br>7.40% | 1% Increase<br>8.40% |
|------------------------------|----------------------|------------------------|----------------------|
| City's net pension liability | \$ 168,309,476       | \$ 128,410,915         | \$ 95,359,949        |

### 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 October 1, 2020.

|                                    | <u>9/30/21</u> |
|------------------------------------|----------------|
| Active Participants                | 165            |
| Retirees and Beneficiaries         | 60             |
| Inactive, Non-Retired Participants | <u>52</u>      |
| Total                              | <u>277</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, 2021 LTMI's annual pension cost of \$955,737 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.

CITY OF LAREDO, TEXAS  
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Schedule of Contributions

| FY Ending<br>9/30 | Actuarially<br>Determined<br>Contribution | Actual<br>Contribution | Contribution<br>Deficiency<br>(Excess) | Covered<br>Valuation<br>Payroll | Actual<br>Contribution<br>as % of Covered<br>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%   |
| 2020              | 1,093,625                                 | 1,840,000              | (746,375)                              | 7,484,337                       | 24.58%   |
| 2021              | 822,946                                   | 955,737                | (132,791)                              | 7,705,487                       | 12.40%   |

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, 3<sup>rd</sup> Floor, Laredo, Tx 78040.

**Net Pension Liability**

Actuarial Valuation Date, October 1, 2020.

The system's net pension liability was measured as of September 30, 2021 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       | \$14,618,715         |
| Plan Fiduciary Net Position   | <u>\$16,008,385</u>  |
| Net Pension Liability/(Asset) | <u>\$(1,326,670)</u> |



CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

A. Schedule of Changes in Net Pension Liability

**Total pension liability**

|   |    |                   |
|---|----|-------------------|
| Service cost  | \$ | 220,426           |
| Interest (on the Total Pension Liability)                     |    | 817,956           |
| Changes of benefit terms                                      |    | -                 |
| Difference between expected and actual experience             |    | 490,990           |
| Changes of assumptions  |    | (364,738)         |
| Benefit payments, including refunds of employee contributions |    | (257,493)         |
| Net change in total pension liability                         |    | 907,141           |
| Total pension liability-beginning                             |    | 13,774,574        |
| Total pension liability-ending                                | \$ | <u>14,681,715</u> |

**Plan fiduciary net position**

|   |    |                    |
|---|----|--------------------|
| Contributions-employer  | \$ | 955,737            |
| Contributions-employee  |    | 47,946             |
| Net investment income   |    | 2,554,735          |
| Benefit payments, including refunds of employee contributions |    | (257,493)          |
| Administrative Expense  |    | (264,323)          |
| Other   |    | -                  |
| Net change in plan fiduciary net position                     | \$ | 3,036,602          |
| Plan fiduciary net position-beginning                         |    | 12,971,783         |
| Plan fiduciary net position-ending                            | \$ | <u>16,008,385</u>  |
| Net Change  | \$ | (2,129,461)        |
| Net pension liability-beginning                               |    | 802,791            |
| Net pension liability-ending                                  | \$ | <u>(1,326,670)</u> |

B. Pension Expense

|  |    |                |
|--|----|----------------|
| Total Service Cost   | \$ | 220,426        |
| Interest on the Total Pension Liability  |    | 817,956        |
| Employee Contributions (Reduction of Expenses)                                     |    | (47,946)       |
| Projected Earnings on Plan Investments (Reduction of Expense)                      |    | (781,636)      |
| Administrative Expenses  |    | 264,323        |
| Assumption Changes   |    | 20,921         |
| Difference between expected and actual experience                                  |    | 149,054        |
| Difference between projected and actual investment earnings<br>on plan investments |    | (381,722)      |
| Total Pension Expense  | \$ | <u>261,376</u> |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

C. Schedule of Deferred Outflows and Inflows of Resources

|   | Recognition<br>Period (or<br>amortization<br>yrs) | Total (Inflow)<br>or Outflow of<br>Resources | Recognized<br>in current<br>pension expense | Deferred<br>(Inflow)/Outflow<br>in future expense |
|---|---|--|---|---|
| Due To Liabilities  |   |  |   |   |
| Difference in expected<br>and actual experience           | 5.00  | \$ 691,890                                   | \$ 188,414                                  | \$ 503,476  |
| Assumption Changes  | 5.00  | 645,738                                      | 87,790                                      | 557,948   |
| Difference in projected<br>and actual investment earnings | 5.00  | -  | -   | -   |
| Total   |   |  | \$ <u>276,204</u>                           | \$ <u>1,061,424</u>                               |
| Due To Assets   |   |  |   |   |
| Difference in expected<br>and actual experience           | 5.00  | \$ (196,798)                                 | \$ (39,360)                                 | \$ (157,438)                                      |
| Assumption Changes  | 5.00  | (334,344)                                    | (66,869)                                    | (267,475)   |
| Difference in projected<br>and actual investment earnings | 5.00  | (1,886,996)                                  | (381,722)                                   | (1,505,274)                                       |
|   |   |  | \$ <u>(487,951)</u>                         | <u>(1,930,187)</u>                                |
| Total   |   |  |   | \$ <u>(868,763)</u>                               |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

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

|         |  |
|---------|--|
|         | Net deferred<br>outflows<br>(inflows) of<br>resource |
| 2022 \$ | (176,995)  |
| 2023    | (212,201)  |
| 2024    | (284,735)  |
| 2025    | (274,563)  |
| 2026    | 79,731   |
| 2027    | -  |
| Total   | \$ <u>(868,763)</u>                                  |

#### D. Discount Rate

The discount rate used to measure the Total Pension Liability was 5.90%. 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<br>4.90% | Discount Rate<br>5.90% | 1% Increase<br>6.90% |
|------------------------------|----------------------|------------------------|----------------------|
| LTMI's net pension liability | \$ 726,367           | \$ (1,326,670)         | \$ (3,018,265)       |

## Summary

Pension Expense for the fiscal year ended September 30, 2021 are as follows:

|                     |                      |
|---------------------|----------------------|
| TMRS                | \$ 14,519,654        |
| Laredo Firefighters | 14,307,065           |
| Laredo Transit      | 261,376              |
| Total               | \$ <u>29,088,095</u> |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

Deferred outflows of resources and deferred inflows of resources related to pensions for the fiscal year ended September 30, 2021 are as follows:

|  | TMRS                                 |                                       | Laredo Firefighters                  |                                       | Laredo Transit                       |                                       |
|--|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|
|  | Deferred<br>Outflows<br>of Resources | Deferred<br>(Inflows)<br>of Resources | Deferred<br>Outflows<br>of Resources | Deferred<br>(Inflows)<br>of Resources | Deferred<br>Outflows<br>of Resources | Deferred<br>(Inflows)<br>of Resources |
| Difference in expected<br>and actual experience \$ | -                                    | (21,876)                              | 8,788,826                            | (4,333,616)                           | 557,948                              | (157,438)                             |
| Difference in projected<br>and actual earnings     | -                                    | (3,832,281)                           | 8,780,755                            | -                                     | 503,476                              | (1,505,274)                           |
| Changes of assumptions                             | -                                    | -                                     | 12,825,000                           | (3,013,824)                           | -                                    | (267,475)                             |
| Contributions after<br>measurement date            | 18,871,727                           | -                                     | 8,557,405                            | -                                     | -                                    | -                                     |
| Total  | \$ 18,871,727                        | (3,854,157)                           | 38,951,986                           | (7,347,440)                           | 1,061,424                            | (1,930,187)                           |

|  | Total                                |                                       |
|--|--------------------------------------|---------------------------------------|
|  | Deferred<br>Outflows<br>of Resources | Deferred<br>(Inflows)<br>of Resources |
| Difference in expected<br>and actual experience \$ | 9,346,774                            | (4,512,930)                           |
| Difference in projected<br>and actual earnings     | 9,284,231                            | (5,337,555)                           |
| Changes of assumption                              | 12,825,000                           | (3,281,299)                           |
| Contributions after<br>measurement date            | 27,429,132                           | -                                     |
| Total  | \$ 58,885,137                        | (13,131,784)                          |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

|            |    | Net Deferred Outflows/(Inflows) of Resources |                   |                  |                  |
|------------|----|--|-------------------|------------------|------------------|
|            |    | TMRS   | Laredo Fire       | Laredo Transit   | Total            |
| 2022       | \$ | (6,287,837)                                  | 3,911,050         | (176,995)        | (2,553,782)      |
| 2023       |    | 42,748                                       | 4,743,649         | (212,201)        | 4,574,196        |
| 2024       |    | (9,334,450)                                  | 4,663,804         | (284,735)        | (4,955,381)      |
| 2025       |    | (945,546)                                    | 2,770,600         | (274,563)        | 1,550,491        |
| 2026       |    | (2,168)                                      | 1,827,087         | 79,731           | 1,904,650        |
| Thereafter |    | -  | 5,130,951         | -                | 5,130,951        |
| Total      | \$ | <u>(16,527,253)</u>                          | <u>23,047,141</u> | <u>(868,763)</u> | <u>5,651,125</u> |

## 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, 265 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 (Aetna Medicare Advantage), but the full cost is borne by the retirees. However, retirees can continue to participant in the City's prescription drug program after age 65. There is a \$1,000 deductible per person with an additional maximum out of pocket cost of \$8,150. 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     | \$ 10,753        | \$ 10,753        |
| Fire           | \$ 6,737     | \$ 10,753        | \$ 10,753        |
| City Employees | \$ 4,266     | \$ 10,753        | \$ 10,753        |

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     | \$ 8,053         | N/A              |
| Fire           | \$ 3,029     | \$ 6,059         | N/A              |
| City Employees | \$ 3,029     | \$ 6,059         | 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 09/30/2021, the City reported a liability of \$206,576,960 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, 2020</u> | <u>September 30, 2021</u> |
|---|---------------------------|---------------------------|
| Total OPEB Liability                              | \$265,995,373             | \$206,576,960             |
| Covered Payroll                                   | 137,663,439               | 154,072,326               |
| Total OPEB Liability as a %<br>of Covered Payroll | 193.22%                   | 134.08%                   |

#### **Discount Rate:**

|  | <u>September 30, 2020</u> | <u>September 30, 2021</u> |
|--|---------------------------|---------------------------|
| Discount Rate                              | 2.21%                     | 2.26%                     |
| 20 Year Tax-Exempt Municipal<br>Bond Yield | 2.21%                     | 2.26%                     |

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, 2020</u>    | <u>September 30, 2021</u>    |
|--------------------------------------|------------------------------|------------------------------|
| Valuation Date                       | October 1, 2019              | October 1, 2020              |
| Measurement Date                     | September 30, 2020           | September 30, 2021           |
| Actuarial Cost Method                | Entry Age Normal             | Entry Age Normal             |
| Inflation                            | 2.30%                        | 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

|  | <u>Increase/<br/>(Decrease) Total<br/>OPEB Liability</u> |
|--|--|
| Balances as of September 30, 2020              | <u>\$ 265,995,373</u>                                    |
| Changes for the Year:                          |  |
| Service Cost                                   | 10,010,416   |
| Interest on Total OPEB Liability               | 6,037,316  |
| Effect of Plan Changes                         | -  |
| Effect of economic/demographic gains or losses | (66,772,717)   |
| Effect of Assumptions, Changes or Inputs       | (3,014,214)  |
| Benefit Payments                               | <u>(5,679,214)</u>                                       |
| Balance as of September 30, 2021               | <u>\$ 206,576,960</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 2.26%, 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 (1.26%) or 1 percentage point higher (3.26%) than the current rate.

|                      | <u>1% Decrease<br/>1.26%</u> | <u>Discount Rate<br/>2.26%</u> | <u>1% Increase<br/>3.26%</u> |
|----------------------|------------------------------|--------------------------------|------------------------------|
| Total OPEB Liability | \$ 237,217,168               | \$ 206,576,960                 | \$ 181,370,785               |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

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.

|                      | 1% Decrease<br>1.26% | Current<br>Trend Rate | 1% Increase<br>3.26% |
|----------------------|----------------------|-----------------------|----------------------|
| Total OPEB Liability | \$ 174,100,959       | \$ 206,576,960        | \$ 248,343,850       |

**Schedule of Changes in Total OPEB Liability and Related Ratios**

|  | 2021     | 2020        | 2019         | 2018         | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|----------|-------------|--------------|--------------|------|------|------|------|------|------|
| Total OPEB Liability                           |          |             |              |              |      |      |      |      |      |      |
| Service Cost                                   | 10,010   | 10,372,466  | 7,892,469    | 9,148,227    | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Interest on Total OPEB Liability               | 6,037    | 5,933,539   | 6,723,464    | 6,434,222    | 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  |
| Effect of Economic/Demographic gains/(losses)  | (66,773) | -           | (10,789,640) | -            | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Effect of Assumption Changes or Inputs         | (3,014)  | 39,216,867  | 49,441,385   | (15,842,897) | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Benefit Payments                               | (5,679)  | (4,411,859) | (4,214,723)  | (3,021,511)  | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Net Change in Total OPEB Liability             | (59,418) | 51,111,013  | 49,052,955   | (3,281,959)  | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Total OPEB Liability, Beginning                | 265,995  | 214,884,360 | 165,831,405  | 169,113,364  | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Total OPEB Liability, Ending                   | 206,577  | 265,995,373 | 214,884,360  | 165,831,405  | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Covered Payroll                                | 154,072  | 137,663,439 | 137,663,439  | 133,152,871  | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |
| Total OPEB Liability as a % of Covered Payroll | 134.08%  | 193.22%     | 156.09%      | 124.54%      | N/A  | N/A  | N/A  | N/A  | N/A  | N/A  |



## OPEB Expense

October 1, 2020 to September 30, 2021

|   |                      |
|---|----------------------|
| Service Cost  | \$ 10,010,416        |
| Interest on Total OPEB Liability                      | 6,037,316            |
| Effect of Plan Changes                                | -                    |
| Recognition of Deferred Inflows/Outflows of Resources |                      |
| Recognition of economic/demographic gains or losses   | (8,937,056)          |
| Recognition of Assumption Changes or Inputs           | <u>8,044,961</u>     |
| OPEB Expense  | <u>\$ 15,155,637</u> |

As of September 30, 2021, the deferred inflows and outflows of resources are as follows:

|   | <u>Deferred Inflows<br/>of Resources</u> | <u>Deferred Outflows<br/>of Resources</u> |
|---|--|---|
| Differences between Expected and Actual |  |   |
| Experiences                             | (\$ 66,279,727)                          | \$ -                                      |
| Changes of Assumptions                  | <u>(11,692,473)</u>                      | <u>63,086,212</u>                         |
| Total                                   | <u>(\$77,972,200)</u>                    | <u>\$ 63,086,212</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: |                       |
| 2022                     | (\$892,095)           |
| 2023                     | (892,095)             |
| 2024                     | (892,095)             |
| 2025                     | (892,095)             |
| 2026                     | (892,095)             |
| Thereafter               | <u>(10,425,513)</u>   |
| Total                    | <u>(\$14,885,988)</u> |

## 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, 2020 with measurements at September 30, 2021 and September 30, 2021, 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, 2021.

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, 2020 discount rate and the September 30, 2021 discount rate are 2.21% and 2.26%, respectively.

Inflation: The inflation rate is 2.30% per year.

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

Per Capita Medical Benefits Cost:

|               | Age | Retiree   |           | Spouse   |           |
|---------------|-----|-----------|-----------|----------|-----------|
|               |     | Male      | Female    | Male     | Female    |
| Medical/Rx    | 45  | \$ 10,567 | \$ 15,377 | \$ 9,869 | \$ 11,420 |
|               | 50  | 11,538    | 14,299    | 11,087   | 12,486    |
|               | 55  | 12,524    | 13,439    | 12,360   | 13,570    |
|               | 60  | 14,311    | 14,328    | 14,204   | 14,725    |
|               | 64  | 16,866    | 16,242    | 17,050   | 16,878    |
| Fully Insured | 65  | 2,950     | 2,859     | 2,950    | 2,859     |
|               | 70  | 3,031     | 2,927     | 3,031    | 2,927     |
|               | 75  | 3,143     | 2,989     | 3,143    | 2,989     |
|               | 80  | 3,248     | 3,057     | 3,248    | 3,057     |
|               | 85  | 3,334     | 3,121     | 3,334    | 3,121     |
|               | 90  | \$ 3,404  | \$ 3,166  | \$ 3,404 | \$ 3,166  |

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 |
|-----------|--------|---------|
| 2021      | 5.50%  | 4.90%   |
| 2022      | 5.20%  | 4.90%   |
| 2023      | 5.00%  | 4.90%   |
| 2024      | 4.80%  | 4.80%   |
| 2025      | 4.70%  | 4.70%   |
| 2026      | 4.60%  | 4.60%   |
| 2027      | 4.50%  | 4.50%   |
| 2028      | 4.40%  | 4.40%   |
| 2029-2034 | 4.30%  | 4.30%   |
| 2035      | 4.40%  | 4.30%   |
| 2036-2037 | 4.30%  | 4.30%   |
| 2038-2063 | 4.20%  | 4.20%   |

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  | 0.0003% |
| 25  | 0.0019% |
| 30  | 0.0074% |
| 35  | 0.0194% |
| 40  | 0.0371% |
| 45  | 0.0603% |
| 50  | 0.0891% |
| 55  | 0.1235% |
| 60  | 0.1635% |
| 65  | 0.2090% |

Retirement Rates:

Based on the 2018 TMRS Report

| Age   | Unisex |
|-------|--------|
| <50   | 5.0%   |
| 50-51 | 7.0%   |
| 52-54 | 8.0%   |
| 55-59 | 13.0%  |
| 60    | 16.0%  |
| 61    | 17.0%  |
| 62    | 25.0%  |
| 63-64 | 20.0%  |
| 65-74 | 30.0%  |
| 75+   | 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                    | 1.82% | 2.34%  |
| 2                    | 2.43% | 3.15%  |
| 3                    | 2.87% | 3.75%  |
| 4                    | 3.24% | 4.25%  |
| 5                    | 3.55% | 4.67%  |
| 6                    | 3.83% | 5.06%  |
| 7                    | 4.08% | 5.40%  |
| 8                    | 4.32% | 5.72%  |
| 9                    | 4.53% | 6.02%  |
| 10                   | 4.74% | 6.30%  |
| 11                   | 4.93% | 6.57%  |
| 12                   | 5.11% | 6.82%  |
| 13                   | 5.28% | 7.06%  |
| 14                   | 5.45% | 7.28%  |
| 15                   | 5.60% | 7.50%  |

**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 2021, 2020, 2019, 2018, 2017, and 2016 were \$288,392.36, \$254,530, \$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, 2021:

|                                 | General<br>Obligation<br>Serial Bonds | Certificates<br>of<br>Obligation | Revenue<br>Bonds | Compensated<br>Absences | Capital<br>Lease<br>Obligations | Notes<br>Payable | Net<br>Pension<br>Oblig. (OPEB) |
|---------------------------------|---------------------------------------|----------------------------------|------------------|-------------------------|---------------------------------|------------------|---------------------------------|
| Long Term Obligations:          |                                       |                                  |                  |                         |                                 |                  |                                 |
| Beginning Balances              | \$ 95,769,191                         | 116,186,761                      | 18,817,719       | 41,675,785              | 5,608,829                       | -                | 265,995,373                     |
| Increases                       | 4,391,400                             | 15,310,000                       | 49,755,000       | -                       | -                               | -                | -                               |
| Premiums                        | 906,237                               | 2,432,320                        | -                | -                       | -                               | -                | -                               |
| Amort-Premiums                  | (1,285,370)                           | (1,162,994)                      | (932,719)        | -                       | -                               | -                | -                               |
| Decreases                       | (21,868,756)                          | (15,997,949)                     | (12,040,000)     | (19,295,950)            | (2,408,995)                     | -                | (59,418,413)                    |
| Ending Long-Term<br>Liabilities | 77,912,702                            | 116,768,138                      | 55,600,000       | 22,379,835              | 3,199,834                       | -                | 206,576,960                     |
| Current Liabilities:            |                                       |                                  |                  |                         |                                 |                  |                                 |
| Due Within One Year             | 10,531,290                            | 5,919,236                        | 1,790,000        | 2,983,025               | 490,477                         | -                | -                               |
| Total Liabilities               | \$ 88,443,992                         | 122,687,374                      | 57,390,000       | 25,362,860              | 3,690,311                       | -                | 206,576,960                     |

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

CITY OF LAREDO, TEXAS  
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General Long Term Obligations payable as of September 30, 2021 are comprised of the following issues:

**A - General Obligation Serial Bonds**

| <b>Series</b>                     | <b>Issue Amount</b> | <b>Purpose</b>   | <b>Payable</b>             |
|-----------------------------------|---------------------|--|----------------------------|
| 2012 Gen. Oblig. Refunding Bonds  | \$7,635,000         | To refund 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.          | \$274,773                  |
| 2013 Gen. Oblig. Refunding Bonds  | \$16,845,000        | To refund 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.          | \$4,891,745                |
| 2015 Gen. Oblig. Refunding Bonds  | \$64,740,000        | To refund 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 2.00% to 5.00% per annum. | \$36,557,157               |
| 2016 Gen. Oblig. Refunding Bonds  | \$54,545,000        | To refund 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 2033 with interest at 2.00% to 5.00% per annum. | \$15,680,000               |
| 2017 Gen. Oblig. Refunding Bonds  | \$12,675,000        | To refund 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 4.00% to 5.00% per annum. | \$5,416,805                |
| 2018 Gen. Oblig. Refunding Bonds  | \$46,635,000        | To refund 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 2039 with interest at 4.00% to 5.00% per annum. | \$10,105,528               |
| 2019 Gen. Oblig. Refunding Bonds  | \$3,655,000         | To refund 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 4.00% to 5.00% per annum. | \$2,720,000                |
| 2021A Gen. Oblig. Refunding Bonds | \$3,880,000         | To refund 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 2032 with interest at 5.00% per annum.          | \$3,880,000                |
| 2021B Gen. Oblig. Refunding Bonds | \$5,430,000         | To refund 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 2032 with interest at .50% to 2.20% per annum.  | \$511,400                  |
|                                   |                     | <b>Subtotal</b>  | <b>\$80,037,408</b>        |
|                                   |                     | <b>Deferred premiums/loss for various Gen. Oblig. Bonds</b>  | <b><u>\$8,406,584</u></b>  |
|                                   |                     | <b>Total General Obligations Bonds</b>   | <b><u>\$88,443,992</u></b> |
|                                   |                     | <b>Due within one year</b>   | <b><u>\$10,531,290</u></b> |

**B – Certificates of Obligation**

| <b>Series</b>                       | <b>Issue Amount</b> | <b>Purpose</b>  | <b>Payable</b> |
|-------------------------------------|---------------------|---|----------------|
| 2010B Comb. Tax & Airport Ref. C.O. | \$2,040,000         | To construct and equip a Federal inspection station at the City's Municipal Airport, and to pay legal, fiscal, & engineering fees related to the project. Principal is due in varying amounts through 2029 with interest at 5.20% per annum.  | \$1,105,000    |
| 2012 Public Property Finance C.O.   | \$3,800,000         | To acquire & purchase 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.   | \$415,000      |
| 2013 Comb. Tax & Revenue C.O.       | \$9,995,000         | To construct City streets & sidewalks, & drainage improvements, traffic signals, & lighting improvements, equipment & vehicles for various City departments, improvements to various City facilities, land acquisition, & the payment of legal, fiscal, & 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. | \$260,000      |
| 2014 Public Property Finance C.O.   | \$6,780,000         | To acquire & purchase equipment for various City departments and the payment of issuance costs. Principal is due in varying amounts through 2022 with interest from 3.00% to 5.00% per annum.   | \$598,000      |
| 2014 Comb. Tax & Revenue C.O.       | \$5,600,000         | To construct City streets & sidewalks, & drainage improvements, traffic signals, & lighting improvements, equipment & vehicles for various City departments, improvements to various City facilities, land acquisition, & the payment of legal, fiscal, & 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. | \$4,095,000    |
| 2015 Comb. Tax & Revenue C.O.       | \$19,765,000        | To construct City streets & sidewalks, & drainage improvements, traffic signals, & lighting improvements, equipment & vehicles for various City departments, improvements to various City facilities, land acquisition, & the payment of legal, fiscal, & engineering fees related to the various projects. Principal is due in varying amounts through 2035 with interest from 2.00% to 5.00% per annum. | \$12,995,000   |
| 2016A Comb. Tax & Revenue C.O.      | \$22,610,000        | To construct City streets & sidewalks, & drainage improvements, traffic signals, & lighting improvements, constructing/renovating buildings, parking lots, & parks and the payment of legal, fiscal, & 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.  | \$20,275,000   |
| 2016B Comb. Tax & Revenue C.O.      | \$3,075,000         | To purchase land in the downtown area for parking & buildings, including a City owned convention center, and the payment of legal, fiscal, & 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.  | \$1,610,000    |



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| <b>Series</b>                     | <b>Issue Amount</b> | <b>Purpose</b>   | <b>Payable</b>              |
|-----------------------------------|---------------------|--|-----------------------------|
| 2016 Public Property Finance C.O. | \$8,080,000         | To acquire & purchase equipment for various City departments and the payment of issuance costs. Principal is due in varying amounts through 2026 with interest from 3.00% to 5.00% per annum.  | \$2,898,485                 |
| 2017 Comb. Tax & Revenue C.O.     | \$14,810,000        | To construct City streets & sidewalks, & drainage improvements, traffic signals, & lighting improvements, construct/renovate buildings, parking lots, parks, purchase land near Rio Grande River for recreational/environmental, & the payment of legal, fiscal, & 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. | \$12,905,000                |
| 2018 Public Property Finance C.O. | \$12,050,000        | To acquire & purchase equipment for various City departments and the payment of issuance costs. Principal is due in varying amounts through 2026 with interest from 3.00% to 5.00% per annum.  | \$2,260,000                 |
| 2018 Comb. Tax & Revenue C.O.     | \$11,640,000        | To construct City streets & sidewalks, & drainage improvements, traffic signals, & lighting improvements (including LED lights), acquire & improve parks, & equipment for various City departments, & the payment of legal, fiscal, & 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                |
| 2019 Comb. Tax & Revenue C.O.     | \$29,905,000        | To improve & repair City streets, construct & improve parks & City buildings, acquire land for landfill and parking, and the payment of legal, fiscal, & engineering fees related to the various projects. Principal is due in varying amounts through 2039 with interest at 5.0% per annum.   | \$17,795,000                |
| 2019 Public Property Finance C.O. | \$11,600,000        | To acquire & purchase equipment for various City departments and the payment of issuance costs. Principal is due in varying amounts through 2026 with interest from 3.00% to 5.00% per annum.  | \$6,035,000                 |
| 2021A Comb. Tax & Revenue C.O.    | \$27,430,000        | To improve & repair City streets, construct & improve parks & City buildings, acquiring land and equipping improvements for landfill and payment of legal, fiscal, & engineering fees related to the various projects. Principal is due in varying amounts through 2041 with interest from 3.0% to 5.0% per annum.   | \$13,075,000                |
| 2021B Comb. Tax & Revenue C.O.    | \$2,235,000         | To construct, improve City streets & sidewalks & drainage improvements, together with ROW acquisitions, traffic/street signalization and lighting improvements at Reinvestment Zone #1, and the payment of legal, fiscal, & engineering fees related to projects. Principal is due in varying amount through 2041 with interest from 3.0% to 5.0% per annum.   | \$2,235,000                 |
|                                   |                     | <b>Subtotal</b>  | <b>\$109,006,485</b>        |
|                                   |                     | <b>Deferred Premiums for Various C.O.s</b>   | <b>\$13,680,889</b>         |
|                                   |                     | <b>Total Certificates of Obligations</b>   | <b><u>\$122,687,374</u></b> |
|                                   |                     | <b>Due within one year</b>   | <b><u>\$5,919,236</u></b>   |

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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, 2021 consist of the following:

| <b>Series</b>                          | <b>Issue Amount</b> | <b>Purpose</b>  | <b>Payable</b>             |
|--|---------------------|---|----------------------------|
| 2016 Sports Venue Sales Tax Ref. Bonds | \$8,970,000         | To refund 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. | \$7,635,000                |
| 2021 Sports Venue Sales Tax Rev. Bonds | \$49,755,000        | To finance a sports complex venue project and related infrastructure. Principal is due in varying amounts through 2046 with interest from .444% to 3.13% per annum.   | \$49,755,000               |
|  |                     | <b>Subtotal</b>   | <b>\$57,390,000</b>        |
|  |                     | <b>Deferred Premiums for Various Revenue Bonds</b>  | <b>\$0</b>                 |
|  |                     | <b>Total Revenue Bonds</b>  | <b><u>\$57,390,000</u></b> |
|  |                     | <b>Due within one year</b>  | <b><u>\$1,790,000</u></b>  |

### 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.

| <b>Lease Amount</b> | <b>Purpose</b>  | <b>Payable</b>            |
|---------------------|---|---------------------------|
| \$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 2.44% per annum. | \$2,298,743               |
| \$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.                         | \$135,963                 |
| \$242,606           | Toshiba Financial Services for the purchase of copiers. Payments are due in monthly installments in varying amounts through 2024. Interest is at 4.0% per annum.                                    | \$157,955                 |
| \$1,646,476         | Tyler Technologies for the purchase of records management software. Payments are due in annual installments in varying amounts through 2029. Interest is at 0.00% per annum.                        | \$1,097,650               |
|                     | <b>Total Present Value of Future Minimum Lease Payments</b>   | <b>\$3,690,311</b>        |
|                     | <b>Plus Amount Representing Interest</b>  | <b><u>\$187,162</u></b>   |
|                     | <b>Total Minimum Lease Payments</b>   | <b><u>\$3,877,473</u></b> |

The assets acquired through capital leases are as follows:

#### Governmental Activities

|                                |                      |
|--------------------------------|----------------------|
| Asset:                         |                      |
| Machinery & Equipment          | \$10,770,716         |
| Less: Accumulated Depreciation | <u>(\$7,760,243)</u> |
| Total                          | <u>\$ 3,010,473</u>  |

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021, are as follows:

| Year Ending Sept. 30                    | Governmental Activities |
|---|-------------------------|
| 2022                                    | \$1,039,302             |
| 2023                                    | \$1,053,027             |
| 2024                                    | \$406,561               |
| 2025                                    | \$387,490               |
| 2026                                    | \$397,062               |
| 2027                                    | <u>\$406,870</u>        |
| Total Minimum Lease Payments            | \$3,690,311             |
| Add: Amount representing interest       | <u>\$187,162</u>        |
| Present Value of Minimum Lease Payments | <u>\$3,877,473</u>      |

## E - Notes Payable

No Notes Payables are outstanding as of September 30, 2021.

## F – Refunding and Early Extinguishment

On June 22, 2021, the City of Laredo issued \$3,880,000 in General Obligation Refunding Bonds, Series 2021A with an average interest rate of 4.798% to advance the following:

| Bond Issue                           | Average Interest Rate | Principal Amount Refunded |
|--------------------------------------|-----------------------|---------------------------|
| Comb. Tax & Revenue C.O. Series 2012 | 2.950%                | \$4,685,000               |

The net proceeds of \$4,704,238 (after payment of \$81,999 in underwriting fees, insurance, and other issuance costs, no premium, and a contribution of \$54,214) for the 2021A General Obligation Refunding Bonds sinking fund monies were used to purchase governmental securities. Those securities were deposited in an irrevocable trust within an escrow agent to provide for all of the future debt service payments on the 2021A General Obligation Refunding Bonds. As a result, the 2012 Combination Tax and Revenue Certificates of Obligations are now considered defeased and the liability for those bonds have been removed from the government-wide Statement of Net Assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$5,623,435. This difference, reported in the accompanying financial statements as a deduction from the General Obligation payable, is being charged to operations through the year 2032 using the effective interest method. The agency completed the advance refunding and its total debt service payments decrease over the next eleven years by \$458,289 and resulted in an economic gain (difference between the present value of the old and the new debt service payments) of \$452,899.

On June 22, 2021, the City of Laredo issued \$511,400 in General Obligation Refunding Bonds, Series 2021B with an average interest rate of 1.59% to advance the following:

| Bond Issue                           | Average Interest Rate | Principal Amount Refunded |
|--------------------------------------|-----------------------|---------------------------|
| General Oblig. Ref. Series 2012      | 3.00%                 | \$391,423                 |
| Comb. Tax & Revenue C.O. Series 2013 | 5.00%                 | \$95,000                  |

The net proceeds of \$501,687 (after payment of \$9,713 in underwriting fees, insurance, and other issuance costs, no premium, and a contribution of \$8,013) for the 2021B General Obligation Refunding Bonds sinking fund monies were used to purchase governmental securities. Those securities were deposited in an irrevocable trust within an escrow agent to provide for all of the future debt service payments on the 2021B General Obligation Refunding Bonds. As a result, the 2012 General Obligation Refunding Bonds and 2013 Combination Tax and Revenue Certificates of

Obligations are now considered defeased and the liability for those bonds have been removed from the government-wide Statement of Net Assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$582,105. This difference, reported in the accompanying financial statements as a deduction from the General Obligation payable, is being charged to operations through the year 2032 using the effective interest method. The agency completed the advance refunding and its total debt service payments decrease over the next eleven years by \$25,984 and resulted in an economic gain (difference between the present value of the old and the new debt service payments) of \$25,095.

#### **G – 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, 2021, \$91,779,190 in bonds outstanding are considered defeased.

#### **H – OPEB**

As per valuation report issued on September 30, 2021, the latest actuarial valuation reflected a net obligation for Other Post-Employment Benefits for \$206,576,960. The unfunded actuarial liability as per the latest calculations stands at \$206,576,960.

## 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, 2021:

|                              | Revenue<br>Bonds | Certificates of<br>Obligation | General Oblig.<br>Bond |
|------------------------------|------------------|-------------------------------|------------------------|
| Long Term Obligations:       |                  |                               |                        |
| Beginning Balances           | \$ 409,213,209   | 34,094,208                    | 80,468,375             |
| Increases                    | 101,360,000      | 14,355,000                    | 4,918,600              |
| Amortization of Premiums     | 7,299,450        | 1,592,963                     | (726,223)              |
| Decreases                    | (61,829,000)     | (8,885,764)                   | (6,117,287)            |
| Ending Long Term Liabilities | 456,043,659      | 41,156,407                    | 78,543,465             |
| Current Liabilities:         |                  |                               |                        |
| Due Within One Year          | 17,734,000       | 5,305,764                     | 5,018,710              |
| Total Liabilities            | \$ 473,777,659   | 46,462,171                    | 83,562,175             |

|                        | Landfill<br>Costs | Compensated<br>Absences | Notes<br>Payable | Capital Lease<br>Obligations |
|------------------------|-------------------|-------------------------|------------------|------------------------------|
| Long Term Liabilities: |                   |                         |                  |                              |
| Beginning Balances     | \$ 12,824,117     | 1,664,059               | 1,480,535        | 32,467.00                    |
| Additions              | 642,006           | 383,421                 | -                | -                            |
| Retirements            | -                 | (362,856)               | (202,411)        | (13,030)                     |
| Ending Balances        | 13,466,123        | 1,684,624               | 1,278,124        | 19,437                       |
| Current Liabilities:   |                   |                         |                  |                              |
| Due Within One Year    | -                 | 895,945                 | 137,041          | 13,030                       |
| Total Liabilities      | \$ 13,466,123     | 2,580,569               | 1,415,165        | 32,467                       |

### A – Revenue Bonds

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.

| Series  | Issue<br>Amount | Purpose   | Payable   |
|---|-----------------|---|-----------|
| 2002 Waterworks System Revenue Bond           | \$741,000       | To improve and extend the Water system with principal due in varying amounts through year 2024, including interest at 3.3% to 5.9% per annum.                       | \$165,000 |
| 2002 Sewer System Revenue Bond                | \$710,000       | To improve and extend the Sewer system with principal due in varying amounts through year 2024, including interest at 3.3% to 5.9% per annum.                       | \$159,000 |
| 2008 Waterworks and Sewer System Revenue Bond | \$915,000       | To improve and extend 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. | \$424,000 |

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NOTES TO BASIC FINANCIAL STATEMENTS

| <b>Series</b>  | <b>Issue Amount</b> | <b>Purpose</b>  | <b>Payable</b> |
|--|---------------------|---|----------------|
| 2009 Waterworks and Sewer System Revenue Bond                | \$7,500,000         | To purchase and acquire additional water rights with principal due in varying amounts through 2029 at .00001 per annum.   | \$1,725,000    |
| 2012 Waterworks and Sewer System Revenue Bond                | \$48,750,000        | To improve and extend 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.                              | \$35,950,000   |
| 2012 International Toll Bridge System Revenue Refunding Bond | \$7,640,000         | To refund other Bridge revenue bond issues with principal due in varying amounts through year 2022, including interest at 2.0% to 3.0% per annum.   | \$905,000      |
| 2012 Waterworks and Sewer System Revenue Bond                | \$41,120,000        | To improve and extend 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.                                | \$1,035,000    |
| 2013 Waterworks and Sewer System Revenue Refunding Bond      | \$17,260,000        | To refund 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.   | \$8,095,000    |
| 2013 Waterworks and Sewer System Revenue Bond                | \$18,255,000        | To improve and extend 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.                                | \$885,000      |
| 2014 International Toll Bridge System Revenue Refunding Bond | \$17,365,000        | To refund 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.   | \$9,115,000    |
| 2014 International Toll Bridge System Revenue Refunding Bond | \$14,175,000        | To refund International Toll Bridge revenue bond issues with principal due in varying amounts through year 2025, including interest at 3.0% to 5.0% per annum.                                  | \$6,840,000    |
| 2014 International Toll Bridge System Revenue Refunding Bond | \$3,885,000         | To refund International Toll Bridge revenue bond issues with principal due in varying amounts through year 2024, including interest at 2.0% to 4.0% per annum.                                  | \$1,405,000    |
| 2014 Waterworks and Sewer System Revenue Bond                | \$11,585,000        | To improve and extend 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.                                | \$7,965,000    |
| 2015 Waterworks and Sewer System Revenue Bond                | \$15,045,000        | To improve and extend 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.                                | \$13,370,000   |
| 2015 Subordinate Waterworks and Sewer System Revenue Bond    | \$5,500,000         | To improve and extend the combined Water and Sewer system with principal due in varying amounts through year 2030, including interest at .05% to 1.72% per annum.                               | \$4,555,000    |
| 2014 International Toll Bridge System Revenue Bond           | \$9,585,000         | To acquire, purchase, construct, and improve 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. | \$5,895,000    |
| 2015A Subordinate Waterworks and Sewer System Revenue Bond   | \$4,600,000         | To improve and extend the combined Water and Sewer system with principal due in varying amounts through year 2045, including interest at .06% to 2.05% per annum.                               | \$3,775,000    |
| 2015B Subordinate Waterworks and Sewer System Revenue Bond   | \$22,075,000        | To improve and extend the combined Water and Sewer system with principal due in varying amounts through year 2045, including interest at .18% to 1.75% per annum.                               | \$18,055,000   |

CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

| <b>Series</b>  | <b>Issue Amount</b> | <b>Purpose</b>   | <b>Payable</b>              |
|--|---------------------|--|-----------------------------|
| 2016 Waterworks and Sewer System Revenue Improvements and Refunding Bond | \$75,395,000        | To improve and extend the combined Water and Sewer system and refund 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. | \$73,995,000                |
| 2016 Waterworks and Sewer System Revenue Refunding Bond                  | \$9,745,000         | To refund 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.  | \$6,725,000                 |
| 2016 International Toll Bridge System Revenue Bond                       | \$8,700,000         | To refund currently outstanding obligations of the City in order to achieve debt service savings and pay costs associated in the issuance of the bonds with principal due in varying amounts through year 2028, including interest at 2.00% to 4.00% per annum.                                | \$1,065,000                 |
| 2017 Waterworks and Sewer System Revenue Bond                            | \$18,155,000        | To improve and extend the combined Water and Sewer system with principal due in varying amounts through year 2034, including interest at 5.00% per annum.  | \$16,770,000                |
| 2019 Waterworks and Sewer System Revenue Bond                            | \$47,295,000        | To improve and extend the combined Water and Sewer system with principal due in varying amounts through year 2049, including interest at 4.00% to 5.00% per annum.   | \$45,515,000                |
| 2019 Waterworks and Sewer System Revenue Refunding Bond                  | \$28,415,000        | To refund water and sewer system revenue bonds with principal due in varying amounts through year 2041, including interest at 2.23% to 3.45% per annum.  | \$28,415,000                |
| 2020 Waterworks and Sewer System Revenue Bond                            | \$52,000,000        | To improve and extend the combined Water and Sewer system with principal due in varying amounts through year 2050, including interest at .04% to .38% per annum.   | \$50,280,000                |
| 2020A Waterworks and Sewer System Revenue Bond                           | \$55,190,000        | To improve and extend the combined Water and Sewer system with principal due in varying amounts through year 2050, including interest at 3.00% to 5.00% per annum.   | \$54,590,000                |
| 2020B Waterworks and Sewer System Revenue Refunding Bond                 | \$46,170,000        | To refund water and sewer system revenue bonds with principal due in varying amounts through year 2043, including interest at .445% to 3.069% per annum.   | \$45,765,000                |
|  |                     |  |                             |
|  |                     | <b>Subtotal</b>  | <b>\$443,438,000</b>        |
|  |                     | <b>Deferred Charges/Premiums for Various Revenue Bonds</b>   | <b><u>\$30,339,659</u></b>  |
|  |                     | <b>Total Revenue Bonds</b>   | <b><u>\$473,777,659</u></b> |
|  |                     |  |                             |
|  |                     | <b>Due within one year</b>   | <b><u>\$17,734,000</u></b>  |



CITY OF LAREDO, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS

**B – Certificates of Obligations**

| <b>Series</b>                       | <b>Issue Amount</b> | <b>Purpose</b>   | <b>Payable</b>             |
|-------------------------------------|---------------------|--|----------------------------|
| 2012 A Comb. Tax and Revenue C.O.   | \$10,345,000        | To acquire equipment and vehicles for Solid Waste and acquire, design, construct, improve, and equip landfill cells and building and to pay legal, fiscal, and engineering fees in construction of such projects. Principal is due in varying amounts through 2022 with interest from 2.0% to 5.0% per annum.                                    | \$295,000                  |
| 2012B Comb. Tax and Revenue C.O.    | \$4,605,000         | To acquire equipment and vehicles for Solid Waste and acquire, design, construct, improve, and equip landfill cells and building and to pay legal, fiscal, and engineering fees in construction of such projects. Principal is due in varying amounts through 2032 with interest from .50% to 4.0% per annum.                                    | \$215,000                  |
| 2013 Comb. Tax and Revenue C.O.     | \$9,995,000         | To improve and repair 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.   | \$2,605,000                |
| 2014 Public Property Financial C.O. | \$6,780,000         | To purchase personal property for various City departments. Principal is due in varying amounts through 2022, with interest from 3.0% to 5.0% per annum.   | \$382,000                  |
| 2016 Public Property Financial C.O. | \$8,080,000         | To construct/improve City streets, drainage, traffic/street signalization, improving City buildings, acquire equipment and vehicles, construct & improve 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. | \$1,606,514                |
| 2017 Public Property Financial C.O. | \$3,685,000         | To purchase personal property 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 5.00% per annum.   | \$2,515,000                |
| 2018 Public Property Financial C.O. | \$12,050,000        | To purchase personal property for various City departments. Principal is due in varying amounts through 2026, with interest at 5.00% per annum.  | \$4,490,000                |
| 2019 Comb. Tax and Revenue C.O.     | \$29,905,000        | To improve & repair City streets, construct & improve parks and City buildings, acquire land for landfill and parking, and pay legal, fiscal, and engineering fees in construction for such projects. Principal is due in varying amounts through 2039 with interest at 5.0% per annum.  | \$10,280,000               |
| 2019 Public Property Financial C.O. | \$11,600,000        | To purchase personal property for various City departments. Principal is due in varying amounts through 2028, with interest at 5.00% per annum.  | \$3,545,000                |
| 2021A Comb. Tax and Revenue C.O.    | \$27,430,000        | To improve & repair City streets, construct & improve parks and City buildings, acquiring land and equipping improvements for landfill,, and pay legal, fiscal, and engineering fees in construction for such projects. Principal is due in varying amounts through 2041 with interest from 3.0% to 5.0% per annum.                              | \$14,355,000               |
|                                     |                     | <b>Subtotal</b>  | <b>\$40,288,514</b>        |
|                                     |                     | <b>Deferred Charges/Premiums for various Certificates of Obligations</b>   | <b><u>\$6,173,657</u></b>  |
|                                     |                     | <b>Total Certificates of Obligations</b>   | <b><u>\$46,462,171</u></b> |
|                                     |                     | <b>Due within one year</b>   | <b><u>\$5,305,764</u></b>  |

**C - General Obligation Bonds**

| <b>Series</b>                    | <b>Issue Amount</b> | <b>Purpose</b>   | <b>Payable</b>             |
|----------------------------------|---------------------|--|----------------------------|
| 2012 Gen. Oblig. Refunding Bond  | \$7,635,000         | To refund 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 2024 with interest at 3.0% per annum.             | \$615,227                  |
| 2013 Gen. Oblig. Refunding Bond  | \$16,845,000        | To refund 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 3.0% per annum.             | \$168,254                  |
| 2015 Gen. Oblig. Refunding Bond  | \$64,740,000        | To refund 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 from 2.0% to 3.0% per annum.   | \$2,987,843                |
| 2016 Gen. Oblig. Refunding Bond  | \$54,545,000        | To refund 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 from 2.0% to 5.0% per annum.   | \$29,265,000               |
| 2017 Gen. Oblig. Refunding Bond  | \$12,675,000        | To refund 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 from 4.0% to 5.0% per annum.   | \$368,195                  |
| 2018 Gen. Oblig. Refunding Bond  | \$46,635,000        | To refund 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 from 4.0% to 5.0% per annum.   | \$36,529,472               |
| 2019 Gen. Oblig. Refunding Bond  | \$3,655,000         | To refund 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 from 1.90% to 2.00% per annum. | \$290,000                  |
| 2021B Gen. Oblig. Refunding Bond | \$5,430,000         | To refund 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 2032 with interest from .50% to 2.20% per annum.  | \$4,918,600                |
|                                  |                     |  |                            |
|                                  |                     | <b>Subtotal</b>  | <b>\$75,142,591</b>        |
|                                  |                     | <b>Deferred Charges for various General Obligation Bonds</b>   | <b><u>\$8,419,584</u></b>  |
|                                  |                     | <b>Total General Obligation Bonds</b>  | <b><u>\$83,562,175</u></b> |
|                                  |                     | <b>Due within one year</b>   | <b><u>\$5,018,710</u></b>  |

### 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.

| <b>Lease Amount</b> | <b>Purpose</b>   | <b>Payable</b>         |
|---------------------|--|------------------------|
| \$242,606           | Toshiba Financial Services for the purchase of copiers. Payments are due in monthly installments in varying amounts through 2024. Interest is at 4.0% per annum. | <u>\$32,467</u>        |
|                     | <b>Total Present Value of Future Minimum Lease Payments</b>  | <b>\$32,467</b>        |
|                     | <b>Plus Amount Representing Interest</b>   | <b><u>\$1,770</u></b>  |
|                     | <b>Total Minimum Lease Payments</b>  | <b><u>\$34,237</u></b> |

The assets acquired through capital leases are as follows:

#### Business Type Activities

|                                |                   |
|--------------------------------|-------------------|
| Asset:                         |                   |
| Machinery & Equipment          | \$51,990          |
| Less: Accumulated Depreciation | <u>(\$20,796)</u> |
| Total                          | <u>\$31,194</u>   |

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021, are as follows:

| Year Ending Sept. 30                    | Business Type Activities |
|---|--------------------------|
| 2022                                    | \$13,030                 |
| 2023                                    | \$13,600                 |
| 2024                                    | <u>\$5,837</u>           |
| Total Minimum Lease Payments            | \$32,467                 |
| Add: Amount representing interest       | <u>\$1,770</u>           |
| Present value of minimum lease payments | <u>\$34,237</u>          |

## E – Refunding and Early Extinguishment

On June 22, 2021, the City of Laredo issued \$4,918,600 in General Obligation Refunding Bonds, Series 2021B with an average interest rate of 1.59% to advance the following:

| Bond Issue                            | Average Interest Rate | Principal Amount Refunded |
|---------------------------------------|-----------------------|---------------------------|
| General Oblig. Ref. Series 2012       | 3.00%                 | \$1,098,577               |
| Comb. Tax & Revenue C.O. Series 2012B | 3.80%                 | \$2,620,000               |
| Comb. Tax & Revenue C.O. Series 2013  | 5.00%                 | \$960,000                 |

The net proceeds of \$4,825,207 (after payment of \$93,393 in underwriting fees, insurance, and other issuance costs, no premium, and a contribution of \$77,054) for the 2021B General Obligation Refunding Bonds sinking fund monies were used to purchase governmental securities. Those securities were deposited in an irrevocable trust within an escrow agent to provide for all of the future debt service payments on the 2010 General Obligation Refunding Bonds. As a result, the 2012 General Obligation Refunding Bonds and 2012B and 2013 Combination Tax and Revenue Certificates of Obligations are now considered defeased and the liability for those bonds have been removed from the government-wide Statement of Net Assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$5,597,357. This difference, reported in the accompanying financial statements as a deduction from the General Obligation payable, is being charged to operations through the year 2032 using the effective interest method. The agency completed the advance refunding and its total debt service payments decrease over the next eleven years by \$249,858 and resulted in an economic gain (difference between the present value of the old and the new debt service payments) of \$241,305.

## F - Compensated Absences

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

| Fund              |    | Amount           |
|-------------------|----|------------------|
| Transit System    | \$ | 121,850          |
| Bridge System     |    | 465,289          |
| Municipal Housing |    | 33,456           |
| Waterworks System |    | 384,386          |
| Sewer System      |    | 228,057          |
| Solid Waste Fund  |    | 451,585          |
| Total Long Term   | \$ | <u>1,684,623</u> |

### **G - 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, 2021, \$202,641,147 in bonds outstanding are considered defeased.

### **G - 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, 2021 is \$20,164,136 of which \$13,466,123 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 \$13,466,123 as of September 30, 2021 represents the cumulative amount for 164.03 acres of the landfill filled with solid waste for closure and 346.13 acres for post-closure care. The percentage of the landfill capacity for solid waste used as of September 30, 2021 is 32.15%. With Landfill receiving a permit for vertical expansion the estimated remaining life of the landfill is 83 years. Based on the remaining life, the landfill will be filled to capacity by the year 2104. The estimated total current cost of the landfill closure and post closure care (\$20,164,136) 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, 2021. 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.

Under the new permit 1693B, the landfill is divided into the east and west side. This can be further divided into four phases and is further divided into cells of 2.15 to 18.90 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.

## H. 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. \$ 1,415,165

## 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, 2021 are as follows:

|  | Receivables  | Payables  | Net         |
|--|--------------|-----------|-------------|
| <b>Due to Business Type Activities for Internal Service</b>  |              |           |             |
| Funds Allocation   | \$ -         | 7,581,263 | (7,581,263) |
| <b>Total Governmental Activity</b>                           | \$ -         | 7,581,263 | (7,581,263) |
| <b>Due from Governmental Activities for Internal Service</b> |              |           |             |
| Funds Allocation   | \$ 7,581,263 | -         | 7,581,263   |
| <b>Total Business Type Activity</b>                          | \$ 7,581,263 | -         | 7,581,263   |

## 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<br>In     | Transfers<br>Out    | Net<br>Transfers    |
|-------------------------------------|---------------------|---------------------|---------------------|
| <b>GOVERNMENTAL FUND:</b>           |                     |                     |                     |
| <b>DEBT SERVICE</b>                 |                     |                     |                     |
| Bridge                              | \$ 771,452          | -                   | 771,452             |
| <b>HOME INVESTMENT PARTNERSHIP</b>  |                     |                     |                     |
| Municipal Housing                   | 28,482              | -                   | 28,482              |
| <b>COVID 19 ECONOMIC ASSISTANCE</b> |                     |                     |                     |
| Solid Waste Fund                    | -                   | (448,647)           | (448,647)           |
| Waterworks system                   | -                   | (1,768,873)         | (1,768,873)         |
| <b>CAPITAL IMPROVEMENTS</b>         |                     |                     |                     |
| Bridge                              | 13,845,259          | -                   | 13,845,259          |
| <b>TOTAL - GOVERNMENT TYPE</b>      | <u>14,645,193</u>   | <u>(2,217,520)</u>  | <u>12,427,673</u>   |
| <b>BUSINESS TYPE:</b>               |                     |                     |                     |
| <b>BRIDGE</b>                       |                     |                     |                     |
| Debt Service                        | -                   | (771,452)           | (771,452)           |
| Capital Improvements                | -                   | (13,845,259)        | (13,845,259)        |
| <b>MUNICIPAL HOUSING</b>            |                     |                     |                     |
| Home Investment Partnership         | -                   | (28,482)            | (28,482)            |
| <b>SOLID WASTE FUND</b>             |                     |                     |                     |
| Covid 19 Economic Assistance        | 448,647             | -                   | 448,647             |
| <b>WATERWORKS</b>                   |                     |                     |                     |
| Covid 19 Economic Assistance        | 1,768,873           | -                   | 1,768,873           |
| <b>TOTAL - BUSINESS TYPE</b>        | <u>\$ 2,217,520</u> | <u>(14,645,193)</u> | <u>(12,427,673)</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, 2021

| 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         |  |
| 2022                                      | 19,524,000    | 15,345,736  | 34,869,736  | 1,052,331              | 62,323   | 1,114,654 | 11,224,999                 | 6,531,510  | 17,756,509  | 15,549,999               | 6,649,619  | 22,199,618  | 47,351,329               | 28,589,188  | 75,940,517    |  |
| 2023                                      | 19,732,000    | 14,552,688  | 34,284,688  | 1,066,627              | 48,141   | 1,114,768 | 10,020,000                 | 6,033,040  | 16,053,040  | 15,814,999               | 5,965,268  | 21,780,267  | 46,633,626               | 26,599,137  | 73,232,763    |  |
| 2024                                      | 20,296,000    | 13,918,568  | 34,214,568  | 412,399                | 34,040   | 446,439   | 9,440,000                  | 5,570,937  | 15,010,937  | 16,344,998               | 5,264,812  | 21,609,810  | 46,493,397               | 24,788,357  | 71,281,754    |  |
| 2025                                      | 20,620,000    | 13,239,705  | 33,859,705  | 387,490                | 24,343   | 411,833   | 8,905,000                  | 5,129,658  | 14,034,658  | 17,625,001               | 4,518,976  | 22,143,977  | 47,537,491               | 22,912,682  | 70,450,173    |  |
| 2026                                      | 21,237,999    | 12,598,382  | 33,836,381  | 397,062                | 14,772   | 411,834   | 8,810,000                  | 4,700,672  | 13,510,672  | 16,535,000               | 3,750,010  | 20,285,010  | 46,980,061               | 21,063,836  | 68,043,897    |  |
| 2027                                      | 20,642,000    | 11,928,301  | 32,570,301  | 406,870                | 4,964    | 411,834   | 8,270,000                  | 4,290,777  | 12,560,777  | 16,279,999               | 2,984,076  | 19,264,075  | 45,598,869               | 19,208,118  | 64,806,987    |  |
| 2028                                      | 18,201,000    | 11,328,407  | 29,529,407  | -                      | -        | -         | 9,310,000                  | 3,871,398  | 13,181,398  | 10,375,000               | 2,375,070  | 12,750,070  | 37,886,000               | 17,574,875  | 55,460,875    |  |
| 2029                                      | 18,515,000    | 10,766,734  | 29,281,734  | -                      | -        | -         | 7,145,000                  | 3,469,302  | 10,614,302  | 8,195,000                | 1,963,820  | 10,158,820  | 33,855,000               | 16,199,856  | 50,054,856    |  |
| 2030                                      | 18,190,000    | 10,177,806  | 28,367,806  | -                      | -        | -         | 7,335,000                  | 3,116,281  | 10,451,281  | 6,050,001                | 1,660,205  | 7,710,206   | 31,575,001               | 14,954,292  | 46,529,293    |  |
| 2031                                      | 18,785,000    | 9,599,604   | 28,384,604  | -                      | -        | -         | 7,705,000                  | 2,758,200  | 10,463,200  | 5,590,000                | 1,419,295  | 7,009,295   | 32,080,000               | 13,777,099  | 45,857,099    |  |
| 2032                                      | 19,360,000    | 9,008,583   | 28,368,583  | -                      | -        | -         | 8,065,000                  | 2,394,925  | 10,459,925  | 5,830,001                | 1,173,809  | 7,003,810   | 33,255,001               | 12,577,317  | 45,832,318    |  |
| 2033                                      | 19,954,999    | 8,416,311   | 28,371,310  | -                      | -        | -         | 8,440,000                  | 2,036,438  | 10,476,438  | 5,269,999                | 917,750    | 6,187,749   | 33,664,998               | 11,370,499  | 45,035,497    |  |
| 2034                                      | 20,555,000    | 7,813,014   | 28,368,014  | -                      | -        | -         | 8,815,000                  | 1,661,013  | 10,476,013  | 2,315,000                | 728,125    | 3,043,125   | 31,685,000               | 10,202,152  | 41,887,152    |  |
| 2035                                      | 21,185,001    | 7,193,619   | 28,378,620  | -                      | -        | -         | 8,780,000                  | 1,275,050  | 10,055,050  | 2,430,000                | 609,500    | 3,039,500   | 32,395,001               | 9,078,169   | 41,473,170    |  |
| 2036                                      | 21,820,000    | 6,549,114   | 28,369,114  | -                      | -        | -         | 7,820,000                  | 920,950    | 8,740,950   | 2,545,000                | 485,125    | 3,030,125   | 32,185,000               | 7,955,189   | 40,140,189    |  |
| 2037                                      | 21,835,001    | 5,887,527   | 27,722,528  | -                      | -        | -         | 6,215,000                  | 623,500    | 6,838,500   | 2,675,000                | 354,625    | 3,029,625   | 30,725,001               | 6,865,652   | 37,590,653    |  |
| 2038                                      | 22,500,000    | 5,209,863   | 27,709,863  | -                      | -        | -         | 5,040,000                  | 387,650    | 5,427,650   | 2,810,000                | 217,500    | 3,027,500   | 30,350,000               | 5,815,013   | 36,165,013    |  |
| 2039                                      | 23,200,000    | 4,504,371   | 27,704,371  | -                      | -        | -         | 4,135,000                  | 199,675    | 4,334,675   | 2,945,002                | 73,627     | 3,018,629   | 30,280,002               | 4,777,673   | 35,057,675    |  |
| 2040                                      | 23,245,000    | 3,784,694   | 27,029,694  | -                      | -        | -         | 1,885,000                  | 86,325     | 1,971,325   | -                        | -          | -           | 25,130,000               | 3,871,019   | 29,001,019    |  |
| 2041                                      | 18,520,000    | 3,146,577   | 21,666,577  | -                      | -        | -         | 1,935,000                  | 29,025     | 1,964,025   | -                        | -          | -           | 20,455,000               | 3,175,602   | 23,630,602    |  |
| 2042                                      | 17,220,000    | 2,613,066   | 19,833,066  | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 17,220,000               | 2,613,066   | 19,833,066    |  |
| 2043                                      | 13,410,000    | 2,149,764   | 15,559,764  | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 13,410,000               | 2,149,764   | 15,559,764    |  |
| 2044                                      | 12,660,000    | 1,743,841   | 14,403,841  | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 12,660,000               | 1,743,841   | 14,403,841    |  |
| 2045                                      | 12,535,000    | 1,350,104   | 13,885,104  | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 12,535,000               | 1,350,104   | 13,885,104    |  |
| 2046                                      | 10,715,000    | 981,151     | 11,696,151  | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 10,715,000               | 981,151     | 11,696,151    |  |
| 2047                                      | 7,690,000     | 680,755     | 8,370,755   | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 7,690,000                | 680,755     | 8,370,755     |  |
| 2048                                      | 6,765,000     | 450,455     | 7,215,455   | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 6,765,000                | 450,455     | 7,215,455     |  |
| 2049                                      | 6,985,000     | 239,975     | 7,224,975   | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 6,985,000                | 239,975     | 7,224,975     |  |
| 2050                                      | 4,930,000     | 66,292      | 4,996,292   | -                      | -        | -         | -                          | -          | -           | -                        | -          | -           | 4,930,000                | 66,292      | 4,996,292     |  |
| Total                                     | 500,828,000   | 195,245,007 | 696,073,007 | 3,722,779              | 188,583  | 3,911,362 | 149,294,999                | 55,086,326 | 204,381,325 | 155,179,999              | 41,111,212 | 196,291,211 | 809,025,777              | 291,631,128 | 1,100,656,905 |  |



**NOTE 16 - CONSTRUCTION AND IMPROVEMENT COMMITMENTS**

As of September 30, 2021, the City had encumbrances for construction contractual commitments of \$45,481,239 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                           | \$ 10,895,450               | Bond Proceeds            |
| Sewer System                                | <u>1,874,877</u>            | Bond Proceeds            |
| Total Major Funds:                          | \$ <u>12,770,327</u>        |                          |
| Non-Major Funds:                            |                             |                          |
| Community Development                       | \$ 14,224                   | Grant Proceeds           |
| Environmental Services                      | 119,136                     | Bond Proceeds            |
| Sports & Community                          | 2,955,000                   | Bond Proceeds            |
| Capital Grants                              | 4,626,994                   | Grant Proceeds           |
| Airport Construction                        | 20,344,117                  | Grant Proceeds           |
| Parks Grant                                 | 115,942                     | Grant Proceeds           |
| 2013 PPFCO                                  | 79,268                      | Bond Proceeds            |
| 2019 PPFCO                                  | 1,509                       | Bond Proceeds            |
| 2016 C.O. Issue                             | 3,050                       | Bond Proceeds            |
| 2018 C.O. Issue                             | 850                         | Bond Proceeds            |
| 2019 C.O. Issue                             | <u>4,450,822</u>            | Bond Proceeds            |
| Total Non-Major Funds:                      | \$ <u>32,710,912</u>        |                          |
| Total Significant Construction Encumbrances | \$ <u><u>45,481,239</u></u> |                          |

**NOTE 17 – FUND EXPENDITURES EXCEEDING APPROPRIATIONS**

During the fiscal year ended September 30, 2021, expenses in Max Mandel Golf Course exceeded appropriations in the amount of \$110,755, expenses in Special Fire Grants exceeded appropriations in the amount of \$525,731, and expenses in Risk Management exceeded appropriations in the amount of \$272,624.

## 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 \$32,795,292.00 and projected net claims of \$27,617,159.00. 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 \$4,631,644 reported in the Fund as of September 30, 2021 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 2019, 2020, and 2021 were:

| <u>Year</u> | <u>Balance at<br/>Beginning of<br/>Fiscal Year</u> | <u>Claims and<br/>Changes in<br/>Estimates</u> | <u>Current year<br/>Claims &amp;<br/>Payments</u> | <u>Balance at Fiscal<br/>Year end <sup>1</sup></u> |
|-------------|--|--|---|--|
| 2018-2019   | \$ 3,251,952                                       | \$ 25,210,686                                  | \$ 24,750,120                                     | \$ 3,712,518                                       |
| 2019-2020   | \$ 3,712,518                                       | \$ 24,222,010                                  | \$ 24,290,894                                     | \$ 3,643,634                                       |
| 2020-2021   | \$ 3,643,634                                       | \$ 31,865,640                                  | \$ 30,877,629                                     | \$ 4,631,645                                       |

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.

<sup>1</sup>Claim 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 \$2,200,000.00 aggregated for FY18-19 and \$2,200,000.00 aggregated for FY19-20 and \$2,200,000.00 aggregated for FY20-21. 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, 2021, a liability was recorded based on fiscal year 2021 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 2019, 2020 and 2021 were:

| <u>Year</u> |    | <u>Balance at<br/>Beginning of<br/>Fiscal Year</u> | <u>Claims and<br/>Changes in<br/>Estimates</u> | <u>Current<br/>Claims &amp;<br/>Payments</u> | <u>Balance at Fiscal<br/>Year end <sup>2</sup></u> |
|-------------|----|--|--|--|--|
| 2018-2019   | \$ | 1,290,745  | \$ 1,867,009                                   | \$ 1,884,986                                 | \$ 1,272,768                                       |
| 2019-2020   | \$ | 1,272,768  | \$ 2,159,268                                   | \$ 2,091,457                                 | \$ 1,340,579                                       |
| 2020-2021   | \$ | 1,340,579  | \$ 2,866,153                                   | \$ 2,829,120                                 | \$ 1,377,612                                       |

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.

<sup>2</sup>Claim 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, 2021, the City had six active agreements under Chapter 312 that resulted in \$190,132 in tax abatements. Under Chapter 378, the City had twenty-eight active agreements that resulted in \$77,255 in tax abatements. The City had three active agreements under Chapter 380 that resulted in sales tax refunds of \$319,492 and one that resulted in property tax refunds of \$128,393.

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, 2021, 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, 2021, 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, 2021, the amount of unspent interest to date was \$29,282. 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:

|   | General<br>Fund      |
|---|----------------------|
| Excess (Deficiency) of revenues and other financing sources<br>over expenditures and other uses (GAAP Basis)-                                       | \$ 7,341,176         |
| Adjustments:  |                      |
| Timing Differences-Encumbrances   | (4,897,180)          |
| Basic Differences:  |                      |
| Non Budgeted-Allowance for Doubtful Accounts  | <u>5,168</u>         |
| Excess of revenues and other financing sources over expenditures<br>and other uses (GAAP Basis)-budgetary classifications                           | 2,449,164            |
| Other adjustments-Excess of revenues and other financing<br>Sources over expenditures and other uses for non-budgeted<br>Funds-(Entity Differences) | <u>42,610,405</u>    |
| Excess (Deficiency) of revenues and other financing sources<br>over expenditures and other uses – Budget Basis                                      | <u>\$ 45,059,569</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:

|  | <b>General<br/>Fund</b> | <b>Debt<br/>Service</b> | <b>Other<br/>Governmental<br/>Funds</b> |
|--|-------------------------|-------------------------|---|
| <b>Fund Balances:</b>                        |                         |                         |   |
| <b>Nonspendable:</b>                         |                         |                         |   |
| Inventory                                    | 14,763                  | -                       | 49,922                                  |
| Permanent Fund Principal                     | -                       | -                       | 50,000                                  |
| <b>Restricted for:</b>                       |                         |                         |   |
| Debt Service                                 | -                       | 6,688,081               | 3,241,368                               |
| Police                                       | 106,133                 | -                       | 5,529,493                               |
| Municipal Court                              | 646,757                 | -                       | -                                       |
| 911 Regional Fund                            | -                       | -                       | 1,716,996                               |
| Urban Redevelopment and Housing              | -                       | -                       | 611,747                                 |
| Health Services                              | -                       | -                       | 2,878,362                               |
| Welfare                                      | 2,717,008               | -                       | -                                       |
| Environmental Services                       | -                       | -                       | 7,935,672                               |
| Noise Abatement                              | -                       | -                       | 666,670                                 |
| Convention and Tourism                       | -                       | -                       | 6,169,406                               |
| Parks and Recreation                         | 12,398                  | -                       | 69,562,842                              |
| Education                                    | 821                     | -                       | 1,835,500                               |
| Downtown TIRZ 1                              | -                       | -                       | 3,495,404                               |
| Parking Meters                               | -                       | -                       | 3,975                                   |
| Permanent Fund Revenues                      | -                       | -                       | 29,282                                  |
| Capital Projects (Parks, Infrast., Mun. Imp) | -                       | -                       | 59,545,697                              |
| <b>Committed to:</b>                         |                         |                         |   |
| General Government                           | 30,759,597              | -                       | -                                       |
| Police                                       | 998,705                 | -                       | 472,703                                 |
| Fire   | 310,019                 | -                       | -                                       |
| Municipal Court                              | 52,203                  | -                       | -                                       |
| Traffic Safety                               | 135,444                 | -                       | -                                       |
| Parking Meters                               | -                       | -                       | 81,912                                  |
| Public Works                                 | 110,834                 | -                       | -                                       |
| Urban Redevelopment and Housing              | -                       | -                       | 3,287,242                               |
| Health Services                              | -                       | -                       | 896,275                                 |
| Welfare                                      | 588,312                 | -                       | -                                       |
| Environmental Services                       | -                       | -                       | 966,339                                 |
| Parks and Recreation                         | 1,265,874               | -                       | 56,678                                  |
| Education                                    | -                       | -                       | 13,978                                  |
| Other  | 1,133,124               | -                       | -                                       |
| Transportation                               | -                       | -                       | 861,794                                 |
| Capital Purchases (Equipment)                | -                       | -                       | 5,334,563                               |
| Capital Projects                             | -                       | -                       | 28,747                                  |
| <b>Assigned to:</b>                          |                         |                         |   |
| Parking Meters                               | -                       | -                       | 1,046,800                               |
| Environmental Services                       | -                       | -                       | 3,464,475                               |
| Parks and Recreation                         | -                       | -                       | 552,128                                 |
| Transportation                               | -                       | -                       | 16,326,505                              |
| Capital Projects                             | -                       | -                       | 52,534,920                              |
| <b>Unassigned</b>                            | 11,104,757              | -                       | (12,186,414)                            |
| Total Fund Balances                          | <u>49,956,749</u>       | <u>6,688,081</u>        | <u>237,060,981</u>                      |

**NOTE 24 – PRIOR YEAR ADJUSTMENT**

There were no prior year adjustments in the year ended September 30, 2021.

## **Required Supplementary Information**



**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)**

|   | 12/31/2020         | 12/31/2019      | 12/31/2018      | 12/31/2017      |
|---|--------------------|-----------------|-----------------|-----------------|
| <b>Total pension liability</b>  |                    |                 |                 |                 |
| Service Cost  | \$ 21,660,281      | 20,007,128      | 18,935,093      | 18,055,726      |
| Interest (on the Total Pension Liability)                                     | 46,889,636         | 44,301,441      | 41,776,661      | 39,304,497      |
| Changes of benefit terms  | -                  | -               | -               | -               |
| Difference between expected and actual experience                             | (26,803)           | (431,846)       | 408,431         | (1,450,209)     |
| Change of assumptions   | -                  | 685,153         | -               | -               |
| Benefit payments, including refunds of employee contributions                 | (26,424,189)       | (27,665,477)    | (20,838,620)    | (18,611,473)    |
| Net Change in Total Pension Liability   | 42,098,925         | 36,896,399      | 40,281,565      | 37,298,541      |
| Total Pension Liability-Beginning   | 697,043,221        | 660,146,822     | 619,865,257     | 582,566,716     |
| Total Pension Liability-Ending  | \$ 739,142,146     | 697,043,221     | 660,146,822     | 619,865,257     |
| <b>Plan Fiduciary Net Position</b>  |                    |                 |                 |                 |
| Contributions-Employer  | \$ 26,071,999      | 24,513,447      | 23,259,291      | 22,434,463      |
| Contributions-Employee  | 8,786,917          | 8,257,659       | 7,801,392       | 7,422,994       |
| Net Investment Income   | 42,872,980         | 74,997,278      | (14,669,500)    | 58,259,387      |
| Benefit payments, including refunds of employee contributions                 | (26,424,189)       | (27,665,477)    | (20,838,620)    | (18,611,473)    |
| Administrative Expense  | (277,112)          | (423,253)       | (283,249)       | (301,727)       |
| Other   | (10,812)           | (12,714)        | (14,799)        | (15,292)        |
| Net Change in Plan Fiduciary Net Position                                     | 51,019,783         | 79,666,940      | (4,745,485)     | 69,188,352      |
| Plan Fiduciary Net Position-Beginning   | 564,187,103        | 484,520,163     | 489,265,648     | 420,077,296     |
| Plan Fiduciary Net Position-Ending  | \$ 615,206,886     | 564,187,103     | 484,520,163     | 489,265,648     |
| Net Pension Liability-Ending  | \$ 123,935,260     | 132,856,118     | 175,626,659     | 130,599,609     |
| <br>Plan Fiduciary Net Position as a Percentage<br>of Total Pension Liability | <br>83.23%         | <br>80.94%      | <br>73.40%      | <br>78.93%      |
| <br>Covered Payroll   | <br>\$ 125,276,352 | <br>117,966,558 | <br>111,448,461 | <br>106,023,054 |
| Net Pension Liability as a Percentage<br>of Covered Payroll                   | 98.93%             | 112.62%         | 157.59%         | 123.18%         |

(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

**Changes of Assumptions:**

Amortization period In 2019, changed from 17 years to 25 years.  
Salary increase ranges IN 2019, changed from 3.5% to 10.5% to 3.5% to 11.5%.  
Rate of Return In 2020, Long term Municipal bond rate changed from 2.75% to 2.0%

**Other Information:**

Notes There were no benefit changes during the year.

(Continued)

| 12/31/2016   | 12/31/2015   | 12/31/2014   |
|--------------|--------------|--------------|
| 17,550,829   | 16,137,452   | 14,954,531   |
| 36,935,879   | 36,278,827   | 34,062,490   |
| -            | -            | -            |
| (2,007,074)  | (6,889,003)  | (3,571,761)  |
| -            | (1,671,663)  | -            |
| (16,671,410) | (14,594,700) | (14,154,831) |
| 35,808,224   | 29,260,913   | 31,290,429   |
| 546,758,492  | 517,497,579  | 486,207,150  |
| 582,566,716  | 546,758,492  | 517,497,579  |
| 21,915,367   | 20,857,055   | 19,414,300   |
| 7,206,069    | 6,894,937    | 6,639,377    |
| 25,837,605   | 544,191      | 19,324,455   |
| (16,671,410) | (14,594,700) | (14,154,831) |
| (291,637)    | (331,414)    | (201,717)    |
| (15,713)     | (16,368)     | (16,584)     |
| 37,980,281   | 13,353,701   | 31,005,000   |
| 382,097,015  | 368,743,314  | 337,738,314  |
| 420,077,296  | 382,097,015  | 368,743,314  |
| 162,489,420  | 164,661,477  | 148,754,265  |
| 72.11%       | 69.88%       | 71.26%       |
| 102,937,415  | 98,459,134   | 94,769,773   |
| 157.85%      | 167.24%      | 156.96%      |

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

**Laredo Firefighter Retirement System**

|   | 9/30/2021      | 9/30/2020    | 9/30/2019    | 9/30/2018    |
|---|----------------|--------------|--------------|--------------|
| <b>Total pension liability</b>                            |                |              |              |              |
| Service Cost  | \$ 7,359,403   | 7,162,436    | 6,711,542    | 6,500,283    |
| Interest (on the Total Pension Liability)                 | 20,761,291     | 19,612,577   | 18,757,868   | 17,648,587   |
| Changes of benefit terms                                  | -              | -            | -            | -            |
| Difference between expected and actual experience         | 8,026,480      | -            | (5,966,888)  | -            |
| Change of assumptions                                     | (3,312,518)    | -            | 14,786,931   | -            |
| Benefit payments, including ref of employee contributions | (12,421,926)   | (10,889,659) | (10,471,721) | (10,165,487) |
| Net Change in Total Pension Liability                     | 20,412,730     | 15,885,354   | 23,817,732   | 13,983,383   |
| Total Pension Liability-Beginning                         | 275,668,769    | 259,783,415  | 235,965,683  | 221,982,300  |
| Total Pension Liability-Ending                            | \$ 296,081,499 | 275,668,769  | 259,783,415  | 235,965,683  |

**Plan Fiduciary Net Position**

|   |                |              |              |              |
|---|----------------|--------------|--------------|--------------|
| Contributions-Employer                                    | \$ 8,145,656   | 7,555,193    | 7,264,588    | 6,845,693    |
| Contributions-Employee                                    | 5,931,306      | 5,568,885    | 5,416,147    | 5,109,297    |
| Net Investment Income                                     | 7,260,258      | 2,218,729    | 10,891,487   | 14,198,072   |
| Benefit payments, including ref of employee contributions | (12,421,926)   | (10,889,659) | (10,471,721) | (10,165,487) |
| Administrative Expense                                    | (242,952)      | (268,743)    | (272,399)    | (310,945)    |
| Other   | -              | -            | 2,461        | 1,440        |
| Net Change in Plan Fiduciary Net Position                 | 8,672,342      | 4,184,405    | 12,830,563   | 15,678,070   |
| Plan Fiduciary Net Position-Beginning                     | 158,998,242    | 154,813,837  | 141,983,274  | 126,305,204  |
| Plan Fiduciary Net Position-Ending                        | \$ 167,670,584 | 158,998,242  | 154,813,837  | 141,983,274  |
| Net Pension Liability-Ending                              | \$ 128,410,915 | 116,670,527  | 104,969,578  | 93,982,409   |

|  |        |        |        |        |
|--|--------|--------|--------|--------|
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 56.63% | 57.68% | 59.59% | 60.17% |
|--|--------|--------|--------|--------|

|  |               |            |            |            |
|--|---------------|------------|------------|------------|
| Covered Payroll  | \$ 39,542,040 | 37,125,900 | 36,107,647 | 34,061,980 |
| Net Pension Liability as a Percentage of Covered Payroll | 324.75%       | 314.26%    | 290.71%    | 275.92%    |

(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

**Changes of Assumptions:**

|                           |  |
|---------------------------|--|
| Amortization Period       | In 2019, changed from 28 years to 43 years.<br>In 2021, changed from 43 years to 57 years.   |
| Investment Rate of Return | In 2019, rate decreased from 7.90% to 7.50%.<br>In 2021, rate decreased from 7.50% to 7.40%. |
| Discount Rate             | In 2021, rate decreased from 7.50% to 7.40%.   |
| Salary increase ranges    | In 2019, changed from 3.25% to 2.75%.  |
| Other information:        |  |
| Notes                     | There were no benefit changes during the year.   |

(Continued)

| 9/30/2017   | 9/30/2016   | 9/30/2015   |
|-------------|-------------|-------------|
| 5,959,061   | 5,757,547   | 5,562,847   |
| 16,635,239  | 15,644,420  | 14,710,813  |
| (4,481,331) | -           | -           |
| 2,728,669   | -           | -           |
| 3,829,393   | -           | -           |
| (9,340,307) | (9,096,190) | (8,500,340) |
| 15,330,724  | 12,305,777  | 11,773,320  |
| 206,651,576 | 194,345,799 | 182,572,479 |
| 221,982,300 | 206,651,576 | 194,345,799 |

|             |             |             |
|-------------|-------------|-------------|
| 6,801,034   | 6,222,249   | 6,044,620   |
| 5,075,400   | 4,642,722   | 4,521,220   |
| 9,529,045   | (5,430,523) | 9,030,933   |
| (9,340,307) | (9,096,190) | (8,500,340) |
| (209,946)   | (239,505)   | (221,416)   |
| 11,587      | -           | -           |
| 11,866,813  | (3,901,247) | 10,875,017  |
| 114,438,391 | 118,339,638 | 107,464,621 |
| 126,305,204 | 114,438,391 | 118,339,638 |
| 95,677,096  | 92,213,185  | 76,006,161  |

|            |            |            |
|------------|------------|------------|
| 56.90%     | 55.38%     | 60.89%     |
| 33,836,000 | 30,951,480 | 30,141,467 |
| 282.77%    | 297.93%    | 252.16%    |

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

**LTFI Defined Benefit Plan**

|   | 9/30/2021     | 9/30/2020  | 9/30/2019  | 9/30/2018  |
|---|---------------|------------|------------|------------|
| <b>Total pension liability</b>                                |               |            |            |            |
| Service Cost  | \$ 220,426    | 377,148    | 309,361    | 164,279    |
| Interest (on the Total Pension Liability)                     | 817,956       | 753,532    | 729,536    | 722,028    |
| Changes of benefit terms                                      | -             | -          | -          | -          |
| Difference between expected and actual experience             | 490,990       | (77,518)   | (182,684)  | 247,987    |
| Change of assumptions   | (364,738)     | 633,324    | 188,764    | -          |
| Benefit payments, including refunds of employee contributions | (257,493)     | (255,653)  | (188,309)  | (191,901)  |
| Net Change in Total Pension Liability                         | 907,141       | 1,430,833  | 856,668    | 942,393    |
| Total Pension Liability-Beginning                             | 13,774,574    | 12,343,741 | 11,487,074 | 10,544,681 |
| Total Pension Liability-Ending                                | \$ 14,681,715 | 13,774,574 | 12,343,742 | 11,487,074 |

**Plan Fiduciary Net Position**

|   |                |            |            |           |
|---|----------------|------------|------------|-----------|
| Contributions-Employer  | \$ 955,737     | 1,840,000  | 825,000    | 950,000   |
| Contributions-Employee  | 47,946         | 49,872     | 53,040     | 53,604    |
| Net Investment Income   | 2,554,735      | 1,001,152  | 431,289    | 420,578   |
| Benefit payments, including refunds of employee contributions | (257,493)      | (255,653)  | (188,309)  | (191,901) |
| Administrative Expense  | (264,323)      | (219,966)  | (197,859)  | -         |
| Other   | -              | -          | -          | -         |
| Net Change in Plan Fiduciary Net Position                     | 3,036,602      | 2,415,405  | 923,161    | 1,232,281 |
| Plan Fiduciary Net Position-Beginning                         | 12,971,783     | 10,556,378 | 9,633,217  | 8,400,936 |
| Plan Fiduciary Net Position-Ending                            | \$ 16,008,385  | 12,971,783 | 10,556,378 | 9,633,217 |
| Net Pension Liability(Asset)-Ending                           | \$ (1,326,670) | 802,791    | 1,787,364  | 1,853,857 |

|  |              |           |           |           |
|--|--------------|-----------|-----------|-----------|
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 109.04%      | 94.17%    | 85.52%    | 83.86%    |
| Covered Payroll  | \$ 7,705,487 | 7,484,337 | 7,149,335 | 7,045,845 |
| Net Pension Liability/(Asset) as a Percentage of Covered Payroll       | -17.22%      | 10.73%    | 25.00%    | 26.31%    |

(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

**Changes of Assumptions:**

|                           |   |
|---------------------------|---|
| Discount Rate             | In 2019, rate changed from 6.75% to 6.40%<br>In 2020, rate changed to 5.90%.            |
| Investment Rate of Return | In 2019, rate was updated from 6.75% to 6.40%<br>In 2020, rate of was updated to 5.90%. |
| Inflation                 | In 2021, inflation was updated from 2.50% to 2.25%.                                     |
| Other information:        |   |
| Notes                     | There were no benefit changes during the year.  |

(Continued)

| 9/30/2017  | 9/30/2016 |
|------------|-----------|
| 169,500    | 160,902   |
| 660,804    | 608,457   |
| -          | -         |
| 139,715    | -         |
| -          | -         |
| (150,612)  | (116,526) |
| 819,407    | 652,833   |
| 9,725,274  | 9,072,441 |
| 10,544,681 | 9,725,274 |

|           |           |
|-----------|-----------|
| 877,000   | 600,000   |
| 54,373    | 54,264    |
| 671,821   | 483,385   |
| (150,612) | (116,526) |
| -         | -         |
| -         | -         |
| 1,452,582 | 1,021,123 |
| 6,948,354 | 5,927,231 |
| 8,400,936 | 6,948,354 |
| 2,143,745 | 2,776,920 |

|           |           |
|-----------|-----------|
| 79.67%    | 71.45%    |
| 6,873,995 | 6,772,317 |
| 31.19%    | 41.00%    |

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

**City of Laredo (TMRS)**

| <u>Fiscal<br/>Year</u> | <u>Annual<br/>Required<br/>Contributions (ARC)</u> | <u>Contributions<br/>Made</u> | <u>Contribution<br/>(Deficiency)<br/>Excess</u> | <u>Covered<br/>Payroll</u> | <u>Contributions as a<br/>Percentage of<br/>Covered Payroll</u> | <u>Employee<br/>Contributions</u> |
|------------------------|--|-------------------------------|---|----------------------------|---|-----------------------------------|
| 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                      |
| 9/30/2020              | \$ 25,427,698                                      | \$ 25,427,698                 | \$ -  | \$ 121,199,704             | 20.98%  | \$ 8,483,060                      |
| 9/30/2021              | \$ 25,558,773                                      | \$ 25,558,773                 | \$ -  | \$ 120,163,485             | 21.27%  | \$ 8,441,865                      |

**Notes to Schedule of Contributions**

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

|                           |  |
|---------------------------|--|
| Actuarial Cost Method     | Entry Age Normal   |
| Asset Valuation Method    | 10 Year smoothed market; 12% soft corridor   |
| Inflation                 | 2.50%  |
| Salary Increase           | 3.50% to 11.50% including inflation  |
| Investment Rate of Return | 6.75%  |
| Retirement Age            | Experience based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.   |
| Mortality                 | Post retirement 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.<br>Pre retirement PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP. |

(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 YEARS (1)**

**Laredo Firefighter Retirement System**

| <u>Fiscal<br/>Year</u> | <u>Annual<br/>Required<br/>Contributions (ARC)</u> | <u>Contributions<br/>Made</u> | <u>Contribution<br/>(Deficiency)<br/>Excess</u> | <u>Covered<br/>Payroll</u> | <u>Contributions as a<br/>Percentage of<br/>Covered Payroll</u> | <u>Employee<br/>Contributions</u> |
|------------------------|--|-------------------------------|---|----------------------------|---|-----------------------------------|
| 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                      |
| 9/30/2020              | \$ 7,555,193                                       | \$ 7,555,193                  | \$ -  | \$ 37,125,900              | 20.35%  | \$ 5,568,885                      |
| 9/30/2021              | \$ 8,145,656                                       | \$ 8,145,656                  | \$ -  | \$ 39,542,040              | 20.60%  | \$ 5,931,306                      |

**Notes to Schedule of Contributions**

Valuation Date:

Notes                      Actuarially determined contribution rates are calculated  
biennially, every September 30

Methods and Assumptions Used to Determine Contribution Rates:

|                           |   |
|---------------------------|---|
| Actuarial Cost Method     | Entry Age Normal  |
| Asset Valuation Method    | Reported at fair market value   |
| Inflation                 | 2.75%   |
| Salary Increase           | 2.75%, plus merit, step and longevity increases that vary by svc.   |
| Investment Rate of Return | 7.4%, net of pension plan investment expense  |
| Retirement Age            | At age 50 with 20 years of service  |
| Mortality                 | Based on the PubS-2010 (safety employees) total dataset mortality<br>tables for employees and for retirees, projected for mortality<br>improvement generationally using the projection scale MP-2018. |

(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 YEARS (1)**

**LTMI Defined Benefit Plan**

| <u>Fiscal<br/>Year</u> | <u>Annual<br/>Required<br/>Contributions (ARC)</u> | <u>Contributions<br/>Made</u> | <u>Contribution<br/>(Deficiency)<br/>Excess</u> | <u>Covered<br/>Payroll</u> | <u>Contributions as a<br/>Percentage of<br/>Covered Payroll</u> | <u>Employee<br/>Contributions</u> |
|------------------------|--|-------------------------------|---|----------------------------|---|-----------------------------------|
| 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                         |
| 9/30/2020              | \$ 1,093,625                                       | \$ 1,840,000                  | \$ 746,375                                      | \$ 7,484,337               | 24.58%  | \$ 49,872                         |
| 9/30/2021              | \$ 822,946   | \$ 955,737                    | \$ 132,791                                      | \$ 7,705,487               | 12.40%  | \$ 47,946                         |

**Notes to Schedule of Contributions**

Methods and Assumptions Used to Determine Contribution Rates:

|                           |   |
|---------------------------|---|
| Actuarial Cost Method     | Entry Age Normal  |
| Asset Valuation Method    | Market value with contribution receivables  |
| Inflation                 | 2.25%   |
| Salary Increase           | Actuary assumed no salary increase because benefits are not pay related   |
| Investment Rate of Return | 5.90%   |
| Retirement Age            | Participants become eligible for normal retirement upon attainment of age 65  |
| Mortality                 | Based on Pri-2012 Blue collar base rate mortality table projected generationally using the Principal Mortality Improvement Scale (Principal 2016-10). |

(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)**

|   | 2021           | 2020        | 2019         | 2018         |
|---|----------------|-------------|--------------|--------------|
| <b>Total OPEB Liability</b>                                 |                |             |              |              |
| Service Cost  | \$ 10,010,416  | 10,372,466  | 7,892,469    | 9,148,227    |
| Interest on Total OPEB Liability                            | 6,037,316      | 5,933,539   | 6,723,464    | 6,434,222    |
| Effect of Plan Changes                                      | -              | -           | -            | -            |
| Effect of Economic/Demographic<br>Gains or (Losses)         | (66,772,717)   | -           | (10,789,640) | -            |
| Effect of Assumption Changes or Inputs                      | (3,014,214)    | 39,216,867  | 49,441,385   | (15,842,897) |
| Benefit Payments  | (5,679,214)    | (4,411,859) | (4,214,723)  | (3,021,511)  |
| Net Change in Total OPEB Liability                          | (59,418,413)   | 51,111,013  | 49,052,955   | (3,281,959)  |
| Total OPEB Liability-Beginning                              | 265,995,373    | 214,884,360 | 165,831,405  | 169,113,364  |
| Total OPEB Liability-Ending                                 | \$ 206,576,960 | 265,995,373 | 214,884,360  | 165,831,405  |
|   |                |             |              |              |
| Covered Payroll   | \$ 154,069,928 | 137,663,439 | 137,663,439  | 133,152,871  |
| Net Pension Liability as a Percentage<br>of Covered Payroll | 134.08%        | 193.22%     | 156.09%      | 124.54%      |

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

**Changes of Assumptions:**

**Discount Rate**

In 2020, the rate changed from 2.66% to 2.21%.

In 2021, the rate changed from 2.21% to 2.26%.

**Other Information:**

**Notes**

Excise tax was removed from medical trend and claims.  
Trend & retiree contributions were updated to reflect  
current plan provisions, actual plan experience, updated  
premiums, and updated census data.

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COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS  
AND SCHEDULES

## 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, 2021**

|  | <b>Budgeted Amounts</b> |                   |                   | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|-------------------|-------------------|---|
|  | <b>Original</b>         | <b>Final</b>      | <b>Actual</b>     |   |
| <b>REVENUES:</b>   |                         |                   |                   |   |
| Taxes:   |                         |                   |                   |   |
| Current  | \$ 20,940,112           | 20,940,112        | 21,043,076        | 102,964   |
| Delinquent - Prior   | 240,771                 | 240,771           | 294,646           | 53,875  |
| Total Taxes  | 21,180,883              | 21,180,883        | 21,337,722        | 156,839   |
| Investment Income:   |                         |                   |                   |   |
| Interest Earnings  | 103,400                 | 103,400           | 67,489            | (35,911)  |
| Total Investment Income  | 103,400                 | 103,400           | 67,489            | (35,911)  |
| Special Assessments:   |                         |                   |                   |   |
| Paving Assessments   | 8,565                   | 8,565             | 3,993             | (4,572)   |
| Total Special Assessments                                      | 8,565                   | 8,565             | 3,993             | (4,572)   |
| Miscellaneous:   |                         |                   |                   |   |
| Reimbursements   | -                       | -                 | 1,182             | 1,182   |
| Total Miscellaneous  | -                       | -                 | 1,182             | 1,182   |
| <b>TOTAL REVENUES</b>  | <b>21,292,848</b>       | <b>21,292,848</b> | <b>21,410,386</b> | <b>117,538</b>  |
| <b>EXPENDITURES:</b>   |                         |                   |                   |   |
| Principal Retirement:  |                         |                   |                   |   |
| General Obligations Debt                                       | 10,946,042              | 10,946,042        | 10,946,043        | (1)   |
| Revenue Bonds Debt   | 2,675,000               | 10,250,000        | 10,250,000        | -   |
| Contractual Obligations Debt                                   | 5,298,713               | 5,298,713         | 5,298,713         | -   |
| Total Principal Retirement                                     | 18,919,755              | 26,494,755        | 26,494,756        | (1)   |
| Interest:  |                         |                   |                   |   |
| General Obligations Debt                                       | 3,745,778               | 3,759,347         | 3,758,524         | 823   |
| Revenue Bonds Debt   | 699,164                 | 809,633           | 430,883           | 378,750   |
| Contractual Obligations Debt                                   | 4,583,477               | 4,624,249         | 4,608,178         | 16,071  |
| Total Interest   | 9,028,419               | 9,193,229         | 8,797,585         | 395,644   |
| Other:   |                         |                   |                   |   |
| Contractual Services   | 24,500                  | 27,360            | 22,977            | 4,383   |
| Other  | 2,611,834               | 2,555,517         | -                 | 2,555,517   |
| Fiscal Agent Fees  | 15,000                  | 15,000            | 14,692            | 308   |
| Bond Costs   | -                       | 121,712           | 114,526           | 7,186   |
| Total Other  | 2,651,334               | 2,719,589         | 152,195           | 2,567,394   |
| <b>TOTAL EXPENDITURES</b>                                      | <b>30,599,508</b>       | <b>38,407,573</b> | <b>35,444,536</b> | <b>2,963,037</b>  |
| Excess (Deficiencies) of Revenues Over<br>(Under) Expenditures | \$ (9,306,660)          | (17,114,725)      | (14,034,150)      | 3,080,575<br>(Continued)  |

CITY OF LAREDO, TEXAS  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES-BUDGET AND ACTUAL  
Year Ended September 30, 2021

(Continued)

|  | Budgeted Amounts |             |             | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|-------------|-------------|---|
|  | Original         | Final       | Actual      |   |
| OTHER FINANCING SOURCES (USES):          |                  |             |             |   |
| Transfers In:                            |                  |             |             |   |
| Environmental Services                   | \$ 2,854,129     | 2,854,129   | 2,854,129   | -   |
| Parking Meters                           | 188,622          | 188,622     | 188,622     | -   |
| Sports and Community Venue               | 3,374,164        | 11,909,622  | 10,680,883  | (1,228,739)   |
| Bridge System                            | 771,452          | 771,452     | 771,452     | -   |
| Refunding Bonds Issued                   | -                | 4,391,400   | 4,391,400   | -   |
| Bond Premium                             | -                | 906,237     | 906,237     | -   |
| Payment to Refunded Bond Escrow Agent    | -                | (6,025,914) | (6,025,914) | -   |
| TOTAL OTHER FINANCING<br>SOURCES (USES): | 7,188,367        | 14,995,548  | 13,766,809  | (1,228,739)   |
| Net Change in Fund Balances              | (2,118,293)      | (2,119,177) | (267,341)   | 1,851,836   |
| Fund Balances-Beginning                  | 7,525,703        | 6,955,422   | 6,955,422   | -   |
| Fund Balances-Ending                     | \$ 5,407,410     | 4,836,245   | 6,688,081   | 1,851,836   |

## 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.

**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.

**PARKLAND 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.

**COVID-19 ECONOMIC ASSISTANCE FUND** – to account for economic aid for the community through several programs that adhere to federal mandates.

**AMERICA RESCUE ACT** – is an economic stimulus bill created to alleviate the ongoing recession due COVID-19 pandemic.

**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.

**CERTIFICATE OF OBLIGATION 2019 ISSUE** - to account for \$29,905,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of planning, constructing, improving and repairing city streets, sidewalks, and drainage improvements, together with right-of-ways acquisition, traffic and street signalization, landscaping and lighting improvements, purchasing land located in southeastern quadrant of the City for municipal landfill facilities.

**CERTIFICIATE OF OBLIGATION 2021 ISSUE** – to account for \$27,430,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligation for the purpose of planning, constructing, improving and repairing city streets, sidewalks, and drainage improvement, together with right-of-ways acquisition, traffic and street signalization, landscaping and lighting improvements.

**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.

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**CITY OF LAREDO, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2021**

(Continued)

|  | <b>SPECIAL REVENUE</b>  |                          |                            |                              |
|--|-------------------------|--------------------------|----------------------------|------------------------------|
|  | <b>BLOCK<br/>GRANTS</b> | <b>HOUSING<br/>REHAB</b> | <b>HOME<br/>INVESTMENT</b> | <b>EMERGENCY<br/>SHELTER</b> |
| <b>ASSETS</b>  |                         |                          |                            |                              |
| Cash and Cash Equivalents:                                     |                         |                          |                            |                              |
| Cash   | \$ 100                  | -                        | -                          | -                            |
| Equity in Investment Pool                                      | -                       | 46,488                   | 1,828                      | -                            |
| Cash with Fiscal Agent   | -                       | -                        | -                          | -                            |
| Investments  | -                       | 10,673,569               | 455,524                    | -                            |
| Receivables, net of allowances:                                |                         |                          |                            |                              |
| Accrued Interest   | -                       | 17,073                   | 729                        | -                            |
| Hotel-Motel Tax, Penalty and Interest                          | -                       | -                        | -                          | -                            |
| Accounts   | -                       | -                        | -                          | -                            |
| Notes  | -                       | 2,150,913                | 14,022,345                 | -                            |
| Due from Other Funds   | -                       | -                        | -                          | -                            |
| Due from Other Governments                                     | 718,740                 | -                        | 47,812                     | 122,530                      |
| Inventory  | -                       | -                        | -                          | -                            |
| <b>TOTAL ASSETS</b>  | <b>718,840</b>          | <b>12,888,043</b>        | <b>14,528,238</b>          | <b>122,530</b>               |
| <b>LIABILITIES AND FUND BALANCES</b>                           |                         |                          |                            |                              |
| Liabilities:   |                         |                          |                            |                              |
| Accounts Payable   | 293,083                 | 157,950                  | 20,590                     | 119,224                      |
| Retainage Payable  | 49,972                  | -                        | -                          | -                            |
| Accrued Wages and Employee Benefits                            | 34,865                  | 14,016                   | 3,389                      | 1,332                        |
| Contracts Payable  | 210,089                 | -                        | -                          | -                            |
| Customer Deposits  | -                       | -                        | -                          | -                            |
| Due to Other Funds   | 124,474                 | -                        | -                          | 1,974                        |
| Due to Other Governments                                       | -                       | -                        | -                          | -                            |
| Due to Developers  | -                       | -                        | -                          | -                            |
| Unearned Revenue   | 6,357                   | 10,637,572               | 1,829,073                  | -                            |
| <b>TOTAL LIABILITIES</b>                                       | <b>718,840</b>          | <b>10,809,538</b>        | <b>1,853,052</b>           | <b>122,530</b>               |
| Deferred Inflows of Resources                                  | -                       | 2,033,259                | 12,193,272                 | -                            |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>718,840</b>          | <b>12,842,797</b>        | <b>14,046,324</b>          | <b>122,530</b>               |
| Fund Balances:   |                         |                          |                            |                              |
| Nonspendable   | -                       | -                        | -                          | -                            |
| Restricted   | -                       | -                        | 481,914                    | -                            |
| Committed  | 1,125,106               | 233,513                  | -                          | 1,928,623                    |
| Assigned   | -                       | -                        | -                          | -                            |
| Unassigned   | (1,125,106)             | (188,267)                | -                          | (1,928,623)                  |
| <b>TOTAL FUND BALANCES</b>                                     | <b>-</b>                | <b>45,246</b>            | <b>481,914</b>             | <b>-</b>                     |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>                     | <b>\$ 718,840</b>       | <b>12,888,043</b>        | <b>14,528,238</b>          | <b>122,530</b>               |

(Continued)



(Continued)

## SPECIAL REVENUE

| HOME INV.<br>AFFORDABLE<br>HOUSING | AUTO<br>THEFT<br>TASK FORCE | FINANCIAL<br>TASK<br>FORCE | SPECIAL<br>POLICE<br>PROGRAM | 911<br>EMERGENCY<br>COMM. FUND | HEALTH<br>FUND   |
|------------------------------------|-----------------------------|----------------------------|------------------------------|--------------------------------|------------------|
| -                                  | -                           | 5,000                      | -                            | 200                            | 4,150            |
| -                                  | 1,111                       | -                          | -                            | -                              | 9,065            |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | 227,035                     | -                          | -                            | -                              | 2,080,007        |
| 9,305                              | 363                         | -                          | -                            | -                              | 3,327            |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | 2,654                       | 675                        | -                            | 28                             | 1,461            |
| 880,124                            | -                           | -                          | -                            | -                              | -                |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | 276,837                     | 317,299                    | 852,726                      | 1,036,554                      | 3,356,157        |
| -                                  | -                           | -                          | -                            | -                              | 3,317            |
| <b>889,429</b>                     | <b>508,000</b>              | <b>322,974</b>             | <b>852,726</b>               | <b>1,036,782</b>               | <b>5,457,484</b> |
| -                                  | 626                         | 79,229                     | 9,790                        | 406,751                        | 345,097          |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | 44,837                      | 17,414                     | 100,078                      | 12,047                         | 438,335          |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | -                           | 206,363                    | 49,298                       | 617,984                        | -                |
| -                                  | -                           | 19,968                     | -                            | -                              | -                |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | -                           | -                          | -                            | -                              | 2,878,362        |
| -                                  | 45,463                      | 322,974                    | 159,166                      | 1,036,782                      | 3,661,794        |
| 889,429                            | -                           | -                          | -                            | -                              | 226,978          |
| <b>889,429</b>                     | <b>45,463</b>               | <b>322,974</b>             | <b>159,166</b>               | <b>1,036,782</b>               | <b>3,888,772</b> |
| -                                  | -                           | -                          | -                            | -                              | 3,317            |
| -                                  | 462,537                     | -                          | 693,560                      | 1,716,996                      | 2,878,362        |
| -                                  | -                           | 268,281                    | -                            | -                              | 896,275          |
| -                                  | -                           | -                          | -                            | -                              | -                |
| -                                  | -                           | (268,281)                  | -                            | (1,716,996)                    | (2,209,242)      |
| -                                  | <b>462,537</b>              | -                          | <b>693,560</b>               | -                              | <b>1,568,712</b> |
| <b>889,429</b>                     | <b>508,000</b>              | <b>322,974</b>             | <b>852,726</b>               | <b>1,036,782</b>               | <b>5,457,484</b> |

(Continued)

**CITY OF LAREDO, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2021**

(Continued)

|  | <b>SPECIAL REVENUE</b>    |  |                                      |   |
|--|---------------------------|--|--------------------------------------|---|
|  | <b>INT'L.<br/>AIRPORT</b> | <b>HOTEL/MOTEL<br/>OCCUPANCY<br/>TAX</b> | <b>PUBLIC<br/>ACCESS<br/>CHANNEL</b> | <b>LAREDO<br/>CONVENT. &amp;<br/>VISITORS</b> |
| <b>ASSETS</b>  |                           |  |                                      |   |
| Cash and Cash Equivalents:                                     |                           |  |                                      |   |
| Cash   | \$ 1,100                  | -  | -                                    | 1,550   |
| Equity in Investment Pool                                      | 71,511                    | 22,281                                   | 7,482                                | 5,693   |
| Cash with Fiscal Agent   | -                         | -  | -                                    | -   |
| Investments  | 16,456,978                | 5,107,388                                | 1,756,709                            | 1,270,308                                     |
| Receivables, net of allowances:                                |                           |  |                                      |   |
| Accrued Interest   | 26,324                    | 8,170                                    | 2,810                                | 2,032   |
| Hotel-Motel Tax, Penalty and Interest                          | -                         | 67,899                                   | -                                    | -   |
| Accounts   | 116,481                   | -  | 83,933                               | -   |
| Notes  | -                         | -  | -                                    | -   |
| Due from Other Funds   | -                         | -  | -                                    | -   |
| Due from Other Governments                                     | 1,601,145                 | -  | -                                    | 30  |
| Inventory  | -                         | -  | -                                    | -   |
| <b>TOTAL ASSETS</b>  | <b>18,273,539</b>         | <b>5,205,738</b>                         | <b>1,850,934</b>                     | <b>1,279,613</b>                              |
| <b>LIABILITIES AND FUND BALANCES</b>                           |                           |  |                                      |   |
| Liabilities:   |                           |  |                                      |   |
| Accounts Payable   | 321,029                   | 88,002                                   | 15,434                               | 132,026                                       |
| Retainage Payable  | 5,723                     | -  | -                                    | -   |
| Accrued Wages and Employee Benefits                            | 109,836                   | -  | -                                    | 25,286  |
| Contracts Payable  | -                         | -  | -                                    | -   |
| Customer Deposits  | 63,816                    | -  | -                                    | -   |
| Due to Other Funds   | -                         | -  | -                                    | -   |
| Due to Other Governments                                       | -                         | -  | -                                    | 388   |
| Due to Developers  | -                         | -  | -                                    | -   |
| Deferred Revenue   | 430,064                   | -  | -                                    | -   |
| <b>TOTAL LIABILITIES</b>                                       | <b>930,468</b>            | <b>88,002</b>                            | <b>15,434</b>                        | <b>157,700</b>                                |
| Deferred Inflows of Resources                                  | 154,772                   | 70,243                                   | -                                    | -   |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>1,085,240</b>          | <b>158,245</b>                           | <b>15,434</b>                        | <b>157,700</b>                                |
| Fund Balances:   |                           |  |                                      |   |
| Nonspendable   | -                         | -  | -                                    | -   |
| Restricted   | -                         | 5,047,493                                | 1,835,500                            | 1,121,913                                     |
| Committed  | 861,794                   | -  | 13,978                               | -   |
| Assigned   | 16,326,505                | -  | -                                    | -   |
| Unassigned   | -                         | -  | (13,978)                             | -   |
| <b>TOTAL FUND BALANCES</b>                                     | <b>17,188,299</b>         | <b>5,047,493</b>                         | <b>1,835,500</b>                     | <b>1,121,913</b>                              |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>                     | <b>\$ 18,273,539</b>      | <b>5,205,738</b>                         | <b>1,850,934</b>                     | <b>1,279,613</b>                              |

(Continued)

(Continued)

## SPECIAL REVENUE

| RECREATION<br>FUND | PARKING<br>METERS | ENVIRONMENTAL<br>SERVICES | KEEP<br>LAREDO<br>BEAUTIFUL | NOISE ABATE.<br>LEASE<br>PROGRAM | SPORTS &<br>COMMUNITY<br>VENUE |
|--------------------|-------------------|---------------------------|-----------------------------|----------------------------------|--------------------------------|
| -                  | 1,075             | 350                       | -                           | -                                | -                              |
| 2,557              | 5,200             | 20,784                    | -                           | 3,439                            | 106,531                        |
| -                  | -                 | -                         | -                           | -                                | -                              |
| 562,321            | 1,183,490         | 12,716,825                | 12,224                      | 819,507                          | 72,273,504                     |
| 899                | 1,893             | 10,934                    | 20                          | 1,311                            | 45,623                         |
| -                  | -                 | -                         | -                           | -                                | -                              |
| -                  | 870,322           | 392,867                   | -                           | 65,012                           | 2,630                          |
| -                  | -                 | 338                       | -                           | -                                | -                              |
| -                  | -                 | -                         | -                           | -                                | 41,712                         |
| -                  | -                 | 37,959                    | -                           | 19                               | -                              |
| -                  | -                 | -                         | -                           | -                                | -                              |
| <b>565,777</b>     | <b>2,061,980</b>  | <b>13,180,057</b>         | <b>12,244</b>               | <b>889,288</b>                   | <b>72,470,000</b>              |
| 19,253             | 24,287            | 60,670                    | 6,167                       | 26,978                           | 458,041                        |
| -                  | -                 | 67,374                    | -                           | -                                | 188,292                        |
| 1,144              | 30,708            | 82,787                    | 44                          | 16,609                           | 2,008                          |
| -                  | -                 | 22,918                    | -                           | -                                | -                              |
| -                  | -                 | -                         | -                           | 156,548                          | -                              |
| -                  | -                 | -                         | -                           | -                                | 217,542                        |
| -                  | -                 | -                         | -                           | -                                | -                              |
| -                  | -                 | -                         | -                           | -                                | -                              |
| -                  | 3,975             | 585,117                   | -                           | 22,483                           | -                              |
| 20,397             | 58,970            | 818,866                   | 6,211                       | 222,618                          | 865,883                        |
| -                  | 870,323           | 338                       | 400                         | -                                | -                              |
| <b>20,397</b>      | <b>929,293</b>    | <b>819,204</b>            | <b>6,611</b>                | <b>222,618</b>                   | <b>865,883</b>                 |
| -                  | -                 | -                         | -                           | -                                | -                              |
| -                  | 3,975             | 7,930,039                 | 5,633                       | 666,670                          | 71,604,117                     |
| 47,680             | 81,912            | 966,339                   | -                           | -                                | -                              |
| 497,700            | 1,046,800         | 3,464,475                 | -                           | -                                | -                              |
| -                  | -                 | -                         | -                           | -                                | -                              |
| <b>545,380</b>     | <b>1,132,687</b>  | <b>12,360,853</b>         | <b>5,633</b>                | <b>666,670</b>                   | <b>71,604,117</b>              |
| <b>565,777</b>     | <b>2,061,980</b>  | <b>13,180,057</b>         | <b>12,244</b>               | <b>889,288</b>                   | <b>72,470,000</b>              |

(Continued)

**CITY OF LAREDO, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2021**

(Continued)

|  | SPECIAL REVENUE        |                                 |                                 |   |
|--|------------------------|---------------------------------|---------------------------------|---|
|  | SAMES<br>AUTO<br>ARENA | LDO PUBLIC<br>FACILITY<br>CORP. | MAX<br>MANDEL<br>GOLF<br>COURSE | PARKLAND<br>ACQUISITION<br>PARK<br>IMPROVEMENTS |
| <b>ASSETS</b>  |                        |                                 |                                 |   |
| Cash and Cash Equivalents:                                     |                        |                                 |                                 |   |
| Cash   | \$ 31,700              | -                               | -                               | -   |
| Equity in Investment Pool                                      | -                      | 671                             | 820                             | 5,250   |
| Cash with Fiscal Agent   | 884,093                | -                               | 74,693                          | -   |
| Investments  | 686,061                | 128,956                         | 202,697                         | 1,192,935                                       |
| Receivables, net of allowances:                                |                        |                                 |                                 |   |
| Accrued Interest   | -                      | 206                             | 324                             | 1,908   |
| Hotel-Motel Tax, Penalty and Interest                          | -                      | -                               | -                               | -   |
| Accounts   | 189,874                | -                               | 36,410                          | -   |
| Notes  | -                      | -                               | -                               | -   |
| Due from Other Funds   | 217,542                | -                               | -                               | -   |
| Due from Other Governments                                     | -                      | -                               | -                               | -   |
| Inventory  | 55,341                 | -                               | 46,605                          | -   |
| <b>TOTAL ASSETS</b>  | <b>2,064,611</b>       | <b>129,833</b>                  | <b>361,549</b>                  | <b>1,200,093</b>                                |
| <b>LIABILITIES AND FUND BALANCES</b>                           |                        |                                 |                                 |   |
| Liabilities:   |                        |                                 |                                 |   |
| Accounts Payable   | 729,745                | -                               | 105,562                         | -   |
| Retainage Payable  | -                      | -                               | -                               | -   |
| Accrued Wages and Employee Benefits                            | -                      | -                               | -                               | -   |
| Contracts Payable  | -                      | -                               | -                               | -   |
| Customer Deposits  | -                      | -                               | 22,068                          | -   |
| Due to Other Funds   | 41,712                 | -                               | -                               | -   |
| Due to Other Governments                                       | -                      | -                               | 6,038                           | -   |
| Due to Developers  | -                      | -                               | -                               | -   |
| Deferred Revenue   | -                      | -                               | 113,185                         | -   |
| <b>TOTAL LIABILITIES</b>                                       | <b>771,457</b>         | <b>-</b>                        | <b>246,853</b>                  | <b>-</b>  |
| Deferred Inflows of Resources                                  | 1,293,154              | -                               | 4,665                           | -   |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>2,064,611</b>       | <b>-</b>                        | <b>251,518</b>                  | <b>-</b>  |
| Fund Balances:   |                        |                                 |                                 |   |
| Nonspendable   | -                      | -                               | 46,605                          | -   |
| Restricted   | -                      | 129,833                         | -                               | 1,200,093                                       |
| Committed  | -                      | -                               | 8,998                           | -   |
| Assigned   | -                      | -                               | 54,428                          | -   |
| Unassigned   | -                      | -                               | -                               | -   |
| <b>TOTAL FUND BALANCES</b>                                     | <b>-</b>               | <b>129,833</b>                  | <b>110,031</b>                  | <b>1,200,093</b>                                |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>                     | <b>\$ 2,064,611</b>    | <b>129,833</b>                  | <b>361,549</b>                  | <b>1,200,093</b>                                |

(Continued)

(Continued)

| SPECIAL REVENUE       |                         |                              | CAPITAL PROJECTS           |                   |                            |
|-----------------------|-------------------------|------------------------------|----------------------------|-------------------|----------------------------|
| DOWNTOWN<br>TIRZ NO.1 | POLICE<br>TRUST<br>FUND | SUBDIVISION<br>TRUST<br>FUND | PARKS<br>CAPITAL<br>GRANTS | CAPITAL<br>GRANTS | CONTRACTUAL<br>OBLIGATIONS |
| -                     | -                       | -                            | -                          | -                 | -                          |
| 4,419                 | 19,925                  | 7,395                        | -                          | -                 | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| 3,489,420             | 4,552,332               | 1,731,281                    | 240                        | -                 | 2,619,044                  |
| 1,580                 | 7,282                   | 2,769                        | 1                          | -                 | -                          |
| 4,304                 | -                       | -                            | -                          | -                 | -                          |
| -                     | -                       | -                            | -                          | 285,396           | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| -                     | 1,091                   | -                            | -                          | -                 | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| <b>3,499,723</b>      | <b>4,580,630</b>        | <b>1,741,445</b>             | <b>241</b>                 | <b>285,396</b>    | <b>2,619,044</b>           |
| 15                    | 2,812                   | -                            | -                          | -                 | 165,505                    |
| -                     | -                       | -                            | -                          | 39,690            | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| -                     | -                       | -                            | -                          | 238,932           | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| -                     | -                       | 1,741,445                    | -                          | -                 | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| 15                    | 2,812                   | 1,741,445                    | -                          | 278,622           | 165,505                    |
| 4,304                 | -                       | -                            | -                          | -                 | -                          |
| <b>4,319</b>          | <b>2,812</b>            | <b>1,741,445</b>             | <b>-</b>                   | <b>278,622</b>    | <b>165,505</b>             |
| -                     | -                       | -                            | -                          | -                 | -                          |
| 3,495,404             | 4,373,396               | -                            | -                          | -                 | 2,453,539                  |
| -                     | 204,422                 | -                            | 115,942                    | 4,626,994         | -                          |
| -                     | -                       | -                            | -                          | -                 | -                          |
| -                     | -                       | -                            | (115,701)                  | (4,620,220)       | -                          |
| <b>3,495,404</b>      | <b>4,577,818</b>        | <b>-</b>                     | <b>241</b>                 | <b>6,774</b>      | <b>2,453,539</b>           |
| <b>3,499,723</b>      | <b>4,580,630</b>        | <b>1,741,445</b>             | <b>241</b>                 | <b>285,396</b>    | <b>2,619,044</b>           |

(Continued)

**CITY OF LAREDO, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2021**

(Continued)

|  | CAPITAL PROJECTS                            |   |   |   |
|--|---|---|---|---|
|  | CERTIFICATE<br>OF<br>OBLIGATION<br>09 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>12 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>14 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>15 ISSUE |
| <b>ASSETS</b>  |   |   |   |   |
| Cash and Cash Equivalents:                                     |   |   |   |   |
| Cash   | \$ -  | -   | -   | -   |
| Equity in Investment Pool                                      | -   | -   | -   | -   |
| Cash with Fiscal Agent   | -   | -   | -   | -   |
| Investments  | 150,771                                     | 12,878                                      | 152,433                                     | 3,903,207                                   |
| Receivables, net of allowances:                                |   |   |   |   |
| Accrued Interest   | -   | -   | -   | 8   |
| Hotel-Motel Tax, Penalty and Interest                          | -   | -   | -   | -   |
| Accounts   | -   | -   | -   | -   |
| Notes  | -   | -   | -   | -   |
| Due from Other Funds   | -   | -   | -   | -   |
| Due from Other Governments                                     | -   | -   | -   | -   |
| Inventory  | -   | -   | -   | -   |
| <b>TOTAL ASSETS</b>  | <b>150,771</b>                              | <b>12,878</b>                               | <b>152,433</b>                              | <b>3,903,215</b>                            |
| <b>LIABILITIES AND FUND BALANCES</b>                           |   |   |   |   |
| Liabilities:   |   |   |   |   |
| Accounts Payable   | -   | -   | -   | 3,550                                       |
| Retainage Payable  | -   | -   | -   | -   |
| Accrued Wages and Employee Benefits                            | -   | -   | -   | -   |
| Contracts Payable  | -   | -   | -   | -   |
| Customer Deposits  | -   | -   | -   | -   |
| Due to Other Funds   | -   | -   | -   | -   |
| Due to Other Governments                                       | -   | -   | -   | -   |
| Due to Developers  | -   | -   | -   | -   |
| Deferred Revenue   | -   | -   | -   | -   |
| <b>TOTAL LIABILITIES</b>                                       | <b>-</b>                                    | <b>-</b>                                    | <b>-</b>                                    | <b>3,550</b>                                |
| Deferred Inflows of Resources                                  | -   | -   | -   | -   |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>-</b>                                    | <b>-</b>                                    | <b>-</b>                                    | <b>3,550</b>                                |
| Fund Balances:   |   |   |   |   |
| Nonspendable   | -   | -   | -   | -   |
| Restricted   | 150,771                                     | 12,878                                      | 152,433                                     | 3,899,665                                   |
| Committed  | -   | -   | -   | -   |
| Assigned   | -   | -   | -   | -   |
| Unassigned   | -   | -   | -   | -   |
| <b>TOTAL FUND BALANCES</b>                                     | <b>150,771</b>                              | <b>12,878</b>                               | <b>152,433</b>                              | <b>3,899,665</b>                            |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>                     | <b>\$ 150,771</b>                           | <b>12,878</b>                               | <b>152,433</b>                              | <b>3,903,215</b>                            |

(Continued)

(Continued)

| CAPITAL PROJECTS                            |   |   |   |   |                                 |
|---|---|---|---|---|---------------------------------|
| CERTIFICATE<br>OF<br>OBLIGATION<br>16 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>17 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>18 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>19 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>21 ISSUE | AIRPORT<br>CONSTRUCTION<br>FUND |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | 10,014                          |
| 7,942,087                                   | 2,278,562                                   | 7,918,257                                   | 14,268,129                                  | 14,973,430                                  | 2,264,178                       |
| 1,420                                       | 305   | 14,475                                      | 9,845                                       | 377   | 3,622                           |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | 4,355,181                       |
| -   | -   | -   | -   | -   | -                               |
| <b>7,943,507</b>                            | <b>2,278,867</b>                            | <b>7,932,732</b>                            | <b>14,277,974</b>                           | <b>14,973,807</b>                           | <b>6,632,995</b>                |
| 1,625                                       | 12,505                                      | 520   | 61,885                                      | 2,300                                       | 262,515                         |
| -   | 4,099                                       | 2,732                                       | 20,401                                      | -   | 1,135,607                       |
| -   | -   | -   | 15,011                                      | -   | 2,243                           |
| -   | -   | -   | 54,989                                      | -   | 1,286,987                       |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | 84,718                                      | 180   | -   | -                               |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | -                               |
| 1,625                                       | 16,604                                      | 87,970                                      | 152,466                                     | 2,300                                       | 2,687,352                       |
| -   | -   | -   | -   | -   | -                               |
| <b>1,625</b>                                | <b>16,604</b>                               | <b>87,970</b>                               | <b>152,466</b>                              | <b>2,300</b>                                | <b>2,687,352</b>                |
| -   | -   | -   | -   | -   | -                               |
| 7,941,882                                   | 2,262,263                                   | 7,844,762                                   | 14,125,508                                  | 14,971,507                                  | 3,945,643                       |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | -                               |
| -   | -   | -   | -   | -   | -                               |
| <b>7,941,882</b>                            | <b>2,262,263</b>                            | <b>7,844,762</b>                            | <b>14,125,508</b>                           | <b>14,971,507</b>                           | <b>3,945,643</b>                |
| <b>7,943,507</b>                            | <b>2,278,867</b>                            | <b>7,932,732</b>                            | <b>14,277,974</b>                           | <b>14,973,807</b>                           | <b>6,632,995</b>                |

(Continued)

**CITY OF LAREDO, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2021**

|  | <b>CAPITAL<br/>PROJECTS</b>    | <b>PERMANENT<br/>FUND</b>             |  |
|--|--------------------------------|---------------------------------------|--|
|  | <b>CAPITAL<br/>IMPROVEMENT</b> | <b>CANSECO<br/>ENDOWMENT<br/>FUND</b> | <b>TOTAL<br/>NONMAJOR<br/>GOVERNMENTAL<br/>FUNDS</b> |
| <b>ASSETS</b>  |                                |                                       |  |
| Cash and Cash Equivalents:                                     |                                |                                       |  |
| Cash   | \$ -                           | -                                     | 45,225   |
| Equity in Investment Pool                                      | 207,406                        | 329                                   | 560,199  |
| Cash with Fiscal Agent   | -                              | -                                     | 958,786  |
| Investments  | 47,778,052                     | 78,827                                | 241,919,166  |
| Receivables, net of allowances:                                |                                |                                       |  |
| Accrued Interest   | 76,424                         | 126                                   | 251,485  |
| Hotel-Motel Tax, Penalty and Interest                          | -                              | -                                     | 72,203   |
| Accounts   | 345,000                        | -                                     | 2,392,743  |
| Notes  | -                              | -                                     | 17,053,720   |
| Due from Other Funds   | -                              | -                                     | 260,345  |
| Due from Other Governments                                     | 6,646,124                      | -                                     | 19,369,113   |
| Inventory  | -                              | -                                     | 105,263  |
| <b>TOTAL ASSETS</b>  | <b>55,053,006</b>              | <b>79,282</b>                         | <b>282,988,248</b>                                   |
| <b>LIABILITIES AND FUND BALANCES</b>                           |                                |                                       |  |
| Liabilities:   |                                |                                       |  |
| Accounts Payable   | 4,000                          | -                                     | 3,936,766  |
| Retainage Payable  | -                              | -                                     | 1,513,890  |
| Accrued Wages and Employee Benefits                            | 50,556                         | -                                     | 1,002,545  |
| Contracts Payable  | -                              | -                                     | 1,574,983  |
| Customer Deposits  | -                              | -                                     | 242,432  |
| Due to Other Funds   | -                              | -                                     | 1,583,177  |
| Due to Other Governments                                       | -                              | -                                     | 26,394   |
| Due to Developers  | -                              | -                                     | 1,741,445  |
| Deferred Revenue   | 58,310                         | -                                     | 16,564,498   |
| <b>TOTAL LIABILITIES</b>                                       | <b>112,866</b>                 | <b>-</b>                              | <b>28,186,130</b>                                    |
| Deferred Inflows of Resources                                  | -                              | -                                     | 17,741,137   |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>112,866</b>                 | <b>-</b>                              | <b>45,927,267</b>                                    |
| Fund Balances:   |                                |                                       |  |
| Nonspendable   | -                              | 50,000                                | 99,922   |
| Restricted   | 1,784,846                      | 29,282                                | 163,222,414  |
| Committed  | 620,374                        | -                                     | 12,000,231   |
| Assigned   | 52,534,920                     | -                                     | 73,924,828   |
| Unassigned   | -                              | -                                     | (12,186,414)   |
| <b>TOTAL FUND BALANCES</b>                                     | <b>54,940,140</b>              | <b>79,282</b>                         | <b>237,060,981</b>                                   |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>                     | <b>\$ 55,053,006</b>           | <b>79,282</b>                         | <b>282,988,248</b>                                   |



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**CITY OF LAREDO, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 2021**

(Continued)

|   | <b>SPECIAL REVENUE</b>  |                          |                            |                              |
|---|-------------------------|--------------------------|----------------------------|------------------------------|
|   | <b>BLOCK<br/>GRANTS</b> | <b>HOUSING<br/>REHAB</b> | <b>HOME<br/>INVESTMENT</b> | <b>EMERGENCY<br/>SHELTER</b> |
| <b>REVENUES:</b>                                  |                         |                          |                            |                              |
| Taxes   | \$ -                    | -                        | -                          | -                            |
| Licenses and Permits                              | -                       | -                        | -                          | -                            |
| Intergovernmental:                                |                         |                          |                            |                              |
| Federal   | 4,873,677               | 729,920                  | 618,969                    | 1,213,798                    |
| State   | -                       | -                        | -                          | -                            |
| Other   | -                       | -                        | -                          | -                            |
| Charges for Services                              | -                       | -                        | -                          | -                            |
| Fines   | -                       | -                        | -                          | -                            |
| Fees and Collections                              | -                       | -                        | -                          | -                            |
| Investment Income:                                |                         |                          |                            |                              |
| Interest Earnings                                 | -                       | 26,969                   | 2,263                      | -                            |
| Rents and Royalties                               | -                       | -                        | -                          | -                            |
| Discount Earnings                                 | -                       | -                        | -                          | -                            |
| Miscellaneous:                                    |                         |                          |                            |                              |
| Local Contributions                               | -                       | -                        | -                          | -                            |
| Reimbursements                                    | 2,101                   | 57,721                   | 302,015                    | -                            |
| Other   | -                       | -                        | -                          | -                            |
| <b>TOTAL REVENUES</b>                             | <b>4,875,778</b>        | <b>814,610</b>           | <b>923,247</b>             | <b>1,213,798</b>             |
| <b>EXPENDITURES:</b>                              |                         |                          |                            |                              |
| Public Safety                                     | -                       | -                        | -                          | -                            |
| Public Works                                      | -                       | -                        | -                          | -                            |
| Health and Welfare                                | 1,073,870               | 767,518                  | 929,612                    | 1,213,798                    |
| Cultural and Recreational                         | -                       | -                        | -                          | -                            |
| General Government                                | 2,666,380               | 5,200                    | -                          | -                            |
| Air Transportation Services                       | -                       | -                        | -                          | -                            |
| <b>Total Operating Expenditures</b>               | <b>3,740,250</b>        | <b>772,718</b>           | <b>929,612</b>             | <b>1,213,798</b>             |
| Debt Service:                                     |                         |                          |                            |                              |
| Principal   | 1,998                   | -                        | -                          | -                            |
| Interest  | 270                     | -                        | -                          | -                            |
| Bond Costs  | -                       | -                        | -                          | -                            |
| Capital Outlay                                    | 1,133,260               | -                        | -                          | -                            |
| <b>TOTAL EXPENDITURES</b>                         | <b>4,875,778</b>        | <b>772,718</b>           | <b>929,612</b>             | <b>1,213,798</b>             |
| Excess (Deficiency) of Revenues Over Expenditures | -                       | 41,892                   | (6,365)                    | -                            |
| <b>OTHER FINANCING SOURCES (USES):</b>            |                         |                          |                            |                              |
| Transfers In                                      | -                       | -                        | 78,908                     | -                            |
| Proceeds - Long Term Debt                         | -                       | -                        | -                          | -                            |
| Bond Premiums                                     | -                       | -                        | -                          | -                            |
| Transfers Out                                     | -                       | -                        | -                          | -                            |
| Sale of Assets                                    | -                       | -                        | -                          | -                            |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>       | <b>-</b>                | <b>-</b>                 | <b>78,908</b>              | <b>-</b>                     |
| Net Change in Fund Balance                        | -                       | 41,892                   | 72,543                     | -                            |
| Fund Balances at Beginning of Year                | -                       | 3,354                    | 409,371                    | -                            |
| <b>FUND BALANCE AT END OF YEAR</b>                | <b>\$ -</b>             | <b>45,246</b>            | <b>481,914</b>             | <b>-</b>                     |

(Continued)

(Continued)

| SPECIAL REVENUE                    |                             |                            |                              |                               |                |
|------------------------------------|-----------------------------|----------------------------|------------------------------|-------------------------------|----------------|
| HOME INV.<br>AFFORDABLE<br>HOUSING | AUTO<br>THEFT<br>TASK FORCE | FINANCIAL<br>TASK<br>FORCE | SPECIAL<br>POLICE<br>PROGRAM | 911 REGIONAL<br>COMM.<br>FUND | HEALTH<br>FUND |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | -                          | -                            | -                             | 481,753        |
| -                                  | -                           | 932,633                    | 2,154,695                    | -                             | 2,059,282      |
| -                                  | 683,119                     | -                          | 708,847                      | 2,631,663                     | 10,243,181     |
| -                                  | -                           | -                          | -                            | -                             | 183,893        |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | -                          | -                            | -                             | 644,669        |
| 35                                 | 552                         | -                          | -                            | 1,099                         | 13,662         |
| -                                  | -                           | -                          | -                            | -                             | 21             |
| -                                  | -                           | -                          | -                            | -                             | 711            |
| -                                  | -                           | -                          | -                            | -                             | 299,126        |
| 50,391                             | 27,570                      | -                          | 9,075                        | -                             | 536,054        |
| -                                  | -                           | -                          | -                            | -                             | 548,288        |
| 50,426                             | 711,241                     | 932,633                    | 2,872,617                    | 2,632,762                     | 15,010,640     |
| -                                  | 1,139,581                   | 847,897                    | 3,211,915                    | 2,496,838                     | -              |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | -                          | -                            | -                             | 18,108,177     |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | 1,139,581                   | 847,897                    | 3,211,915                    | 2,496,838                     | 18,108,177     |
| -                                  | -                           | -                          | -                            | 558                           | 12,104         |
| -                                  | -                           | -                          | -                            | 75                            | 1,634          |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | 125,481                    | 181,598                      | 135,291                       | 144,232        |
| -                                  | 1,139,581                   | 973,378                    | 3,393,513                    | 2,632,762                     | 18,266,147     |
| 50,426                             | (428,340)                   | (40,745)                   | (520,896)                    | -                             | (3,255,507)    |
| -                                  | 451,419                     | 40,745                     | 872,949                      | -                             | 3,270,512      |
| -                                  | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | -                          | -                            | -                             | -              |
| (50,426)                           | -                           | -                          | -                            | -                             | -              |
| -                                  | -                           | -                          | -                            | -                             | -              |
| (50,426)                           | 451,419                     | 40,745                     | 872,949                      | -                             | 3,270,512      |
| -                                  | 23,079                      | -                          | 352,053                      | -                             | 15,005         |
| -                                  | 439,458                     | -                          | 341,507                      | -                             | 1,553,707      |
| -                                  | 462,537                     | -                          | 693,560                      | -                             | 1,568,712      |

(Continued)

**CITY OF LAREDO, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 2021**

(Continued)

|   | <b>SPECIAL REVENUE</b>   |  |                                      |   |
|---|--------------------------|--|--------------------------------------|---|
|   | <b>INT'L<br/>AIRPORT</b> | <b>HOTEL/MOTEL<br/>OCCUPANCY<br/>TAX</b> | <b>PUBLIC<br/>ACCESS<br/>CHANNEL</b> | <b>LAREDO<br/>CONVENT. &amp;<br/>VISITORS</b> |
| <b>REVENUES:</b>                                  |                          |  |                                      |   |
| Taxes   | \$ -                     | 3,166,183                                | -                                    | -   |
| Licenses and Permits                              | -                        | -  | -                                    | -   |
| Intergovernmental:                                |                          |  |                                      |   |
| Federal   | 7,867,403                | -  | -                                    | 30  |
| State   | 41,183                   | -  | -                                    | -   |
| Other   | -                        | -  | -                                    | -   |
| Charges for Services                              | -                        | -  | -                                    | -   |
| Fines   | -                        | -  | -                                    | -   |
| Fees and Collections                              | 454,308                  | -  | 336,056                              | 7,296   |
| Investment Income:                                |                          |  |                                      |   |
| Interest Earnings                                 | 67,177                   | 36,618                                   | 9,410                                | 1,627   |
| Rents and Royalties                               | 6,428,888                | -  | -                                    | -   |
| Discount Earnings                                 | 25                       | -  | -                                    | -   |
| Miscellaneous:                                    |                          |  |                                      |   |
| Local Contributions                               | -                        | -  | -                                    | -   |
| Reimbursements                                    | 348,659                  | 25                                       | 257                                  | 7,346   |
| Other   | -                        | -  | -                                    | -   |
| <b>TOTAL REVENUES</b>                             | <b>15,207,643</b>        | <b>3,202,826</b>                         | <b>345,723</b>                       | <b>16,299</b>                                 |
| <b>EXPENDITURES:</b>                              |                          |  |                                      |   |
| Public Safety                                     | -                        | -  | -                                    | -   |
| Public Works                                      | -                        | -  | -                                    | -   |
| Health and Welfare                                | -                        | -  | -                                    | -   |
| Cultural and Recreational                         | -                        | 387,908                                  | 15,434                               | 2,414,969                                     |
| General Government                                | -                        | -  | -                                    | -   |
| Air Transportation Services                       | 8,093,138                | -  | -                                    | -   |
| <b>Total Operating Expenditures</b>               | <b>8,093,138</b>         | <b>387,908</b>                           | <b>15,434</b>                        | <b>2,414,969</b>                              |
| Debt Service:                                     |                          |  |                                      |   |
| Principal   | 64,960                   | -  | -                                    | 627   |
| Interest  | 6,168                    | -  | -                                    | 85  |
| Bond Costs  | -                        | -  | -                                    | -   |
| Capital Outlay                                    | 323,490                  | -  | 67,272                               | 16,916  |
| <b>TOTAL EXPENDITURES</b>                         | <b>8,487,756</b>         | <b>387,908</b>                           | <b>82,706</b>                        | <b>2,432,597</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures | 6,719,887                | 2,814,918                                | 263,017                              | (2,416,298)                                   |
| <b>OTHER FINANCING SOURCES (USES):</b>            |                          |  |                                      |   |
| Transfers In                                      | 600,000                  | -  | -                                    | 2,957,539                                     |
| Proceeds - Long Term Debt                         | -                        | -  | -                                    | -   |
| Bond Premiums                                     | -                        | -  | -                                    | -   |
| Transfers Out                                     | (46,729)                 | (3,141,175)                              | -                                    | -   |
| Sale of Assets                                    | -                        | -  | -                                    | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>       | <b>553,271</b>           | <b>(3,141,175)</b>                       | <b>-</b>                             | <b>2,957,539</b>                              |
| Net Change in Fund Balance                        | 7,273,158                | (326,257)                                | 263,017                              | 541,241                                       |
| Fund Balances at Beginning of Year                | 9,915,141                | 5,373,750                                | 1,572,483                            | 580,672                                       |
| <b>FUND BALANCE AT END OF YEAR</b>                | <b>\$ 17,188,299</b>     | <b>5,047,493</b>                         | <b>1,835,500</b>                     | <b>1,121,913</b>                              |

(Continued)

(Continued)

| SPECIAL REVENUE    |                   |                           |  |                                  |                                |
|--------------------|-------------------|---------------------------|--|----------------------------------|--------------------------------|
| RECREATION<br>FUND | PARKING<br>METERS | ENVIRONMENTAL<br>SERVICES | KEEP LAREDO<br>BEAUTIFUL,<br>INC. FUND | NOISE ABATE.<br>LEASE<br>PROGRAM | SPORTS &<br>COMMUNITY<br>VENUE |
| -                  | -                 | -                         | -                                      | -                                | 9,427,356                      |
| -                  | 6,525             | 294,600                   | -                                      | -                                | -                              |
| -                  | -                 | 39                        | -                                      | 19                               | -                              |
| -                  | -                 | 53,040                    | -                                      | -                                | -                              |
| -                  | 300               | 12,750                    | -                                      | -                                | -                              |
| -                  | -                 | 8,089,466                 | -                                      | -                                | -                              |
| -                  | 486,978           | -                         | -                                      | -                                | -                              |
| 50,390             | 1,019,899         | -                         | -                                      | 35,120                           | -                              |
| 3,560              | 7,781             | 50,233                    | 72                                     | 5,143                            | 170,760                        |
| -                  | 1                 | -                         | -                                      | 2,174,126                        | 28,180                         |
| -                  | 418               | 6,285                     | -                                      | 172                              | 555                            |
| -                  | -                 | -                         | 3,500                                  | -                                | -                              |
| -                  | 505               | 2,252                     | -                                      | 2,624                            | -                              |
| -                  | -                 | -                         | -                                      | -                                | -                              |
| 53,950             | 1,522,407         | 8,508,665                 | 3,572                                  | 2,217,204                        | 9,626,851                      |
| -                  | 1,409,647         | -                         | -                                      | -                                | -                              |
| -                  | -                 | -                         | -                                      | -                                | -                              |
| -                  | -                 | 5,338,452                 | 127,992                                | 1,459,251                        | -                              |
| 173,018            | -                 | -                         | -                                      | -                                | 1,369,076                      |
| -                  | -                 | -                         | -                                      | -                                | -                              |
| -                  | -                 | -                         | -                                      | -                                | -                              |
| 173,018            | 1,409,647         | 5,338,452                 | 127,992                                | 1,459,251                        | 1,369,076                      |
| -                  | 480               | -                         | -                                      | -                                | 480                            |
| -                  | 65                | -                         | -                                      | -                                | 65                             |
| -                  | -                 | -                         | -                                      | -                                | 749,482                        |
| 11,400             | -                 | 1,634,614                 | 20,000                                 | 30,816                           | 6,364,763                      |
| 184,418            | 1,410,192         | 6,973,066                 | 147,992                                | 1,490,067                        | 8,483,866                      |
| (130,468)          | 112,215           | 1,535,599                 | (144,420)                              | 727,137                          | 1,142,985                      |
| 70,919             | -                 | 129,151                   | 122,107                                | -                                | 13,294,696                     |
| -                  | -                 | -                         | -                                      | -                                | 49,755,000                     |
| -                  | -                 | -                         | -                                      | -                                | -                              |
| -                  | (188,622)         | (2,976,236)               | -                                      | (600,000)                        | (24,734,146)                   |
| -                  | -                 | 754                       | -                                      | 190                              | -                              |
| 70,919             | (188,622)         | (2,846,331)               | 122,107                                | (599,810)                        | 38,315,550                     |
| (59,549)           | (76,407)          | (1,310,732)               | (22,313)                               | 127,327                          | 39,458,535                     |
| 604,929            | 1,209,094         | 13,671,585                | 27,946                                 | 539,343                          | 32,145,582                     |
| 545,380            | 1,132,687         | 12,360,853                | 5,633                                  | 666,670                          | 71,604,117                     |

(Continued)

**CITY OF LAREDO, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 2021**

(Continued)

|   | SPECIAL REVENUE        |                                 |                                 |  |
|---|------------------------|---------------------------------|---------------------------------|--|
|   | SAMES<br>AUTO<br>ARENA | LDO PUBLIC<br>FACILITY<br>CORP. | MAX<br>MANDEL<br>GOLF<br>COURSE | PARKLAND<br>ACQUISITION/<br>PARK<br>IMPROVEMENTS |
| <b>REVENUES:</b>                                  |                        |                                 |                                 |  |
| Taxes   | \$ -                   | -                               | -                               | -  |
| Licenses and Permits                              | -                      | -                               | -                               | -  |
| Intergovernmental:                                |                        |                                 |                                 |  |
| Federal   | -                      | -                               | -                               | -  |
| State   | -                      | -                               | -                               | -  |
| Other   | -                      | -                               | -                               | -  |
| Charges for Services                              | 1,842,208              | -                               | 923,226                         | -  |
| Fines   | -                      | -                               | -                               | -  |
| Fees and Collections                              | -                      | -                               | -                               | 454,210  |
| Investment Income:                                |                        |                                 |                                 |  |
| Interest Earnings                                 | -                      | 667                             | -                               | 5,293  |
| Rents and Royalties                               | -                      | -                               | -                               | -  |
| Discount Earnings                                 | -                      | -                               | -                               | -  |
| Miscellaneous:                                    |                        |                                 |                                 |  |
| Local Contributions                               | -                      | -                               | -                               | -  |
| Reimbursements                                    | -                      | 54,832                          | -                               | 101,762  |
| Other   | -                      | -                               | -                               | -  |
| <b>TOTAL REVENUES</b>                             | <b>1,842,208</b>       | <b>55,499</b>                   | <b>923,226</b>                  | <b>561,265</b>                                   |
| <b>EXPENDITURES:</b>                              |                        |                                 |                                 |  |
| Public Safety                                     | -                      | -                               | -                               | -  |
| Public Works                                      | -                      | -                               | -                               | -  |
| Health and Welfare                                | -                      | 1,018                           | -                               | -  |
| Cultural and Recreational                         | 2,600,777              | -                               | 1,534,283                       | 25,504   |
| General Government                                | -                      | -                               | -                               | -  |
| Air Transportation Services                       | -                      | -                               | -                               | -  |
| <b>Total Operating Expenditures</b>               | <b>2,600,777</b>       | <b>1,018</b>                    | <b>1,534,283</b>                | <b>25,504</b>                                    |
| Debt Service:                                     |                        |                                 |                                 |  |
| Principal   | -                      | -                               | 53,647                          | -  |
| Interest  | -                      | -                               | 816                             | -  |
| Bond Costs  | -                      | -                               | -                               | -  |
| Capital Outlay                                    | -                      | -                               | -                               | 72,817   |
| <b>TOTAL EXPENDITURES</b>                         | <b>2,600,777</b>       | <b>1,018</b>                    | <b>1,588,746</b>                | <b>98,321</b>                                    |
| Excess (Deficiency) of Revenues Over Expenditures | (758,569)              | 54,481                          | (665,520)                       | 462,944  |
| <b>OTHER FINANCING SOURCES (USES):</b>            |                        |                                 |                                 |  |
| Transfers In                                      | 758,569                | -                               | 665,326                         | -  |
| Proceeds - Long Term Debt                         | -                      | -                               | -                               | -  |
| Bond Premiums                                     | -                      | -                               | -                               | -  |
| Transfers Out                                     | -                      | -                               | -                               | -  |
| Sale of Assets                                    | -                      | -                               | -                               | -  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>       | <b>758,569</b>         | <b>-</b>                        | <b>665,326</b>                  | <b>-</b>   |
| Net Change in Fund Balance                        | -                      | 54,481                          | (194)                           | 462,944  |
| Fund Balances at Beginning of Year                | -                      | 75,352                          | 110,225                         | 737,149  |
| <b>FUND BALANCE AT END OF YEAR</b>                | <b>\$ -</b>            | <b>129,833</b>                  | <b>110,031</b>                  | <b>1,200,093</b>                                 |

(Continued)

(Continued)

| SPECIAL REVENUE           |                        |                                 |                         | CAPITAL PROJECTS           |                   |
|---------------------------|------------------------|---------------------------------|-------------------------|----------------------------|-------------------|
| SPECIAL<br>FIRE<br>GRANTS | DOWNTOWN<br>TIRZ NO. 1 | COVID-19<br>ECON.ASSIT.<br>FUND | POLICE<br>TRUST<br>FUND | PARKS<br>CAPITAL<br>GRANTS | CAPITAL<br>GRANTS |
| -                         | 188,294                | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| 88,079                    | -                      | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | (11,020)          |
| -                         | -                      | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| 4                         | 5,714                  | 2,317                           | 25,797                  | 2                          | 6                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | 1,505,302         |
| -                         | -                      | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | 1,200,116               | -                          | 14,442            |
| 88,083                    | 194,008                | 2,317                           | 1,225,913               | 2                          | 1,508,730         |
| 653,936                   | -                      | -                               | 546,020                 | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | (4,020)           |
| -                         | -                      | 515,729                         | -                       | -                          | -                 |
| -                         | 61,616                 | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| 653,936                   | 61,616                 | 515,729                         | 546,020                 | -                          | (4,020)           |
| -                         | -                      | -                               | 274,414                 | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| -                         | 61,426                 | -                               | -                       | -                          | -                 |
| -                         | -                      | -                               | 53,084                  | -                          | 1,781,410         |
| 653,936                   | 123,042                | 515,729                         | 873,518                 | -                          | 1,777,390         |
| (565,853)                 | 70,966                 | (513,412)                       | 352,395                 | 2                          | (268,660)         |
| 563,085                   | -                      | -                               | -                       | -                          | 275,434           |
| -                         | 2,235,000              | -                               | -                       | -                          | -                 |
| -                         | 328,031                | -                               | -                       | -                          | -                 |
| -                         | -                      | (3,546,671)                     | (40,746)                | -                          | -                 |
| -                         | -                      | -                               | -                       | -                          | -                 |
| 563,085                   | 2,563,031              | (3,546,671)                     | (40,746)                | -                          | 275,434           |
| (2,768)                   | 2,633,997              | (4,060,083)                     | 311,649                 | 2                          | 6,774             |
| 2,768                     | 861,407                | 4,060,083                       | 4,266,169               | 239                        | -                 |
| -                         | 3,495,404              | -                               | 4,577,818               | 241                        | 6,774             |

(Continued)

**CITY OF LAREDO, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 2021**

(Continued)

|   | CAPITAL PROJECTS           |   |   |   |
|---|----------------------------|---|---|---|
|   | CONTRACTUAL<br>OBLIGATIONS | CERTIFICATE<br>OF<br>OBLIGATION<br>09 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>12 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>14 ISSUE |
| <b>REVENUES:</b>                                  | \$                         |   |   |   |
| Taxes   | -                          | -   | -   | -   |
| Licenses and Permits                              | -                          | -   | -   | -   |
| Intergovernmental:                                |                            |   |   |   |
| Federal   | -                          | -   | -   | -   |
| State   | -                          | -   | -   | -   |
| Other   | -                          | -   | -   | -   |
| Charges for Services                              | -                          | -   | -   | -   |
| Fines   | -                          | -   | -   | -   |
| Fees and Collections                              | -                          | -   | -   | -   |
| Investment Income:                                |                            |   |   |   |
| Interest Earnings                                 | 10,845                     | 83  | 22  | 88  |
| Rents and Royalties                               | -                          | -   | -   | -   |
| Discount Earnings                                 | -                          | -   | -   | -   |
| Miscellaneous:                                    |                            |   |   |   |
| Local Contributions                               | -                          | -   | -   | -   |
| Reimbursements                                    | -                          | -   | -   | -   |
| Other   | 11,788                     | -   | -   | -   |
| <b>TOTAL REVENUES</b>                             | <b>22,633</b>              | <b>83</b>                                   | <b>22</b>                                   | <b>88</b>                                   |
| <b>EXPENDITURES:</b>                              |                            |   |   |   |
| Public Safety                                     | -                          | -   | -   | -   |
| Public Works                                      | 69,682                     | 3   | 1,440                                       | (1,424)                                     |
| Health and Welfare                                | -                          | -   | -   | -   |
| Cultural and Recreational                         | -                          | -   | -   | -   |
| General Government                                | -                          | -   | -   | -   |
| Air Transportation Services                       | -                          | -   | -   | -   |
| <b>Total Operating Expenditures</b>               | <b>69,682</b>              | <b>3</b>                                    | <b>1,440</b>                                | <b>(1,424)</b>                              |
| Debt Service:                                     |                            |   |   |   |
| Principal   | -                          | -   | -   | -   |
| Interest  | -                          | -   | -   | -   |
| Bond Costs  | -                          | -   | -   | -   |
| Capital Outlay                                    | 1,652,076                  | -   | -   | -   |
| <b>TOTAL EXPENDITURES</b>                         | <b>1,721,758</b>           | <b>3</b>                                    | <b>1,440</b>                                | <b>(1,424)</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures | (1,699,125)                | 80  | (1,418)                                     | 1,512                                       |
| <b>OTHER FINANCING SOURCES (USES):</b>            |                            |   |   |   |
| Transfers In                                      | -                          | -   | -   | -   |
| Proceeds - Long Term Debt                         | -                          | -   | -   | -   |
| Bond Premiums                                     | -                          | -   | -   | -   |
| Transfers Out                                     | -                          | -   | (33,515)                                    | -   |
| Sale of Assets                                    | -                          | -   | -   | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>       | <b>-</b>                   | <b>-</b>                                    | <b>(33,515)</b>                             | <b>-</b>                                    |
| Net Change in Fund Balance                        | (1,699,125)                | 80  | (34,933)                                    | 1,512                                       |
| Fund Balances at Beginning of Year                | 4,152,664                  | 150,691                                     | 47,811                                      | 150,921                                     |
| <b>FUND BALANCE AT END OF YEAR</b>                | <b>\$ 2,453,539</b>        | <b>150,771</b>                              | <b>12,878</b>                               | <b>152,433</b>                              |

(Continued)



(Continued)

| CAPITAL PROJECTS                            |   |   |   |   |   |
|---|---|---|---|---|---|
| CERTIFICATE<br>OF<br>OBLIGATION<br>15 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>16 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>17 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>18 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>19 ISSUE | CERTIFICATE<br>OF<br>OBLIGATION<br>21 ISSUE |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| 6,087                                       | 9,368                                       | 2,485                                       | 41,384                                      | 56,023                                      | 997   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| 112,704                                     | -   | -   | -   | 12,000                                      | -   |
| -   | -   | -   | -   | -   | -   |
| 118,791                                     | 9,368                                       | 2,485                                       | 41,384                                      | 68,023                                      | 997   |
| -   | -   | -   | -   | -   | -   |
| 18,874                                      | 48,185                                      | 14,192                                      | 33,254                                      | 399,601                                     | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| 18,874                                      | 48,185                                      | 14,192                                      | 33,254                                      | 399,601                                     | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | 169,900                                     |
| 412,559                                     | 139,919                                     | 231,171                                     | 1,453,620                                   | 1,262,304                                   | 38,879                                      |
| 431,433                                     | 188,104                                     | 245,363                                     | 1,486,874                                   | 1,661,905                                   | 208,779                                     |
| (312,642)                                   | (178,736)                                   | (242,878)                                   | (1,445,490)                                 | (1,593,882)                                 | (207,782)                                   |
| -   | -   | -   | -   | -   | -   |
| -   | -   | -   | -   | -   | 13,075,000                                  |
| -   | -   | -   | -   | -   | 2,104,289                                   |
| (8,540)                                     | -   | -   | (234,919)                                   | -   | -   |
| -   | -   | -   | -   | -   | -   |
| (8,540)                                     | -   | -   | (234,919)                                   | -   | 15,179,289                                  |
| (321,182)                                   | (178,736)                                   | (242,878)                                   | (1,680,409)                                 | (1,593,882)                                 | 14,971,507                                  |
| 4,220,847                                   | 8,120,618                                   | 2,505,141                                   | 9,525,171                                   | 15,719,390                                  | -   |
| 3,899,665                                   | 7,941,882                                   | 2,262,263                                   | 7,844,762                                   | 14,125,508                                  | 14,971,507                                  |

(Continued)

**CITY OF LAREDO, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 2021**

|   | <b>CAPITAL PROJECTS</b>          |                            | <b>PERMANENT FUND</b>         | <b>TOTAL NONMAJOR GOVERNMENTAL FUNDS</b> |
|---|----------------------------------|----------------------------|-------------------------------|--|
|   | <b>AIRPORT CONSTRUCTION FUND</b> | <b>CAPITAL IMPROVEMENT</b> | <b>CANSECO ENDOWMENT FUND</b> |  |
| <b>REVENUES:</b>                                  |                                  |                            |                               |  |
| Taxes   | -                                | -                          | -                             | 12,781,833                               |
| Licenses and Permits                              | -                                | -                          | -                             | 782,878                                  |
| Intergovernmental:                                |                                  |                            |                               |  |
| Federal   | 11,703,605                       | 6,387,309                  | -                             | 38,629,458                               |
| State   | 46,729                           | 6,160                      | -                             | 14,402,902                               |
| Other   | -                                | -                          | -                             | 196,943                                  |
| Charges for Services                              | -                                | -                          | -                             | 10,854,900                               |
| Fines   | -                                | -                          | -                             | 486,978                                  |
| Fees and Collections                              | -                                | -                          | -                             | 3,001,948                                |
| Investment Income:                                |                                  |                            |                               |  |
| Interest Earnings                                 | 21,671                           | 255,252                    | 465                           | 841,531                                  |
| Rents and Royalties                               | -                                | -                          | -                             | 8,631,216                                |
| Discount Earnings                                 | -                                | -                          | -                             | 8,166                                    |
| Miscellaneous:                                    |                                  |                            |                               |  |
| Local Contributions                               | -                                | 366,275                    | -                             | 2,174,203                                |
| Reimbursements                                    | -                                | -                          | -                             | 1,627,893                                |
| Other   | -                                | -                          | -                             | 1,774,634                                |
| <b>TOTAL REVENUES</b>                             | <b>11,772,005</b>                | <b>7,014,996</b>           | <b>465</b>                    | <b>96,195,483</b>                        |
| <b>EXPENDITURES:</b>                              |                                  |                            |                               |  |
| Public Safety                                     | -                                | -                          | -                             | 10,305,834                               |
| Public Works                                      | 2,456,525                        | 1,187,049                  | -                             | 4,223,361                                |
| Health and Welfare                                | -                                | -                          | -                             | 29,535,417                               |
| Cultural and Recreational                         | -                                | -                          | -                             | 8,582,585                                |
| General Government                                | -                                | -                          | -                             | 2,671,580                                |
| Air Transportation Services                       | -                                | -                          | -                             | 8,093,138                                |
| <b>Total Operating Expenditures</b>               | <b>2,456,525</b>                 | <b>1,187,049</b>           | <b>-</b>                      | <b>63,411,915</b>                        |
| Debt Service:                                     |                                  |                            |                               |  |
| Principal   | -                                | -                          | -                             | 409,268                                  |
| Interest  | -                                | -                          | -                             | 9,178                                    |
| Bond Costs  | -                                | -                          | -                             | 980,808                                  |
| Capital Outlay                                    | 10,033,555                       | 375,128                    | -                             | 27,695,655                               |
| <b>TOTAL EXPENDITURES</b>                         | <b>12,490,080</b>                | <b>1,562,177</b>           | <b>-</b>                      | <b>92,506,824</b>                        |
| Excess (Deficiency) of Revenues Over Expenditures | (718,075)                        | 5,452,819                  | 465                           | 3,688,659                                |
| <b>OTHER FINANCING SOURCES (USES):</b>            |                                  |                            |                               |  |
| Transfers In                                      | 46,728                           | 13,846,799                 | -                             | 38,044,886                               |
| Proceeds - Long Term Debt                         | -                                | -                          | -                             | 65,065,000                               |
| Bond Premiums                                     | -                                | -                          | -                             | 2,432,320                                |
| Transfers Out                                     | -                                | (5,278,679)                | -                             | (40,880,404)                             |
| Sale of Assets                                    | -                                | -                          | -                             | 944                                      |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>       | <b>46,728</b>                    | <b>8,568,120</b>           | <b>-</b>                      | <b>64,662,746</b>                        |
| Net Change in Fund Balance                        | (671,347)                        | 14,020,939                 | 465                           | 68,351,405                               |
| Fund Balances at Beginning of Year                | 4,616,990                        | 40,919,201                 | 78,817                        | 168,709,576                              |
| <b>FUND BALANCE AT END OF YEAR</b>                | <b>3,945,643</b>                 | <b>54,940,140</b>          | <b>79,282</b>                 | <b>237,060,981</b>                       |

**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, 2021**

|                                    | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|------------------------------------|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>                   |                        |                         |                          |                                  |
| Intergovernmental:                 |                        |                         |                          |                                  |
| CDBG Grants                        | \$ 33,827,831          | 4,873,677               | 38,701,508               | 46,090,999                       |
| Miscellaneous:                     |                        |                         |                          |                                  |
| Reimbursements                     | 2,502,522              | 2,101                   | 2,504,623                | 2,462,270                        |
| <b>TOTAL REVENUES</b>              | <b>36,330,353</b>      | <b>4,875,778</b>        | <b>41,206,131</b>        | <b>48,553,269</b>                |
| <b>EXPENDITURES:</b>               |                        |                         |                          |                                  |
| Public Safety                      | 4,481,927              | -                       | 4,481,927                | 5,018,227                        |
| Health and Welfare                 | 8,529,838              | 1,073,870               | 9,603,708                | 12,909,522                       |
| Cultural and Recreational          | 698,432                | -                       | 698,432                  | 866,008                          |
| General Government                 | 6,595,535              | 2,666,380               | 9,261,915                | 12,558,732                       |
| Lease Purchase Payments            | 1,127                  | 1,998                   | 3,125                    | 3,125                            |
| Lease Interest Payments            | 196                    | 270                     | 466                      | 466                              |
| Capital Outlay                     | 16,023,298             | 1,133,260               | 17,156,558               | 17,197,189                       |
| <b>TOTAL EXPENDITURES</b>          | <b>36,330,353</b>      | <b>4,875,778</b>        | <b>41,206,131</b>        | <b>48,553,269</b>                |
| <b>Net Change in Fund Balances</b> | <b>-</b>               | <b>-</b>                | <b>-</b>                 | <b>-</b>                         |
| Fund Balances-Beginning            |                        | -                       |                          |                                  |
| <b>Fund Balances-Ending</b>        |                        | <b>\$ -</b>             |                          |                                  |

**CITY OF LAREDO, TEXAS**  
**HOUSING REHABILITATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)**  
**Year ended September 30, 2021**

|   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>  | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|---|----------------------------|-------------------------|----------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>                                  |                            |                         |                |                    |                                    |   |
| Intergovernmental                                 | \$ -                       | 16,227,411              | 729,920        | -                  | 729,920                            | (15,497,491)                                |
| Investment Income:                                |                            |                         |                |                    |                                    |   |
| Interest Earnings                                 | 100                        | 100                     | 26,969         | -                  | 26,969                             | 26,869                                      |
| Miscellaneous:                                    |                            |                         |                |                    |                                    |   |
| Reimbursements                                    | 72,000                     | 72,000                  | 57,721         | -                  | 57,721                             | (14,279)                                    |
| <b>TOTAL REVENUES</b>                             | <b>72,100</b>              | <b>16,299,511</b>       | <b>814,610</b> | <b>-</b>           | <b>814,610</b>                     | <b>(15,484,901)</b>                         |
| <b>EXPENDITURES:</b>                              |                            |                         |                |                    |                                    |   |
| Administration:                                   |                            |                         |                |                    |                                    |   |
| Personnel Services                                | 6,506                      | 6,506                   | 5,200          | -                  | 5,200                              | 1,306                                       |
| Contractual Services                              | -                          | -                       | 60             | -                  | 60                                 | (60)  |
| Total Administration                              | 6,506                      | 6,506                   | 5,260          | -                  | 5,260                              | 1,246                                       |
| Housing Rehabilitation Loans:                     |                            |                         |                |                    |                                    |   |
| Contractual Services                              | 65,494                     | 65,494                  | 37,538         | -                  | 37,538                             | 27,956                                      |
| Total Housing Rehabilitation Loans                | 65,494                     | 65,494                  | 37,538         | -                  | 37,538                             | 27,956                                      |
| Emergency Rental Assistance 1st Allocation:       |                            |                         |                |                    |                                    |   |
| Personnel Services                                | -                          | 366,667                 | 97,783         | -                  | 97,783                             | 268,884                                     |
| Materials and Supplies                            | -                          | 77,685                  | 46,684         | 2,892              | 49,576                             | 28,109                                      |
| Contractual Services                              | -                          | 7,222,599               | 585,453        | 230,621            | 816,074                            | 6,406,525                                   |
| Other   | -                          | 233,000                 | -              | -                  | -                                  | 233,000                                     |
| Lease Purchase Payment                            | -                          | 31,505                  | -              | -                  | -                                  | 31,505                                      |
| Total Emergency Rental Assistance 1st. Allo.      | -                          | 7,931,456               | 729,920        | 233,513            | 963,433                            | 6,968,023                                   |
| Emergency Rental Assistance 2nd Allocation:       |                            |                         |                |                    |                                    |   |
| Personnel Services                                | -                          | 465,500                 | -              | -                  | -                                  | 465,500                                     |
| Materials and Supplies                            | -                          | 58,221                  | -              | -                  | -                                  | 58,221                                      |
| Contractual Services                              | -                          | 5,749,211               | -              | -                  | -                                  | 5,749,211                                   |
| Other   | -                          | 2,858                   | -              | -                  | -                                  | 2,858                                       |
| Total Emergency Rental Assistance 2nd Allo.       | -                          | 6,275,790               | -              | -                  | -                                  | 6,275,790                                   |
| Emergency Rental Assist. 2nd Allo High Need:      |                            |                         |                |                    |                                    |   |
| Personnel Services                                | -                          | 137,000                 | -              | -                  | -                                  | 137,000                                     |
| Materials and Supplies                            | -                          | 16,516                  | -              | -                  | -                                  | 16,516                                      |
| Contractual Services                              | -                          | 1,864,649               | -              | -                  | -                                  | 1,864,649                                   |
| Other   | -                          | 2,000                   | -              | -                  | -                                  | 2,000                                       |
| Total Em. Rental Assist. 2nd Allo. High Need      | -                          | 2,020,165               | -              | -                  | -                                  | 2,020,165                                   |
| <b>TOTAL EXPENDITURES</b>                         | <b>72,000</b>              | <b>16,299,411</b>       | <b>772,718</b> | <b>233,513</b>     | <b>1,006,231</b>                   | <b>15,293,180</b>                           |
| Excess (Deficiency) of Revenues Over Expenditures | 100                        | 100                     | 41,892         | (233,513)          | (191,621)                          | (191,721)                                   |
| Fund Balances at Beginning of Year                | 6,750                      | 3,354                   | 3,354          | -                  | 3,354                              | -   |
| <b>FUND BALANCE AT END OF YEAR</b>                | <b>\$ 6,850</b>            | <b>3,454</b>            | <b>45,246</b>  | <b>(233,513)</b>   | <b>(188,267)</b>                   | <b>(191,721)</b>                            |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Intergovernmental:   |                        |                         |                          |                                  |
| HOME Grants  | \$ 3,950,485           | 618,969                 | 4,569,454                | 6,730,283                        |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | 21,354                 | 2,263                   | 23,617                   | 11,850                           |
| Miscellaneous:   |                        |                         |                          |                                  |
| Reimbursements   | 1,742,517              | 302,015                 | 2,044,532                | 2,032,982                        |
| <b>TOTAL REVENUES</b>  | <b>5,714,356</b>       | <b>923,247</b>          | <b>6,637,603</b>         | <b>8,775,115</b>                 |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Personnel Services   | 407,273                | 83,826                  | 491,099                  | 491,116                          |
| Materials and Supplies   | 14,548                 | 5,416                   | 19,964                   | 22,847                           |
| Contractual Services   | 5,805,368              | 840,370                 | 6,645,738                | 8,953,108                        |
| Other  | -                      | -                       | -                        | 260,894                          |
| <b>TOTAL EXPENDITURES</b>  | <b>6,227,189</b>       | <b>929,612</b>          | <b>7,156,801</b>         | <b>9,727,965</b>                 |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(512,833)</b>       | <b>(6,365)</b>          | <b>(519,198)</b>         | <b>(952,850)</b>                 |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Transfer In:   |                        |                         |                          |                                  |
| Home Inv. Afford. Housing  | 885,693                | 50,426                  | 936,119                  | 939,843                          |
| Municipal Housing  | 40,984                 | 28,482                  | 69,466                   | 17,480                           |
| Transfer Out:  |                        |                         |                          |                                  |
| Home Inv. Afford. Housing  | (4,473)                | -                       | (4,473)                  | (4,473)                          |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>922,204</b>         | <b>78,908</b>           | <b>1,001,112</b>         | <b>952,850</b>                   |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 409,371</b>      | <b>72,543</b>           | <b>481,914</b>           | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 409,371                 |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 481,914</b>       |                          |                                  |

**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, 2021**

|                                    | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|------------------------------------|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>                   |                        |                         |                          |                                  |
| Intergovernmental:                 |                        |                         |                          |                                  |
| Emergency Shelter Grants           | \$ <u>628,190</u>      | <u>1,213,798</u>        | <u>1,841,988</u>         | <u>4,942,858</u>                 |
| <b>TOTAL REVENUES</b>              | <u><b>628,190</b></u>  | <u><b>1,213,798</b></u> | <u><b>1,841,988</b></u>  | <u><b>4,942,858</b></u>          |
| <b>EXPENDITURES:</b>               |                        |                         |                          |                                  |
| Personnel Services                 | 26,230                 | 76,322                  | 102,552                  | 191,286                          |
| Materials and Supplies             | 2,974                  | 4,980                   | 7,954                    | 16,560                           |
| Contractual Services               | <u>598,986</u>         | <u>1,132,496</u>        | <u>1,731,482</u>         | <u>4,735,012</u>                 |
| <b>TOTAL EXPENDITURES</b>          | <u><b>628,190</b></u>  | <u><b>1,213,798</b></u> | <u><b>1,841,988</b></u>  | <u><b>4,942,858</b></u>          |
| <b>Net Change in Fund Balances</b> | \$ <u><u>-</u></u>     | <u>-</u>                | <u><u>-</u></u>          | <u><u>-</u></u>                  |
| Fund Balances-Beginning            |                        | <u>-</u>                |                          |                                  |
| <b>Fund Balances-Ending</b>        |                        | \$ <u><u>-</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, 2021

|  | Original<br>Budget | Final<br>Budget | Actual          | Adjustments | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|--------------------|-----------------|-----------------|-------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>                                     |                    |                 |                 |             |                           |                                    |
| Intergovernmental:                                   |                    |                 |                 |             |                           |                                    |
| Federal  | \$ 42,988          | -               | -               | -           | -                         | -                                  |
| Investment Income:                                   |                    |                 |                 |             |                           |                                    |
| Interest Earnings                                    | -                  | -               | 35              | -           | 35                        | 35                                 |
| Miscellaneous:                                       |                    |                 |                 |             |                           |                                    |
| Reimbursements                                       | 104,076            | 52,038          | 50,391          | -           | 50,391                    | (1,647)                            |
| <b>TOTAL REVENUES</b>                                | <b>147,064</b>     | <b>52,038</b>   | <b>50,426</b>   | <b>-</b>    | <b>50,426</b>             | <b>(1,612)</b>                     |
| <b>EXPENDITURES:</b>                                 |                    |                 |                 |             |                           |                                    |
| Contractual Services                                 | 42,988             | -               | -               | -           | -                         | -                                  |
| Total Operating Expenditures                         | 42,988             | -               | -               | -           | -                         | -                                  |
| <b>TOTAL EXPENDITURES</b>                            | <b>42,988</b>      | <b>-</b>        | <b>-</b>        | <b>-</b>    | <b>-</b>                  | <b>-</b>                           |
| Excess (Deficiency) of Revenues Over<br>Expenditures | 104,076            | 52,038          | 50,426          | -           | 50,426                    | (1,612)                            |
| <b>OTHER FINANCING SOURCES (USES):</b>               |                    |                 |                 |             |                           |                                    |
| Transfer Out:  |                    |                 |                 |             |                           |                                    |
| Home Investment                                      | (104,076)          | (52,038)        | (50,426)        | -           | (50,426)                  | 1,612                              |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>      | <b>(104,076)</b>   | <b>(52,038)</b> | <b>(50,426)</b> | <b>-</b>    | <b>(50,426)</b>           | <b>1,612</b>                       |
| <b>FUND BALANCES AT END OF YEAR</b>                  | <b>\$ -</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>    | <b>-</b>                  | <b>-</b>                           |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Intergovernmental:   |                            |                         |                  |                    |                                    |   |
| State  | \$ 1,265,259               | 1,877,198               | 683,119          | -                  | 683,119                            | (1,194,079)                                 |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | 200                        | 400                     | 552              | -                  | 552                                | 152   |
| Miscellaneous:   |                            |                         |                  |                    |                                    |   |
| Reimbursements   | -                          | 16,000                  | 27,570           | -                  | 27,570                             | 11,570                                      |
| <b>TOTAL REVENUES</b>  | <b>1,265,459</b>           | <b>1,893,598</b>        | <b>711,241</b>   | <b>-</b>           | <b>711,241</b>                     | <b>(1,182,357)</b>                          |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Personnel Services   | 1,050,149                  | 2,162,108               | 1,059,693        | -                  | 1,059,693                          | 1,102,415                                   |
| Materials and Supplies   | -                          | 9,500                   | -                | -                  | -                                  | 9,500                                       |
| Contractual Services   | 146,400                    | 194,604                 | 79,888           | 85,800             | 165,688                            | 28,916                                      |
| Other  | 543,459                    | 359,822                 | -                | -                  | -                                  | 359,822                                     |
| Total Operating Expenditures   | 1,740,008                  | 2,726,034               | 1,139,581        | 85,800             | 1,225,381                          | 1,500,653                                   |
| Capital Outlay   | -                          | 41,258                  | -                | -                  | -                                  | 41,258                                      |
| <b>TOTAL EXPENDITURES</b>  | <b>1,740,008</b>           | <b>2,767,292</b>        | <b>1,139,581</b> | <b>85,800</b>      | <b>1,225,381</b>                   | <b>1,541,911</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures                          | (474,549)                  | (873,694)               | (428,340)        | (85,800)           | (514,140)                          | 359,554                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                  |                    |                                    |   |
| Transfer In:   |                            |                         |                  |                    |                                    |   |
| General Fund   | 474,549                    | 474,549                 | 451,419          | -                  | 451,419                            | (23,130)                                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>474,549</b>             | <b>474,549</b>          | <b>451,419</b>   | <b>-</b>           | <b>451,419</b>                     | <b>(23,130)</b>                             |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | -                          | (399,145)               | 23,079           | (85,800)           | (62,721)                           | 336,424                                     |
| Fund Balances at Beginning of Year   | -                          | 439,458                 | 439,458          | -                  | 439,458                            | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ -</b>                | <b>40,313</b>           | <b>462,537</b>   | <b>(85,800)</b>    | <b>376,737</b>                     | <b>336,424</b>                              |



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, 2021

|  | Original<br>Budget | Final<br>Budget  | Actual         | Adjustments      | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|--------------------|------------------|----------------|------------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>   |                    |                  |                |                  |                           |                                    |
| Intergovernmental:   |                    |                  |                |                  |                           |                                    |
| Federal  | \$ 830,024         | 1,778,559        | 932,633        | -                | 932,633                   | (845,926)                          |
| <b>TOTAL REVENUES</b>  | <b>830,024</b>     | <b>1,778,559</b> | <b>932,633</b> | <b>-</b>         | <b>932,633</b>            | <b>(845,926)</b>                   |
| <b>EXPENDITURES:</b>   |                    |                  |                |                  |                           |                                    |
| Personnel Services   | 486,071            | 1,488,022        | 808,648        | -                | 808,648                   | 679,374                            |
| Material and Supplies  | 24,251             | 51,484           | 11,232         | 3,100            | 14,332                    | 37,152                             |
| Contractual Services   | 70,326             | 173,290          | 28,017         | 6,536            | 34,553                    | 138,737                            |
| Other  | 428,782            | 23,972           | -              | -                | -                         | 23,972                             |
| Total Operating Expenditures   | 1,009,430          | 1,736,768        | 847,897        | 9,636            | 857,533                   | 879,235                            |
| Capital Outlay   | -                  | 221,197          | 125,481        | 258,645          | 384,126                   | (162,929)                          |
| <b>TOTAL EXPENDITURES</b>  | <b>1,009,430</b>   | <b>1,957,965</b> | <b>973,378</b> | <b>268,281</b>   | <b>1,241,659</b>          | <b>716,306</b>                     |
| Excess (Deficiency) of Revenues Over Expenditures                          | (179,406)          | (179,406)        | (40,745)       | (268,281)        | (309,026)                 | (129,620)                          |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                    |                  |                |                  |                           |                                    |
| Transfers Out:   |                    |                  |                |                  |                           |                                    |
| Police Trust Fund  | 179,406            | 179,406          | 40,745         | -                | 40,745                    | (138,661)                          |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>179,406</b>     | <b>179,406</b>   | <b>40,745</b>  | <b>-</b>         | <b>40,745</b>             | <b>(138,661)</b>                   |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | -                  | -                | -              | (268,281)        | (268,281)                 | (268,281)                          |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ -</b>        | <b>-</b>         | <b>-</b>       | <b>(268,281)</b> | <b>(268,281)</b>          | <b>(268,281)</b>                   |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Intergovernmental:   |                            |                         |                  |                    |                                    |   |
| Federal  | \$ 4,019,761               | 3,772,858               | 2,154,695        | -                  | 2,154,695                          | (1,618,163)                                 |
| State  | 3,093,741                  | 2,779,062               | 708,847          | -                  | 708,847                            | (2,070,215)                                 |
| Other  | 50,000                     | 50,000                  | -                | -                  | -                                  | (50,000)                                    |
| Miscellaneous:   |                            |                         |                  |                    |                                    |   |
| Reimbursements   | -                          | 824,176                 | 9,075            | -                  | 9,075                              | (815,101)                                   |
| <b>TOTAL REVENUES</b>  | <b>7,163,502</b>           | <b>7,426,096</b>        | <b>2,872,617</b> | <b>-</b>           | <b>2,872,617</b>                   | <b>(4,553,479)</b>                          |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Police Grants:   |                            |                         |                  |                    |                                    |   |
| Click It or Ticket   | 52,400                     | 52,400                  | 57,860           | -                  | 57,860                             | (5,460)                                     |
| Alcohol Tobacco Firearms   | 99,391                     | 98,613                  | 109,657          | -                  | 109,657                            | (11,044)                                    |
| Comprehensive Comm. Vehicle STEP   | 124,000                    | 124,000                 | 111,733          | -                  | 111,733                            | 12,267                                      |
| Comprehensive STEP   | 144,100                    | 144,100                 | 141,371          | -                  | 141,371                            | 2,729                                       |
| Rifle Resist Body Armor  | 84,000                     | 84,000                  | 30,226           | 52,488             | 82,714                             | 1,286                                       |
| US Marshals - Sex Offenders  | 10,000                     | 10,000                  | -                | -                  | -                                  | 10,000                                      |
| Customs Narcotics  | 117,423                    | 117,423                 | 82,287           | -                  | 82,287                             | 35,136                                      |
| Bulletproof Vest Partnership   | 91,200                     | 71,399                  | -                | 10,647             | 10,647                             | 60,752                                      |
| Justice Assistance Grant   | 220,079                    | 269,625                 | 197,745          | -                  | 197,745                            | 71,880                                      |
| Body-Worn Camera Project   | 292,500                    | 292,500                 | -                | -                  | -                                  | 292,500                                     |
| COPS Community Policing Development  | 100,000                    | 100,000                 | -                | -                  | -                                  | 100,000                                     |
| Project Safe Neighborhood  | 75,000                     | 75,000                  | 16,704           | -                  | 16,704                             | 58,296                                      |
| Fugitive Apprehension  | 26,400                     | 26,400                  | 24,297           | -                  | 24,297                             | 2,103                                       |
| Ldo. Joint Terrorism TF  | 22,796                     | 22,796                  | 22,083           | -                  | 22,083                             | 713   |
| Coronavirus Emergency- Federal   | -                          | 213,047                 | 144,978          | 1,893              | 146,871                            | 66,176                                      |
| Coronavirus Supplemental- State  | -                          | 138,457                 | 157,867          | 49                 | 157,916                            | (19,459)                                    |
| Violence of Crime Act  | 62,348                     | 62,348                  | 52,493           | 313                | 52,806                             | 9,542                                       |
| Violence Against Women Act   | 144,716                    | 144,716                 | 116,110          | -                  | 116,110                            | 28,606                                      |
| Cops Program 2019  | 1,136,344                  | 1,161,336               | 421,164          | -                  | 421,164                            | 740,172                                     |
| OCDETF   | 58,414                     | 78,215                  | 63,184           | -                  | 63,184                             | 15,031                                      |
| FBI-Safe Streets   | 45,592                     | 45,592                  | 25,604           | -                  | 25,604                             | 19,988                                      |
| Stonegarden Grant  | 1,800,000                  | 1,800,000               | 819,303          | -                  | 819,303                            | 980,697                                     |
| CBP Task Force   | 396,000                    | 396,000                 | 396,943          | -                  | 396,943                            | (943)                                       |
| GDEM Border Security   | 500,000                    | 305,154                 | 146,824          | -                  | 146,824                            | 158,330                                     |
| Texas Anti-Gang Center Program   | 1,500,000                  | 1,500,000               | -                | -                  | -                                  | 1,500,000                                   |
| Public Safety Foundation- Firehouse  | 50,000                     | 50,000                  | -                | -                  | -                                  | 50,000                                      |
| BJA- Gulf Reg. LE Tech Assistance  | 150,000                    | 150,000                 | -                | -                  | -                                  | 150,000                                     |
| Local Law Enforcement Gun Intelligence                                     | 700,000                    | 700,000                 | -                | -                  | -                                  | 700,000                                     |
| US Secret Service Task Force   | 62,800                     | 62,800                  | 1,995            | -                  | 1,995                              | 60,805                                      |
| DWI Enforcement  | 69,500                     | 68,052                  | 62,838           | -                  | 62,838                             | 5,214                                       |
| CDJ- Mental- Peer Support  | 62,826                     | 62,826                  | 8,649            | 56,229             | 64,878                             | (2,052)                                     |
| Total Operating Expenditures   | 8,197,829                  | 8,426,799               | 3,211,915        | 121,619            | 3,333,534                          | 5,093,265                                   |
| Capital Outlay   | 180,741                    | 196,562                 | 181,598          | 34,288             | 215,886                            | (19,324)                                    |
| <b>TOTAL EXPENDITURES</b>  | <b>8,378,570</b>           | <b>8,623,361</b>        | <b>3,393,513</b> | <b>155,907</b>     | <b>3,549,420</b>                   | <b>5,073,941</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures                          | (1,215,068)                | (1,197,265)             | (520,896)        | (155,907)          | (676,803)                          | 520,462                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                  |                    |                                    |   |
| Transfer In:   |                            |                         |                  |                    |                                    |   |
| General Fund   | 872,949                    | 886,348                 | 872,949          | -                  | 872,949                            | (13,399)                                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>872,949</b>             | <b>886,348</b>          | <b>872,949</b>   | <b>-</b>           | <b>872,949</b>                     | <b>(13,399)</b>                             |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (342,119)                  | (310,917)               | 352,053          | (155,907)          | 196,146                            | 507,063                                     |
| Fund Balances at Beginning of Year   | 342,119                    | 341,507                 | 341,507          | -                  | 341,507                            | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ -</b>                | <b>30,590</b>           | <b>693,560</b>   | <b>(155,907)</b>   | <b>537,653</b>                     | <b>507,063</b>                              |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Intergovernmental:   |                            |                         |                  |                    |                                    |   |
| State Emergency Commission   | \$ 2,554,105               | 7,053,343               | 2,631,663        | -                  | 2,631,663                          | (4,421,680)                                 |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | 100                        | 4,559                   | 1,099            | -                  | 1,099                              | (3,460)                                     |
| <b>TOTAL REVENUES</b>  | <b>2,554,205</b>           | <b>7,057,902</b>        | <b>2,632,762</b> | <b>-</b>           | <b>2,632,762</b>                   | <b>(4,425,140)</b>                          |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Personnel Services   | 447,077                    | 802,144                 | 334,872          | -                  | 334,872                            | 467,272                                     |
| Materials and Supplies   | 141,990                    | 508,716                 | 201,550          | 67,897             | 269,447                            | 239,269                                     |
| Contractual Services   | 1,642,868                  | 5,252,517               | 1,960,416        | 1,640,351          | 3,600,767                          | 1,651,750                                   |
| Other  | 2,400                      | 317,243                 | -                | -                  | -                                  | 317,243                                     |
| Total Operating Expenditures   | 2,234,335                  | 6,880,620               | 2,496,838        | 1,708,248          | 4,205,086                          | 2,675,534                                   |
| Debt Service- Principal  | -                          | 1,132                   | 558              | -                  | 558                                | 574   |
| Debt Service- Interest   | -                          | 165                     | 75               | -                  | 75                                 | 90  |
| Capital Outlay   | 320,541                    | 175,985                 | 135,291          | 8,748              | 144,039                            | 31,946                                      |
| <b>TOTAL EXPENDITURES</b>  | <b>2,554,876</b>           | <b>7,057,902</b>        | <b>2,632,762</b> | <b>1,716,996</b>   | <b>4,349,758</b>                   | <b>2,708,144</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures                          | (671)                      | -                       | -                | (1,716,996)        | (1,716,996)                        | (1,716,996)                                 |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (671)                      | -                       | -                | (1,716,996)        | (1,716,996)                        | (1,716,996)                                 |
| Fund Balances at Beginning of Year   | 671                        | -                       | -                | -                  | -                                  | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ -</b>                | <b>-</b>                | <b>-</b>         | <b>(1,716,996)</b> | <b>(1,716,996)</b>                 | <b>(1,716,996)</b>                          |

**CITY OF LAREDO, TEXAS  
HEALTH FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)  
Year ended September 30, 2021**

|   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|---|----------------------------|-------------------------|-------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>  |                            |                         |                   |                    |                                    |   |
| Intergovernmental:  |                            |                         |                   |                    |                                    |   |
| Federal Grants  | \$ 2,363,220               | 4,758,976               | 2,059,282         | -                  | 2,059,282                          | (2,699,694)                                 |
| State Grants  | 10,527,349                 | 26,386,873              | 10,243,181        | -                  | 10,243,181                         | (16,143,692)                                |
| Other   | 356,322                    | 735,501                 | 183,893           | -                  | 183,893                            | (551,608)                                   |
| Licenses and Permits  | 351,445                    | 351,445                 | 481,753           | -                  | 481,753                            | 130,308                                     |
| Fees and Collections  | 735,171                    | 736,041                 | 644,669           | -                  | 644,669                            | (91,372)                                    |
| Investment Income:  |                            |                         |                   |                    |                                    |   |
| Interest Earnings   | 13,900                     | 13,900                  | 13,662            | -                  | 13,662                             | (238)                                       |
| Rents and Royalties   | 624                        | 624                     | 21                | -                  | 21                                 | (603)                                       |
| Discount Earnings   | 400                        | 400                     | 711               | -                  | 711                                | 311   |
| Miscellaneous:  |                            |                         |                   |                    |                                    |   |
| Contributions   | 510,285                    | 3,180,601               | 299,126           | -                  | 299,126                            | (2,881,475)                                 |
| Reimbursements  | 500,862                    | 500,862                 | 536,054           | -                  | 536,054                            | 35,192                                      |
| Other   | 408,290                    | 376,555                 | 548,288           | -                  | 548,288                            | 171,733                                     |
| <b>TOTAL REVENUES</b>   | <b>15,767,868</b>          | <b>37,041,778</b>       | <b>15,010,640</b> | <b>-</b>           | <b>15,010,640</b>                  | <b>(22,031,138)</b>                         |
| <b>EXPENDITURES:</b>  |                            |                         |                   |                    |                                    |   |
| Administrative Divisions:   |                            |                         |                   |                    |                                    |   |
| Administration  | 1,333,338                  | 1,452,988               | 1,282,519         | 12,996             | 1,295,515                          | 157,473                                     |
| Health Education  | 114,949                    | 96,497                  | 48,746            | 9,474              | 58,220                             | 38,277                                      |
| Vital Statistics  | 299,856                    | 337,309                 | 269,804           | 5,391              | 275,195                            | 62,114                                      |
| E.M.S. Billing  | 337,938                    | 327,313                 | 312,308           | 209                | 312,517                            | 14,796                                      |
| STD Clinic  | 93,482                     | 92,927                  | 80,873            | 2,390              | 83,263                             | 9,664                                       |
| Maternity   | 47,825                     | 47,825                  | 25,570            | 6,459              | 32,029                             | 15,796                                      |
| Immunization  | 213,450                    | 213,450                 | 184,848           | 1,788              | 186,636                            | 26,814                                      |
| Tuberculosis  | 150,261                    | 149,626                 | 116,269           | 5,062              | 121,331                            | 28,295                                      |
| Adult Health  | 50,628                     | 50,313                  | 49,588            | -                  | 49,588                             | 725   |
| Laboratory  | 1,010,276                  | 989,723                 | 802,318           | 59,812             | 862,130                            | 127,593                                     |
| Personal Health Services  | 170,903                    | 113,955                 | 70,745            | -                  | 70,745                             | 43,210                                      |
| Budget and Grant Management   | 452,103                    | 514,414                 | 457,652           | -                  | 457,652                            | 56,762                                      |
| Environmental   | 1,041,981                  | 1,058,927               | 1,046,753         | 5,147              | 1,051,900                          | 7,027                                       |
| <b>Total Administrative Divisions</b>                                     | <b>5,316,990</b>           | <b>5,445,267</b>        | <b>4,747,993</b>  | <b>108,728</b>     | <b>4,856,721</b>                   | <b>588,546</b>                              |
| State Grants:   |                            |                         |                   |                    |                                    |   |
| H.I.V. - Prevention   | 220,000                    | 423,928                 | 200,363           | -                  | 200,363                            | 223,565                                     |
| T.B. Federal - Tuberculosis   | 179,449                    | 274,801                 | 201,867           | -                  | 201,867                            | 72,934                                      |
| Primary Care  | 170,786                    | 304,828                 | 145,221           | -                  | 145,221                            | 159,607                                     |
| Tuberculosis Elimination  | 214,599                    | 513,721                 | 238,007           | 978                | 238,985                            | 274,736                                     |
| Immunization Action Plan  | 346,545                    | 729,140                 | 348,872           | -                  | 348,872                            | 380,268                                     |
| Bureau of Regional/Local Health<br>Operations                             | 641,504                    | 893,842                 | 472,544           | -                  | 472,544                            | 421,298                                     |
| Women Infant and Children (W.I.C.)  | 4,705,894                  | 5,797,378               | 4,216,642         | 232,760            | 4,449,402                          | 1,347,976                                   |
| W.I.C. Counties Expansion   | 1,183,714                  | 1,253,739               | 1,095,131         | 22                 | 1,095,153                          | 158,586                                     |
| Bio-Terrorism Preparedness  | 331,135                    | 659,577                 | 372,109           | -                  | 372,109                            | 287,468                                     |
| Office of Border Health - Surveillance                                    | 14,600                     | 49,451                  | 5,927             | 1,598              | 7,525                              | 41,926                                      |
| Associateship for Community Health<br>and Resource Development - Dental   | 115,750                    | 173,521                 | 59,678            | -                  | 59,678                             | 113,843                                     |
| Associateship for Community Health<br>and Resource Development - Prenatal | \$ 47,881                  | 83,806                  | 38,948            | -                  | 38,948                             | 44,858                                      |

(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, 2021**

(Continued)

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|-------------------|--------------------|------------------------------------|---|
| State Grants (Continued)   |                            |                         |                   |                    |                                    |   |
| H.I.V. - Housing Project (H.O.P.W.A.)                                      | \$ 132,743                 | 256,976                 | 119,374           | 58,530             | 177,904                            | 79,072                                      |
| H.I.V. - Consortia (Ryan White)  | 674,790                    | 1,150,728               | 654,042           | 128,133            | 782,175                            | 368,553                                     |
| HIV Social Services  | 131,516                    | 251,823                 | 130,418           | -                  | 130,418                            | 121,405                                     |
| Healthy Texas Babies   | 67,500                     | 231,999                 | 66,990            | 114                | 67,104                             | 164,895                                     |
| Ebola Surveillance   | 82,500                     | 157,177                 | 81,678            | -                  | 81,678                             | 75,499                                      |
| Zika PHPR  | 129,219                    | -                       | -                 | -                  | -                                  | -   |
| Obesity Prevention Program   | 144,000                    | 291,189                 | 146,762           | 4,320              | 151,082                            | 140,107                                     |
| Zika Health Care Services Program  | 415,827                    | 429,176                 | 155,948           | -                  | 155,948                            | 273,228                                     |
| Hurricane Crisis Response  | 60,004                     | 197,135                 | -                 | -                  | -                                  | 197,135                                     |
| Family Support Community Response  | 127,561                    | 269,657                 | 123,272           | -                  | 123,272                            | 146,385                                     |
| Covid-19 Crisis Response   | 405,376                    | 577,183                 | 387,176           | 43,543             | 430,719                            | 146,464                                     |
| IDCU/ Covid-19   | -                          | 4,293,594               | 603,548           | 73,655             | 677,203                            | 3,616,391                                   |
| Community Mental Health  | -                          | 562,391                 | 358,349           | -                  | 358,349                            | 204,042                                     |
| Diabetes Prevention  | -                          | 250,000                 | 100,896           | 11                 | 100,907                            | 149,093                                     |
| BCCS   | -                          | 44,444                  | -                 | -                  | -                                  | 44,444                                      |
| COVID-19 Vaccine Capacity  | -                          | 2,027,807               | 356,301           | 55,760             | 412,061                            | 1,615,746                                   |
| Public Workforce   | -                          | 2,000,000               | 9,286             | 122,983            | 132,269                            | 1,867,731                                   |
| Health Equity  | -                          | 500,000                 | -                 | 12,320             | 12,320                             | 487,680                                     |
| HRSA COVID-19 Vaccines   | -                          | -                       | 7,967             | -                  | 7,967                              | (7,967)                                     |
| Nurse-Family Partnership   | 590,159                    | 1,262,686               | 644,901           | -                  | 644,901                            | 617,785                                     |
| 1115 Wavier Program  | 937,000                    | 1,012,365               | 496,593           | 3,385              | 499,978                            | 512,387                                     |
| Healthy Texas Women  | 324,008                    | 719,210                 | 211,257           | -                  | 211,257                            | 507,953                                     |
| Family Planning Open Enrollment  | 85,500                     | 1,082,223               | 327,989           | -                  | 327,989                            | 754,234                                     |
| Ryan White Part C  | 300,000                    | 505,783                 | 305,352           | 9,192              | 314,544                            | 191,239                                     |
| Ryan White Part C - Covid-19   | -                          | 41,931                  | 37,512            | -                  | 37,512                             | 4,419                                       |
| HHSC CARES Stimulus Funds  | -                          | 73,057                  | 73,058            | -                  | 73,058                             | (1)   |
| Women's Health and Family Planning   | 126,553                    | 361,124                 | 184,038           | 18,390             | 202,428                            | 158,696                                     |
| Zika Data Collection   | -                          | 4,845                   | -                 | -                  | -                                  | 4,845                                       |
| CHIP Perinate  | 12,658                     | 12,658                  | -                 | -                  | -                                  | 12,658                                      |
| Ventanilla de Salud Program  | 60,037                     | 66,335                  | 2,500             | -                  | 2,500                              | 63,835                                      |
| Ryan White Part D  | 50,927                     | 92,222                  | 49,489            | -                  | 49,489                             | 42,733                                      |
| Pillar-High Risk HIV   | 195,131                    | 80,771                  | -                 | -                  | -                                  | 80,771                                      |
| Veterans Mental Health Program   | -                          | 148,628                 | 24,023            | -                  | 24,023                             | 124,605                                     |
| Hepatitis B Program  | 15,750                     | 15,750                  | -                 | -                  | -                                  | 15,750                                      |
| Women and Children Health Program  | 437,073                    | 299,747                 | 299,746           | -                  | 299,746                            | 1   |
| Special Projects   | 510,285                    | 5,438,181               | 6,410             | 21,853             | 28,263                             | 5,409,918                                   |
| <b>Total State Grant Expenses</b>  | <b>14,187,974</b>          | <b>35,866,527</b>       | <b>13,360,184</b> | <b>787,547</b>     | <b>14,147,731</b>                  | <b>21,718,796</b>                           |
| <b>Total Operating Expenses</b>  | <b>19,504,964</b>          | <b>41,311,794</b>       | <b>18,108,177</b> | <b>896,275</b>     | <b>19,004,452</b>                  | <b>22,307,342</b>                           |
| Lease Purchase Payments  | 23,539                     | 28,575                  | 12,104            | -                  | 12,104                             | 16,471                                      |
| Lease Interest Payments  | 2,121                      | 4,548                   | 1,634             | -                  | 1,634                              | 2,914                                       |
| Capital Outlay   | 19,700                     | 455,376                 | 144,232           | -                  | 144,232                            | 311,144                                     |
| <b>TOTAL EXPENDITURES</b>  | <b>19,550,324</b>          | <b>41,800,293</b>       | <b>18,266,147</b> | <b>896,275</b>     | <b>19,162,422</b>                  | <b>22,637,871</b>                           |
| Excess (Deficiency) of Revenues Over Expenditures                          | (3,782,456)                | (4,758,515)             | (3,255,507)       | (896,275)          | (4,151,782)                        | 606,733                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                   |                    |                                    |   |
| Transfer In:   |                            |                         |                   |                    |                                    |   |
| General Fund   | 3,270,512                  | 3,270,512               | 3,270,512         | -                  | 3,270,512                          | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>3,270,512</b>           | <b>3,270,512</b>        | <b>3,270,512</b>  | <b>-</b>           | <b>3,270,512</b>                   | <b>-</b>                                    |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (511,944)                  | (1,488,003)             | 15,005            | (896,275)          | (881,270)                          | 606,733                                     |
| Fund Balances at Beginning of Year   | 229,891                    | 1,553,707               | 1,553,707         | -                  | 1,553,707                          | -   |
| <b>FUND BALANCE AT END OF YEAR</b>   | <b>\$ (282,053)</b>        | <b>65,704</b>           | <b>1,568,712</b>  | <b>(896,275)</b>   | <b>672,437</b>                     | <b>606,733</b>                              |

**CITY OF LAREDO, TEXAS  
INTERNATIONAL AIRPORT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)  
Year ended September 30, 2021**

|                                   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|-----------------------------------|----------------------------|-------------------------|-------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>                  |                            |                         |                   |                    |                                    |   |
| Intergovernmental:                |                            |                         |                   |                    |                                    |   |
| Federal                           | \$ 56,519                  | 14,762,026              | 7,867,403         | -                  | 7,867,403                          | (6,894,623)                                 |
| State                             | 2,281                      | 58,800                  | 41,183            | -                  | 41,183                             | (17,617)                                    |
| Fees and Collections              | 484,543                    | 484,543                 | 454,308           | -                  | 454,308                            | (30,235)                                    |
| Investment Income:                |                            |                         |                   |                    |                                    |   |
| Interest Earnings                 | 61,700                     | 61,700                  | 67,177            | -                  | 67,177                             | 5,477                                       |
| Discount Earnings                 | -                          | -                       | 25                | -                  | 25                                 | 25  |
| Rents and Royalties               | 7,657,429                  | 7,657,429               | 6,428,888         | -                  | 6,428,888                          | (1,228,541)                                 |
| Miscellaneous:                    |                            |                         |                   |                    |                                    |   |
| Reimbursements                    | 401,339                    | 401,339                 | 348,659           | -                  | 348,659                            | (52,680)                                    |
| <b>TOTAL REVENUES</b>             | <b>8,663,811</b>           | <b>23,425,837</b>       | <b>15,207,643</b> | <b>-</b>           | <b>15,207,643</b>                  | <b>(8,218,194)</b>                          |
| <b>EXPENDITURES:</b>              |                            |                         |                   |                    |                                    |   |
| Administration:                   |                            |                         |                   |                    |                                    |   |
| Personnel Services                | 965,536                    | 965,728                 | 803,632           | -                  | 803,632                            | 162,096                                     |
| Materials and Supplies            | 53,987                     | 60,514                  | 33,094            | 4,248              | 37,342                             | 23,172                                      |
| Contractual Services              | 3,406,470                  | 4,172,424               | 3,241,010         | 235,729            | 3,476,739                          | 695,685                                     |
| Other                             | 121,053                    | 28,595                  | (743)             | -                  | (743)                              | 29,338                                      |
| Total Administration              | <u>4,547,046</u>           | <u>5,227,261</u>        | <u>4,076,993</u>  | <u>239,977</u>     | <u>4,316,970</u>                   | <u>910,291</u>                              |
| Building Maintenance:             |                            |                         |                   |                    |                                    |   |
| Personnel Services                | 709,665                    | 710,040                 | 629,010           | -                  | 629,010                            | 81,030                                      |
| Materials and Supplies            | 268,666                    | 280,091                 | 198,256           | 18,497             | 216,753                            | 63,338                                      |
| Contractual Services              | 2,023,307                  | 1,247,719               | 566,994           | 379,134            | 946,128                            | 301,591                                     |
| Total Building Maintenance        | <u>3,001,638</u>           | <u>2,237,850</u>        | <u>1,394,260</u>  | <u>397,631</u>     | <u>1,791,891</u>                   | <u>445,959</u>                              |
| Ground Maintenance:               |                            |                         |                   |                    |                                    |   |
| Personnel Services                | 592,995                    | 592,995                 | 463,942           | -                  | 463,942                            | 129,053                                     |
| Materials and Supplies            | 93,864                     | 113,640                 | 50,007            | 14,024             | 64,031                             | 49,609                                      |
| Contractual Services              | 406,156                    | 396,291                 | 294,587           | 88,128             | 382,715                            | 13,576                                      |
| Total Ground Maintenance          | <u>1,093,015</u>           | <u>1,102,926</u>        | <u>808,536</u>    | <u>102,152</u>     | <u>910,688</u>                     | <u>192,238</u>                              |
| Airport Security:                 |                            |                         |                   |                    |                                    |   |
| Personnel Services                | 1,329,041                  | 1,338,509               | 1,287,049         | -                  | 1,287,049                          | 51,460                                      |
| Materials and Supplies            | 126,190                    | 127,542                 | 73,878            | 6,019              | 79,897                             | 47,645                                      |
| Contractual Services              | 268,984                    | 226,168                 | 129,538           | 4,148              | 133,686                            | 92,482                                      |
| Other                             | -                          | 14,048                  | -                 | -                  | -                                  | 14,048                                      |
| Total Airport Security            | <u>1,724,215</u>           | <u>1,706,267</u>        | <u>1,490,465</u>  | <u>10,167</u>      | <u>1,500,632</u>                   | <u>205,635</u>                              |
| Foreign Trade Zone:               |                            |                         |                   |                    |                                    |   |
| Personnel Services                | 19,091                     | 19,091                  | 15,903            | -                  | 15,903                             | 3,188                                       |
| Materials and Supplies            | 475                        | 475                     | -                 | -                  | -                                  | 475   |
| Contractual Services              | 8,313                      | 8,338                   | 500               | -                  | 500                                | 7,838                                       |
| Total Foreign Trade Zone          | <u>27,879</u>              | <u>27,904</u>           | <u>16,403</u>     | <u>-</u>           | <u>16,403</u>                      | <u>11,501</u>                               |
| Federal Inspection Services:      |                            |                         |                   |                    |                                    |   |
| Personnel Services                | 223,022                    | 238,006                 | 237,443           | -                  | 237,443                            | 563   |
| Materials and Supplies            | 17,349                     | 16,958                  | 7,195             | 826                | 8,021                              | 8,937                                       |
| Contractual Services              | 83,280                     | 86,313                  | 61,843            | 6,635              | 68,478                             | 17,835                                      |
| Total Federal Inspection Services | <u>\$ 323,651</u>          | <u>341,277</u>          | <u>306,481</u>    | <u>7,461</u>       | <u>313,942</u>                     | <u>27,335</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, 2021

(Continued)

|  | Original<br>Budget  | Final<br>Budget   | Actual            | Adjustments      | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|---------------------|-------------------|-------------------|------------------|---------------------------|------------------------------------|
| <b>EXPENDITURES (Continued)</b>  |                     |                   |                   |                  |                           |                                    |
| Operation Stonegarden:   |                     |                   |                   |                  |                           |                                    |
| Personnel Services   | \$ 12,690           | 12,690            | -                 | -                | -                         | 12,690                             |
| Total Operation Stonegarden  | 12,690              | 12,690            | -                 | -                | -                         | 12,690                             |
| Corona Response & Relief Supplemental:                                     |                     |                   |                   |                  |                           |                                    |
| Other  | -                   | 1,410,819         | -                 | -                | -                         | 1,410,819                          |
| Total Corona Response & Relief Supp.                                       | -                   | 1,410,819         | -                 | -                | -                         | 1,410,819                          |
| Corona RRSA- Concession  |                     |                   |                   |                  |                           |                                    |
| Other  | -                   | 19,499            | -                 | -                | -                         | 19,499                             |
| Total Corona RRSA- Concession  | -                   | 19,499            | -                 | -                | -                         | 19,499                             |
| Total Operating Expenditures   | 10,730,134          | 12,086,493        | 8,093,138         | 757,388          | 8,850,526                 | 3,235,967                          |
| Debt Service:  |                     |                   |                   |                  |                           |                                    |
| Principal  | -                   | 64,960            | 64,960            | -                | 64,960                    | -                                  |
| Interest   | -                   | 6,168             | 6,168             | -                | 6,168                     | 1                                  |
| Capital Outlay   | 321,072             | 996,306           | 323,490           | 104,406          | 427,896                   | 568,410                            |
| <b>TOTAL EXPENDITURES</b>  | <b>11,051,206</b>   | <b>13,153,928</b> | <b>8,487,756</b>  | <b>861,794</b>   | <b>9,349,550</b>          | <b>3,804,378</b>                   |
| Excess (Deficiency) of Revenues Over Expenditures                          | (2,387,395)         | 10,271,909        | 6,719,887         | (861,794)        | 5,858,093                 | (4,413,816)                        |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                     |                   |                   |                  |                           |                                    |
| Transfer In:   |                     |                   |                   |                  |                           |                                    |
| Noise Abatement Fund   | 600,000             | 600,000           | 600,000           | -                | 600,000                   | -                                  |
| Transfers Out:   |                     |                   |                   |                  |                           |                                    |
| Airport Construction Fund  | (50,000)            | (50,000)          | (46,729)          | -                | (46,729)                  | 3,271                              |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>550,000</b>      | <b>550,000</b>    | <b>553,271</b>    | <b>-</b>         | <b>553,271</b>            | <b>3,271</b>                       |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (1,837,395)         | 10,821,909        | 7,273,158         | (861,794)        | 6,411,364                 | (4,410,545)                        |
| Fund Balances at Beginning of Year   | 5,043,385           | 9,915,141         | 9,915,141         | -                | 9,915,141                 | -                                  |
| <b>FUND BALANCE AT END OF YEAR</b>   | <b>\$ 3,205,990</b> | <b>20,737,050</b> | <b>17,188,299</b> | <b>(861,794)</b> | <b>16,326,505</b>         | <b>(4,410,545)</b>                 |

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, 2021

|   | Original<br>Budget  | Final<br>Budget    | Actual             | Adjustment       | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|---|---------------------|--------------------|--------------------|------------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>  |                     |                    |                    |                  |                           |                                    |
| Taxes:  |                     |                    |                    |                  |                           |                                    |
| Hotel-Motel Occupancy Tax   | \$ 2,510,413        | 2,510,413          | 3,165,703          | -                | 3,165,703                 | 655,290                            |
| Penalty and Interest  | -                   | -                  | 480                | -                | 480                       | 480                                |
| Investment Income:  |                     |                    |                    |                  |                           |                                    |
| Interest Earnings   | 55,800              | 55,800             | 36,618             | -                | 36,618                    | (19,182)                           |
| Miscellaneous:  |                     |                    |                    |                  |                           |                                    |
| Reimbursements  | -                   | -                  | 25                 | -                | 25                        | 25                                 |
| <b>TOTAL REVENUES</b>   | <b>2,566,213</b>    | <b>2,566,213</b>   | <b>3,202,826</b>   | <b>-</b>         | <b>3,202,826</b>          | <b>636,613</b>                     |
| <b>EXPENDITURES:</b>  |                     |                    |                    |                  |                           |                                    |
| Contractual Services:   |                     |                    |                    |                  |                           |                                    |
| Administration  | -                   | 1,600              | 969                | -                | 969                       | 631                                |
| Tourism and Promotion   | 300,000             | 330,000            | 188,005            | 91,897           | 279,902                   | 50,098                             |
| Historical and Arts   | 502,000             | 537,418            | 198,927            | 56,489           | 255,416                   | 282,002                            |
| Other   | 74,750              | 43,150             | 7                  | -                | 7                         | 43,143                             |
| <b>TOTAL EXPENDITURES</b>   | <b>876,750</b>      | <b>912,168</b>     | <b>387,908</b>     | <b>148,386</b>   | <b>536,294</b>            | <b>375,874</b>                     |
| Excess (Deficiency) of Revenues Over<br>Expenditures                          | 1,689,463           | 1,654,045          | 2,814,918          | (148,386)        | 2,666,532                 | 1,012,487                          |
| <b>OTHER FINANCING SOURCES (USES):</b>  |                     |                    |                    |                  |                           |                                    |
| Transfers Out:  |                     |                    |                    |                  |                           |                                    |
| General Fund  | (160,818)           | (160,818)          | (112,717)          | -                | (112,717)                 | 48,101                             |
| Convention and Visitors Bureau  | (3,436,288)         | (3,436,288)        | (2,957,539)        | -                | (2,957,539)               | 478,749                            |
| Recreation Fund   | (150,000)           | (150,000)          | (70,919)           | -                | (70,919)                  | 79,081                             |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>                               | <b>(3,747,106)</b>  | <b>(3,747,106)</b> | <b>(3,141,175)</b> | <b>-</b>         | <b>(3,141,175)</b>        | <b>605,931</b>                     |
| Excess (Deficiency) of Revenues Over<br>Expenditures and Other Sources (Uses) | (2,057,643)         | (2,093,061)        | (326,257)          | (148,386)        | (474,643)                 | 1,618,418                          |
| Fund Balances at Beginning of Year  | 4,208,571           | 5,373,750          | 5,373,750          | -                | 5,373,750                 | -                                  |
| <b>FUND BALANCES AT END OF YEAR</b>   | <b>\$ 2,150,928</b> | <b>3,280,689</b>   | <b>5,047,493</b>   | <b>(148,386)</b> | <b>4,899,107</b>          | <b>1,618,418</b>                   |



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, 2021

|   | Original<br>Budget | Final<br>Budget  | Actual           | Adjustments     | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|---|--------------------|------------------|------------------|-----------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>                                  |                    |                  |                  |                 |                           |                                    |
| Fees and Collections                              | \$ 344,000         | 344,000          | 336,056          | -               | 336,056                   | (7,944)                            |
| Investment Income:                                |                    |                  |                  |                 |                           |                                    |
| Interest Earnings                                 | 11,700             | 11,700           | 9,410            | -               | 9,410                     | (2,290)                            |
| Miscellaneous:                                    |                    |                  |                  |                 |                           |                                    |
| Reimbursements                                    | -                  | -                | 257              | -               | 257                       | 257                                |
| <b>TOTAL REVENUES</b>                             | <b>355,700</b>     | <b>355,700</b>   | <b>345,723</b>   | <b>-</b>        | <b>345,723</b>            | <b>(9,977)</b>                     |
| <b>EXPENDITURES:</b>                              |                    |                  |                  |                 |                           |                                    |
| Materials and Supplies                            | 60,000             | 78,000           | 15,434           | -               | 15,434                    | 62,566                             |
| Contractual Services                              | 8,250              | 8,250            | -                | 250             | 250                       | 8,000                              |
| Other   | 602,648            | 548,600          | -                | -               | -                         | 548,600                            |
| Total Operating Expenditures                      | 670,898            | 634,850          | 15,434           | 250             | 15,684                    | 619,166                            |
| Capital Outlay                                    | 400,000            | 436,049          | 67,272           | 13,728          | 81,000                    | 355,049                            |
| <b>TOTAL EXPENDITURES</b>                         | <b>1,070,898</b>   | <b>1,070,899</b> | <b>82,706</b>    | <b>13,978</b>   | <b>96,684</b>             | <b>974,215</b>                     |
| Excess (Deficiency) of Revenues Over Expenditures | (715,198)          | (715,199)        | 263,017          | (13,978)        | 249,039                   | 964,238                            |
| Fund Balances at Beginning of Year                | 1,293,252          | 1,572,483        | 1,572,483        | -               | 1,572,483                 | -                                  |
| <b>FUND BALANCE AT END OF YEAR</b>                | <b>\$ 578,054</b>  | <b>857,284</b>   | <b>1,835,500</b> | <b>(13,978)</b> | <b>1,821,522</b>          | <b>964,238</b>                     |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Intergovernmental Revenue:   |                            |                         |                  |                    |                                    |   |
| F.E.M.A.   | \$ -                       | -                       | 30               | -                  | 30                                 | 30  |
| Fees and Collections   | 50,850                     | 50,850                  | 7,296            | -                  | 7,296                              | (43,554)                                    |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | 800                        | 800                     | 1,627            | -                  | 1,627                              | 827   |
| Miscellaneous:   |                            |                         |                  |                    |                                    |   |
| Contributions  | 45,000                     | 45,000                  | -                | -                  | -                                  | (45,000)                                    |
| Reimbursements   | 250                        | 250                     | 7,346            | -                  | 7,346                              | 7,096                                       |
| <b>TOTAL REVENUES</b>  | <b>96,900</b>              | <b>96,900</b>           | <b>16,299</b>    | <b>-</b>           | <b>16,299</b>                      | <b>(80,601)</b>                             |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Personnel Services   | 727,016                    | 727,016                 | 674,135          | -                  | 674,135                            | 52,881                                      |
| Materials and Supplies   | 228,614                    | 428,276                 | 103,999          | 276,486            | 380,485                            | 47,791                                      |
| Contractual Services   | 3,158,230                  | 2,644,516               | 1,636,879        | 562,655            | 2,199,534                          | 444,982                                     |
| Other  | -                          | 44                      | (44)             | -                  | (44)                               | 88  |
| Total Operating Expenditures   | 4,113,860                  | 3,799,852               | 2,414,969        | 839,141            | 3,254,110                          | 545,742                                     |
| Capital Outlay   | -                          | 313,272                 | 16,916           | 282,744            | 299,660                            | 13,612                                      |
| Debt Service- Principal  | -                          | 627                     | 627              | -                  | 627                                | -   |
| Debt Service- Interest   | -                          | 108                     | 85               | -                  | 85                                 | 23  |
| <b>TOTAL EXPENDITURES</b>  | <b>4,113,860</b>           | <b>4,113,859</b>        | <b>2,432,597</b> | <b>1,121,885</b>   | <b>3,554,482</b>                   | <b>559,377</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures                          | (4,016,960)                | (4,016,959)             | (2,416,298)      | (1,121,885)        | (3,538,183)                        | 478,776                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                  |                    |                                    |   |
| Transfer In:   |                            |                         |                  |                    |                                    |   |
| Hotel-Motel Occupancy Tax  | 3,436,288                  | 3,436,288               | 2,957,539        | -                  | 2,957,539                          | (478,749)                                   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>3,436,288</b>           | <b>3,436,288</b>        | <b>2,957,539</b> | <b>-</b>           | <b>2,957,539</b>                   | <b>(478,749)</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (580,672)                  | (580,671)               | 541,241          | (1,121,885)        | (580,644)                          | 27  |
| Fund Balances at Beginning of Year   | -                          | 580,672                 | 580,672          | -                  | 580,672                            | -   |
| <b>FUND BALANCE AT END OF YEAR</b>   | <b>\$ (580,672)</b>        | <b>1</b>                | <b>1,121,913</b> | <b>(1,121,885)</b> | <b>28</b>                          | <b>27</b>                                   |

**CITY OF LAREDO, TEXAS**  
**RECREATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)**  
**Year ended September 30, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>  | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|----------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                |                    |                                    |   |
| Investment Income:   |                            |                         |                |                    |                                    |   |
| Interest Earnings  | \$ 5,700                   | 5,700                   | 3,560          | -                  | 3,560                              | (2,140)                                     |
| Fees and Collections   | 363,900                    | 363,900                 | 50,390         | -                  | 50,390                             | (313,510)                                   |
| <b>TOTAL REVENUES</b>  | <b>369,600</b>             | <b>369,600</b>          | <b>53,950</b>  | <b>-</b>           | <b>53,950</b>                      | <b>(315,650)</b>                            |
| <b>EXPENDITURES:</b>   |                            |                         |                |                    |                                    |   |
| Personnel Services   | 56,683                     | 56,683                  | 48,582         | -                  | 48,582                             | 8,101                                       |
| Materials and Supplies   | 178,915                    | 194,715                 | 63,450         | 13,534             | 76,984                             | 117,731                                     |
| Contractual Services   | 231,818                    | 241,018                 | 60,161         | 3,550              | 63,711                             | 177,307                                     |
| Other  | 75,015                     | 7,015                   | 825            | -                  | 825                                | 6,190                                       |
| Total Operating Expenditures   | 542,431                    | 499,431                 | 173,018        | 17,084             | 190,102                            | 309,329                                     |
| Capital Outlay   | -                          | 43,000                  | 11,400         | 30,596             | 41,996                             | 1,004                                       |
| <b>TOTAL EXPENDITURES</b>  | <b>542,431</b>             | <b>542,431</b>          | <b>184,418</b> | <b>47,680</b>      | <b>232,098</b>                     | <b>310,333</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures                          | (172,831)                  | (172,831)               | (130,468)      | (47,680)           | (178,148)                          | (5,317)                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                |                    |                                    |   |
| Transfer In:   |                            |                         |                |                    |                                    |   |
| Hotel-Motel Occupancy Tax  | 150,000                    | 150,000                 | 70,919         | -                  | 70,919                             | (79,081)                                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>150,000</b>             | <b>150,000</b>          | <b>70,919</b>  | <b>-</b>           | <b>70,919</b>                      | <b>(79,081)</b>                             |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (22,831)                   | (22,831)                | (59,549)       | (47,680)           | (107,229)                          | (84,398)                                    |
| Fund Balances at Beginning of Year   | 526,148                    | 604,929                 | 604,929        | -                  | 604,929                            | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ 503,317</b>          | <b>582,098</b>          | <b>545,380</b> | <b>(47,680)</b>    | <b>497,700</b>                     | <b>(84,398)</b>                             |

**CITY OF LAREDO, TEXAS  
PARKING METERS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)  
Year ended September 30, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Intergovernmental:   |                            |                         |                  |                    |                                    |   |
| Webb County  | \$ 300                     | 300                     | 300              | -                  | 300                                | -   |
| License and Permits  | 8,587                      | 8,587                   | 6,525            | -                  | 6,525                              | (2,062)                                     |
| Fines  | 520,918                    | 520,918                 | 486,978          | -                  | 486,978                            | (33,940)                                    |
| Fees and Collections   | 1,136,362                  | 1,136,362               | 1,019,899        | -                  | 1,019,899                          | (116,463)                                   |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | 14,600                     | 14,600                  | 7,781            | -                  | 7,781                              | (6,819)                                     |
| Rents  | -                          | -                       | 1                | -                  | 1                                  | 1   |
| Discount Earnings  | -                          | -                       | 418              | -                  | 418                                | 418   |
| Miscellaneous:   |                            |                         |                  |                    |                                    |   |
| Reimbursements   | -                          | -                       | 505              | -                  | 505                                | 505   |
| <b>TOTAL REVENUES</b>  | <b>1,680,767</b>           | <b>1,680,767</b>        | <b>1,522,407</b> | <b>-</b>           | <b>1,522,407</b>                   | <b>(158,360)</b>                            |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Personnel Services   | 1,282,294                  | 1,257,659               | 887,148          | -                  | 887,148                            | 370,511                                     |
| Materials and Supplies   | 140,423                    | 108,192                 | 90,605           | 11,511             | 102,116                            | 6,076                                       |
| Contractual Services   | 449,483                    | 481,617                 | 432,507          | 45,766             | 478,273                            | 3,344                                       |
| Other  | -                          | -                       | (613)            | -                  | (613)                              | 613   |
| <b>Total Operating Expenditures</b>  | <b>1,872,200</b>           | <b>1,847,468</b>        | <b>1,409,647</b> | <b>57,277</b>      | <b>1,466,924</b>                   | <b>380,544</b>                              |
| Lease Purchase Payment   | -                          | -                       | 480              | -                  | 480                                | (480)                                       |
| Lease Interest Payment   | -                          | -                       | 65               | -                  | 65                                 | (65)  |
| Capital Outlay   | -                          | 24,635                  | -                | 24,635             | 24,635                             | -   |
| <b>TOTAL EXPENDITURES</b>  | <b>1,872,200</b>           | <b>1,872,103</b>        | <b>1,410,192</b> | <b>81,912</b>      | <b>1,492,104</b>                   | <b>379,999</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures                          | (191,433)                  | (191,336)               | 112,215          | (81,912)           | 30,303                             | 221,639                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                  |                    |                                    |   |
| Transfers Out:   |                            |                         |                  |                    |                                    |   |
| Debt Service Fund  | (188,622)                  | (188,622)               | (188,622)        | -                  | (188,622)                          | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>(188,622)</b>           | <b>(188,622)</b>        | <b>(188,622)</b> | <b>-</b>           | <b>(188,622)</b>                   | <b>-</b>                                    |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (380,055)                  | (379,958)               | (76,407)         | (81,912)           | (158,319)                          | 221,639                                     |
| Fund Balances at Beginning of Year   | 1,062,450                  | 1,209,094               | 1,209,094        | -                  | 1,209,094                          | -   |
| <b>FUND BALANCE AT END OF YEAR</b>   | <b>\$ 682,395</b>          | <b>829,136</b>          | <b>1,132,687</b> | <b>(81,912)</b>    | <b>1,050,775</b>                   | <b>221,639</b>                              |

**CITY OF LAREDO, TEXAS  
ENVIRONMENTAL SERVICES  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)  
Year ended September 30, 2021**

|                                     | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|-------------------------------------|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>                    |                            |                         |                  |                    |                                    |   |
| Storm Water Fees                    | \$ 7,998,146               | 7,998,146               | 8,089,466        | -                  | 8,089,466                          | 91,320                                      |
| Hazardous Materials Fees            | 320,000                    | 320,000                 | 294,600          | -                  | 294,600                            | (25,400)                                    |
| Intergovernmental:                  |                            |                         |                  |                    |                                    |   |
| Federal Emergency Management Agency | -                          | -                       | 39               | -                  | 39                                 | 39  |
| TWDB- Flood Protection Plan         | -                          | 585,000                 | -                | -                  | -                                  | (585,000)                                   |
| STDC - Regional Solid Waste Mgmt    | 30,000                     | 30,000                  | -                | -                  | -                                  | (30,000)                                    |
| TXDOT - E. Chacon Creek Hike/Bike   | 160,000                    | 160,000                 | -                | -                  | -                                  | (160,000)                                   |
| TXDOT - River Vega Hike/Bike        | -                          | 652,638                 | 53,040           | -                  | 53,040                             | (599,598)                                   |
| Universities and Colleges           | 17,000                     | 17,000                  | 12,750           | -                  | 12,750                             | (4,250)                                     |
| Investment Income:                  |                            |                         |                  |                    |                                    |   |
| Interest Earnings                   | 38,700                     | 38,700                  | 27,014           | -                  | 27,014                             | (11,686)                                    |
| Discount Earnings                   | -                          | -                       | 6,285            | -                  | 6,285                              | 6,285                                       |
| Miscellaneous:                      |                            |                         |                  |                    |                                    |   |
| Reimbursements                      | -                          | -                       | 2,252            | -                  | 2,252                              | 2,252                                       |
| <b>TOTAL REVENUES</b>               | <b>8,563,846</b>           | <b>9,801,484</b>        | <b>8,485,446</b> | <b>-</b>           | <b>8,485,446</b>                   | <b>(1,316,038)</b>                          |
| <b>EXPENDITURES:</b>                |                            |                         |                  |                    |                                    |   |
| Administration:                     |                            |                         |                  |                    |                                    |   |
| Personnel Services                  | 292,473                    | 292,473                 | 297,155          | -                  | 297,155                            | (4,682)                                     |
| Materials and Supplies              | 500                        | 500                     | 359              | -                  | 359                                | 141   |
| Contractual Services                | 90,389                     | 60,839                  | 9,873            | 45,302             | 55,175                             | 5,664                                       |
| Other                               | 30,929                     | 30,929                  | 103,076          | (103,076)          | -                                  | 30,929                                      |
| <b>Total Administration</b>         | <b>414,291</b>             | <b>384,741</b>          | <b>410,463</b>   | <b>(57,774)</b>    | <b>352,689</b>                     | <b>32,052</b>                               |
| Creek Cleaning:                     |                            |                         |                  |                    |                                    |   |
| Personnel Services                  | 1,400,579                  | 1,400,579               | 1,086,765        | -                  | 1,086,765                          | 313,814                                     |
| Materials and Supplies              | 69,872                     | 75,872                  | 91,215           | 3,461              | 94,676                             | (18,804)                                    |
| Contractual Services                | 253,047                    | 239,547                 | 179,110          | 17,969             | 197,079                            | 42,468                                      |
| <b>Total Creek Cleaning</b>         | <b>1,723,498</b>           | <b>1,715,998</b>        | <b>1,357,090</b> | <b>21,430</b>      | <b>1,378,520</b>                   | <b>337,478</b>                              |
| Stormwater:                         |                            |                         |                  |                    |                                    |   |
| Personnel                           | 940,388                    | 940,388                 | 947,813          | -                  | 947,813                            | (7,425)                                     |
| Materials and Supplies              | 140,322                    | 121,063                 | 90,588           | 15,100             | 105,688                            | 15,375                                      |
| Contractual Services                | 1,613,745                  | 1,611,585               | 2,283,884        | 259,869            | 2,543,753                          | (932,168)                                   |
| Other                               | -                          | -                       | 39,942           | -                  | 39,942                             | (39,942)                                    |
| <b>Total Stormwater</b>             | <b>2,694,455</b>           | <b>2,673,036</b>        | <b>3,362,227</b> | <b>274,969</b>     | <b>3,637,196</b>                   | <b>(964,160)</b>                            |
| CD Code Enforcement:                |                            |                         |                  |                    |                                    |   |
| Personnel Services                  | 61,604                     | 61,604                  | 63,189           | -                  | 63,189                             | (1,585)                                     |
| Contractual Services                | 2,573                      | 2,573                   | 814              | -                  | 814                                | 1,759                                       |
| <b>Total CD Code Enforcement</b>    | <b>64,177</b>              | <b>64,177</b>           | <b>64,003</b>    | <b>-</b>           | <b>64,003</b>                      | <b>174</b>                                  |
| Hazardous Materials:                |                            |                         |                  |                    |                                    |   |
| Personnel Services                  | 154,899                    | 154,899                 | 130,224          | -                  | 130,224                            | 24,675                                      |
| Materials and Supplies              | 6,715                      | 6,815                   | 6,133            | -                  | 6,133                              | 682   |
| Contractual Services                | 15,477                     | 13,377                  | 7,266            | -                  | 7,266                              | 6,111                                       |
| <b>Total Hazardous Materials</b>    | <b>177,091</b>             | <b>175,091</b>          | <b>143,623</b>   | <b>-</b>           | <b>143,623</b>                     | <b>31,468</b>                               |

(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, 2021**

(Continued)

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>      | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|--------------------|--------------------|------------------------------------|---|
| <b>EXPENDITURES (Continued)</b>  |                            |                         |                    |                    |                                    |   |
| Storm Water Improvements:  |                            |                         |                    |                    |                                    |   |
| Contractual Services   | \$ 97,557                  | 48,887                  | -                  | 5                  | 5                                  | 48,882                                      |
| Reserve Appropriation  | -                          | 59,364                  | -                  | -                  | -                                  | 59,364                                      |
| Total Storm Water Improvements   | 97,557                     | 108,251                 | -                  | 5                  | 5                                  | 108,246                                     |
| 2016 C.O. Issue:   |                            |                         |                    |                    |                                    |   |
| Contractual Services   | -                          | 36                      | 308                | -                  | 308                                | (272)                                       |
| Reserve Appropriation  | 41,500                     | 222,207                 | -                  | -                  | -                                  | 222,207                                     |
| Total 2016 C.O. Issue  | 41,500                     | 222,243                 | 308                | -                  | 308                                | 221,935                                     |
| 2019 C.O. Issue:   |                            |                         |                    |                    |                                    |   |
| Contractual Services   | -                          | -                       | 738                | -                  | 738                                | (738)                                       |
| Total 2019 C.O. Issue  | -                          | -                       | 738                | -                  | 738                                | (738)                                       |
| Total Operating Expenditures   | 5,212,569                  | 5,343,537               | 5,338,452          | 238,630            | 5,577,082                          | (233,545)                                   |
| Bond Costs   | -                          | 3,416                   | -                  | -                  | -                                  | 3,416                                       |
| Capital Outlay   | 3,656,451                  | 11,759,774              | 1,634,614          | 3,037,376          | 4,671,990                          | 7,087,784                                   |
| <b>TOTAL EXPENDITURES</b>  | <b>8,869,020</b>           | <b>17,106,727</b>       | <b>6,973,066</b>   | <b>3,276,006</b>   | <b>10,249,072</b>                  | <b>6,857,655</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures                          | (305,174)                  | (7,305,243)             | 1,512,380          | (3,276,006)        | (1,763,626)                        | 5,541,617                                   |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                    |                    |                                    |   |
| Transfers In:  |                            |                         |                    |                    |                                    |   |
| Covid-19 Economic Assistance   | -                          | -                       | 129,151            | -                  | 129,151                            | 129,151                                     |
| Miscellaneous  | 134                        | 134                     | -                  | -                  | -                                  | (134)                                       |
| Interest Earnings  | 41,500                     | 115,056                 | 23,219             | -                  | 23,219                             | (91,837)                                    |
| Transfers Out:   |                            |                         |                    |                    |                                    |   |
| Debt Service   | (2,854,129)                | (2,854,129)             | (2,854,129)        | -                  | (2,854,129)                        | -   |
| Keep Laredo Beautiful  | (340,369)                  | (340,369)               | (122,107)          | -                  | (122,107)                          | 218,262                                     |
| Sale of Assets   | -                          | -                       | 754                | -                  | 754                                | 754   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>(3,152,864)</b>         | <b>(3,079,308)</b>      | <b>(2,823,112)</b> | <b>-</b>           | <b>(2,823,112)</b>                 | <b>256,196</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (3,458,038)                | (10,384,551)            | (1,310,732)        | (3,276,006)        | (4,586,738)                        | 5,797,813                                   |
| Fund Balances at Beginning of Year   | 4,902,973                  | 13,671,585              | 13,671,585         | (103,076)          | 13,568,509                         | (103,076)                                   |
| <b>FUND BALANCE AT END OF YEAR</b>   | <b>\$ 1,444,935</b>        | <b>3,287,034</b>        | <b>12,360,853</b>  | <b>(3,379,082)</b> | <b>8,981,771</b>                   | <b>5,694,737</b>                            |

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, 2021

|  | Original<br>Budget | Final<br>Budget | Actual         | Adjustments    | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|--------------------|-----------------|----------------|----------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>   |                    |                 |                |                |                           |                                    |
| Intergovernmental:   |                    |                 |                |                |                           |                                    |
| Keep America Beautiful   | \$ -               | 3,000           | -              | -              | -                         | (3,000)                            |
| Investment Income:   |                    |                 |                |                |                           |                                    |
| Interest Earnings  | 100                | 100             | 72             | -              | 72                        | (28)                               |
| Miscellaneous:   |                    |                 |                |                |                           |                                    |
| Contributions  | 25,000             | 22,000          | 3,500          | -              | 3,500                     | (18,500)                           |
| <b>TOTAL REVENUES</b>  | <b>25,100</b>      | <b>25,100</b>   | <b>3,572</b>   | <b>-</b>       | <b>3,572</b>              | <b>(21,528)</b>                    |
| <b>EXPENDITURES:</b>   |                    |                 |                |                |                           |                                    |
| Personnel Services   | 234,570            | 234,570         | 80,458         | -              | 80,458                    | 154,112                            |
| Materials and Supplies   | 49,978             | 43,914          | 30,658         | 1,742          | 32,400                    | 11,514                             |
| Contractual Services   | 14,960             | 24,025          | 16,876         | 3,891          | 20,767                    | 3,258                              |
| Other  | 73,907             | 70,907          | -              | -              | -                         | 70,907                             |
| Total Operating Expenditures   | 373,415            | 373,416         | 127,992        | 5,633          | 133,625                   | 239,791                            |
| Capital Outlay   | 20,000             | 20,000          | 20,000         | -              | 20,000                    | -                                  |
| <b>TOTAL EXPENDITURES</b>  | <b>393,415</b>     | <b>393,416</b>  | <b>147,992</b> | <b>5,633</b>   | <b>153,625</b>            | <b>239,791</b>                     |
| Excess (Deficiency) of Revenues Over Expenditures                          | (368,315)          | (368,316)       | (144,420)      | (5,633)        | (150,053)                 | 218,263                            |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                    |                 |                |                |                           |                                    |
| Transfer In:   |                    |                 |                |                |                           |                                    |
| Environmental Services   | 340,369            | 340,369         | 122,107        | -              | 122,107                   | (218,262)                          |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>340,369</b>     | <b>340,369</b>  | <b>122,107</b> | <b>-</b>       | <b>122,107</b>            | <b>(218,262)</b>                   |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (27,946)           | (27,947)        | (22,313)       | (5,633)        | (27,946)                  | 1                                  |
| Fund Balances at Beginning of Year   | -                  | 27,946          | 27,946         | -              | 27,946                    | -                                  |
| <b>FUND BALANCE AT END OF YEAR</b>   | <b>\$ (27,946)</b> | <b>(1)</b>      | <b>5,633</b>   | <b>(5,633)</b> | <b>-</b>                  | <b>1</b>                           |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Intergovernmental:   |                            |                         |                  |                    |                                    |   |
| Federal  | \$ -                       | 120,000                 | 19               | -                  | 19                                 | (119,981)                                   |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | 6,000                      | 6,000                   | 5,143            | -                  | 5,143                              | (857)                                       |
| Fees and Collections   | 40,500                     | 40,500                  | 35,120           | -                  | 35,120                             | (5,380)                                     |
| Rents and Royalties  | 1,905,000                  | 1,905,000               | 2,174,126        | -                  | 2,174,126                          | 269,126                                     |
| Discount Earnings  | 400                        | 400                     | 172              | -                  | 172                                | (228)                                       |
| Miscellaneous:   |                            |                         |                  |                    |                                    |   |
| Reimbursements   | 6,125                      | 6,125                   | 2,624            | -                  | 2,624                              | (3,501)                                     |
| <b>TOTAL REVENUES</b>  | <b>1,958,025</b>           | <b>2,078,025</b>        | <b>2,217,204</b> | <b>-</b>           | <b>2,217,204</b>                   | <b>139,179</b>                              |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Personnel Services   | 422,913                    | 430,283                 | 416,198          | -                  | 416,198                            | 14,085                                      |
| Materials and Supplies   | 202,776                    | 264,358                 | 241,833          | 8,767              | 250,600                            | 13,758                                      |
| Contractual Services   | 1,021,879                  | 1,111,537               | 784,161          | 137,296            | 921,457                            | 190,080                                     |
| Other  | 48,138                     | 9,527                   | 17,059           | (17,059)           | -                                  | 9,527                                       |
| Total Operating Expenditures   | 1,695,706                  | 1,815,705               | 1,459,251        | 129,004            | 1,588,255                          | 227,450                                     |
| Capital Outlay   | 30,816                     | 30,816                  | 30,816           | -                  | 30,816                             | -   |
| <b>TOTAL EXPENDITURES</b>  | <b>1,726,522</b>           | <b>1,846,521</b>        | <b>1,490,067</b> | <b>129,004</b>     | <b>1,619,071</b>                   | <b>227,450</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures                          | 231,503                    | 231,504                 | 727,137          | (129,004)          | 598,133                            | 366,629                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                  |                    |                                    |   |
| Transfer Out:  |                            |                         |                  |                    |                                    |   |
| Airport Fund   | (600,000)                  | (600,000)               | (600,000)        | -                  | (600,000)                          | -   |
| Sale of Assets   | 200                        | 200                     | 190              | -                  | 190                                | (10)  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>(599,800)</b>           | <b>(599,800)</b>        | <b>(599,810)</b> | <b>-</b>           | <b>(599,810)</b>                   | <b>(10)</b>                                 |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (368,297)                  | (368,296)               | 127,327          | (129,004)          | (1,677)                            | 366,619                                     |
| Fund Balances at Beginning of Year   | 260,460                    | 539,343                 | 539,343          | (17,059)           | 522,284                            | (17,059)                                    |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ (107,837)</b>        | <b>171,047</b>          | <b>666,670</b>   | <b>(146,063)</b>   | <b>520,607</b>                     | <b>349,560</b>                              |



**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|-------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                   |                    |                                    |   |
| Taxes:   |                            |                         |                   |                    |                                    |   |
| General Sales & Use Tax  | \$ 8,123,325               | 8,123,325               | 9,427,356         | -                  | 9,427,356                          | 1,304,031                                   |
| Investment Income:   |                            |                         |                   |                    |                                    |   |
| Interest Earnings  | 247,500                    | 247,500                 | 170,760           | -                  | 170,760                            | (76,740)                                    |
| Discount Earnings  | -                          | -                       | 555               | -                  | 555                                | 555   |
| Rents and Royalties  | -                          | -                       | 28,180            | -                  | 28,180                             | 28,180                                      |
| <b>TOTAL REVENUES</b>  | <b>8,370,825</b>           | <b>8,370,825</b>        | <b>9,626,851</b>  | <b>-</b>           | <b>9,626,851</b>                   | <b>1,256,026</b>                            |
| <b>EXPENDITURES:</b>   |                            |                         |                   |                    |                                    |   |
| Personnel  | 299,975                    | 299,975                 | 276,430           | -                  | 276,430                            | 23,545                                      |
| Materials and Supplies   | 93,002                     | 211,132                 | 152,056           | 18,674             | 170,730                            | 40,402                                      |
| Contractual Services   | 383,568                    | 6,188,821               | 830,125           | 3,112,204          | 3,942,329                          | 2,246,492                                   |
| Other  | 3,225,000                  | 2,853,813               | 110,465           | -                  | 110,465                            | 2,743,348                                   |
| Total Operating Expenditures   | 4,001,545                  | 9,553,741               | 1,369,076         | 3,130,878          | 4,499,954                          | 5,053,787                                   |
| Bond Costs   | -                          | 755,000                 | 749,482           | -                  | 749,482                            | 5,518                                       |
| Principal Paid   | -                          | -                       | 480               | -                  | 480                                | (480)                                       |
| Interest Expense   | -                          | -                       | 65                | -                  | 65                                 | (65)  |
| Capital Outlay   | 13,567,422                 | 57,015,226              | 6,364,763         | 3,984,699          | 10,349,462                         | 46,665,764                                  |
| <b>TOTAL EXPENDITURES</b>  | <b>17,568,967</b>          | <b>67,323,967</b>       | <b>8,483,866</b>  | <b>7,115,577</b>   | <b>15,599,443</b>                  | <b>51,724,524</b>                           |
| Excess (Deficiency) of Revenues Over Expenditures                          | (9,198,142)                | (58,953,142)            | 1,142,985         | (7,115,577)        | (5,972,592)                        | 52,980,550                                  |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                   |                    |                                    |   |
| Transfer In:   |                            |                         |                   |                    |                                    |   |
| Sports & Community Operations  | 3,224,854                  | 14,379,252              | 13,294,696        | -                  | 13,294,696                         | (1,084,556)                                 |
| Proceeds - Long Term Debt  | -                          | 49,755,000              | 49,755,000        | -                  | 49,755,000                         | -   |
| Transfers Out:   |                            |                         |                   |                    |                                    |   |
| Sports & Community Debt Service  | (3,224,854)                | (14,379,252)            | (13,294,695)      | -                  | (13,294,695)                       | 1,084,557                                   |
| Sames Auto Arena Operations  | (1,641,466)                | (1,641,466)             | (758,568)         | -                  | (758,568)                          | 882,898                                     |
| Debt Service   | (3,374,164)                | (11,909,622)            | (10,680,883)      | -                  | (10,680,883)                       | 1,228,739                                   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>(5,015,630)</b>         | <b>36,203,912</b>       | <b>38,315,550</b> | <b>-</b>           | <b>38,315,550</b>                  | <b>2,111,638</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (14,213,772)               | (22,749,230)            | 39,458,535        | (7,115,577)        | 32,342,958                         | 55,092,188                                  |
| Fund Balances at Beginning of Year   | 34,377,588                 | 32,145,582              | 32,145,582        | -                  | 32,145,582                         | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ 20,163,816</b>       | <b>9,396,352</b>        | <b>71,604,117</b> | <b>(7,115,577)</b> | <b>64,488,540</b>                  | <b>55,092,188</b>                           |

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, 2021

|   | Original<br>Budget | Final<br>Budget  | Actual           | Adjustments | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|---|--------------------|------------------|------------------|-------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>  |                    |                  |                  |             |                           |                                    |
| Charges for Services  | \$ 3,288,964       | 3,288,964        | 1,842,208        | -           | 1,842,208                 | (1,446,756)                        |
| <b>TOTAL REVENUES</b>   | <b>3,288,964</b>   | <b>3,288,964</b> | <b>1,842,208</b> | <b>-</b>    | <b>1,842,208</b>          | <b>(1,446,756)</b>                 |
| <b>EXPENDITURES:</b>  |                    |                  |                  |             |                           |                                    |
| Contractual Services  | 4,930,430          | 4,930,430        | 2,600,777        | -           | 2,600,777                 | 2,329,653                          |
| <b>TOTAL EXPENDITURES</b>   | <b>4,930,430</b>   | <b>4,930,430</b> | <b>2,600,777</b> | <b>-</b>    | <b>2,600,777</b>          | <b>2,329,653</b>                   |
| Excess (Deficiency) of Revenues Over<br>Expenditures                          | (1,641,466)        | (1,641,466)      | (758,569)        | -           | (758,569)                 | 882,897                            |
| <b>OTHER FINANCING SOURCES (USES):</b>  |                    |                  |                  |             |                           |                                    |
| Transfer In:  |                    |                  |                  |             |                           |                                    |
| Sports & Community Venue Fund   | 1,641,466          | 1,641,466        | 758,569          | -           | 758,569                   | (882,897)                          |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>                               | <b>1,641,466</b>   | <b>1,641,466</b> | <b>758,569</b>   | <b>-</b>    | <b>758,569</b>            | <b>(882,897)</b>                   |
| Excess (Deficiency) of Revenues Over<br>Expenditures and Other Sources (Uses) | -                  | -                | -                | -           | -                         | -                                  |
| <b>FUND BALANCES AT END OF YEAR</b>   | <b>\$ -</b>        | <b>-</b>         | <b>-</b>         | <b>-</b>    | <b>-</b>                  | <b>-</b>                           |

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, 2021

|  | Original<br>Budget | Final<br>Budget | Actual         | Adjustments | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|--------------------|-----------------|----------------|-------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>                                     |                    |                 |                |             |                           |                                    |
| Investment Income:                                   |                    |                 |                |             |                           |                                    |
| Interest Earnings                                    | \$ 1,600           | 600             | 667            | -           | 667                       | 67                                 |
| Miscellaneous:                                       |                    |                 |                |             |                           |                                    |
| Reimbursements                                       | 89,042             | -               | 54,832         | -           | 54,832                    | 54,832                             |
| <b>TOTAL REVENUES</b>                                | <b>90,642</b>      | <b>600</b>      | <b>55,499</b>  | <b>-</b>    | <b>55,499</b>             | <b>54,899</b>                      |
| <b>EXPENDITURES:</b>                                 |                    |                 |                |             |                           |                                    |
| Contractual Services                                 | -                  | 2,000           | 1,018          | -           | 1,018                     | 982                                |
| Other  | 90,642             | 72,642          | -              | -           | -                         | 72,642                             |
| <b>TOTAL EXPENDITURES</b>                            | <b>90,642</b>      | <b>74,642</b>   | <b>1,018</b>   | <b>-</b>    | <b>1,018</b>              | <b>73,624</b>                      |
| Excess (Deficiency) of Revenues Over<br>Expenditures | -                  | (74,042)        | 54,481         | -           | 54,481                    | 128,523                            |
| Fund Balances at Beginning of Year                   | -                  | 75,352          | 75,352         | -           | 75,352                    | -                                  |
| <b>FUND BALANCES AT END OF YEAR</b>                  | <b>\$ -</b>        | <b>1,310</b>    | <b>129,833</b> | <b>-</b>    | <b>129,833</b>            | <b>128,523</b>                     |

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, 2021

|  | Original<br>Budget | Final<br>Budget  | Actual           | Adjustments    | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|--------------------|------------------|------------------|----------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>   |                    |                  |                  |                |                           |                                    |
| Charges for Services   | \$ 748,856         | 748,856          | 923,226          | -              | 923,226                   | 174,370                            |
| <b>TOTAL REVENUES</b>  | <b>748,856</b>     | <b>748,856</b>   | <b>923,226</b>   | <b>-</b>       | <b>923,226</b>            | <b>174,370</b>                     |
| <b>EXPENDITURES:</b>   |                    |                  |                  |                |                           |                                    |
| Contractual Services   | 1,486,989          | 1,486,989        | 1,534,283        | 8,998          | 1,543,281                 | (56,292)                           |
| Total Operating Expenditures   | 1,486,989          | 1,486,989        | 1,534,283        | 8,998          | 1,543,281                 | (56,292)                           |
| Debt Service:  |                    |                  |                  |                |                           |                                    |
| Principal  | -                  | -                | 53,647           | -              | 53,647                    | (53,647)                           |
| Interest   | -                  | -                | 816              | -              | 816                       | (816)                              |
| <b>TOTAL EXPENDITURES</b>  | <b>1,486,989</b>   | <b>1,486,989</b> | <b>1,588,746</b> | <b>8,998</b>   | <b>1,597,744</b>          | <b>(110,755)</b>                   |
| Excess (Deficiency) of Revenues Over Expenditures                          | (738,133)          | (738,133)        | (665,520)        | (8,998)        | (674,518)                 | 63,615                             |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                    |                  |                  |                |                           |                                    |
| Transfer In:   |                    |                  |                  |                |                           |                                    |
| General Fund   | 734,751            | 734,751          | 665,326          | -              | 665,326                   | (69,425)                           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>734,751</b>     | <b>734,751</b>   | <b>665,326</b>   | <b>-</b>       | <b>665,326</b>            | <b>(69,425)</b>                    |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (3,382)            | (3,382)          | (194)            | (8,998)        | (9,192)                   | (5,810)                            |
| Fund Balances at Beginning of Year   | -                  | 110,225          | 110,225          | -              | 110,225                   | -                                  |
| <b>FUND BALANCE AT END OF YEAR</b>   | <b>\$ (3,382)</b>  | <b>106,843</b>   | <b>110,031</b>   | <b>(8,998)</b> | <b>101,033</b>            | <b>(5,810)</b>                     |

**CITY OF LAREDO, TEXAS  
PARKLAND ACQUISITION/PARK IMPROVEMENTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES-BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 23,757              | 5,293                   | 29,050                   | 25,589                           |
| Fees and Collections   | 729,081                | 454,210                 | 1,183,291                | 1,093,368                        |
| Miscellaneous:   |                        |                         |                          |                                  |
| Reimbursements   | 68,264                 | 101,762                 | 170,026                  | 127,459                          |
| <b>TOTAL REVENUES</b>  | <b>821,102</b>         | <b>561,265</b>          | <b>1,382,367</b>         | <b>1,246,416</b>                 |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | 4,498                  | 25,504                  | 30,002                   | 30,003                           |
| Capital Outlay   | 79,455                 | 72,817                  | 152,272                  | 1,216,413                        |
| <b>TOTAL EXPENDITURES</b>  | <b>83,953</b>          | <b>98,321</b>           | <b>182,274</b>           | <b>1,246,416</b>                 |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>737,149</b>         | <b>462,944</b>          | <b>1,200,093</b>         | <b>-</b>                         |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 737,149</b>      | <b>462,944</b>          | <b>1,200,093</b>         | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 737,149                 |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 1,200,093</b>     |                          |                                  |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>  | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|----------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                |                    |                                    |   |
| Intergovernmental:   |                            |                         |                |                    |                                    |   |
| Federal  | \$ -                       | 188,418                 | 88,079         | -                  | 88,079                             | (100,339)                                   |
| Investment Income:   |                            |                         |                |                    |                                    |   |
| Interest Earnings  | -                          | -                       | 4              | -                  | 4                                  | 4   |
| <b>TOTAL REVENUES</b>  | <b>-</b>                   | <b>188,418</b>          | <b>88,083</b>  | <b>-</b>           | <b>88,083</b>                      | <b>(100,335)</b>                            |
| <b>EXPENDITURES:</b>   |                            |                         |                |                    |                                    |   |
| SAFER Grant  | -                          | 102,705                 | 653,936        | -                  | 653,936                            | (551,231)                                   |
| FEMA- Covid Grant  | -                          | 25,500                  | -              | -                  | -                                  | 25,500                                      |
| Total Operating Expenditures   | -                          | 128,205                 | 653,936        | -                  | 653,936                            | (525,731)                                   |
| <b>TOTAL EXPENDITURES</b>  | <b>-</b>                   | <b>128,205</b>          | <b>653,936</b> | <b>-</b>           | <b>653,936</b>                     | <b>(525,731)</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures                          | -                          | 60,213                  | (565,853)      | -                  | (565,853)                          | (626,066)                                   |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                |                    |                                    |   |
| Transfer In:   |                            |                         |                |                    |                                    |   |
| General Fund   | -                          | 2,318                   | 563,085        | -                  | 563,085                            | 560,767                                     |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>-</b>                   | <b>2,318</b>            | <b>563,085</b> | <b>-</b>           | <b>563,085</b>                     | <b>560,767</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | -                          | 62,531                  | (2,768)        | -                  | (2,768)                            | (65,299)                                    |
| Fund Balances at Beginning of Year   | -                          | 2,768                   | 2,768          | -                  | 2,768                              | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ -</b>                | <b>65,299</b>           | <b>-</b>       | <b>-</b>           | <b>-</b>                           | <b>(65,299)</b>                             |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Taxes:   |                            |                         |                  |                    |                                    |   |
| Property Taxes   | \$ 268,320                 | 212,369                 | 188,294          | -                  | 188,294                            | (24,075)                                    |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | 2,800                      | 6,800                   | 5,714            | -                  | 5,714                              | (1,086)                                     |
| <b>TOTAL REVENUES</b>  | <b>271,120</b>             | <b>219,169</b>          | <b>194,008</b>   | <b>-</b>           | <b>194,008</b>                     | <b>(25,161)</b>                             |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Personnel  | -                          | -                       | -                | -                  | -                                  | -   |
| Materials and Supplies   | -                          | -                       | -                | -                  | -                                  | -   |
| Contractual Services   | -                          | 72,000                  | 61,616           | 230                | 61,846                             | 10,154                                      |
| Other  | 1,249,909                  | 1,040,659               | -                | -                  | -                                  | 1,040,659                                   |
| Total Operating Expenditures   | 1,249,909                  | 1,112,659               | 61,616           | 230                | 61,846                             | 1,050,813                                   |
| Bond Costs   | -                          | 63,031                  | 61,426           | -                  | 61,426                             | 1,605                                       |
| Capital Outlay   | -                          | 2,500,000               | -                | -                  | -                                  | 2,500,000                                   |
| <b>TOTAL EXPENDITURES</b>  | <b>1,249,909</b>           | <b>3,675,690</b>        | <b>123,042</b>   | <b>230</b>         | <b>123,272</b>                     | <b>3,552,418</b>                            |
| Excess (Deficiency) of Revenues Over Expenditures                          | (978,789)                  | (3,456,521)             | 70,966           | (230)              | 70,736                             | 3,527,257                                   |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                  |                    |                                    |   |
| Proceeds - Long Term Debt  | -                          | 2,235,000               | 2,235,000        | -                  | 2,235,000                          | -   |
| Bond Premiums  | -                          | 328,031                 | 328,031          | -                  | 328,031                            | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>-</b>                   | <b>2,563,031</b>        | <b>2,563,031</b> | <b>-</b>           | <b>2,563,031</b>                   | <b>-</b>                                    |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (978,789)                  | (893,490)               | 2,633,997        | (230)              | 2,633,767                          | 3,527,257                                   |
| Fund Balances at Beginning of Year   | 978,789                    | 861,407                 | 861,407          | -                  | 861,407                            | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ -</b>                | <b>(32,083)</b>         | <b>3,495,404</b> | <b>(230)</b>       | <b>3,495,174</b>                   | <b>3,527,257</b>                            |

CITY OF LAREDO, TEXAS  
COVID-19 ECONOMIC ASSISTANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)  
Year ended September 30, 2021

|  | Original<br>Budget | Final<br>Budget    | Actual             | Adjustments | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|--------------------|--------------------|--------------------|-------------|---------------------------|------------------------------------|
| <b>REVENUES:</b>   |                    |                    |                    |             |                           |                                    |
| Investment Income:   |                    |                    |                    |             |                           |                                    |
| Interest Earnings  | \$ -               | -                  | 2,317              | -           | 2,317                     | 2,317                              |
| <b>TOTAL REVENUES</b>  | <b>-</b>           | <b>-</b>           | <b>2,317</b>       | <b>-</b>    | <b>2,317</b>              | <b>2,317</b>                       |
| <b>EXPENDITURES:</b>   |                    |                    |                    |             |                           |                                    |
| Other  | \$ 4,325,000       | 812,388            | 515,729            | -           | 515,729                   | 296,659                            |
| <b>TOTAL EXPENDITURES</b>  | <b>4,325,000</b>   | <b>812,388</b>     | <b>515,729</b>     | <b>-</b>    | <b>515,729</b>            | <b>296,659</b>                     |
| Excess (Deficiency) of Revenues Over Expenditures                          | (4,325,000)        | (812,388)          | (513,412)          | -           | (513,412)                 | 298,976                            |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                    |                    |                    |             |                           |                                    |
| Transfers Out:   |                    |                    |                    |             |                           |                                    |
| General Fund   | -                  | (1,200,000)        | (1,200,000)        | -           | (1,200,000)               | -                                  |
| Environmental Services   | -                  | (126,614)          | (129,151)          | -           | (129,151)                 | (2,537)                            |
| Solid Waste Fund   | -                  | (439,835)          | (448,647)          | -           | (448,647)                 | (8,812)                            |
| Waterworks System  | -                  | (1,746,163)        | (1,768,873)        | -           | (1,768,873)               | (22,710)                           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>-</b>           | <b>(3,512,612)</b> | <b>(3,546,671)</b> | <b>-</b>    | <b>(3,546,671)</b>        | <b>(34,059)</b>                    |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (4,325,000)        | (4,325,000)        | (4,060,083)        | -           | (4,060,083)               | 264,917                            |
| Fund Balances at Beginning of Year   | 4,325,000          | 4,060,083          | 4,060,083          | -           | 4,060,083                 | -                                  |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ -</b>        | <b>(264,917)</b>   | <b>-</b>           | <b>-</b>    | <b>-</b>                  | <b>264,917</b>                     |



**CITY OF LAREDO, TEXAS**  
**AMERICA RESCUE PLAN ACT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)**  
**Year ended September 30, 2021**

|   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|---|----------------------------|-------------------------|-------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>                                  |                            |                         |                   |                    |                                    |   |
| Investment Income:                                |                            |                         |                   |                    |                                    |   |
| Interest Earnings                                 | \$ -                       | -                       | 3,442             | -                  | 3,442                              | 3,442                                       |
| Intergovernmental Revenue                         | -                          | 42,779,444              | 10,087,329        | -                  | 10,087,329                         | (32,692,115)                                |
| <b>TOTAL REVENUES</b>                             | <b>-</b>                   | <b>42,779,444</b>       | <b>10,090,771</b> | <b>-</b>           | <b>10,090,771</b>                  | <b>(32,688,673)</b>                         |
| <b>EXPENDITURES:</b>                              |                            |                         |                   |                    |                                    |   |
| Personnel:  |                            |                         |                   |                    |                                    |   |
| Building  | -                          | 441,772                 | 441,768           | -                  | 441,768                            | 4   |
| Tax Office  | -                          | 202,710                 | 202,709           | -                  | 202,709                            | 1   |
| Police  | -                          | 3,783,337               | 3,783,331         | -                  | 3,783,331                          | 6   |
| Fire  | -                          | 3,363,123               | 3,363,119         | -                  | 3,363,119                          | 4   |
| Traffic   | -                          | 252,835                 | 252,831           | -                  | 252,831                            | 4   |
| Public Works                                      | -                          | 652,043                 | 652,040           | -                  | 652,040                            | 3   |
| Parks   | -                          | 568,903                 | 568,901           | -                  | 568,901                            | 2   |
| 311 Program                                       | -                          | 55,112                  | 55,111            | -                  | 55,111                             | 1   |
| Animal Care                                       | -                          | 240,923                 | 240,922           | -                  | 240,922                            | 1   |
| Non CDBG Code Enforcement                         | -                          | 34,751                  | 34,750            | -                  | 34,750                             | 1   |
| Utilities:  |                            |                         |                   |                    |                                    |   |
| Other   | -                          | 3,216,245               | -                 | -                  | -                                  | 3,216,245                                   |
| I.S.T:  |                            |                         |                   |                    |                                    |   |
| Contractual Services                              | -                          | 106,500                 | 16,917            | 89,583             | 106,500                            | -   |
| Other   | -                          | 1,493,500               | -                 | -                  | -                                  | 1,493,500                                   |
| Public Health:                                    |                            |                         |                   |                    |                                    |   |
| Personnel   | -                          | 33,297                  | 29,826            | -                  | 29,826                             | 3,471                                       |
| Materials and Supplies                            | -                          | 1,778                   | 1,778             | -                  | 1,778                              | -   |
| Contractual Services                              | -                          | 483,210                 | 220,030           | 263,180            | 483,210                            | -   |
| Homeless Assistance                               | -                          | 3,000,000               | -                 | -                  | -                                  | 3,000,000                                   |
| COVID- Fire Task Force                            | -                          | 149,430                 | 147,387           | -                  | 147,387                            | 2,043                                       |
| COVID- Call Center                                | -                          | 5,334                   | 5,331             | -                  | 5,331                              | 3   |
| COVID- Vaccine Drives                             | -                          | 40,362                  | 40,359            | -                  | 40,359                             | 3   |
| Reserve Appropriation                             | -                          | 17,698,005              | -                 | -                  | -                                  | 17,698,005                                  |
| Contractual Services                              | -                          | 2,738,858               | -                 | -                  | -                                  | 2,738,858                                   |
| Utility Assistance                                | -                          | 33,661                  | 33,661            | -                  | 33,661                             | -   |
| Total Operating Expenditures                      | -                          | 38,595,689              | 10,090,771        | 352,763            | 10,443,534                         | 28,152,155                                  |
| Capital Outlay                                    | -                          | 4,183,755               | -                 | 3,837,427          | 3,837,427                          | 346,328                                     |
| <b>TOTAL EXPENDITURES</b>                         | <b>-</b>                   | <b>42,779,444</b>       | <b>10,090,771</b> | <b>4,190,190</b>   | <b>14,280,961</b>                  | <b>28,498,483</b>                           |
| Excess (Deficiency) of Revenues Over Expenditures | -                          | -                       | -                 | (4,190,190)        | (4,190,190)                        | (4,190,190)                                 |
| Fund Balances at Beginning of Year                | -                          | -                       | -                 | -                  | -                                  | -   |
| <b>FUND BALANCES AT END OF YEAR</b>               | <b>\$ -</b>                | <b>-</b>                | <b>-</b>          | <b>-</b>           | <b>-</b>                           | <b>-</b>                                    |

**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, 2021**

|  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|----------------------------|-------------------------|------------------|--------------------|------------------------------------|---|
| <b>REVENUES:</b>   |                            |                         |                  |                    |                                    |   |
| Police Trust Fund  |                            |                         |                  |                    |                                    |   |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | \$ 18,900                  | 18,900                  | 16,809           | -                  | 16,809                             | (2,091)                                     |
| Miscellaneous:   |                            |                         |                  |                    |                                    |   |
| Forfeitures  | 400,000                    | 400,000                 | 1,044,916        | -                  | 1,044,916                          | 644,916                                     |
| Total Police Trust Fund  | 418,900                    | 418,900                 | 1,061,725        | -                  | 1,061,725                          | 642,825                                     |
| Financial Task Force   |                            |                         |                  |                    |                                    |   |
| Investment Income:   |                            |                         |                  |                    |                                    |   |
| Interest Earnings  | -                          | -                       | 8,988            | -                  | 8,988                              | 8,988                                       |
| Miscellaneous:   |                            |                         |                  |                    |                                    |   |
| Forfeitures  | 270,000                    | 270,000                 | 155,200          | -                  | 155,200                            | (114,800)                                   |
| Total Financial Task Force   | 270,000                    | 270,000                 | 164,188          | -                  | 164,188                            | (105,812)                                   |
| <b>TOTAL REVENUES</b>  | <b>688,900</b>             | <b>688,900</b>          | <b>1,225,913</b> | <b>-</b>           | <b>1,225,913</b>                   | <b>537,013</b>                              |
| <b>EXPENDITURES:</b>   |                            |                         |                  |                    |                                    |   |
| Police Trust Fund  |                            |                         |                  |                    |                                    |   |
| Materials and Supplies   | 424,128                    | 404,154                 | 290,590          | 105,094            | 395,684                            | 8,470                                       |
| Contractual Services   | 426,818                    | 262,511                 | 185,430          | 59,818             | 245,248                            | 17,263                                      |
| Total Police Trust Fund  | 850,946                    | 666,665                 | 476,020          | 164,912            | 640,932                            | 25,733                                      |
| Financial Task Force   |                            |                         |                  |                    |                                    |   |
| Contractual Services   | 70,000                     | 70,000                  | 70,000           | -                  | 70,000                             | -   |
| Capital Outlay   | -                          | 40,000                  | -                | -                  | -                                  | 40,000                                      |
| Total Financial Task Force   | 70,000                     | 110,000                 | 70,000           | -                  | 70,000                             | 40,000                                      |
| Total Operating Expenditures   | 920,946                    | 776,665                 | 546,020          | 164,912            | 710,932                            | 65,733                                      |
| Debt Service:  |                            |                         |                  |                    |                                    |   |
| Principal  | 274,413                    | 274,413                 | 274,414          | -                  | 274,414                            | (1)   |
| Capital Outlay   | 128,878                    | 273,159                 | 53,084           | 39,509             | 92,593                             | 180,566                                     |
| <b>TOTAL EXPENDITURES</b>  | <b>1,324,237</b>           | <b>1,324,237</b>        | <b>873,518</b>   | <b>204,421</b>     | <b>1,077,939</b>                   | <b>246,298</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures                          | (635,337)                  | (635,337)               | 352,395          | (204,421)          | 147,974                            | 783,311                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                                     |                            |                         |                  |                    |                                    |   |
| Transfer Out:  |                            |                         |                  |                    |                                    |   |
| Financial Task Force   | (179,406)                  | (179,406)               | (40,746)         | -                  | (40,746)                           | 138,660                                     |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                                | <b>(179,406)</b>           | <b>(179,406)</b>        | <b>(40,746)</b>  | <b>-</b>           | <b>(40,746)</b>                    | <b>138,660</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses) | (814,743)                  | (814,743)               | 311,649          | (204,421)          | 107,228                            | 921,971                                     |
| Fund Balances at Beginning of Year   | 2,910,627                  | 4,266,169               | 4,266,169        | -                  | 4,266,169                          | -   |
| <b>FUND BALANCES AT END OF YEAR</b>  | <b>\$ 2,095,884</b>        | <b>3,451,426</b>        | <b>4,577,818</b> | <b>(204,421)</b>   | <b>4,373,397</b>                   | <b>921,971</b>                              |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Intergovernmental:   |                        |                         |                          |                                  |
| State  | \$ 156,585             | -                       | 156,585                  | 1,243,767                        |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | 239                    | 2                       | 241                      | -                                |
| Miscellaneous:   |                        |                         |                          |                                  |
| Contributions and Donations  | -                      | -                       | -                        | 1,890,743                        |
| <b>TOTAL REVENUES</b>  | <b>156,824</b>         | <b>2</b>                | <b>156,826</b>           | <b>3,134,510</b>                 |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Other  | -                      | -                       | -                        | 1,890,743                        |
| Capital Outlay   | 167,751                | -                       | 167,751                  | 1,347,467                        |
| <b>TOTAL EXPENDITURES</b>  | <b>167,751</b>         | <b>-</b>                | <b>167,751</b>           | <b>3,238,210</b>                 |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(10,927)</b>        | <b>2</b>                | <b>(10,925)</b>          | <b>(103,700)</b>                 |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Transfers In:  |                        |                         |                          |                                  |
| 2008 C.O. Bond   | 4,680                  | -                       | 4,680                    | 4,680                            |
| Capital Improvements   | 6,486                  | -                       | 6,486                    | 99,020                           |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>11,166</b>          | <b>-</b>                | <b>11,166</b>            | <b>103,700</b>                   |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 239</b>          | <b>2</b>                | <b>241</b>               | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 239                     |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 241</b>           |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Intergovernmental:   |                        |                         |                          |                                  |
| Federal  | \$ 479,999             | -                       | 479,999                  | 480,000                          |
| State  | 2,225,169              | (11,020)                | 2,214,149                | 19,283,624                       |
| Contributions  | -                      | 1,505,302               | 1,505,302                | 3,763,000                        |
| Other  | -                      | 14,442                  | 14,442                   | 86,643                           |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | 67                     | 6                       | 73                       | 67                               |
| <b>TOTAL REVENUES</b>  | <b>2,705,235</b>       | <b>1,508,730</b>        | <b>4,213,965</b>         | <b>23,613,334</b>                |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Other  | 18,837                 | (4,020)                 | 14,817                   | 105,480                          |
| Capital Outlay   | 3,876,579              | 1,781,410               | 5,657,989                | 32,133,269                       |
| <b>TOTAL EXPENDITURES</b>  | <b>3,895,416</b>       | <b>1,777,390</b>        | <b>5,672,806</b>         | <b>32,238,749</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(1,190,181)</b>     | <b>(268,660)</b>        | <b>(1,458,841)</b>       | <b>(8,625,415)</b>               |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Transfers In:  |                        |                         |                          |                                  |
| Capital Improvements Fund  | 397                    | -                       | 397                      | 2,243,224                        |
| 2012 C.O. Bond   | 57,439                 | 33,515                  | 90,954                   | 103,449                          |
| 2014 C.O. Bond   | -                      | -                       | -                        | 129,343                          |
| 2015 C.O. Bond   | 67,514                 | 7,000                   | 74,514                   | 1,193,260                        |
| 2016 C.O. Bond   | 135,000                | -                       | 135,000                  | 135,000                          |
| 2018 C.O. Bond   | 929,831                | 234,919                 | 1,164,750                | 3,139,482                        |
| 2019 C.O. Bond   | -                      | -                       | -                        | 1,681,657                        |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>1,190,181</b>       | <b>275,434</b>          | <b>1,465,615</b>         | <b>8,625,415</b>                 |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ -</b>            | <b>6,774</b>            | <b>6,774</b>             | <b>-</b>                         |
| Fund Balances-Beginning  |                        | -                       |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 6,774</b>         |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 246,027             | 10,845                  | 256,872                  | 134,845                          |
| Miscellaneous:   |                        |                         |                          |                                  |
| Other  | 100,580                | 11,788                  | 112,368                  | 100,580                          |
| <b>TOTAL REVENUES</b>  | <b>346,607</b>         | <b>22,633</b>           | <b>369,240</b>           | <b>235,425</b>                   |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | 1,069,870              | -                       | 1,069,870                | 1,007,083                        |
| Contractual Services   | 110,366                | 69,682                  | 180,048                  | 180,048                          |
| Other  | -                      | -                       | -                        | 25,694                           |
| Bond Costs   | 287,621                | -                       | 287,621                  | 300,204                          |
| Capital Outlay   | 16,013,340             | 1,652,076               | 17,665,416               | 20,009,650                       |
| <b>TOTAL EXPENDITURES</b>  | <b>17,481,197</b>      | <b>1,721,758</b>        | <b>19,202,955</b>        | <b>21,522,679</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(17,134,590)</b>    | <b>(1,699,125)</b>      | <b>(18,833,715)</b>      | <b>(21,287,254)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Bond Issues  | 18,943,000             | -                       | 18,943,000               | 18,943,000                       |
| Bond Premium   | 2,333,254              | -                       | 2,333,254                | 2,333,254                        |
| Sale of Assets   | 11,000                 | -                       | 11,000                   | 11,000                           |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>21,287,254</b>      | <b>-</b>                | <b>21,287,254</b>        | <b>21,287,254</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 4,152,664</b>    | <b>(1,699,125)</b>      | <b>2,453,539</b>         | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 4,152,664               |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 2,453,539</b>     |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 256,851             | 83                      | 256,934                  | 256,361                          |
| Other  | 71,944                 | -                       | 71,944                   | 71,943                           |
| <b>TOTAL REVENUES</b>  | <b>328,795</b>         | <b>83</b>               | <b>328,878</b>           | <b>328,304</b>                   |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | 49,149                 | -                       | 49,149                   | 2,045                            |
| Contractual Services   | 188,550                | 3                       | 188,553                  | 26,925                           |
| Other  | -                      | -                       | -                        | 6,149                            |
| Debt Service   | 480,247                | -                       | 480,247                  | 480,248                          |
| Capital Outlay   | 26,952,905             | -                       | 26,952,905               | 27,305,684                       |
| <b>TOTAL EXPENDITURES</b>  | <b>27,670,851</b>      | <b>3</b>                | <b>27,670,854</b>        | <b>27,821,051</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(27,342,056)</b>    | <b>80</b>               | <b>(27,341,976)</b>      | <b>(27,492,747)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| 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                        |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>27,492,747</b>      | <b>-</b>                | <b>27,492,747</b>        | <b>27,492,747</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 150,691</b>      | <b>80</b>               | <b>150,771</b>           | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 150,691                 |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 150,771</b>       |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 64,979              | 22                      | 65,001                   | 66,354                           |
| Miscellaneous:   |                        |                         |                          |                                  |
| Reimbursements   | 30,779                 | -                       | 30,779                   | 30,779                           |
| <b>TOTAL REVENUES</b>  | <b>95,758</b>          | <b>22</b>               | <b>95,780</b>            | <b>97,133</b>                    |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | 86,423                 | -                       | 86,423                   | 86,423                           |
| Contractual Services   | 149,690                | 1,440                   | 151,130                  | 149,700                          |
| Other  | -                      | -                       | -                        | 47,333                           |
| Bond Cost  | 166,174                | -                       | 166,174                  | 166,175                          |
| Capital Outlay   | 3,572,626              | -                       | 3,572,626                | 3,574,468                        |
| <b>TOTAL EXPENDITURES</b>  | <b>3,974,913</b>       | <b>1,440</b>            | <b>3,976,353</b>         | <b>4,024,099</b>                 |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(3,879,155)</b>     | <b>(1,418)</b>          | <b>(3,880,573)</b>       | <b>(3,926,966)</b>               |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| 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   | (758,651)              | (33,515)                | (792,166)                | (758,651)                        |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>3,926,966</b>       | <b>(33,515)</b>         | <b>3,893,451</b>         | <b>3,926,966</b>                 |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 47,811</b>       | <b>(34,933)</b>         | <b>12,878</b>            | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 47,811                  |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 12,878</b>        |                          |                                  |

**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, 2021**

|  | <b>Prior<br/>Years</b> | <b>Current<br/>Year</b> | <b>Total To<br/>Date</b> | <b>Project<br/>Authorization</b> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 43,824              | 88                      | 43,912                   | 45,087                           |
| Miscellaneous:   |                        |                         |                          |                                  |
| Reimbursements   | 5,200                  | -                       | 5,200                    | 5,200                            |
| <b>TOTAL REVENUES</b>  | <b>49,024</b>          | <b>88</b>               | <b>49,112</b>            | <b>50,287</b>                    |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | 213                    | -                       | 213                      | 213                              |
| Contractual Services   | 24,847                 | (1,424)                 | 23,423                   | 8,438                            |
| Other  | -                      | -                       | -                        | 11,756                           |
| Bond Cost  | 128,366                | -                       | 128,366                  | 128,366                          |
| Capital Outlay   | 5,881,406              | -                       | 5,881,406                | 5,908,900                        |
| <b>TOTAL EXPENDITURES</b>  | <b>6,034,832</b>       | <b>(1,424)</b>          | <b>6,033,408</b>         | <b>6,057,673</b>                 |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(5,985,808)</b>     | <b>1,512</b>            | <b>(5,984,296)</b>       | <b>(6,007,386)</b>               |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Proceeds - Long Term Debt  | 5,600,000              | -                       | 5,600,000                | 5,600,000                        |
| Bond Premium   | 536,729                | -                       | 536,729                  | 536,729                          |
| Transfers Out:   |                        |                         |                          |                                  |
| Capital Grants   | -                      | -                       | -                        | (129,343)                        |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>6,136,729</b>       | <b>-</b>                | <b>6,136,729</b>         | <b>6,007,386</b>                 |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 150,921</b>      | <b>1,512</b>            | <b>152,433</b>           | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 150,921                 |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 152,433</b>       |                          |                                  |



**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 373,728             | 6,087                   | 379,815                  | 386,778                          |
| Miscellaneous:   |                        |                         |                          |                                  |
| Reimbursements   | 180,629                | 112,704                 | 293,333                  | 180,630                          |
| <b>TOTAL REVENUES</b>  | <b>554,357</b>         | <b>118,791</b>          | <b>673,148</b>           | <b>567,408</b>                   |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | 89,583                 | -                       | 89,583                   | 90,532                           |
| Contractual Services   | 890,269                | 18,874                  | 909,143                  | 754,926                          |
| Other  | -                      | -                       | -                        | 9,418                            |
| Bond Cost  | 219,742                | -                       | 219,742                  | 219,742                          |
| Capital Outlay   | 9,965,031              | 412,559                 | 10,377,590               | 12,895,067                       |
| <b>TOTAL EXPENDITURES</b>  | <b>11,164,625</b>      | <b>431,433</b>          | <b>11,596,058</b>        | <b>13,969,685</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(10,610,268)</b>    | <b>(312,642)</b>        | <b>(10,922,910)</b>      | <b>(13,402,277)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| 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  | (860,403)              | (1,540)                 | (861,943)                | (1,163,494)                      |
| Capital Grants   | (67,513)               | (7,000)                 | (74,513)                 | (1,193,260)                      |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>14,831,115</b>      | <b>(8,540)</b>          | <b>14,822,575</b>        | <b>13,402,277</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 4,220,847</b>    | <b>(321,182)</b>        | <b>3,899,665</b>         | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 4,220,847               |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 3,899,665</b>     |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 801,808             | 9,368                   | 811,176                  | 624,464                          |
| Discount Earnings  | 337                    | -                       | 337                      | 337                              |
| Miscellaneous  |                        |                         |                          |                                  |
| Reimbursements   | 39,334                 | -                       | 39,334                   | 39,334                           |
| <b>TOTAL REVENUES</b>  | <b>841,479</b>         | <b>9,368</b>            | <b>850,847</b>           | <b>664,135</b>                   |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | -                      | 9,222                   | 9,222                    | 12,340                           |
| Contractual Services   | 275,982                | 38,963                  | 314,945                  | 719,815                          |
| Other  | -                      | -                       | -                        | 238,672                          |
| Bond Cost  | 339,481                | -                       | 339,481                  | 339,481                          |
| Capital Outlay   | 16,554,879             | 139,919                 | 16,694,798               | 23,803,308                       |
| <b>TOTAL EXPENDITURES</b>  | <b>17,170,342</b>      | <b>188,104</b>          | <b>17,358,446</b>        | <b>25,113,616</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(16,328,863)</b>    | <b>(178,736)</b>        | <b>(16,507,599)</b>      | <b>(24,449,481)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| 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   | (135,000)              | -                       | (135,000)                | (135,000)                        |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>24,449,481</b>      | <b>-</b>                | <b>24,449,481</b>        | <b>24,449,481</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 8,120,618</b>    | <b>(178,736)</b>        | <b>7,941,882</b>         | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 8,120,618               |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 7,941,882</b>     |                          |                                  |

**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, 2021**

|  | <b>Prior<br/>Years</b> | <b>Current<br/>Year</b> | <b>Total To<br/>Date</b> | <b>Project<br/>Authorization</b> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | 407,359                | 2,485                   | 409,844                  | 511,937                          |
| Discount Earnings  | 1,469                  | -                       | 1,469                    | 1,469                            |
| <b>TOTAL REVENUES</b>  | <b>408,828</b>         | <b>2,485</b>            | <b>411,313</b>           | <b>513,406</b>                   |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | -                      | 3,708                   | 3,708                    | 46,435                           |
| Contractual Services   | 321,114                | 10,484                  | 331,598                  | 117,815                          |
| Other  | -                      | -                       | -                        | 194,455                          |
| Bond Cost  | 236,232                | -                       | 236,232                  | 236,233                          |
| Capital Outlay   | 14,449,817             | 231,171                 | 14,680,988               | 16,996,944                       |
| <b>TOTAL EXPENDITURES</b>  | <b>15,007,163</b>      | <b>245,363</b>          | <b>15,252,526</b>        | <b>17,591,882</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(14,598,335)</b>    | <b>(242,878)</b>        | <b>(14,841,213)</b>      | <b>(17,078,476)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Proceeds - Long Term Debt  | 14,810,000             | -                       | 14,810,000               | 14,810,000                       |
| Bond Premium   | 2,293,476              | -                       | 2,293,476                | 2,293,476                        |
| Transfers Out:   |                        |                         |                          |                                  |
| Capital Grants   | -                      | -                       | -                        | (25,000)                         |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>17,103,476</b>      | <b>-</b>                | <b>17,103,476</b>        | <b>17,078,476</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>2,505,141</b>       | <b>(242,878)</b>        | <b>2,262,263</b>         | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 2,505,141               |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>2,262,263</b>        |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 410,203             | 41,384                  | 451,587                  | 290,300                          |
| <b>TOTAL REVENUES</b>  | <b>410,203</b>         | <b>41,384</b>           | <b>451,587</b>           | <b>290,300</b>                   |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | -                      | 4,080                   | 4,080                    | 4,080                            |
| Contractual Services   | 202,722                | 29,174                  | 231,896                  | 106,670                          |
| Other  | -                      | -                       | -                        | 172,371                          |
| Bond Cost  | 188,349                | -                       | 188,349                  | 188,349                          |
| Capital Outlay   | 2,080,605              | 1,453,620               | 3,534,225                | 9,195,823                        |
| <b>TOTAL EXPENDITURES</b>  | <b>2,471,676</b>       | <b>1,486,874</b>        | <b>3,958,550</b>         | <b>9,667,293</b>                 |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(2,061,473)</b>     | <b>(1,445,490)</b>      | <b>(3,506,963)</b>       | <b>(9,376,993)</b>               |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Proceeds - Long Term Debt  | 11,640,000             | -                       | 11,640,000               | 11,640,000                       |
| Bond Premium   | 876,475                | -                       | 876,475                  | 876,475                          |
| Transfers Out:   |                        |                         |                          |                                  |
| Capital Grants   | (929,831)              | (234,919)               | (1,164,750)              | (3,139,482)                      |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>11,586,644</b>      | <b>(234,919)</b>        | <b>11,351,725</b>        | <b>9,376,993</b>                 |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 9,525,171</b>    | <b>(1,680,409)</b>      | <b>7,844,762</b>         | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 9,525,171               |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 7,844,762</b>     |                          |                                  |

**CITY OF LAREDO, TEXAS**  
**CERTIFICATE OF OBLIGATION 2019 ISSUE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES-BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ 159,722             | 56,023                  | 215,745                  | 111,100                          |
| Miscellaneous  |                        |                         |                          |                                  |
| Reimbursements   | -                      | 12,000                  | 12,000                   | -                                |
| <b>TOTAL REVENUES</b>  | <b>159,722</b>         | <b>68,023</b>           | <b>227,745</b>           | <b>111,100</b>                   |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | -                      | 399,601                 | 399,601                  | 399,601                          |
| Contractual Services   | 106,831                | -                       | 106,831                  | 590,345                          |
| Other  | -                      | -                       | -                        | 107,921                          |
| Bond Cost  | 163,650                | -                       | 163,650                  | 174,494                          |
| Capital Outlay   | 844,345                | 1,262,304               | 2,106,649                | 15,331,576                       |
| <b>TOTAL EXPENDITURES</b>  | <b>1,114,826</b>       | <b>1,661,905</b>        | <b>2,776,731</b>         | <b>16,603,937</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(955,104)</b>       | <b>(1,593,882)</b>      | <b>(2,548,986)</b>       | <b>(16,492,837)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Proceeds - Long Term Debt  | 13,900,000             | -                       | 13,900,000               | 13,900,000                       |
| Bond Premium   | 2,774,494              | -                       | 2,774,494                | 2,774,494                        |
| Transfers Out:   |                        |                         |                          |                                  |
| Capital Grants   | -                      | -                       | -                        | (181,657)                        |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>16,674,494</b>      | <b>-</b>                | <b>16,674,494</b>        | <b>16,492,837</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 15,719,390</b>   | <b>(1,593,882)</b>      | <b>14,125,508</b>        | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 15,719,390              |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 14,125,508</b>    |                          |                                  |

**CITY OF LAREDO, TEXAS  
 CERTIFICATE OF OBLIGATION 2021 ISSUE  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES-BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2021**

|  | <b>Prior<br/>Years</b> | <b>Current<br/>Year</b> | <b>Total To<br/>Date</b> | <b>Project<br/>Authorization</b> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | \$ -                   | 997                     | 997                      | -                                |
| <b>TOTAL REVENUES</b>  | <b>-</b>               | <b>997</b>              | <b>997</b>               | <b>-</b>                         |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Bond Cost  | -                      | 169,900                 | 169,900                  | 179,289                          |
| Capital Outlay   | -                      | 38,879                  | 38,879                   | 15,000,000                       |
| <b>TOTAL EXPENDITURES</b>  | <b>-</b>               | <b>208,779</b>          | <b>208,779</b>           | <b>15,179,289</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>-</b>               | <b>(207,782)</b>        | <b>(207,782)</b>         | <b>(15,179,289)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Proceeds - Long Term Debt  | -                      | 13,075,000              | 13,075,000               | 13,075,000                       |
| Bond Premium   | -                      | 2,104,289               | 2,104,289                | 2,104,289                        |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>-</b>               | <b>15,179,289</b>       | <b>15,179,289</b>        | <b>15,179,289</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ -</b>            | <b>14,971,507</b>       | <b>14,971,507</b>        | <b>-</b>                         |
| Fund Balances-Beginning  |                        | -                       |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 14,971,507</b>    |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Intergovernmental:   |                        |                         |                          |                                  |
| FAA Grants   | \$ 48,547,961          | 11,703,605              | 60,251,566               | 88,728,207                       |
| Texas Department of Transportation                                   | 98,713                 | 46,729                  | 145,442                  | 150,000                          |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | 401,842                | 21,671                  | 423,513                  | 397,597                          |
| Miscellaneous:   |                        |                         |                          |                                  |
| Other  | 2,600                  | -                       | 2,600                    | 95,100                           |
| <b>TOTAL REVENUES</b>  | <b>49,051,116</b>      | <b>11,772,005</b>       | <b>60,823,121</b>        | <b>89,370,904</b>                |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Personnel  | 760,119                | 151,720                 | 911,839                  | 1,330,253                        |
| Materials and Supplies   | 512,279                | 98,465                  | 610,744                  | 633,758                          |
| Contractual Services   | 6,685,501              | 2,064,757               | 8,750,258                | 11,810,605                       |
| Other  | 116                    | 141,583                 | 141,699                  | 4,712,375                        |
| Capital Outlay   | 50,776,916             | 10,033,555              | 60,810,471               | 85,762,277                       |
| <b>TOTAL EXPENDITURES</b>  | <b>58,734,931</b>      | <b>12,490,080</b>       | <b>71,225,011</b>        | <b>104,249,268</b>               |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(9,683,815)</b>     | <b>(718,075)</b>        | <b>(10,401,890)</b>      | <b>(14,878,364)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Transfers In:  |                        |                         |                          |                                  |
| General Fund   | 728,184                | -                       | 728,184                  | 728,184                          |
| International Airport  | 13,572,621             | 46,728                  | 13,619,349               | 14,150,180                       |
| <b>TOTAL OTHER FINANCING SOURCES:</b>                                | <b>14,300,805</b>      | <b>46,728</b>           | <b>14,347,533</b>        | <b>14,878,364</b>                |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 4,616,990</b>    | <b>(671,347)</b>        | <b>3,945,643</b>         | <b>-</b>                         |
| Fund Balances-Beginning  |                        | 4,616,990               |                          |                                  |
| <b>Fund Balances-Ending</b>  |                        | <b>\$ 3,945,643</b>     |                          |                                  |

**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, 2021**

|  | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|--|------------------------|-------------------------|--------------------------|----------------------------------|
| <b>REVENUES:</b>   |                        |                         |                          |                                  |
| Intergovernmental:   |                        |                         |                          |                                  |
| Federal  | -                      | 6,387,309               | 6,387,309                | 1,200,000                        |
| State  | 2,046,439              | 6,160                   | 2,052,599                | 2,845,747                        |
| Investment Income:   |                        |                         |                          |                                  |
| Interest Earnings  | 3,470,017              | 255,252                 | 3,725,269                | 3,588,967                        |
| Miscellaneous:   |                        |                         |                          |                                  |
| Contribution   | 320,662                | 366,275                 | 686,937                  | 620,662                          |
| Other  | 12,351,737             | -                       | 12,351,737               | 12,351,737                       |
| <b>TOTAL REVENUES</b>  | <b>18,188,855</b>      | <b>7,014,996</b>        | <b>25,203,851</b>        | <b>20,607,113</b>                |
| <b>EXPENDITURES:</b>   |                        |                         |                          |                                  |
| Materials and Supplies   | 23,086                 | 1,455                   | 24,541                   | 24,541                           |
| Contractual Services   | 355,589                | 678,998                 | 1,034,587                | 1,697,654                        |
| Other  | 206,120                | 506,596                 | 712,716                  | 5,120,497                        |
| Capital Outlay   | 8,739,235              | 375,128                 | 9,114,363                | 26,417,944                       |
| <b>TOTAL EXPENDITURES</b>  | <b>9,324,030</b>       | <b>1,562,177</b>        | <b>10,886,207</b>        | <b>33,260,636</b>                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>8,864,825</b>       | <b>5,452,819</b>        | <b>14,317,644</b>        | <b>(12,653,523)</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                        |                         |                          |                                  |
| Transfers In:  |                        |                         |                          |                                  |
| General Fund   | -                      | -                       | -                        | -                                |
| Civic Center   | 3,000,000              | -                       | 3,000,000                | 3,000,000                        |
| 1998 C.O. Issue  | 324,498                | -                       | 324,498                  | 324,498                          |
| 2006 C.O. Issue  | 72,672                 | -                       | 72,672                   | 72,672                           |
| 2007 C.O. Issue  | 35,103                 | -                       | 35,103                   | 35,103                           |
| 2015 C.O. Issue  | 54,639                 | 1,540                   | 56,179                   | 357,731                          |
| Bridge System  | 28,567,464             | 13,845,259              | 42,412,723               | 30,199,833                       |

(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, 2021

(Continued)

|                                       | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total To<br/>Date</u> | <u>Project<br/>Authorization</u> |
|---------------------------------------|------------------------|-------------------------|--------------------------|----------------------------------|
| Transfers Out:                        |                        |                         |                          |                                  |
| General Fund                          | -                      | (5,278,679)             | (5,278,679)              | (21,336,314)                     |
| <b>TOTAL OTHER FINANCING SOURCES:</b> | <u>32,054,376</u>      | <u>8,568,120</u>        | <u>40,622,496</u>        | <u>12,653,523</u>                |
| <b>Net Change in Fund Balances</b>    | <u>40,919,201</u>      | <u>14,020,939</u>       | <u>54,940,140</u>        | <u>-</u>                         |
| Fund Balances-Beginning               |                        | <u>40,919,201</u>       |                          |                                  |
| <b>Fund Balances-Ending</b>           |                        | <u>54,940,140</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, 2021

|   | Original<br>Budget | Final<br>Budget | Actual        | Adjustments | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|---|--------------------|-----------------|---------------|-------------|---------------------------|------------------------------------|
| Investment Income:                                |                    |                 |               |             |                           |                                    |
| Interest Earnings                                 | \$ 700             | 700             | 465           | -           | 465                       | (235)                              |
| <b>TOTAL REVENUES</b>                             | <b>700</b>         | <b>700</b>      | <b>465</b>    | <b>-</b>    | <b>465</b>                | <b>(235)</b>                       |
| <b>EXPENDITURES:</b>                              |                    |                 |               |             |                           |                                    |
| Materials and Supplies                            | 9,191              | 9,191           | -             | -           | -                         | 9,191                              |
| Contractual Services                              | 5,000              | 5,000           | -             | -           | -                         | 5,000                              |
| <b>TOTAL EXPENDITURES</b>                         | <b>14,191</b>      | <b>14,191</b>   | <b>-</b>      | <b>-</b>    | <b>-</b>                  | <b>14,191</b>                      |
| Excess (Deficiency) of Revenues Over Expenditures | (13,491)           | (13,491)        | 465           | -           | 465                       | 13,956                             |
| Fund Balances at Beginning of Year                | 28,847             | 78,817          | 78,817        | -           | 78,817                    | -                                  |
| <b>FUND BALANCES AT END OF YEAR</b>               | <b>\$ 15,356</b>   | <b>65,326</b>   | <b>79,282</b> | <b>-</b>    | <b>79,282</b>             | <b>13,956</b>                      |

## 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, 2021**

|  | <b><u>RISK<br/>MANAGEMENT</u></b> | <b><u>HEALTH &amp;<br/>BENEFITS</u></b> | <b><u>FLEET<br/>MANAGEMENT</u></b> | <b><u>INFORMATION<br/>TECH.</u></b> | <b><u>TOTAL</u></b>      |
|--|-----------------------------------|---|------------------------------------|-------------------------------------|--------------------------|
| <b>ASSETS</b>  |                                   |   |                                    |                                     |                          |
| Current Assets:  |                                   |   |                                    |                                     |                          |
| Cash and Cash Equivalents:                             |                                   |   |                                    |                                     |                          |
| Cash   | \$ -                              | -                                       | 400                                | -                                   | 400                      |
| Equity in Investment Pool                              | 17,561                            | 50,025                                  | -                                  | 3,112                               | 70,698                   |
| Investments  | 4,018,345                         | 11,493,802                              | -                                  | 688,371                             | 16,200,518               |
| Accounts Receivable                                    | -                                 | -                                       | 8,048                              | 10,000                              | 18,048                   |
| Accrued Interest Receivable                            | 6,428                             | 18,385                                  | -                                  | 1,101                               | 25,914                   |
| Inventory  | -                                 | -                                       | 953,520                            | -                                   | 953,520                  |
| Prepaid items  | 291,000                           | 9,761                                   | -                                  | -                                   | 300,761                  |
| Total Current Assets                                   | <u>4,333,334</u>                  | <u>11,571,973</u>                       | <u>961,968</u>                     | <u>702,584</u>                      | <u>17,569,859</u>        |
| Noncurrent Assets:                                     |                                   |   |                                    |                                     |                          |
| Capital Assets:  |                                   |   |                                    |                                     |                          |
| Buildings  | 1,188                             | -                                       | 446,076                            | -                                   | 447,264                  |
| Improvements   | -                                 | -                                       | 11,391                             | 196,626                             | 208,017                  |
| Machinery and Equipment                                | 46,719                            | -                                       | 689,946                            | 5,993,319                           | 6,729,984                |
| Transportation Vehicles and Equipment                  | 105,911                           | 17,217                                  | 14,198,194                         | 410,070                             | 14,731,392               |
| Less Accumulated Depreciation                          | <u>(112,115)</u>                  | <u>(17,217)</u>                         | <u>(14,909,814)</u>                | <u>(3,612,541)</u>                  | <u>(18,651,687)</u>      |
| Total Capital Assets (Net of Accumulated Depreciation) | <u>41,703</u>                     | <u>-</u>                                | <u>435,793</u>                     | <u>2,987,474</u>                    | <u>3,464,970</u>         |
| <b>TOTAL ASSETS</b>                                    | <b><u>4,375,037</u></b>           | <b><u>11,571,973</u></b>                | <b><u>1,397,761</u></b>            | <b><u>3,690,058</u></b>             | <b><u>21,034,829</u></b> |
| <b>LIABILITIES</b>                                     |                                   |   |                                    |                                     |                          |
| Current Liabilities:                                   |                                   |   |                                    |                                     |                          |
| Accounts Payable                                       | 483,430                           | 465,685                                 | 254,762                            | 117,891                             | 1,321,768                |
| Claims and Judgments Payable                           | 1,377,612                         | 4,631,645                               | -                                  | -                                   | 6,009,257                |
| Due to Other Funds                                     | -                                 | -                                       | 1,202,955                          | -                                   | 1,202,955                |
| Accrued Wages and Employee Benefits                    | 42,327                            | 14,789                                  | 90,771                             | 85,531                              | 233,418                  |
| Compensated Absences                                   | 19,596                            | 7,972                                   | 46,906                             | 63,920                              | 138,394                  |
| Capital Lease Obligation                               | 1,503                             | -                                       | 501                                | 583                                 | 2,587                    |
| Total Current Liabilities                              | <u>1,924,468</u>                  | <u>5,120,091</u>                        | <u>1,595,895</u>                   | <u>267,925</u>                      | <u>8,908,379</u>         |
| Noncurrent Liabilities:                                |                                   |   |                                    |                                     |                          |
| Capital Lease Obligations                              | 2,242                             | -                                       | 747                                | 868                                 | 3,857                    |
| Compensated Absences                                   | 48,940                            | 27,364                                  | 69,049                             | 171,946                             | 317,299                  |
| Total Noncurrent Liabilities                           | <u>51,182</u>                     | <u>27,364</u>                           | <u>69,796</u>                      | <u>172,814</u>                      | <u>321,156</u>           |
| <b>TOTAL LIABILITIES</b>                               | <b><u>1,975,650</u></b>           | <b><u>5,147,455</u></b>                 | <b><u>1,665,691</u></b>            | <b><u>440,739</u></b>               | <b><u>9,229,535</u></b>  |
| <b>NET POSITION</b>                                    |                                   |   |                                    |                                     |                          |
| Net Investment in Capital Assets                       | 37,958                            | -                                       | 435,793                            | 2,986,023                           | 3,459,774                |
| Unrestricted   | <u>2,361,429</u>                  | <u>6,424,518</u>                        | <u>(703,723)</u>                   | <u>263,296</u>                      | <u>8,345,520</u>         |
| <b>TOTAL NET POSITION</b>                              | <b><u>\$ 2,399,387</u></b>        | <b><u>6,424,518</u></b>                 | <b><u>(267,930)</u></b>            | <b><u>3,249,319</u></b>             | <b><u>11,805,294</u></b> |

**CITY OF LAREDO, TEXAS**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

|  | <b>RISK<br/>MANAGEMENT</b> | <b>HEALTH &amp;<br/>BENEFITS</b> | <b>FLEET<br/>MANAGEMENT</b> | <b>INFORMATION<br/>TECHNOLOGY</b> | <b>TOTAL</b>      |
|--|----------------------------|----------------------------------|-----------------------------|-----------------------------------|-------------------|
| <b>OPERATING REVENUES:</b>                     |                            |                                  |                             |                                   |                   |
| Charges for Services                           | \$ 7,495,215               | 32,552,472                       | 10,519,281                  | 5,400,325                         | 55,967,293        |
| Reimbursements                                 | 46                         | 5,427,156                        | 99,264                      | 93,822                            | 5,620,288         |
| <b>TOTAL OPERATING REVENUES</b>                | <b>7,495,261</b>           | <b>37,979,628</b>                | <b>10,618,545</b>           | <b>5,494,147</b>                  | <b>61,587,581</b> |
| <b>OPERATING EXPENSES:</b>                     |                            |                                  |                             |                                   |                   |
| Cost of Services                               | 5,873,343                  | 35,982,722                       | 7,375,560                   | 1,277,003                         | 50,508,628        |
| Personnel Services                             | 1,305,960                  | 472,906                          | 2,424,378                   | 2,242,682                         | 6,445,926         |
| Materials and Supplies                         | 101,732                    | 4,960                            | 98,456                      | 213,067                           | 418,215           |
| Contractual Services                           | 831,144                    | 2,128,326                        | 1,224,213                   | 817,543                           | 5,001,226         |
| Depreciation                                   | 20,278                     | -                                | 164,359                     | 584,055                           | 768,692           |
| <b>TOTAL OPERATING EXPENSES</b>                | <b>8,132,457</b>           | <b>38,588,914</b>                | <b>11,286,966</b>           | <b>5,134,350</b>                  | <b>63,142,687</b> |
| Operating Income (Loss)                        | (637,196)                  | (609,286)                        | (668,421)                   | 359,797                           | (1,555,106)       |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>      |                            |                                  |                             |                                   |                   |
| Investment Income:                             |                            |                                  |                             |                                   |                   |
| Interest Earnings                              | 18,516                     | 57,459                           | 35                          | 3,634                             | 79,644            |
| Discount Earnings                              | -                          | -                                | 1,038                       | -                                 | 1,038             |
| Interest Expense                               | (195)                      | -                                | (65)                        | (16,354)                          | (16,614)          |
| Gain/(Loss) on Sale of Assets                  | -                          | -                                | 32,533                      | 64,373                            | 96,906            |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b> | <b>18,321</b>              | <b>57,459</b>                    | <b>33,541</b>               | <b>51,653</b>                     | <b>160,974</b>    |
| Change in Net Position                         | (618,875)                  | (551,827)                        | (634,880)                   | 411,450                           | (1,394,132)       |
| Total Net Position - Beginning                 | 3,018,262                  | 6,976,345                        | 366,950                     | 2,837,869                         | 13,199,426        |
| <b>TOTAL NET POSITION- ENDING</b>              | <b>\$ 2,399,387</b>        | <b>6,424,518</b>                 | <b>(267,930)</b>            | <b>3,249,319</b>                  | <b>11,805,294</b> |

**CITY OF LAREDO, TEXAS**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 2021**

|  | <b>RISK<br/>MANAGEMENT</b> | <b>HEALTH &amp;<br/>BENEFITS</b> | <b>FLEET<br/>MANAGEMENT</b> | <b>INFORMATION<br/>TECHNOLOGY</b> | <b>TOTAL</b>       |
|--|----------------------------|----------------------------------|-----------------------------|-----------------------------------|--------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>  |                            |                                  |                             |                                   |                    |
| Receipts from customers and users  | \$ 46                      | 6,234,694                        | 95,186                      | 133,822                           | 6,463,748          |
| Receipts from interfund services provided  | 7,495,214                  | 31,744,934                       | 10,519,281                  | 5,360,325                         | 55,119,754         |
| Payment to suppliers   | (6,305,050)                | (37,217,703)                     | (8,083,531)                 | (1,985,316)                       | (53,591,600)       |
| Payment to employees   | (1,293,494)                | (467,452)                        | (2,397,588)                 | (2,219,355)                       | (6,377,889)        |
| Payment for interfund services used  | (406,297)                  | (7,141)                          | (782,589)                   | (328,381)                         | (1,524,408)        |
| <b>Net cash provided (used) by operating activities</b>  | <b>(509,581)</b>           | <b>287,332</b>                   | <b>(649,241)</b>            | <b>961,095</b>                    | <b>89,605</b>      |
| <b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES:</b>   |                            |                                  |                             |                                   |                    |
| Advance from Other Funds   | -                          | -                                | 655,077                     | -                                 | 655,077            |
| <b>Net cash provided (used) by noncapital and related financing activities</b>                 | <b>-</b>                   | <b>-</b>                         | <b>655,077</b>              | <b>-</b>                          | <b>655,077</b>     |
| <b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>                                |                            |                                  |                             |                                   |                    |
| Purchase of capital assets   | -                          | -                                | (6,755)                     | (426,618)                         | (433,373)          |
| Proceeds from sales of capital debt  | -                          | -                                | (480)                       | -                                 | (480)              |
| Principle Paid on capital debt   | (1,440)                    | -                                | -                           | (818,582)                         | (820,022)          |
| Interest Paid on capital debt  | (195)                      | -                                | (65)                        | (16,354)                          | (16,614)           |
| Proceeds from sales of capital assets  | -                          | -                                | 391                         | -                                 | 391                |
| <b>Net cash provided (used) by capital and related financing activities</b>                    | <b>(1,635)</b>             | <b>-</b>                         | <b>(6,909)</b>              | <b>(1,261,554)</b>                | <b>(1,270,098)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |                            |                                  |                             |                                   |                    |
| Proceeds from sales and maturity of investments  | 445,703                    | (452,123)                        | -                           | 285,591                           | 279,171            |
| Interest and dividends received  | 62,681                     | 164,209                          | 1,073                       | 13,572                            | 241,535            |
| <b>Net cash provided (used) by investing activities</b>  | <b>508,384</b>             | <b>(287,914)</b>                 | <b>1,073</b>                | <b>299,163</b>                    | <b>520,706</b>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                    | <b>(2,832)</b>             | <b>(582)</b>                     | <b>-</b>                    | <b>(1,296)</b>                    | <b>(4,710)</b>     |
| <b>Cash and cash equivalents - October 1</b>   | <b>20,393</b>              | <b>50,607</b>                    | <b>400</b>                  | <b>4,408</b>                      | <b>75,808</b>      |
| <b>Cash and cash equivalents - September 30</b>  | <b>\$ 17,561</b>           | <b>50,025</b>                    | <b>400</b>                  | <b>3,112</b>                      | <b>71,098</b>      |
| <b>Reconciliation of Operating income to net cash provided (used) by operating activities:</b> |                            |                                  |                             |                                   |                    |
| Operating income   | \$ (637,196)               | (609,286)                        | (668,421)                   | 359,797                           | (1,555,106)        |
| Adjustments to reconcile operating income to net cash provided (used)                          |                            |                                  |                             |                                   |                    |
| Depreciation expense   | 20,278                     | -                                | 164,359                     | 584,055                           | 768,692            |
| (Increase) decrease in accounts receivable   | -                          | -                                | (4,077)                     | -                                 | (4,077)            |
| (Increase) decrease in inventories   | -                          | -                                | (131,675)                   | -                                 | (131,675)          |
| Increase (decrease) in accounts payable  | 57,838                     | (96,847)                         | (36,216)                    | (6,084)                           | (81,309)           |
| Increase (decrease) in compensated absences payable  | 1,052                      | 1,797                            | 2,847                       | (5,120)                           | 576                |
| Increase (decrease) in accrued wages and employee benefits                                     | 11,414                     | 3,657                            | 23,942                      | 28,447                            | 67,460             |
| Increase (decrease) in claims and judgements payable   | 37,033                     | 988,011                          | -                           | -                                 | 1,025,044          |
| <b>Total adjustments</b>   | <b>127,615</b>             | <b>896,618</b>                   | <b>19,180</b>               | <b>601,298</b>                    | <b>1,644,711</b>   |
| <b>Net cash provided by operating activities</b>   | <b>\$ (509,581)</b>        | <b>287,332</b>                   | <b>(649,241)</b>            | <b>961,095</b>                    | <b>89,605</b>      |
| Noncash investing, capital, and financing activities:  |                            |                                  |                             |                                   |                    |
| Disposition of Assets  | -                          | -                                | 32,142                      | -                                 | 32,142             |

**CITY OF LAREDO, TEXAS**  
**RISK MANAGEMENT**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES**  
**IN FUND NET POSITION**  
**Year ended September 30, 2021**

|  | <u>Budgeted Amount</u> |                  | <u>Actual</u>    | <u>Adjustment</u> | <u>Actual<br/>Budget<br/>Basis</u> | <u>Variance<br/>Positive<br/>(Negative)</u> |
|--|------------------------|------------------|------------------|-------------------|------------------------------------|---|
|  | <u>Original</u>        | <u>Budget</u>    |                  |                   |                                    |   |
| <b>OPERATING REVENUES:</b>                       |                        |                  |                  |                   |                                    |   |
| Charges for Services                             | \$ 7,174,582           | 7,174,582        | 7,495,215        | -                 | 7,495,215                          | 320,633                                     |
| Reimbursements                                   | 50,000                 | 50,000           | 46               | -                 | 46                                 | (49,954)                                    |
| <b>TOTAL OPERATING REVENUES</b>                  | <b>7,224,582</b>       | <b>7,224,582</b> | <b>7,495,261</b> | <b>-</b>          | <b>7,495,261</b>                   | <b>270,679</b>                              |
| <b>OPERATING EXPENSES:</b>                       |                        |                  |                  |                   |                                    |   |
| Cost of Services                                 | 4,930,659              | 5,441,025        | 5,873,343        | -                 | 5,873,343                          | (432,318)                                   |
| Personnel Services                               | 1,208,849              | 1,208,849        | 1,305,960        | 1,052             | 1,307,012                          | (98,163)                                    |
| Materials and Supplies                           | 140,401                | 136,069          | 101,732          | -                 | 101,732                            | 34,337                                      |
| Contractual Services                             | 960,793                | 963,200          | 831,144          | -                 | 831,144                            | 132,056                                     |
| Other  | 600,000                | 91,464           | -                | -                 | -                                  | 91,464                                      |
| Depreciation                                     | -                      | -                | 20,278           | (20,278)          | -                                  | -   |
| <b>TOTAL OPERATING EXPENSES</b>                  | <b>7,840,702</b>       | <b>7,840,607</b> | <b>8,132,457</b> | <b>(19,226)</b>   | <b>8,113,231</b>                   | <b>(272,624)</b>                            |
| Operating Income (Loss)                          | (616,120)              | (616,025)        | (637,196)        | 19,226            | (617,970)                          | (1,945)                                     |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>        |                        |                  |                  |                   |                                    |   |
| Investment Income:                               |                        |                  |                  |                   |                                    |   |
| Interest Earnings                                | 21,600                 | 21,600           | 18,516           | -                 | 18,516                             | (3,084)                                     |
| Debt Service - Principal                         | -                      | -                | -                | (1,440)           | (1,440)                            | (1,440)                                     |
| Debt Service - Interest                          | -                      | (95)             | (195)            | -                 | (195)                              | (100)                                       |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>   | <b>21,600</b>          | <b>21,505</b>    | <b>18,321</b>    | <b>(1,440)</b>    | <b>16,881</b>                      | <b>(4,624)</b>                              |
| Income (Loss) Before Contributions and Transfers | (594,520)              | (594,520)        | (618,875)        | 17,786            | (601,089)                          | (6,569)                                     |
| Change in Net Position                           | (594,520)              | (594,520)        | (618,875)        | 17,786            | (601,089)                          | (6,569)                                     |
| Total Net Position - Beginning                   | 3,018,262              | 3,018,262        | 3,018,262        | -                 | 3,018,262                          | -   |
| <b>TOTAL NET POSITION - ENDING</b>               | <b>\$ 2,423,742</b>    | <b>2,423,742</b> | <b>2,399,387</b> | <b>17,786</b>     | <b>2,417,173</b>                   | <b>(6,569)</b>                              |



**CITY OF LAREDO, TEXAS**  
**RISK MANAGEMENT**  
**STATEMENT OF CASH FLOWS**  
Year ended September 30, 2021

**CASH FLOW FROM OPERATING ACTIVITIES:**

|   |                         |
|---|-------------------------|
| Receipts from customers and users                       | \$ 46                   |
| Receipts from interfund services provided               | 7,495,214               |
| Payment to suppliers                                    | (6,305,050)             |
| Payment to employees                                    | (1,293,494)             |
| Payment for interfund services used                     | <u>(406,297)</u>        |
| <b>Net cash provided (used) by operating activities</b> | <b><u>(509,581)</u></b> |

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

|   |                       |
|---|-----------------------|
| Principle Paid on capital debt  | (1,440)               |
| Interest Paid on capital debt   | <u>(195)</u>          |
| <b>Net cash provided (used) by capital and related<br/>financing activities</b> | <b><u>(1,635)</u></b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                       |
|---|-----------------------|
| Proceeds from sales and maturity of investments         | 445,703               |
| Interest and dividends received                         | <u>62,681</u>         |
| <b>Net cash provided (used) by investing activities</b> | <b><u>508,384</u></b> |

|   |                      |
|---|----------------------|
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>(2,832)</b>       |
| <b>Cash and cash equivalents - October 1</b>                | <b><u>20,393</u></b> |

|   |                         |
|---|-------------------------|
| <b>Cash and cash equivalents - September 30</b> | <b>\$ <u>17,561</u></b> |
|---|-------------------------|

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

|  |                            |
|--|----------------------------|
| Operating income   | \$ (637,196)               |
| Adjustments to reconcile operating income to<br>net cash provided (used) |                            |
| Depreciation expense   | 20,278                     |
| Increase (decrease) in accounts payable                                  | 57,838                     |
| Increase (decrease) in compensated absences payable                      | 1,052                      |
| Increase (decrease) in accrued wages and employee benefits               | 11,414                     |
| Increase (decrease) in claims and judgments payable                      | <u>37,033</u>              |
| Total adjustments  | <u>127,615</u>             |
| <b>Net cash provided by operating activities</b>                         | <b>\$ <u>(509,581)</u></b> |

CITY OF LAREDO, TEXAS  
HEALTH AND BENEFITS  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES  
IN FUND NET POSITION  
Year ended September 30, 2021

|  | Budgeted Amount     |                   | Actual            | Adjustment     | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|---------------------|-------------------|-------------------|----------------|---------------------------|------------------------------------|
|  | Original            | Final             |                   |                |                           |                                    |
| <b>OPERATING REVENUES:</b>                     |                     |                   |                   |                |                           |                                    |
| Charges for Services                           | \$ 32,127,912       | 32,127,912        | 32,552,472        | -              | 32,552,472                | 424,560                            |
| Reimbursements                                 | 2,093,760           | 3,583,760         | 5,427,156         | -              | 5,427,156                 | 1,843,396                          |
| <b>TOTAL OPERATING REVENUES</b>                | <b>34,221,672</b>   | <b>35,711,672</b> | <b>37,979,628</b> | <b>-</b>       | <b>37,979,628</b>         | <b>2,267,956</b>                   |
| <b>OPERATING EXPENSES:</b>                     |                     |                   |                   |                |                           |                                    |
| Cost of Services                               | 32,087,108          | 35,687,644        | 35,982,722        | -              | 35,982,722                | (295,078)                          |
| Personnel Services                             | 462,455             | 462,455           | 472,906           | (1,797)        | 471,109                   | (8,654)                            |
| Materials and Supplies                         | 6,127               | 7,727             | 4,960             | -              | 4,960                     | 2,767                              |
| Contractual Services                           | 2,562,021           | 2,562,021         | 2,128,326         | -              | 2,128,326                 | 433,695                            |
| Other  | 2,112,136           | -                 | -                 | -              | -                         | -                                  |
| <b>TOTAL OPERATING EXPENSES</b>                | <b>37,229,847</b>   | <b>38,719,847</b> | <b>38,588,914</b> | <b>(1,797)</b> | <b>38,587,117</b>         | <b>132,730</b>                     |
| Operating Income (Loss)                        | (3,008,175)         | (3,008,175)       | (609,286)         | 1,797          | (607,489)                 | 2,400,686                          |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>      |                     |                   |                   |                |                           |                                    |
| Investment Income:                             |                     |                   |                   |                |                           |                                    |
| Interest Earnings                              | 51,800              | 51,800            | 57,459            | -              | 57,459                    | 5,659                              |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b> | <b>51,800</b>       | <b>51,800</b>     | <b>57,459</b>     | <b>-</b>       | <b>57,459</b>             | <b>5,659</b>                       |
| Income Before Contributions and Transfers      | (2,956,375)         | (2,956,375)       | (551,827)         | 1,797          | (550,030)                 | 2,406,345                          |
| Change in Net Position                         | (2,956,375)         | (2,956,375)       | (551,827)         | 1,797          | (550,030)                 | 2,406,345                          |
| Total Net Position - Beginning                 | 6,976,345           | 6,976,345         | 6,976,345         | -              | 6,976,345                 | -                                  |
| <b>TOTAL NET POSITION-ENDING</b>               | <b>\$ 4,019,970</b> | <b>4,019,970</b>  | <b>6,424,518</b>  | <b>1,797</b>   | <b>6,426,315</b>          | <b>2,406,345</b>                   |

**CITY OF LAREDO, TEXAS  
HEALTH AND BENEFITS  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|   |                       |
|---|-----------------------|
| Receipts from customers and users                       | \$ 6,234,694          |
| Receipts from interfund services provided               | 31,744,934            |
| Payment to suppliers                                    | (37,217,703)          |
| Payment to employees                                    | (467,452)             |
| Payment for interfund services used                     | <u>(7,141)</u>        |
| <b>Net cash provided (used) by operating activities</b> | <b><u>287,332</u></b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                         |
|---|-------------------------|
| Proceeds from sales and maturity of investments         | (452,123)               |
| Interest and dividends received                         | <u>164,209</u>          |
| <b>Net cash provided (used) by investing activities</b> | <b><u>(287,914)</u></b> |

|   |                      |
|---|----------------------|
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>(582)</b>         |
| <b>Cash and cash equivalents - October 1</b>                | <b><u>50,607</u></b> |

|   |                                |
|---|--------------------------------|
| <b>Cash and cash equivalents - September 30</b> | <b>\$ <u><u>50,025</u></u></b> |
|---|--------------------------------|

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

|  |                                 |
|--|---------------------------------|
| Operating income   | \$ (609,286)                    |
| Adjustments to reconcile operating income to<br>net cash provided (used) |                                 |
| Increase (decrease) in accounts payable                                  | (96,847)                        |
| Increase (decrease) in compensated absences payable                      | 1,797                           |
| Increase (decrease) in accrued wages and employee benefits               | 3,657                           |
| Increase (decrease) in claims and judgements payable                     | <u>988,011</u>                  |
| <b>Total adjustments</b>   | <b><u>896,618</u></b>           |
| <b>Net cash provided by operating activities</b>                         | <b>\$ <u><u>287,332</u></u></b> |

CITY OF LAREDO, TEXAS  
FLEET MANAGEMENT FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES  
IN FUND NET POSITION  
Year ended September 30, 2021

|  | <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> |
| <b>OPERATING REVENUES:</b>                     |                        |                   |                   |                   |                   |                   |
| Charges for Services                           | \$ 11,306,569          | 11,306,569        | 10,519,281        | -                 | 10,519,281        | (787,288)         |
| Reimbursements                                 | 225,000                | 225,000           | 99,264            | -                 | 99,264            | (125,736)         |
| <b>TOTAL OPERATING REVENUES</b>                | <b>11,531,569</b>      | <b>11,531,569</b> | <b>10,618,545</b> | <b>-</b>          | <b>10,618,545</b> | <b>(913,024)</b>  |
| <b>OPERATING EXPENSES:</b>                     |                        |                   |                   |                   |                   |                   |
| Cost of Services                               | 8,134,272              | 8,292,442         | 7,375,560         | -                 | 7,375,560         | 916,882           |
| Personnel Services                             | 2,598,947              | 2,601,947         | 2,424,378         | (2,846)           | 2,421,532         | 180,415           |
| Materials and Supplies                         | 129,376                | 135,176           | 98,456            | -                 | 98,456            | 36,720            |
| Contractual Services                           | 1,462,745              | 1,387,695         | 1,224,213         | -                 | 1,224,213         | 163,482           |
| Other  | 100,000                | -                 | -                 | -                 | -                 | -                 |
| Capital Outlay                                 | -                      | 7,500             | -                 | 6,755             | 6,755             | 745               |
| Depreciation                                   | -                      | -                 | 164,359           | (164,359)         | -                 | -                 |
| <b>TOTAL OPERATING EXPENSES</b>                | <b>12,425,340</b>      | <b>12,424,760</b> | <b>11,286,966</b> | <b>(160,450)</b>  | <b>11,126,516</b> | <b>1,298,244</b>  |
| Operating Income (Loss)                        | (893,771)              | (893,191)         | (668,421)         | 160,450           | (507,971)         | 385,220           |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>      |                        |                   |                   |                   |                   |                   |
| Investment Income:                             |                        |                   |                   |                   |                   |                   |
| Interest Earnings                              | 7,200                  | 7,200             | 35                | -                 | 35                | (7,165)           |
| Discount Earnings                              | 5,000                  | 5,000             | 1,038             | -                 | 1,038             | (3,962)           |
| Lease Purchase                                 | -                      | (500)             | -                 | (480)             | (480)             | 20                |
| Lease Interest                                 | -                      | (80)              | (65)              | -                 | (65)              | 15                |
| Gain/(Loss) on Sale of Assets                  | -                      | -                 | 32,533            | (32,142)          | 391               | 391               |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b> | <b>12,200</b>          | <b>11,620</b>     | <b>33,541</b>     | <b>(32,622)</b>   | <b>919</b>        | <b>(10,701)</b>   |
| Change in Net Position                         | (881,571)              | (881,571)         | (634,880)         | 127,828           | (507,052)         | 374,519           |
| Total Net Position - Beginning                 | 366,950                | 366,950           | 366,950           | -                 | 366,950           | -                 |
| <b>TOTAL NET POSITION- ENDING</b>              | <b>\$ (514,621)</b>    | <b>(514,621)</b>  | <b>(267,930)</b>  | <b>127,828</b>    | <b>(140,102)</b>  | <b>374,519</b>    |

**CITY OF LAREDO, TEXAS  
FLEET MANAGEMENT FUND  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|   |                         |
|---|-------------------------|
| Receipts from customers and users                       | \$ 95,186               |
| Receipts from interfund services provided               | 10,519,281              |
| Payment to suppliers                                    | (8,083,531)             |
| Payment to employees                                    | (2,397,588)             |
| Payment for interfund services used                     | <u>(782,589)</u>        |
| <b>Net cash provided (used) by operating activities</b> | <b><u>(649,241)</u></b> |

**CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES:**

|  |                       |
|--|-----------------------|
| Advance from other funds   | <u>655,077</u>        |
| <b>Net cash provided (used) by noncapital and related financing activities</b> | <b><u>655,077</u></b> |

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

|   |                       |
|---|-----------------------|
| Purchase of capital assets  | (6,755)               |
| Proceeds from sales of capital debt   | (480)                 |
| Interest Paid on capital debt   | (65)                  |
| Proceeds from sales of capital assets                                       | <u>391</u>            |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b><u>(6,909)</u></b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                      |
|---|----------------------|
| Interest and dividends received                             | <u>1,073</u>         |
| <b>Net cash provided (used) by investing activities</b>     | <b><u>1,073</u></b>  |
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>-</b>             |
| <b>Cash and cash equivalents - October 1</b>                | <b><u>400</u></b>    |
| <b>Cash and cash equivalents - September 30</b>             | <b><u>\$ 400</u></b> |

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

|   |                            |
|---|----------------------------|
| Operating income  | \$ (668,421)               |
| Adjustments to reconcile operating income to net cash provided (used) |                            |
| Depreciation expense  | 164,359                    |
| (Increase) decrease in accounts receivable                            | (4,077)                    |
| (Increase) decrease in inventories                                    | (131,675)                  |
| Increase (decrease) in accounts payable                               | (36,216)                   |
| Increase (decrease) in compensated absences payable                   | 2,847                      |
| Increase (decrease) in accrued wages and employee benefits            | 23,942                     |
| <b>Total adjustments</b>  | <b><u>19,180</u></b>       |
| <b>Net cash provided by operating activities</b>                      | <b><u>\$ (649,241)</u></b> |

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

|                        |        |
|------------------------|--------|
| Dispositions of assets | 32,142 |
|------------------------|--------|

CITY OF LAREDO, TEXAS  
INFORMATION TECHNOLOGY  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES  
IN FUND NET POSITION  
Year ended September 30, 2021

|  | <u>Budgeted Amount</u> |                  | <u>Actual</u>    | <u>Adjustment</u> | <u>Actual<br/>Budget<br/>Basis</u> | <u>Variance<br/>Positive<br/>(Negative)</u> |
|--|------------------------|------------------|------------------|-------------------|------------------------------------|---|
|  | <u>Original</u>        | <u>Budget</u>    |                  |                   |                                    |   |
| <b>OPERATING REVENUES:</b>                     |                        |                  |                  |                   |                                    |   |
| Charges for Services                           | \$ 5,591,470           | 5,591,470        | 5,400,325        | -                 | 5,400,325                          | (191,145)                                   |
| Reimbursements                                 | 56,716                 | 56,716           | 93,822           | -                 | 93,822                             | 37,106                                      |
| <b>TOTAL OPERATING REVENUES</b>                | <b>5,648,186</b>       | <b>5,648,186</b> | <b>5,494,147</b> | <b>-</b>          | <b>5,494,147</b>                   | <b>(154,039)</b>                            |
| <b>OPERATING EXPENSES:</b>                     |                        |                  |                  |                   |                                    |   |
| Cost of Services                               | 1,287,379              | 1,211,294        | 1,277,003        | -                 | 1,277,003                          | (65,709)                                    |
| Personnel Services                             | 2,414,262              | 2,414,362        | 2,242,682        | 6,083             | 2,248,765                          | 165,597                                     |
| Materials and Supplies                         | 361,721                | 404,185          | 213,067          | -                 | 213,067                            | 191,118                                     |
| Contractual Services                           | 1,286,990              | 1,400,793        | 817,543          | -                 | 817,543                            | 583,250                                     |
| Other  | 217,211                | 217,211          | -                | -                 | -                                  | 217,211                                     |
| Capital Outlay                                 | 724,954                | 644,672          | -                | 426,618           | 426,618                            | 218,054                                     |
| Depreciation                                   | -                      | -                | 584,055          | (584,055)         | -                                  | -   |
| <b>TOTAL OPERATING EXPENSES</b>                | <b>6,292,517</b>       | <b>6,292,517</b> | <b>5,134,350</b> | <b>(151,354)</b>  | <b>4,982,996</b>                   | <b>1,309,521</b>                            |
| Operating Income (Loss)                        | (644,331)              | (644,331)        | 359,797          | 151,354           | 511,151                            | 1,155,482                                   |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>      |                        |                  |                  |                   |                                    |   |
| Investment Income:                             |                        |                  |                  |                   |                                    |   |
| Interest Earnings                              | 9,500                  | 9,500            | 3,634            | -                 | 3,634                              | (5,866)                                     |
| Capital Leases Payments                        | (818,025)              | (818,025)        | -                | (818,582)         | (818,582)                          | (557)                                       |
| Interest Expense                               | 16,279                 | 16,279           | (16,354)         | -                 | (16,354)                           | (32,633)                                    |
| Net Increase (Decrease) in the Fair            |                        |                  |                  |                   | -                                  |   |
| Gain/(Loss) on Sale of Assets                  | -                      | -                | 64,373           | (64,373)          | -                                  | -   |
| <b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b> | <b>(792,246)</b>       | <b>(792,246)</b> | <b>51,653</b>    | <b>(882,955)</b>  | <b>(831,302)</b>                   | <b>(39,056)</b>                             |
| Change in Net Position                         | (1,436,577)            | (1,436,577)      | 411,450          | (731,601)         | (320,151)                          | 1,116,426                                   |
| Total Net Position - Beginning                 | 2,837,869              | 2,837,869        | 2,837,869        | -                 | 2,837,869                          | -   |
| <b>TOTAL NET POSITION - ENDING</b>             | <b>\$ 1,401,292</b>    | <b>1,401,292</b> | <b>3,249,319</b> | <b>(731,601)</b>  | <b>2,517,718</b>                   | <b>1,116,426</b>                            |

**CITY OF LAREDO, TEXAS**  
**INFORMATION TECHNOLOGY FUND**  
**STATEMENT OF CASH FLOWS**  
**Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|   |                  |
|---|------------------|
| Receipts from customers and users         | \$ 133,822       |
| Receipts from interfund services provided | 5,360,325        |
| Payment to suppliers                      | (1,985,316)      |
| Payment to employees                      | (2,219,355)      |
| Payment for interfund services used       | <u>(328,381)</u> |

|   |                       |
|---|-----------------------|
| <b>Net cash provided (used) by operating activities</b> | <b><u>961,095</u></b> |
|---|-----------------------|

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

|                                |                 |
|--------------------------------|-----------------|
| Purchase of capital assets     | (426,618)       |
| Principle Paid on capital debt | (818,582)       |
| Interest Paid on capital debt  | <u>(16,354)</u> |

|   |                           |
|---|---------------------------|
| <b>Net cash provided (used) by capital and related<br/>financing activities</b> | <b><u>(1,261,554)</u></b> |
|---|---------------------------|

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |               |
|---|---------------|
| Proceeds from sales and maturity of investments | 285,591       |
| Interest and dividends received                 | <u>13,572</u> |

|   |                       |
|---|-----------------------|
| <b>Net cash provided (used) by investing activities</b> | <b><u>299,163</u></b> |
|---|-----------------------|

|   |                     |
|---|---------------------|
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>(1,296)</b>      |
| <b>Cash and cash equivalents - October 1</b>                | <b><u>4,408</u></b> |

|   |                        |
|---|------------------------|
| <b>Cash and cash equivalents - September 30</b> | <b>\$ <u>3,112</u></b> |
|---|------------------------|

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

|  |               |
|--|---------------|
| Operating income   | \$ 359,797    |
| Adjustments to reconcile operating income to<br>net cash provided (used) |               |
| Depreciation expense   | 584,055       |
| Increase (decrease) in accounts payable                                  | (6,084)       |
| Increase (decrease) in compensated absences payable                      | (5,120)       |
| Increase (decrease) in accrued wages and employee benefits               | <u>28,447</u> |

|                          |                       |
|--------------------------|-----------------------|
| <b>Total adjustments</b> | <b><u>601,298</u></b> |
|--------------------------|-----------------------|

|  |                          |
|--|--------------------------|
| <b>Net cash provided by operating activities</b> | <b>\$ <u>961,095</u></b> |
|--|--------------------------|

## CAPITAL ASSETS



**CITY OF LAREDO, TEXAS**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Comparative Schedules by Source (1)**  
**September 30, 2021 and 2020**

|  | <u>2021</u>                 | <u>2020</u>                 |
|--|-----------------------------|-----------------------------|
| <b>Governmental Funds Capital Assets:</b>      |                             |                             |
| Land   | \$ 114,054,364              | 105,767,590                 |
| Buildings                                      | 228,335,686                 | 228,202,353                 |
| Improvements Other Than Buildings              | 839,291,106                 | 825,125,438                 |
| Vehicles                                       | 91,731,363                  | 90,984,868                  |
| Machinery & Equipment                          | 58,986,319                  | 58,489,830                  |
| Construction in Progress                       | <u>16,696,562</u>           | <u>4,994,214</u>            |
| <b>Total Governmental Funds Capital Assets</b> | <b><u>1,349,095,400</u></b> | <b><u>1,313,564,293</u></b> |

**Investments in Governmental Funds Capital Assets by Source:**

|   |                             |                             |
|---|-----------------------------|-----------------------------|
| General Fund                                      | 463,921,347                 | 453,556,221                 |
| Special Revenue Funds                             | 247,216,932                 | 237,862,519                 |
| Capital Projects Funds                            | <u>637,957,121</u>          | <u>622,145,553</u>          |
| <b>Total Investments in Governmental Funds \$</b> | <b><u>1,349,095,400</u></b> | <b><u>1,313,564,293</u></b> |

(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 assets.

**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, 2021**

| <b>FUNCTION AND ACTIVITY</b> | <b>BALANCE AT<br/>BEG. OF YEAR</b> | <b>ADDITIONS</b> | <b>DISPOSALS/<br/>TRANSFERS</b> | <b>BALANCE AT<br/>END OF YEAR</b> |
|------------------------------|------------------------------------|------------------|---------------------------------|-----------------------------------|
| General Government:          |                                    |                  |                                 |                                   |
| Mayor and City Council       | \$ 15,669                          | -                | -                               | 15,669                            |
| City Manager                 | 37,339                             | -                | -                               | 37,339                            |
| Municipal Court              | 755,629                            | 11,714           | -                               | 767,343                           |
| Human Resources              | 26,292                             | -                | -                               | 26,292                            |
| Building Inspections         | 3,045,279                          | 197              | 6,398                           | 3,051,874                         |
| City Secretary               | 24,089                             | -                | -                               | 24,089                            |
| Tax Office                   | 94,937                             | -                | -                               | 94,937                            |
| City Planning                | 154,222                            | 174,113          | -                               | 328,335                           |
| Finance                      | 33,931                             | -                | 5,254                           | 39,185                            |
| Real Estate                  | 7,562,327                          | 5,682,017        | (138,500)                       | 13,105,844                        |
| City Hall Maintenance        | 7,760,591                          | -                | -                               | 7,760,591                         |
| City Hall Annex              | 39,219                             | -                | -                               | 39,219                            |
| Engineering                  | 32,611                             | 29,445           | -                               | 62,056                            |
| Information Technology       | 606,399                            | -                | (37,337)                        | 569,062                           |
| Communications and Support   | 48,432                             | -                | -                               | 48,432                            |
| Community Development        | 39,039,970                         | 1,133,260        | 3,347                           | 40,176,577                        |
| Telecommunications           | 284,575                            | -                | -                               | 284,575                           |
| General Government           | 59,561,511                         | 7,030,746        | (160,838)                       | 66,431,419                        |
| Public Safety:               |                                    |                  |                                 |                                   |
| Police                       | 8,206,527                          | 105,278          | (15,253)                        | 8,296,552                         |
| Police Trust Fund            | 12,524,439                         | 53,084           | (830,373)                       | 11,747,150                        |
| Auto Theft Task Force        | 208,292                            | -                | -                               | 208,292                           |
| Financial Task Force         | 1,389,443                          | 125,481          | -                               | 1,514,924                         |
| Special Police               | 3,758,764                          | 181,598          | (107,028)                       | 3,833,334                         |
| Laredo Border Violence       | 24,072                             | -                | -                               | 24,072                            |
| Homeland Security Grant      | 2,330,836                          | -                | -                               | 2,330,836                         |
| Fire                         | 7,520,283                          | 17,519           | (166,038)                       | 7,371,764                         |
| Hazardous Materials          | 9,085                              | -                | -                               | 9,085                             |
| Parking Meters               | 4,133,353                          | -                | (6,038)                         | 4,127,315                         |
| 911 Administration           | 922,050                            | 135,291          | -                               | 1,057,341                         |
| 911 - General Fund           | 52,056                             | -                | -                               | 52,056                            |
| Communication System         | 6,879,563                          | -                | -                               | 6,879,563                         |
| Special Fire Grants          | 1,264,354                          | -                | -                               | 1,264,354                         |
| Traffic Safety               | 8,017,864                          | 171,422          | 12,421                          | 8,201,707                         |
| Public Safety                | 57,240,981                         | 789,673          | (1,112,309)                     | 56,918,345                        |

(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, 2021**

Continued

| <b>FUNCTION AND ACTIVITY</b>  | <b>BALANCE AT<br/>BEG. OF YEAR</b> | <b>ADDITIONS</b> | <b>DISPOSALS/<br/>TRANSFERS</b> | <b>BALANCE AT<br/>END OF YEAR</b> |
|-------------------------------|------------------------------------|------------------|---------------------------------|-----------------------------------|
| Public Works:                 |                                    |                  |                                 |                                   |
| Capital Improvements Projec\$ | 83,462,696                         | 363,428          | 128,395                         | 83,954,519                        |
| 1998 CO Issue                 | 1,789,903                          | -                | -                               | 1,789,903                         |
| Infrastructure Maint.         | 109,578                            | -                | -                               | 109,578                           |
| DPW Infrastructure            | 7,956,450                          | -                | -                               | 7,956,450                         |
| Keep Laredo Beautiful         | 20,500                             | 20,000           | -                               | 40,500                            |
| New Fire Stations             | 2,453,241                          | -                | -                               | 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                 | 13,699,927                         | -                | (10,547)                        | 13,689,380                        |
| 2006 CO Issue                 | 18,552,783                         | -                | -                               | 18,552,783                        |
| 2007 CO Issue                 | 50,606,028                         | -                | (392,686)                       | 50,213,342                        |
| 2008 CO Issue                 | 30,453,687                         | -                | (618,820)                       | 29,834,867                        |
| 2009 CO Issue                 | 26,235,451                         | -                | -                               | 26,235,451                        |
| 2010 CO Issue                 | 4,990,905                          | -                | -                               | 4,990,905                         |
| 2012 CO Issue                 | 3,572,626                          | -                | -                               | 3,572,626                         |
| 2014 CO Issue                 | 5,881,406                          | -                | -                               | 5,881,406                         |
| 2015 CO Issue                 | 9,848,973                          | 412,559          | -                               | 10,261,532                        |
| 2016 CO Issue                 | 16,554,879                         | 139,919          | -                               | 16,694,798                        |
| 2017 CO Issue                 | 14,449,816                         | 231,171          | (35,710)                        | 14,645,277                        |
| 2018 CO Issue                 | 2,080,606                          | 1,453,620        | -                               | 3,534,226                         |
| 2019 CO Issue                 | 844,345                            | 1,262,304        | -                               | 2,106,649                         |
| 2021A CO Issue                | -                                  | 38,879           | -                               | 38,879                            |
| FAA-Noise Abatement           | 18,944,149                         | -                | -                               | 18,944,149                        |
| Airport Construction Fund     | 173,740,796                        | 124,316          | -                               | 173,865,112                       |
| Ryan Street Railroad Bridge   | 668,019                            | -                | -                               | 668,019                           |
| Streets of Laredo Urban Mall  | 1,158,524                          | -                | -                               | 1,158,524                         |
| Contractual Obligation        | 34,537,698                         | 1,652,076        | (639,685)                       | 35,550,089                        |
| Parks Capital Grants          | 3,836,162                          | -                | -                               | 3,836,162                         |
| Capital Grants                | 31,248,443                         | -                | -                               | 31,248,443                        |
| Public Works                  | 380,276,135                        | 4,620,919        | (74,552)                        | 384,822,502                       |
| Public Works                  | \$ 990,196,499                     | 10,319,191       | (1,643,605)                     | 998,872,085                       |
|                               |                                    |                  |                                 | (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, 2021**

Continued

| <b>FUNCTION AND ACTIVITY</b>    | <b>BALANCE AT<br/>BEG. OF YEAR</b> | <b>ADDITIONS</b>  | <b>DISPOSALS/<br/>TRANSFERS</b> | <b>BALANCE AT<br/>END OF YEAR</b> |
|---------------------------------|------------------------------------|-------------------|---------------------------------|-----------------------------------|
| Health & Welfare:               |                                    |                   |                                 |                                   |
| Animal Shelter                  | \$ 50,720                          | -                 | -                               | 50,720                            |
| Health                          | 8,586,432                          | 144,232           | (70,555)                        | 8,660,109                         |
| Noise Abatement Lease           | 171,936                            | 30,816            | -                               | 202,752                           |
| Home Investment Partnership     | 463,407                            | -                 | -                               | 463,407                           |
| A.R.R.A.- C.D.                  | 975,026                            | -                 | -                               | 975,026                           |
| Environmental Services          | 41,338,494                         | 1,634,614         | (21,560)                        | 42,951,548                        |
| Health & Welfare                | 51,586,015                         | 1,809,662         | (92,115)                        | 53,303,562                        |
| Cultural & Recreational:        |                                    |                   |                                 |                                   |
| Parks & Recreation              | 18,218,991                         | 34,408            | (74,302)                        | 18,179,097                        |
| Library                         | 7,979,487                          | -                 | -                               | 7,979,487                         |
| New Public Library              | 22,347                             | -                 | -                               | 22,347                            |
| Cemetery                        | 381,781                            | -                 | -                               | 381,781                           |
| Friends of the Library          | 944,163                            | -                 | -                               | 944,163                           |
| Public Access Channel           | 4,283,605                          | 67,272            | -                               | 4,350,877                         |
| Mercado                         | 1,162,235                          | -                 | -                               | 1,162,235                         |
| Convention & Visitors Bureau    | 214,339                            | 16,916            | -                               | 231,255                           |
| Sports & Community Venue        | 13,958,005                         | 6,364,763         | -                               | 20,322,768                        |
| Recreation Fund                 | 228,360                            | 11,400            | -                               | 239,760                           |
| Baseball Stadium                | 19,447,094                         | -                 | -                               | 19,447,094                        |
| Max Mandel Golf Course          | 319,049                            | -                 | -                               | 319,049                           |
| Parkland - Park Improvement     | 83,411                             | 72,817            | -                               | 156,228                           |
| Cultural & Recreational         | 67,242,867                         | 6,567,576         | (74,302)                        | 73,736,141                        |
| Air Transportation Services:    |                                    |                   |                                 |                                   |
| Airport                         | 82,742,206                         | 323,490           | 71,590                          | 83,137,286                        |
| Air Transportation Services     | 82,742,206                         | 323,490           | 71,590                          | 83,137,286                        |
| Total Assets In Service         | 1,308,570,079                      | 26,840,338        | (3,011,579)                     | 1,332,398,838                     |
| Construction in Progress        | 4,994,214                          | 11,702,348        | -                               | 16,696,562                        |
| <b>Total Governmental Funds</b> |                                    |                   |                                 |                                   |
| <b>Capital Assets</b>           | <b>\$ 1,313,564,293</b>            | <b>38,542,686</b> | <b>(3,011,579)</b>              | <b>1,349,095,400</b>              |

(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 assets.

**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, 2021**

| <b>FUNCTION AND ACTIVITY</b> | <b>TOTAL</b>  | <b>LAND</b> | <b>BUILDINGS</b> | <b>IMPROVEMENTS<br/>O/T BLDGS</b> | <b>TRANSPORTATION</b> | <b>MACHINERY<br/>&amp; EQUIPMENT</b> |
|------------------------------|---------------|-------------|------------------|-----------------------------------|-----------------------|--------------------------------------|
| General Government:          |               |             |                  |                                   |                       |                                      |
| Mayor and City Council       | \$ 15,669     | -           | -                | -                                 | 9,908                 | 5,761                                |
| City Manager                 | 37,339        | -           | -                | -                                 | -                     | 37,339                               |
| Municipal Court              | 767,343       | 39,981      | 63,911           | -                                 | 21,749                | 641,702                              |
| Human Resources              | 26,292        | -           | -                | -                                 | 26,292                | -                                    |
| Building                     | 3,051,874     | 2,000,250   | 237,782          | 477,785                           | 83,764                | 252,293                              |
| City Secretary               | 24,089        | -           | -                | -                                 | 1,159                 | 22,930                               |
| Tax Office                   | 94,937        | -           | -                | -                                 | -                     | 94,937                               |
| City Planning                | 328,335       | -           | -                | 299,113                           | 1,722                 | 27,500                               |
| Finance                      | 39,185        | -           | -                | -                                 | 20,173                | 19,012                               |
| Real Estate                  | 13,105,844    | 11,566,844  | 1,539,000        | -                                 | -                     | -                                    |
| City Hall Maintenance        | 7,760,591     | 3,066,074   | 4,181,666        | -                                 | 344,839               | 168,012                              |
| City Hall Annex              | 39,219        | -           | -                | -                                 | 24,537                | 14,682                               |
| Engineering                  | 82,566        | -           | -                | -                                 | 18,528                | 64,038                               |
| Information Technology       | 569,062       | -           | -                | -                                 | -                     | 569,062                              |
| Communications and Support   | 48,432        | -           | -                | -                                 | 13,968                | 34,464                               |
| Community Development        | 40,176,577    | 6,432,494   | 7,424,907        | 24,172,507                        | 1,999,082             | 147,587                              |
| Telecommunications           | 284,575       | -           | 18,683           | 27,808                            | -                     | 238,084                              |
| General Government           | 66,451,929    | 23,105,643  | 13,465,949       | 24,977,213                        | 2,565,721             | 2,337,403                            |
| Public Safety:               |               |             |                  |                                   |                       |                                      |
| Police                       | 8,296,550     | -           | 6,310,720        | 11,425                            | 897,356               | 1,077,049                            |
| Police Trust Fund            | 11,747,149    | -           | 920,960          | -                                 | 6,010,308             | 4,815,881                            |
| Auto Theft Task Force        | 208,292       | -           | -                | -                                 | 187,267               | 21,025                               |
| Financial Task Force         | 1,514,924     | -           | -                | -                                 | 441,571               | 1,073,353                            |
| Special Police               | 3,833,334     | -           | -                | -                                 | 1,763,781             | 2,069,553                            |
| Laredo Border Violence       | 24,072        | -           | -                | -                                 | -                     | 24,072                               |
| Homeland Security Grant      | 2,330,836     | -           | -                | -                                 | 427,219               | 1,903,617                            |
| Fire                         | 7,371,764     | 767,503     | 1,423,422        | -                                 | 3,905,177             | 1,275,662                            |
| Hazardous Materials          | 9,085         | -           | 9,085            | -                                 | -                     | -                                    |
| Parking Meters               | 4,127,315     | 1,247,536   | 60,342           | 2,309,717                         | 140,306               | 369,414                              |
| 911 Administration           | 1,057,340     | -           | -                | -                                 | 46,141                | 1,011,199                            |
| 911 - General Fund           | 52,056        | -           | -                | -                                 | 33,590                | 18,466                               |
| Communications               | 6,879,563     | -           | -                | -                                 | -                     | 6,879,563                            |
| Special Fire Grants          | 1,264,354     | -           | 47,015           | -                                 | 850,000               | 367,339                              |
| Traffic Safety               | 8,201,707     | -           | 13,524           | 7,633,346                         | 142,808               | 412,029                              |
| Public Safety                | \$ 56,918,341 | 2,015,039   | 8,785,068        | 9,954,488                         | 14,845,524            | 21,318,222                           |

(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, 2021**

(Continued)

| <b>FUNCTION AND ACTIVITY</b>  | <b>TOTAL</b>  | <b>LAND</b> | <b>BUILDINGS</b> | <b>IMPROVEMENTS<br/>O/T BLDGS</b> | <b>TRANSPORTATION</b> | <b>MACHINERY<br/>&amp; EQUIPMENT</b> |
|-------------------------------|---------------|-------------|------------------|-----------------------------------|-----------------------|--------------------------------------|
| Public Works:                 |               |             |                  |                                   |                       |                                      |
| Capital Improvements Projects | \$ 83,954,520 | 1,729,840   | 9,098,136        | 66,886,035                        | 3,730,940             | 2,509,569                            |
| 1998 C.O. Issue               | 1,789,903     | 108,232     | 864,429          | 626,445                           | 190,797               | -                                    |
| Infrastructure Maint.         | 109,578       | -           | -                | 105,993                           | 3,585                 | -                                    |
| DPW                           | 7,956,450     | -           | 7,956,450        | -                                 | -                     | -                                    |
| Keep Laredo Beautiful         | 40,500        | -           | -                | -                                 | 20,500                | 20,000                               |
| 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                 | 13,689,380    | 1,493,129   | 1,097,865        | 10,278,613                        | 673,141               | 146,632                              |
| 2006 CO Issue                 | 18,552,783    | -           | 8,053,796        | 10,054,327                        | 444,660               | -                                    |
| 2007 CO Issue                 | 50,213,342    | 638,763     | 10,741,662       | 28,675,343                        | 9,227,128             | 930,446                              |
| 2008 CO Issue                 | 29,834,867    | 521,679     | 15,098,007       | 11,493,484                        | 2,420,943             | 300,754                              |
| 2009 CO Issue                 | 26,235,451    | 222,365     | 11,732,191       | 13,034,630                        | 1,062,105             | 184,160                              |
| 2010 CO Issue                 | 4,990,905     | 92,264      | 218,104          | 4,619,343                         | 13,167                | 48,027                               |
| 2012 CO Issue                 | 3,572,626     | 56,330      | 886,402          | 1,913,921                         | 612,697               | 103,276                              |
| 2014 CO Issue                 | 5,881,405     | -           | 4,000            | 5,698,126                         | 131,422               | 47,857                               |
| 2015 CO Issue                 | 10,261,532    | 1,170,661   | 533,070          | 5,522,425                         | 2,967,821             | 67,555                               |
| 2016 CO Issue                 | 16,694,797    | 3,289,420   | 3,800,899        | 5,131,520                         | 4,423,183             | 49,775                               |
| 2017 CO Issue                 | 14,645,277    | -           | 1,068,754        | 4,007,403                         | 8,993,299             | 575,821                              |
| 2018 CO Issue                 | 3,534,227     | -           | 61,765           | 3,397,641                         | -                     | 74,821                               |
| 2019 CO Issue                 | 2,106,649     | -           | -                | 2,022,461                         | -                     | 84,188                               |
| 2021A CO Issue                | 38,879        | -           | -                | 38,879                            | -                     | -                                    |
| FAA-Noise Abatement           | 18,944,149    | 17,605,254  | 1,338,895        | -                                 | -                     | -                                    |
| Airport Const. Fund.          | 173,865,113   | 21,248,163  | 8,992,048        | 139,658,851                       | 1,605,247             | 2,360,804                            |
| Ryan Street Railroad Bridge   | 668,019       | -           | -                | 668,019                           | -                     | -                                    |
| Streets of Laredo Urban Mall  | 1,158,524     | -           | -                | 1,158,524                         | -                     | -                                    |
| Contractual Obligations       | 35,550,089    | -           | 82,591           | 456,923                           | 23,193,005            | 11,817,570                           |
| Parks Capital Grants          | 3,836,162     | 498,762     | -                | 3,219,706                         | 111,223               | 6,471                                |
| Capital Grants                | 31,248,443    | 4,600       | 398,390          | 30,845,453                        | -                     | -                                    |
| Public Works                  | 384,822,505   | 3,930,259   | 3,877,909        | 372,256,617                       | 4,534,065             | 223,655                              |
| Public Works                  | 998,872,089   | 58,836,610  | 125,420,466      | 727,648,465                       | 64,844,305            | 22,122,243                           |
| Health & Welfare:             |               |             |                  |                                   |                       |                                      |
| Health                        | 8,660,109     | 421,278     | 5,133,403        | 252,702                           | 408,864               | 2,443,862                            |
| Noise Abtm. Lease             | 202,751       | -           | -                | -                                 | 190,469               | 12,282                               |
| Home Investment Partnership   | 463,407       | -           | 463,407          | -                                 | -                     | -                                    |
| Animal Shelter                | 50,720        | -           | -                | -                                 | -                     | 50,720                               |
| A.R.R.A.-CD                   | 975,026       | -           | -                | 975,026                           | -                     | -                                    |
| Environmental Services        | 42,951,548    | 4,582,752   | 1,623,806        | 32,771,339                        | 3,453,478             | 520,173                              |
| Health & Welfare              | \$ 53,303,561 | 5,004,030   | 7,220,616        | 33,999,067                        | 4,052,811             | 3,027,037                            |

(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, 2021**

(Continued)

| <b>FUNCTION AND ACTIVITY</b>                       | <b>TOTAL</b>            | <b>LAND</b>        | <b>BUILDINGS</b>   | <b>IMPROVEMENTS<br/>O/T BLDGS</b> | <b>TRANSPORTATION</b> | <b>MACHINERY<br/>&amp; EQUIPMENT</b> |
|--|-------------------------|--------------------|--------------------|-----------------------------------|-----------------------|--------------------------------------|
| Cultural & Recreational:                           |                         |                    |                    |                                   |                       |                                      |
| Parks & Recreation                                 | \$ 18,158,588           | 11,017,735         | 3,406,584          | 261,861                           | 2,304,410             | 1,167,998                            |
| Library  | 7,979,487               | -                  | 7,124,408          | 33,000                            | 108,736               | 713,343                              |
| New Public Library                                 | 22,347                  | -                  | 22,347             | -                                 | -                     | -                                    |
| Cemetery   | 381,781                 | -                  | 7,900              | -                                 | 313,838               | 60,043                               |
| Friends of the Library                             | 944,163                 | -                  | 261,792            | -                                 | -                     | 682,371                              |
| Public Access Channel                              | 4,350,877               | -                  | 1,406,518          | 190,349                           | 184,262               | 2,569,748                            |
| Mercado  | 1,162,235               | -                  | 1,162,235          | -                                 | -                     | -                                    |
| Convention & Visitor's Bureau                      | 231,255                 | -                  | 17,300             | -                                 | 191,791               | 22,164                               |
| Sports & Community Venue                           | 20,322,768              | 9,282,588          | 986,696            | 6,833,325                         | 244,350               | 2,975,809                            |
| Recreation Fund                                    | 239,760                 | -                  | -                  | 20,599                            | 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                        | 156,228                 | -                  | -                  | 156,228                           | -                     | -                                    |
|  | <u>73,715,632</u>       | <u>20,300,323</u>  | <u>32,370,954</u>  | <u>8,037,122</u>                  | <u>3,778,161</u>      | <u>9,229,072</u>                     |
| Cultural & Recreational                            |                         |                    |                    |                                   |                       |                                      |
| Air Transportation Services:                       |                         |                    |                    |                                   |                       |                                      |
| Airport  | <u>83,137,286</u>       | <u>4,792,719</u>   | <u>41,072,633</u>  | <u>34,674,751</u>                 | <u>1,644,841</u>      | <u>952,342</u>                       |
|  |                         |                    |                    |                                   |                       |                                      |
| Air Transportation Services                        | <u>83,137,286</u>       | <u>4,792,719</u>   | <u>41,072,633</u>  | <u>34,674,751</u>                 | <u>1,644,841</u>      | <u>952,342</u>                       |
|  |                         |                    |                    |                                   |                       |                                      |
| <b>Total Assets in service</b>                     | <u>1,332,398,838</u>    | <u>114,054,364</u> | <u>228,335,686</u> | <u>839,291,106</u>                | <u>91,731,363</u>     | <u>58,986,319</u>                    |
|  |                         |                    |                    |                                   |                       |                                      |
| Construction in Progress                           | <u>16,696,562</u>       |                    |                    |                                   |                       |                                      |
| <b>Total Governmental Funds<br/>Capital Assets</b> | <u>\$ 1,349,095,400</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 assets.

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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, 2021**

|  | <b>MUNICIPAL<br/>TRANSIT<br/>SYSTEM</b> | <b>MUNICIPAL<br/>HOUSING<br/>CORPORATION</b> | <b>TOTALS</b>     |
|--|---|--|-------------------|
| <b>ASSETS</b>  |   |  |                   |
| Current Assets:  |   |  |                   |
| Cash and Cash Equivalents:                                 |   |  |                   |
| Cash   | \$ 16,360                               | 200  | 16,560            |
| Equity in Investment Pool                                  | 16,333                                  | 1,105  | 17,438            |
| Investments  | 3,814,194                               | 283,340                                      | 4,097,534         |
| Receivables, net of allowances:                            |   |  |                   |
| Accrued Interest   | 6,102                                   | 453  | 6,555             |
| Accounts   | 2,164                                   | 15,171                                       | 17,335            |
| Due from Other Governments                                 | 269,466                                 | 4,512  | 273,978           |
| Inventory, at cost   | 273,620                                 | -  | 273,620           |
| Total Current Assets                                       | 4,398,239                               | 304,781                                      | 4,703,020         |
| Noncurrent Assets:   |   |  |                   |
| Restricted Assets:   |   |  |                   |
| Accrued Interest Receivable                                | 110                                     | -  | 110               |
| Investments  | 1,022,715                               | -  | 1,022,715         |
| Net Pension Assets   | 1,326,670                               | -  | 1,326,670         |
| Total Restricted Assets                                    | 2,349,495                               | -  | 2,349,495         |
| Capital Assets:  |   |  |                   |
| Transportation Vehicles and Equipment                      | 22,603,436                              | 313,131                                      | 22,916,567        |
| Buildings  | 14,574,019                              | 3,655,624                                    | 18,229,643        |
| Improvements   | 10,907,384                              | 143,775                                      | 11,051,159        |
| Land and Improvements                                      | 9,521,557                               | 384,116                                      | 9,905,673         |
| Construction in Progress                                   | 2,933,273                               | -  | 2,933,273         |
| Less Accumulated Depreciation                              | (31,550,374)                            | (3,875,757)                                  | (35,426,131)      |
| Total Capital Assets (net of accumulated depreciation)     | 28,989,295                              | 620,889                                      | 29,610,184        |
| Total Noncurrent Assets                                    | 31,338,790                              | 620,889                                      | 31,959,679        |
| TOTAL ASSETS   | 35,737,029                              | 925,670                                      | 36,662,699        |
| Deferred Outflows of Resources                             | 1,203,452                               | 56,157                                       | 1,259,609         |
| <b>TOTAL ASSETS AND DEFERRED<br/>OUTFLOWS OF RESOURCES</b> | <b>\$ 36,940,481</b>                    | <b>981,827</b>                               | <b>37,922,308</b> |

(Continued)

**CITY OF LAREDO, TEXAS**  
**NONMAJOR ENTERPRISE FUNDS**  
**STATEMENT OF NET POSITION**  
**September 30, 2021**

**Continued**

|  | <b>MUNICIPAL<br/>TRANSIT<br/>SYSTEM</b> | <b>MUNICIPAL<br/>HOUSING<br/>CORPORATION</b> | <b>TOTALS</b>     |
|--|---|--|-------------------|
| <b>LIABILITIES</b>   |   |  |                   |
| Current Liabilities:   |   |  |                   |
| Accounts Payable   | \$ 841,005                              | 26,507                                       | 867,512           |
| Retainage Payable  | -                                       | 28,034                                       | 28,034            |
| Accrued Interest Payable                                       | 14,212                                  | -  | 14,212            |
| Accrued Wages and Employee Benefits                            | 405,978                                 | 20,233                                       | 426,211           |
| Compensated Absences   | 177,547                                 | 13,936                                       | 191,483           |
| Customer Deposits  | 16,450                                  | 105,780                                      | 122,230           |
| Capital Lease Obligations                                      | 2,085                                   | 501  | 2,586             |
| Unearned Revenue   | -                                       | 16,708                                       | 16,708            |
| General Obligation Bonds                                       | 436,313                                 | -  | 436,313           |
| Certificates of Obligation                                     | 145,000                                 | -  | 145,000           |
| Total Current Liabilities                                      | 2,038,590                               | 211,699                                      | 2,250,289         |
| Noncurrent Liabilities:  |   |  |                   |
| General Obligation Bonds                                       | 964,300                                 | -  | 964,300           |
| Certificates of Obligation                                     | 2,047,503                               | -  | 2,047,503         |
| Net Pension Liability  | -                                       | 766,762                                      | 766,762           |
| Capital Lease Obligations                                      | 3,111                                   | 747  | 3,858             |
| Compensated Absences   | 121,851                                 | 33,456                                       | 155,307           |
| Total Noncurrent Liabilities                                   | 3,136,765                               | 800,965                                      | 3,937,730         |
| TOTAL LIABILITIES  | 5,175,355                               | 1,012,664                                    | 6,188,019         |
| Deferred Inflows of Resources                                  | 1,930,187                               | 11,469                                       | 1,941,656         |
| <b>TOTAL LIABILITIES AND DEFERRED<br/>INFLOWS OF RESOURCES</b> | <b>7,105,542</b>                        | <b>1,024,133</b>                             | <b>8,129,675</b>  |
| <b>NET POSITION</b>  |   |  |                   |
| Net Investment in Capital Assets                               | 26,555,726                              | 586,932                                      | 27,142,658        |
| Unrestricted   | 3,279,213                               | (629,238)                                    | 2,649,975         |
| <b>TOTAL NET POSITION</b>                                      | <b>\$ 29,834,939</b>                    | <b>(42,306)</b>                              | <b>29,792,633</b> |

**CITY OF LAREDO, TEXAS**  
**NONMAJOR ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**Year ended September 30, 2021**

|  | <b>MUNICIPAL<br/>TRANSIT<br/>SYSTEM</b> | <b>MUNICIPAL<br/>HOUSING<br/>CORPORATION</b> | <b>TOTALS</b>     |
|--|---|--|-------------------|
| <b>OPERATING REVENUES:</b>                       |   |  |                   |
| Charges for Services                             | \$ 1,401,505                            | 218,978                                      | 1,620,483         |
| Rental of Facilities                             | 539,409                                 | 1,509,666                                    | 2,049,075         |
| Fees and Collections                             | -                                       | 13,200                                       | 13,200            |
| Miscellaneous                                    | 518,775                                 | 28,527                                       | 547,302           |
| <b>TOTAL OPERATING REVENUES</b>                  | <b>2,459,689</b>                        | <b>1,770,371</b>                             | <b>4,230,060</b>  |
| <b>OPERATING EXPENSES:</b>                       |   |  |                   |
| Personnel Services                               | 11,144,785                              | 637,707                                      | 11,782,492        |
| Materials and Supplies                           | 1,971,485                               | 228,713                                      | 2,200,198         |
| Contractual Services                             | 2,669,740                               | 1,699,824                                    | 4,369,564         |
| Other  | 54,646                                  | 39,308                                       | 93,954            |
| Debt Service                                     | 25                                      | -  | 25                |
| Total Operating Expenses Before Depreciation     | 15,840,681                              | 2,605,552                                    | 18,446,233        |
| Depreciation Expense                             | 2,322,560                               | 38,063                                       | 2,360,623         |
| <b>TOTAL OPERATING EXPENSES</b>                  | <b>18,163,241</b>                       | <b>2,643,615</b>                             | <b>20,806,856</b> |
| Operating Income (Loss)                          | (15,703,552)                            | (873,244)                                    | (16,576,796)      |
| <b>NONOPERATING REVENUES (EXPENSES):</b>         |   |  |                   |
| Investment Income:                               |   |  |                   |
| Interest Earnings                                | 34,132                                  | 3,983  | 38,115            |
| Interest Earnings - Restricted                   | 3,745                                   | -  | 3,745             |
| Discount Earnings                                | 117                                     | 94   | 211               |
| Miscellaneous                                    | 843                                     | -  | 843               |
| Sales Tax  | 9,134,586                               | -  | 9,134,586         |
| Gain (Loss) on Sale of Assets                    | (8,359)                                 | 15   | (8,344)           |
| Interest Expense                                 | (142,475)                               | (65)   | (142,540)         |
| Gain (Loss) on Advance Refunding                 | (47,742)                                | -  | (47,742)          |
| CARES Act Operating Grant                        | 2,210,072                               | -  | 2,210,072         |
| FEMA   | -                                       | 4,512  | 4,512             |
| TVC- Homes for Texas Heroes                      | -                                       | 220,258                                      | 220,258           |
| TVC- Financial Assistance Program                | -                                       | 40,870                                       | 40,870            |
| Fiscal Agent Fees                                | (292)                                   | -  | (292)             |
| Bond Issuance Cost/Premiums Amortized            | 40,698                                  | -  | 40,698            |
| Other Non-Operating Expenses                     | (113,265)                               | -  | (113,265)         |
| State Operating Grant                            | 637,564                                 | -  | 637,564           |
| Weatherization Grant                             | -                                       | 142,942                                      | 142,942           |
| <b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>    | <b>11,749,624</b>                       | <b>412,609</b>                               | <b>12,162,233</b> |
| Income (Loss) Before Contributions and Transfers | (3,953,928)                             | (460,635)                                    | (4,414,563)       |
| Capital Contributions-Grants                     | 859,124                                 | -  | 859,124           |
| Transfers Out:                                   |   |  |                   |
| Home Investment                                  | -                                       | (28,482)                                     | (28,482)          |
| Change in Net Position                           | (3,094,804)                             | (489,117)                                    | (3,583,921)       |
| Total Net Position-Beginning                     | 32,929,743                              | 446,811                                      | 33,376,554        |
| <b>Total Net Position-Ending</b>                 | <b>\$ 29,834,939</b>                    | <b>(42,306)</b>                              | <b>29,792,633</b> |

**CITY OF LAREDO, TEXAS**  
**NONMAJOR ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 2021**

|  | <b>MUNICIPAL<br/>TRANSIT<br/>SYSTEM</b> | <b>MUNICIPAL<br/>HOUSING<br/>CORPORATION</b> | <b>TOTALS</b>       |
|--|---|--|---------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>  |   |  |                     |
| Receipts from customers and users  | \$ 2,059,355                            | 1,780,600                                    | 3,839,955           |
| Receipts from interfund services provided  | 399,031                                 | -  | 399,031             |
| Payments to suppliers  | (4,056,176)                             | (1,752,624)                                  | (5,808,800)         |
| Payments to employees  | (11,768,296)                            | (729,188)                                    | (12,497,484)        |
| Payments for interfund services used   | (250,114)                               | (242,420)                                    | (492,534)           |
| <b>Net cash provided (used) by operating activities</b>                            | <b>(13,616,200)</b>                     | <b>(943,632)</b>                             | <b>(14,559,832)</b> |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>                            |   |  |                     |
| Transfer to other funds  | (10,604,752)                            | (28,482)                                     | (10,633,234)        |
| Subsidy from federal and state grants  | 5,574,155                               | 435,618                                      | 6,009,773           |
| Sales Tax  | 9,134,586                               | -  | 9,134,586           |
| Transfer from other funds  | 10,604,752                              | -  | 10,604,752          |
| <b>Net cash provided (used) by noncapital<br/>and related financing activities</b> | <b>14,708,741</b>                       | <b>407,136</b>                               | <b>15,115,877</b>   |
| <b>CASH FLOWS FROM CAPITAL AND<br/>RELATED FINANCING ACTIVITIES:</b>               |   |  |                     |
| Proceeds from capital debt   | 917,247                                 | -  | 917,247             |
| Purchases of capital assets  | -                                       | (12,399)                                     | (12,399)            |
| Subsidy from federal and state grants  | 859,124                                 | -  | 859,124             |
| Principal paid on capital debt   | (1,937,616)                             | (480)  | (1,938,096)         |
| Interest paid on capital debt  | (150,031)                               | (65)   | (150,096)           |
| Acquisition and construction of capital assets                                     | (2,147,447)                             | -  | (2,147,447)         |
| <b>Net cash provided (used) by capital<br/>and related financing activities</b>    | <b>(2,458,723)</b>                      | <b>(12,944)</b>                              | <b>(2,471,667)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                       |   |  |                     |
| Proceeds from sales and maturities of investments                                  | 1,276,854                               | 533,989                                      | 1,810,843           |
| Interest and dividends received  | 77,856                                  | 12,887                                       | 90,743              |
| <b>Net cash provided (used) by investing activities</b>                            | <b>1,354,710</b>                        | <b>546,876</b>                               | <b>1,901,586</b>    |
| <b>Net increase (decrease) in cash<br/>and cash equivalents</b>                    | <b>(11,472)</b>                         | <b>(2,564)</b>                               | <b>(14,036)</b>     |
| <b>Cash and cash equivalents, October 1</b>  | <b>44,165</b>                           | <b>3,869</b>                                 | <b>48,034</b>       |
| <b>Cash and cash equivalents, September 30</b>                                     | <b>\$ 32,693</b>                        | <b>1,305</b>                                 | <b>33,998</b>       |

**CITY OF LAREDO, TEXAS**  
**NONMAJOR ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 2021**

|  | <b>MUNICIPAL<br/>TRANSIT<br/>SYSTEM</b> | <b>MUNICIPAL<br/>HOUSING<br/>CORPORATION</b> | <b>TOTALS</b>       |
|--|---|--|---------------------|
| <b>Reconciliation of operating income to net cash provided (used) by operating activities:</b> |   |  |                     |
| Operating income   | \$ (15,703,552)                         | (873,244)                                    | (16,576,796)        |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: |   |  |                     |
| Depreciation expense   | 2,322,560                               | 38,063                                       | 2,360,623           |
| (Increase) decrease in accounts receivable   | (2,055)                                 | (4,861)                                      | (6,916)             |
| Increase in allowance for uncollectible accounts   | -                                       | 5,905  | 5,905               |
| (Increase) decrease in inventories   | (33,772)                                | -  | (33,772)            |
| Increase in customer deposits  | 750                                     | 9,411  | 10,161              |
| Increase (decrease) in accounts payable  | 423,653                                 | (55,233)                                     | 368,420             |
| Increase (decrease) in retainage payable   | -                                       | 28,034                                       | 28,034              |
| Increase (decrease) in deferred revenues   | -                                       | (226)  | (226)               |
| Increase (decrease) in compensated absences payable  | (20,871)                                | 14,016                                       | (6,855)             |
| Increase (decrease) in deferred outflows-pension   | 4,329                                   | 8,859  | 13,188              |
| Increase (decrease) in deferred inflows-pension  | 1,430,770                               | (88,690)                                     | 1,342,080           |
| Increase (decrease) in net pension liability   | (2,129,461)                             | (26,546)                                     | (2,156,007)         |
| Increase (decrease) in accrued wages and employee benefits                                     | 91,449                                  | 880  | 92,329              |
| Total adjustments  | 2,087,352                               | (70,388)                                     | 2,016,964           |
| <b>Net cash provided (used) by operating activities</b>  | <b>\$ (13,616,200)</b>                  | <b>(943,632)</b>                             | <b>(14,559,832)</b> |
| <b>Noncash investing, capital, and financing activities:</b>                                   |   |  |                     |
| Loss on sale of equipment  | -                                       | -  | -                   |
| Contribution   | -                                       | -  | -                   |
| Bond issuance cost amortized   | -                                       | -  | -                   |
| Loss on advance refunding  | -                                       | -  | -                   |
| Accrued interest payable   | -                                       | -  | -                   |

**CITY OF LAREDO, TEXAS**  
**MUNICIPAL TRANSIT SYSTEM**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

|                           | Budgeted Amount |           | Actual    | Adjustments | Actual Budget Basis | Variance Positive (Negative) |
|---------------------------|-----------------|-----------|-----------|-------------|---------------------|------------------------------|
|                           | Original        | Final     |           |             |                     |                              |
| OPERATING REVENUES:       |                 |           |           |             |                     |                              |
| Charges for Services      | \$ 3,839,812    | 3,839,812 | 1,401,505 | -           | 1,401,505           | (2,438,307)                  |
| Miscellaneous             | 148,292         | 5,226,007 | 518,775   | -           | 518,775             | (4,707,232)                  |
| Rental of Facilities      | 624,588         | 624,588   | 539,409   | -           | 539,409             | (85,179)                     |
| TOTAL OPERATING REVENUES  | 4,612,692       | 9,690,407 | 2,459,689 | -           | 2,459,689           | (7,230,718)                  |
| OPERATING EXPENSES:       |                 |           |           |             |                     |                              |
| Opt-Fixed Route:          |                 |           |           |             |                     |                              |
| Personnel Services        | 7,327,384       | 7,127,564 | 6,683,025 | 6,727       | 6,689,752           | 437,812                      |
| Materials and Supplies    | 966,996         | 734,548   | 662,640   | -           | 662,640             | 71,908                       |
| Contractual Services      | 565,709         | 790,574   | 747,210   | -           | 747,210             | 43,364                       |
| Other                     | 211,935         | 209,035   | 39,046    | -           | 39,046              | 169,989                      |
| Total Opt-Fixed Route     | 9,072,024       | 8,861,721 | 8,131,921 | 6,727       | 8,138,648           | 723,073                      |
| Opt-Para Transit:         |                 |           |           |             |                     |                              |
| Personnel Services        | 1,412,748       | 1,409,748 | 1,106,414 | 15,142      | 1,121,556           | 288,192                      |
| Materials and Supplies    | 168,532         | 196,457   | 167,336   | -           | 167,336             | 29,121                       |
| Contractual Services      | 171,005         | 270,485   | 265,750   | -           | 265,750             | 4,735                        |
| Other                     | 23,037          | 23,037    | 13,558    | -           | 13,558              | 9,479                        |
| Total Opt-Para Transit    | 1,775,322       | 1,899,727 | 1,553,058 | 15,142      | 1,568,200           | 331,527                      |
| Maint-Fixed Route:        |                 |           |           |             |                     |                              |
| Personnel Services        | 1,853,596       | 1,985,096 | 1,757,735 | 2,025       | 1,759,760           | 225,336                      |
| Materials and Supplies    | 1,029,144       | 897,886   | 871,041   | -           | 871,041             | 26,845                       |
| Contractual Services      | 335,392         | 276,542   | 188,097   | -           | 188,097             | 88,445                       |
| Total Maint-Fixed Route   | 3,218,132       | 3,159,524 | 2,816,873 | 2,025       | 2,818,898           | 340,626                      |
| Maint-Para Transit:       |                 |           |           |             |                     |                              |
| Personnel Services        | 241,172         | 265,872   | 258,023   | (1,832)     | 256,191             | 9,681                        |
| Materials and Supplies    | 109,165         | 89,165    | 44,971    | -           | 44,971              | 44,194                       |
| Contractual Services      | 90,970          | 69,538    | 34,329    | -           | 34,329              | 35,209                       |
| Debt Service              | -               | 92        | 12        | -           | 12                  | 80                           |
| Total Maint-Para Transit  | 441,307         | 424,667   | 337,335   | (1,832)     | 335,503             | 89,164                       |
| Training and Safety:      |                 |           |           |             |                     |                              |
| Personnel Services        | 86,486          | 86,486    | 76,267    | 1,933       | 78,200              | 8,286                        |
| Materials and Supplies    | 14,385          | 14,110    | 13,081    | -           | 13,081              | 1,029                        |
| Contractual Services      | 1,959           | 3,034     | 2,978     | -           | 2,978               | 56                           |
| Total Training and Safety | 102,830         | 103,630   | 92,326    | 1,933       | 94,259              | 9,371                        |
| Building/Grounds:         |                 |           |           |             |                     |                              |
| Personnel Services        | 348,469         | 418,369   | 387,697   | 466         | 388,163             | 30,206                       |
| Materials and Supplies    | 88,628          | 78,428    | 41,489    | -           | 41,489              | 36,939                       |
| Contractual Services      | 392,297         | 394,077   | 252,019   | -           | 252,019             | 142,058                      |
| Total Building/Grounds    | \$ 829,394      | 890,874   | 681,205   | 466         | 681,671             | 209,203                      |
|                           |                 |           |           |             |                     | (Continued)                  |

(Continued)



**CITY OF LAREDO, TEXAS  
MUNICIPAL TRANSIT SYSTEM  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
Year ended September 30, 2021**

(Continued)

|  | <b>Budgeted Amount</b> |                   | <b>Actual</b>     | <b>Adjustments</b> | <b>Actual<br/>Budget<br/>Basis</b> | <b>Variance<br/>Positive<br/>(Negative)</b> |
|--|------------------------|-------------------|-------------------|--------------------|------------------------------------|---|
|  | <b>Original</b>        | <b>Final</b>      |                   |                    |                                    |   |
| Bus Stop/Shelters:                           |                        |                   |                   |                    |                                    |   |
| Personnel Services                           | \$ 59,630              | 82,945            | 81,594            | -                  | 81,594                             | 1,351                                       |
| Materials and Supplies                       | 154,964                | 142,189           | 87,231            | -                  | 87,231                             | 54,958                                      |
| Contractual Services                         | 43,475                 | 32,475            | 9,637             | -                  | 9,637                              | 22,838                                      |
| <b>Total Bus Stop/Shelters</b>               | <b>258,069</b>         | <b>257,609</b>    | <b>178,462</b>    | <b>-</b>           | <b>178,462</b>                     | <b>79,147</b>                               |
| General Administration:                      |                        |                   |                   |                    |                                    |   |
| Personnel Services                           | 525,010                | 211,486           | 499,914           | (3,556)            | 496,358                            | (284,872)                                   |
| Materials and Supplies                       | 28,638                 | 31,168            | 22,830            | -                  | 22,830                             | 8,338                                       |
| Contractual Services                         | 707,745                | 919,284           | 851,120           | -                  | 851,120                            | 68,164                                      |
| Other  | 5,280,032              | 5,148,565         | -                 | -                  | -                                  | 5,148,565                                   |
| Debt Service                                 | -                      | 54                | 7                 | -                  | 7                                  | 47  |
| <b>Total General Administration</b>          | <b>6,541,425</b>       | <b>6,310,557</b>  | <b>1,373,871</b>  | <b>(3,556)</b>     | <b>1,370,315</b>                   | <b>4,940,242</b>                            |
| Transit Center Building:                     |                        |                   |                   |                    |                                    |   |
| Personnel Services                           | 220,740                | 232,472           | 212,657           | 528                | 213,185                            | 19,287                                      |
| Materials and Supplies                       | 77,268                 | 74,637            | 60,707            | -                  | 60,707                             | 13,930                                      |
| Contractual Services                         | 351,824                | 355,447           | 311,170           | -                  | 311,170                            | 44,277                                      |
| Other  | -                      | 2,100             | 2,100             | -                  | 2,100                              | -   |
| Capital Outlay                               | 14,950                 | 14,950            | -                 | 14,891             | 14,891                             | 59  |
| <b>Total Transit Center Building</b>         | <b>664,782</b>         | <b>679,606</b>    | <b>586,634</b>    | <b>15,419</b>      | <b>602,053</b>                     | <b>77,553</b>                               |
| Transit Center Facility:                     |                        |                   |                   |                    |                                    |   |
| Personnel Services                           | 91,916                 | 91,916            | 81,459            | (564)              | 80,895                             | 11,021                                      |
| Materials and Supplies                       | 2,000                  | 160               | 159               | -                  | 159                                | 1   |
| Contractual Services                         | 20,560                 | 7,529             | 7,430             | -                  | 7,430                              | 99  |
| Other  | 200                    | 200               | (58)              | -                  | (58)                               | 258   |
| Debt Service                                 | -                      | 47                | 6                 | -                  | 6                                  | 41  |
| <b>Total Transit Center Facility</b>         | <b>114,676</b>         | <b>99,852</b>     | <b>88,996</b>     | <b>(564)</b>       | <b>88,432</b>                      | <b>11,420</b>                               |
| Total Operating Expenses Before Depreciation | 23,017,961             | 22,687,767        | 15,840,681        | 35,760             | 15,876,441                         | 6,811,326                                   |
| Depreciation                                 | -                      | -                 | 2,322,560         | (2,322,560)        | -                                  | -   |
| <b>TOTAL OPERATING EXPENSES</b>              | <b>23,017,961</b>      | <b>22,687,767</b> | <b>18,163,241</b> | <b>(2,286,800)</b> | <b>15,876,441</b>                  | <b>6,811,326</b>                            |
| Operating Income (Loss)                      | \$ (18,405,269)        | (12,997,360)      | (15,703,552)      | 2,286,800          | (13,416,752)                       | (419,392)                                   |

(Continued)

**CITY OF LAREDO, TEXAS  
MUNICIPAL TRANSIT SYSTEM  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
Year ended September 30, 2021**

(Continued)

|  |    | Budgeted Amount |              |             | Actual       | Variance            |              |
|--|----|-----------------|--------------|-------------|--------------|---------------------|--------------|
|  |    | Original        | Final        | Actual      | Budget Basis | Positive (Negative) |              |
| NONOPERATING REVENUES (EXPENSES):                |    |                 |              |             |              |                     |              |
| Investment Income:                               |    |                 |              |             |              |                     |              |
| Interest Earnings                                | \$ | 11,700          | 11,700       | 34,132      | -            | 34,132              | 22,432       |
| Interest Earnings-Restricted                     |    | -               | -            | 3,745       | -            | 3,745               | 3,745        |
| Discount Earnings                                |    | 100             | 100          | 117         | -            | 117                 | 17           |
| Miscellaneous                                    |    | -               | 41,830       | 843         | -            | 843                 | (40,987)     |
| Sales Tax  |    | 7,840,701       | 7,840,701    | 9,134,586   | -            | 9,134,586           | 1,293,885    |
| Loss on Sale of Asstes                           |    | -               | -            | (8,359)     | 8,359        | -                   | -            |
| Bond Proceeds                                    |    | -               | 964,300      | -           | 964,300      | 964,300             | -            |
| Interest Expense                                 |    | (150,583)       | (150,583)    | (142,475)   | 7,264        | (135,211)           | 15,372       |
| Principal Paid Revenue Bonds                     |    | (1,018,372)     | (1,935,619)  | -           | (1,937,616)  | (1,937,616)         | (1,997)      |
| Loss on Advanced Refunding                       |    | -               | 28,741       | (47,742)    | 19,001       | (28,741)            | (57,482)     |
| Bond Issuance Costs/Premiums Amortized           |    | -               | -            | 59,010      | (59,010)     | -                   | -            |
| Bond Costs                                       |    | -               | 6,599,363    | (18,312)    | -            | (18,312)            | (6,617,675)  |
| FTA Operating Grant                              |    | 3,528,686       | 3,528,686    | -           | -            | -                   | (3,528,686)  |
| CARES Act Operating Grant                        |    | 7,788,087       | 2,210,072    | 2,210,072   | -            | 2,210,072           | -            |
| Fiscal Agent Fees                                |    | -               | -            | (292)       | -            | (292)               | (292)        |
| State Operating Grant                            |    | 659,313         | 659,313      | 637,564     | -            | 637,564             | (21,749)     |
| Construction                                     |    | (1,066,583)     | (13,970,546) | -           | (2,020,134)  | (2,020,134)         | 11,950,412   |
| Other Non-Operating Expenses                     |    | -               | (3,162,834)  | (113,265)   | -            | (113,265)           | 3,049,569    |
| TOTAL NONOPERATING REVENUES AND (EXPENSES)       |    | 17,593,049      | 2,665,224    | 11,749,624  | (3,017,836)  | 8,731,788           | 6,066,564    |
| Income (Loss) Before Contributions and Transfers |    | (812,220)       | (10,332,136) | (3,953,928) | (731,036)    | (4,684,964)         | 5,647,172    |
| Capital Contributions:                           |    |                 |              |             |              |                     |              |
| Federal Capital Grant                            |    | 1,503,805       | 14,521,210   | 859,124     | -            | 859,124             | (13,662,086) |
| Transfers In:                                    |    |                 |              |             |              |                     |              |
| Transit Sales Tax                                |    | 6,840,732       | 6,840,732    | -           | 10,501,833   | 10,501,833          | 3,661,101    |
| Transit Operations                               |    | 83,622          | 83,622       | -           | 102,919      | 102,919             | 19,297       |
| Transfers Out:                                   |    |                 |              |             |              |                     |              |
| General Fund                                     |    | -               | (244,882)    | -           | -            | -                   | 244,882      |
| El Metro Operations                              |    | (6,727,954)     | (6,727,954)  | -           | (10,489,333) | (10,489,333)        | (3,761,379)  |
| Transit System                                   |    | (83,622)        | (7,840,732)  | -           | (102,919)    | (102,919)           | 7,737,813    |
| Capital and Planning                             |    | (112,778)       | (112,778)    | -           | (12,500)     | (12,500)            | 100,278      |
| Change in Net Position                           |    | 691,585         | (3,812,918)  | (3,094,804) | (731,036)    | (3,825,840)         | (12,922)     |
| Total Net Position-Beginning                     |    | 32,929,743      | 32,929,743   | 32,929,743  | -            | 32,929,743          | -            |
| Total Net Position-Ending                        |    | \$ 33,621,328   | 29,116,825   | 29,834,939  | (731,036)    | 29,103,903          | (12,922)     |

**CITY OF LAREDO, TEXAS  
MUNICIPAL TRANSIT SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|   |                     |
|---|---------------------|
| Receipts from customers and users                       | \$ 2,059,355        |
| Receipts from interfund services provided               | 399,031             |
| Payments to suppliers                                   | (4,056,176)         |
| Payments to employees                                   | (11,768,296)        |
| Payments for interfund services used                    | (250,114)           |
| <b>Net cash provided (used) by operating activities</b> | <b>(13,616,200)</b> |

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

|  |                   |
|--|-------------------|
| Transfer to other funds  | (10,604,752)      |
| Transfer from other funds  | 10,604,752        |
| Subsidy from federal and state grants  | 5,574,155         |
| Sales Tax  | 9,134,586         |
| <b>Net cash provided (used) by noncapital and related financing activities</b> | <b>14,708,741</b> |

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

|   |                    |
|---|--------------------|
| Proceeds from capital debt  | 917,247            |
| Subsidy from federal and state grants                                       | 859,124            |
| Acquisition and construction of capital assets                              | (2,147,447)        |
| Principal paid on capital debt  | (1,937,616)        |
| Interest paid on capital debt   | (150,031)          |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b>(2,458,723)</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                  |
|---|------------------|
| Proceeds from sales and maturities of investments       | 1,276,854        |
| Interest and dividends received                         | 77,856           |
| <b>Net cash provided (used) by investing activities</b> | <b>1,354,710</b> |

|   |                 |
|---|-----------------|
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>(11,472)</b> |
| <b>Cash and cash equivalents, October 1</b>                 | <b>44,165</b>   |

|  |                  |
|--|------------------|
| <b>Cash and cash equivalents, September 30</b> | <b>\$ 32,693</b> |
|--|------------------|

(Continued)

**CITY OF LAREDO, TEXAS  
MUNICIPAL TRANSIT SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

(Continued)

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

|  |           |                     |
|--|-----------|---------------------|
| Operating income   | \$        | (15,703,552)        |
| Adjustments to reconcile operating<br>income to net cash provided (used)<br>by operating activities: |           |                     |
| Depreciation expense   |           | 2,322,560           |
| (Increase) decrease in accounts receivable   |           | (2,055)             |
| (Increase) decrease in inventories   |           | (33,772)            |
| Increase in customer deposits  |           | 750                 |
| Increase (decrease) in accounts payable  |           | 423,653             |
| Increase (decrease) in compensated absences payable  |           | (20,871)            |
| Increase (decrease) in net pension liability   |           | (2,129,461)         |
| Increase (decrease) in deferred outflows-pension   |           | 4,329               |
| Increase (decrease) in deferred inflows-pension  |           | 1,430,770           |
| Increase (decrease) in accrued wages and employee benefits   |           | 91,449              |
| <b>Total adjustments</b>   |           | <b>2,087,352</b>    |
| <b>Net cash provided (used) by operating activities</b>  | <b>\$</b> | <b>(13,616,200)</b> |

**CITY OF LAREDO, TEXAS**  
**BRIDGE SYSTEM**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

|   | <b>Budgeted Amount</b> |                   |                   |                    | <b>Actual</b>       | <b>Variance</b>            |
|---|------------------------|-------------------|-------------------|--------------------|---------------------|----------------------------|
|   | <b>Original</b>        | <b>Final</b>      | <b>Actual</b>     | <b>Adjustments</b> | <b>Budget Basis</b> | <b>Positive (Negative)</b> |
| <b>OPERATING REVENUES:</b>                          |                        |                   |                   |                    |                     |                            |
| Rental of Facilities                                | \$ 178,850             | 178,850           | 185,122           | -                  | 185,122             | 6,272                      |
| Toll Receipts                                       | 60,092,070             | 60,092,070        | 64,933,554        | -                  | 64,933,554          | 4,841,484                  |
| Miscellaneous                                       | 696,989                | 696,989           | 866,442           | -                  | 866,442             | 169,453                    |
| <b>TOTAL OPERATING REVENUES</b>                     | <b>60,967,909</b>      | <b>60,967,909</b> | <b>65,985,118</b> | <b>-</b>           | <b>65,985,118</b>   | <b>5,017,209</b>           |
| <b>OPERATING EXPENSES:</b>                          |                        |                   |                   |                    |                     |                            |
| Laredo Bridge Operations:                           |                        |                   |                   |                    |                     |                            |
| Personnel Services                                  | 2,651,027              | 2,567,746         | 2,012,825         | (14,530)           | 1,998,295           | 569,451                    |
| Materials and Supplies                              | 232,644                | 218,414           | 141,909           | -                  | 141,909             | 76,505                     |
| Contractual Services                                | 34,938,929             | 34,876,286        | 36,986,703        | -                  | 36,986,703          | (2,110,417)                |
| Other   | 540,000                | 40,000            | 2,488             | -                  | 2,488               | 37,512                     |
| Capital Outlay                                      | -                      | 56,953            | -                 | 24,807             | 24,807              | 32,146                     |
| <b>Total Laredo Bridge Operations</b>               | <b>38,362,600</b>      | <b>37,759,399</b> | <b>39,143,925</b> | <b>10,277</b>      | <b>39,154,202</b>   | <b>(1,394,803)</b>         |
| Bridge II Operations:                               |                        |                   |                   |                    |                     |                            |
| Personnel Services                                  | 2,633,482              | 2,641,982         | 2,127,962         | (5,486)            | 2,122,476           | 519,506                    |
| Materials and Supplies                              | 224,565                | 384,365           | 193,510           | -                  | 193,510             | 190,855                    |
| Contractual Services                                | 566,828                | 653,615           | 377,472           | -                  | 377,472             | 276,143                    |
| Other   | -                      | -                 | (2,702)           | -                  | (2,702)             | 2,702                      |
| Capital Outlay                                      | -                      | 22,845            | -                 | 21,947             | 21,947              | 898                        |
| <b>Total Bridge II Operations</b>                   | <b>3,424,875</b>       | <b>3,702,807</b>  | <b>2,696,242</b>  | <b>16,461</b>      | <b>2,712,703</b>    | <b>990,104</b>             |
| Colombia Bridge Operations:                         |                        |                   |                   |                    |                     |                            |
| Personnel Services                                  | 1,353,649              | 1,307,054         | 944,740           | (8,937)            | 935,803             | 371,251                    |
| Materials and Supplies                              | 37,348                 | 96,179            | 56,598            | -                  | 56,598              | 39,581                     |
| Contractual Services                                | 379,906                | 451,573           | 303,885           | -                  | 303,885             | 147,688                    |
| Other   | -                      | -                 | (40)              | -                  | (40)                | 40                         |
| Capital Outlay                                      | -                      | 33,837            | -                 | 21,947             | 21,947              | 11,890                     |
| <b>Total Colombia Bridge Operations</b>             | <b>1,770,903</b>       | <b>1,888,643</b>  | <b>1,305,183</b>  | <b>13,010</b>      | <b>1,318,193</b>    | <b>570,450</b>             |
| Refrigerated Facility:                              |                        |                   |                   |                    |                     |                            |
| Contractual Services                                | 262,762                | 262,762           | -                 | -                  | -                   | 262,762                    |
| <b>Total Refrigerated Facility</b>                  | <b>262,762</b>         | <b>262,762</b>    | <b>-</b>          | <b>-</b>           | <b>-</b>            | <b>262,762</b>             |
| Port Police:  |                        |                   |                   |                    |                     |                            |
| Personnel Services                                  | 379,040                | 379,040           | 268,119           | 3,602              | 271,721             | 107,319                    |
| Materials and Supplies                              | 3,500                  | 3,500             | -                 | -                  | -                   | 3,500                      |
| Contractual Services                                | 1,500                  | 1,500             | 1,448             | -                  | 1,448               | 52                         |
| <b>Total Port Police</b>                            | <b>384,040</b>         | <b>384,040</b>    | <b>269,567</b>    | <b>3,602</b>       | <b>273,169</b>      | <b>110,871</b>             |
| Fourth Bridge Operations:                           |                        |                   |                   |                    |                     |                            |
| Personnel Services                                  | 2,774,076              | 2,574,076         | 1,952,746         | 2,473              | 1,955,219           | 618,857                    |
| Materials and Supplies                              | 256,929                | 449,663           | 253,887           | -                  | 253,887             | 195,776                    |
| Contractual Services                                | 1,167,723              | 1,358,798         | 1,151,148         | -                  | 1,151,148           | 207,650                    |
| Other   | -                      | -                 | (548)             | -                  | (548)               | 548                        |
| Capital Outlay                                      | -                      | 19,940            | -                 | 19,041             | 19,041              | 899                        |
| <b>Total Fourth Bridge Operations</b>               | <b>4,198,728</b>       | <b>4,402,477</b>  | <b>3,357,233</b>  | <b>21,514</b>      | <b>3,378,747</b>    | <b>1,023,730</b>           |
| <b>Total Operating Expenses Before Depreciation</b> | <b>48,403,908</b>      | <b>48,400,128</b> | <b>46,772,150</b> | <b>64,864</b>      | <b>46,837,014</b>   | <b>1,563,114</b>           |
| Depreciation  | -                      | -                 | 3,056,705         | (3,056,705)        | -                   | -                          |
| <b>TOTAL OPERATING EXPENSES</b>                     | <b>48,403,908</b>      | <b>48,400,128</b> | <b>49,828,855</b> | <b>(2,991,841)</b> | <b>46,837,014</b>   | <b>1,563,114</b>           |
| Operating Income (Loss)                             | \$ 12,564,001          | 12,567,781        | 16,156,263        | 2,991,841          | 19,148,104          | 6,580,323                  |

(Continued)

**CITY OF LAREDO, TEXAS**  
**BRIDGE SYSTEM**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

(Continued)

|  | Budgeted Amount |              | Actual       | Adjustments | Actual Budget Basis | Variance Positive (Negative) |
|--|-----------------|--------------|--------------|-------------|---------------------|------------------------------|
|  | Original        | Final        |              |             |                     |                              |
| NONOPERATING REVENUES (EXPENSES):                |                 |              |              |             |                     |                              |
| Investment Income:                               |                 |              |              |             |                     |                              |
| Interest Earnings                                | \$ 105,617      | 105,617      | 92,830       | -           | 92,830              | (12,787)                     |
| Interest Earnings - Restricted                   | 72,907          | 72,907       | 40,356       | -           | 40,356              | (32,551)                     |
| Gain/(Loss) On Sale of Assets                    | 56              | 56           | 47           | -           | 47                  | (9)                          |
| Operating Grant                                  | -               | -            | 194          | -           | 194                 | 194                          |
| Capital Grant                                    | -               | 8,000,000    | 591,171      | -           | 591,171             | (7,408,829)                  |
| Interest Expense                                 | (1,310,363)     | (1,310,943)  | (1,311,587)  | -           | (1,311,587)         | (644)                        |
| Principal Paid                                   | (4,830,000)     | (4,833,200)  | -            | (4,833,036) | (4,833,036)         | 164                          |
| Fiscal Agent Fees                                | (5,500)         | (5,500)      | (5,900)      | -           | (5,900)             | (400)                        |
| Bond Issuance Cost/Premiums Amortized            | -               | -            | 393,128      | (393,128)   | -                   | -                            |
| Loss on Advance Refunding                        | -               | -            | (183,129)    | 183,129     | -                   | -                            |
| Other Non-Operating Expenses                     | (800,000)       | (800,000)    | -            | -           | -                   | 800,000                      |
| Construction                                     | (19,734,645)    | (17,790,200) | (1,615,839)  | (91,558)    | (1,707,397)         | 16,082,803                   |
| TOTAL NONOPERATING REVENUES (EXPENSES)           | (26,501,928)    | (16,561,263) | (1,998,729)  | (5,134,593) | (7,133,322)         | 9,427,941                    |
| Income (Loss) Before Contributions and Transfers | (13,937,927)    | (3,993,482)  | 14,157,534   | (2,142,752) | 12,014,782          | 16,008,264                   |
| Transfers In:                                    |                 |              |              |             |                     |                              |
| Bridge Operating Fund                            | 6,705,378       | 6,705,378    | -            | 5,919,105   | 5,919,105           | (786,273)                    |
| Transfers Out:                                   |                 |              |              |             |                     |                              |
| Capital Improvements Fund                        | (5,504,261)     | (5,504,261)  | (13,845,259) | -           | (13,845,259)        | (8,340,998)                  |
| Debt Service                                     | (771,452)       | (771,452)    | (771,452)    | -           | (771,452)           | -                            |
| Bridge Refrigerated Facility                     | (15,000)        | (15,000)     | -            | (15,018)    | (15,018)            | (18)                         |
| Bridge Debt Service                              | (6,690,378)     | (6,690,378)  | -            | (5,904,087) | (5,904,087)         | 786,291                      |
| Change in Net Position                           | (20,213,640)    | (10,269,195) | (459,177)    | (2,142,752) | (2,601,929)         | 7,667,266                    |
| Total Net Position-Beginning                     | 48,479,600      | 48,479,600   | 48,479,600   | -           | 48,479,600          | -                            |
| Total Net Position-Ending                        | \$ 28,265,960   | 38,210,405   | 48,020,423   | (2,142,752) | 45,877,671          | 7,667,266                    |

**CITY OF LAREDO, TEXAS  
BRIDGE SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|  |                   |
|--|-------------------|
| Receipts from customers and users                | \$ 66,290,756     |
| Payments to suppliers                            | (2,670,349)       |
| Payments to employees                            | (8,465,352)       |
| Payments for interfund services used             | (36,547,025)      |
|  | <hr/>             |
| <b>Net cash provided by operating activities</b> | <b>18,608,030</b> |

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

|  |                     |
|--|---------------------|
| Transfer to other funds  | (14,616,711)        |
| Subsidy from federal and state grants  | 352,870             |
|  | <hr/>               |
| <b>Net cash provided (used) by noncapital and related financing activities</b> | <b>(14,263,841)</b> |

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

|   |                    |
|---|--------------------|
| Acquisition and construction of capital assets                              | (1,795,139)        |
| Principal paid on capital debt  | (4,833,036)        |
| Interest paid on capital debt   | (1,317,487)        |
| Proceeds from sales of capital assets                                       | 47                 |
|   | <hr/>              |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b>(7,945,615)</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                  |
|---|------------------|
| Proceeds from sales and maturities of investments       | 3,259,984        |
| Interest and dividends received                         | 329,038          |
|   | <hr/>            |
| <b>Net cash provided (used) by investing activities</b> | <b>3,589,022</b> |

|   |                  |
|---|------------------|
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>(12,404)</b>  |
| <b>Cash and cash equivalents, October 1</b>                 | <b>85,549</b>    |
|   | <hr/>            |
| <b>Cash and cash equivalents, September 30</b>              | <b>\$ 73,145</b> |
|   | <hr/> <hr/>      |

(Continued)

**CITY OF LAREDO, TEXAS  
BRIDGE SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

(Continued)

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

|  |    |             |
|--|----|-------------|
| Operating income   | \$ | 16,156,263  |
| Adjustments to reconcile operating<br>income to net cash provided (used)<br>by operating activities: |    |             |
| Depreciation expense   |    | 3,056,705   |
| Increase (decrease) in accounts payable  |    | 248,384     |
| Increase (decrease) in deferred revenues   |    | 305,638     |
| Increase (decrease) in compensated absences payable  |    | 15,510      |
| Increase (decrease) in net pension liability   |    | (302,350)   |
| Increase (decrease) in deferred outflows-pension   |    | 129,421     |
| Increase (decrease) in deferred inflows-pension  |    | (1,054,076) |
| Increase (decrease) in accrued wages and employee benefits   |    | 52,535      |

**Total adjustments**

**2,451,767**

**Net cash provided by operating activities**

**\$ 18,608,030**

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

|                              |           |
|------------------------------|-----------|
| Bond issuance cost amortized | (393,128) |
| Loss on advance refunding    | 183,129   |



**CITY OF LAREDO, TEXAS**  
**MUNICIPAL HOUSING CORPORATION**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

|   | <b>Budgeted Amount</b> |                  |                  |                    | <b>Actual</b>       | <b>Variance</b>            |
|---|------------------------|------------------|------------------|--------------------|---------------------|----------------------------|
|   | <b>Original</b>        | <b>Final</b>     | <b>Actual</b>    | <b>Adjustments</b> | <b>Budget Basis</b> | <b>Positive (Negative)</b> |
| <b>OPERATING REVENUES:</b>                          |                        |                  |                  |                    |                     |                            |
| Rental of Facilities                                | \$ 1,590,550           | 1,589,450        | 1,509,666        | -                  | 1,509,666           | (79,784)                   |
| Charges for Services                                | 190,000                | 190,000          | 218,978          | -                  | 218,978             | 28,978                     |
| Fees and Collections                                | 25,500                 | 25,500           | 13,200           | -                  | 13,200              | (12,300)                   |
| Miscellaneous                                       | 788                    | 1,888            | 28,527           | -                  | 28,527              | 26,639                     |
| <b>TOTAL OPERATING REVENUES</b>                     | <b>1,806,838</b>       | <b>1,806,838</b> | <b>1,770,371</b> | <b>-</b>           | <b>1,770,371</b>    | <b>(36,467)</b>            |
| <b>OPERATING EXPENSES:</b>                          |                        |                  |                  |                    |                     |                            |
| Airport Housing:                                    |                        |                  |                  |                    |                     |                            |
| Personnel Services                                  | 617,258                | 657,353          | 557,509          | (13,523)           | 543,986             | 113,367                    |
| Materials and Supplies                              | 217,620                | 226,133          | 193,577          | -                  | 193,577             | 32,556                     |
| Contractual Services                                | 685,960                | 618,955          | 1,078,789        | -                  | 1,078,789           | (459,834)                  |
| Other   | -                      | 400              | 6,305            | (5,905)            | 400                 | -                          |
| Capital Outlay                                      | 575,504                | 575,504          | -                | -                  | -                   | 575,504                    |
| <b>Total Airport Housing</b>                        | <b>2,096,342</b>       | <b>2,078,345</b> | <b>1,836,180</b> | <b>(19,428)</b>    | <b>1,816,752</b>    | <b>261,593</b>             |
| West Laredo Housing:                                |                        |                  |                  |                    |                     |                            |
| Personnel Services                                  | 93,258                 | 93,509           | 71,046           | (494)              | 70,552              | 22,957                     |
| Materials and Supplies                              | 48,181                 | 37,613           | 26,848           | -                  | 26,848              | 10,765                     |
| Contractual Services                                | 256,263                | 254,240          | 215,064          | -                  | 215,064             | 39,176                     |
| <b>Total West Laredo Housing</b>                    | <b>397,702</b>         | <b>385,362</b>   | <b>312,958</b>   | <b>(494)</b>       | <b>312,464</b>      | <b>72,898</b>              |
| Downtown Elderly Duplex:                            |                        |                  |                  |                    |                     |                            |
| Personnel Services                                  | 2,405                  | 2,925            | 649              | -                  | 649                 | 2,276                      |
| Materials and Supplies                              | 3,300                  | 3,713            | 2,160            | -                  | 2,160               | 1,553                      |
| Contractual Services                                | 17,043                 | 8,217            | 6,453            | -                  | 6,453               | 1,764                      |
| Capital Outlay                                      | -                      | 12,413           | -                | 12,413             | 12,413              | -                          |
| <b>Total Downtown Elderly Duplex Project</b>        | <b>22,748</b>          | <b>27,268</b>    | <b>9,262</b>     | <b>12,413</b>      | <b>21,675</b>       | <b>5,593</b>               |
| Elderly Housing-Convent St:                         |                        |                  |                  |                    |                     |                            |
| Personnel Services                                  | 24,046                 | 24,646           | 7,328            | -                  | 7,328               | 17,318                     |
| Materials and Supplies                              | 6,200                  | 9,456            | 4,272            | -                  | 4,272               | 5,184                      |
| Contractual Services                                | 55,354                 | 55,798           | 9,645            | -                  | 9,645               | 46,153                     |
| Other   | -                      | -                | 6,357            | -                  | 6,357               | (6,357)                    |
| <b>Total Elderly Housing-Convent St.</b>            | <b>85,600</b>          | <b>89,900</b>    | <b>27,602</b>    | <b>-</b>           | <b>27,602</b>       | <b>62,298</b>              |
| F. Salinas Elderly Duplex:                          |                        |                  |                  |                    |                     |                            |
| Personnel Services                                  | 7,215                  | 7,265            | 1,175            | -                  | 1,175               | 6,090                      |
| Materials and Supplies                              | 3,500                  | 3,500            | 1,030            | -                  | 1,030               | 2,470                      |
| Contractual Services                                | 23,005                 | 22,505           | 13,255           | -                  | 13,255              | 9,250                      |
| <b>Total F Salinas Elderly Duplex</b>               | <b>33,720</b>          | <b>33,270</b>    | <b>15,460</b>    | <b>-</b>           | <b>15,460</b>       | <b>17,810</b>              |
| TVC-Homes for Tx Heroes:                            |                        |                  |                  |                    |                     |                            |
| Materials and Supplies                              | -                      | 1,084            | 542              | -                  | 542                 | 542                        |
| Contractual Services                                | -                      | 471,046          | 203,659          | -                  | 203,659             | 267,387                    |
| Other   | -                      | -                | 16,056           | -                  | 16,056              | (16,056)                   |
| <b>Total TVC-Homes for Tx Heroes</b>                | <b>-</b>               | <b>472,130</b>   | <b>220,257</b>   | <b>-</b>           | <b>220,257</b>      | <b>251,873</b>             |
| TVC-Financial Assistance Program:                   |                        |                  |                  |                    |                     |                            |
| Materials and Supplies                              | -                      | 300              | 284              | -                  | 284                 | 16                         |
| Contractual Services                                | -                      | 49,700           | 40,586           | -                  | 40,586              | 9,114                      |
| <b>Total TVC-Financial Assistance Program</b>       | <b>-</b>               | <b>50,000</b>    | <b>40,870</b>    | <b>-</b>           | <b>40,870</b>       | <b>9,130</b>               |
| Weatherization Grant:                               |                        |                  |                  |                    |                     |                            |
| Contractual Services                                | -                      | 143,000          | 132,373          | -                  | 132,373             | 10,627                     |
| Other   | -                      | -                | 10,590           | -                  | 10,590              | (10,590)                   |
| <b>Total Weatherization Grant</b>                   | <b>-</b>               | <b>143,000</b>   | <b>142,963</b>   | <b>-</b>           | <b>142,963</b>      | <b>37</b>                  |
| <b>Total Operating Expenses Before Depreciation</b> | <b>2,636,112</b>       | <b>3,279,275</b> | <b>2,605,552</b> | <b>(7,509)</b>     | <b>2,598,043</b>    | <b>681,232</b>             |
| Depreciation Expense                                | -                      | -                | 38,063           | (38,063)           | -                   | -                          |
| <b>TOTAL OPERATING EXPENSES</b>                     | <b>2,636,112</b>       | <b>3,279,275</b> | <b>2,643,615</b> | <b>(45,572)</b>    | <b>2,598,043</b>    | <b>681,232</b>             |
| Operating Income (Loss)                             | \$ (829,274)           | (1,472,437)      | (873,244)        | 45,572             | (827,672)           | 644,765                    |

(Continued)

CITY OF LAREDO, TEXAS  
MUNICIPAL HOUSING CORPORATION  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
Year ended September 30, 2021

(Continued)

|  | Budgeted Amount |           | Actual    | Adjustments | Actual<br>Budget<br>Basis | Variance<br>Positive<br>(Negative) |
|--|-----------------|-----------|-----------|-------------|---------------------------|------------------------------------|
|  | Original        | Final     |           |             |                           |                                    |
| NONOPERATING REVENUES (EXPENSES):                |                 |           |           |             |                           |                                    |
| Investment Income:                               |                 |           |           |             |                           |                                    |
| Interest Earnings                                | \$ 6,800        | 6,800     | 3,983     | -           | 3,983                     | (2,817)                            |
| Discount Earnings                                | -               | -         | 94        | -           | 94                        | 94                                 |
| Intergovernmental Revenues:                      |                 |           |           |             |                           |                                    |
| FEMA   | -               | -         | 4,512     | -           | 4,512                     | 4,512                              |
| TVC-Homes for Texas Heroes                       | -               | 472,130   | 220,258   | -           | 220,258                   | (251,872)                          |
| TVC-Financial Assistance Program                 | -               | 50,000    | 40,870    | -           | 40,870                    | (9,130)                            |
| Principal paid                                   | -               | (481)     | -         | (480)       | (480)                     | 1                                  |
| Interest Expense                                 | -               | (65)      | (65)      | -           | (65)                      | -                                  |
| Gain (Loss) From Sales of Assets                 | 1,050           | 1,050     | 15        | -           | 15                        | (1,035)                            |
| Weatherization Grant                             | -               | 143,000   | 142,942   | -           | 142,942                   | (58)                               |
| TOTAL NONOPERATING REVENUES (EXPENSES)           | 7,850           | 672,434   | 412,609   | (480)       | 412,129                   | (260,305)                          |
| Income (Loss) Before Contributions and Transfers | (821,424)       | (800,003) | (460,635) | 45,092      | (415,543)                 | 384,460                            |
| Transfer Out:                                    |                 |           |           |             |                           |                                    |
| Home Investment                                  | -               | (21,421)  | (28,482)  | -           | (28,482)                  | (7,061)                            |
| Change in Net Position                           | (821,424)       | (821,424) | (489,117) | 45,092      | (444,025)                 | 377,399                            |
| Total Net Position-Beginning                     | 446,811         | 446,811   | 446,811   | -           | 446,811                   | -                                  |
| Total Net Position-Ending                        | \$ (374,613)    | (374,613) | (42,306)  | 45,092      | 2,786                     | 377,399                            |

**CITY OF LAREDO, TEXAS  
MUNICIPAL HOUSING CORPORATION  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|  |                  |
|--|------------------|
| Receipts from customers and users                | \$ 1,780,600     |
| Payments to suppliers                            | (1,752,624)      |
| Payments to employees                            | (729,188)        |
| Payments for interfund services used             | (242,420)        |
| <b>Net cash provided by operating activities</b> | <b>(943,632)</b> |

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

|  |                |
|--|----------------|
| Transfer to other funds  | (28,482)       |
| Subsidary from federal and state grant   | 435,618        |
| <b>Net cash provided (used) by noncapital and related financing activities</b> | <b>407,136</b> |

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

|   |                 |
|---|-----------------|
| Purchases of capital assets   | (12,399)        |
| Principal paid on capital debt  | (480)           |
| Interest paid on capital debt   | (65)            |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b>(12,944)</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                |
|---|----------------|
| Proceeds from sales and maturities of investments       | 533,989        |
| Interest and dividends received                         | 12,887         |
| <b>Net cash provided (used) by investing activities</b> | <b>546,876</b> |

|   |                 |
|---|-----------------|
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>(2,564)</b>  |
| <b>Cash and cash equivalents, October 1</b>                 | <b>3,869</b>    |
| <b>Cash and cash equivalents, September 30</b>              | <b>\$ 1,305</b> |

(Continued)

**CITY OF LAREDO, TEXAS  
MUNICIPAL HOUSING CORPORATION  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

(Continued)

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

|  |           |                  |
|--|-----------|------------------|
| Operating income   | \$        | (873,244)        |
| Adjustments to reconcile operating<br>income to net cash provided (used)<br>by operating activities: |           |                  |
| Depreciation expense   |           | 38,063           |
| (Increase) decrease in accounts receivable   |           | (4,861)          |
| Increase in allowance for uncollectible accounts   |           | 5,905            |
| Increase (decrease) in customer deposits   |           | 9,411            |
| Increase (decrease) in accounts payable  |           | (55,233)         |
| Increase (decrease) in retainage payable   |           | 28,034           |
| Increase (decrease) in deferred revenues   |           | (226)            |
| Increase (decrease) in compensated absences payable  |           | 14,016           |
| Increase (decrease) in deferred outflows-pension   |           | 8,859            |
| Increase (decrease) in deferred inflows-pension  |           | (88,690)         |
| Increase (decrease) in net pension liability   |           | (26,546)         |
| Increase (decrease) in accrued wages and employee benefits   |           | 880              |
| <b>Total adjustments</b>   |           | <b>(70,388)</b>  |
| <b>Net cash provided by operating activities</b>   | <b>\$</b> | <b>(943,632)</b> |

**CITY OF LAREDO, TEXAS**  
**WATERWORKS SYSTEM**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

|                                     | Budgeted Amount |            | Actual     | Adjustments | Actual Budget Basis | Variance Positive (Negative) |
|-------------------------------------|-----------------|------------|------------|-------------|---------------------|------------------------------|
|                                     | Original        | Final      |            |             |                     |                              |
| OPERATING REVENUES:                 |                 |            |            |             |                     |                              |
| Charges for Services                | \$ 50,360,648   | 50,360,648 | 47,868,810 | -           | 47,868,810          | (2,491,838)                  |
| Miscellaneous                       | 5,778,039       | 5,778,039  | 5,896,340  | -           | 5,896,340           | 118,301                      |
| TOTAL OPERATING REVENUES            | 56,138,687      | 56,138,687 | 53,765,150 | -           | 53,765,150          | (2,373,537)                  |
| OPERATING EXPENSES:                 |                 |            |            |             |                     |                              |
| General and Administrative:         |                 |            |            |             |                     |                              |
| Personnel Services                  | 1,152,170       | 1,152,670  | 822,943    | (578)       | 822,365             | 330,305                      |
| Materials and Supplies              | 256,149         | 255,549    | 125,199    |             | 125,199             | 130,350                      |
| Contractual Services                | 4,524,977       | 4,608,065  | 4,266,934  | -           | 4,266,934           | 341,131                      |
| Other                               | 2,197,197       | 1,844,908  | 2,129,731  | (946,753)   | 1,182,978           | 661,930                      |
| Capital Outlay                      | -               | 268,601    | -          | -           | -                   | 268,601                      |
| Total General and Administrative    | 8,130,493       | 8,129,793  | 7,344,807  | (947,331)   | 6,397,476           | 1,732,317                    |
| GIS:                                |                 |            |            |             |                     |                              |
| Personnel Services                  | 397,406         | 397,456    | 244,575    | 2,757       | 247,332             | 150,124                      |
| Materials and Supplies              | 6,316           | 6,466      | 1,086      | -           | 1,086               | 5,380                        |
| Contractual Services                | 48,451          | 48,251     | 25,344     | -           | 25,344              | 22,907                       |
| Total GIS                           | 452,173         | 452,173    | 271,005    | 2,757       | 273,762             | 178,411                      |
| Utility Engineering:                |                 |            |            |             |                     |                              |
| Personnel Services                  | 1,443,481       | 1,443,481  | 779,821    | (3,735)     | 776,086             | 667,395                      |
| Materials and Supplies              | 30,858          | 31,011     | 20,408     | -           | 20,408              | 10,603                       |
| Contractual Services                | 97,329          | 96,529     | 72,221     | -           | 72,221              | 24,308                       |
| Total Utility Engineering           | 1,571,668       | 1,571,021  | 872,450    | (3,735)     | 868,715             | 702,306                      |
| Utility Billing:                    |                 |            |            |             |                     |                              |
| Personnel Services                  | 2,776,130       | 2,788,094  | 2,193,989  | 13,618      | 2,207,607           | 580,487                      |
| Materials and Supplies              | 1,048,872       | 1,394,555  | 1,349,815  | -           | 1,349,815           | 44,740                       |
| Contractual Services                | 1,557,321       | 1,539,018  | 1,317,337  | -           | 1,317,337           | 221,681                      |
| Other                               | 340,683         | 135        | 125        | -           | 125                 | 10                           |
| Total Utility Billing               | 5,723,006       | 5,721,802  | 4,861,266  | 13,618      | 4,874,884           | 846,918                      |
| Asset Management:                   |                 |            |            |             |                     |                              |
| Personnel Services                  | 242,038         | 254,988    | 203,584    | 6,803       | 210,387             | 44,601                       |
| Materials and Supplies              | 20,589          | 12,858     | 11,777     | -           | 11,777              | 1,081                        |
| Contractual Services                | 51,999          | 46,780     | 38,836     | -           | 38,836              | 7,944                        |
| Total Asset Management              | 314,626         | 314,626    | 254,197    | 6,803       | 261,000             | 53,626                       |
| Water Treatment:                    |                 |            |            |             |                     |                              |
| Personnel Services                  | 3,170,069       | 3,498,069  | 2,787,894  | 58,070      | 2,845,964           | 652,105                      |
| Materials and Supplies              | 1,865,272       | 2,132,725  | 2,195,617  | -           | 2,195,617           | (62,892)                     |
| Contractual Services                | 4,522,943       | 4,386,144  | 3,961,779  | -           | 3,961,779           | 424,365                      |
| Other                               | 445,351         | -          | -          | -           | -                   | -                            |
| Total Water Treatment               | 10,003,635      | 10,016,938 | 8,945,290  | 58,070      | 9,003,360           | 1,013,578                    |
| Transmission and Distribution:      |                 |            |            |             |                     |                              |
| Personnel Services                  | 3,448,031       | 3,451,631  | 2,722,834  | (11,101)    | 2,711,733           | 739,898                      |
| Materials and Supplies              | 797,403         | 1,033,157  | 1,208,310  | -           | 1,208,310           | (175,153)                    |
| Contractual Services                | 1,183,981       | 917,270    | 863,348    | -           | 863,348             | 53,922                       |
| Other                               | -               | 26,146     | 26,009     | -           | 26,009              | 137                          |
| Total Transmission and Distribution | \$ 5,429,415    | 5,428,204  | 4,820,501  | (11,101)    | 4,809,400           | 618,804                      |

(Continued)

(Continued)

**CITY OF LAREDO, TEXAS**  
**WATERWORKS SYSTEM**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

(Continued)

|   | <b>Budgeted Amount</b> |                     |                    |                     | <b>Actual</b>       | <b>Variance</b>            |
|---|------------------------|---------------------|--------------------|---------------------|---------------------|----------------------------|
|   | <b>Original</b>        | <b>Final</b>        | <b>Actual</b>      | <b>Adjustments</b>  | <b>Budget Basis</b> | <b>Positive (Negative)</b> |
| Water Pollution Control:                                |                        |                     |                    |                     |                     |                            |
| Personnel Services                                      | \$ 620,493             | 621,750             | 410,817            | (1,174)             | 409,643             | 212,107                    |
| Materials and Supplies                                  | 42,955                 | 70,817              | 29,703             | -                   | 29,703              | 41,114                     |
| Contractual Services                                    | 117,418                | 88,299              | 48,662             | -                   | 48,662              | 39,637                     |
| Other   | 197,984                | 197,984             | 7,500              | -                   | 7,500               | 190,484                    |
| <b>Total Water Pollution Control</b>                    | <b>978,850</b>         | <b>978,850</b>      | <b>496,682</b>     | <b>(1,174)</b>      | <b>495,508</b>      | <b>483,342</b>             |
| <b>Total Operating Expenses Before</b>                  |                        |                     |                    |                     |                     |                            |
| Depreciation  | 32,603,866             | 32,613,407          | 27,866,198         | (882,093)           | 26,984,105          | 5,629,302                  |
| Depreciation Expense                                    | -                      | -                   | 11,799,721         | (11,799,721)        | -                   | -                          |
| <b>TOTAL OPERATING EXPENSES</b>                         | <b>32,603,866</b>      | <b>32,613,407</b>   | <b>39,665,919</b>  | <b>(12,681,814)</b> | <b>26,984,105</b>   | <b>5,629,302</b>           |
| <b>Operating Income (Loss)</b>                          | <b>23,534,821</b>      | <b>23,525,280</b>   | <b>14,099,231</b>  | <b>12,681,814</b>   | <b>26,781,045</b>   | <b>3,255,765</b>           |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                |                        |                     |                    |                     |                     |                            |
| Investment Income:                                      |                        |                     |                    |                     |                     |                            |
| Interest Earnings                                       | 346,014                | 346,014             | 285,655            | -                   | 285,655             | (60,359)                   |
| Interest Earnings Restricted                            | 348,885                | 713,581             | 358,158            | -                   | 358,158             | (355,423)                  |
| Discount Earnings                                       | 33,885                 | 33,885              | 22,773             | -                   | 22,773              | (11,112)                   |
| Premiums  | -                      | 5,685,440           | -                  | 5,685,440           | 5,685,440           | -                          |
| Miscellaneous   | 300,150                | 5,633,221           | 5,469,542          | -                   | 5,469,542           | (163,679)                  |
| Water Availability Fees                                 | 2,485,475              | 2,485,475           | 2,800,224          | -                   | 2,800,224           | 314,749                    |
| Gain on Sale of Assets                                  | 8,160                  | 8,160               | 11,651             | -                   | 11,651              | 3,491                      |
| Bond Issues   | -                      | 67,184,300          | -                  | 67,184,300          | 67,184,300          | -                          |
| Intergovernmental Revenue                               | -                      | -                   | 7,722              | -                   | 7,722               | 7,722                      |
| Interest Expense  | (9,482,724)            | (9,483,335)         | (10,309,102)       | 50,539              | (10,258,563)        | (775,228)                  |
| Principal Paid  | (8,258,658)            | (40,381,751)        | -                  | (39,317,261)        | (39,317,261)        | 1,064,490                  |
| Fiscal Agent Fees                                       | -                      | -                   | (8,475)            | -                   | (8,475)             | (8,475)                    |
| Bond Issuance Cost/Premiums Amortized                   | -                      | (759,714)           | 727,901            | (1,460,735)         | (732,834)           | 26,880                     |
| Loss on Advance Funding                                 | -                      | (30,133)            | (814,270)          | (964,822)           | (1,779,092)         | (1,748,959)                |
| Water Rights Acq./Water Conservation                    | (2,166,949)            | (3,300,016)         | (19,741)           | (50,000)            | (69,741)            | 3,230,275                  |
| Other Non-Operating Expenses                            | (2,816,846)            | (14,985,476)        | (4,516,881)        | (486,033)           | (5,002,914)         | 9,982,562                  |
| Construction  | (5,191,782)            | (69,251,285)        | -                  | (11,252,371)        | (11,252,371)        | 57,998,914                 |
| <b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>           | <b>(24,394,390)</b>    | <b>(56,101,634)</b> | <b>(5,984,843)</b> | <b>19,389,057</b>   | <b>13,404,214</b>   | <b>69,505,848</b>          |
| <b>Income (Loss) Before Contributions and Transfers</b> | <b>(859,569)</b>       | <b>(32,576,354)</b> | <b>8,114,388</b>   | <b>32,070,871</b>   | <b>40,185,259</b>   | <b>72,761,613</b>          |
| Capital Contributions:                                  |                        |                     |                    |                     |                     |                            |
| Intergovernmental Revenue                               | -                      | -                   | -                  | (32,856)            | (32,856)            | (32,856)                   |
| Contributions - Developers                              | -                      | -                   | 5,531,748          | (5,531,748)         | -                   | -                          |
| Transfer In:  |                        |                     |                    |                     |                     |                            |
| Waterworks Operations to Construction                   | 4,789,705              | 4,789,705           | -                  | 2,977,150           | 2,977,150           | (1,812,555)                |
| Water Availability to Debt Service                      | 380,000                | 380,000             | -                  | 380,000             | 380,000             | -                          |
| Waterworks Bond Funds                                   | -                      | 1,969,082           | -                  | 1,969,082           | 1,969,082           | -                          |
| Waterworks Operations to Debt Service                   | 17,443,399             | 17,443,399          | -                  | 18,313,585          | 18,313,585          | 870,186                    |
| Sewer Fund  | -                      | 1,133,067           | 1,768,873          | -                   | 1,768,873           | 635,806                    |
| Transfers Out:  |                        |                     |                    |                     |                     |                            |
| Water Construction Fund                                 | (4,789,705)            | (4,789,705)         | -                  | (2,977,150)         | (2,977,150)         | 1,812,555                  |
| Water Debt Service-Water Availability                   | (380,000)              | (380,000)           | -                  | (380,000)           | (380,000)           | -                          |
| Water Debt Service-Operations                           | (17,443,399)           | (17,443,399)        | -                  | (18,313,585)        | (18,313,585)        | (870,186)                  |
| Waterworks Bond Funds                                   | -                      | (1,969,082)         | -                  | (1,969,082)         | (1,969,082)         | -                          |
| General Fund  | (50,000)               | (50,000)            | -                  | -                   | -                   | 50,000                     |
| <b>Change in Net Position</b>                           | <b>(909,569)</b>       | <b>(31,493,287)</b> | <b>15,415,009</b>  | <b>26,506,267</b>   | <b>41,921,276</b>   | <b>73,414,563</b>          |
| <b>Total Net Position-Beginning</b>                     | <b>168,433,620</b>     | <b>168,433,620</b>  | <b>168,433,620</b> | <b>-</b>            | <b>168,433,620</b>  | <b>-</b>                   |
| <b>Total Net Position-Ending</b>                        | <b>\$ 167,524,051</b>  | <b>136,940,333</b>  | <b>183,848,629</b> | <b>26,506,267</b>   | <b>210,354,896</b>  | <b>73,414,563</b>          |

**CITY OF LAREDO, TEXAS  
WATERWORKS SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|  |                   |
|--|-------------------|
| Receipts from customers and users                | \$ 53,283,717     |
| Receipts from interfund services provided        | 921,997           |
| Payments to suppliers                            | (12,957,546)      |
| Payments to employees                            | (12,029,903)      |
| Payments for interfund services used             | (4,351,763)       |
| <b>Net cash provided by operating activities</b> | <b>24,866,502</b> |

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

|  |                  |
|--|------------------|
| Transfer to other funds  | (23,639,817)     |
| Transfer from other funds  | 25,408,690       |
| Subsidiary from federal and state grants                                       | 368,524          |
| <b>Net cash provided (used) by noncapital and related financing activities</b> | <b>2,137,397</b> |

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

|   |                   |
|---|-------------------|
| Proceeds from capital debt  | 72,136,906        |
| Purchases of capital assets   | (8,043,610)       |
| Principal paid on capital debt  | (39,317,261)      |
| Interest paid on capital debt   | (10,258,563)      |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b>14,517,472</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                     |
|---|---------------------|
| Proceeds from sales and maturities of investments       | (42,942,495)        |
| Interest and dividends received                         | 1,467,738           |
| Issuance of notes receivable                            | (64)                |
| <b>Net cash provided (used) by investing activities</b> | <b>(41,474,821)</b> |

|   |                   |
|---|-------------------|
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>46,550</b>     |
| <b>Cash and cash equivalents, October 1</b>                 | <b>262,099</b>    |
| <b>Cash and cash equivalents, September 30</b>              | <b>\$ 308,649</b> |

(Continued)

**CITY OF LAREDO, TEXAS  
WATERWORKS SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

(Continued)

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

|  |    |             |
|--|----|-------------|
| Operating income   | \$ | 14,099,231  |
| Adjustments to reconcile operating<br>income to net cash provided (used)<br>by operating activities: |    |             |
| Depreciation expense   |    | 11,799,721  |
| (Increase) decrease in accounts receivable   |    | (875,659)   |
| Increase (decrease) in allowance for uncollectible accounts  |    | 946,752     |
| (Increase) decrease in inventories   |    | (160,397)   |
| Increase (decrease) in customer deposits   |    | 262,657     |
| Increase (decrease) in accounts payable  |    | 550,829     |
| Increase (decrease) in deferred revenues   |    | 106,814     |
| Increase (decrease) in compensated absences payable  |    | (64,659)    |
| Increase (decrease) in net pension liability   |    | (456,588)   |
| Increase (decrease) in deferred inflows-pension  |    | (1,616,046) |
| Increase (decrease) in deferred outflows-pension   |    | 211,186     |
| Increase (decrease) in accrued wages and employee benefits   |    | 62,661      |

|                          |  |                   |
|--------------------------|--|-------------------|
| <b>Total adjustments</b> |  | <b>10,767,271</b> |
|--------------------------|--|-------------------|

|  |           |                   |
|--|-----------|-------------------|
| <b>Net cash provided by operating activities</b> | <b>\$</b> | <b>24,866,502</b> |
|--|-----------|-------------------|

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

|   |           |
|---|-----------|
| Bond issuance cost amortized                    | 1,460,735 |
| Contributions of capital assets from developers | 5,531,748 |
| Accrued interest payable                        | (50,539)  |
| Loss on advance refunding                       | 964,822   |



**CITY OF LAREDO, TEXAS**  
**SEWER SYSTEM**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

|   | <b>Budgeted Amount</b> |                   |                   |                    | <b>Actual</b>       | <b>Variance</b>            |
|---|------------------------|-------------------|-------------------|--------------------|---------------------|----------------------------|
|   | <b>Original</b>        | <b>Final</b>      | <b>Actual</b>     | <b>Adjustments</b> | <b>Budget Basis</b> | <b>Positive (Negative)</b> |
| <b>OPERATING REVENUES:</b>                          |                        |                   |                   |                    |                     |                            |
| Charges for Services                                | \$ 41,910,490          | 41,910,490        | 39,402,732        | -                  | 39,402,732          | (2,507,758)                |
| Miscellaneous                                       | 91                     | 91                | 313               | -                  | 313                 | 222                        |
| <b>TOTAL OPERATING REVENUES</b>                     | <b>41,910,581</b>      | <b>41,910,581</b> | <b>39,403,045</b> | <b>-</b>           | <b>39,403,045</b>   | <b>(2,507,536)</b>         |
| <b>OPERATING EXPENSES:</b>                          |                        |                   |                   |                    |                     |                            |
| Administrative:                                     |                        |                   |                   |                    |                     |                            |
| Materials and Supplies                              | 55,653                 | 55,653            | 6,580             | -                  | 6,580               | 49,073                     |
| Contractual Services                                | 8,248,258              | 8,279,281         | 7,997,125         | -                  | 7,997,125           | 282,156                    |
| Other   | 875,194                | 844,171           | 592,494           | (589,371)          | 3,123               | 841,048                    |
| <b>Total Administrative</b>                         | <b>9,179,105</b>       | <b>9,179,105</b>  | <b>8,596,199</b>  | <b>(589,371)</b>   | <b>8,006,828</b>    | <b>1,172,277</b>           |
| Wastewater Treatment:                               |                        |                   |                   |                    |                     |                            |
| Personnel Services                                  | 3,413,186              | 3,420,186         | 2,839,119         | (8,024)            | 2,831,095           | 589,091                    |
| Materials and Supplies                              | 789,498                | 990,598           | 843,864           | -                  | 843,864             | 146,734                    |
| Contractual Services                                | 4,276,011              | 4,182,087         | 3,670,957         | -                  | 3,670,957           | 511,130                    |
| Other   | 117,911                | 2,607             | -                 | -                  | -                   | 2,607                      |
| <b>Total Wastewater Treatment</b>                   | <b>8,596,606</b>       | <b>8,595,478</b>  | <b>7,353,940</b>  | <b>(8,024)</b>     | <b>7,345,916</b>    | <b>1,249,562</b>           |
| Wastewater Collection:                              |                        |                   |                   |                    |                     |                            |
| Personnel Services                                  | 2,979,506              | 3,021,296         | 2,325,062         | 13,694             | 2,338,756           | 682,540                    |
| Materials and Supplies                              | 921,288                | 884,944           | 898,694           | -                  | 898,694             | (13,750)                   |
| Contractual Services                                | 1,428,383              | 1,307,531         | 1,238,658         | -                  | 1,238,658           | 68,873                     |
| Other   | -                      | 8,000             | 3,889             | -                  | 3,889               | 4,111                      |
| Capital Outlay                                      | -                      | 106,500           | -                 | 88,507             | 88,507              | 17,993                     |
| <b>Total Wastewater Collection</b>                  | <b>5,329,177</b>       | <b>5,328,271</b>  | <b>4,466,303</b>  | <b>102,201</b>     | <b>4,568,504</b>    | <b>759,767</b>             |
| <b>Total Operating Expenses Before Depreciation</b> | <b>23,104,888</b>      | <b>23,102,854</b> | <b>20,416,442</b> | <b>(495,194)</b>   | <b>19,921,248</b>   | <b>3,181,606</b>           |
| Depreciation Expense                                | -                      | -                 | 9,060,264         | (9,060,264)        | -                   | -                          |
| <b>TOTAL OPERATING EXPENSES</b>                     | <b>23,104,888</b>      | <b>23,102,854</b> | <b>29,476,706</b> | <b>(9,555,458)</b> | <b>19,921,248</b>   | <b>3,181,606</b>           |
| Operating Income (Loss)                             | \$ 18,805,693          | 18,807,727        | 9,926,339         | 9,555,458          | 19,481,797          | 674,070                    |

(Continued)

**CITY OF LAREDO, TEXAS  
SEWER SYSTEM  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
Year ended September 30, 2021**

(Continued)

|  | Budgeted Amount |               | Actual      | Adjustments  | Actual Budget Basis | Variance Positive (Negative) |
|--|-----------------|---------------|-------------|--------------|---------------------|------------------------------|
|  | Original        | Final         |             |              |                     |                              |
| NONOPERATING REVENUES (EXPENSES):                |                 |               |             |              |                     |                              |
| Investment Income:                               |                 |               |             |              |                     |                              |
| Interest Earnings                                | \$ 319,500      | 319,500       | 204,281     | -            | 204,281             | (115,219)                    |
| Interest Earnings Restricted                     | 595,048         | 1,470,936     | 211,999     | -            | 211,999             | (1,258,937)                  |
| Discount Earnings                                | 18,626          | 18,626        | 10,194      | -            | 10,194              | (8,432)                      |
| Premium  | -               | 3,366,703     | -           | 3,366,703    | 3,366,703           | -                            |
| Bond Issues                                      | -               | 35,375,600    | -           | 35,375,600   | 35,375,600          | -                            |
| Miscellaneous                                    | 320,000         | 386,150       | 746,529     | -            | 746,529             | 360,379                      |
| Interest Expense                                 | (5,339,564)     | (5,339,694)   | (5,816,241) | 26,188       | (5,790,053)         | (450,359)                    |
| Principal Paid                                   | (9,257,482)     | (23,119,812)  | -           | (23,473,249) | (23,473,249)        | (353,437)                    |
| Fiscal Agent Fees                                | -               | -             | (8,500)     | -            | (8,500)             | (8,500)                      |
| Bond Issuance Cost/Premiums Amortized            | -               | (396,620)     | 309,149     | (691,905)    | (382,756)           | 13,864                       |
| Loss on Advance Refunding                        | -               | (822,357)     | (266,618)   | (555,739)    | (822,357)           | -                            |
| Other Non-Operating Expenses                     | (566,068)       | (3,030,442)   | (541,199)   | (1,770,254)  | (2,311,453)         | 718,989                      |
| Construction                                     | (1,262,522)     | (108,131,175) | -           | (7,818,282)  | (7,818,282)         | 100,312,893                  |
| TOTAL NONOPERATING REVENUES (EXPENSES)           | (15,172,462)    | (99,902,585)  | (5,150,406) | 4,459,062    | (691,344)           | 99,211,241                   |
| Income (Loss) Before Contributions and Transfers | 3,633,231       | (81,094,858)  | 4,775,933   | 14,014,520   | 18,790,453          | 99,885,311                   |
| Capital Contributions:                           |                 |               |             |              |                     |                              |
| Contributions - Developers                       | -               | -             | 3,811,933   | (3,811,933)  | -                   | -                            |
| Transfers In:                                    |                 |               |             |              |                     |                              |
| Sewer Operations to Debt Service                 | 14,552,707      | 14,552,707    | -           | 14,857,049   | 14,857,049          | 304,342                      |
| Sewer Bond Funds                                 | -               | 1,165,900     | -           | 1,165,900    | 1,165,900           | -                            |
| Sewer Operations to Construction                 | 897,585         | 897,585       | -           | 376,623      | 376,623             | (520,962)                    |
| Transfers Out:                                   |                 |               |             |              |                     |                              |
| Sewer Debt Service-Bonds                         | -               | (1,165,900)   | -           | (1,165,900)  | (1,165,900)         | -                            |
| Sewer Debt Service                               | (14,552,707)    | (14,552,707)  | -           | (14,857,049) | (14,857,049)        | (304,342)                    |
| Sewer Construction Fund                          | (897,585)       | (897,585)     | -           | (376,623)    | (376,623)           | 520,962                      |
| Change in Net Position                           | 3,633,231       | (81,094,858)  | 8,587,866   | 10,202,587   | 18,790,453          | 99,885,311                   |
| Total Net Position-Beginning                     | 118,413,377     | 118,413,377   | 118,413,377 | -            | 118,413,377         | -                            |
| Total Net Position-Ending                        | \$ 122,046,608  | 37,318,519    | 127,001,243 | 10,202,587   | 137,203,830         | 99,885,311                   |

**CITY OF LAREDO, TEXAS  
SEWER SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|  |                   |
|--|-------------------|
| Receipts from customers and users                | \$ 38,808,949     |
| Receipts from interfund services provided        | 762,683           |
| Payments to suppliers                            | (12,039,795)      |
| Payments to employees                            | (6,058,938)       |
| Payments for interfund services used             | (3,361,605)       |
| <b>Net cash provided by operating activities</b> | <b>18,111,294</b> |

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

|  |              |
|--|--------------|
| Transfer from other funds  | 16,399,572   |
| Transfer to other funds  | (16,399,572) |
| <b>Net cash provided (used) by noncapital and related financing activities</b> | <b>-</b>     |

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

|   |                  |
|---|------------------|
| Proceeds from capital debt  | 38,359,547       |
| Acquisition and construction of capital assets                              | (9,471,712)      |
| Principal paid on capital debt  | (23,473,249)     |
| Interest paid on capital debt   | (5,790,053)      |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b>(375,467)</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                     |
|---|---------------------|
| Proceeds from sales and maturities of investments       | (18,744,498)        |
| Interest and dividends received                         | 1,023,314           |
| Issuance of notes receivable                            | (10,825)            |
| <b>Net cash provided (used) by investing activities</b> | <b>(17,732,009)</b> |

**Net increase (decrease) in cash and cash equivalents**  
**Cash and cash equivalents, October 1**

**3,818**  
**192,214**

**Cash and cash equivalents, September 30**

**\$ 196,032**  
(Continued)

**CITY OF LAREDO, TEXAS  
SEWER SYSTEM  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

(Continued)

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

|  |    |           |
|--|----|-----------|
| Operating income   | \$ | 9,926,339 |
| Adjustments to reconcile operating<br>income to net cash provided (used)<br>by operating activities: |    |           |
| Depreciation expense   |    | 9,060,264 |
| (Increase) decrease in accounts receivable   |    | (431,608) |
| Increase (decrease) in allowance for uncollectible accounts  |    | 589,371   |
| (Increase) decrease in inventories   |    | (96,594)  |
| Increase (decrease) in accounts payable  |    | (52,545)  |
| Increase (decrease) in deferred revenues   |    | 10,824    |
| Increase (decrease) in compensated absences payable  |    | (5,671)   |
| Increase (decrease) in net pension liability   |    | (237,279) |
| Increase (decrease) in deferred inflows-pension  |    | (783,795) |
| Increase (decrease) in deferred outflows-pension   |    | 73,380    |
| Increase (decrease) in accrued wages and employee benefits   |    | 58,608    |

|                          |  |                  |
|--------------------------|--|------------------|
| <b>Total adjustments</b> |  | <b>8,184,955</b> |
|--------------------------|--|------------------|

|  |           |                   |
|--|-----------|-------------------|
| <b>Net cash provided by operating activities</b> | <b>\$</b> | <b>18,111,294</b> |
|--|-----------|-------------------|

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

|  |          |
|--|----------|
| Contributions of capital assets from developers & others | 381,193  |
| Bond issuance cost amortized                             | 691,905  |
| Accrued interest payable                                 | (26,188) |
| Loss on advance refunding                                | 555,739  |

**CITY OF LAREDO, TEXAS**  
**SOLID WASTE MANAGEMENT FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

|  | <b>Budgeted Amount</b> |                   |                   |                    | <b>Actual</b>       | <b>Variance</b>            |
|--|------------------------|-------------------|-------------------|--------------------|---------------------|----------------------------|
|  | <b>Original</b>        | <b>Final</b>      | <b>Actual</b>     | <b>Adjustments</b> | <b>Budget Basis</b> | <b>Positive (Negative)</b> |
| <b>OPERATING REVENUES:</b>                   |                        |                   |                   |                    |                     |                            |
| Charges for Services                         | \$ 25,167,555          | 25,167,555        | 27,872,060        | -                  | 27,872,060          | 2,704,505                  |
| Rental of Facilities                         | -                      | -                 | 83,711            | -                  | 83,711              | 83,711                     |
| <b>TOTAL OPERATING REVENUES</b>              | <b>25,167,555</b>      | <b>25,167,555</b> | <b>27,955,771</b> | <b>-</b>           | <b>27,955,771</b>   | <b>2,788,216</b>           |
| <b>OPERATING EXPENSES:</b>                   |                        |                   |                   |                    |                     |                            |
| Administration:                              |                        |                   |                   |                    |                     |                            |
| Personnel Services                           | 333,494                | 199,873           | 135,595           | 3,258              | 138,853             | 61,020                     |
| Materials and Supplies                       | 15,064                 | 17,564            | 15,540            | -                  | 15,540              | 2,024                      |
| Contractual Services                         | 91,644                 | 66,939            | 47,690            | -                  | 47,690              | 19,249                     |
| Other  | -                      | -                 | 1,332             | (1,332)            | -                   | -                          |
| Total Administration                         | 440,202                | 284,376           | 200,157           | 1,926              | 202,083             | 82,293                     |
| Branch Division:                             |                        |                   |                   |                    |                     |                            |
| Personnel Services                           | 713,488                | 734,620           | 629,586           | (2,041)            | 627,545             | 107,075                    |
| Materials and Supplies                       | 51,548                 | 57,618            | 52,530            | -                  | 52,530              | 5,088                      |
| Contractual Services                         | 36,117                 | 34,526            | 34,100            | -                  | 34,100              | 426                        |
| Total Branch Division                        | 801,153                | 826,764           | 716,216           | (2,041)            | 714,175             | 112,589                    |
| Recycling:                                   |                        |                   |                   |                    |                     |                            |
| Personnel Services                           | 985,745                | 985,118           | 834,618           | (1,031)            | 833,587             | 151,531                    |
| Materials and Supplies                       | 91,058                 | 50,803            | 34,934            | -                  | 34,934              | 15,869                     |
| Contractual Services                         | 125,463                | 106,478           | 101,674           | -                  | 101,674             | 4,804                      |
| Total Recycling                              | 1,202,266              | 1,142,399         | 971,226           | (1,031)            | 970,195             | 172,204                    |
| Sanitation:                                  |                        |                   |                   |                    |                     |                            |
| Personnel Services                           | 5,594,612              | 5,757,952         | 4,935,799         | (34,954)           | 4,900,845           | 857,107                    |
| Materials and Supplies                       | 1,381,974              | 1,582,698         | 1,334,167         | -                  | 1,334,167           | 248,531                    |
| Contractual Services                         | 4,016,671              | 4,003,066         | 4,010,342         | -                  | 4,010,342           | (7,276)                    |
| Other  | 579,800                | -                 | 353,702           | (353,702)          | -                   | -                          |
| Capital Outlay                               | 1,000,000              | 141,410           | -                 | 121,769            | 121,769             | 19,641                     |
| Total Sanitation                             | 12,573,057             | 11,485,126        | 10,634,010        | (266,887)          | 10,367,123          | 1,118,003                  |
| Landfill:                                    |                        |                   |                   |                    |                     |                            |
| Personnel Services                           | 1,552,952              | 1,611,010         | 1,382,698         | (3,995)            | 1,378,703           | 232,307                    |
| Materials and Supplies                       | 594,364                | 653,390           | 638,717           | -                  | 638,717             | 14,673                     |
| Contractual Services                         | 4,141,456              | 5,016,183         | 3,419,571         | -                  | 3,419,571           | 1,596,612                  |
| Other  | -                      | -                 | 4,788             | (6,858)            | (2,070)             | 2,070                      |
| Capital Outlay                               | 12,196,000             | 12,314,400        | -                 | 12,298,000         | 12,298,000          | 16,400                     |
| Total Landfill                               | 18,484,772             | 19,594,983        | 5,445,774         | 12,287,147         | 17,732,921          | 1,862,062                  |
| Ponderosa Landfill:                          |                        |                   |                   |                    |                     |                            |
| Materials and Supplies                       | -                      | 28,020            | 6,617             | -                  | 6,617               | 21,403                     |
| Contractual Services                         | -                      | 129,937           | 117,513           | -                  | 117,513             | 12,424                     |
| Capital Outlay                               | -                      | 8,200             | -                 | 8,200              | 8,200               | -                          |
| Total Ponderosa Landfill                     | -                      | 166,157           | 124,130           | 8,200              | 132,330             | 33,827                     |
| Total Operating Expenses Before Depreciation | 33,501,450             | 33,499,805        | 18,091,513        | 12,027,314         | 30,118,827          | 3,380,978                  |
| Depreciation Expense                         | -                      | -                 | 4,664,542         | (4,664,542)        | -                   | -                          |
| <b>TOTAL OPERATING EXPENSES</b>              | <b>33,501,450</b>      | <b>33,499,805</b> | <b>22,756,055</b> | <b>7,362,772</b>   | <b>30,118,827</b>   | <b>3,380,978</b>           |
| Operating Income (Loss)                      | \$ (8,333,895)         | (8,332,250)       | 5,199,716         | (7,362,772)        | (2,163,056)         | 6,169,194                  |

(Continued)

**CITY OF LAREDO, TEXAS**  
**SOLID WASTE MANAGEMENT FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**Year ended September 30, 2021**

(Continued)

|  | Budgeted Amount |              | Actual      | Adjustments  | Actual Budget Basis | Variance Positive (Negative) |
|--|-----------------|--------------|-------------|--------------|---------------------|------------------------------|
|  | Original        | Final        |             |              |                     |                              |
| NONOPERATING REVENUES (EXPENSES):                |                 |              |             |              |                     |                              |
| Investment Income:                               |                 |              |             |              |                     |                              |
| Interest Earnings                                | \$ 292,500      | 292,500      | 138,101     | -            | 138,101             | (154,399)                    |
| Interest Earnings-Restricted                     | 39,574          | 145,469      | 75,727      | -            | 75,727              | (69,742)                     |
| Premiums   | -               | 2,307,816    | -           | 2,307,816    | 2,307,816           | -                            |
| Discount Earnings                                | -               | -            | 14,238      | -            | 14,238              | 14,238                       |
| Lease Interest Expense                           | -               | (200)        | (194)       | -            | (194)               | 6                            |
| Lease Principal Expense                          | -               | (1,445)      | -           | (1,440)      | (1,440)             | 5                            |
| Miscellaneous                                    | -               | 6,247        | -           | -            | -                   | (6,247)                      |
| Closure/Post Closure                             | (1,000,000)     | (1,000,000)  | (642,007)   | -            | (642,007)           | 357,993                      |
| Gain (Loss) From Sale of Assets                  | -               | -            | 6,954       | -            | 6,954               | 6,954                        |
| Bond Issues                                      | -               | 17,109,400   | -           | 17,109,400   | 17,109,400          | -                            |
| Interest Expense                                 | (1,283,553)     | (1,283,553)  | (1,288,803) | (31,740)     | (1,320,543)         | (36,990)                     |
| Gain (Loss) on Advance Refunding                 | -               | (82,094)     | (100,568)   | 18,474       | (82,094)            | -                            |
| Principal Paid                                   | (4,015,736)     | (6,635,736)  | -           | (6,635,736)  | (6,635,736)         | -                            |
| Fiscal Agent Fees                                | (3,000)         | (3,000)      | (4,192)     | -            | (4,192)             | (1,192)                      |
| Bond Issuance Cost/Premiums Amortized            | -               | (266,336)    | 335,745     | (574,558)    | (238,813)           | 27,523                       |
| Other Non-Operating Expenses                     | (1,790,949)     | (21,725,088) | (383)       | (14,923,781) | (14,924,164)        | 6,800,924                    |
| Construction                                     | (142,375)       | (1,003,740)  | -           | (3,740)      | (3,740)             | 1,000,000                    |
| TOTAL NONOPERATING REVENUES (EXPENSES)           | (7,903,539)     | (12,139,760) | (1,465,382) | (2,735,305)  | (4,200,687)         | 7,939,073                    |
| Income (Loss) Before Contributions and Transfers | (16,237,434)    | (20,472,010) | 3,734,334   | (10,098,077) | (6,363,743)         | 14,108,267                   |
| Contributions                                    |                 |              |             |              |                     |                              |
| Transfers In:                                    |                 |              |             |              |                     |                              |
| Solid Waste Fund                                 | 7,090,889       | 7,090,889    | -           | 17,340,471   | 17,340,471          | 10,249,582                   |
| COVID-19 Economic Relief                         | -               | -            | 448,647     | -            | 448,647             | 448,647                      |
| Transfers Out:                                   |                 |              |             |              |                     |                              |
| General Fund                                     | (4,000,000)     | (4,000,000)  | -           | -            | -                   | 4,000,000                    |
| Solid Waste Fund                                 | (7,090,889)     | (19,090,889) | -           | (17,340,471) | (17,340,471)        | 1,750,418                    |
| Change in Net Position                           | (20,237,434)    | (36,472,010) | 4,182,981   | (10,098,077) | (5,915,096)         | 30,556,914                   |
| Total Net Position-Beginning                     | 25,801,167      | 25,801,167   | 25,801,167  | -            | 25,801,167          | -                            |
| Total Net Position-Ending                        | \$ 5,563,733    | (10,670,843) | 29,984,148  | (10,098,077) | 19,886,071          | 30,556,914                   |

**CITY OF LAREDO, TEXAS  
SOLID WASTE MANAGEMENT  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES:**

|  |                  |
|--|------------------|
| Receipts from customers and users                | \$ 27,400,983    |
| Receipts from interfund services provided        | 397,522          |
| Payments to suppliers                            | (4,256,798)      |
| Payments to employees                            | (9,133,132)      |
| Payments for interfund services used             | (4,899,616)      |
| <b>Net cash provided by operating activities</b> | <b>9,508,959</b> |

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

|  |                |
|--|----------------|
| Transfer to other funds  | (17,356,789)   |
| Transfer from other funds  | 17,805,436     |
| <b>Net cash provided (used) by noncapital and related financing activities</b> | <b>448,647</b> |

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

|   |                     |
|---|---------------------|
| Proceeds from capital debt  | 19,096,309          |
| Principal paid on capital debt  | (6,637,176)         |
| Interest paid on capital debt   | (1,324,930)         |
| Acquisition and construction of capital assets                              | (27,355,873)        |
| Proceeds from sales of capital assets                                       | 6,954               |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b>(16,214,716)</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|   |                  |
|---|------------------|
| Proceeds from sales and maturities of investments       | 5,495,943        |
| Interest and dividends received                         | 768,218          |
| <b>Net cash provided (used) by investing activities</b> | <b>6,264,161</b> |

**Net increase (decrease) in cash and cash equivalents**  
**Cash and cash equivalents, October 1**

**7,051**  
**132,571**

**Cash and cash equivalents, September 30**

**\$ 139,622**  
(Continued)

**CITY OF LAREDO, TEXAS  
SOLID WASTE MANAGEMENT  
STATEMENT OF CASH FLOWS  
Year ended September 30, 2021**

(Continued)

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

|  |           |                  |
|--|-----------|------------------|
| Operating income   | \$        | 5,199,716        |
| Adjustments to reconcile operating<br>income to net cash provided (used)<br>by operating activities: |           |                  |
| Depreciation expense   |           | 4,664,542        |
| (Increase) decrease in accounts receivable   |           | (519,669)        |
| Increase (decrease) in allowance for uncollectible accounts  |           | 361,893          |
| (Increase) decrease in inventories   |           | (309)            |
| Increase (decrease) in accounts payable  |           | 1,017,112        |
| Increase (decrease) in deferred revenues   |           | 510              |
| Increase (decrease) in compensated absences payable  |           | 38,763           |
| Increase (decrease) in deferred outflows-pension   |           | 83,633           |
| Increase (decrease) in deferred inflows-pension  |           | (1,085,902)      |
| Increase (decrease) in net pension liability   |           | (338,561)        |
| Increase (decrease) in accrued wages and employee benefits   |           | 87,231           |
| <b>Total adjustments</b>   |           | <b>4,309,243</b> |
| <b>Net cash provided by operating activities</b>   | <b>\$</b> | <b>9,508,959</b> |

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

|  |           |
|--|-----------|
| Current closure and post closure costs | (642,007) |
| Bond issuance cost amortized           | 574,558   |
| Loss on advance refunding              | (18,474)  |
| Accrued interest payable               | (317,239) |



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## 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.

**CITY OF LAREDO, TEXAS**  
**COMBINING STATEMENT OF NET POSITION**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2021**

|  | <b>AGENCY FUNDS</b>                               |   |                                      |                                   |
|--|---|---|--------------------------------------|-----------------------------------|
|  | <b>POLICE<br/>RETIREE<br/>DEPENDENTS<br/>FUND</b> | <b>FIRE<br/>RETIREE<br/>DEPENDENTS<br/>FUND</b> | <b>PAYROLL<br/>CLEARING<br/>FUND</b> | <b>TOTAL<br/>AGENCY<br/>FUNDS</b> |
| <b>ASSETS</b>  |   |   |                                      |                                   |
| Equity in Investment Pool  | \$ 657  | 942   | 11,569                               | 13,168                            |
| Accounts Receivable  | -   | -   | 2,813                                | 2,813                             |
| Accrued Interest Receivable  | 187   | 322   | 4,261                                | 4,770                             |
| Investments, at Fair Market Value  | 116,969   | 201,244   | 2,664,124                            | 2,982,337                         |
| <b>TOTAL ASSETS</b>  | <b>117,813</b>                                    | <b>202,508</b>                                  | <b>2,682,767</b>                     | <b>3,003,088</b>                  |
| <b>LIABILITIES</b>   |   |   |                                      |                                   |
| Accounts Payable   | 117,813   | 202,508   | 2,682,767                            | 3,003,088                         |
| <b>TOTAL LIABILITIES</b>   | <b>117,813</b>                                    | <b>202,508</b>                                  | <b>2,682,767</b>                     | <b>3,003,088</b>                  |
| <b>NET POSITION</b>  |   |   |                                      |                                   |
| Held in Trust for Pension Benefits, Plan Participants,<br>and Other Purposes | \$ -  | -   | -                                    | -                                 |

**CITY OF LAREDO, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN**  
**ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**Year Ended September 30, 2021**

**POLICE RETIREES DEPENDENTS FUND**

|                                   | <b>Balance<br/>Beginning<br/>of Year</b> | <b>Additions</b> | <b>Deductions</b> | <b>Balance<br/>End<br/>of Year</b> |
|-----------------------------------|--|------------------|-------------------|------------------------------------|
| <b>ASSETS</b>                     |  |                  |                   |                                    |
| Cash and Cash Equivalents:        |  |                  |                   |                                    |
| Equity in Investment Pool         | \$ -                                     | 836,615          | 835,958           | 657                                |
| Accrued Interest Receivable       | 117                                      | 187              | 117               | 187                                |
| Investments, at Fair Market Value | 10,249                                   | 116,969          | 10,249            | 116,969                            |
| <b>TOTAL ASSETS</b>               | <b>10,366</b>                            | <b>953,771</b>   | <b>846,324</b>    | <b>117,813</b>                     |
| <b>LIABILITIES</b>                |  |                  |                   |                                    |
| Accounts Payable                  | 10,366                                   | 117,813          | 10,366            | 117,813                            |
| <b>TOTAL LIABILITIES</b>          | <b>\$ 10,366</b>                         | <b>117,813</b>   | <b>10,366</b>     | <b>117,813</b>                     |

**FIRE RETIREES DEPENDENTS FUND**

|                                   | <b>Balance<br/>Beginning<br/>of Year</b> | <b>Additions</b> | <b>Deductions</b> | <b>Balance<br/>End<br/>of Year</b> |
|-----------------------------------|--|------------------|-------------------|------------------------------------|
| <b>ASSETS</b>                     |  |                  |                   |                                    |
| Cash and Cash Equivalents:        |  |                  |                   |                                    |
| Equity in Investment Pool         | \$ 851                                   | 841,040          | 840,949           | 942                                |
| Accrued Interest Receivable       | 1,899                                    | 322              | 1,899             | 322                                |
| Investments, at Fair Market Value | 167,591                                  | 201,244          | 167,591           | 201,244                            |
| <b>TOTAL ASSETS</b>               | <b>170,341</b>                           | <b>1,042,606</b> | <b>1,010,439</b>  | <b>202,508</b>                     |
| <b>LIABILITIES</b>                |  |                  |                   |                                    |
| Accounts Payable                  | 170,341                                  | 202,508          | 170,341           | 202,508                            |
| <b>TOTAL LIABILITIES</b>          | <b>\$ 170,341</b>                        | <b>202,508</b>   | <b>170,341</b>    | <b>202,508</b>                     |

(Continued)

**CITY OF LAREDO, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN**  
**ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**Year Ended September 30, 2021**

(Continued)

**PAYROLL CLEARING FUND**

|                                   | <b>Balance<br/>Beginning<br/>of Year</b> | <b>Additions</b>          | <b>Deductions</b>         | <b>Balance<br/>End<br/>of Year</b> |
|-----------------------------------|--|---------------------------|---------------------------|------------------------------------|
| <b>ASSETS</b>                     |  |                           |                           |                                    |
| Cash and Cash Equivalents:        |  |                           |                           |                                    |
| Equity in Investment Pool         | \$ 11,723                                | 129,875,215               | 129,875,369               | 11,569                             |
| Accounts Receivable               | 2,813                                    | 1,146                     | 1,146                     | 2,813                              |
| Accrued Interest Receivable       | 29,151                                   | 4,261                     | 29,151                    | 4,261                              |
| Investments, at Fair Market Value | 2,572,202                                | 2,664,124                 | 2,572,202                 | 2,664,124                          |
| <b>TOTAL ASSETS</b>               | <b><u>2,615,889</u></b>                  | <b><u>132,544,746</u></b> | <b><u>132,477,868</u></b> | <b><u>2,682,767</u></b>            |
| <b>LIABILITIES</b>                |  |                           |                           |                                    |
| Accounts Payable                  | 2,615,889                                | 113,368,292               | 113,301,414               | 2,682,767                          |
| Accrued Wages and Benefits        | -  | 70,361,403                | 70,361,403                | -                                  |
| <b>TOTAL LIABILITIES</b>          | <b><u>\$ 2,615,889</u></b>               | <b><u>183,729,695</u></b> | <b><u>183,662,817</u></b> | <b><u>2,682,767</u></b>            |

**TOTALS-ALL AGENCY FUNDS**

|                                   | <b>Balance<br/>Beginning<br/>of Year</b> | <b>Additions</b>          | <b>Deductions</b>         | <b>Balance<br/>End<br/>of Year</b> |
|-----------------------------------|--|---------------------------|---------------------------|------------------------------------|
| <b>ASSETS</b>                     |  |                           |                           |                                    |
| Cash and Cash Equivalents:        |  |                           |                           |                                    |
| Equity in Investment Pool         | \$ 12,574                                | 131,552,870               | 131,552,276               | 13,168                             |
| Accounts Receivable               | 2,813                                    | 1,146                     | 1,146                     | 2,813                              |
| Accrued Interest Receivable       | 31,167                                   | 4,770                     | 31,167                    | 4,770                              |
| Investments, at Fair Market Value | 2,750,042                                | 2,982,337                 | 2,750,042                 | 2,982,337                          |
| <b>TOTAL ASSETS</b>               | <b><u>2,796,596</u></b>                  | <b><u>134,541,123</u></b> | <b><u>134,334,631</u></b> | <b><u>3,003,088</u></b>            |
| <b>LIABILITIES</b>                |  |                           |                           |                                    |
| Accounts Payable                  | 2,796,596                                | 113,688,613               | 113,482,121               | 3,003,088                          |
| Accrued Wages and Benefits        | -  | 70,361,403                | 70,361,403                | -                                  |
| <b>TOTAL LIABILITIES</b>          | <b><u>\$ 2,796,596</u></b>               | <b><u>184,050,016</u></b> | <b><u>183,843,524</u></b> | <b><u>3,003,088</u></b>            |

**CITY OF LAREDO, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

|  | <b>LAREDO<br/>FIREFIGHTERS<br/>RETIREMENT<br/>SYSTEM<br/>PENSION<br/>TRUST FUND</b> | <b>CITY ANNUITY<br/>PENSION<br/>TRUST FUND</b> | <b>TOTAL<br/>PENSION<br/>TRUST FUNDS</b> |
|--|---|--|--|
| <b>ADDITIONS:</b>  |   |  |  |
| Contributions:   |   |  |  |
| Employer Contributions                                   | \$ 8,557,405  | 2,036,263                                      | 10,593,668                               |
| Plan Members   | 6,156,430   | 100,280  | 6,256,710                                |
| Other Contributions                                      | -   | 5,545  | 5,545                                    |
|  | <u>14,713,835</u>   | <u>2,142,088</u>                               | <u>16,855,923</u>                        |
| Total Contributions                                      |   |  |  |
| Investment Earnings:                                     |   |  |  |
| Interest Earnings and Dividends                          | 2,506,408   | -  | 2,506,408                                |
| Net Increase (decrease) in the Fair Value of Investments | 28,401,878  | -  | 28,401,878                               |
| Gains (Loss) on Sale of Investment                       | 13,456,009  | -  | 13,456,009                               |
|  | <u>44,364,295</u>   | <u>-</u>                                       | <u>44,364,295</u>                        |
| Total Investment Earnings                                |   |  |  |
| Less: Investment Expense                                 | (450,898)   | -  | (450,898)                                |
|  | <u>43,913,397</u>   | <u>-</u>                                       | <u>43,913,397</u>                        |
| Net Investment Earnings                                  |   |  |  |
|  | <u>58,627,232</u>   | <u>2,142,088</u>                               | <u>60,769,320</u>                        |
| <b>TOTAL ADDITIONS</b>                                   |   |  |  |
| <b>DEDUCTIONS:</b>                                       |   |  |  |
| Benefits   | 14,286,376  | 1,989,349                                      | 16,275,725                               |
| Administrative Expenses                                  | 330,298   | 152,739  | 483,037                                  |
|  | <u>14,616,674</u>   | <u>2,142,088</u>                               | <u>16,758,762</u>                        |
| <b>TOTAL DEDUCTIONS</b>                                  |   |  |  |
| Change in Net Position                                   | 44,010,558  | -  | 44,010,558                               |
| Net Position - Beginning                                 | 167,670,584   | -  | 167,670,584                              |
| <b>NET POSITION - ENDING</b>                             | <u>\$ 211,681,142</u>   | <u>-</u>                                       | <u>211,681,142</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    |                |                |                |                |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | 2012           | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           |
| Governmental Activities                     |                |                |                |                |                |                |                |                |                |                |
| Net investment in capital assets            | \$ 426,071,062 | \$ 435,213,156 | \$ 454,275,907 | \$ 487,452,144 | \$ 497,557,400 | \$ 513,425,058 | \$ 524,030,871 | \$ 539,561,284 | \$ 540,492,170 | \$ 558,314,171 |
| Restricted                                  | 22,027,504     | 32,487,338     | 52,746,758     | 39,488,100     | 41,402,347     | 42,852,730     | 45,893,175     | 51,542,494     | 55,603,164     | 67,998,262     |
| Unrestricted                                | 15,921,760     | 24,657,948     | (9,084,181)    | (103,494,138)  | (178,284,762)  | (202,436,440)  | (247,151,115)  | (250,291,351)  | (298,310,360)  | (266,315,233)  |
| Total governmental activities net position  | \$ 464,020,326 | \$ 492,358,442 | \$ 497,938,484 | \$ 423,446,106 | \$ 360,674,985 | \$ 353,841,348 | \$ 322,772,931 | \$ 340,812,427 | \$ 297,784,974 | \$ 359,997,200 |
| Business-type activities                    |                |                |                |                |                |                |                |                |                |                |
| Net investment in capital assets            | \$ 235,628,019 | \$ 308,880,051 | \$ 279,700,006 | \$ 266,890,409 | \$ 254,793,229 | \$ 262,866,023 | \$ 276,944,333 | \$ 285,312,722 | \$ 284,339,056 | \$ 294,206,155 |
| Restricted                                  | 29,616,876     | 32,833,893     | 31,079,396     | 57,971,427     | 74,371,213     | 74,243,372     | 58,736,604     | 57,543,482     | 61,771,418     | 68,666,984     |
| Unrestricted                                | 91,031,789     | 21,798,947     | 44,775,230     | (12,769,768)   | (17,631,797)   | (8,836,173)    | 22,257,968     | 39,786,023     | 56,427,580     | 63,355,200     |
| Total business-type activities net position | \$ 356,276,684 | \$ 363,512,891 | \$ 355,554,632 | \$ 312,092,068 | \$ 311,532,645 | \$ 328,273,222 | \$ 357,938,905 | \$ 382,642,227 | \$ 402,538,054 | \$ 426,228,339 |
| Primary government                          |                |                |                |                |                |                |                |                |                |                |
| Net investment in capital assets            | \$ 661,699,081 | \$ 744,093,207 | \$ 733,975,913 | \$ 754,342,553 | \$ 752,350,629 | \$ 776,291,081 | \$ 800,975,204 | \$ 824,874,006 | \$ 824,831,226 | \$ 852,520,326 |
| Restricted                                  | 51,644,380     | 65,321,231     | 83,826,154     | 97,459,527     | 115,773,560    | 117,096,102    | 104,629,779    | 109,085,976    | 117,374,582    | 136,665,246    |
| Unrestricted                                | 106,953,549    | 46,456,895     | 35,691,049     | (116,263,906)  | (195,916,559)  | (211,272,613)  | (224,893,147)  | (210,505,328)  | (241,882,780)  | (202,960,033)  |
| Total primary government net position       | \$ 820,297,010 | \$ 855,871,333 | \$ 853,493,116 | \$ 735,538,174 | \$ 672,207,630 | \$ 682,114,570 | \$ 680,711,836 | \$ 723,454,654 | \$ 700,323,028 | \$ 786,225,539 |

**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                                     |                |                |                |                |                |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | 2012           | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           |
| <b>Expenses</b>                                 |                |                |                |                |                |                |                |                |                |                |
| Governmental Activities:                        |                |                |                |                |                |                |                |                |                |                |
| General Government                              | \$ 31,034,892  | \$ 36,517,099  | \$ 31,483,857  | \$ 30,754,775  | \$ 31,282,913  | \$ 44,803,625  | \$ 14,669,141  | \$ 25,667,856  | \$ 73,496,272  | \$ 17,961,579  |
| Public Safety                                   | 109,306,566    | 114,298,448    | 116,740,217    | 123,569,785    | 136,161,243    | 132,796,643    | 144,679,796    | 151,438,541    | 157,618,090    | 138,610,304    |
| Public Works                                    | 35,937,652     | 29,742,584     | 29,275,673     | 30,339,614     | 32,262,592     | 35,411,496     | 36,856,653     | 36,761,439     | 38,283,612     | 39,967,506     |
| Health and Welfare                              | 23,663,834     | 25,149,324     | 25,049,024     | 25,392,674     | 26,694,339     | 28,523,686     | 28,247,621     | 30,536,437     | 39,997,943     | 41,051,472     |
| Culture and Recreation                          | 25,468,060     | 25,636,585     | 28,166,961     | 27,531,357     | 29,029,634     | 28,661,521     | 30,060,439     | 31,467,862     | 27,198,270     | 25,341,404     |
| Air Transportation                              | 5,896,045      | 10,379,579     | 10,866,517     | 11,424,789     | 12,068,122     | 12,139,052     | 12,447,560     | 13,047,872     | 14,303,446     | 14,927,530     |
| Interest on Long Term Debt                      | 11,215,644     | 11,253,582     | 15,939,639     | 14,675,052     | 14,833,434     | 14,874,684     | 8,654,373      | 8,172,026      | 8,185,072      | 7,773,879      |
| Total Governmental Activities Expenses          | 242,522,693    | 252,977,201    | 257,521,888    | 263,688,046    | 282,332,277    | 297,210,707    | 275,615,583    | 297,092,033    | 359,082,705    | 285,633,674    |
| Business-Type Activities                        |                |                |                |                |                |                |                |                |                |                |
| Bridge System                                   | 41,674,262     | 40,886,900     | 53,740,997     | 47,492,006     | 50,002,193     | 49,498,472     | 52,412,200     | 55,390,372     | 51,761,177     | 53,016,352     |
| Solid Waste Management System                   | 16,279,971     | 19,527,143     | 17,714,332     | 18,207,099     | 19,076,156     | 23,279,911     | 20,165,585     | 22,619,900     | 25,155,954     | 24,895,900     |
| Water System                                    | 43,022,231     | 43,113,971     | 46,627,133     | 53,339,444     | 60,707,954     | 48,030,778     | 46,668,068     | 48,166,777     | 55,225,607     | 55,448,024     |
| Sewer System                                    | 28,980,517     | 31,051,237     | 32,680,138     | 32,339,112     | 37,537,057     | 31,763,534     | 31,729,952     | 33,202,551     | 37,664,072     | 35,916,953     |
| Other Business-Type Activities                  | 17,238,383     | 17,817,971     | 18,016,163     | 18,198,854     | 19,560,225     | 19,679,802     | 19,783,672     | 20,225,146     | 20,627,127     | 21,133,045     |
| Total Business-Type Activities Expenses         | 147,195,364    | 152,397,222    | 168,778,763    | 169,576,515    | 186,883,585    | 172,252,497    | 170,759,477    | 179,604,746    | 190,433,937    | 190,410,274    |
| Total Primary Government Expenses               | \$ 389,718,057 | \$ 405,374,423 | \$ 426,300,651 | \$ 433,264,561 | \$ 469,215,862 | \$ 469,463,204 | \$ 446,375,060 | \$ 476,696,779 | \$ 549,516,642 | \$ 476,043,948 |
| <b>Program Revenues</b>                         |                |                |                |                |                |                |                |                |                |                |
| Governmental Activities:                        |                |                |                |                |                |                |                |                |                |                |
| Charges for Services                            |                |                |                |                |                |                |                |                |                |                |
| General Government                              | \$ 37,543,445  | \$ 40,285,380  | \$ 48,476,887  | \$ 49,951,513  | \$ 52,780,001  | \$ 53,273,825  | \$ 56,653,936  | \$ 59,445,108  | \$ 55,186,131  | \$ 59,903,287  |
| Public Safety                                   | 7,515,182      | 10,135,563     | 9,689,452      | 10,161,855     | 9,347,027      | 8,685,210      | 8,957,129      | 9,328,993      | 9,681,074      | 8,727,967      |
| Public Works                                    | 5,556,032      | 13,359,717     | 681,523        | 570,033        | 1,057,448      | 1,336,890      | 1,510,684      | 2,609,379      | 1,611,421      | 2,563,903      |
| Health and Welfare                              | 13,793,256     | 15,564,387     | 16,082,560     | 15,328,529     | 16,664,531     | 8,467,793      | 17,797,657     | 14,987,044     | 9,606,295      | 15,299,183     |
| Culture and Recreation                          | 7,116,481      | 5,874,092      | 6,700,618      | 5,760,979      | 6,764,430      | 6,162,968      | 7,202,223      | 7,999,264      | 4,085,451      | 3,813,256      |
| Air Transportation                              | 4,966,208      | 7,105,179      | 6,213,731      | 8,428,408      | 5,983,576      | 6,589,287      | 7,513,248      | 7,977,495      | 6,263,947      | 7,279,577      |
| Operating Grants and Contributions              | 22,085,334     | 25,228,899     | 21,012,892     | 22,967,325     | 21,731,076     | 21,047,107     | 24,927,052     | 26,580,666     | 48,315,827     | 54,140,316     |
| Capital Grants and Contributions                | 29,325,040     | 22,102,012     | 29,152,539     | 35,294,592     | 40,400,218     | 41,090,817     | 26,064,998     | 24,528,293     | 21,442,849     | 26,813,220     |
| Total Governmental Activities Program Revenues  | 127,900,978    | 139,655,229    | 138,010,202    | 148,463,234    | 154,728,307    | 146,653,897    | 150,626,927    | 153,456,242    | 156,192,995    | 178,540,709    |
| Business-Type Activities:                       |                |                |                |                |                |                |                |                |                |                |
| Charges for Services                            |                |                |                |                |                |                |                |                |                |                |
| Bridge System                                   | 47,365,449     | 47,628,417     | 55,703,827     | 58,289,089     | 60,192,764     | 61,381,489     | 68,042,892     | 71,088,270     | 62,503,974     | 66,418,602     |
| Solid Waste Management System                   | 16,625,595     | 18,773,794     | 19,938,264     | 21,422,714     | 24,141,768     | 25,314,209     | 26,306,088     | 25,861,286     | 26,321,440     | 28,381,481     |
| Water System                                    | 38,825,686     | 41,279,848     | 42,744,943     | 40,933,158     | 46,018,021     | 49,522,342     | 49,510,176     | 51,743,367     | 56,726,261     | 63,143,748     |
| Sewer System                                    | 28,734,011     | 28,941,911     | 30,383,531     | 28,409,350     | 31,850,492     | 33,365,973     | 33,824,818     | 34,431,352     | 37,786,783     | 40,680,916     |
| Other Business-Type Activities                  | 5,453,483      | 5,583,161      | 5,516,063      | 5,581,664      | 5,367,622      | 5,516,348      | 5,933,249      | 6,113,385      | 4,385,753      | 4,275,557      |
| Operating Grants and Contributions              | 4,473,530      | 5,504,473      | 4,425,506      | 3,914,991      | 3,837,360      | 4,091,169      | 4,064,792      | 4,662,582      | 11,814,442     | 3,264,134      |
| Capital Grants and Contributions                | 12,928,054     | 6,365,385      | 5,746,419      | 6,313,419      | 9,332,615      | 6,735,114      | 12,507,179     | 6,986,253      | 9,246,680      | 10,793,976     |
| Total Business-Type Activities Program Revenues | 154,405,808    | 154,076,989    | 164,458,553    | 164,864,385    | 180,740,642    | 185,926,644    | 200,189,194    | 200,886,495    | 208,785,333    | 216,958,414    |
| Total Primary Government Program Revenues       | \$ 282,306,786 | \$ 293,732,218 | \$ 302,468,755 | \$ 313,327,619 | \$ 335,468,949 | \$ 332,580,541 | \$ 350,816,121 | \$ 354,342,737 | \$ 364,978,328 | \$ 395,499,123 |

(Continued)

**CHANGES IN NET POSITION  
LAST TEN FISCAL PERIODS  
(ACCRUAL BASIS OF ACCOUNTING)**

**CITY OF LAREDO, TEXAS**

**TABLE 2**

(Continued)

|   | Fiscal Year             |                         |                         |                         |                         |                         |                        |                         |                         |                        |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------------|-------------------------|-------------------------|------------------------|
|   | 2012                    | 2013                    | 2014                    | 2015                    | 2016                    | 2017                    | 2018                   | 2019                    | 2020                    | 2021                   |
| Net (Expense)/Revenue                                     |                         |                         |                         |                         |                         |                         |                        |                         |                         |                        |
| Governmental Activities                                   | \$ (114,621,715)        | \$ (113,321,972)        | \$ (119,511,686)        | \$ (115,224,812)        | \$ (127,603,970)        | \$ (150,556,810)        | \$ (124,988,656)       | \$ (143,635,791)        | \$ (202,889,710)        | \$ (107,092,965)       |
| Business-Type Activities                                  | 7,210,444               | 1,679,767               | (4,320,210)             | (4,712,130)             | (6,142,943)             | 13,674,147              | 29,429,717             | 21,281,749              | 18,351,396              | 26,548,140             |
| Total Primary Government Net Expense                      | <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> | <u>\$ (184,538,314)</u> | <u>\$ (80,544,825)</u> |
| <b>General Revenues and Other Changes in Net Position</b> |                         |                         |                         |                         |                         |                         |                        |                         |                         |                        |
| Governmental Activities:                                  |                         |                         |                         |                         |                         |                         |                        |                         |                         |                        |
| Taxes   |                         |                         |                         |                         |                         |                         |                        |                         |                         |                        |
| Property Taxes  | \$ 68,704,058           | \$ 69,563,546           | \$ 68,900,077           | \$ 72,930,004           | \$ 76,362,877           | \$ 80,508,743           | \$ 85,015,620          | \$ 90,664,882           | \$ 102,772,794          | \$ 96,486,425          |
| Sales Tax   | 38,152,946              | 40,383,050              | 39,842,711              | 41,000,767              | 38,983,785              | 39,788,063              | 41,486,935             | 44,029,435              | 33,876,247              | 47,350,096             |
| Franchise Taxes   | 7,085,923               | 7,089,931               | 7,434,775               | 7,613,857               | 7,656,015               | 7,798,793               | 8,174,902              | 8,181,895               | 8,021,852               | 8,231,085              |
| Hotel Motel Tax   | 4,228,417               | 4,218,974               | 4,322,485               | 4,219,474               | 3,797,579               | 3,939,200               | 4,157,342              | 4,207,723               | 3,036,519               | 3,200,369              |
| Alcoholic Beverage Taxes                                  | 298,772                 | 345,476                 | 436,204                 | 463,447                 | 467,361                 | 512,893                 | 549,712                | 600,029                 | 407,401                 | 397,307                |
| Investment Earnings                                       | 399,151                 | 379,330                 | 428,693                 | 581,016                 | 780,283                 | 2,148,609               | 2,265,636              | 3,539,327               | 2,714,552               | 1,055,460              |
| Gain on Sale of Capital Assets                            | 314,627                 | 15,898,197              | 177,320                 | 50,721                  | 512,275                 | 1,080,474               | 124,655                | 178,736                 | 398,355                 | 156,776                |
| Bond Premium  | 84,484                  | -                       | -                       | -                       | -                       | -                       | -                      | -                       | -                       | -                      |
| Transfers   | 3,961,171               | 3,781,584               | 7,585,617               | 9,252,910               | 6,345,593               | 7,578,583               | 12,081,986             | 10,273,260              | 8,634,537               | 12,427,673             |
| Total Governmental Activities                             | <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>      | <u>159,862,257</u>      | <u>169,305,191</u>     |
| Business-Type Activities:                                 |                         |                         |                         |                         |                         |                         |                        |                         |                         |                        |
| Sales Tax   | 7,082,464               | 7,666,150               | 7,716,898               | 7,966,064               | 7,474,608               | 7,592,193               | 8,025,224              | 8,325,191               | 8,200,121               | 9,134,586              |
| Investment Earnings                                       | 1,811,816               | 1,651,558               | 1,409,876               | 1,445,291               | 1,818,713               | 1,751,860               | 4,190,741              | 5,248,416               | 1,978,775               | 783,751                |
| Gain/(Loss) on Sale of Capital Assets                     | 23,254                  | 20,316                  | 352,807                 | (26,589)                | 389,708                 | 1,668,774               | 101,987                | 121,226                 | 72                      | (348,519)              |
| Bond Premium  | 389,574                 | -                       | -                       | -                       | -                       | -                       | -                      | -                       | -                       | -                      |
| Transfers   | (3,961,171)             | (3,781,584)             | (7,585,617)             | (9,252,910)             | (6,345,593)             | (7,578,582)             | (12,081,986)           | (10,273,260)            | (8,634,537)             | (12,427,673)           |
| Total Business-Type Activities                            | <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>        | <u>1,544,431</u>        | <u>(2,857,855)</u>     |
| Total Primary Government                                  | <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>   | <u>\$ 161,406,688</u>   | <u>\$ 166,447,336</u>  |
| <b>Change in Net Position</b>                             |                         |                         |                         |                         |                         |                         |                        |                         |                         |                        |
| Governmental Activities                                   | \$ 8,607,834            | \$ 28,338,116           | \$ 9,616,196            | \$ 20,887,384           | \$ 7,301,798            | \$ (7,201,452)          | \$ 28,868,132          | \$ 18,039,496           | \$ (43,027,453)         | \$ 62,212,226          |
| Business-Type Activities                                  | 12,556,381              | 7,236,207               | (2,426,246)             | (4,580,274)             | (2,805,507)             | 17,108,392              | 29,665,683             | 24,703,322              | 19,895,827              | 23,690,285             |
| Total Primary Government                                  | <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>    | <u>\$ (23,131,626)</u>  | <u>\$ 85,902,511</u>   |

**SOURCE:**

City of Laredo, Texas

**CHANGES IN FUND BALANCE,  
GOVERNMENTAL FUNDS  
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 3

|   | Fiscal Year        |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020               | 2021               |
| <b>REVENUES:</b>  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Taxes:  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Property  | \$ 67,838,288      | \$ 69,063,708      | \$ 71,560,518      | \$ 73,314,227      | \$ 75,826,000      | \$ 80,589,128      | \$ 93,536,784      | \$ 90,246,136      | \$ 93,753,167      | \$ 96,705,121      |
| Sales   | 37,481,815         | 39,921,718         | 40,024,574         | 41,364,145         | 38,685,571         | 39,417,857         | 33,208,996         | 43,304,882         | 42,373,207         | 47,136,781         |
| Franchise Fees  | 7,080,430          | 7,049,443          | 7,408,310          | 68,575             | 7,651,588          | 7,776,288          | 8,133,889          | 8,172,967          | 8,038,122          | 8,182,578          |
| Bingo Tax   | 92,942             | 71,581             | 70,037             | 463,398            | 67,340             | 68,077             | 52,912             | 63,966             | 52,020             | 35,966             |
| Alcoholic Beverage  | 289,303            | 320,504            | 429,823            | 4,204,569          | 456,784            | 490,013            | 552,905            | 586,935            | 498,480            | 405,844            |
| Hotel Motel   | 4,227,796          | 4,236,295          | 4,321,690          | 7,588,828          | 3,851,082          | 3,842,751          | 4,138,626          | 4,253,004          | 3,114,134          | 3,166,183          |
| Licenses and Permits                                      | 7,037,889          | 8,200,676          | 9,176,782          | 9,789,518          | 9,996,342          | 10,188,838         | 10,414,120         | 9,898,368          | 10,103,668         | 9,291,740          |
| Intergovernmental   | 37,425,328         | 38,974,973         | 31,999,133         | 35,599,823         | 34,493,046         | 33,734,018         | 34,875,342         | 38,346,584         | 56,019,878         | 70,950,133         |
| Charges for Services                                      | 46,032,265         | 47,094,098         | 54,978,231         | 56,761,356         | 59,886,689         | 60,099,061         | 64,916,008         | 67,629,485         | 61,272,193         | 63,367,381         |
| Fines   | 3,631,708          | 3,355,374          | 3,781,433          | 3,750,121          | 3,986,414          | 4,025,440          | 4,356,940          | 4,897,677          | 4,549,280          | 6,294,039          |
| Fees and Collections                                      | 3,916,479          | 4,815,100          | 5,266,624          | 5,453,663          | 5,288,848          | 5,197,368          | 4,699,620          | 4,668,638          | 3,627,084          | 3,988,679          |
| Rents   | 6,012,866          | 9,050,040          | 7,309,197          | 8,506,613          | 6,646,131          | 7,222,326          | 8,562,331          | 8,835,254          | 7,693,734          | 8,631,216          |
| Interest and Other  | 1,268,514          | 464,348            | 513,966            | 1,426,394          | 2,002,081          | 2,555,647          | 4,401,306          | 6,676,783          | 5,232,049          | 2,387,901          |
| Miscellaneous   | 2,611,818          | 3,571,941          | 2,902,821          | 2,873,122          | 2,176,195          | 2,744,345          | 2,507,491          | 2,254,205          | 5,274,084          | 6,566,379          |
| Contributions & Donations                                 | 18,780,987         | 21,818,513         | 200,222            | 22,950,634         | 27,872,691         | 22,007,736         | 16,126,827         | 13,303,346         | 5,313,331          | 10,048,972         |
| Reimbursements  | 1,038,430          | 1,780,401          | 1,544,995          | 1,847,804          | 1,512,842          | 1,870,678          | 1,422,949          | 2,002,744          | 724                | 1,182              |
| <b>TOTAL REVENUES</b>                                     | <b>244,766,858</b> | <b>259,788,713</b> | <b>241,488,356</b> | <b>275,962,790</b> | <b>280,399,644</b> | <b>281,829,571</b> | <b>291,907,046</b> | <b>305,140,974</b> | <b>306,915,155</b> | <b>337,160,095</b> |
| <b>EXPENDITURES:</b>                                      |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| General Government  | 18,681,665         | 19,339,843         | 19,730,538         | 23,618,033         | 24,034,077         | 24,999,279         | 25,798,914         | 27,384,154         | 20,559,902         | 34,981,380         |
| Public Safety   | 108,305,984        | 112,682,130        | 114,898,390        | 119,758,393        | 126,401,411        | 128,456,177        | 136,965,513        | 143,193,077        | 147,007,646        | 146,610,656        |
| Public Works  | 12,957,347         | 9,836,004          | 10,707,599         | 9,257,819          | 9,081,025          | 10,589,800         | 9,974,167          | 8,915,474          | 10,056,567         | 11,747,674         |
| Health and Welfare  | 22,578,990         | 24,339,567         | 24,015,886         | 24,139,800         | 24,960,106         | 26,068,728         | 26,809,427         | 28,879,340         | 38,191,992         | 38,927,626         |
| Cultural and Recreational                                 | 24,675,468         | 25,336,135         | 27,762,404         | 27,056,235         | 28,088,962         | 27,962,296         | 29,267,337         | 30,794,372         | 26,651,404         | 24,585,823         |
| Air Transportation Services                               | 4,989,131          | 6,006,842          | 6,158,489          | 6,467,036          | 6,883,264          | 6,709,908          | 6,806,224          | 7,125,984          | 7,968,333          | 8,093,138          |
| Capital Outlay  | 71,468,161         | 51,861,368         | 50,975,719         | 52,394,194         | 66,817,376         | 51,840,512         | 43,849,418         | 41,149,078         | 52,631,363         | 38,542,686         |
| Debt Service:   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Bond Costs  | 211,726            | 188,314            | 209,549            | 1,373,264          | 969,313            | -                  | 515,780            | 229,028            | 415,900            | 1,133,003          |
| Principal Retirement                                      | 13,058,227         | 14,365,645         | 16,127,013         | 39,178,502         | 23,395,142         | 15,584,619         | 17,063,400         | 18,461,755         | 18,850,473         | 27,592,776         |
| Loss on Advance Refunding                                 | -                  | -                  | -                  | 258,062            | 584,424            | -                  | -                  | -                  | -                  | -                  |
| Interest and Fiscal Expenditures                          | 11,071,614         | 10,772,155         | 9,987,587          | 9,097,392          | 9,127,731          | 9,764,959          | 9,576,250          | 9,299,688          | 9,550,966          | 8,873,585          |
| <b>TOTAL EXPENDITURES</b>                                 | <b>287,998,313</b> | <b>274,728,003</b> | <b>280,573,174</b> | <b>312,598,730</b> | <b>320,342,831</b> | <b>301,976,278</b> | <b>306,626,430</b> | <b>315,431,950</b> | <b>331,884,546</b> | <b>341,088,347</b> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (43,231,455)       | (14,939,290)       | (39,084,818)       | (36,635,940)       | (39,943,187)       | (20,146,707)       | (14,719,384)       | (10,290,976)       | (24,969,391)       | (3,928,252)        |
| <b>OTHER FINANCING SOURCES (USES):</b>                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Transfers In  | 41,973,360         | 37,256,256         | 45,447,751         | 56,141,691         | 44,180,899         | 36,587,762         | 36,471,318         | 37,229,912         | 50,314,522         | 59,131,368         |
| Issuance of Debt  | 9,764,975          | 3,800,000          | 20,795,730         | 45,028,000         | 40,155,641         | -                  | 15,131,720         | 15,065,000         | 29,330,000         | 69,456,400         |
| Bond Premium  | 88,867             | 58,279             | 565,390            | 14,136,687         | 7,867,533          | -                  | 4,947,660          | 1,198,228          | 4,847,371          | 3,338,557          |
| Bond Discounts  | (4,383)            | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Reimbursements  | -                  | -                  | 15,005             | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Transfers Out   | (37,198,426)       | (31,974,672)       | (37,121,060)       | (45,138,782)       | (35,974,394)       | (26,209,179)       | (21,889,332)       | (26,956,651)       | (41,679,984)       | (46,703,695)       |
| Contributions   | -                  | -                  | 19,667,880         | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Issuance of Refunding Debt                                | -                  | -                  | -                  | 55,606,967         | 20,450,000         | -                  | 19,564,840         | -                  | -                  | -                  |
| Capital Leases  | -                  | 4,852,652          | -                  | -                  | -                  | 62,168             | -                  | -                  | 1,889,082          | -                  |
| Sale of Assets  | 318,617            | 15,888,705         | 177,320            | 50,721             | 512,275            | 1,080,474          | 124,655            | 178,736            | 56,081             | 156,776            |
| Payment to Refunded Bond Escrow Agent                     | (2,112,731)        | -                  | (15,668,558)       | (65,313,880)       | (23,238,405)       | -                  | (21,934,126)       | -                  | (3,002,333)        | (6,025,914)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>               | <b>12,830,279</b>  | <b>29,881,220</b>  | <b>33,879,458</b>  | <b>60,511,404</b>  | <b>53,953,549</b>  | <b>11,521,225</b>  | <b>32,416,735</b>  | <b>26,715,225</b>  | <b>41,754,739</b>  | <b>79,353,492</b>  |
| Net Change in Fund Balances                               | \$ (30,401,176)    | \$ 14,941,930      | \$ (5,205,360)     | \$ 23,875,464      | \$ 14,010,362      | \$ (8,625,482)     | \$ 17,697,351      | \$ 16,424,249      | \$ 16,785,348      | \$ 75,425,240      |
| Debt Service as a Percentage of non-capital expenditures  | 11.24%             | 11.36%             | 11.47%             | 19.18%             | 13.44%             | 10.13%             | 10.33%             | 10.20%             | 10.32%             | 12.43%             |
| <b>SOURCE:</b>  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |

**FUND BALANCE, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

CITY OF LAREDO, TEXAS

TABLE 4

|                                    | Fiscal Year          |                       |                      |                       |                       |                       |                       |                       |                       |                       |
|------------------------------------|----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                    | 2012                 | 2013                  | 2014                 | 2015                  | 2016                  | 2017                  | 2018                  | 2019                  | 2020                  | 2021                  |
| GENERAL FUND                       |                      |                       |                      |                       |                       |                       |                       |                       |                       |                       |
| Nonspendable                       | \$ 4,349             | \$ 19,335             | \$ 5,960             | \$ 7,920              | \$ 11,197             | \$ 17,258             | \$ 7,080              | \$ 16,261             | \$ 21,187             | \$ 14,763             |
| Restricted                         | 1,641,354            | 3,644,122             | 11,981,702           | 11,445,903            | 12,490,116            | 12,650,292            | 11,899,527            | 1,014,431             | 788,916               | 3,483,117             |
| Committed                          | 22,988,878           | 27,564,635            | 27,842,577           | 29,091,945            | 31,053,457            | 30,688,417            | 31,859,384            | 33,396,802            | 36,851,145            | 35,354,112            |
| Unassigned                         | 12,230,458           | 10,343,359            | 2,781,899            | 3,603,026             | 885,453               | 1,706,956             | 3,080,983             | 13,544,019            | 4,954,325             | 11,104,757            |
| Total General Fund                 | <u>\$ 36,865,039</u> | <u>\$ 41,571,451</u>  | <u>\$ 42,612,138</u> | <u>\$ 44,148,794</u>  | <u>\$ 44,440,223</u>  | <u>\$ 45,062,923</u>  | <u>\$ 46,846,974</u>  | <u>\$ 47,971,513</u>  | <u>\$ 42,615,573</u>  | <u>\$ 49,956,749</u>  |
| ALL OTHER GOVERNMENTAL FUNDS       |                      |                       |                      |                       |                       |                       |                       |                       |                       |                       |
| Nonspendable                       | \$ 106,717           | \$ 95,436             | \$ 95,310            | \$ 143,068            | \$ 124,468            | \$ 178,297            | \$ 190,926            | \$ 183,209            | \$ 104,101            | \$ 99,922             |
| Restricted                         | 72,008,350           | 57,826,607            | 60,868,607           | 75,004,683            | 89,143,791            | 75,686,929            | 84,556,431            | 95,702,288            | 120,239,209           | 169,910,495           |
| Committed                          | 7,729,123            | 5,263,091             | 3,559,782            | 6,018,039             | 6,205,935             | 3,641,281             | 6,206,081             | 8,584,545             | 6,460,607             | 12,000,231            |
| Assigned                           | 13,515,966           | 39,401,130            | 33,525,417           | 41,356,354            | 38,986,497            | 44,550,201            | 10,491,733            | 54,642,463            | 54,017,381            | 73,924,828            |
| Unassigned (Deficit)               | (2,386,759)          | (1,377,349)           | (3,086,248)          | (5,220,468)           | (3,440,082)           | (1,746,008)           | 36,778,829            | (5,588,795)           | (5,156,300)           | (12,186,414)          |
| Total all other governmental funds | <u>\$ 90,973,397</u> | <u>\$ 101,208,915</u> | <u>\$ 94,962,868</u> | <u>\$ 117,301,676</u> | <u>\$ 131,020,609</u> | <u>\$ 122,310,700</u> | <u>\$ 138,224,000</u> | <u>\$ 153,523,710</u> | <u>\$ 175,664,998</u> | <u>\$ 243,749,062</u> |

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**

| <b>FISCAL PERIODS</b> |    | <b>AD VALOREM TAXES</b> | <b>SALES TAX</b> |    | <b>BEVERAGE TAX</b> |    | <b>BINGO TAX</b> |    | <b>OCCUPANCY TAX</b> |    | <b>FRANCHISE TAX</b> |    | <b>TOTAL</b> |
|-----------------------|----|-------------------------|------------------|----|---------------------|----|------------------|----|----------------------|----|----------------------|----|--------------|
| 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  |
| 2020                  |    | 93,753,167              | 42,373,207       |    | 498,480             |    | 52,020           |    | 3,114,134            |    | 8,038,122            |    | 147,829,130  |
| 2021                  | \$ | 96,705,121              | \$ 47,136,781    | \$ | 405,844             | \$ | 35,966           | \$ | 3,166,183            | \$ | 8,182,578            | \$ | 155,632,473  |

**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 |    |            |       |
| 2012          | \$                             | 66,842,112 | \$   | 64,818,395         | 96.97                           | \$                        | 1,934,381          | \$ | 66,752,776 | 99.87 |
| 2013          |                                | 67,621,015 |  | 65,858,772         | 97.39                           |                           | 1,539,496          |    | 67,398,268 | 99.67 |
| 2014          |                                | 69,529,157 |  | 68,117,096         | 97.97                           |                           | 1,182,196          |    | 69,299,292 | 99.67 |
| 2015          |                                | 71,691,453 |  | 70,277,149         | 98.03                           |                           | 1,171,642          |    | 71,448,791 | 99.66 |
| 2016          |                                | 75,020,129 |  | 73,312,814         | 97.72                           |                           | 1,423,342          |    | 74,736,156 | 99.62 |
| 2017          |                                | 78,914,153 |  | 77,288,444         | 97.94                           |                           | 1,325,386          |    | 78,613,830 | 99.62 |
| 2018          |                                | 83,721,163 |  | 82,159,879         | 98.14                           |                           | 1,225,567          |    | 83,385,446 | 99.60 |
| 2019          |                                | 88,726,108 |  | 87,126,821         | 98.20                           |                           | 1,102,310          |    | 88,229,131 | 99.44 |
| 2020          |                                | 93,815,384 |  | 91,371,332         | 97.39                           |                           | 1,885,586          |    | 93,256,918 | 99.40 |
| 2021          | \$                             | 96,373,570 | \$   | 92,191,025         | 95.66                           | \$                        | 3,493,388          | \$ | 95,684,413 | 99.28 |

**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 |
| 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%  |
| 2020                           | 9,013,592,957    | 9,013,592,957                 | 6,296,393,242    | 6,296,393,242              | 968,010,100    | 15,001,296,374    | 15,001,296,374             | 0.634000              | 100%  |
| 2021                           | \$ 9,241,307,850 | \$ 9,241,307,850              | \$ 6,494,397,205 | \$ 6,494,397,205           | \$ 994,079,807 | \$ 15,371,554,108 | \$ 15,371,554,108          | 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**

| <b>FISCAL<br/>PERIODS</b> | <b>CITY OF<br/>LAREDO</b> | <b>WEBB<br/>COUNTY</b> | <b>LAREDO<br/>INDEPENDENT<br/>SCHOOL<br/>DISTRICT</b> | <b>UNITED<br/>INDEPENDENT<br/>SCHOOL<br/>DISTRICT</b> | <b>LAREDO<br/>COLLEGE</b> |
|---------------------------|---------------------------|------------------------|---|---|---------------------------|
|---------------------------|---------------------------|------------------------|---|---|---------------------------|

**TAX RATES (per \$100 of assessed value)**

|      |         |         |         |         |         |
|------|---------|---------|---------|---------|---------|
| 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 |
| 2020 | 0.63400 | 0.41200 | 1.39650 | 1.19884 | 0.32864 |
| 2021 | 0.63400 | 0.41200 | 1.39290 | 1.19884 | 0.32551 |

**TAX LEVIES**

|      |    |            |    |            |    |            |    |             |    |            |
|------|----|------------|----|------------|----|------------|----|-------------|----|------------|
| 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 |
| 2020 |    | 93,815,384 |    | 96,392,213 |    | 34,151,585 |    | 227,369,510 |    | 48,116,861 |
| 2021 | \$ | 96,373,570 | \$ | 87,284,731 | \$ | 34,174,008 | \$ | 203,682,028 | \$ | 49,638,452 |

**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**

| <b>FISCAL PERIODS</b> | <b>BEGINNING BALANCE (2)</b> | <b>ASSESSMENTS BILLED</b> | <b>ASSESSMENTS COLLECTED</b> | <b>PERCENT OF COLLECTIONS OF AMOUNT DUE</b> | <b>TOTAL OUTSTANDING CURRENT AND DELINQUENT ASSESSMENTS</b> |
|-----------------------|------------------------------|---------------------------|------------------------------|---|---|
| 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   |
| 2020                  | 3,705                        | 3,308                     | 3,680                        | 52.47%                                      | 3,333   |
| 2021                  | \$ 3,333                     | \$ 3,928                  | \$ 3,993                     | 54.99%                                      | \$ 3,268  |

(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, 2021**

**CITY OF LAREDO, TEXAS**

**TABLE 10**

| TAXPAYER                               | TYPE OF BUSINESS      | 2021 ASSESSED VALUATION REAL & PERSONAL PROPERTY | PERCENTAGE OF TOTAL ASSESSED VALUATION |
|--|-----------------------|--|--|
| Lewis Petro Properites Inc.            | Oil & Natural Gas     | \$452,936,190                                    | 2.77%                                  |
| SM Energy Company                      | Oil & Natural Gas     | 363,282,070                                      | 2.22%                                  |
| Rosetta Resources Inc                  | Oil & Natural Gas     | 358,800,260                                      | 2.20%                                  |
| AEP Texas Inc                          | Electricity           | 260,385,594                                      | 1.59%                                  |
| AEP Electric Transmission of Texas LLC | Electric Transmission | 253,177,830                                      | 1.55%                                  |
| Fasken Oil & Ranch LTD                 | Oil & Natural Gas     | 238,685,670                                      | 1.46%                                  |
| ETC Texas Pipeline LTD                 | Oil & Natural Gas     | 214,083,520                                      | 1.31%                                  |
| Silverbow Resources Oper LLC           | Oil & Natural Gas     | 196,605,740                                      | 1.20%                                  |
| Chesapeake Operating LLC               | Oil & Natural Gas     | 175,364,440                                      | 1.07%                                  |
| Navarro Midstream Services LLC         | Oil & Natural Gas     | 173,654,200                                      | 1.06%                                  |
| <b>TOTAL</b>                           |                       | <b>\$2,686,975,514</b>                           | <b>16.44%</b>                          |

**PRINCIPAL TAXPAYERS  
SEPTEMBER 30, 2011**

| TAXPAYER                        | TYPE OF BUSINESS | 2011 ASSESSED VALUATION REAL & PERSONAL PROPERTY | PERCENTAGE OF TOTAL ASSESSED VALUATION |
|---------------------------------|------------------|--|--|
| Laredo Texas Hospital Co. LP    | Hospital         | \$103,826,630                                    | 0.64%                                  |
| AEP Texas Central Company       | Electricity      | 53,470,930                                       | 0.51%                                  |
| Mall Del Norte LLC              | Real Estate      | 51,752,510                                       | 0.49%                                  |
| The GEO Group                   | Jail             | 49,979,180                                       | 0.31%                                  |
| Laredo Regional Medical Ctr. LP | Medical Center   | 41,405,090                                       | 0.25%                                  |
| Electric Transmission of Texas  | Electricity      | 40,634,910                                       | 0.25%                                  |
| International Bank of Commerce  | Bank             | 39,034,053                                       | 0.24%                                  |
| Halliburton Energy Service      | Oil and Gas      | 37,396,790                                       | 0.35%                                  |
| Killam Ind Dev. Partnership LTD | Partnership      | 30,492,340                                       | 0.19%                                  |
| H.E. Butt Grocery Company       | Real Estate      | 28,283,840                                       | 0.17%                                  |
| <b>TOTAL</b>                    |                  | <b>\$476,276,273</b>                             | <b>4.50%</b>                           |

Numbers show total comparison for principal taxpayers as of 2021 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 \$0.142464 of the total tax rate.

|   |                  |
|---|------------------|
| Assessed value based on 2020 tax roll .....   | \$15,371,554,108 |
| Maximum amount of bonded indebtedness based on such assessed value (10%).....         | \$1,537,155,411  |
| Amount of debt applicable to said maximum debt limit:                                 |                  |
| Total General Obligation Bonds and Certificates of Obligations ...                    | \$211,131,366    |
| (Percentage of G. O. and C. O. debt to assessed value)                                | 1.37%            |
| Less: Debt Service Fund Balance as of September 30, 2021.....                         | \$6,688,081      |
| Total Amount of debt applicable to debt limit .....                                   | \$204,443,285    |
| The Debt Margin between current indebtedness and maximum allowable indebtedness ..... | \$1,332,712,126  |

**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**

| <b>FISCAL<br/>PERIODS</b> | <b>POPULATION<br/>(A) (2)</b> | <b>ASSESSED VALUE<br/>FOR OPERATIONS<br/>DEBT SERVICE</b> | <b>GROSS BONDED<br/>DEBT (1)</b> | <b>LESS DEBT<br/>SERVICE<br/>FUNDS</b> | <b>NET BONDED<br/>DEBT</b> | <b>RATIO OF NET<br/>BONDED DEBT TO<br/>ASSESSED VALUE</b> | <b>NET BONDED<br/>DEBT PER<br/>CAPITA</b> |
|---------------------------|-------------------------------|---|----------------------------------|--|----------------------------|---|---|
| 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                                  |
| 2020                      | 262,491 (2)                   | 15,001,296,374  | 336,558,778                      | 6,955,422                              | 329,603,356                | 2.1972%   | 1,255.67                                  |
| 2021                      | 264,069 (2)                   | \$ 15,371,554,108   | \$ 341,155,712                   | \$ 6,688,081                           | \$ 334,467,631             | 2.1759%   | \$ 1,266.59                               |

(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**

| <b>FISCAL PERIODS</b> | <b>PRINCIPAL</b> | <b>INTEREST &amp; FISCAL CHARGES</b> | <b>TOTAL DEBT SERVICE</b> | <b>TOTAL GENERAL GOVERNMENTAL EXPENDITURES</b> | <b>RATIO OF DEBT SERVICE TO GENERAL EXPENDITURES</b> |
|-----------------------|------------------|--------------------------------------|---------------------------|--|--|
| 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%  |
| 2020                  | 18,850,473       | 9,550,966                            | 28,401,439                | 331,884,546                                    | 8.56%  |
| 2021                  | \$ 27,592,776    | \$ 8,873,585                         | \$ 36,466,361             | \$ 341,088,347                                 | 10.69%   |

**SOURCE:**

City of Laredo, Texas

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
SEPTEMBER 30, 2021**

**CITY OF LAREDO, TEXAS**

**TABLE 14**

| <b>TAXING AUTHORITY</b>            | <b>NET DEBT<br/>OUTSTANDING (A)</b> | <b>ESTIMATED<br/>% APPLICABLE<br/>TO CITY (B)</b> | <b>AMOUNT<br/>APPLICABLE TO<br/>CITY</b> |
|------------------------------------|-------------------------------------|---|--|
| Direct:                            |                                     |   |  |
| City of Laredo                     | \$211,131,366                       | 100.00%   | \$211,131,366                            |
| Overlapping:                       |                                     |   |  |
| Webb County                        | 65,840,000                          | 66.76%  | 43,954,784                               |
| Laredo Independent School District | 299,714,980                         | 100.00%   | 299,714,980                              |
| United Independent School District | 424,193,768                         | 79.38%  | 336,725,013                              |
| Laredo College                     | 168,896,802                         | 100.00%   | 168,896,802                              |
| Total Overlapping                  | 958,645,550                         |   | 849,291,579                              |
| Total                              | \$1,169,776,916                     |   | \$1,060,422,945                          |

**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         |                           |
| <b>Bridge</b>       | \$ 47,442,168     | \$ 11,558,034         | \$ 35,884,134                          | \$ 5,297,642                        | \$ 3,411,251  | \$ 8,708,893  | 4.12                      |
| <b>Water</b>        | 37,406,533        | 19,443,290            | 17,963,243                             | 6,935,076                           | 9,243,574     | 16,178,650    | 1.11                      |
| <b>Sewer</b>        | 28,575,312        | 14,050,528            | 14,524,784                             | 6,628,809                           | 3,460,200     | 10,089,009    | 1.44                      |
| <b>Sports Venue</b> | 7,716,848         | 575,086               | 7,141,762                              | 1,900,000                           | 1,963,443     | 3,863,443     | 1.85                      |
| <b>Total 2012</b>   | \$ 121,140,861    | \$ 45,626,938         | \$ 75,513,923                          | \$ 20,761,527                       | \$ 18,078,468 | \$ 38,839,995 | 1.94                      |
| <b>Bridge</b>       | \$ 47,685,185     | \$ 11,669,362         | \$ 36,015,823                          | \$ 5,605,786                        | \$ 3,122,473  | \$ 8,728,259  | 4.13                      |
| <b>Water</b>        | 40,294,251        | 20,092,010            | 20,202,241                             | 20,326,347                          | 10,020,234    | 30,346,581    | 0.67                      |
| <b>Sewer</b>        | 28,992,116        | 15,807,855            | 13,184,261                             | 13,334,883                          | 4,229,316     | 17,564,199    | 0.75                      |
| <b>Sports Venue</b> | 8,205,434         | 3,757,874             | 4,447,560                              | 2,010,000                           | 1,856,275     | 3,866,275     | 1.15                      |
| <b>Total 2013</b>   | \$ 125,176,986    | \$ 51,327,101         | \$ 73,849,885                          | \$ 41,277,016                       | \$ 19,228,298 | \$ 60,505,314 | 1.22                      |
| <b>Bridge</b>       | \$ 55,275,228     | \$ 12,363,469         | \$ 42,911,759                          | \$ 5,916,910                        | \$ 1,992,962  | \$ 7,909,872  | 5.43                      |
| <b>Water</b>        | 41,926,736        | 21,678,964            | 20,247,772                             | 8,109,433                           | 10,552,363    | 18,661,796    | 1.08                      |
| <b>Sewer</b>        | 30,473,660        | 16,414,535            | 14,059,125                             | 7,382,105                           | 4,367,911     | 11,750,016    | 1.20                      |
| <b>Sports Venue</b> | 8,067,526         | 962,205               | 7,105,321                              | 2,105,000                           | 1,762,826     | 3,867,826     | 1.84                      |
| <b>Total 2014</b>   | \$ 135,743,150    | \$ 51,419,173         | \$ 84,323,977                          | \$ 23,513,448                       | \$ 18,676,062 | \$ 42,189,510 | 2.00                      |
| <b>Bridge</b>       | \$ 58,361,560     | \$ 12,408,494         | \$ 45,953,066                          | \$ 6,663,629                        | \$ 2,786,624  | \$ 9,450,253  | 4.86                      |
| <b>Water</b>        | 39,691,665        | 22,232,943            | 17,458,722                             | 9,986,379                           | 10,574,298    | 20,560,677    | 0.85                      |
| <b>Sewer</b>        | 28,523,438        | 16,518,110            | 12,005,328                             | 7,997,154                           | 4,362,748     | 12,359,902    | 0.97                      |
| <b>Sports Venue</b> | 8,359,484         | 1,536,555             | 6,822,929                              | 2,635,000                           | 1,228,804     | 3,863,804     | 1.77                      |
| <b>Total 2015</b>   | \$ 134,936,147    | \$ 52,696,102         | \$ 82,240,045                          | \$ 27,282,162                       | \$ 18,952,474 | \$ 46,234,636 | 1.78                      |
| <b>Bridge</b>       | \$ 60,191,985     | \$ 44,063,764         | \$ 16,128,221                          | \$ 6,515,000                        | \$ 2,544,689  | \$ 9,059,689  | 1.78                      |
| <b>Water</b>        | 46,005,339        | 25,089,331            | 20,916,008                             | 4,460,137                           | 6,671,362     | 11,131,499    | 1.88                      |
| <b>Sewer</b>        | 31,843,713        | 18,764,427            | 13,079,286                             | 4,031,863                           | 3,424,431     | 7,456,294     | 1.75                      |
| <b>Sports Venue</b> | 7,865,883         | 2,069,960             | 5,795,923                              | 2,470,000                           | 1,391,627     | 3,861,627     | 1.50                      |
| <b>Total 2016</b>   | \$ 145,906,920    | \$ 89,987,482         | \$ 55,919,438                          | \$ 17,477,000                       | \$ 14,032,109 | \$ 31,509,109 | 1.77                      |

(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         |                           |
| <b>Bridge</b>       | \$ 61,142,936     | \$ 13,895,138         | \$ 47,247,798                          | \$ 6,815,000                      | \$ 2,192,787  | \$ 9,007,787  | 5.25                      |
| <b>Water</b>        | 46,727,955        | 25,755,467            | 20,972,488                             | 4,967,900                         | 6,346,412     | 11,314,312    | 1.85                      |
| <b>Sewer</b>        | 33,305,843        | 20,011,001            | 13,294,842                             | 3,763,100                         | 3,331,047     | 7,094,147     | 1.87                      |
| <b>Sports Venue</b> | 8,128,168         | 684,885               | 7,443,283                              | 2,245,000                         | 1,131,413     | 3,376,413     | 2.20                      |
| <b>Total 2017</b>   | \$ 149,304,902    | \$ 60,346,491         | \$ 88,958,411                          | \$ 17,791,000                     | \$ 13,001,659 | \$ 30,792,659 | 2.89                      |
| <b>Bridge</b>       | \$ 68,349,206     | \$ 13,765,480         | \$ 54,583,726                          | \$ 7,050,000                      | \$ 1,986,342  | \$ 9,036,342  | 6.04                      |
| <b>Water</b>        | 48,182,833        | 24,904,013            | 23,278,820                             | 5,043,524                         | 6,309,328     | 11,352,852    | 2.05                      |
| <b>Sewer</b>        | 34,336,575        | 19,201,287            | 15,135,288                             | 4,766,476                         | 3,944,973     | 8,711,449     | 1.74                      |
| <b>Sports Venue</b> | 8,794,830         | 967,782               | 7,827,048                              | 2,340,000                         | 1,039,165     | 3,379,165     | 2.32                      |
| <b>Total 2018</b>   | \$ 159,663,444    | \$ 58,838,562         | \$ 100,824,882                         | \$ 19,200,000                     | \$ 13,279,808 | \$ 32,479,808 | 3.10                      |
| <b>Bridge</b>       | \$ 71,142,243     | \$ 14,275,814         | \$ 56,866,429                          | \$ 5,065,000                      | \$ 1,722,062  | \$ 6,787,062  | 8.38                      |
| <b>Water</b>        | 48,765,016        | 25,924,276            | 22,840,740                             | 5,214,604                         | 6,126,116     | 11,340,720    | 2.01                      |
| <b>Sewer</b>        | 34,656,789        | 19,465,529            | 15,191,260                             | 4,601,396                         | 4,117,341     | 8,718,737     | 1.74                      |
| <b>Sports Venue</b> | 9,568,104         | 831,004               | 8,737,100                              | 2,445,000                         | 930,333       | 3,375,333     | 2.59                      |
| <b>Total 2019</b>   | \$ 164,132,152    | \$ 60,496,623         | \$ 103,635,529                         | \$ 17,326,000                     | \$ 12,895,852 | \$ 30,221,852 | 3.43                      |
| <b>Bridge</b>       | \$ 62,199,843     | \$ 15,922,939         | \$ 46,276,904                          | \$ 4,621,712                      | \$ 1,507,486  | \$ 6,129,198  | 7.55                      |
| <b>Water</b>        | 50,684,705        | 29,527,198            | 21,157,507                             | 5,893,399                         | 8,363,252     | 14,256,651    | 1.48                      |
| <b>Sewer</b>        | 37,267,564        | 22,033,526            | 15,234,038                             | 5,001,632                         | 4,495,619     | 9,497,251     | 1.60                      |
| <b>Sports Venue</b> | 9,050,297         | 669,556               | 8,380,741                              | 2,560,000                         | 818,012       | 3,378,012     | 2.48                      |
| <b>Total 2020</b>   | \$ 159,202,409    | \$ 68,153,219         | \$ 91,049,190                          | \$ 18,076,743                     | \$ 15,184,369 | \$ 33,261,112 | 2.74                      |
| <b>Bridge</b>       | \$ 66,118,351     | \$ 14,305,373         | \$ 51,812,978                          | \$ 4,833,036                      | \$ 1,311,587  | \$ 6,144,623  | 8.43                      |
| <b>Water</b>        | 54,050,805        | 27,866,198            | 26,184,607                             | 13,490,788                        | 7,487,164     | 20,977,952    | 1.25                      |
| <b>Sewer</b>        | 39,607,326        | 20,416,442            | 19,190,884                             | 14,334,212                        | 5,054,174     | 19,388,386    | 0.99                      |
| <b>Sports Venue</b> | 9,626,851         | 1,369,076             | 8,257,775                              | 10,250,000                        | 430,883       | 10,680,883    | 0.77                      |
| <b>Total 2021</b>   | \$ 169,403,333    | \$ 63,957,089         | \$ 105,446,244                         | \$ 42,908,036                     | \$ 14,283,808 | \$ 57,191,844 | 1.84                      |

**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<br>Obligation<br>Bonds | Certificates<br>of<br>Obligation | Revenue<br>Bonds | Capital<br>Lease<br>Obligations     | Notes<br>Payable | General<br>Obligation<br>Bonds | Certificates<br>of<br>Obligations | Revenue<br>Bonds | Capital<br>Lease<br>Obligations | Notes<br>Payable |
| 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        |
| 2020           | 95,769,191                     | 116,186,761                      | 18,817,719       | 5,608,829                           | -                | 85,277,331                     | 39,325,495                        | 426,553,209      | 44,951                          | 1,480,535        |
| 2021           | \$ 88,443,992                  | \$ 122,687,374                   | \$ 57,390,000    | \$ 3,690,310                        | \$ -             | \$ 83,562,177                  | \$ 46,462,173                     | \$ 473,777,658   | 32,467                          | \$ 1,415,165     |
|                | Total<br>Primary<br>Government | Personal<br>Income               | Per<br>Capita    | Percentage<br>of Personal<br>Income |                  |                                |                                   |                  |                                 |                  |
| 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                    | 8,981,800,000                    | 2,610            | 7.60%                               |                  |                                |                                   |                  |                                 |                  |
| 2020           | 789,064,021                    | 9,892,562,000                    | 3,006            | 7.98%                               |                  |                                |                                   |                  |                                 |                  |
| 2021           | \$ 877,461,316                 | \$ N/R                           | 3,323            | N/R                                 |                  |                                |                                   |                  |                                 |                  |

**SOURCE:**

City of Laredo, Texas

Bureau of Economic Analysis, U.S. Department of Commerce

**NOTES:**

N/R - not reported

**DEMOGRAPHIC STATISTICS  
LAST TEN CALENDAR YEARS**

**CITY OF LAREDO, TEXAS**

**TABLE 17**

| YEAR | ESTIMATED<br>POPULATION (A) | PERSONAL INCOME (B)<br>(THOUSANDS OF DOLLARS) | PER CAPITA<br>PERSONAL INCOME (B) | MEDIAN<br>AGE (C) | SCHOOL (D)<br>ENROLLMENT |
|------|-----------------------------|---|-----------------------------------|-------------------|--------------------------|
| 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                     | 8,981,800                                     | 32,466                            | 29.2              | 66,923                   |
| 2020 | 262,491                     | 9,892,562                                     | 35,626                            | 29.2              | 64,016                   |
| 2021 | 264,069                     | \$ N/R  | \$ N/R                            | N/R               | 58,767                   |

**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

**DEMOGRAPHICS STATISTICS**  
**LAST THREE CENSUS REPORTS (1)**

**CITY OF LAREDO, TEXAS**

**TABLE 17**

|                                  | <b>1990<br/>Census</b> | <b>2000<br/>Census</b> | <b>2010<br/>Census</b> |
|----------------------------------|------------------------|------------------------|------------------------|
| <b>TOTAL POPULATION BY RACE:</b> |                        |                        |                        |
| 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 FISCAL PERIODS**

**CITY OF LAREDO, TEXAS**

**TABLE 17**

(Continued)

| FISCAL PERIODS | CIVILIAN LABOR FORCE | UNEMPLOYMENT | UNEMPLOYMENT RATE | EMPLOYMENT |
|----------------|----------------------|--------------|-------------------|------------|
| 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    |
| 2020           | 118,065              | 10,937       | 9.30%             | 107,128    |
| 2021           | 116,307              | 6,289        | 5.40%             | 110,018    |

**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)

| <b>GROWTH INDICATORS (1)</b> |                 |            |              |              |                            |
|------------------------------|-----------------|------------|--------------|--------------|----------------------------|
| <b>FISCAL PERIODS</b>        | <b>ELECTRIC</b> | <b>GAS</b> | <b>WATER</b> | <b>SEWER</b> | <b>POSTAL RECEIPTS (2)</b> |
| 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                 |
| 2020                         | 90,418          | 30,605     | 75,854       | 70,451       | 12,196,622                 |
| 2021                         | 90,039          | 30,605     | 77,802       | 72,125       | \$ 12,172,229              |

**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)<br>DEPOSITS | PROPERTY VALUE (A) |                  |                 |                |
|----------------|-----------------------------|----------------|------------------------------|----------------|----------------------|--------------------|------------------|-----------------|----------------|
|                | NUMBER OF PERMITS           | VALUE          | NUMBER OF PERMITS            | VALUE          |                      | COMMERCIAL         | RESIDENTIAL      | VACANT PROPERTY | EXEMPTIONS (1) |
| 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    |
| 2020           | 193                         | 306,544,952    | 1,643                        | 220,558,872    | 14,296,833,000       | 6,296,393,242      | 9,013,592,957    | 659,320,275     | 968,010,100    |
| 2021           | 222                         | \$ 193,832,381 | 1,750                        | \$ 248,536,481 | \$ 15,258,606,000    | \$ 6,494,397,205   | \$ 9,241,307,850 | \$ 651,520,096  | \$ 994,079,807 |

(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, 2021**

**CITY OF LAREDO, TEXAS**

**TABLE 19**

| EMPLOYER                               | NUMBER<br>OF<br>EMPLOYEES | PERCENTAGE<br>OF TOTAL CITY<br>EMPLOYMENT |
|--|---------------------------|---|
| Laredo Independent School District     | 4,000                     | 3.90%                                     |
| H.E.B Grocery (7 locations)            | 3,705                     | 1.70%                                     |
| United Independent School District     | 3,001                     | 5.90%                                     |
| City of Laredo                         | 2,659                     | 2.30%                                     |
| Wal-Mart (4 locations)                 | 2,125                     | 2.00%                                     |
| U.S. CBP - Laredo Sector Border Patrol | 2,125                     | 1.80%                                     |
| Laredo Sector Border Patrol            | 1,957                     | 1.20%                                     |
| Webb County                            | 1,800                     | 1.60%                                     |
| Laredo Medical Center                  | 1,275                     | 1.30%                                     |
| McDonald's Restaurant                  | 775                       | 1.40%                                     |

**PRINCIPAL EMPLOYERS  
SEPTEMBER 30, 2011**

|                                    |       |       |
|------------------------------------|-------|-------|
| United Independent School District | 6,179 | 7.39% |
| Laredo Independent School District | 4,500 | 5.38% |
| City of Laredo                     | 2,371 | 2.84% |
| U.S Border Patrol                  | 2,000 | 2.39% |
| HEB Grocery Store                  | 1,626 | 1.94% |
| Webb County                        | 1,500 | 1.79% |
| Laredo Medical Center              | 1,300 | 1.55% |
| McDonald's Restaurant              | 1,200 | 1.44% |
| Texas A&M International University | 1,215 | 1.45% |
| Wal-Mart                           | 937   | 1.12% |

Principal Employers numbers as of September 2021 and 10 years ago.

**Source:**

Laredo Development Foundation  
Texas Workforce Commission

**PRINCIPAL WATER CONSUMERS  
SEPTEMBER 30, 2021**

**CITY OF LAREDO, TEXAS**

**TABLE 20**

| TYPE OF BUSINESS               | PRODUCT OR SERVICE | CONSUMPTION (1) |
|--------------------------------|--------------------|-----------------|
| United I.S.D.                  | Education          | 106,089,600     |
| Laredo Medical Center          | Medical            | 83,180,100      |
| Laredo College                 | Education          | 33,618,800      |
| New Webb County Jail           | County Jail        | 20,831,900      |
| Texas A&M University System    | Education          | 17,566,800      |
| Laredo Regional Medical Center | Medical            | 17,523,800      |
| Clark's Crossing Apartments    | Real Estate        | 14,840,100      |
| KRK Limited                    | Real Estate        | 14,722,000      |
| Laredo Apartments I LLC        | Real Estate        | 13,297,600      |
| Laredo Airport Terminal        | Transport          | 12,897,200      |

**PRINCIPAL WATER CONSUMERS  
SEPTEMBER 30, 2011**

| TYPE OF BUSINESS                   | PRODUCT OR SERVICE | CONSUMPTION (1) |
|------------------------------------|--------------------|-----------------|
| Laredo Medical Center              | Hospital           | 142,255,100     |
| Texas A&M International University | Education          | 81,455,400      |
| Laredo Community College           | Education          | 43,159,500      |
| United High School                 | Education          | 32,806,200      |
| Laredo Municipal Housing Corp.     | Housing            | 31,427,500      |
| New Webb County Jail               | County Jail        | 22,542,900      |
| Laredo Regional Medical Center     | Hospital           | 21,576,900      |
| La Bota Ranch Owner Association    | Housing            | 16,452,500      |
| Towne North Mobil Homes            | Housing            | 14,606,300      |
| Winfield Community Association     | Housing            | 12,434,200      |

**NOTES:**

(1) Total consumption in gallons

Numbers show total comparison for principal water consumers as of fiscal year 2021 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)<br>City Council - 4 Year Staggered Terms (2 Terms Maximum)<br>City Manager - Appointed by City Council   |
| Date of First Charter Adoption:                         | 1848   |
| Date of Original Public Sale<br>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,<br>November 30, 1965, January 14, 1981, January 16, 1988,<br>November 7, 1995, November 7, 2006, November 2, 2010,<br>November 8, 2016 and November 12, 2020. |
| Number of City Employees<br>as of September 30, 2021:   | 2,659  |
| Number of City Departments<br>as of September 30, 2021: | 28 (Amended as per Ordinance 2018-O-039)   |

Area in square miles by ten year periods for the last 50  
years and annually for the last ten years

| YEAR | LAND<br>AREA | INCREASE | TOTAL* |
|------|--------------|----------|--------|
| 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  |
| 2001 | 79.95        | 1.42     | 81.37  |
| 2002 | 81.37        | 0.34     | 81.71  |
| 2003 | 81.71        | 2.26     | 83.97  |
| 2004 | 83.97        | 0.43     | 84.40  |
| 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        | 0.00     | 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        | 5.47     | 98.33  |
| 2015 | 98.33        | 3.32     | 101.65 |
| 2016 | 101.65       | 2.99     | 104.64 |
| 2017 | 104.64       | 0.14     | 104.78 |
| 2018 | 104.78       | 1.57     | 106.35 |
| 2019 | 106.35       | 0.73     | 107.08 |
| 2020 | 107.08       | 0.66     | 107.74 |
| 2021 | 107.74       | 0.49     | 108.23 |

\*Annexations are effective December 31st of the respective year.

**ELECTIONS**

(continued)

Number of Registered Voters: 131,334

**NUMBER OF VOTES CAST IN**

Last Municipal Election: Nov 3, 2021 66,243

**% OF REGISTERED VOTERS VOTING IN**

Last Municipal Election: Nov 3, 2021 50.43%

**TRANSPORTATION**

**AIRPORTS**

Number of Airports: 1

Name of Airport: Laredo International Airport  
 Flights Daily to/from  
 Houston, Dallas/Fort Worth, and Las Vegas  
 Mexico City

Scheduled Airplane Flights  
 Per Day Departing: 13

Scheduled Airplane Flights  
 Per Day Arriving: 13

Passengers Enplaning: 90,872 per year

Passengers Deplaned: 87,995 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: 3,012,028

Number of Crossing Commercial  
 Vehicles: 2,517,028

Number of Crossing Pedestrians  
 (includes bicycles): 1,382,054

Total Tolls: \$ 64,933,554

**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 Transit Management Inc. (El Metro)  
El Aguila Rural Transportation (Webb County)

Number of Adult Passengers: 537,792

Number of Elderly & Handicapped - Paid: 111,107

Number of Elderly & Handicapped - Free: 266,164

Number of Students: 42,116

Number of Children - Paid: 9,093

Number of Children - Free: 6,970

Number of I.D. Cards for Elderly: 1,178

Number of Medicaid Cards: 6,697

Number of Service Miles: 1,727,882

Number of Charter Miles: 0

Number of Employees: 169

Name of Interstate Bus Lines: Americanos USA  
Cougar Bus Lines  
Greyhound

**FIRE PROTECTION**

(continued)

|  |       |
|--|-------|
| Number of Stations:                          | 15    |
| Number of Hydrants:                          | 8,862 |
| Number of Fire Pumpers:                      | 14    |
| Number of Aerial Trucks:                     | 4     |
| Number of Ambulances:                        | 12    |
| Number of Crash Trucks:                      | 1     |
| Number of Brush Trucks:                      | 2     |
| Number of Haz-Mat Trucks:                    | 1     |
| Number of Firefighters / EMT's / Paramedics: | 452   |
| Employees per 1,000 Population:              | 1.31  |

**POLICE PROTECTION**

|  |                       |
|--|-----------------------|
| Number of Stations:                          | 2 Police Headquarters |
| Number of Neighborhood Policing<br>Stations: | 6                     |
| Number of Sworn Officers:                    | 526                   |
| Number of Vehicular Patrol Units:            | 315                   |
| Employees per 1,000 Population:              | 1.9                   |
| Number of Law Violations:                    | 16,503                |
| Number of Physical Arrests:                  | 5,412                 |
| Number of Traffic Violations:                | 36,652                |
| Number of 911 Calls:                         | 149,752               |
| Number of Non-911 Calls:                     | 276,803               |



**PUBLIC WORKS**

(continued)

**WATERWORKS SYSTEM**

|                                |   |
|--------------------------------|---|
| Miles of Water Mains:          | 1,150                                     |
| Daily Average Consumption:     | 35.06 MGD                                 |
| Plant Capacity:                | 85.0 MGD                                  |
| Storage Capacity:              | 44.5 MG                                   |
| Water Rights Owned:            | 62,009 ac/ft                              |
| Source of Water:               | Rio Grande River with 3 intake structures |
| Number of Service Connections: | 77,802                                    |

**SEWER SYSTEM**

|  |           |
|--|-----------|
| Miles of Sanitary Sewer:                 | 870       |
| Number of Lift Stations:                 | 69        |
| Daily Average Treatment:                 | 19.3 MGD  |
| Maximum Capacity of<br>Treatment Plants: | 35.25 MGD |
| Number of Disposal Plants:               | 6         |
| Number of Service Connections:           | 72,125    |

**SOLID WASTE**

|                            |                 |
|----------------------------|-----------------|
| Number of Garbage Clients: | 67,528          |
| Solid Waste Disposal Type: | Type I Landfill |

**STREETS**

|                            |           |
|----------------------------|-----------|
| Number of Paved Streets:   | 12,640    |
| Number of Unpaved Streets: | 16 Blocks |
| Miles of Paved Streets:    | 798       |

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:      | 85           |
| Number of Teachers:                      | 452          |
| Number of Students:                      | 6,013        |
| Annual Budget:                           | \$55,978,831 |
| Number of Middle Schools:                | 4            |
| Number of Classrooms:                    | 203          |
| Number of Administrative Personnel:      | 45           |
| Number of Teachers:                      | 317          |
| Number of Students:                      | 4,060        |
| Annual Budget:                           | \$33,183,530 |
| Number of Elementary Schools:            | 20           |
| Number of Classrooms:                    | 685          |
| Number of Administrative Personnel:      | 111          |
| Number of Teachers:                      | 734          |
| Number of Students:                      | 9,643        |
| Annual Budget:                           | \$88,524,058 |

**UNITED INDEPENDENT SCHOOL DISTRICT**

(continued)

|                                       |               |
|---------------------------------------|---------------|
| <b>Number of Senior High Schools:</b> | 4             |
| Number of Magnet Schools:             | 3             |
| Number Alternative Education Schools: | 1             |
| Number of Classrooms:                 | 836           |
| Number of Administrative Personnel:   | 141           |
| Number of Teachers:                   | 833           |
| Number of Students:                   | 13,118        |
| Annual Budget:                        | \$86,353,465  |
| <b>Number of Middle Schools:</b>      | 11            |
| Number of Classrooms:                 | 638           |
| Number of Administrative Personnel:   | 101           |
| Number of Teachers:                   | 587           |
| Number of Students:                   | 9,213         |
| Annual Budget:                        | \$59,392,500  |
| <b>Number of Elementary Schools:</b>  | 30            |
| Number of Classrooms:                 | 1,503         |
| Number of Administrative Personnel:   | 156           |
| Number of Teachers:                   | 1,183         |
| Number of Students:                   | 16,720        |
| Annual Budget:                        | \$117,104,256 |

**LIBRARIES**

(continued)

|                                    |         |
|------------------------------------|---------|
| Number of Public Libraries:        | 5       |
| Number of Volumes:                 | 354,053 |
| Circulation Transactions:          | 459,258 |
| Circulation Per Capita:            | 1.72    |
| New Library Cards Issued:          | 5,476   |
| Library Cards in Force:            | 220,047 |
| Number of Subscriptions:           | 4       |
| Number of Titles:                  | 308,152 |
| Number of Library Visits:          | 42,024  |
| Number of Materials Used:          | 4,737   |
| Library Programs Presented:        | 508     |
| Number Attending Library Programs: | 10,151  |
| Bookmobiles:                       | 1       |
| Branches and Outlets:              | 6       |

**PRIVATE SCHOOLS**

|                                      |    |
|--------------------------------------|----|
| Number of Parochial/Private Schools: | 9  |
| Vocational Training Centers:         | 11 |

**COMMUNICATIONS**

|                                       |                      |
|---------------------------------------|----------------------|
| Number of Daily Newspapers:           | 3                    |
| Major Newspaper:                      | Laredo Morning Times |
| Number of Radio Stations:             | 10                   |
| Number of Television Stations:        | 3                    |
| Number of Cable Television Companies: | 3                    |
| Number of Satellite Companies:        | 3                    |

**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, Arts & Sciences. Education, Nursing and Universtiy College  |
| Population Served:            | Undergraduate and Graduate level college students seeking Liberal Arts, Education, Psychology, Business, International Trade, Science and Technology Degrees, Health and Criminal Justice   |
| Region served:                | South Texas Region  |
| Number of Classrooms/Labs:    | 112   |
| Number of Non-Faculty Staff:  |   |
| Full-time                     | 440   |
| Part-Time                     | -   |
| Number of Full-Time Faculty:  | 269   |
| Number of Part-Time Faculty:  | 161   |
| Number of Full-Time Students: | 5,692   |
| Number of Part-Time Students: | 2,789   |

**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. Bachelor of Science in Nursing |
| Number of Classrooms/Labs:    | 392   |
| Total Gross Square Footage:   | 1,439,476 Sq. Ft.   |
| Number of Administrators:     | 45  |
| Number of Full-Time Faculty:  | 167   |
| Number of Part-Time Faculty:  | 148   |
| Number of Full-Time Students: | 2,957   |
| Number of Part-Time Students: | 9,487   |
| Counties Served:              | Webb, Jim Hogg, Zapata  |
| Total Annual Budget:          | \$61,706,837  |

RECREATIONAL

(continued)

PARKS

|                                    |        |
|------------------------------------|--------|
| Number of Acres Maintained:        | 1206.3 |
| Number of Parks:                   | 70     |
| Number of Plazas:                  | 5      |
| Baseball and Softball Fields:      | 58     |
| Number of Swimming Pools:          | 9      |
| Number of Soccer Fields:           | 30     |
| Number of Tennis Court Facilities: | 27     |
| Number of Racquetball Facilities:  | 4      |
| Number of Recreational Centers:    | 8      |
| Number of Splash Parks:            | 11     |
| Number of Skate Parks:             | 8      |

CEMETERY

|                     |     |
|---------------------|-----|
| City:               | 1   |
| Catholic:           | 1   |
| Private:            | 11  |
| Burials Served:     | 387 |
| Cemetery Lots Sold: | 257 |

LODGING/MEETING FACILITIES

|                          |                     |
|--------------------------|---------------------|
| Number of Hotels/Motels: | 43 with 4,201 Rooms |
| Meeting Facilities:      | 35                  |

**MAJOR ATTRACTIONS**

(continued)

|                                    |   |
|------------------------------------|---|
| Number of Rodeo Arenas:            | 2   |
| Number of Museums:                 | 9   |
| Number of Golf Courses:            | 3   |
| Number of Tennis Courts:           | 27  |
| Number of Tennis Court Facilities: | 6   |
| Number of Malls:                   | 2   |
| Number of Bowling Alleys:          | 3   |
| Number of Movie Theaters:          | 4   |
| Number of Country Clubs:           | 1   |
| Annual Festivities:                | Washington's Birthday Celebration<br>Jalapeno Festival<br>Jamboozie<br>Laredo Birding Festival<br>Memorial Day Pow Wow<br>4th of July Celebration<br>Laredo Sister Cities Festival<br>Laredo Fire Fest<br>16 de Septiembre<br>Farmer's Market<br>Dia De Los Muertos Cultural Celebration<br>Guajolote Run<br>Border Patrol Half Marathon<br>Menudo Bowl<br>Navidad Fest |

**CHURCHES**

|                              |    |
|------------------------------|----|
| Number of Catholic Churches: | 24 |
| Other Churches:              | 30 |

**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,<br>Family Entertainment, Community & Charity Events,<br>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<br>Concerts |

**SOURCES:**

Finance Department, City of Laredo  
Laredo Chamber of Commerce  
Laredo College  
Laredo Independent School District  
Texas A&M International University  
United Independent School District  
Sames Auto 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, 2021**

**CITY OF LAREDO, TEXAS**

**TABLE 22**

| DESCRIPTION                  | TYPE OF COVERAGE   | POLICY LIMIT  |
|------------------------------|--|---|
| BUILDINGS                    | Fire and Extended Coverage (1)   | \$ 707,391,271  |
| ALL PREMISES                 | General Liability  | 1,000,000   |
| VEHICLES                     | Automobile Liability<br>Auto Physical Damage   | 1,000,000<br>PER SCHEDULE AND ENDORSEMENTS                              |
| LIABILITY                    | Errors & Omissions<br>Public Employee Dishonesty   | 1,000,000<br>1,000,000  |
| PROPERTY                     | Mobile Equipment<br>Boiler & Machinery   | 36,244,978<br>Per Accident 5,000,000                                    |
| AIRPORT LIABILITY            | Comprehensive General Liability<br>Personal Injury Liability Coverage<br>Airport Control Tower Operations  | Primary Policy 20,000,000<br>Excess Policy 20,000,000<br>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-<br>Employer's Liability (2):<br>Total Annual Contribution<br>Per Occurrence Retention<br>Annual Aggregate Retention<br>Aggregate Limit Of Liability<br>Loss Deposit Fund | 537,753<br>300,000<br>2,200,000<br>1,000,000<br>291,000                 |
| 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 TEN FISCAL YEARS**

**City of Laredo, Texas**

**Table 23**

| FULL-TIME EQUIVALENT EMPLOYEES AS OF SEPTEMBER 30 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| FUNCTION  | 2021            | 2020            | 2019            | 2018            | 2017            | 2016            | 2015            | 2014            | 2013            | 2012            |
| General Government                                | 347.68          | 328.68          | 303.18          | 296.14          | 292.14          | 295.18          | 309.66          | 300.70          | 340.75          | 338.25          |
| Public Safety:                                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Police:   |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Officers  | 526             | 515             | 514             | 513             | 485             | 486.00          | 482.00          | 482.00          | 482.00          | 482.00          |
| Civilians   | 104             | 100             | 91              | 92              | 88              | 88.00           | 89.00           | 90.00           | 90.00           | 89.00           |
| Fire:   |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Firefighters and Officers                         | 407             | 407             | 407             | 407             | 382             | 383.00          | 383.00          | 362.00          | 362.00          | 357.00          |
| Civilians   | 20              | 20              | 19              | 19              | 19              | 19.00           | 19.00           | 14.00           | 14.00           | 10.00           |
| Other Civilians                                   | 68              | 69              | 69              | 69              | 62              | 62.00           | 63.00           | 62.00           | 62.00           | 62.00           |
| Public Works                                      | 184             | 184             | 164             | 164             | 164             | 164.00          | 164.00          | 159.00          | 112.00          | 113.00          |
| Health and Welfare                                | 366.96          | 361.96          | 336.96          | 327.96          | 326             | 309.96          | 280.48          | 302.50          | 304.88          | 291.38          |
| Culture and Recreation                            | 283.7           | 295.7           | 305.3           | 309.3           | 301             | 297.83          | 296.83          | 274.09          | 246.24          | 243.97          |
| Air Transportation                                | 75              | 75              | 68              | 68              | 68              | 63.00           | 63.00           | 60.00           | 54.00           | 48.00           |
| Bridge System                                     | 188             | 188             | 188             | 189             | 189             | 189.00          | 189.00          | 189.00          | 190.00          | 190.00          |
| Solid Waste Management System                     | 169             | 163             | 155             | 144             | 141             | 136.00          | 136.00          | 131.00          | 128.00          | 128.00          |
| Water System                                      | 229             | 225             | 222             | 227             | 226             | 224.00          | 224.00          | 207.00          | 190.00          | 195.00          |
| Sewer System                                      | 115             | 115             | 118             | 117             | 118             | 120.00          | 120.00          | 102.00          | 81.00           | 75.00           |
| Transit System                                    | 185.9           | 184.1           | 182.1           | 182.1           | 181.1           | 181.10          | 171.00          | 171.00          | 181.00          | 162.00          |
| Municipal Housing                                 | 14              | 14              | 13              | 13              | 13              | 13.00           | 13.00           | 13.00           | 12.00           | 12.00           |
| Total   | <u>3,283.24</u> | <u>3,245.44</u> | <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> |

**SOURCE:**

City of Laredo Budget Division

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

**CITY OF LAREDO, TEXAS**

**TABLE 24**

| FUNCTION                               | FISCAL YEAR<br>2012 | FISCAL YEAR<br>2013 | FISCAL YEAR<br>2014 | FISCAL YEAR<br>2015 | FISCAL YEAR<br>2016 | FISCAL YEAR<br>2017 | FISCAL YEAR<br>2018 | FISCAL YEAR<br>2019 | FISCAL YEAR<br>2020 | FISCAL YEAR<br>2021 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Police</b>                          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Physical Arrests                       | 8,613               | 9,576               | 9,603               | 9,076               | 9,113               | 6,983               | 6,919               | 6,951               | 5,758               | 5,412               |
| Vehicle Inspections (used dealerships) | 40                  | 36                  | 42                  | 330                 | 429                 | 316                 | 40                  | 35                  | 234                 | 44                  |
| Bridge Operations Conducted            | 151                 | 177                 | 81                  | 36                  | 19                  | 39                  | -                   | 8                   | 17                  | 62                  |
| Emergency Calls                        | 196,802             | 180,305             | 184,987             | 198,856             | 223,292             | 170,309             | 153,314             | 166,901             | 139,156             | 149,752             |
| Non-Emergency Calls                    | 264,904             | 250,351             | 239,532             | 202,602             | 225,137             | 213,834             | 203,144             | 274,734             | 284,694             | 276,803             |
| Dispatched Calls                       | 461,706             | 430,656             | 424,519             | 401,458             | 448,429             | 384,143             | 356,458             | 441,635             | 423,850             | 426,555             |
| Public Awareness/Training/Education    | 112                 | 54                  | 75                  | 49                  | 84                  | 74                  | 116                 | 677                 | 1,249               | 22                  |
| <b>Fire</b>                            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Fire Department Responses              | 26,733              | 24,559              | 19,470              | 6,216               | 9,763               | 10,014              | 13,291              | 27,185              | 28,780              | 16,803              |
| Inspections                            | 4,610               | 4,600               | 5,860               | 5,397               | 5,530               | 4,394               | 6,773               | 5,369               | 3,724               | 4,396               |
| Arson Cases Investigated               | 94                  | 95                  | 64                  | 49                  | 48                  | 55                  | 37                  | 35                  | 37                  | 39                  |
| Public Education Presentations         | 107                 | 150                 | 150                 | 139                 | 174                 | 92                  | 116                 | 173                 | 149                 | 116                 |
| <b>Public Works</b>                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Street Resurfaced                      | 388                 | 244                 | 346                 | 426                 | 363                 | 205                 | 122                 | 233                 | 263                 | 229                 |
| Potholes Repaired                      | 24,490              | 24,694              | 24,816              | 23,975              | 21,750              | 25,620              | 17,262              | 18,234              | 27,342              | 14,700              |
| <b>Bridge</b>                          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Pedestrian Crossings                   | 2,946,244           | 2,973,056           | 3,032,333           | 3,029,608           | 3,074,538           | 3,116,492           | 3,182,403           | 3,304,191           | 2,098,671           | 1,382,054           |
| Gateway Passes Sold                    | 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       | 4,418,558           | 4,551,845           | 6,732,956           | 5,060,633           | 5,212,091           | 4,992,233           | 5,013,214           | 5,018,723           | 3,547,971           | 3,012,028           |
| Commercial Vehicle Crossings           | 1,784,104           | 1,835,110           | 1,924,842           | 2,005,177           | 2,087,586           | 2,176,995           | 2,281,483           | 2,369,111           | 2,258,425           | 2,517,028           |
| Non-Commercial AVI Accounts            | 10,406              | 10,632              | 11,476              | 12,433              | 13,418              | 12,090              | 13,124              | 14,175              | 15,145              | 13,595              |
| Commercial AVI Accounts                | 3,721               | 3,931               | 4,374               | 4,852               | 5,243               | 5,025               | 5,540               | 6,272               | 6,816               | 5,229               |
| <b>Culture and Recreation</b>          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Community Center Admissions            | 382,769             | 523,699             | 466,400             | 447,269             | 506,177             | 510,658             | 398,095             | 17,854              | 143,414             | -                   |
| Community Service Special Events       | 70                  | 93                  | 90                  | 217                 | 90                  | 63                  | 81                  | 61                  | 22                  | -                   |
| After School Programs                  | 6                   | 9                   | 8                   | 8                   | 8                   | 8                   | 27                  | 9                   | 8                   | -                   |
| <b>Transit System</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Passenger Ridership                    | 2,884,245           | 2,998,121           | 2,898,000           | 2,816,479           | 2,762,991           | 2,750,572           | 2,406,677           | 2,342,847           | 1,540,107           | 973,242             |
| Miles Driven                           | 1,961,651           | 1,961,745           | 1,941,131           | 1,684,067           | 1,721,527           | 1,716,803           | 1,738,502           | 1,772,620           | 1,842,996           | 1,727,882           |

(Continued)

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

**CITY OF LAREDO, TEXAS**

**TABLE 24**

| FUNCTION                       | FISCAL YEAR<br>2012 | FISCAL YEAR<br>2013 | FISCAL YEAR<br>2014 | FISCAL YEAR<br>2015 | FISCAL YEAR<br>2016 | FISCAL YEAR<br>2017 | FISCAL YEAR<br>2018 | FISCAL YEAR<br>2019 | FISCAL YEAR<br>2020 | FISCAL YEAR<br>2021 |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Sanitation</b>              |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Household Customers            | 56,797              | 56,936              | 58,427              | 59,118              | 60,102              | 61,091              | 62,000              | 63,559              | 66,575              | 67,528              |
| Refuse Collected (tons)        | 94,549              | 99,613              | 87,406              | 103,049             | 109,346             | 91,365              | 92,124              | 92,787              | 89,825              | 96,693              |
| Recyclables Collected (tons)   | 3,378               | 3,128               | 11,506              | 11,940              | 7,661               | 11,330              | 12,147              | 11,492              | 12,147              | 12,203              |
| <b>Water</b>                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Average Consumption (MGD)      | 28.40               | 35.00               | 26.00               | 31.90               | 36.29               | 34.07               | 33.55               | 22.72               | 34.75               | 35.30               |
| Meters Read (per month)        | 64,561              | 66,512              | 67,662              | 68,897              | 70,072              | 71,278              | 72,392              | 73,512              | 75,012              | 76,807              |
| Service Calls (per month)      | 8,415               | 9,030               | 9,785               | 11,301              | 12,890              | 12,895              | 12,107              | 12,598              | 13,768              | 11,731              |
| <b>Wastewater</b>              |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Average Sewage Treatment (MGD) | 18.90               | 18.90               | 18.80               | 19.70               | 20.64               | 19.50               | 19.12               | 19.00               | 17.60               | 19.30               |
| <b>Airport</b>                 |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Commercial Service Airlines    | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 4                   | 4                   |
| Land/Building Leases           | 86                  | 86                  | 90                  | 95                  | 94                  | 95                  | 84                  | 80                  | 80                  | 74                  |
| Inbound/Outbound Passengers    | 192,869             | 200,803             | 204,496             | 206,332             | 187,750             | 172,429             | 172,152             | 184,810             | 89,946              | 178,867             |
| Scheduled Flights Per Day      | 8                   | 9                   | 8                   | 8                   | 8                   | 9                   | 9                   | 9                   | 10                  | 13                  |

**SOURCE:**

City of Laredo, Texas

**CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

CITY OF LAREDO, TEXAS

TABLE 25

| FUNCTION                       | FISCAL YEAR<br>2021 | FISCAL YEAR<br>2020 | FISCAL YEAR<br>2019 | FISCAL YEAR<br>2018 | FISCAL YEAR<br>2017 | FISCAL YEAR<br>2016 | FISCAL YEAR<br>2015 | FISCAL YEAR<br>2014 | FISCAL YEAR<br>2013 | FISCAL YEAR<br>2012 |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Public Safety</b>           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Police:                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Stations                       | 8                   | 9                   | 10                  | 12                  | 10                  | 12                  | 10                  | 18                  | 18                  | 18                  |
| Patrol Units                   | 315                 | 356                 | 338                 | 328                 | 324                 | 301                 | 292                 | 294                 | 261                 | 297                 |
| Fire:                          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Stations                       | 15                  | 15                  | 15                  | 15                  | 15                  | 15                  | 15                  | 15                  | 14                  | 14                  |
| EMS Units                      | 12                  | 12                  | 11                  | 11                  | 10                  | 9                   | 9                   | 9                   | 9                   | 9                   |
| Ladder Trucks                  | 4                   | 4                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   |
| Pumper Trucks                  | 14                  | 14                  | 14                  | 14                  | 14                  | 14                  | 14                  | 14                  | 14                  | 14                  |
| <b>Highways and Streets</b>    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Public Works:                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Streets - Lane Miles           | 798                 | 695                 | 788.16              | 695                 | 681                 | 673                 | 685                 | 676                 | 670                 | 664                 |
| Traffic:                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Traffic Signals                | 254                 | 253                 | 253                 | 252                 | 252                 | 248                 | 248                 | 246                 | 248                 | 242                 |
| Street Lights                  | 13,900              | 14,300              | 13,700              | 13,500              | 13,442              | 13,032              | 12,850              | 12,761              | 12,480              | 12,400              |
| Other Traffic Control Signs    | 37,100              | 37,500              | 37,000              | 36,946              | 36,648              | 36,360              | 36,000              | 35,331              | 34,862              | 34,624              |
| <b>Bridge System</b>           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| International Bridges          | 4                   | 4                   | 4                   | 4                   | 4                   | 4                   | 4                   | 4                   | 4                   | 4                   |
| <b>Cultural and Recreation</b> |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Parks Acreage                  | 1206.3              | 1185.5              | 750                 | 854.5               | 854                 | 830                 | 735                 | 886                 | 860                 | 863                 |
| Parks                          | 70                  | 73                  | 67                  | 64                  | 55                  | 83                  | 83                  | 74                  | 74                  | 73                  |
| Swimming Pools                 | 9                   | 9                   | 9                   | 9                   | 9                   | 8                   | 8                   | 8                   | 7                   | 7                   |
| Community Centers              | 12                  | 11                  | 11                  | 11                  | 11                  | 9                   | 10                  | 9                   | 9                   | 10                  |
| Convention Centers             | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 1                   | 1                   |
| Stadiums                       | 2                   | 2                   | 2                   | 2                   | 2                   | 2                   | 2                   | 2                   | 1                   | 1                   |
| <b>Transit System</b>          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Buses                          | 44                  | 45                  | 47                  | 43                  | 42                  | 48                  | 48                  | 48                  | 48                  | 47                  |
| Trolleys                       | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 2                   |

**CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

CITY OF LAREDO, TEXAS

TABLE 25

(Continued)

| FUNCTION                              | FISCAL YEAR<br>2021 | FISCAL YEAR<br>2020 | FISCAL YEAR<br>2019 | FISCAL YEAR<br>2018 | FISCAL YEAR<br>2017 | FISCAL YEAR<br>2016 | FISCAL YEAR<br>2015 | FISCAL YEAR<br>2014 | FISCAL YEAR<br>2013 | FISCAL YEAR<br>2012 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Sanitation</b>                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Collection Trucks - Rear Loaders      | 18                  | 19                  | 22                  | 21                  | 20                  | 20                  | 21                  | 25                  | 24                  | 23                  |
| Collection Trucks - Automated         | 48                  | 42                  | 44                  | 41                  | 41                  | 30                  | 39                  | 43                  | 38                  | 40                  |
| Collection Trucks - Dump Trucks       | 3                   | 3                   | 0                   | 0                   | 0                   | 3                   | 0                   | 0                   | 2                   | 0                   |
| Collection Trucks - Grapplers         | 11                  | 10                  | 9                   | 8                   | 8                   | 7                   | 7                   | 8                   | 8                   | 5                   |
| Collection Trucks - F.Loaders/Recycle | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 4                   |
| Collection Trucks - Roll-off Trucks   | 3                   | 3                   | 3                   | 3                   | 3                   | 3                   | 2                   | 2                   |                     |                     |
| <b>Water</b>                          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Water Mains (miles)                   | 1,150               | 1,129               | 1,113               | 1,108               | 793                 | 785                 | 765                 | 721                 | 721                 | 716                 |
| Fire Hydrants                         | 8,862               | 8,280               | 8,521               | 7,980               | 7,374               | 7,271               | 6,380               | 6,208               | 3,381               | 3,316               |
| Maximum Capacity (MGD)                | 85                  | 85                  | 85                  | 85                  | 86                  | 85                  | 85                  | 65                  | 65                  | 65                  |
| <b>Wastewater</b>                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Sanitary Sewer (miles)                | 870.992             | 858                 | 840                 | 814                 | 546                 | 537                 | 513                 | 513                 | 504                 | 500                 |
| Maximum Capacity (MGD)                | 36.7                | 35.25               | 35.2                | 29.2                | 29.2                | 29.25               | 29.20               | 24.70               | 25.10               | 25.10               |
| <b>Environmental Services</b>         |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Storm Drainage (miles)                | 225.85              | 225.63              | 225.59              | 218                 | 214                 | 212                 | 201                 | 201                 | 198                 | 187                 |
| <b>Air Transportation</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Airports                              | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   |

**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 2002-2021. The table applies to the following issues:

|   |               |
|---|---------------|
| Sewer System Revenue Bond, Series 2002  | \$ 710,000    |
| Waterworks Revenue Bond, Series 2002  | 741,000       |
| 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 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    |
| 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    |
| 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     |
| 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 |
| Waterworks & Sewer Revenue Bonds, Series 2019                    |    | 47,295,000 |
| Waterworks & Sewer Revenue Refunding Bonds, Series 2019A         |    | 28,415,000 |
| Public Property Finance Contractual Obligations, Series 2019     |    | 11,600,000 |
| Certificates of Obligation, Series 2019                          |    | 29,905,000 |
| General Obligation Refunding Bonds, Series 2019                  |    | 3,655,000  |
| Waterworks & Sewer System Subordinate Revenue Bonds, Series 2020 |    | 52,000,000 |
| Waterworks & Sewer System Revenue Bonds, Series 2020A            |    | 55,190,000 |
| Waterworks & Sewer System Revenue Bonds, Series 2020B            |    | 46,170,000 |
| Certificates of Obligation, Series 2021A                         |    | 27,430,000 |
| Certificates of Obligation, Series 2021B                         |    | 2,235,000  |
| General Obligation Refunding Bonds, Series 2021A                 |    | 3,800,000  |
| General Obligation Refunding Bonds, Series 2021B                 |    | 5,430,000  |
| Sports Venue Sales Tax Revenue Bonds, Series 2021                | \$ | 49,755,000 |

## GENERAL OBLIGATION BONDS

**TABLE 1 - VALUATION, EXEMPTIONS AND DEBT OBLIGATIONS**

|   |                    |                       |
|---|--------------------|-----------------------|
| 2020 Market Valuation Established by Webb County Appraisal District<br>(as of September 2020) |                    | 16,387,225,151        |
| Less Exemptions/Reductions at 100% Market Value:  |                    |                       |
| Residential Homestead Exemptions  | 337,821,008        |                       |
| Disabled Veterans Exemptions  | 96,674,687         |                       |
| Agricultural and Open Space Land Use Reductions   | 229,380,898        |                       |
| Free Port Exemptions  | 289,485,200        |                       |
| Property Redevelopment and Tax Abatement  | 49,077,340         |                       |
| Pollution Control   | 4,987,810          |                       |
| Other Exemptions  | <u>8,244,100</u>   | <u>1,015,671,043</u>  |
| 2020 Taxable Assessed Valuation   |                    | <u>15,371,554,108</u> |
| General Obligation Debt Payable from Ad Valorem Taxes (1)                                     |                    |                       |
| General Obligation Bonds  | 88,443,992         |                       |
| Certificates of Obligation  | <u>122,687,374</u> |                       |
| Funded Debt Payable from Ad Valorem Taxes   |                    | 211,131,366           |
| Less: Self-supporting Debt  |                    |                       |
| Airport System Certificates of Obligation   | 1,105,000          |                       |
| Environmental Services General Obligation Debt  | 9,937,600          |                       |
| Environmental Services Certificates of Obligation   | 8,567,000          | 19,789,456            |
| Parking System General Obligation Debt  | <u>179,856</u>     |                       |
| General Purpose Funded Debt Payable from Ad Valorem Taxes                                     |                    | <u>191,341,910</u>    |
| Interest and Sinking Fund   |                    | 6,688,081             |
| Ratio Funded Debt to Taxable Assessed Valuation   |                    | 1.37%                 |
| Ratio General Purpose Funded Debt to Taxable Assessed Valuation                               |                    | 1.24%                 |
| 2021 Estimated Population-  | 264,069            |                       |
| Per Capita Taxable Assessed Valuation-  | \$58,210           |                       |
| Per Capita Funded Debt-   | \$800              |                       |
| Per Capita General Purpose Funded Debt-   | \$725              |                       |

- (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: \$264,470,402 Waterworks System Revenue Bonds; \$226,138 Sewer System Revenue Bonds; \$25,225,000 International Toll Bridge System Revenue Bonds; \$3,175,613 Transit System Revenue Bonds; \$39,213,953 Solid Waste Revenue Bonds; and \$57,390,000 Sports Venue Sales Tax Revenue Bonds.

**TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY**

| Category                                   | Taxable Appraised Value for Fiscal Year Ended September 30, |         |                       |         |                       |         |
|--|---|---------|-----------------------|---------|-----------------------|---------|
|  | 2021  | % of    | 2020                  | % of    | 2019                  | % of    |
|  | Amount  |         | Amount                |         | Amount                |         |
| Real, Residential, Single Family           | 8,438,113,609   | 51.49%  | 8,243,780,438         | 51.62%  | 7,846,856,529         | 51.98%  |
| Real, Residential, Multifamily             | 623,894,057   | 3.81%   | 597,466,636           | 3.74%   | 564,484,077           | 3.74%   |
| Real, Vacant Lots/Tracts                   | 420,997,891   | 2.57%   | 431,814,793           | 2.70%   | 396,602,955           | 2.63%   |
| Real, Acreage (Land Only)                  | 230,809,046   | 1.41%   | 227,777,662           | 1.43%   | 212,607,816           | 1.41%   |
| Real, Farm and Ranch Improvements          | 141,997,263   | 0.87%   | 135,650,423           | 0.85%   | 110,120,012           | 0.73%   |
| Real, Commercial/Industrial                | 4,283,147,523   | 26.14%  | 4,239,376,935         | 26.55%  | 3,946,296,549         | 26.14%  |
| Real, Oil, Gas, and Other Mineral Reserves | 704,455   | 0.00%   | 18,684,080            | 0.12%   | 32,619,351            | 0.22%   |
| Goods In-Transit                           | 8,926,700   | 0.05%   | 5,609,920             | 0.04%   | 5,690,094             | 0.04%   |
| Real and Tangible Personal, Utilities      | 350,035,830   | 2.14%   | 341,241,200           | 2.14%   | 376,685,512           | 2.50%   |
| Tangible Personal, Commercial/Industrial   | 1,757,900,097   | 10.73%  | 1,590,502,969         | 9.96%   | 1,468,293,094         | 9.73%   |
| Tangible Personal, Other                   | 37,016,080  | 0.23%   | 36,423,280            | 0.23%   | 49,321,179            | 0.33%   |
| Real Property, Inventory (1)               | 50,663,570  | 0.31%   | 58,020,968            | 0.36%   | 44,018,203            | 0.29%   |
| Special Inventory                          | 43,019,030  | 0.26%   | 42,957,170            | 0.27%   | 41,952,401            | 0.28%   |
| Total Appraised Value Before Exemptions    | 16,387,225,151  | 100.00% | 15,969,306,474        | 100.00% | 15,095,547,772        | 100.00% |
| Less: Total Exemptions/Reductions          | 1,015,671,043   |         | 968,010,100           |         | 906,672,581           |         |
| Taxable Assessed Value                     | <u>15,371,554,108</u>                                       |         | <u>15,001,296,374</u> |         | <u>14,188,875,191</u> |         |

| Category                                   | Taxable Appraised Value for Fiscal Year Ended September 30, |         |                       |         |                       |         |
|--|---|---------|-----------------------|---------|-----------------------|---------|
|  | 2018  | % of    | 2017                  | % of    | 2016                  | % of    |
|  | Amount  |         | Amount                |         | Amount                |         |
| Real, Residential, Single Family           | 7,306,354,273   | 51.41%  | 6,688,911,938         | 50.02%  | 6,309,253,390         | 49.56%  |
| Real, Residential, Multifamily             | 531,944,021   | 3.74%   | 536,455,633           | 4.01%   | 467,837,808           | 3.68%   |
| Real, Vacant Lots/Tracts                   | 416,010,091   | 2.93%   | 387,741,045           | 2.90%   | 345,104,220           | 2.71%   |
| Real, Acreage (Land Only)                  | 212,184,436   | 1.49%   | 221,473,241           | 1.66%   | 215,123,781           | 1.69%   |
| Real, Farm and Ranch Improvements          | 117,409,310   | 0.83%   | 108,400,727           | 0.81%   | 139,950,625           | 1.10%   |
| Real, Commercial/Industrial                | 3,708,240,026   | 26.09%  | 3,541,912,142         | 26.49%  | 3,346,191,171         | 26.29%  |
| Real, Oil, Gas, and Other Mineral Reserves | 1,209,937   | 0.01%   | 1,980,040             | 0.01%   | 4,250,366             | 0.03%   |
| Goods In-Transit                           | 9,540,211   | 0.07%   | 1,436,504             | 0.01%   | 1,670,134             | 0.01%   |
| Real and Tangible Personal, Utilities      | 317,485,268   | 2.23%   | 292,970,420           | 2.19%   | 290,518,596           | 2.28%   |
| Tangible Personal, Commercial/Industrial   | 1,461,543,251   | 10.28%  | 1,466,051,945         | 10.96%  | 1,465,292,959         | 11.51%  |
| Tangible Personal, Other                   | 50,622,472  | 0.36%   | 49,334,083            | 0.37%   | 72,824,917            | 0.57%   |
| Real Property, Inventory (1)               | 35,482,906  | 0.25%   | 30,973,122            | 0.23%   | 31,820,015            | 0.25%   |
| Special Inventory                          | 43,867,641  | 0.31%   | 44,050,526            | 0.33%   | 40,390,292            | 0.32%   |
| Total Appraised Value Before Exemptions    | 14,211,893,843  | 100.00% | 13,371,691,366        | 100.00% | 12,730,228,274        | 100.00% |
| Less: Total Exemptions/Reductions          | 880,948,630   |         | 880,762,593           |         | 872,562,927           |         |
| Taxable Assessed Value                     | <u>13,330,945,213</u>                                       |         | <u>12,490,928,773</u> |         | <u>11,857,665,347</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<br/>Year<br/>Ended<br/>9-30</u> | <u>Estimated<br/>Population<br/>(1)</u> | <u>Taxable<br/>Assessed<br/>Valuations<br/>(2)</u> | <u>Taxable<br/>Assessed<br/>Valuation<br/>Per Capita</u> | <u>G.O.<br/>Tax Debt<br/>Outstanding<br/>at End<br/>of Year</u> | <u>Ratio of<br/>G.O. Tax Debt<br/>to Taxable<br/>Assessed<br/>Valuation</u> | <u>G.O. Tax<br/>Debt<br/>Per Capita</u> |
|---|---|--|--|---|---|---|
| 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                                     |
| 2020                                      | 262,491                                 | 15,001,296,374                                     | 57,150   | 211,955,952   | 1.41%   | 807                                     |
| 2021                                      | 264,069                                 | 15,371,554,108                                     | 58,210   | 211,161,366   | 1.37%   | 800                                     |

(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<br/>Year<br/>Ended<br/>9-30</u> | <u>Tax<br/>Rate</u> | <u>Distribution<br/>General<br/>Fund</u> | <u>Interest and<br/>Sinking Fund</u> | <u>Tax Levy</u> | <u>% Current<br/>Collections</u> | <u>% Total<br/>Collections</u> |
|---|---------------------|--|--------------------------------------|-----------------|----------------------------------|--------------------------------|
| 2012                                      | 0.637000            | 0.512326                                 | 0.124674                             | 66,842,112      | 96.97%                           | 99.65%                         |
| 2013                                      | 0.637000            | 0.498866                                 | 0.138134                             | 67,621,015      | 97.39%                           | 99.64%                         |
| 2014                                      | 0.637000            | 0.488257                                 | 0.148743                             | 69,529,157      | 97.97%                           | 99.62%                         |
| 2015                                      | 0.637000            | 0.491720                                 | 0.145280                             | 71,691,453      | 98.03%                           | 99.58%                         |
| 2016                                      | 0.637000            | 0.493751                                 | 0.143249                             | 75,020,129      | 97.72%                           | 99.56%                         |
| 2017                                      | 0.637000            | 0.494068                                 | 0.142932                             | 78,914,153      | 97.94%                           | 99.53%                         |
| 2018                                      | 0.637000            | 0.491887                                 | 0.145113                             | 83,721,163      | 98.14%                           | 99.30%                         |
| 2019                                      | 0.634000            | 0.488732                                 | 0.145268                             | 88,726,108      | 98.20%                           | 99.14%                         |
| 2020                                      | 0.634000            | 0.490186                                 | 0.143814                             | 93,815,384      | 97.39%                           | 97.39%                         |
| 2021                                      | 0.634000            | 0.491536                                 | 0.142464                             | 96,373,570      | 95.66%                           | 99.28%                         |

Tax collections as of September 30, 2021

**TABLE 5 – TEN LARGEST TAXPAYERS**

| <u>Taxpayer</u>                         | <u>Type of Business</u> | 2020 Assessed<br>Valuation Real<br>& Personal<br><u>Property</u> | Percentage<br>of Total<br>Assessed<br><u>Valuation</u> |
|---|-------------------------|--|--|
| Lewis Petro Properties                  | Oil & Natural Gas       | 452,936,190  | 2.77%  |
| SM Energy Company                       | Oil & Natural Gas       | 363,282,070  | 2.22%  |
| Rosetta Resources Inc                   | Oil & Natural Gas       | 358,800,260  | 2.20%  |
| AEP Texas Inc                           | Electricity             | 260,385,594  | 1.59%  |
| AEP Electric Transmission of Texas, LLC | Electricity             | 253,177,830  | 1.55%  |
| Fasken Oil & Ranch LTD                  | Oil & Natural Gas       | 238,685,670  | 1.46%  |
| ETC Texas Pipeline LTD                  | Oil & Natural Gas       | 214,083,520  | 1.31%  |
| Silverbow Resources Oper LLC            | Oil & Natural Gas       | 196,605,740  | 1.20%  |
| Chesapeake Operating LLC                | Oil & Natural Gas       | 175,364,440  | 1.07%  |
| Navarro Midstream Services LLC          | Oil & Natural Gas       | 173,654,200  | 1.06%  |
|   |                         | <u>2,686,975,514</u>   | 16.43%   |

NOTE: As of March 14, 2022, no taxpayer is delinquent on their account.

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>   | 2020<br>Taxable<br>Assessed<br><u>Valuation</u> | 2020<br>Tax<br><u>Rate</u> | Total<br>Funded<br><u>Debt</u> | Estimated<br>%<br><u>Applicable</u> | City's<br>Overlapping<br>Funded Debt<br>As of<br><u>09-30-21</u> |
|--|---|----------------------------|--------------------------------|-------------------------------------|--|
| City of Laredo   | 15,371,554,108                                  | 0.634000                   | 211,131,366                    | 100.00%                             | 211,131,366  |
| Laredo Independent School District   | 2,157,153,253                                   | 1.392900                   | 299,714,980                    | 100.00%                             | 299,714,980  |
| Laredo College District  | 13,832,273,948                                  | 0.325510                   | 168,896,802                    | 100.00%                             | 168,896,802  |
| United Independent School District   | 16,149,673,150                                  | 1.198840                   | 424,193,768                    | 79.38%                              | 336,725,013  |
| Webb County  | 19,915,825,595                                  | 0.412000                   | 65,840,000                     | 66.76%                              | <u>43,954,784</u>  |
| Total Direct and Overlapping G.O. Tax Debt                                   |   |                            |                                |                                     | <u><u>1,060,422,945</u></u>                                      |
| Ratio of Direct and Overlapping G. O. Tax Debt to Taxable Assessed Valuation |   |                            |                                |                                     | 1.57%  |
| Per Capita Overlapping G. O. Tax Debt  |   |                            |                                |                                     | 4,015.70   |

Source: Finance Departments of respective entities.

#### TABLE 7 – INTEREST AND SINKING FUND BUDGET PROJECTION

|   |               |                         |
|---|---------------|-------------------------|
| Estimated Debt Service Requirements, Fiscal Year Ended 9-30-2022..... | \$            | 29,273,481              |
| Interest and Sinking Fund, 9-30-2021.....                             | 6,688,081     |                         |
| Property Taxes for Interest and Sinking Fund.....                     | 22,965,992    |                         |
| Paving Assessments.....   | 8,506         |                         |
| Budgeted Transfers.....   | 7,065,144     |                         |
| Estimated Investment Income.....                                      | <u>34,900</u> | <u>36,762,623</u>       |
| Estimated Balance, 9-30-2022.....                                     | \$            | <u><u>7,489,142</u></u> |

**TABLE 8A – GENERAL OBLIGATION DEBT SERVICE**

| Fiscal<br>Year<br>Ended<br>09-30 | Total<br>Outstanding<br>GO Debt | 2020A<br>GO Refunding<br>Issue | Fund<br>Debt<br>Requirements | Less: Self<br>Supporting<br>GO Debt<br>Service Requirements | General Purpose<br>Funded Debt | % of<br>Debt<br>Retired |
|----------------------------------|---------------------------------|--------------------------------|------------------------------|---|--------------------------------|-------------------------|
| 2022                             | 22,010,518                      | 189,100                        | 22,199,618                   | 10,365,455  | 11,834,163                     |                         |
| 2023                             | 21,386,417                      | 393,850                        | 21,780,267                   | 9,840,969   | 11,939,298                     |                         |
| 2024                             | 21,109,460                      | 500,350                        | 21,609,810                   | 9,698,737   | 11,911,073                     |                         |
| 2025                             | 21,645,502                      | 498,475                        | 22,143,977                   | 10,067,941  | 12,076,036                     |                         |
| 2026                             | 19,779,410                      | 505,600                        | 20,285,010                   | 8,518,450   | 11,766,560                     | 55.03%                  |
| 2027                             | 18,762,350                      | 501,725                        | 19,264,075                   | 8,511,557   | 10,752,518                     |                         |
| 2028                             | 12,248,095                      | 501,975                        | 12,750,070                   | 6,593,011   | 6,157,059                      |                         |
| 2029                             | 9,657,595                       | 501,225                        | 10,158,820                   | 6,584,728   | 3,574,092                      |                         |
| 2030                             | 7,205,856                       | 504,350                        | 7,710,206                    | 6,575,576   | 1,134,630                      | 80.44%                  |
| 2031                             | 6,507,945                       | 501,350                        | 7,009,295                    | 6,578,579   | 430,716                        |                         |
| 2032                             | 6,504,010                       | 499,800                        | 7,003,810                    | 6,574,449   | 429,361                        |                         |
| 2033                             | 6,187,749                       | -                              | 6,187,749                    | 6,187,749   | -                              |                         |
| 2034                             | 3,043,125                       | -                              | 3,043,125                    | 3,043,125   | -                              |                         |
| 2035                             | 3,039,500                       | -                              | 3,039,500                    | 3,039,500   | -                              | 93.83%                  |
| 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                             | 3,018,629                       | -                              | 3,018,629                    | 3,018,629   | -                              | 100.00%                 |
| Total                            | <u>191,193,411</u>              | <u>5,097,800</u>               | <u>196,291,211</u>           | <u>114,285,705</u>  | <u>82,005,506</u>              |                         |



**TABLE 8B – CERTIFICATES OF OBLIGATION DEBT SERVICE**

| Fiscal Year<br>9-30 | Outstanding<br>Certificates of<br>Obligation Debt | Certificate of<br>Oblig, Series<br>2021A | Fund<br>Debt<br>Requirements | Less: Self<br>Supporting<br>CO Debt<br>Service<br>Requirements | General<br>Purpose<br>Funded<br>Debt | % of Debt<br>Retired |
|---------------------|---|--|------------------------------|--|--------------------------------------|----------------------|
| 2022                | 14,759,134  | 2,997,375                                | 17,756,509                   | 8,049,454  | 9,707,055                            |                      |
| 2023                | 13,869,540  | 2,183,500                                | 16,053,040                   | 7,138,390  | 8,914,650                            |                      |
| 2024                | 13,292,562  | 1,718,375                                | 15,010,937                   | 6,252,370  | 8,758,567                            |                      |
| 2025                | 12,312,158  | 1,722,500                                | 14,034,658                   | 5,235,284  | 8,799,374                            |                      |
| 2026                | 11,791,172  | 1,719,500                                | 13,510,672                   | 4,451,517  | 9,059,155                            | 37.36%               |
| 2027                | 10,836,527  | 1,724,250                                | 12,560,777                   | 4,089,770  | 8,471,007                            |                      |
| 2028                | 10,855,273  | 2,326,125                                | 13,181,398                   | 4,089,715  | 9,091,683                            |                      |
| 2029                | 8,801,802   | 1,812,500                                | 10,614,302                   | 2,551,395  | 8,062,907                            |                      |
| 2030                | 8,637,781   | 1,813,500                                | 10,451,281                   | 2,380,980  | 8,070,301                            |                      |
| 2031                | 8,651,700   | 1,811,500                                | 10,463,200                   | 2,390,730  | 8,072,470                            | 65.39%               |
| 2032                | 8,646,775   | 1,813,150                                | 10,459,925                   | 2,385,630  | 8,074,295                            |                      |
| 2033                | 8,662,588   | 1,813,850                                | 10,476,438                   | 2,395,880  | 8,080,558                            |                      |
| 2034                | 8,658,763   | 1,817,250                                | 10,476,013                   | 2,387,355  | 8,088,658                            |                      |
| 2035                | 8,244,050   | 1,811,000                                | 10,055,050                   | 2,375,715  | 7,679,335                            |                      |
| 2036                | 6,930,325   | 1,810,625                                | 8,740,950                    | 2,379,775  | 6,361,175                            | 89.95%               |
| 2037                | 5,024,675   | 1,813,825                                | 6,838,500                    | 2,058,550  | 4,779,950                            |                      |
| 2038                | 3,617,050   | 1,810,600                                | 5,427,650                    | 2,055,275  | 3,372,375                            |                      |
| 2039                | 2,518,800   | 1,815,875                                | 4,334,675                    | 2,063,325  | 2,271,350                            |                      |
| 2040                | 156,750   | 1,814,575                                | 1,971,325                    | 794,950  | 1,176,375                            |                      |
| 2041                | 152,250   | 1,811,775                                | 1,964,025                    | 796,775  | 1,167,250                            | 100.00%              |
| Total               | 166,419,675                                       | 37,961,650                               | 204,381,325                  | 66,322,835   | 138,058,490                          |                      |

**TABLE 9 – COMPUTATION OF SELF-SUPPORTING DEBT**

|   |                           |
|---|---------------------------|
| Computation of Self-supporting Debt-Airport   |                           |
| Net Revenue from Fiscal Year Ended 9-30-21  | 7,114,505                 |
| Less: Airport Revenue Bond Requirements, 2021 Fiscal Year Ended                           | <u>-</u>                  |
| Balance Available for Other Purposes  | 7,114,505                 |
| Airport Certificate Obligation Bond Requirements, 2021 Fiscal Year Ended                  | <u>169,470</u>            |
| Balance   | <u><u>6,945,035</u></u>   |
| Percentage of Airport Certificate Obligation Bonds Self-supporting                        | 100%                      |
| Computation of Self-supporting Debt-Sewer System  |                           |
| Net Revenue from Fiscal Year Ended 9-30-21  | 19,190,884                |
| Less: Sewer System Revenue Bond Requirements, 2021 Fiscal Year Ended                      | <u>11,832,586</u>         |
| Balance Available for Other Purposes  | 7,358,298                 |
| Sewer System Certificate and General Obligation Bond Requirements, 2021 Fiscal Year Ended | <u>2,060,753</u>          |
| Balance   | <u><u>5,297,545</u></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 9-30-21  | 26,184,607                |
| Less: Waterworks Revenue Bond Requirements, 2021 Fiscal Year Ended                        | <u>13,460,233</u>         |
| Balance Available for Other Purposes  | 12,724,374                |
| works System Certificate and General Obligation Bond Requirements, 2021 Fiscal Year Ended | <u>6,416,237</u>          |
| Balance   | <u><u>6,308,137</u></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 9-30-21  | (1,473,200)               |
| Less: Mass Transit Revenue Bond Requirements, 2021 Fiscal Year Ended                      | <u>-</u>                  |
| Balance Available for Other Purposes  | (1,473,200)               |
| Mass Transit Certificate and General Obligation Bond Requirements, 2021 Fiscal Year Ended | <u>684,842</u>            |
| Balance   | <u><u>(2,158,042)</u></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 9-30-21  | 5,358,626                |
| Less: Solid Waste Revenue Bond Requirements, 2021 Fiscal Year Ended                             | <u>-</u>                 |
|   |                          |
| Balance Available for Other Purposes  | 5,358,626                |
| Solid Waste Certificate and General Obligation Bond Requirements, 2021 Fiscal Year Ended        | <u>6,116,094</u>         |
|   |                          |
| Balance   | <u><u>(757,468)</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 9-30-21  | 51,812,978               |
| Less: Bridge Revenue Bond Requirements, 2021 Fiscal Year Ended                                  | <u>6,143,363</u>         |
|   |                          |
| Balance Available for Other Purposes  | 45,669,615               |
| Bridge Certificate and General Obligation Bond Requirements, 2021 Fiscal Year Ended             | <u>-</u>                 |
|   |                          |
| Balance   | <u><u>45,669,615</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 9-30-21  | 3,146,994                |
| Less: Environmental Fund Revenue Bond Requirements, 2021 Fiscal Year Ended                      | <u>-</u>                 |
|   |                          |
| Balance Available for Other Purposes  | 3,146,994                |
| Environmental Fund Certificate and General Obligation Bond Requirements, 2021 Fiscal Year Ended | <u>2,781,743</u>         |
|   |                          |
| Balance   | <u><u>365,251</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 9-30-21  | 112,760                  |
| Less: Parking Meters Fund Revenue Bond Requirements, 2021 Fiscal Year Ended                     | <u>-</u>                 |
|   |                          |
| Balance Available for Other Purposes  | 112,760                  |
| Parking Meters Fund General Obligation Bond Requirements, 2021 Fiscal Year Ended                | <u>182,154</u>           |
|   |                          |
| Balance   | <u><u>(69,394)</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> |
|---------------------------------------|-----------------------|
| 2022                                  | 1,114,654             |
| 2023                                  | 1,114,768             |
| 2024                                  | 446,439               |
| 2025                                  | 411,833               |
| 2026                                  | 411,834               |
| 2027                                  | <u>411,834</u>        |
| Total Minimum Lease Payments          | \$ <u>3,911,362</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, |              |             |             |             |
|---|---------------------------------|--------------|-------------|-------------|-------------|
|   | 2021                            | 2020         | 2019        | 2018        | 2017        |
| Revenues:   |                                 |              |             |             |             |
| Taxes   | 113,330,340                     | 106,998,428  | 104,970,475 | 99,795,393  | 95,026,773  |
| Franchises  | 8,182,578                       | 8,038,122    | 8,172,967   | 8,133,889   | 7,776,288   |
| Licenses & Permits                                | 8,508,862                       | 9,340,245    | 9,134,491   | 9,658,199   | 9,421,119   |
| Intergovernmental                                 | 7,633,501                       | 10,177,891   | 753,196     | 434,008     | 894,876     |
| Charges for Services                              | 52,512,481                      | 50,494,409   | 54,076,842  | 52,996,333  | 48,983,032  |
| Fine and Special Assessments                      | 6,793,792                       | 4,896,080    | 5,799,339   | 5,381,785   | 5,100,557   |
| Interest and Other                                | 1,467,273                       | 2,337,700    | 2,838,418   | 2,194,650   | 1,443,193   |
| Other   | 11,034,628                      | 5,535,123    | 13,278,834  | 16,381,711  | 22,204,979  |
| Total Revenues                                    | 209,463,455                     | 197,817,998  | 199,024,562 | 194,975,968 | 190,850,817 |
| Expenditures:                                     |                                 |              |             |             |             |
| General Government                                | 31,559,634                      | 19,969,471   | 26,743,956  | 25,151,930  | 24,444,362  |
| Public Safety                                     | 128,905,541                     | 133,736,326  | 130,331,120 | 126,615,585 | 120,422,538 |
| Public Works                                      | 6,872,273                       | 6,759,275    | 6,650,578   | 6,384,433   | 6,229,622   |
| Health and Welfare                                | 8,671,826                       | 10,914,281   | 2,950,907   | 2,678,157   | 628,047     |
| Culture and Recreation                            | 15,434,337                      | 17,316,834   | 18,465,044  | 17,603,430  | 16,580,772  |
| Capital Outlay                                    | 10,847,031                      | 15,814,172   | 13,403,097  | 16,466,390  | 22,017,357  |
| Interest and Fiscal Expenditures                  | 755,574                         | 1,115,955    | 1,089,735   | 1,066,539   | 411,834     |
| Total Expenditures                                | 203,046,216                     | 205,626,314  | 199,634,437 | 195,966,464 | 190,734,532 |
| Excess (Deficiency) of Revenues Over Expenditures | 6,417,239                       | (7,808,316)  | (609,875)   | (990,496)   | 116,285     |
| Other Financing Sources (Uses):                   |                                 |              |             |             |             |
| Transfers In                                      | 6,591,396                       | 13,988,483   | 7,403,616   | 7,383,660   | 10,807,278  |
| Bond/Capital Lease Proceeds                       | -                               | 1,006,500    | -           | -           | 62,168      |
| Transfers Out                                     | (5,823,291)                     | (12,596,866) | (5,771,252) | (4,692,657) | (5,774,122) |
| Sale of Assets                                    | 155,832                         | 54,259       | 102,050     | 83,544      | 41,247      |
| Total Other Financing Sources (Uses):             | 923,937                         | 2,452,376    | 1,734,414   | 2,774,547   | 5,136,571   |
| Net Increase (Decrease)                           | 7,341,176                       | (5,355,940)  | 1,124,539   | 1,784,051   | 5,252,856   |
| Prior Period Adjustment                           | -                               | -            | -           | -           | (4,630,156) |
| Beginning Fund Balance                            | 42,615,573                      | 47,971,513   | 46,846,974  | 45,062,923  | 44,440,223  |
| Ending Fund Balance                               | 49,956,749                      | 42,615,573   | 47,971,513  | 46,846,974  | 45,062,923  |

## 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</u><br><u>Ended 9-30</u> | <u>Total Collected (2)</u> | <u>% of Ad</u><br><u>Valorem Tax</u><br><u>Levy</u> | <u>Equivalent of</u><br><u>Ad Valorem</u><br><u>Tax Rate</u> | <u>Per Capita</u><br><u>(1)</u> |
|---|----------------------------|---|--|---------------------------------|
| 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                          |
| 2020                                    | 42,373,207                 | 45%   | 0.2873   | 161.43                          |
| 2021                                    | 47,136,781                 | 49%   | 0.3101   | 178.50                          |

(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        | <u>6.25%</u>        |
| Total                        | <u><u>8.25%</u></u> |

## TABLE 13 – CURRENT INVESTMENTS

As of September 30, 2021, all of the City's investments consisted of secured certificates of deposits and government investment pools. The City's certificate of deposit portfolio had a weighted average maturity of 270 days to its final maturity. The City's funds are invested as follows:

|                          |    |                           |
|--------------------------|----|---------------------------|
| Investment Pools         | \$ | 250,545,565               |
| Certificates of Deposits |    | <u>468,783,587</u>        |
| Total                    | \$ | <u><u>719,329,152</u></u> |

## **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 Colombia 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 weigh-in-motion system for truck toll collections for the Laredo Bridge System. The bridge system employs a staff of 145 employees, approximately 70 of which are directly involved in toll collection operations. Another 75 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**

| <u>CALENDAR<br/>YEAR</u> | <u>NON-<br/>COMMERCIAL<br/>VEHICLES</u> | <u>COMMERCIAL<br/>VEHICLES</u> | <u>TOTAL<br/>VEHICLES</u> | <u>PEDESTRIANS</u> |
|--------------------------|---|--------------------------------|---------------------------|--------------------|
| 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          |
| 2020                     | 3,547,971                               | 2,258,425                      | 5,806,396                 | 2,098,671          |
| 2021                     | 3,012,028                               | 2,517,028                      | 5,529,056                 | 1,382,054          |

**TABLE 2 - TOLL RATES FOR THE SYSTEM**New 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><br><u>2021</u> | <u>FISCAL YEAR</u><br><u>2020</u> | <u>FISCAL YEAR</u><br><u>2019</u> | <u>FISCAL YEAR</u><br><u>2018</u> | <u>FISCAL YEAR</u><br><u>2017</u> |
|--------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| OCT          | 5,819,518                         | 6,030,831                         | 6,086,280                         | 5,429,148                         | 4,964,412                         |
| NOV          | 5,348,351                         | 5,627,744                         | 5,835,085                         | 5,531,001                         | 4,914,181                         |
| DEC          | 5,517,876                         | 5,622,503                         | 5,635,630                         | 5,425,310                         | 5,077,817                         |
| JAN          | 4,902,615                         | 5,627,803                         | 5,688,572                         | 5,297,699                         | 4,715,223                         |
| FEB          | 4,721,028                         | 5,519,074                         | 5,458,289                         | 5,141,280                         | 4,553,547                         |
| MAR          | 5,851,882                         | 5,438,134                         | 6,021,294                         | 5,676,877                         | 5,273,804                         |
| APR          | 5,288,832                         | 3,577,238                         | 5,615,459                         | 5,756,988                         | 4,803,943                         |
| MAY          | 5,172,945                         | 3,724,258                         | 6,050,517                         | 5,984,152                         | 5,090,443                         |
| JUN          | 5,714,352                         | 4,841,531                         | 5,829,485                         | 5,790,623                         | 5,281,603                         |
| JUL          | 5,610,240                         | 3,798,759                         | 6,005,938                         | 5,688,560                         | 5,002,491                         |
| AUG          | 5,634,805                         | 5,459,377                         | 6,034,141                         | 6,036,736                         | 5,312,779                         |
| SEP          | <u>5,351,110</u>                  | <u>5,797,188</u>                  | <u>5,551,837</u>                  | <u>5,458,020</u>                  | <u>4,976,103</u>                  |
| TOTAL        | <u>64,933,554</u>                 | <u>61,064,440</u>                 | <u>69,812,527</u>                 | <u>67,216,394</u>                 | <u>59,966,346</u>                 |

**TABLE 4 - DEBT SERVICE REQUIREMENTS OF THE SYSTEM**

| <u>Fiscal</u><br><u>Year</u><br><u>Ended</u><br><u>9-30</u> | <u>Revenue Bond</u> |                  |                   | <u>Subordinate</u><br><u>Lien</u><br><u>Total</u> | <u>Total</u><br><u>Outstanding</u><br><u>Debt</u> | <u>% of</u><br><u>Total</u><br><u>Debt</u><br><u>Service</u><br><u>Retired</u> |
|---|---------------------|------------------|-------------------|---|---|--|
|   | <u>Principal</u>    | <u>Interest</u>  | <u>Total</u>      |   |   |  |
| 2022  | 3,695,000           | 720,013          | 4,415,013         | 1,728,350   | 6,143,363   | 21.28%   |
| 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   | 83.35%   |
| 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>16,110,000</u>   | <u>2,409,141</u> | <u>18,519,141</u> | <u>10,356,525</u>                                 | <u>28,875,666</u>                                 |  |

**TABLE 5 – INTERNATIONAL TOLL BRIDGE SYSTEM CONDENSED STATEMENT OF OPERATIONS**

|  | <u>2021</u>       | <u>2020</u>       | <u>2019</u>       | <u>2018</u>       | <u>2017</u>       |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>REVENUES</b>                                |                   |                   |                   |                   |                   |
| Toll Receipts                                  | 64,933,554        | 61,064,440        | 69,812,527        | 67,216,394        | 59,966,346        |
| Rental of Facilities                           | 185,122           | 180,138           | 185,258           | 179,001           | 213,171           |
| Miscellaneous                                  | <u>866,442</u>    | <u>636,282</u>    | <u>697,089</u>    | <u>647,497</u>    | <u>759,160</u>    |
| Total  | <u>65,985,118</u> | <u>61,880,860</u> | <u>70,694,874</u> | <u>68,042,892</u> | <u>60,938,677</u> |
| <b>EXPENSES</b>                                |                   |                   |                   |                   |                   |
| Personnel Services                             | 7,306,392         | 9,659,515         | 7,621,078         | 7,659,748         | 8,330,870         |
| Materials and Supplies                         | 645,904           | 454,788           | 429,494           | 639,830           | 276,037           |
| Contractual Services (1)                       | 6,353,879         | 5,793,374         | 6,148,159         | 5,460,899         | 5,283,464         |
| Other  | <u>(802)</u>      | <u>15,262</u>     | <u>77,083</u>     | <u>5,003</u>      | <u>4,767</u>      |
| Total  | <u>14,305,373</u> | <u>15,922,939</u> | <u>14,275,814</u> | <u>13,765,480</u> | <u>13,895,138</u> |
| <b>NON-OPERATING REVENUE</b>                   |                   |                   |                   |                   |                   |
| Interest Earnings-Restricted                   | 40,356            | 89,000            | 143,710           | 108,363           | 142,806           |
| Interest Earnings-Unrestricted                 | <u>92,877</u>     | <u>229,983</u>    | <u>303,659</u>    | <u>197,951</u>    | <u>61,453</u>     |
| Net Revenues Available for<br>for Debt Service | 51,812,978        | 46,276,904        | 56,866,429        | 54,583,726        | 47,247,798        |
| Debt Service                                   | <u>6,150,523</u>  | <u>6,120,205</u>  | <u>6,792,212</u>  | <u>9,036,342</u>  | <u>9,012,187</u>  |
| Surplus Revenues                               | <u>45,662,455</u> | <u>40,156,699</u> | <u>50,074,217</u> | <u>45,547,384</u> | <u>38,235,611</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, 2022 through 2029

\$ 2,314,892

Coverage of Average Requirements by 9-30-21 Net Income

19.73

Maximum Annual Principal and Interest Requirements,  
after FY 2022 through 2029

\$ 4,415,013

Coverage of Maximum Requirements by 9-30-21 Net Income

10.34

Reserve Fund

\$ 2,314,892

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, 2022 through 2029

\$ 3,609,458

Coverage of Average Requirements by 9-30-21 Net Income

12.65

Maximum Annual Principal and Interest Requirements,  
after FYE 2022 through 2029

\$ 6,143,363

Coverage of Maximum Requirements by 9-30-21 Net Income

7.43

**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 |
|-------------|--------------------------------------|------------------------------|--|---------------------------------|----------|
| 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        |
| 2020        | 62,199,843                           | 15,922,939                   | 46,276,904                             | 6,120,205                       | 8        |
| 2021        | 66,118,351                           | 14,305,373                   | 51,812,978                             | 6,150,523                       | 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 Aeromar to Mexico City, Mexico. On average, the airlines have in total ten (10) daily scheduled round trip flights.

Furthermore, our passenger terminal also houses an ATM, three 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 2019, LRD ranked 55<sup>th</sup> – a 24% decrease from previous year. Laredo International Airport is ranked 7<sup>th</sup> 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 2020 include, but not limited to, Cargo Apron Phase 13 construction, Cargo Apron Phase 14 Construction, Construct Taxiways T1 and T2, FAR Part 150 Noise Abatement Program and Terminal Improvement Program.

Subject to Federal Aviation Administration (FAA) and Congressional funding; projects planned over the next years involve:

- Construct Taxiways T4, H1, and H2: Project CY 2022
- Terminal Expansion Phase I and Phase II CY2023
- Construct Taxiways T3 and T5: Project CY2024
- EMAS Reconstruction
- Reconstruction of Taxiway
- Airfield Maintenance Building CY2025
- 3000Gallon Striker CY2025
- North East Cargo Rehab CY2026

During the past twenty-four (24) years, the City and the Federal Aviation Administration have invested over \$304.5 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 assess 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<br>Enplaned | Passengers<br>Deplaned | Air Cargo<br>Gross Landed<br>Weight (Lbs) |
|---------------|------------------------|------------------------|---|
| 2012          | 96,523                 | 98,213                 | 454,254,623                               |
| 2013          | 103,035                | 94,544                 | 398,752,468                               |
| 2014          | 101,505                | 102,218                | 447,352,556                               |
| 2015          | 98,854                 | 103,909                | 426,405,000                               |
| 2016          | 93,483                 | 104,087                | 450,435,440                               |
| 2017          | 85,508                 | 94,308                 | 587,517,683                               |
| 2018          | 83,287                 | 90,326                 | 677,913,518                               |
| 2019          | 89,951                 | 91,553                 | 522,738,914                               |
| 2020 (1)      | 42,220                 | 47,726                 | 406,348,660                               |
| 2021          | 90,872                 | 87,995                 | 637,906,165                               |

(1) Covid-19 restrictions impacted airline travel.

**TABLE 1- SUMMARY OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

Fiscal Years Ended September 30

|                             | 2021          | 2020         | 2019         | 2018         | 2017         |
|-----------------------------|---------------|--------------|--------------|--------------|--------------|
| Revenues:                   |               |              |              |              |              |
| FAA                         | \$ 7,867,403  | \$ 5,208,660 | \$ 40,223    | \$ 39,133    | \$ 43,388    |
| State Operating Grants      | 41,183        | 1,275        | 4,565        | 25,140       | 1,541        |
| Rents                       | 6,428,888     | 5,641,447    | 6,854,043    | 6,773,209    | 5,513,625    |
| Interest Earnings           | 67,177        | 119,023      | 180,400      | 132,763      | 23,022       |
| Discount Earnings           | 25            | 89           | 142          | 147          | 148          |
| Fees & Collections          | 454,308       | 286,921      | 482,833      | 535,393      | 508,841      |
| Miscellaneous               | 348,659       | 368,631      | 439,052      | 411,854      | 391,453      |
| Total Revenues              | 15,207,643    | 11,626,046   | 8,001,258    | 7,917,639    | 6,482,018    |
| Expenditures:               |               |              |              |              |              |
| Administration              | 4,076,993     | 3,889,434    | 3,164,972    | 3,100,400    | 3,176,124    |
| Building Maintenance        | 1,394,260     | 1,349,694    | 1,594,442    | 1,243,819    | 1,220,494    |
| Ground Maintenance          | 808,536       | 781,793      | 565,652      | 586,767      | 541,686      |
| Airport Security            | 1,490,465     | 1,599,876    | 1,482,806    | 1,556,603    | 1,492,049    |
| Foreign Trade Zone          | 16,403        | 21,349       | 24,126       | 24,322       | 5,648        |
| Federal Inspection Services | 306,481       | 319,954      | 289,963      | 280,681      | 273,907      |
| Operation Stonegarden       | -             | 6,233        | 4,025        | 13,632       | -            |
| Total Expenditures          | 8,093,138     | 7,968,333    | 7,125,986    | 6,806,224    | 6,709,908    |
| Net Operating Revenues      | 7,114,505     | 3,657,713    | 875,272      | 1,111,415    | (227,890)    |
| Other Sources (Uses):       |               |              |              |              |              |
| Debt Service                | (71,128)      | (71,128)     | (71,128)     | -            | -            |
| Capital Outlay              | (323,490)     | (224,578)    | (67,446)     | (410,086)    | (182,450)    |
| Airport Construction Fund   | (46,729)      | (49,341)     | (1,121,593)  | (2,569,381)  | (1,158,003)  |
| Noise Abatement             | 600,000       | 600,000      | 600,000      | 600,000      | 750,000      |
| Proceeds - Long Term Debt   | -             | -            | -            | 321,720      | -            |
| Sale of Assets              | -             | -            | 14,973       | 7,550        | 576,045      |
| Total Other Sources (Uses)  | 158,653       | 254,953      | (645,194)    | (2,050,197)  | (14,408)     |
| Excess (Deficiency) of      |               |              |              |              |              |
| Revenues Over Expenditures  | 7,273,158     | 3,912,666    | 230,078      | (938,782)    | (242,298)    |
| Beginning Fund Balance      | 9,915,141     | 6,002,475    | 5,772,397    | 6,711,179    | 1,785,048    |
| Prior Period Adjustment     | -             | -            | -            | -            | 5,168,429    |
| Ending Fund Balance         | \$ 17,188,299 | \$ 9,915,141 | \$ 6,002,475 | \$ 5,772,397 | \$ 6,711,179 |

**TABLE 2 - DEBT SERVICE REQUIREMENT**

| Fiscal<br>Year<br>Ended<br>9-30 | Certificates of Obligation<br>Series 2010 - B |                | Total<br>Outstanding<br>Debt | % of<br>Principal<br>Retired |
|---------------------------------|---|----------------|------------------------------|------------------------------|
|                                 | Principal                                     | Interest       |                              |                              |
| 2022                            | 115,000                                       | 54,470         | 169,470                      |                              |
| 2023                            | 120,000                                       | 48,360         | 168,360                      |                              |
| 2024                            | 125,000                                       | 41,990         | 166,990                      |                              |
| 2025                            | 135,000                                       | 35,230         | 170,230                      | 37.38%                       |
| 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>\$ 1,105,000</u>                           | <u>245,570</u> | <u>1,350,570</u>             |                              |

**TABLE 3 - DEBT SERVICE COVERAGE**

|  |         |
|--|---------|
| Average Annual Principal and Interest Requirements, 2022-2029                      | 168,821 |
| Coverage of Average Requirements by 9-30-21 Net Income                             | 42.14   |
| Maximum Annual Principal and Interest Requirements, after<br>FYE 2022 through 2029 | 170,540 |
| Coverage of Maximum Requirements by 9-30-21 Net Income                             | 41.72   |

## **THE 2021 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 2021 was approximately 35.06 million gallons per day and peak demand for fiscal year 2021 was 53.09 million gallons per day. Connections to the water system as of September 30, 2021 were 77,802. The average number of service calls per month is 11,731 for a FY 2020-21 total of 140,790. Currently, the system consists of approximately 1,150 miles of transmission and distribution lines and 8,862 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 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 motor 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 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.

### **WASTEWATER SYSTEM**

The City of Laredo owns and operates six wastewater treatment plants, Zacate Creek Plant (14 MGD), South Laredo Plant (18 MGD), North Laredo Plant (2.9 MGD), Laredo Colombia Plant (0.035 MGD), Peñitas Plant (0.074 MGD), and Unitec Plant (0.184 MGD) with a combined total design capacity of 35.25 million gallons per day ("MGD") and an average daily treatment of 19.30 MGD. The pounds of Biochemical Oxygen demand (BOD) treated is 14,271,280 by all six wastewater treatment plants and a Total Bio-Solids disposal cost of \$789,038. The Sewer System includes approximately 870 miles of sewer lines and 69 lift stations with 72,125 connections as of September 30, 2021.



**TABLE 1 - WATER STORAGE AND DISTRIBUTION**

At the present time the system incorporates the following treated water storage facilities:

| <u>Location</u>                    | <u>No.<br/>Tanks</u> | <u>No.<br/>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         |
| 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         |
| San Isidro EST                     | 1 (elevated)         |                            | 2,500,000 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>44,500,000 gallons</u> |

**TABLE 2 - WATER PUMPAGE (THOUSAND GALLONS)**

Historical water usage for the City is as follows:

| <u>Fiscal<br/>Year<br/>Ended<br/>9/30</u> | <u>Average Day<br/>Pumpage<br/>(1,000 Gallons)</u> | <u>Peak Day<br/>Pumpage<br/>(1,000 Gallons)</u> | <u>Total Yearly<br/>Pumpage<br/>(1,000 Gallons)</u> |
|---|--|---|---|
| 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  |
| 2020                                      | 34,750   | 44,212  | 12,729,606  |
| 2021                                      | 35,058   | 53,094  | 12,796,307  |

**TABLE 3 - SEWAGE FLOW (THOUSAND GALLONS)**

| Fiscal<br>Year<br>Ended<br><u>9/30</u> | Average Day<br>Pumpage<br><u>(1,000 Gallons)</u> | Peak Day<br>Pumpage<br><u>(1,000 Gallons)</u> | Total Yearly<br>Pumpage<br><u>(1,000 Gallons)</u> |
|--|--|---|---|
| 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   |
| 2020                                   | 17,612   | 29,132  | 6,446,900   |
| 2021                                   | 19,300   | 29,200  | 7,045,239   |

**TABLE 4 - TEN LARGEST WATER/SEWER USERS (GALLONS)**

| <b>TYPE OF BUSINESS</b>        | <b>WATER CONSUMPTION</b> |
|--------------------------------|--------------------------|
| United I.S.D.                  | 106,089,600              |
| Laredo Medical Center          | 83,180,100               |
| Laredo College                 | 33,618,800               |
| New Webb County Jail           | 20,831,900               |
| Texas A&M University System    | 17,566,800               |
| Laredo Regional Medical Center | 17,523,800               |
| Clarks Crossing Apartments     | 14,840,100               |
| KRK Limited                    | 14,722,000               |
| Laredo Apartments LLC          | 13,297,600               |
| Laredo Airport Terminal        | 12,897,200               |

**TYPE OF BUSINESS****SEWER BILLED**

|                                |            |
|--------------------------------|------------|
| Laredo Medical Center          | 83,180,100 |
| New Webb County Jail           | 20,831,900 |
| Texas A&M University System    | 17,566,800 |
| Laredo Regional Medical Center | 17,523,800 |
| Clarks Crossing Apartments     | 14,840,100 |
| Laredo Apartments LLC          | 13,297,600 |
| Blue Beacon 68                 | 12,010,700 |
| International Bank of Commerce | 9,715,100  |
| Towne North Mobile Homes       | 9,321,800  |
| Raintree Association           | 8,926,200  |

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(1) Source: City of Laredo, Texas

**TABLE 5 - MONTHLY WATER RATES (BASED ON WATER CONSUMPTION)**

**Water Rates**  
**(Effective October 1, 2020)**

|   |       |
|---|-------|
| 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   | 11.05 |
| 1" meter  | 24.04 |
| 1 1/2" meter  | 34.01 |
| 2" meter  | 52.81 |
| Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month       | 2.16  |
| Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month       | 2.31  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month     | 2.39  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month     | 2.53  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 30,000 gallons per month     | 2.70  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 40,000 gallons per month     | 2.82  |
| Per 1,000 gallons per month in excess of 50,000 gallons per month                                   | 5.62  |
|   |       |
| 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  | 41.59  |
| 1" meter   | 45.18  |
| 1 1/2" meter   | 50.25  |
| 2" meter   | 69.38  |
| 3" meter   | 137.97 |
| 4" meter   | 208.37 |
| 6" meter   | 375.28 |
| 8" meter   | 553.15 |
| Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month          | 2.63   |
| Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month          | 3.24   |
| Per 1,000 gallons (for the next 30,000 gallons) per month in excess of 10,000 gallons per month        | 4.08   |
| Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month       | 4.30   |
| Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month      | 4.65   |
| Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month      | 5.14   |
| Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month      | 6.07   |
| Per 1,000 gallons per month in excess of 1,000,000 gallons per month                                   | 6.21   |
|  |        |
| 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, 2019)**

|   |       |
|---|-------|
| 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   | 10.52 |
| 1" meter  | 22.90 |
| 1 1/2" meter  | 32.39 |
| 2" meter  | 50.30 |
| 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       | 2.20  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month     | 2.27  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month     | 2.41  |

|  |        |
|--|--------|
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 30,000 gallons per month        | 2.57   |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 40,000 gallons per month        | 2.69   |
| Per 1,000 gallons per month in excess of 50,000 gallons per month                                      | 5.35   |
|  |        |
| 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  | 39.61  |
| 1" meter   | 43.03  |
| 1 1/2" meter   | 47.86  |
| 2" meter   | 66.08  |
| 3" meter   | 131.40 |
| 4" meter   | 198.45 |
| 6" meter   | 357.41 |
| 8" meter   | 526.81 |
| 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          | 3.08   |
| Per 1,000 gallons (for the next 30,000 gallons) per month in excess of 10,000 gallons per month        | 3.88   |
| Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month       | 4.10   |
| Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month      | 4.43   |
| Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month      | 4.89   |
| Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month      | 5.78   |
| Per 1,000 gallons per month in excess of 1,000,000 gallons per month                                   | 5.92   |
|  |        |
| 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, 2020)**

|   |       |
|---|-------|
| Inside City Limits  |       |
| Residential:  |       |
| Monthly minimum, including the use of 2,000 gallons per month                                     | 11.07 |
| Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons               | 3.79  |
| Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month     | 3.85  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month   | 4.05  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month   | 4.35  |
| Commercial:   |       |
| Monthly minimum, including use of 2,000 gallons per month   | 29.65 |
| Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month     | 3.06  |
| Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month     | 3.12  |
| Per 1,000 gallons (for the next 20,000 gallons) per month in excess of 10,000 gallons per month   | 3.57  |
| Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month  | 3.69  |
| Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month | 4.72  |
| Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month | 4.72  |
| Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month | 5.39  |
| Per 1,000 gallons per month in excess of 1,000,000 gallons per month                              | 6.55  |

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, 2019)**

|   |       |
|---|-------|
| Inside City Limits  |       |
| Residential:  |       |
| Monthly minimum, including the use of 2,000 gallons per month                                     | 10.44 |
| Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons               | 3.58  |
| Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month     | 3.63  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month   | 3.82  |
| Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month   | 4.11  |
| Commercial:   |       |
| Monthly minimum, including use of 2,000 gallons per month   | 27.97 |
| Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month     | 2.89  |
| Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month     | 2.94  |
| Per 1,000 gallons (for the next 20,000 gallons) per month in excess of 10,000 gallons per month   | 3.37  |
| Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month  | 3.48  |
| Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month | 4.45  |
| Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month | 4.45  |
| Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month | 5.09  |
| Per 1,000 gallons per month in excess of 1,000,000 gallons per month                              | 6.18  |

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 to promote the protection and proper utilization of Laredo's water resources. The program provides practices, techniques, and technologies that help reduce the over-consumption of water in efforts to ensure long-term security and efficiency for the residents and businesses served by the City of Laredo Utilities Department. 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 34 warnings issued and 2 citations. Due to the rise in Covid-19 cases, there were limited public events held. The public education program continued virtually for events that included hosting proclamations to bring awareness for water conservation.

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. For each toilet replaced (maximum 3 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. During fiscal year 2020-2021, there were a total of 54 approved toilet rebates applied to customer accounts. As part of Ordinance 2019-O-139; section 31-199, there are specific and quantified water conservation goals. One is to maintain the gallons per capita per day (GPCD) consumption at 130. In 2020-2021, the GPCD was 136. Another objective is to maintain unaccounted-for water at 10 percent. The total loss percentage for 2020-2021 was 11.2. Maintenance efforts included 561 exchanged meters, 458 replaced antennas, 1,075 exchanged registers and 10 meter tests were completed.



**TABLE 7: VALUE OF SYSTEM - CITY OF LAREDO UTILITIES**For Fiscal Year Ended  
September 30,

|                          | 2021           |               |                 | 2020          |               |                 | 2019          |               |                 |
|--------------------------|----------------|---------------|-----------------|---------------|---------------|-----------------|---------------|---------------|-----------------|
|                          | Water          | Sewer         | Total Utilities | Water         | Sewer         | Total Utilities | Water         | Sewer         | Total Utilities |
| System Improvements      | \$ 258,263,935 | 178,874,259   | 437,138,194     | 250,099,515   | 172,729,533   | 422,829,048     | 238,117,115   | 166,303,200   | 404,420,315     |
| Vehicles and Equipment   | 13,533,104     | 16,849,490    | 30,382,594      | 12,854,826    | 16,066,008    | 28,920,834      | 12,295,038    | 15,185,117    | 27,480,155      |
| Buildings                | 189,017,980    | 125,033,913   | 314,051,893     | 187,341,995   | 125,033,913   | 312,375,908     | 185,954,205   | 96,734,124    | 282,688,329     |
| Land and Improvements    | 57,786,081     | 10,035,393    | 67,821,474      | 57,253,726    | 9,752,163     | 67,005,889      | 56,596,726    | 9,749,688     | 66,346,414      |
| Easements                | 4,315,993      | 1,038,012     | 5,354,005       | 4,315,993     | 1,038,012     | 5,354,005       | 4,024,225     | 1,038,012     | 5,062,237       |
| Construction in Progress | 9,252,262      | 9,258,173     | 18,510,435      | 3,233,298     | 3,583,500     | 6,816,798       | 5,503,407     | 29,396,361    | 34,899,768      |
| Less: Total Depreciation | (194,339,000)  | (131,920,278) | (326,259,278)   | (182,789,530) | (123,462,878) | (306,252,408)   | (171,710,361) | (115,575,411) | (287,285,772)   |
| Value After Depreciation | \$ 337,830,355 | 209,168,962   | 546,999,317     | 332,309,823   | 204,740,251   | 537,050,074     | 330,780,355   | 202,831,091   | 533,611,446     |

|                          | 2018           |               |                 | 2017          |               |                 | 2016          |              |                 |
|--------------------------|----------------|---------------|-----------------|---------------|---------------|-----------------|---------------|--------------|-----------------|
|                          | Water          | Sewer         | Total Utilities | Water         | Sewer         | Total Utilities | Water         | Sewer        | Total Utilities |
| System Improvements      | \$ 231,650,209 | 160,578,310   | 392,228,519     | 220,079,310   | 147,779,878   | 367,859,188     | 192,761,074   | 142,714,252  | 335,475,326     |
| Vehicles and Equipment   | 11,958,954     | 13,909,694    | 25,868,648      | 12,230,670    | 12,804,366    | 25,035,036      | 12,031,162    | 12,636,646   | 24,667,808      |
| Buildings                | 185,873,115    | 93,433,984    | 279,307,099     | 185,707,175   | 45,273,703    | 230,980,878     | 180,552,155   | 43,985,694   | 224,537,849     |
| Land and Improvements    | 56,596,726     | 9,749,688     | 66,346,414      | 55,809,226    | 8,719,483     | 64,528,709      | 54,218,446    | 9,017,104    | 63,235,550      |
| Easements                | 4,024,225      | 1,038,012     | 5,062,237       | 3,654,058     | 1,018,169     | 4,672,227       | 3,023,577     | 852,199      | 3,875,776       |
| Construction in Progress | 4,232,990      | 24,846,911    | 29,079,901      | 1,543,418     | 66,699,941    | 68,243,359      | 23,777,372    | 54,956,454   | 78,733,826      |
| Less: Total Depreciation | (160,745,832)  | (108,141,433) | (268,887,265)   | (149,523,980) | (101,087,511) | (250,611,491)   | (138,571,644) | (94,321,130) | (232,892,774)   |
| Value After Depreciation | \$ 333,590,387 | 195,415,166   | 529,005,553     | 329,499,877   | 181,208,029   | 510,707,906     | 327,792,142   | 169,841,219  | 497,633,361     |

**TABLE 8: CITY'S EQUITY IN UTILITY SYSTEM**

For Fiscal Year Ended  
September 30,

|  | 2021           |              |                    | 2020         |              |                    | 2019         |              |                    |
|--|----------------|--------------|--------------------|--------------|--------------|--------------------|--------------|--------------|--------------------|
|  | Water          | Sewer        | Total<br>Utilities | Water        | Sewer        | Total<br>Utilities | Water        | Sewer        | Total<br>Utilities |
| <b>Resources:</b>                      |                |              |                    |              |              |                    |              |              |                    |
| Net System Value                       | \$ 337,830,355 | 209,168,962  | 546,999,317        | 332,309,923  | 204,740,251  | 537,050,174        | 330,780,355  | 202,831,091  | 533,611,446        |
| Cash and Investments                   | 140,993,911    | 154,213,333  | 295,207,244        | 99,792,433   | 136,295,874  | 236,088,307        | 71,259,027   | 68,564,644   | 139,823,671        |
| Other Sources                          | 24,682,867     | 9,618,697    | 34,301,564         | 26,020,007   | 9,837,359    | 35,857,366         | 30,150,522   | 10,443,565   | 40,594,087         |
| Total Resources                        | 503,507,133    | 373,000,992  | 876,508,125        | 458,122,363  | 350,873,484  | 808,995,847        | 432,189,904  | 281,839,300  | 714,029,204        |
| <b>Obligations:</b>                    |                |              |                    |              |              |                    |              |              |                    |
| Bonds Payable                          | 289,330,817    | 238,487,886  | 527,818,703        | 257,202,470  | 223,909,297  | 481,111,767        | 234,286,228  | 158,122,220  | 392,408,448        |
| Less: Bond Funds                       | (14,457,982)   | (14,098,428) | (28,556,410)       | (12,938,092) | (13,423,068) | (26,361,160)       | (12,098,738) | (10,084,746) | (22,183,484)       |
|  | 274,872,835    | 224,389,458  | 499,262,293        | 244,264,378  | 210,486,229  | 454,750,607        | 222,187,490  | 148,037,474  | 370,224,964        |
| Other Obligations                      | 44,785,669     | 21,610,291   | 66,395,960         | 45,424,365   | 21,973,878   | 67,398,243         | 44,933,705   | 20,296,795   | 65,230,500         |
| Total Obligations                      | 319,658,504    | 245,999,749  | 565,658,253        | 289,688,743  | 232,460,107  | 522,148,850        | 267,121,195  | 168,334,269  | 435,455,464        |
| City's Equity in System                | \$ 183,848,629 | 127,001,243  | 310,849,872        | 168,433,620  | 118,413,377  | 286,846,997        | 165,068,709  | 113,505,031  | 278,573,740        |
| Percentage City's Equity<br>In System  | 36.51%         | 34.05%       | 35.46%             | 36.77%       | 33.75%       | 35.46%             | 38.19%       | 40.27%       | 39.01%             |
|  |                |              |                    |              |              |                    |              |              |                    |
| For Fiscal Year Ended<br>September 30, | 2018           |              |                    | 2017         |              |                    | 2016         |              |                    |
|  | Water          | Sewer        | Total<br>Utilities | Water        | Sewer        | Total<br>Utilities | Water        | Sewer        | Total<br>Utilities |
| <b>Resources:</b>                      |                |              |                    |              |              |                    |              |              |                    |
| Net System Value                       | \$ 333,590,387 | 195,415,166  | 529,005,553        | 329,499,877  | 181,208,029  | 510,707,906        | 327,792,142  | 169,841,219  | 497,633,361        |
| Cash and Investments                   | 67,614,459     | 76,860,849   | 144,475,308        | 69,423,048   | 68,566,862   | 137,989,910        | 72,421,282   | 79,700,362   | 152,121,644        |
| Other Sources                          | 23,057,501     | 8,514,823    | 31,572,324         | 19,634,858   | 8,667,894    | 28,302,752         | 21,273,458   | 9,234,460    | 30,507,918         |
| Total Resources                        | 424,262,347    | 280,790,838  | 705,053,185        | 418,557,783  | 258,442,785  | 677,000,568        | 421,486,882  | 258,776,041  | 680,262,923        |
| <b>Obligations:</b>                    |                |              |                    |              |              |                    |              |              |                    |
| Bonds Payable                          | 240,611,024    | 162,958,724  | 403,569,748        | 245,008,424  | 148,911,953  | 393,920,377        | 252,728,946  | 155,384,654  | 408,113,600        |
| Less: Bond Funds                       | (12,104,558)   | (10,109,539) | (22,214,097)       | (29,904,668) | (8,936,524)  | (38,841,192)       | (29,748,964) | (8,988,269)  | (38,737,233)       |
|  | 228,506,466    | 152,849,185  | 381,355,651        | 215,103,756  | 139,975,429  | 355,079,185        | 222,979,982  | 146,396,385  | 369,376,367        |
| Other Obligations                      | 39,273,583     | 20,712,989   | 59,986,572         | 58,225,699   | 19,493,465   | 77,719,164         | 59,301,285   | 18,739,204   | 78,040,489         |
| Total Obligations                      | 267,780,049    | 173,562,174  | 441,342,223        | 273,329,455  | 159,468,894  | 432,798,349        | 282,281,267  | 165,135,589  | 447,416,856        |
| City's Equity in System                | \$ 156,482,298 | 107,228,664  | 263,710,962        | 145,228,328  | 98,973,891   | 244,202,219        | 139,205,615  | 93,640,452   | 232,846,067        |
| Percentage City's Equity<br>In System  | 36.88%         | 38.19%       | 37.40%             | 34.70%       | 38.30%       | 36.07%             | 33.03%       | 36.19%       | 34.23%             |

**TABLE 9: UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS PART 1**

For Fiscal Year Ended

September 30,

|                                | 2021          |            |                    | 2020       |            |                    | 2019       |            |                    |
|--------------------------------|---------------|------------|--------------------|------------|------------|--------------------|------------|------------|--------------------|
|                                | Water         | Sewer      | Total<br>Utilities | Water      | Sewer      | Total<br>Utilities | Water      | Sewer      | Total<br>Utilities |
| <u>Revenues</u>                |               |            |                    |            |            |                    |            |            |                    |
| Charges for Services           | \$ 47,868,810 | 39,402,732 | 87,271,542         | 43,920,354 | 36,599,095 | 80,519,449         | 41,236,282 | 33,384,360 | 74,620,642         |
| Interest                       | 285,655       | 204,281    | 489,936            | 818,579    | 627,426    | 1,446,005          | 1,087,037  | 822,361    | 1,909,398          |
| Miscellaneous                  | 5,896,340     | 313        | 5,896,653          | 5,945,772  | 41,043     | 5,986,815          | 6,441,697  | 450,068    | 6,891,765          |
| Total Revenues                 | 54,050,805    | 39,607,326 | 93,658,131         | 50,684,705 | 37,267,564 | 87,952,269         | 48,765,016 | 34,656,789 | 83,421,805         |
| <u>Expenses</u>                |               |            |                    |            |            |                    |            |            |                    |
| Administrative                 | 7,344,807     | 8,596,199  | 15,941,006         | 5,841,883  | 8,273,292  | 14,115,175         | 4,825,503  | 7,777,227  | 12,602,730         |
| GIS                            | 271,005       | -          | 271,005            | 359,778    | -          | 359,778            | 381,436    | -          | 381,436            |
| Utility Engineering            | 872,450       | -          | 872,450            | 1,415,679  | -          | 1,415,679          | 1,079,208  | -          | 1,079,208          |
| Utility Billing                | 4,861,266     | -          | 4,861,266          | 5,074,709  | -          | 5,074,709          | 4,822,283  | -          | 4,822,283          |
| Asset Management               | 254,197       | -          | 254,197            | 340,841    | -          | 340,841            | 390,009    | -          | 390,009            |
| Water Treatment Plant          | 8,945,290     | -          | 8,945,290          | 10,533,686 | -          | 10,533,686         | 9,611,710  | -          | 9,611,710          |
| Transmission and Distribution  | 4,820,501     | -          | 4,820,501          | 5,218,031  | -          | 5,218,031          | 4,177,647  | -          | 4,177,647          |
| Water Pollution Control        | 496,682       | -          | 496,682            | 742,591    | -          | 742,591            | 636,480    | -          | 636,480            |
| Wastewater Treatment           | -             | 7,353,940  | 7,353,940          | -          | 8,406,998  | 8,406,998          | -          | 7,067,958  | 7,067,958          |
| Wastewater Collection          | -             | 4,466,303  | 4,466,303          | -          | 5,353,236  | 5,353,236          | -          | 4,620,344  | 4,620,344          |
| Total Expenses                 | 27,866,198    | 20,416,442 | 48,282,640         | 29,527,198 | 22,033,526 | 51,560,724         | 25,924,276 | 19,465,529 | 45,389,805         |
| Net Available for Debt Service | \$ 26,184,607 | 19,190,884 | 45,375,491         | 21,157,507 | 15,234,038 | 36,391,545         | 22,840,740 | 15,191,260 | 38,032,000         |
| Number of Customers            | 77,802        | 72,125     |                    | 75,854     | 70,451     |                    | 74,097     | 68,753     |                    |

**TABLE 9: UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS PART 2**

For Fiscal Year Ended

September 30,

|                                | 2018          |            |                    | 2017       |            |                    | 2016       |            |                    |
|--------------------------------|---------------|------------|--------------------|------------|------------|--------------------|------------|------------|--------------------|
|                                | Water         | Sew er     | Total<br>Utilities | Water      | Sew er     | Total<br>Utilities | Water      | Sew er     | Total<br>Utilities |
| <u>Revenues</u>                |               |            |                    |            |            |                    |            |            |                    |
| Charges for Services           | \$ 41,288,759 | 33,452,820 | 74,741,579         | 39,526,105 | 32,670,580 | 72,196,685         | 39,459,935 | 31,509,797 | 70,969,732         |
| Interest                       | 589,686       | 511,757    | 1,101,443          | 280,299    | 260,129    | 540,428            | 143,573    | 156,096    | 299,669            |
| Miscellaneous                  | 6,304,388     | 371,998    | 6,676,386          | 6,921,551  | 375,134    | 7,296,685          | 6,545,404  | 333,916    | 6,879,320          |
| Total Revenues                 | 48,182,833    | 34,336,575 | 82,519,408         | 46,727,955 | 33,305,843 | 80,033,798         | 46,148,912 | 31,999,809 | 78,148,721         |
| <u>Expenses</u>                |               |            |                    |            |            |                    |            |            |                    |
| Administrative                 | 4,443,854     | 7,645,345  | 12,089,199         | 5,115,237  | 7,983,696  | 13,098,933         | 5,764,291  | 8,051,170  | 13,815,461         |
| GIS                            | 403,400       | -          | 403,400            | 360,277    | -          | 360,277            | -          | -          | -                  |
| Utility Engineering            | 1,164,377     | -          | 1,164,377          | 1,176,223  | -          | 1,176,223          | 1,401,321  | -          | 1,401,321          |
| Utility Billing                | 4,463,130     | -          | 4,463,130          | 4,472,158  | -          | 4,472,158          | 4,029,783  | -          | 4,029,783          |
| Asset Management               | 389,503       | -          | 389,503            | 376,033    | -          | 376,033            | 370,581    | -          | 370,581            |
| Water Treatment Plant          | 8,958,087     | -          | 8,958,087          | 9,509,601  | -          | 9,509,601          | 8,925,619  | -          | 8,925,619          |
| Transmission and Distribution  | 4,421,314     | -          | 4,421,314          | 4,163,536  | -          | 4,163,536          | 4,155,910  | -          | 4,155,910          |
| Water Pollution Control        | 660,348       | -          | 660,348            | 582,402    | -          | 582,402            | 441,826    | -          | 441,826            |
| Wastew ater Treatment          | -             | 7,114,399  | 7,114,399          | -          | 7,669,561  | 7,669,561          | -          | 7,377,534  | 7,377,534          |
| Wastew ater Collection         | -             | 4,441,543  | 4,441,543          | -          | 4,357,744  | 4,357,744          | -          | 3,335,723  | 3,335,723          |
| Total Expenses                 | 24,904,013    | 19,201,287 | 44,105,300         | 25,755,467 | 20,011,001 | 45,766,468         | 25,089,331 | 18,764,427 | 43,853,758         |
| Net Available for Debt Service | \$ 23,278,820 | 15,135,288 | 38,414,108         | 20,972,488 | 13,294,842 | 34,267,330         | 21,059,581 | 13,235,382 | 34,294,963         |
| Number of Customers            | 72,859        | 67,676     |                    | 71,788     | 66,707     |                    | 70,545     | 65,291     |                    |

**TABLE 10 Debt Service Requirements**

| Fiscal<br>Year<br>Ended<br><u>9-30</u> | Water<br>Revenue<br>Debt<br><u>Requirement</u> | Plus Contractual<br>& General<br>Obligation<br>Water<br>System Debt<br>Service<br><u>Requirements</u> | Water<br><u>Total</u> | Sewer<br>Revenue<br>Debt | Plus Contractual<br>& General<br>Obligation<br>Sewer<br>System Debt<br>Service<br><u>Requirements</u> | Sewer<br><u>Total</u> | Utility<br>Grand<br><u>Total</u> | % of<br>Grand<br>Total<br><u>Retired</u> |
|--|--|---|-----------------------|--------------------------|---|-----------------------|----------------------------------|--|
| 2022                                   | 13,460,233                                     | 6,416,237   | 19,876,470            | 11,832,586               | 2,060,753   | 13,893,339            | 33,769,809                       |  |
| 2023                                   | 13,520,520                                     | 6,279,970   | 19,800,490            | 12,107,651               | 1,856,135   | 13,963,786            | 33,764,276                       |  |
| 2024                                   | 13,435,528                                     | 6,318,117   | 19,753,645            | 12,121,479               | 1,836,417   | 13,957,896            | 33,711,541                       |  |
| 2025                                   | 13,498,165                                     | 5,450,229   | 18,948,394            | 12,243,549               | 1,845,953   | 14,089,502            | 33,037,896                       | 19.51%                                   |
| 2026                                   | 14,993,714                                     | 4,847,195   | 19,840,909            | 12,602,232               | 1,431,854   | 14,034,086            | 33,874,995                       |  |
| 2027                                   | 14,123,061                                     | 4,849,166   | 18,972,227            | 12,227,679               | 1,426,215   | 13,653,894            | 32,626,121                       |  |
| 2028                                   | 13,610,707                                     | 4,847,710   | 18,458,417            | 11,402,119               | 1,430,835   | 12,832,954            | 31,291,371                       |  |
| 2029                                   | 13,558,834                                     | 4,843,645   | 18,402,479            | 11,370,699               | 1,427,111   | 12,797,810            | 31,200,289                       |  |
| 2030                                   | 13,565,784                                     | 4,834,714   | 18,400,498            | 11,366,326               | 1,426,871   | 12,793,197            | 31,193,695                       | 42.78%                                   |
| 2031                                   | 13,571,809                                     | 4,834,670   | 18,406,479            | 11,378,193               | 1,427,931   | 12,806,124            | 31,212,603                       |  |
| 2032                                   | 13,568,729                                     | 4,833,009   | 18,401,738            | 11,365,534               | 1,427,047   | 12,792,581            | 31,194,319                       |  |
| 2033                                   | 13,561,824                                     | 4,769,500   | 18,331,324            | 11,375,400               | 1,418,249   | 12,793,649            | 31,124,973                       |  |
| 2034                                   | 13,554,753                                     | 3,043,125   | 16,597,878            | 11,378,414               | -   | 11,378,414            | 27,976,292                       |  |
| 2035                                   | 13,567,696                                     | 3,039,500   | 16,607,196            | 11,374,391               | -   | 11,374,391            | 27,981,587                       | 64.50%                                   |
| 2036                                   | 13,614,408                                     | 3,030,125   | 16,644,533            | 11,325,122               | -   | 11,325,122            | 27,969,655                       |  |
| 2037                                   | 13,612,882                                     | 3,029,625   | 16,642,507            | 11,335,668               | -   | 11,335,668            | 27,978,175                       |  |
| 2038                                   | 13,606,153                                     | 3,027,500   | 16,633,653            | 11,328,438               | -   | 11,328,438            | 27,962,091                       |  |
| 2039                                   | 13,588,996                                     | 3,018,629   | 16,607,625            | 11,340,778               | -   | 11,340,778            | 27,948,403                       |  |
| 2040                                   | 12,908,115                                     | -   | 12,908,115            | 11,344,702               | -   | 11,344,702            | 24,252,817                       | 84.28%                                   |
| 2041                                   | 8,221,453                                      | -   | 8,221,453             | 10,673,013               | -   | 10,673,013            | 18,894,466                       |  |
| 2042                                   | 7,137,890                                      | -   | 7,137,890             | 9,921,157                | -   | 9,921,157             | 17,059,047                       |  |
| 2043                                   | 5,659,286                                      | -   | 5,659,286             | 7,128,066                | -   | 7,128,066             | 12,787,352                       |  |
| 2044                                   | 4,864,142                                      | -   | 4,864,142             | 6,766,319                | -   | 6,766,319             | 11,630,461                       |  |
| 2045                                   | 4,602,254                                      | -   | 4,602,254             | 6,511,007                | -   | 6,511,007             | 11,113,261                       | 94.66%                                   |
| 2046                                   | 3,678,356                                      | -   | 3,678,356             | 5,245,070                | -   | 5,245,070             | 8,923,426                        |  |
| 2047                                   | 3,125,740                                      | -   | 3,125,740             | 5,245,015                | -   | 5,245,015             | 8,370,755                        |  |
| 2048                                   | 3,126,200                                      | -   | 3,126,200             | 4,089,255                | -   | 4,089,255             | 7,215,455                        |  |
| 2049                                   | 3,133,900                                      | -   | 3,133,900             | 4,091,075                | -   | 4,091,075             | 7,224,975                        |  |
| 2050                                   | 2,014,500                                      | -   | 2,014,500             | 2,981,792                | -   | 2,981,792             | 4,996,292                        | 100.00%                                  |
| Total                                  | 304,485,632                                    | 81,312,666  | 385,798,298           | 283,472,729              | 19,015,371  | 302,488,100           | 688,286,398                      |  |

**TABLE 11: COVERAGE AND FUND BALANCES**

## Waterworks:

|   |    |             |
|---|----|-------------|
| Average Annual Principal and Interest Requirements              | \$ | 10,808,976  |
| Coverage of Average Requirements by 2021 Net Income             |    | 2.42        |
| <i>Maximum Principal and Interest Revenue Bond Requirements</i> |    |             |
| After Fiscal Year Ended September 30, 2021                      | \$ | 14,993,714  |
| Coverage of Maximum Requirements by 2021 Net Income             |    | 1.75        |
| Outstanding New Series Water Revenue Bonds                      | \$ | 206,487,457 |
| Interest and Sinking Fund as of September 30, 2021              | \$ | 3,649,007   |
| Reserve Fund as of September 30, 2021                           | \$ | 10,808,976  |

## Sewer:

|   |    |             |
|---|----|-------------|
| Average Annual Principal and Interest Requirements              | \$ | 9,974,410   |
| Coverage of Average Requirements by 2021 Net Income             |    | 1.92        |
| <i>Maximum Principal and Interest Revenue Bond Requirements</i> |    |             |
| After Fiscal Year Ended September 30, 2021                      | \$ | 12,602,232  |
| Coverage of Maximum Requirements by 2021 Net Income             |    | 1.52        |
| Outstanding New Series Sewer Revenue Bonds                      | \$ | 211,725,543 |
| Interest and Sinking Fund as of September 30, 2021              | \$ | 4,124,018   |
| Reserve Fund as of September 30, 2021                           | \$ | 9,974,410   |

**TABLE 12: COVERAGE AND FUND BALANCES – UTILITY SYSTEM**

|   | <u>Waterworks</u> | <u>Sewer</u> | <u>Total</u> |
|---|-------------------|--------------|--------------|
| Net Funds Available for Debt Service  | \$ 26,184,607     | 19,190,884   | 45,375,491   |
| Average Annual Principal and Interest Requirements                          | \$ 10,808,976     | 9,974,410    | 20,783,386   |
| Coverage of Average Annual Requirements by Funds Available for Debt Service | 2.42              | 1.92         | 2.18         |
| Maximum Principal and Interest Revenue Bond Requirements                    | \$ 14,993,714     | 12,602,232   | 27,595,946   |
| Coverage of Maximum Requirement by Funds Available for Debt Service         | 1.75              | 1.52         | 1.64         |
| Outstanding Revenue Bonds as of 09/30/2021                                  | \$ 206,487,457    | 211,725,543  | 418,213,000  |
| Interest and Sinking Fund as of 9/30/2021                                   | \$ 3,649,007      | 4,124,018    | 7,773,025    |
| Reserve Funds as of 9/30/2021   | \$ 10,808,976     | 9,974,410    | 20,783,386   |

## **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 the City of Laredo's approval on July 1<sup>st</sup>, 2018, the arena signed a five-year contract with the oldest local dealership Sames Auto Group with options for extension. The now Sames Auto Arena continues 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 Gloria Trevi (Latin Pop), DJ Snoopadelic (Hip-Hop/Rap), Bad Bunny (Latin Trap and Reggaeton), Midland (Country), Pepe Aguilar (Regional Mexican), Maluma (Latin Urbano), Los Angeles Azules (Tropical) and George Lopez (Comedy). Other major entertainment and special events included Hot Wheels Monster Trucks Live, Disney On Ice, Franco Escamilla, Holiday Skate Days, 20<sup>th</sup> Century Rides Carnival, the WBCA Commander's Reception, the Society of Martha Washington Colonial Pageant and Ball, Taste of Laredo, HEB Feast of Sharing, Angel of Hope and graduations for Laredo Independent School District, United Independent School District, Laredo College and Texas A&M International University. In addition, the Sames Auto Arena hosted other community events.



## **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 and in August of 2021, the City of Laredo entered into a contract with STX Venue Management, LLC to manage the stadium while not conflicting with the existing 2L4L contract in order to seek a wider array of special events.

**TABLE 1 – SALES TAX RECEIPTS**

| Fiscal Year<br>Ending 9/30 | Actual 1% Sales &<br>Use Tax Receipts | 1/4 of 1% Sales<br>Tax Receipts | Maximum<br>Annual Debt<br>Service | Estimated<br>Coverage |
|----------------------------|---------------------------------------|---------------------------------|-----------------------------------|-----------------------|
| 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                  |
| 2020                       | 33,875,097                            | 8,468,774                       | 3,385,660                         | 2.50                  |
| 2021                       | 37,709,425                            | 9,427,356                       | 3,439,349                         | 2.50                  |

(\*) 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, 2022-2046 | 3,241,368 |
| Fiscal Year 2021 Sales Tax Revenues                           | 9,427,356 |
| Coverage of Average Requirements for Fiscal Year 2022         | 2.91      |
| Maximum Principal and Interest Requirements, 2022-2046        | 3,439,349 |
| Fiscal Year 2021 Sales Tax Revenues                           | 9,427,356 |
| Coverage of Maximum Requirements for Fiscal Year 2022         | 2.74      |

**TABLE 3 – DEBT SERVICE REQUIREMENTS**

| Fiscal Year<br>Ended 9-30 | 2016<br>Total Outstanding<br>Debt | 2021<br>Total Outstanding<br>Debt | Total<br>Outstanding<br>Debt | % of<br>Debt Service<br>Retired |
|---------------------------|-----------------------------------|-----------------------------------|------------------------------|---------------------------------|
| 2022                      | 659,788                           | 2,773,767                         | 3,433,555                    |                                 |
| 2023                      | 660,087                           | 2,776,618                         | 3,436,705                    |                                 |
| 2024                      | 664,285                           | 2,775,064                         | 3,439,349                    | 13.01%                          |
| 2025                      | 662,537                           | 2,774,192                         | 3,436,729                    |                                 |
| 2026                      | 660,075                           | 2,774,348                         | 3,434,423                    |                                 |
| 2027                      | 661,571                           | 2,775,203                         | 3,436,774                    |                                 |
| 2028                      | 660,840                           | 2,772,029                         | 3,432,869                    |                                 |
| 2029                      | 663,200                           | 2,775,501                         | 3,438,701                    | 34.68%                          |
| 2030                      | 659,930                           | 2,775,766                         | 3,435,696                    |                                 |
| 2031                      | 661,030                           | 2,773,572                         | 3,434,602                    |                                 |
| 2032                      | 660,633                           | 2,773,687                         | 3,434,320                    |                                 |
| 2033                      | 658,711                           | 2,775,375                         | 3,434,086                    |                                 |
| 2034                      | 660,916                           | 2,773,931                         | 3,434,847                    | 56.35%                          |
| 2035                      | 662,151                           | 2,774,383                         | 3,436,534                    |                                 |
| 2036                      | 657,513                           | 2,772,072                         | 3,429,585                    |                                 |
| 2037                      | -                                 | 2,773,978                         | 2,773,978                    |                                 |
| 2038                      | -                                 | 2,775,272                         | 2,775,272                    |                                 |
| 2039                      | -                                 | 2,774,597                         | 2,774,597                    |                                 |
| 2040                      | -                                 | 2,776,877                         | 2,776,877                    |                                 |
| 2041                      | -                                 | 2,772,111                         | 2,772,111                    |                                 |
| 2042                      | -                                 | 2,774,019                         | 2,774,019                    |                                 |
| 2043                      | -                                 | 2,772,412                         | 2,772,412                    |                                 |
| 2044                      | -                                 | 2,773,380                         | 2,773,380                    |                                 |
| 2045                      | -                                 | 2,771,843                         | 2,771,843                    |                                 |
| 2046                      | -                                 | 2,772,725                         | 2,772,725                    | 100.00%                         |
|                           | <u>\$ 9,913,267</u>               | <u>\$ 69,352,719</u>              | <u>\$ 79,265,986</u>         |                                 |

## SINGLE AUDIT

Aaron Canales, CPA  
Juan José Garza, CPA  
† J. Clayton Baum, CPA  
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 and State Program**

***Opinion on Each Major Federal and State Program***

We have audited City of Laredo, Texas' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of City of Laredo, Texas' major federal and state programs for the year ended September 30, 2021. 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.

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, 2021.

***Basis for Opinion on Each Major Federal and State Program***

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*. Our responsibilities under those standards, the Uniform Guidance and the State of Texas Single Audit Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Laredo, Texas and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of City of Laredo, Texas' compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, provisions of contracts or grants agreements applicable to City of Laredo, Texas' federal and state programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Laredo, Texas' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Governmental Auditing Standards*, the Uniform Guidance and the *State of Texas Single Audit Circular* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Laredo, Texas' compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and the *State of Texas Single Audit Circular*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Laredo, Texas' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Laredo, Texas' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of the City of Laredo, Texas' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 that 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 & Baum, PLLC*

Laredo, Texas  
March 25, 2022

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|----------|--|
|--|---------------------|-------------------------------|-------------------------|--|--------------------|----------|--|

U.S. Department of Health and Human Services

Health Resources and Services Administration:

Grants to Provide Outpatient Early Intervention Services

|  |        |                   |            |           |         |         |        |
|--|--------|-------------------|------------|-----------|---------|---------|--------|
| Ryan White HIV/AIDS Program Part C Early Intervention Services- 20-21        | 93.918 | 1H76HA31754-01-01 | \$ 300,000 | 26,317    | 182,361 | 208,678 | -      |
| Ryan White HIV/AIDS Program Part C Early Intervention Services- 21-22        | 93.918 | 5H76HA31754-01-00 | 300,000    | -         | 122,991 | 83,849  | 39,142 |
| Ryan White HIV/AIDS Program Part C Early Intervention Services COVID-19 Res. | 93.918 | 1H7CHA37250-01-00 | 53,750     | 4,701     | 37,512  | 42,213  | -      |
| HHSC CARES Provider Relief Fund  | 93.498 | HHS-07641985695   | 128,854    | (122,031) | 122,031 | -       | -      |
| HHSC CARES Provider Relief Fund- COVID VACCINES                              | 93.498 | HHS-07641985695   | -          | -         | 98,019  | 98,019  | -      |
| HHSC CARES Provider Relief Fund- Uninsured Patient Treatment                 | 93.498 | HHS-07641985695   | -          | -         | 242,649 | 242,649 | -      |

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 - '20 | 93.116 | HHS000068610010  | 178,721 | 33,159 | 48,486  | 81,645 | -      |
| Tuberculosis Control Programs - '21 | 93.116 | HHS0000686100010 | 214,465 | -      | 130,137 | 95,397 | 34,740 |

Center for Disease Control and Prevention, Public Health Services:

Immunization Cooperative Agreements:

|  |        |                 |           |        |         |         |         |
|--|--------|-----------------|-----------|--------|---------|---------|---------|
| Immunization Cooperative Agreements 20 | 93.268 | HHS000103500001 | 97,291    | 7,222  | -       | 7,222   | -       |
| Immunization Cooperative Agreements 21 | 93.268 | HHS000103500001 | 97,291    | 15,396 | 97,041  | 112,437 | -       |
| Immunization Cooperative Agreements 22 | 93.268 | HHS000103500001 | 97,291    | -      | 23,743  | -       | 23,743  |
| COVID19 Vaccination Capacity           | 93.268 | HHS001019500011 | 3,106,637 | -      | 356,301 | -       | 356,301 |

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 - 19-20 | 93.069 | 537-18-0168-00001 | 331,135 | 15,913 | -       | 15,913  | -      |
| Public Health Emergency Preparedness - 20-21 | 93.069 | 537-18-0168-00001 | 341,737 | 82,082 | 259,656 | 341,738 | -      |
| Public Health Emergency Preparedness - 21-22 | 93.069 | 537-18-0168-00001 | 375,411 | -      | 80,488  | 21,551  | 58,937 |

Center for Disease Control and Prevention

Epidemiology and Laboratory Capacity of Infectious Diseases:

Passed Through Texas Health and Human Services Commission:

Epidemiology & Laboratory Capacity for Infectious Diseases- IDCU Covid-19

|   |        |                 |           |        |         |         |         |
|---|--------|-----------------|-----------|--------|---------|---------|---------|
| Center for Disease Control and Prevention | 93.323 | HHS000812700011 | 1,177,074 | 11,609 | 680,170 | 389,776 | 302,003 |
|---|--------|-----------------|-----------|--------|---------|---------|---------|

Public Health Crisis Response Awards

Passed Through Texas Department of State Health Services:

|   |        |                 |              |         |         |         |        |
|---|--------|-----------------|--------------|---------|---------|---------|--------|
| Hurricane Public Health Crisis Response | 93.354 | HHS000371500023 | 120,590      | 5,720   | -       | 5,720   | -      |
| Covid-19 Crisis Response                | 93.354 | HHS000768500001 | 824,218      | 190,174 | 387,176 | 488,141 | 89,209 |
| CPS/Public Health Workforce             | 93.354 | HHS001076400001 | \$ 2,000,000 | -       | 9,285   | -       | 9,285  |

(Continued)



**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts  | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|-----------|--|
| Department of Health and Human Services, Office of the Secretary<br>Passed Through Texas Health and Human Services Commission:<br>State Partnership Grant Program to Improve Minority Health 19-20 | 93.296              | 529-16-0131-00001             | \$ 30,000               | 4,428  | -                  | 4,428     | -  |
| Health Resources and Services Administration:<br>Passed Through Texas Department of State Health Services  |                     |                               |                         |  |                    |           |  |
| Family Support/ Community Response 20-20   | 93.994              | HHS00070100001                | 127,561                 | 44,807   | -                  | 44,807    | -  |
| Family Support/ Community Response 20-21   | 93.994              | HHS00070100001                | 127,561                 | 10,462   | 116,941            | 74,527    | 52,876   |
| Family Support/ Community Response 21-22   | 93.994              | HHS00070100001                | 152,561                 | -  | 6,338              | -         | 6,338  |
| Maternal and Child Health Services Block Grant   |                     |                               |                         |  |                    |           |  |
| Maternal and Child Health Services Block Grant- 19-20  | 93.994              | HHS000085000001-1             | 117,500                 | 27,651   | -                  | 27,651    | -  |
| Maternal and Child Health Services Block Grant- 20-21  | 93.994              | HHS000085000001-1             | 117,500                 | 3,000  | 61,876             | 48,840    | 16,036   |
| Maternal and Child Health Services Block Grant- 21-22  | 93.994              | HHS000085000001-1             | 117,500                 | -  | 5,228              | -         | 5,228  |
| Passed Through Texas Health and Human Services Commission:<br>Primary Child Health, Genetics and Dental Serv. - 20   | 93.994              | HHS000136500033               | 115,750                 | 9,522  | -                  | 9,522     | -  |
| Primary Child Health, Genetics and Dental Serv. - 21   | 93.994              | HHS000136500033               | 115,750                 | 1,149  | 68,769             | 58,488    | 11,430   |
| Primary Child Health, Genetics and Dental Serv. - 22   | 93.994              | HHS000136500033               | 57,875                  | -  | 9,581              | -         | 9,581  |
| Maternal and Child Health Services Block Grant- 19-20 Zika Health Care Outreach  | 93.994              | HHS000059700001-1             | 147,751                 | 4,163  | -                  | 4,163     | -  |
| Maternal and Child Health Services Block Grant- 19-20 Zika Health Care Clinic  | 93.966              | HHS000059700001-1             | 577,829                 | 66,862   | 155,947            | 212,948   | 9,861  |
| Temporary Assistance for Needy Families:<br>Passed Through Texas Department Family and Protective Services:<br>Nurse-Family Partnership Program - '20-21   | 93.558              | 529-16-0069-00001             | 295,080                 | -  | 540,488            | 472,220   | 68,268   |
| Health Resources and Services Administration<br>Passed Through South Texas Development Council:<br>HIV Care Formula Grants:  |                     |                               |                         |  |                    |           |  |
| H.I.V. Care Formula Grant - 20-21  | 93.917              | 019-01-20 (21)                | 392,303                 | 149,564  | 162,760            | 312,324   | -  |
| H.I.V. Care Formula Grant - 21-22  | 93.917              | 019-01-21 (22)                | 350,951                 | -  | 180,994            | 86,902    | 94,092   |
| H.I.V. Care Formula Grant - 20-21 CARES  | 93.917              | 019-01-20 (21)                | 55,323                  | 12,666   | 38,089             | 50,755    | -  |
| H.I.V. Care Formula Grant (Supplemental) - 20-21 State Rebate  | 93.917              | 019-01-20 (21)                | 123,921                 | 46,575   | 128,283            | 174,858   | -  |
| H.I.V. Care Formula Grant (Supplemental) - 21-22 State Rebate  | 93.917              | 019-01-21 (22)                | 284,844                 | -  | 140,432            | 78,524    | 61,908   |
| Center for Disease Control and Prevention<br>Passed Through Texas Department of State Health Services  |                     |                               |                         |  |                    |           |  |
| H.I.V. Prevention Program Cooperative Agreements   |                     |                               |                         |  |                    |           |  |
| H.I.V Prevention Program Cooperative Agreements 21   | 93.940              | HHS000077800022               | 150,945                 | -  | 61,619             | 61,619    | -  |
| H.I.V Prevention Program Cooperative Agreements 22   | 93.940              | HHS000077800022               | 150,945                 | -  | 17,891             | -         | 17,891   |
| Centers for Disease Control and Prevention:<br>Preventive Health & Health Services Block Grant   |                     |                               |                         |  |                    |           |  |
| Passed Through Texas Department of State Health Services   |                     |                               |                         |  |                    |           |  |
| Preventive Health and Health Service Block Grant - 19-20/ O.P.H.P.   | 93.991              | HHS0000485600042              | 131,702                 | 13,115   | -                  | 13,115    | -  |
| Preventive Health and Health Service Block Grant - 20-21/ O.P.H.P.   | 93.991              | HHS0000485600042              | 27,115                  | 9,936  | 39,222             | 14,912    | 34,246   |
| Preventive Health and Health Service Block Grant - 21-22/ O.P.H.P.   | 93.991              | HHS0000485600042              | 27,115                  | -  | 3,168              | -         | 3,168  |
| Preventive Health and Health Service Block Grant - 19-20 / OCDS  | 93.991              | HHS000069100001               | 144,000                 | 41,220   | -                  | 41,220    | -  |
| Preventive Health and Health Service Block Grant - 20-21 / OCDS  | 93.991              | HHS000069100001               | 125,000                 | 8,808  | 146,446            | 113,347   | 41,907   |
| Preventive Health and Health Service Block Grant - 21-22 / OCDS  | 93.991              | HHS000069100001               | 144,000                 | -  | 316                | -         | 316  |
| Office of Population Affairs:<br>Family Planning Services - Title X Family Planning Services   | 93.217              | N/A                           | -                       | (190,625)  | 184,038            | 114,664   | (121,251)  |
| Total U. S. Department of Health and Human Services  |                     |                               | \$ 13,952,847           | 533,565  | 4,946,472          | 4,254,782 | 1,225,255  |

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|----------|--|
|--|---------------------|-------------------------------|-------------------------|--|--------------------|----------|--|

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 | -       | -         | -         | -       |
| Community Development Block Grants / Entitlement Grants 11      | 14.218 | B-11-MC-48-0505 | 3,290,569    | -       | -         | -         | -       |
| Community Development Block Grants / Entitlement Grants 13      | 14.218 | B-13-MC-48-0505 | 3,553,204    | -       | -         | -         | -       |
| Community Development Block Grants / Entitlement Grants 14      | 14.218 | B-14-MC-48-0505 | 3,553,204    | 35      | -         | 35        | -       |
| Community Development Block Grants / Entitlement Grants 15      | 14.218 | B-15-MC-48-0505 | 3,459,923    | 50      | -         | 50        | -       |
| Community Development Block Grants / Entitlement Grants 16      | 14.218 | B-16-MC-48-0505 | 3,436,805    | 67,401  | 57,593    | 97,446    | 27,548  |
| Community Development Block Grants / Entitlement Grants 17      | 14.218 | B-17-MC-48-0505 | 3,401,417    | 8,241   | 139,546   | 147,787   | -       |
| Community Development Block Grants / Entitlement Grants 18      | 14.218 | B-18-MC-48-0505 | 3,729,949    | 127,054 | 181,084   | 245,509   | 62,629  |
| Community Development Block Grants / Entitlement Grants 19      | 14.218 | B-19-MC-48-0505 | 3,730,742    | 207,036 | 764,065   | 690,394   | 280,707 |
| Community Development Block Grants / Entitlement Grants 20      | 14.218 | B-20-MC-48-0505 | 3,850,188    | -       | 1,403,500 | 1,314,042 | 89,458  |
| Community Development Block Grants / CARES Act First Allocation | 14.218 | B-20-MW-48-0505 | 2,264,939    | 13,576  | 1,402,486 | 1,270,285 | 145,777 |
| Community Development Block Grants / CARES Act Third Allocation | 14.218 | B-20-MW-48-0505 | 2,165,528    | -       | 62,671    | 54,739    | 7,932   |

Passed Through Texas Department of Housing and Community Affairs:

|  |        |                 |           |        |         |         |         |
|--|--------|-----------------|-----------|--------|---------|---------|---------|
| Community Development Block Grants / CARES TERAP               | 14.228 | 70200001024     | 787,469   | -      | 786,597 | 758,043 | 28,554  |
| Community Development Block Grants / CARES TEMAP               | 14.228 | 70300001008     | 200,000   | -      | 76,135  | -       | 76,135  |
| Emergency Solutions Grant Program 2019                         | 14.231 | E-19-MC-48-0505 | 316,494   | 1,026  | 303,915 | 304,941 | -       |
| Emergency Solutions Grant Program 2020                         | 14.231 | E-20-MC-48-0505 | 327,812   | -      | 15,142  | 13,625  | 1,517   |
| Emergency Solutions Grant Program CARES Act- First Allocation  | 14.231 | E-20-MW-48-0505 | 1,130,386 | -      | 472,381 | 371,232 | 101,149 |
| Emergency Solutions Grant Program CARES Act- Second Allocation | 14.231 | E-20-MW-48-0505 | 2,552,555 | -      | 422,360 | 402,496 | 19,864  |
| HOME Investment Partnerships Program 2016 GRANT                | 14.239 | M-16-MC-48-0505 | 854,378   | 10,212 | 106,868 | 117,080 | -       |
| HOME Investment Partnerships Program 2017 GRANT                | 14.239 | M-17-MC-48-0505 | 847,266   | 2,008  | 1,958   | 3,966   | -       |
| HOME Investment Partnerships Program 2018 GRANT                | 14.239 | M-18-MC-48-0505 | 1,178,458 | 53,631 | 104,350 | 137,470 | 20,511  |
| HOME Investment Partnerships Program 2019 GRANT                | 14.239 | M-19-MC-48-0505 | 1,085,399 | 9,580  | 299,492 | 309,072 | -       |
| HOME Investment Partnerships Program 2020 GRANT                | 14.239 | M-20-MC-48-0505 | 1,167,858 | -      | 106,300 | 78,999  | 27,301  |

Passed Through South Texas Development Council:

Housing Opportunities for Persons with AIDS:

|   |        |               |         |       |         |        |        |
|---|--------|---------------|---------|-------|---------|--------|--------|
| Housing Opportunities for Persons with Aids - 19-20       | 14.241 | 019-3-19 (20) | 248,536 | 8,588 | -       | 8,588  | -      |
| Housing Opportunities for Persons with Aids - 19-20 CARES | 14.241 | 019-3-19 (20) | 20,000  | 4,720 | -       | 4,720  | -      |
| Housing Opportunities for Persons with Aids - 20-21       | 14.241 | 019-3-20 (21) | 129,293 | 8,507 | 105,353 | 96,181 | 17,679 |
| Housing Opportunities for Persons with Aids - 21-22       | 14.241 | 019-3-21 (22) | 137,837 | -     | 14,003  | -      | 14,003 |

Total U. S. Department of HUD

\$ 51,099,177 521,665 6,825,799 6,426,700 920,764

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 | - | 35,354 | 30,683 | 4,671  |
| Fixed Guideway Modernization Bus & Bus Facility New Starts | 20.500 | TX040055 | 2,549,000  | - | 14,545 | -      | 14,545 |

Federal Transit Formula Grants:

|  |        |           |            |           |           |           |       |
|--|--------|-----------|------------|-----------|-----------|-----------|-------|
| Urbanized Area Formula Program                                 | 20.507 | TX2020100 | 9,988,345  | 2,986,941 | 2,388,320 | 5,368,305 | 6,956 |
| Enhanced Mobility of Seniors and Individuals with Disabilities | 20.513 | TX2019063 | \$ 167,324 | -         | -         | -         | -     |

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts   | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|------------|--|
| Enhanced Mobility of Seniors and Individuals with Disabilities               | 20.513              | TX2020027                     | \$ 334,836              | 9,044  | 843                | -          | 9,887  |
| Bus and Bus Facilities Formula Program:                                      |                     |                               |                         |  |                    |            |  |
| 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                 | -  | 396,727            | 396,727    | -  |
| Fixed Guideway Modernization Bus & Bus Facility New Starts                   | 20.526              | TX2020141                     | 415,500                 | -  | 233,407            | -          | 233,407  |
| Federal Aviation Administration:   |                     |                               |                         |  |                    |            |  |
| Airport Improvement Program (Airport Improv)                                 | * 20.106            | 3-48-0136-80-2015             | 6,000,000               | 371,022  | 436,862            | 807,884    | -  |
| Airport Improvement Program  | * 20.106            | 3-48-0136-81-2016             | 5,000,000               | -  | 399,321            | 399,321    | -  |
| Airport Improvement Program  | * 20.106            | 3-48-0136-85-2018             | 9,200,000               | 36,196   | 2                  | -          | 36,198   |
| Airport Improvement Program  | * 20.106            | 3-48-0136-86-2016             | 2,000,000               | 34,043   | 587,398            | 524,717    | 96,724   |
| Airport Improvement Program  | * 20.106            | 3-48-0136-87-2016             | 7,549,126               | 11,744   | 643,883            | 598,175    | 57,452   |
| Airport Improvement Program  | * 20.106            | 3-48-0136-88-2019             | 1,000,000               | -  | 4,272              | 3,955      | 317  |
| Airport Improvement Program  | * 20.106            | 3-48-0136-89-2019             | 9,856,303               | 1,129,862  | 2,088,510          | 2,250,986  | 967,386  |
| Airport Improvement Program  | * 20.106            | 3-48-0136-90-2020             | 10,485,466              | -  | 5,802,578          | 3,450,343  | 2,352,235  |
| Airport Improvement Program  | * 20.106            | 3-48-0136-92-2020             | 5,393,884               | -  | 1,043,581          | 895,910    | 147,671  |
| Airport Improvement Program  | * 20.106            | 3-48-0136-95-2021             | 9,188,272               | -  | 401,830            | -          | 401,830  |
| Airport Improvement Program  | * 20.106            | 3-48-0136-99-2022             | 3,416,741               | -  | 295,368            | -          | 295,368  |
| Airport Improvement Program-CARES Act  | * 20.106            | 3-48-0136-091-2020            | 18,506,692              | 3,928,872  | 7,867,403          | 10,198,942 | 1,597,333  |
| Transportation Security Administration-Law Enf. Officer Reimb. Program       |                     |                               |                         |  |                    |            |  |
| Law Enforcement Officer Reimbursement Program                                | 97.090              | 70T02021T6114N149             | 41,400                  | -  | 39,398             | 35,585     | 3,813  |
| FY 20 Law Enforcement Officer Reimbursement Program                          | 97.090              | HSTS0216HSLR878               | 41,400                  | 3,800  | -                  | 3,800      | -  |
| Pass Through Texas Department of Transportation:                             |                     |                               |                         |  |                    |            |  |
| National Highway Traffic Safety - State and Community Highway Safety         |                     |                               |                         |  |                    |            |  |
| STEP - 2020 CMV  | 20.600              | 2020-LAREDOPD-S-CMV-00004     | 124,015                 | 40,540   | -                  | 40,540     | -  |
| STEP - 2020 CMV  | 20.600              | 2020-LAREDOPD-S-CMV-00005     | 123,139                 | -  | 85,217             | 59,860     | 25,357   |
| STEP - 2020 Comprehensive  | 20.600              | 2020-LAREDOPD-S-1YG-00009     | 160,995                 | 53,298   | -                  | 53,298     | -  |
| STEP - 2021 Comprehensive  | 20.600              | 2020-LAREDOPD-S-1YG-00011     | 144,099                 | -  | 106,846            | 79,800     | 27,046   |
| STEP - Click It Or Ticket  | 20.600              | 2021-LAREDOPD-CIOT-00018      | 32,750                  | -  | 44,082             | 22,439     | 21,643   |
| National Highway Traffic Safety -Alcohol Impaired Driving                    |                     |                               |                         |  |                    |            |  |
| Countermeasures Incentive Grants I   |                     |                               |                         |  |                    |            |  |
| Step - Impaired Driving Mobilization 2020                                    | 20.601              | 2020-LAREDOPD-IDM-00009       | 52,400                  | 28,745   | -                  | 28,745     | -  |
| Step - Impaired Driving Mobilization 2021                                    | 20.601              | 2021-LAREDOPD-IDM-00010       | 65,500                  | -  | 47,795             | 31,675     | 16,119   |
| Highway Planning & Const.-Federal Aid Hwy Pgm, Fed Lands Hwy Pgm             | 20.205              | 50-21XF0011                   | 810,000                 | -  | 552,276            | 349,956    | 202,320  |
| Highway Planning & Const.-Federal Aid Hwy Pgm, Fed Lands Hwy Pgm             | 20.205              | 50-20XF0011                   | 1,548,096               | 231,468  | -                  | 231,468    | -  |
| Highway Planning and Construction-Zacate Creek Hike & Bike Trail             | 20.205              | CSJ-0922-33-170               | 1,000,000               | 327,397  | -                  | 327,397    | -  |
| Highway Planning and Construction-Rio Grande Vega Hike & Bike Trail          | 20.205              | CSJ-0922-33-177               | 652,638                 | -  | 53,040             | 15,120     | 37,920   |
| Highway Planning and Construction-E. Chacon Hike & Bike Trail                | 20.205              | CSJ-0922-33-200               | 160,000                 | -  | -                  | -          | -  |
| Highway Planning and Construction-West Laredo Multimodal Trade Corridor-II   | 20.205              | CSJ-0922-33-076               | 2,845,747               | 267,421  | 6,160              | 14,766     | 258,815  |
| Highway Planning and Construction- West Laredo Multimodal Trade Corridor-III | 20.205              | CSJ-0922-33-093               | 18,889,751              | 206,859  | -                  | 206,859    | -  |
| Highway Planning and Construction- Chacon Creek Hike & Bike Phase III        | 20.205              | CSJ-0922-33-149/150           | 1,243,767               | -  | -                  | -          | -  |
| Highway Planning and Construction- Construction of Inspection Booths         | 20.205              | CSJ-0922-33-178               | 8,000,000               | -  | 591,171            | 352,871    | 238,300  |
| Total U. S. Department of Transportation                                     |                     |                               | \$ 147,978,131          | 9,667,252  | 24,166,189         | 26,780,127 | 7,053,313  |

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts  | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|-----------|--|
| <b>U. S. Department of Agriculture</b>                                     |                     |                               |                         |  |                    |           |  |
| Passed Through Texas Health and Human Services:                            |                     |                               |                         |  |                    |           |  |
| Food & Nutrition Service - Special Supplemental Nutrition Program for WIC: |                     |                               |                         |  |                    |           |  |
| Women, Infants and Children 19-20  | 10.557              | 2017-049856-001               | \$ 4,707,397            | 836,754  | 60,475             | 897,229   | -  |
| Women, Infants and Children 20-21  | 10.557              | 2017-049856-001               | 4,707,397               | -  | 4,178,468          | 2,856,672 | 1,321,796  |
| Women, Infants and Children Counties 19-20                                 | 10.557              | 2017-049856-001               | 1,183,714               | 208,443  | 7,266              | 215,709   | -  |
| Women, Infants and Children Counties 20-21                                 | 10.557              | 2017-049856-001               | 1,183,714               | -  | 1,087,865          | 771,912   | 315,953  |
| Total U. S. Department of Agriculture                                      |                     |                               | \$ 11,782,222           | 1,045,197  | 5,334,074          | 4,741,522 | 1,637,749  |

**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 FY17 JAG Program       | 16.738 | 2017-DJ-BX-0333 | \$ 76,374    | 15,116 | -         | 15,116    | -       |
| Edward Byrne Memorial Justice Assistance Grant Program FY18 JAG Program       | 16.738 | 2018-DJ-BX-0420 | 76,375       | 124    | 20,905    | 1,204     | 19,825  |
| Edward Byrne Memorial Justice Assistance Grant Program FY19 JAG Program       | 16.738 | 2019-DJ-BX-0218 | 66,123       | 351    | 22,973    | 23,324    | -       |
| Edward Byrne Memorial Justice Assistance Grant Program FY20 JAG Program       | 16.738 | 2020-DJ-BX-0644 | 86,206       | -      | 59,003    | 48,658    | 10,345  |
| Coronavirus Emergency Supplemental Funding Program                            | 16.738 | 2020-VD-BX-0093 | 213,046      | 542    | 144,978   | 105,471   | 40,049  |
| Edward Byrne Memorial Justice Assistance Grant Program - JAG Equipment        | 16.738 | 3870901         | 31,366       | 30,834 | -         | 30,834    | -       |
| Edward Byrne Memorial Justice Assistance Grant Program - JAG Equipment        | 16.738 |                 |              | -      | 25,943    | -         | 25,943  |
| Public Safety Partnership and Community Policing Grants                       |        |                 |              |        |           |           |         |
| COPS Hiring Program - 2020  | 16.71  | 2017-UL-WX-0433 | 1,036,558    | -      | 315,873   | 271,656   | 44,217  |
| Passed Through Office of the Governor:  |        |                 |              |        |           |           |         |
| Victims of Crime Act Formula Grant Program                                    | 16.575 | 3362902         | 102,100      | 15,466 | -         | 15,466    | -       |
| Victims of Crime Act Formula Grant Program                                    | 16.575 | 3362902         | 62,249       | -      | 49,314    | 40,630    | 8,684   |
| Units Crimes Against Women Project FY20                                       | 16.588 | 3849501         | 103,080      | 25,100 | -         | 25,100    | -       |
| Units Crimes Against Women Project FY21                                       | 16.588 | 3849502         | 128,203      | -      | 23,466    | 18,563    | 4,903   |
| Coronavirus Emergency Supplemental Funding Program                            | 16.034 | 4141601         | 154,278      | -      | 154,278   | 140,642   | 13,636  |
| Rifle Resistant Body Armor  | N/A    | 3946401         | 83,268       | -      | 30,225    | 30,225    | -       |
| Safe Streets Initiative   | N/A    | 3946501         | 26,233       | -      | 23,678    | 19,218    | 4,460   |
| Safe Neighborhood Program   |        | 3958801         | 15,713       | -      | 15,712    | 13,705    | 2,007   |
| First Responder Mental Health - Peer Support                                  | N/A    | 3947301         | 57,828       | -      | 8,649     | 7,802     | 847     |
| LPD Robot Upgrade and Portable X-Ray  | N/A    | 4016201         | 79,828       | -      | 45,541    | 45,541    | -       |
| The Department of Justice Asset Forfeiture Program - Laredo Police Department | 16.922 | N/A             | -            | -      | 224,923   | 224,923   | -       |
| Total U. S. Department of Justice   |        |                 | \$ 2,398,828 | 87,533 | 1,165,461 | 1,078,078 | 174,916 |

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts  | Accrued (Deferred) Revenue at September 30, 2021 |
|---|---------------------|-------------------------------|-------------------------|--|--------------------|-----------|--|
| <b>Executive Office of the President</b>                              |                     |                               |                         |  |                    |           |  |
| High Intensity Drug Trafficking Areas Program                         |                     |                               |                         |  |                    |           |  |
| Financial Task Force 19   | 95.001              | G19SS0001A                    | \$ 872,271              | 9,004  | 141,260            | 128,980   | 21,284   |
| Financial Task Force 20   | 95.001              | G20SS0001A                    | 872,271                 | 108,830  | 583,995            | 604,187   | 88,638   |
| Financial Task Force 21   | 95.001              | G21SS0001A                    | 872,271                 | -  | 207,377            | -         | 207,377  |
| Total Executive of the President                                      |                     |                               | \$ 2,616,813            | 117,834  | 932,632            | 733,167   | 317,299  |
| <b>U.S. Department of Homeland Security</b>                           |                     |                               |                         |  |                    |           |  |
| 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-4586-DR-TX               | -                       | -  | 67,356             | -         | 67,356   |
| Texas Covid 19 Pandemic   | 97.036              | 479-41464-0                   | 219,669                 | -  | 449,928            | -         | 449,928  |
| Emergency Food and Shelter Program                                    |                     |                               |                         |  |                    |           |  |
| Supplemental Appropriations for Humanitarian Assistance and Security  | 97.024              | N/A                           | -                       | 123,393  | -                  | 123,393   | -  |
| Emergency Food and Shelter Program                                    |                     |                               |                         |  |                    |           |  |
| American Rescue Plan of 2021- Humanitarian Relief                     | 97.024              | N/A                           | -                       | -  | 184,554            | 1,921,990 | (1,737,436)                                      |
| Passed Through Office of the Governor:                                |                     |                               |                         |  |                    |           |  |
| Staffing for Adequate Fire and Emergency Response (SAFER)             | 97.083              | EMW-2016-FH-00621             | 5,312,952               | 65,089   | 88,079             | 153,168   | -  |
| Assistance to Firefighters Grant-Covid-19                             | 97.044              | EMW-2020-FG-01592             | 25,500                  | -  | -                  | -         | -  |
| Border Zone Grant   |                     | 3930801                       | 85,000                  | 84,999   | -                  | 84,999    | -  |
| Homeland Security Grant Program - 2020 Stone Garden Grant             | 97.067              | 3075305                       | 1,427,433               | 153,603  | 368,459            | 522,062   | -  |
| Homeland Security Grant Program - 2021 Stone Garden Grant             | 97.067              | 3075306                       | 1,445,187               | -  | 571,081            | 281,812   | 289,269  |
| Total U. S. Department of Homeland Security                           |                     |                               | \$ 8,515,741            | 327,950  | 1,729,457          | 3,087,424 | (1,030,017)                                      |
| <b>Institute of Museum and Library Services</b>                       |                     |                               |                         |  |                    |           |  |
| Passed Through Texas State Library & Archives Commission              |                     |                               |                         |  |                    |           |  |
| InterLibrary Loan Reimbursement Funds                                 | 45.310              | N/A                           | \$ -                    | -  | 50,000             | 50,000    | -  |
| InterLibrary Loan Reimbursement Funds                                 | 45.310              | LS-241693-OS-20               | -                       | -  | 9,167              | 9,167     | -  |
| InterLibrary Loan Reimbursement Funds                                 | 45.310              | TXR-20008                     | -                       | -  | 10,000             | 10,000    | -  |
| InterLibrary Loan Reimbursement Funds                                 | 45.310              | N/A                           | -                       | 4,532  | -                  | 4,532     | -  |
| Total Institute of Museum and Library Services                        |                     |                               | \$ -                    | 4,532  | 69,167             | 73,699    | -  |
| <b>U. S. Department of Environmental Protection Agency</b>            |                     |                               |                         |  |                    |           |  |
| Survey, Studies, Investigations & Special Purpose Grants              |                     |                               |                         |  |                    |           |  |
| Air Pollution Control Program Support:                                |                     |                               |                         |  |                    |           |  |
| Clean Water State Revolving Loan                                      | 66.458              | L1000357                      | \$ 22,075,000           | (1,287,259)                                      | 458,947            | 434       | (828,746)  |
| Clean Water State Revolving Loan                                      | 66.458              | L1000919                      | 52,000,000              | (49,329,261)                                     | -                  | 13,425    | (49,342,686)                                     |
| Drinking Water State Revolving Loan                                   | 66.468              | L1000339                      | 5,500,000               | (787,652)  | 424,317            | 160       | (363,495)  |
| Total U. S. of Environmental Protection Agency                        |                     |                               | \$ 79,575,000           | (51,404,172)                                     | 883,264            | 14,019    | (50,534,927)                                     |

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts    | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|-------------|--|
| <b>U. S. Department of Treasury</b>  |                     |                               |                         |  |                    |             |  |
| The Department of Treasury Asset Forfeiture Program - Laredo Police Department     | 21.016              | N/A                           | \$ -                    | -  | 509,439            | 509,439     | -  |
| Emergency Rental Assistance- ERA 1   | 21.023              | N/A                           | 7,931,456               | -  | 729,920            | 7,931,456   | (7,201,536)                                      |
| Emergency Rental Assistance- ERA 2   | 21.023              | N/A                           | 6,275,790               | -  | -                  | 2,510,316   | (2,510,316)                                      |
| Emergency Rental Assistance- ERA 2 High Need                                       | 21.023              | N/A                           | 2,020,165               | -  | -                  | 808,066     | (808,066)  |
| Coronavirus State and Local Fiscal Recovery Funds                                  | * 21.027            | N/A                           | 42,779,444              | -  | 10,087,329         | 42,779,444  | (32,692,115)                                     |
| Passed thru Texas Department of Emergency Management                               |                     |                               |                         |  |                    |             |  |
| Coronavirus Relief Fund  | 21.019              | N/A                           | 14,743,135              | 6,532,862  | 5,261,646          | 11,794,508  | -  |
| Total U. S. of Department of Treasury  |                     |                               | \$ 73,749,990           | 6,532,862  | 16,588,334         | 66,333,229  | (43,212,033)                                     |
| Total Federal Assistance   |                     |                               | \$ 391,668,749          | (32,565,782)                                     | 62,640,849         | 113,522,747 | (83,447,680)                                     |
| <b>STATE AWARDS</b>  |                     |                               |                         |  |                    |             |  |
| <b>Texas Department of State Health Services:</b>                                  |                     |                               |                         |  |                    |             |  |
| HIV Prevention 2020  | N/A                 | HHS000077800022               | \$ 220,000              | 39,837   | 44,332             | 84,169      | -  |
| HIV Prevention 2021  | N/A                 | HHS000077800022               | 150,945                 | -  | 77,108             | 53,440      | 23,668   |
| HIV Prevention 2022  | N/A                 | HHS000077800022               | 216,147                 | -  | -                  | -           | -  |
| Tuberculosis Prevention and Control 19-20  | N/A                 | HHS000491700001               | 156,757                 | 41,610   | -                  | 41,610      | -  |
| Tuberculosis Prevention and Control 20-21  | N/A                 | HHS000491700001               | 156,757                 | 7,021  | 169,517            | 132,858     | 43,680   |
| Tuberculosis Prevention and Control 21-22  | N/A                 | HHS000491700001               | 212,541                 | -  | 14,985             | -           | 14,985   |
| Immunization Cooperative Agreements 20   | N/A                 | HHS000103500001               | 133,200                 | 43,153   | -                  | 43,153      | -  |
| Immunization Cooperative Agreements 21   | N/A                 | HHS000103500001               | 133,200                 | -  | 107,329            | 90,172      | 17,157   |
| Immunization Cooperative Agreements 22   | N/A                 | HHS000103500001               | 133,200                 | -  | -                  | -           | -  |
| Preventive Health and Health Service Block Grant - 20-21/ O.P.H.P.                 | N/A                 | HHS0000485600042              | 221,421                 | -  | 28,027             | 21,529      | 6,498  |
| Preventive Health and Health Service Block Grant - 21-22/ O.P.H.P.                 | N/A                 | HHS0000485600042              | 248,536                 | -  | -                  | -           | -  |
| Infectious Disease Control Unit/Surveillance & Epidemiology Ebola Activities 19-20 | N/A                 | HHS000436300018               | 82,500                  | 12,541   | -                  | 12,541      | -  |
| Infectious Disease Control Unit/Surveillance & Epidemiology Ebola Activities 20-21 | N/A                 | HHS000436300018               | 82,500                  | 7,819  | 74,651             | 76,389      | 6,081  |
| Infectious Disease Control Unit/Surveillance & Epidemiology Ebola Activities 21-22 | N/A                 | HHS000436300018               | 82,500                  | -  | 6,999              | -           | 6,999  |
| 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                  | (83)   | -                  | -           | (83)   |
| Office of Border Health - Border Health 2020-2021                                  | N/A                 | HHS000435300001               | 7,300                   | -  | 5,927              | 2,944       | 2,983  |
| Office of Border Health - Community Based Healthy Border Initiatives               | N/A                 | HHSTX-0-0000209920            | 3,395                   | (3,395)  | -                  | -           | (3,395)  |
| Diabetes Prevention and Control Program  | N/A                 | HHS000865200001               | 125,000                 | -  | 92,184             | 82,252      | 9,932  |
| Diabetes Prevention and Control Program  | N/A                 | HHS000865200001               | 125,000                 | -  | 8,797              | -           | 8,797  |
| 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                   | (6,999)  | -                  | -           | (6,999)  |
| <b>Passed Through South Texas Development Council:</b>                             |                     |                               |                         |  |                    |             |  |
| H. I. V. Social Services 19-20   | N/A                 | 19-2-19 (20)                  | 130,381                 | 27,291   | -                  | 27,291      | -  |
| H. I. V. Social Services 20-21   | N/A                 | 19-2-20 (21)                  | 130,381                 | 9,199  | 120,424            | 117,247     | 12,376   |
| H. I. V. Social Services 21-22   | N/A                 | 19-2-21 (22)                  | 130,512                 | -  | 9,994              | -           | 9,994  |
| Seven Flags Regional Advisory Council  | N/A                 | N/A                           | 4,000                   | -  | 19,878             | 19,878      | -  |
| Coastal Bend Regional Advisory Council   | N/A                 | N/A                           | -                       | 221,381  | 729,362            | -           | 950,743  |
| Total - Texas Department of State Health Services                                  |                     |                               | \$ 2,975,213            | 382,157  | 1,509,514          | 805,473     | 1,086,198  |

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|----------|--|
| Commission on Law Enforcement Officers Standards and Education         |                     |                               |                         |  |                    |          |  |
| Law Enforcement Officer Standards and Education                        | N/A                 | N/A                           | \$ 29,193               | (10,950)   | 34,878             | 25,968   | (2,040)  |
| Law Enforcement Officer Standards and Education - 2018                 | N/A                 | N/A                           | 1,785                   | (786)  | 786                | -        | -  |
| Law Enforcement Officer Standards and Education - 2019                 | N/A                 | N/A                           | 1,785                   | (1,768)  | 999                | -        | (769)  |
| Law Enforcement Officer Standards and Education - 2020                 | N/A                 | N/A                           | 1,741                   | (1,741)  | -                  | -        | (1,741)  |
| Total - Commission on Law Enforcement Officers Standards and Education |                     |                               | \$ 34,504               | (15,245)   | 36,663             | 25,968   | (4,550)  |
| State Department of Motor Vehicles:                                    |                     |                               |                         |  |                    |          |  |
| Rapid Response Strikeforce   | N/A                 | 608-21-EES002                 | \$ 48,482               |  | 23,202             |          | 23,202   |
| Auto Theft Task Force  | N/A                 | 608-20-2400100                | 685,000                 | 191,987  | -                  | 191,987  | -  |
| Auto Theft Task Force  | N/A                 | 608-21-2400100                | 658,970                 | 47,031   | 587,429            | 453,313  | 181,147  |
| Auto Theft Task Force  | N/A                 | 608-22-2400100                | 756,565                 |  | 72,488             |          | 72,488   |
| Total - State Department of Motor Vehicles                             |                     |                               | \$ 2,149,017            | 239,018  | 683,119            | 645,300  | 276,837  |
| State Department of Transportation:                                    |                     |                               |                         |  |                    |          |  |
| TX Dept. of Transportation-Routine Airport Maintenance Program '20     | N/A                 | CSJ-42M2022LRED               | \$ 50,000               | 1,544  | -                  | 1,544    | -  |
| TX Dept. of Transportation-Routine Airport Maintenance Program '21     | N/A                 | CSJ-42M2122LRED               | 50,000                  | -  | 46,728             | 46,728   | -  |
| Formula Grants for Other Than Urbanized Areas                          | N/A                 | STATE-U-2020-LAREDO-00195     | 637,564                 | -  | 637,564            | 637,564  | -  |
| Total - State Department of Transportation                             |                     |                               | \$ 737,564              | 1,544  | 684,292            | 685,836  | -  |
| Passed Through Office of the Governor:                                 |                     |                               |                         |  |                    |          |  |
| Local Border Security Program FY -2020                                 | N/A                 | 2995405                       | \$ 140,500              | 11,930   | -                  | 11,930   | -  |
| Local Border Security Program FY -2021                                 | N/A                 | 2995406                       | 147,000                 | -  | 146,824            | 109,896  | 36,928   |
| Total - State Department of Public Safety                              |                     |                               | \$ 287,500              | 11,930   | 146,824            | 121,826  | 36,928   |
| Texas Veterans Commission:   |                     |                               |                         |  |                    |          |  |
| TVC-Veteran Home Modification Program                                  | N/A                 | GT-HTX20-001                  | \$ 250,000              | 27,870   | 220,258            | 248,128  | -  |
| TVC-Veteran Home Modification Program                                  | N/A                 | GT-HTX21-009                  | 250,000                 | -  | -                  | -        | -  |
| TVC-Veteran Financial Assistance Program                               | N/A                 | GT-FVA20-014                  | 50,000                  | -  | 40,870             | 40,870   | -  |
| Total - Texas Veterans Commission                                      |                     |                               | \$ 550,000              | 27,870   | 261,128            | 288,998  | -  |
| Texas Water Development Board:   |                     |                               |                         |  |                    |          |  |
| TWDB- Flood Infrastructure Fund  | N/A                 | G1001281                      | \$ 585,000              | -  | -                  | 585,000  | (585,000)  |
| Total - Texas Water Development Board                                  |                     |                               | \$ 585,000              | -  | -                  | 585,000  | (585,000)  |

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts  | Accrued (Deferred) Revenue at September 30, 2021 |
|---|---------------------|-------------------------------|-------------------------|--|--------------------|-----------|--|
| Texas Health and Human Services Commission:                             |                     |                               |                         |  |                    |           |  |
| Passed Through Texas Department Family and Protective Services:         |                     |                               |                         |  |                    |           |  |
| Nurse-Family Partnership Program - '19-20                               | N/A                 | 529-16-0069-00001             | \$ 469,407              | 69,487   | -                  | 69,487    | -  |
| Nurse-Family Partnership Program - '20-21                               | N/A                 | 529-16-0069-00001             | 295,079                 | 43,354   | -                  | 43,354    | -  |
| Nurse-Family Partnership Program - '21-22                               | N/A                 | 529-16-0069-00001             | 600,000                 | -  | 45,291             | -         | 45,291   |
| Passed Through Webb County:   |                     |                               |                         |  |                    |           |  |
| Regional Healthcare Partnership (1115 Wavier)                           | N/A                 | N/A                           | -                       | (2,207,476)                                      | 496,592            | 937,000   | (2,647,884)                                      |
| Passed Through Family Planning Grant:                                   |                     |                               |                         |  |                    |           |  |
| Family Planning Open Enrollment   | N/A                 | HHS000734600020               | 58,918                  | -  | 58,918             | 58,918    | -  |
| Family Planning Open Enrollment   | N/A                 | HHS000734600020               | 88,376                  | -  | 26,297             | -         | 26,297   |
| Healthy Texas Women   | N/A                 | 529-16-0132-00009-D           | 405,010                 | 92,139   | -                  | 92,139    | -  |
| Healthy Texas Women   | N/A                 | 529-16-0132-00009-E           | 108,003                 | 19,279   | 69,517             | 88,796    | -  |
| Healthy Texas Women   | N/A                 | HHS0007334600020              | 226,806                 | -  | 67,619             | 42,981    | 24,638   |
| Healthy Texas Women   | N/A                 | HHS0007334600020              | 226,806                 | -  | 7,431              | -         | 7,431  |
| Primary Health Care Program 19-20                                       | N/A                 | 2016-048591-002               | 144,171                 | 29,222   | -                  | 29,222    | -  |
| Primary Health Care Program 20-21                                       | N/A                 | HHS000697900025               | 138,377                 | 6,478  | 119,749            | 99,880    | 26,347   |
| Primary Health Care Program 21-22                                       | N/A                 | HHS000697900025               | 138,377                 | -  | 14,390             | -         | 14,390   |
| Maternal and Child Health Svs. Block Grant to the States: Prenatal - 20 | N/A                 | HHS000558100021               | 37,000                  | 1,087  | -                  | 1,087     | -  |
| Maternal and Child Health Svs. Block Grant to the States: Prenatal - 21 | N/A                 | HHS000558100021               | 37,000                  | -  | 26,637             | 23,005    | 3,632  |
| Maternal and Child Health Svs. Block Grant to the States: Prenatal - 22 | N/A                 | HHS000558100021               | 37,000                  | -  | 1,537              | -         | 1,537  |
| Community Mental Health Program 20-21                                   | N/A                 | HHS000477100023               | 1,304,906               | 7,442  | 169,135            | 168,085   | 8,492  |
| Community Mental Health Program 21-22                                   | N/A                 | HHS000477100023               | 1,465,800               | -  | 13,473             | -         | 13,473   |
| Texas Ambulance Supplemental Payment Program                            | **                  | N/A                           | -                       | 2,676,148  | 6,387,309          | 2,676,148 | 6,387,309  |
| Total - Texas Health and Human Services Commission                      |                     |                               | \$ 5,781,036            | 737,160  | 7,503,895          | 4,330,102 | 3,910,953  |
| Total State Assistance  |                     |                               | \$ 13,099,834           | 1,384,434  | 10,825,435         | 7,488,503 | 4,721,367  |
| OTHER ASSISTANCE  |                     |                               |                         |  |                    |           |  |
| ICE- Custom-Narcotics 2020  | N/A                 | 120SA1598                     | \$ 91,000               | 44,094   | -                  | 44,094    | -  |
| ICE- Custom-Narcotics 2021  | N/A                 | 120SA1599                     | 91,000                  | -  | 65,979             | 37,651    | 28,328   |
| OCEDETF-DEA1144   | N/A                 | SW-TXS-1144                   | 18,649                  | 13,070   | -                  | 13,070    | -  |
| OCEDETF-DEA1146   | N/A                 | SW-TXS-1146                   | 18,649                  | 7,332  | 14,974             | 18,708    | 3,598  |
| OCEDETF-DEA1180   | N/A                 | SW-TXS-1180                   | 5,000                   | -  | 13,882             | 4,859     | 9,023  |
| OCEDETF-DEA1199   | N/A                 | SW-TXS-1199                   | 12,000                  | -  | 19,122             | 14,865    | 4,257  |
| Laredo Joint Terrorism TF 2020  | N/A                 | N/A                           | 17,202                  | 5,073  | -                  | 5,073     | -  |
| Laredo Joint Terrorism TF 2021  | N/A                 | N/A                           | 17,202                  | -  | 16,758             | 14,129    | 2,630  |
| Safe Streets Task Force 2020  | N/A                 | N/A                           | 34,404                  | 23,511   | -                  | 23,511    | -  |
| Safe Streets Task Force 2021  | N/A                 | N/A                           | 26,233                  | -  | 19,228             | 12,118    | 7,109  |
| Fugitive Apprehension Task Force 2020                                   | N/A                 | M-20-D79-O-000150             | 15,000                  | 3,611  | -                  | 3,611     | -  |
| Fugitive Apprehension Task Force 2021                                   | N/A                 | M-20-D79-O-000151             | 26,400                  | -  | 18,053             | 12,701    | 5,352  |
| Bureau of Alcohol and Tobacco 2019                                      | N/A                 | N/A                           | 72,168                  | -  | -                  | -         | -  |
| Bureau of Alcohol and Tobacco 2020                                      | N/A                 | N/A                           | 75,000                  | 7,335  | -                  | 7,335     | -  |
| Bureau of Alcohol and Tobacco 2021                                      | N/A                 | N/A                           | 75,000                  | -  | 83,304             | 77,977    | 5,327  |
| TEOAF- CBP Task Force 2021  | N/A                 | 420LR0030                     | 396,000                 | -  | 299,405            | 105,578   | 193,827  |
| US SECRET SVC TASK FORCE 2020   | N/A                 | N/A                           | -                       | -  | 1,995              | -         | 1,995  |
| State Energy Conservation Office  | N/A                 | CL300                         | 1,033,558               | 401,380  | -                  | 401,380   | -  |
| 911 Regional Communications Grant - FY2019                              | N/A                 | N/A                           | 3,517,036               | 275,779  | 248,073            | 523,830   | 22   |
| 911 Regional Communications Grant - FY2020                              | N/A                 | N/A                           | 2,553,504               | 205,977  | 37,132             | 243,109   | -  |
| 911 Regional Communications Grant - FY2021                              | N/A                 | N/A                           | 3,137,889               | 313,458  | 2,299,961          | 1,623,384 | 990,035  |
| 911 Regional Communications Grant - FY2022                              | N/A                 | N/A                           | \$ 2,237,722            | -  | 46,497             | -         | 46,497   |

(Continued)



**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**PERIOD ENDED SEPTEMBER 30, 2021**

**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, 2020 | Revenue Recognized | Receipts    | Accrued (Deferred) Revenue at September 30, 2021 |
|--|---------------------|-------------------------------|-------------------------|--|--------------------|-------------|--|
| Meadowns Foundation                                    | N/A                 | 2020090105                    | \$ 300,000              | 1,389  | 68,599             | 150,000     | (80,012)   |
| Texas Veterans Commission- Veterans Mental Health      | N/A                 | GT-VMH20-006                  | 150,000                 | 1,368  | 24,023             | 25,391      | -  |
| Mexican Consulate - Ventanilla de Salud Program        | N/A                 | N/A                           | -                       | 14,120   | -                  | 14,120      | -  |
| Migrant Clinician Network                              | N/A                 | N/A                           | 5,000                   | (2,500)  | 2,500              | -           | -  |
| Pillar- SAMSHA 19-20                                   | N/A                 | N/A                           | 195,131                 | 4,487  | -                  | 4,487       | -  |
| Fernando Salinas Trust                                 | N/A                 | N/A                           | 40,000                  | (1,508)  | -                  | -           | (1,508)  |
| Paso del Norte Foundation                              | N/A                 | N/A                           | 2,500                   | (12)   | -                  | -           | (12)   |
| Valley Aids - Ryan White Part D 20-21                  | N/A                 | N/A                           | 49,195                  | 7,898  | 41,297             | 49,195      | -  |
| Valley Aids - Ryan White Part D 21-22                  | N/A                 | N/A                           | 50,927                  | -  | 8,192              | 2,827       | 5,365  |
| AEP- Weatherization Program 2020                       | N/A                 | N/A                           | 143,000                 | -  | 142,942            | 142,942     | -  |
| Frontier Energy- Weatherization Program 2021           | N/A                 | N/A                           | 120,000                 | -  | -                  | -           | -  |
| Total - Other Assistance                               |                     |                               | 14,526,369              | 1,325,862  | 3,471,916          | 3,575,945   | 1,221,833  |
| Total Federal, State and Other Assistance              |                     |                               | \$ 419,294,952          | (29,855,486)                                     | 76,938,200         | 124,587,195 | (77,504,481)                                     |

**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 grant activity of the City of Laredo and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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  
Guadalupe Garcia-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, 2021, 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 25, 2022.

**Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City 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 or significant deficiencies may exist that were not identified.

## **Report on 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 financial statements. 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.

*Canales, Hargis & Baum, PLLC*

Laredo, Texas  
March 25, 2022

City of Laredo, Texas  
Federal Schedule of Findings and Questioned Costs  
Year Ended September 30, 2021

**Section I - Summary of Auditors' Results**

***Financial Statements***

Type of auditors' report issued: Unmodified

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: Unmodified

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>         |
|-----------------------|---|
| 20.106                | Airport Improvement Program                       |
| 21.027                | Coronavirus State and Local Fiscal Recovery Funds |

Dollar threshold used to distinguish between Type A and Type B programs:   \$1,879,225  

Auditee qualified as low-risk auditee?   X   yes \_\_\_\_\_ no

**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, 2021

**Section I - Summary of Auditors' Results**

***Financial Statements***

Type of auditors' report issued: Unmodified

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: Unmodified

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:

| <u>Number(s)</u> | <u>Name of State Program or Cluster</u>      |
|------------------|--|
| None             | Texas Ambulance Supplemental Payment Program |

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, 2021

**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, 2021

**Summary of Prior Audit Findings**

***State Award Findings and Questioned Costs***

None.

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