



EDINBURG CITY COUNCIL
CITY OF EDINBURG, HIDALGO COUNTY, TEXAS

Location: City of Edinburg
City Hall-Council Chambers
415 West University Dr.
Edinburg, Texas 78539

REGULAR MEETING AGENDA
FEBRUARY 6, 2024
6:00 PM

1. CALL TO ORDER, ESTABLISH QUORUM

- A. Prayer.
- B. Pledge of Allegiance.

2. CERTIFICATION OF PUBLIC NOTICE

3. DISCLOSURE OF CONFLICT OF INTEREST

4. PROCLAMATIONS/RECOGNITIONS

- A. Presentation of Proclamation Recognizing Vietnam Veteran Sergeant Robert Garza, Jr. for his Service as Requested by Pablo Ovalle. [Clarice Y. Balderas, City Secretary]
- B. Presentation of Proclamation Recognizing February 18-24, 2024 as Engineers Week as Requested by the City of Edinburg Engineering Department. [Clarice Y. Balderas, City Secretary]
- C. Presentation of Proclamation Recognizing February 2024 as Black History Month as Requested by the Library and Cultural Arts Department. [Clarice Y. Balderas, City Secretary]

5. PUBLIC COMMENTS

The Mayor and City Council allow for a specific portion of the City Council Meeting to be dedicated to public comments. Public Comments are limited to three (3) minutes. Please note that this public comment period is not interactive. The City Council may not respond to public comments.

If a resident desires to make a public comment in person, please complete the Public Comments Form which will be located outside of the City Council Chambers and submit the completed form to the City Secretary prior to the commencement of the City Council Meeting. We ask for everyone's cooperation in following this procedure.

6. PRESENTATIONS AND REPORTS

- A. Presentation of the Annual Comprehensive Financial Report for the City of Edinburg for Fiscal Year Ending September 30, 2022. [Ascencion Alonzo, Director of Finance]
- B. Presentation of the Annual Comprehensive Financial Report for the Edinburg Economic Development Corporation for Fiscal Year Ending September 30, 2022. [Raudel Garza, Edinburg EDC Executive Director]
- C. Presentation and Possible Action Regarding Implementation of Utility Rates and Charges. [Tomas D. Reyna, Assistant City Manager]

7. PUBLIC HEARINGS

- A. Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Agriculture & Open Space (AO) District to Residential, Multifamily (RM) District, Being 5.00 Acres Out of Lot 7, Block 3, A.J. McColl Subdivision, Located at 5320 South Jackson Road, as Requested by Edinburg Teachers Credit Union. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]
- B. Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District, Being Lot 21, Block 1, Gernentz Subdivision, Located at 218 South Raul Longoria Road, as Requested by La Florida Multiservices, LLC. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]
- C. Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Agriculture & Open Space (AO) District to Residential Primary (RP) District, Being all of Lot 2 and West ½ of Lot 3, Block 26, Located at 206 Wilson Avenue, as Requested by Noelia Luna. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]
- D. Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District, Being Lot 1, Urbano Vista Subdivision, Unit No. 1, Located at 2106 East University Drive, as Requested by Antonio Vera. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]
- E. Hold Public Hearing and Consider Resolution Authorizing the City Manager to Submit a Planning Grant Application for Chapin Street to the U.S. Department of Transportation Under the Fiscal Year 2024 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program and Execute Grant Documents Relating Thereto. [Mardoqueo Hinojosa, P.E., CFM, CPM, City Engineer]

8. VARIANCE

- A. Consider Variance Requests to the City's Unified Development Code: 1) Section 5.203-1 Right of Way & Paving Width and 2) Section 5.209 Sidewalks, for Owassa Place Subdivision, Being a 9.655 Acre Tract Out of Lot 15, Block 54, Alamo Land and Sugar Company's Subdivision, Located at 8101 East Owassa Road, as Requested by Melden & Hunt, Inc. [Jaime Acevedo, Director of Planning & Zoning]

9. ORDINANCES

- A. Consider Ordinance Providing for a Temporary Special Use Permit for a Special Event, "55th Annual Fiesta Edinburg Event and Parade" to be Held from Thursday February 29, 2024 to Sunday, March 3,

2024 at Bert Ogden Arena, Being Lot 1, Edinburg Arena Subdivision, Located at 4900 South I 69 C, as Requested by Edinburg Chamber of Commerce. [Jaime Acevedo, Director of Planning & Zoning]

- B. Consider Ordinance of the City of Edinburg Texas Amending Title III Administration, Chapter 32 Boards, Councils, Commissions and Committees by Adding Section 32.43 Downtown District Steering Committee. [Clarice Y. Balderas, City Secretary]

10. APPOINTMENTS

- A. Consider Appointments to the Following City Advisory Boards, Councils, Commissions and Committees: Downtown District Steering Committee, Seven Members. [Clarice Y. Balderas, City Secretary]

11. ECONOMIC DEVELOPMENT

- A. Consider Sponsorship Request from the Edinburg Chamber of Commerce for “Fiesta Edinburg” to be held February 29-March 03, 2024. (The Edinburg EDC Board approved this item by a vote of 5-0 on January 23, 2024) [Raudel Garza, Executive Director]
- B. Consider Proposal Submitted by Valley Initiative for Development and Advancement (VIDA). (The Edinburg EDC Board approved this item by a vote of 5-0 on January 23, 2024) [Raudel Garza, EDC Executive Director]

12. CONSENT AGENDA

All Matters Listed Under Consent Agenda Are Considered To Be Routine By The Governing Body And Will Be Enacted By One Motion. There Will Be No Separate Discussion Of These Items. If Discussion Is Desired, That Item Will Be Removed From The Consent Agenda And Will Be Considered Separately. With Regard To Any Item, The City Council May Take Various Actions; Including But Not Limited To Rescheduling An Item In Its Entirety For A Future Date Or Time. The City Council May Elect To Go Into Executive Session On Any Item Whether Or Not Such Item Is Posted As An Executive Session Item At Any Time During The Meeting When Authorized By The Provisions Of The Open Meetings Act.

- A. Consider Authorizing a Proposal for a Five-Year Lease Agreement for 100 EZ-GO Golf Carts from EZ-GO Division of Textron Inc. Through the OMNIA Partners, Public Sector (subsidiaries National IPA and U.S. Communities) in the Amount of \$191,172 Per Year. [Javier Garza, Director of Parks & Recreation]
- B. Consider Resolution Authorizing the City Manager to Submit an Application to the National Civic League for the 2024 All-America City Award and Execute Application Documents Relating Thereto. [Claudia Farias, Interim Director of Grants Administration]
- C. Consider Resolution Authorizing the City of Edinburg Fire Department to Donate Used Equipment and Personal Protective Equipment to Valle Hermoso, Tamaulipas, Mexico, Abasolo, Nuevo León, Mexico and South Texas College. [Omar Garza, Fire Chief]
- D. Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor under the Fiscal Year 2024 State Homeland Security Grant Program and Execute Grant Documents Relating Thereto. [Omar Garza, Fire Chief].
- E. Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Body-Worn Camera Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]

- F. Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Bullet-Resistant Shield Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police].
- G. Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Criminal Justice Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]
- H. Consider Resolution Authorizing the City Manager to Submit Grant Application to the Office of the Governor Under the Fiscal Year 2025 General Victim Assistance Grant Program and to Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]
- I. Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Project Safe Neighborhoods Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police].
- J. Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Violence Against Women Justice and Training Grant Program and to Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]
- K. Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor for the Fiscal Year 2025 First Responder Mental Health Program and Execute Documents Related Thereto. [Jaime Ayala, Chief of Police]

13. OTHER BUSINESS

- A. Future Items Requested by City Council. [Myra L. Ayala, City Manager]

14. EXECUTIVE SESSION

The City Council will convene in Executive Session, in accordance with the Texas Open Meetings Act, Vernon's Texas Statutes and Codes Annotated, Government Code, Chapter 551, Subchapter D, Exceptions to Requirement that Meetings be Open. The City Council May Elect To Go Into Executive Session On Any Item Whether Or Not Such Item Is Posted As An Executive Session Item At Any Time During The Meeting When Authorized By The Provisions Of The Open Meetings Act.

- A. Discussion and Possible Action Regarding Project Swap. (§551.071 Consultation with Attorney; §551.072 Deliberation Regarding Real Property; Closed Meeting.; §551.087 Deliberation Regarding Economic Development Negotiations; Closed Meeting.)
- B. Discussion and Possible Action Regarding the Conveyance, Exchange, or Lease of Real Property Related to Right of Way. (§551.071 Consultation with Attorney; §551.072 Deliberation Regarding Real Property; Closed Meeting.; §551.087 Deliberation Regarding Economic Development Negotiations; Closed Meeting.)
- C. Consultation with City Attorney and Possible Action Regarding Construction Contracts. (§551.071. Consultation with Attorney; Closed Meeting; §551.087).
- D. Consultation with City Attorney and Possible Action Regarding Interlocal Agreement. (§551.071. Consultation with Attorney; Closed Meeting; §551.087).

OPEN SESSION

The City Council will convene in Open Session to take necessary action, if any, in accordance with Chapter 551, Open meetings, Subchapter E, Procedures Relating to Closed Meeting, §551.102,

Requirement to Vote or Take Final Action in Open Meeting.

15. ADJOURNMENT

I hereby certify this Notice of a City Council Meeting was posted in accordance with the Open Meetings Act, at the City Offices of the City of Edinburg, located at the 415 West University entrance outside bulletin board, visible and accessible to the general public during and after regular working hours. This notice was posted on February 02, 2024 at 6:20 p.m.

By: /s/ Clarice Y. Balderas
Clarice Y. Balderas, City Secretary
City of Edinburg, Texas

Disability Access Statement

Persons with disabilities who plan to attend this meeting and who may need auxiliary aid or services are requested to contact the City Secretary Department at (956) 388-8204 at least two business days prior to the meeting so that appropriate arrangements can be made. The accessible entrance and accessible parking spaces are located at Edinburg City Hall, 415 West University.



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PROCLAMATIONS/RECOGNITIONS

Agenda Item No: 4.A.

Proclamation Recognizing Vietnam Veteran Robert Garza

1. Agenda Item:

Presentation of Proclamation Recognizing Vietnam Veteran Sergeant Robert Garza, Jr. for his Service as Requested by Pablo Ovalle. [Clarice Y. Balderas, City Secretary]

2. Description:

Mr. Robert Garza, Jr. was drafted in the summer of 1967 upon graduation from Edinburg High School. He served in the Army 25th Infantry Division, where he received "Expert Rifleman." Mr. Garza was sent to Vietnam, at which time he was promoted to Sergeant. Sergeant Garza was wounded during one of his missions and was awarded a Purple Heart for his bravery. Sergeant Garza returned home to the Rio Grande Valley and began giving back to the community, working for the Edinburg Consolidated School District.

The Edinburg City Council would like to recognize Sergeant Robert Garza, Jr. for his military service, and his many services to the City of Edinburg Community.

3. Staff's Recommendation:

Present a Proclamation recognizing Vietnam Veteran Sergeant Robert Garza, Jr. for his service.

Reviewed by:

Clarice Balderas, City Secretary

Prepared by:

Maria Ortiz, Administrative Assistant

Attachments:

A. Proclamation Recognizing Robert Garza, Jr.

PROCLAMATION



ROBERT GARZA, JR. U.S. ARMY SERGEANT

WHEREAS, Robert Garza, Jr. was born to Roberto and Jovita Garza on February 9, 1947 in Wharton, Texas. Robert grew up with his 10 siblings working in the family owned business, The Magnolia Bakery; and,

WHEREAS, Robert graduated from Edinburg High School in 1967. That summer Mr. Garza was drafted into the military; and,

WHEREAS, Mr. Garza completed his basic training in Ft. Polk, Louisiana, and served in the Army 25th Infantry Division where he received “Expert Rifleman”; and,

WHEREAS, Mr. Garza was sent to Vietnam at which time he was promoted to Sergeant. He was point man of his squad; and,

WHEREAS, during one of their missions Sergeant Garza was shot by the enemy resulting in the loss of one eye. Sergeant Garza was awarded a Purple Heart for his service; and,

WHEREAS, Sergeant Garza was transferred to a hospital in Japan, where received treatment before being transferred back to the United States to complete his recovery at Audie Murphy Hospital in San Antonio, TX; and,

WHEREAS, in 1969, he attended Pan American University, his major was education but due to his health, he did not graduate. Sergeant Garza began working at Edinburg High School as head of Federal Lunch Program; and

WHEREAS, in 1970, he married his high school sweetheart Yolanda Cantu of Edinburg, Texas and was blessed with two sons, Ricardo and Javier Garza; and

WHEREAS, Robert Garza, Jr. retired from the Edinburg Consolidated School District and now enjoys spending time with his grandchildren.

NOW, THEREFORE, I, RAMIRO GARZA, JR., MAYOR OF THE CITY OF EDINBURG, TX: By the power vested in me by law, do hereby recognize:

**ROBERT GARZA, JR.
U. S. ARMY SERGEANT**

for his military service and for his many services to the City of Edinburg community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Edinburg, Texas, a Municipal Corporation, to be affixed on this the 6th day of February, 2024.

CITY OF EDINBURG, TEXAS

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary





CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PROCLAMATIONS/RECOGNITIONS

Agenda Item No: 4.B.

Proclamation for Engineers Week 2024

1. Agenda Item:

Presentation of Proclamation Recognizing February 18-24, 2024 as Engineers Week as Requested by the City of Edinburg Engineering Department. [Clarice Y. Balderas, City Secretary]

2. Description:

Engineers use their scientific and technical knowledge and skills in creative and innovative ways to fulfill society's needs. Engineering is a year-round commitment to making a difference. This week is a great opportunity to recognize and appreciate everything engineers do in our community.

The Edinburg City Council would like to recognize the City of Edinburg Engineering Department.

3. Staff's Recommendation:

Present Proclamation Recognizing February 18-24, 2024 as Engineers Week.

Reviewed by:

Clarice Balderas, City Secretary

Prepared by:

Maria Ortiz, Administrative Assistant

Attachments:

A. Engineers week proclamation 2024

PROCLAMATION



NATIONAL ENGINEERS WEEK FEBRUARY 18-24, 2024

WHEREAS, the National Society of Professional Engineers initiated Engineer's week in 1951 to highlight the important role engineers play in making a difference in our world; and,

WHEREAS, Engineers use their scientific and technical knowledge and skills in creative and innovative ways to fulfill society's needs. Engineering is all around us from roads and bridges we travel on; to the cars and planes, we use to ride around. Often unseen, the cleverness of engineering makes our lives easier and safer; and,

WHEREAS, Engineers face the major technological challenges of our time, from rebuilding towns devastated by a natural disaster, cleaning up the environment, and assuring safe, clean, and efficient sources of energy, to designing information systems that will speed our country into the future; and,

WHEREAS, Engineers are encouraging our young mathematics, technology, engineering and science students to realize the practical power of their knowledge. We will look more than ever to engineers and their knowledge and skills to meet the challenges of the twenty-first century.

WHEREAS, Engineering is a year-round commitment to making a difference. This week is a great opportunity to recognize and appreciate everything engineers do in our community.

NOW, THEREFORE, I, RAMIRO GARZA, JR., MAYOR OF THE CITY OF EDINBURG, TX:
By the power vested in me by law, do hereby proclaim the week of February 18-24, 2024 as:

NATIONAL ENGINEERS WEEK

and present this proclamation to the City of Edinburg Engineering Department Staff. The Edinburg City Council encourages all residents to appreciate an engineer and encourage an aspiring engineer to pursue their dreams.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Edinburg, Texas, a Municipal Corporation, to be affixed on this the 6th day of February, 2024.

CITY OF EDINBURG, TEXAS

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary





CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PROCLAMATIONS/RECOGNITIONS

Agenda Item No: 4.C.

1. **Agenda Item:**

Presentation of Proclamation Recognizing February 2024 as Black History Month as Requested by the Library and Cultural Arts Department. [Clarice Y. Balderas, City Secretary]

2. **Description:**

During National Black History Month, we celebrate the legacy of Black Americans whose power to lead, to overcome, and to expand the meaning and practice of American democracy has helped our Nation become a more fair and just society. This country was established upon the profound but simple idea that all people are created equal and should be treated equally throughout their lives.

The Edinburg City Council would like to recognize February 2024 as Black History Month.

3. **Staff's Recommendation:**

Present Proclamation Recognizing February 2024 as Black History Month.

Reviewed by:

Clarice Balderas, City Secretary

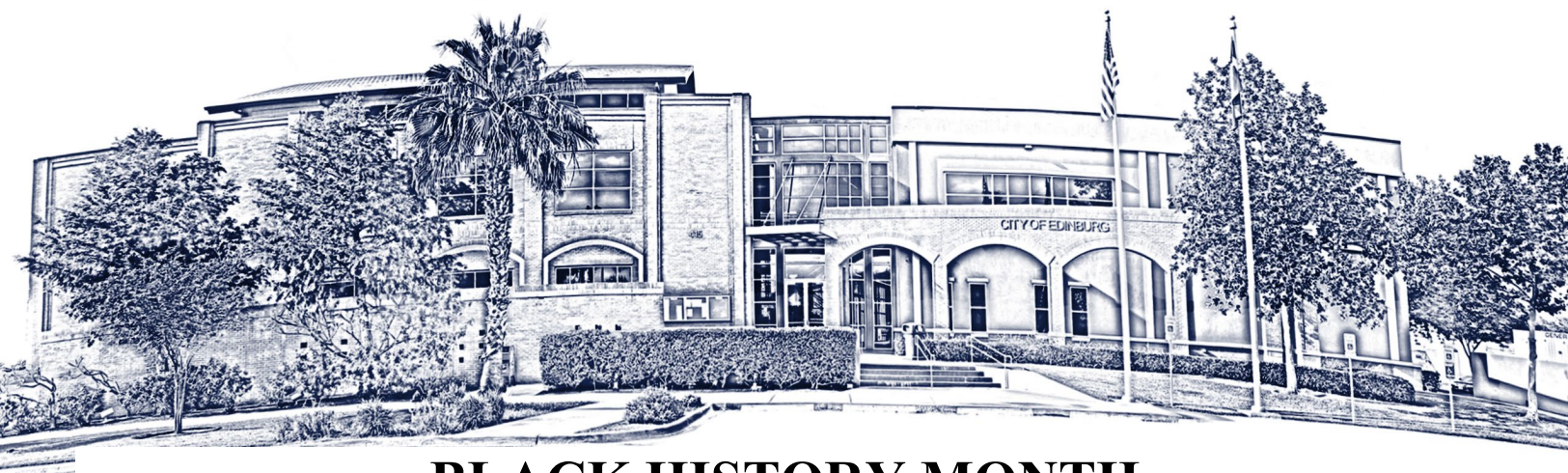
Prepared by:

Maria Ortiz, Administrative Assistant

Attachments:

A. Black History Month 2024

PROCLAMATION



BLACK HISTORY MONTH FEBRUARY 2024

WHEREAS, during National Black History Month, we celebrate the vast contributions of Blacks in our Nation's history and identity; and,

WHEREAS, each year, February is designated Black History Month to remember and reflect on the tribulations faced by the Black community while learning from their vibrant culture and history and celebrating their many invaluable contributions; and,

WHEREAS, the 2024 national theme for Black History Month is, "African Americans and the Arts," to honor and recognize the resistance of historic and ongoing oppression of Black Americans; and,

WHEREAS, the City of Edinburg is deeply committed to equity and inclusion and, as such, honors the contributions made by our Black community and wishes not only to acknowledge them but to commemorate and celebrate the contributions made by local residents such as Melissa Dotson Betts, Otis Bell, the Rising Star Baptist Church, Jacob White, and his family as well as the Callis, West, Heliton, Edwards, Stamps families and many others; and,

WHEREAS, our community is better because of their contribution, resilience, and fortitude in music, sports, academics, business, and economics and the overall progress and well-being of Edinburg's growth and development; and,

WHEREAS, through the entire month of February, the city's Library and Cultural Arts Department will feature special book displays dedicated to raising community awareness about Black History Month; and,

WHEREAS, the Library and Cultural Arts Department will host a series of events during the month of February in celebration of Black History Month. On February 9, 2024 at Webber Ranch and Jackson Ranch from 6:00 p.m. to 8:00 p.m., provide an insightful discussion on the history and background of Webber and Jackson Ranch; on February 13, 2024, they will host a Dusty Crafters class, where participants will immerse themselves in designing and sewing handbags with quilt material; on February 15 and 29, 2024 the library will host a family story time and craft session; and on February 17, 2024 the library will partner with local black historical site, Rising Star Church, offering volunteers a chance to contribute to the community in celebration of Black History Month.

NOW, THEREFORE, I, RAMIRO GARZA, JR., MAYOR OF THE CITY OF EDINBURG, TX: By the power vested in me by law, do hereby proclaim the month of February 2024 as:

BLACK HISTORY MONTH

and encourages all residents to honor and join in the celebration of Black American History, contributions, and culture.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Edinburg, Texas, a Municipal Corporation, to be affixed on this the 6th day of February, 2024.

CITY OF EDINBURG, TEXAS

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary





CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PRESENTATIONS AND REPORTS

Agenda Item No: 6.A.

1. **Agenda Item:**

Presentation of the Annual Comprehensive Financial Report for the City of Edinburg for Fiscal Year Ending September 30, 2022. [Ascencion Alonzo, Director of Finance]

2. **Description:**

Mr. Ricky Longoria, CPA, with the independent firm of Burton McCumber & Longoria, LLP, has completed the 2021-2022 Annual Comprehensive Financial Report. Mr. Longoria will present an overview of the audit focusing on major City Operating Funds and highlights thereof.

3. **Staff's Recommendation:**

Staff recommends acknowledging receipt of the Annual Comprehensive Financial Report for the City of Edinburg for Fiscal Year Ending September 30, 2022.

Reviewed by:

Prepared by:

Janie Alvarez, Assistant
Director of Finance

Attachments:

A. 2021-2022 Annual Comprehensive Financial Report

THE CITY OF **Edinburg**

ANNUAL COMPREHENSIVE FINANCIAL REPORT



**FISCAL
YEAR**

21 | 22

FOR THE YEAR ENDED SEPTEMBER 30, 2022



**CITY OF EDINBURG, TX
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

For the Fiscal Year Ended
September 30, 2022

Elected Officials

Mayor
Ramiro Garza Jr.

Mayor Pro-Tem
Daniel "Dan" Diaz

City Council Members
Jason De Leon
David Salazar, Jr.
David White

City Manager
Myra L. Ayala

Director of Finance
Ascencion Alonzo

Independent Auditors
Burton, McCumber & Longoria, LLP
Certified Public Accountants

Prepared by City of Edinburg Finance Department

CITY OF EDINBURG, TX
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2022

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INTRODUCTORY SECTION



January 16, 2024

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Edinburg, Texas:

As mandated by both state and local law, we hereby submit the Annual Comprehensive Financial Report (ACFR) of the City of Edinburg for the fiscal year ended September 30, 2022. This report has been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and by the American Institute of Certified Public Accountants in its industry audit guide “Audits of State and Local Governmental Units.”

The report contains management’s representations concerning the finances of the City of Edinburg. 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 of the City of Edinburg has established a comprehensive internal control framework that is designed 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 Edinburg’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Edinburg’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Charter of the City of Edinburg requires that the City Council appoint certified public accountants, who will be responsible to the Council, to perform an independent audit of the City on an annual basis. The City of Edinburg’s financial statements have been audited by Burton, McCumber & Longoria, LLP. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified (“clean”) opinion that the City of Edinburg’s financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

The City of Edinburg is required to undergo an annual single audit in conformity with the provisions of 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). Information related to this Uniform Guidance, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and auditors’ report on the internal control structure and compliance with applicable laws and regulations are included in the single audit section of this report.

GASB 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 Edinburg's MD&A can be found immediately following the report of the independent auditors.

This report includes all funds of the City. In addition, the report includes the Edinburg Economic Development Corporation (EEDC) and the Boys and Girls Club which comply with Governmental Accounting Standards Board (GASB) No. 14, "The Financial Reporting Entity." GASB Statement No. 14 requires that outside agencies be included if they are financially dependent upon the City or the governing body of the City can impose its will upon these agencies.

The EEDC was organized on behalf of the City of Edinburg for the specific public purpose of the promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and public welfare. The EEDC is governed by a five-member board of directors, each of which is appointed by the City Council. Any director may be removed from office by the City Council for cause or at will. The EEDC's primary source of revenue is sales tax revenues generated by the City of Edinburg. Exercise of all powers to affect the purposes of the corporation is subject at all times to the control of the Edinburg City Council. In addition, the City must approve amendments to EEDC's bylaws and articles of incorporation. The EEDC is a discretely presented component unit and is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the City.

PROFILE OF THE GOVERNMENT

The City was incorporated on September 19, 1919 under the laws of the State of Texas and adopted the Commission - Manager Form of government with the adoption of its Charter on April 1, 1949. A city charter election held on January 20, 1996 changed the City Commission to City Council and City Clerk to City Secretary.

The City Council is composed of the Mayor and four members, and is responsible for enacting ordinances, resolutions, and regulations governing the City, appointing members of various statutory and advisory boards and the City Manager, City Attorney, City Secretary, and Court Administrator. As chief administrative officer, the City Manager is responsible for the enforcement of laws and ordinances, and appoints and supervises the heads of departments of the City organization.

The City of Edinburg is the County Seat of Hidalgo County and is the third largest city in the Lower Rio Grande Valley. It is one of the major cities in the McAllen-Edinburg-Mission Metropolitan Statistical Area (MSA). The City is located about 226 miles south of San Antonio, 144 miles southwest of Corpus Christi and 20 miles north of the Mexican Border, on the north bank of the Rio Grande River directly across from Reynosa, Tamaulipas, Mexico. The City serves as the trade center for much of the Lower Rio Grande Valley. In addition, Edinburg is home to the University of Texas Rio Grande Valley with a student population of approximately 32,174. The City has a semitropical climate, with 22 inches of average annual rainfall and 327 annual agricultural growing days. The lower Rio Grande Valley has rich, fertile delta soil, much of which is irrigated. Crops consist of vegetables, cotton, grain, sugarcane and citrus.

The City provides a full range of services including police and fire protection, health services, planning and engineering, code enforcement, street maintenance, traffic control, parks operation and maintenance, recreation, library services, and utility services which include water, sanitary sewer and solid waste collection.

The financial administration of the City is vested by charter in the Department of Finance, the head of which is the City Manager. The Department of Finance operates under the direction of the Director of Finance, who is appointed by the City Manager. Charter required activities of the Department of Finance are, control of, custody and disbursement of City funds. Other activities of the department include water, sanitary sewer and solid waste billing and collection, payroll processing, data processing, purchasing and the preparation of the annual budget and interim and annual financial reports.

In accordance with the City Charter, on or before August 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding year.

The City Charter requires that the budget be submitted in summary form. In addition, more detailed itemized line item budgets are included for administrative control. The level of control for the detailed budget is at the line item basis. The budget is legally enacted through the passage of an ordinance on or before September 15. Please refer to Note 2 in Notes to Financial Statements for more detail on budgets and budgetary accountings.

FACTORS AFFECTING FINANCIAL CONDITION

A growing population, diversified economy, decreasing unemployment rate, and increased income levels have all continued to benefit the City of Edinburg. Edinburg continues to benefit from growth at the University of Texas Rio Grande Valley (UTRGV) and increased employment from the many county and state agencies located within the city. Generally, the economic outlook for the City of Edinburg is stable and should remain so. According to the latest figures available from the U.S. Census Bureau, the city's population topped 100,000 in 2020, up by about 30% since 2010, making Edinburg the fastest growing community in the Rio Grande Valley. The City approved approximately \$135 million in residential investment in 2021, totaling nearly 1,379 new housing units, a 15% increase compared to 2020. The local economy also benefited from more than \$101 million in new commercial investment, which is \$21 million more than 2020. Total permitted development approached \$340 million in 2021, nearly double the total for 2020.

Recent economic highlights include:

- On May 20, 2022, the Siddons-Martin Emergency Group kicked off the construction of its newest facility located at 700 Independence Drive at North Industrial Park in Edinburg. Siddons-Martin capital investment is estimated at \$1,925,000.
- In late April 2022, RGV Tours held a groundbreaking at North Industrial Park located at 800 Constitution Drive in Edinburg. RGV Tours is the official transportation company for the UTRGV Athletic Department. RGV Tours capital investment is estimated at \$500,000.
- On November 2021, officials broke ground on a major regional project, the Driscoll Children's Hospital Rio Grande Valley, a new eight-level facility that will have more than 100 patient beds and employ nearly 600 people. Total investment in the project is expected to be approximately \$100 million.
- On October 8, 2021, South Texas Health System (STHS) completed a new \$100 million, five-story patient tower, which will expand STHS's local footprint by 150,000 square feet, and add approximately 60 beds. The project is expected to add more than 100 new jobs to the local economy.
- Edinburg's sales tax revenue in FY 2022 increased by 12.8% compared to FY 2021, demonstrating the resilience of local businesses during the pandemic.

Local Economy. The City of Edinburg enjoys a favorable economic environment and local indicators point to continued stability. The region is continuously undergoing growth from a variety of industries which include healthcare, entertainment and others. Recent and ongoing major activities include:

Healthcare. The University of Texas System Regents invested \$50 million in a Regional Academic Health Center (RAHC) in the Rio Grande Valley. The University split the health center into four components in the Rio Grande Valley. Edinburg received a \$20 million biomedical research facility that will help improve the quality of life throughout the region. The research facility will provide state-of-the-art laboratory space and equipment for scholars and scientists to conduct research on critical health problems facing the Texas-Mexico border. Construction of the planned 45,500 square foot Edinburg complex will feature a laboratory animal resource facility, a Level 3 biological safety laboratory, offices, and other high-tech equipment. The

University of Texas System leadership moved forward with a bold, transformational plan and created a new university in South Texas. The plan resulted in a single institution that spans the entire Rio Grande Valley, with a presence in each of the major metropolitan area of Brownsville, Edinburg, Harlingen, and McAllen.

Edinburg is home to the University of Texas Rio Grande Valley (UT RGV) Medical School. Construction was completed in 2016 for the 88,000 GSF facility equipped with modern classroom space, auditorium, clinical skills center, pre-clinical M.D. labs, administrative space and a gross anatomy teaching facility to support an interprofessional, collaborative educational experience. Funding of \$54,000,000 was appropriated from Permanent University Fund (PUF) Bond Proceeds.

The impact the medical school will have on the economy of the Rio Grande Valley after 10 years is as follows: more than 2,300 jobs primarily in biotechnology, pharmaceuticals, research and medical devices, created in the Rio Grande Valley that pay an average of \$80,000 per year; as many as 600 students attending medical school; more than 200 residents completing their training in local hospitals; and more than \$480 million each year in new economic activity across the Rio Grande Valley.

Entertainment. The City of Edinburg is the home of the RGV FC Toros, which is the 25th franchise of the United Soccer League (USL). The team began play in a 9,700 seat, soccer-specific stadium that located at the intersection of Freddy Gonzalez and Raul Longoria roads in March 2017.

A multipurpose event center was constructed off of I-69C in 2018. The anchor tenant at the arena is the NBA Development League Rio Grande Valley Vipers. The Vipers begun playing in the new facility in 2018. The 115,799 square foot arena was built on 40 acres of land located on the east side of I-69C on Alberta Road. It features 8,500 seats, 10 luxury suites, 1,200 club seats, a restaurant/club area, locker rooms, and offices for sports team personnel, offices for facility management, and a marquee, and is designed to host a variety of entertainment events, including sporting events such as basketball and ice hockey, concerts, family shows and trade shows. The entire property includes nine additional pad sites for the development of a future hotel, restaurants, and more parking spaces.

Other. On September 20, 2022, the Edinburg Economic Development Corporation approved the sale of 38 acres in the area that will house companies that are expanding, such as Nicho Produce, RGV CDL Services and more.

The City completed constructing a new \$2.7 million multi-use transit center in 2020. The 35,000 square foot mixed used building houses the new Valley Metro bus station, restaurants, and office spaces.

Due to the increase in companies locating their business at the City's industrial park located in the southwest quadrant of the city, the need to develop and build a second industrial park arose. The development of a 108-acre industrial park north of Edinburg moved forward with the approval of an engineering/construction contract funded by the Edinburg Economic Development Corporation. This North Industrial Park will help the City of Edinburg recruit new companies and provide local companies looking to relocate or expand within the City to relocate to the new industrial park along U.S. Highway 281 near Farm-to-Market Road 2812.

Holt Cat – Caterpillar Equipment, an engine dealer for South, Central, North and North East Texas, opened a 47,000-square foot full-service facility in Edinburg. The addition of a full-service store will help HOLT continue its strong commitment to serving the communities and businesses of South Texas and the Rio Grande Valley, where HOLT has been a dealer for more than 80 years.

In addition, the Edinburg Economic Development Corporation (EDC) continues to attract new businesses to the City. On September 2022, the EDC announced two new companies at the North Industrial Park, Nicho Produce and RGV CDL Services.

Long-term Financial Planning. Careful long-term financial planning is an important goal for the City. In 2021, 79% of all U.S. - Mexico trade goods are transported by land flow through South

Texas. Edinburg is strategically located on one of the major conduits for these goods. The City of Edinburg's transportation network, including U.S. Expressway 281, is scheduled to be expanded into Interstate Highway 69. The state will be spending \$120 million more to upgrade roads leading to U.S. 281, which runs through the heart of the City directly to San Antonio.

Additional bonds will be considered in the future for additional public facilities, streets, and drainage improvements. The City's current bond ratings are as of last issue in each of the following categories:

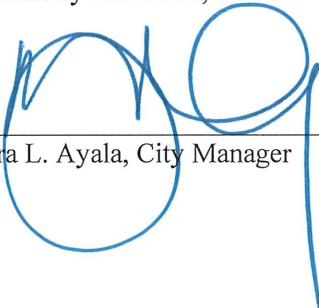
	<u>General Obligation</u>	<u>Revenue</u>
Standard and Poor's	AA	AA-
Fitch Ratings	AA-	AA

Cash Management. All City operating funds are held in interest-bearing demand accounts in the depository bank. This money is protected by insurance from the Federal Deposit Insurance Corporation and by collateral interests in the depository's investment securities that are pledged against the City's deposits. Cash not required for operations is invested according to the City's written investment policy. The policy emphasizes safety and liquidity in investing public funds. The City's funds were invested through TexPool, the largest local government investment pool in the state of Texas.

Acknowledgements. We wish to express our sincere appreciation to all members of the Finance Department who assisted and contributed to the preparation and completion of this report and to services of the independent auditor Burton, McCumber and Longoria, LLP.

We would also like to thank the Mayor and the Members of the City Council for their continued interest and support in planning and conducting the financial affairs of the City in a responsible and progressive manner.

Respectfully submitted,



Myra L. Ayala, City Manager



Ascencion Alonzo, Director of Finance

CITY OF EDINBURG, TEXAS
Current City Officials

Elected Officials

Mayor	Ramiro Garza Jr.
Mayor Pro Tem, Place 1	Daniel 'Dan' Diaz
Councilmember, Place 2	Jason De Leon
Councilmember, Place 3	David Salazar, Jr.
Councilmember, Place 4	David White

City Officials

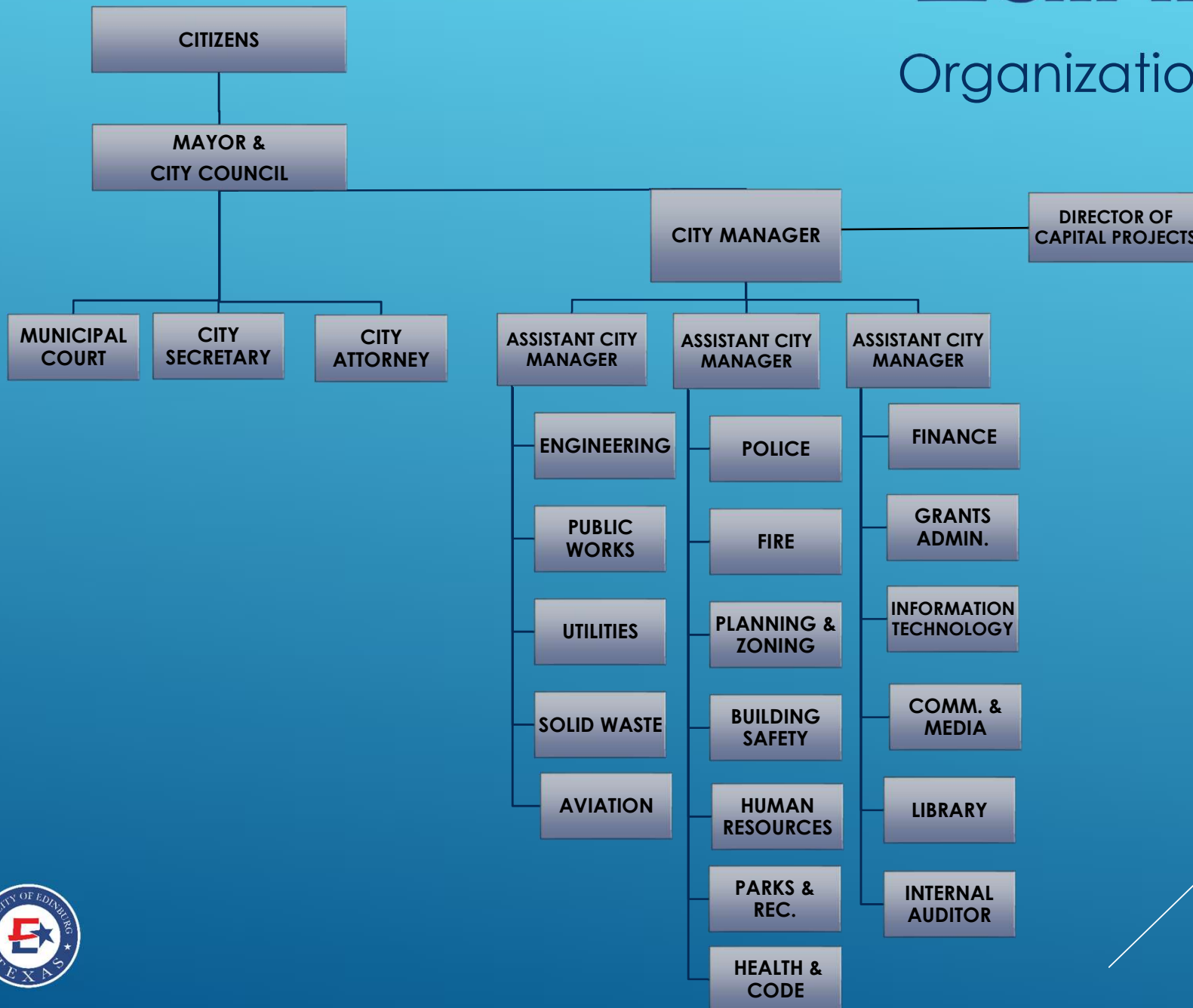
City Manager	Myra L. Ayala
Assistant City Manager	Jesus R. Saenz
Assistant City Manager	Nelda Ramirez
Assistant City Manager	Tomas D. Reyna
City Attorney	Omar Ochoa
City Secretary	Clarice Y. Balderas
Municipal Judge	Hector Bustos

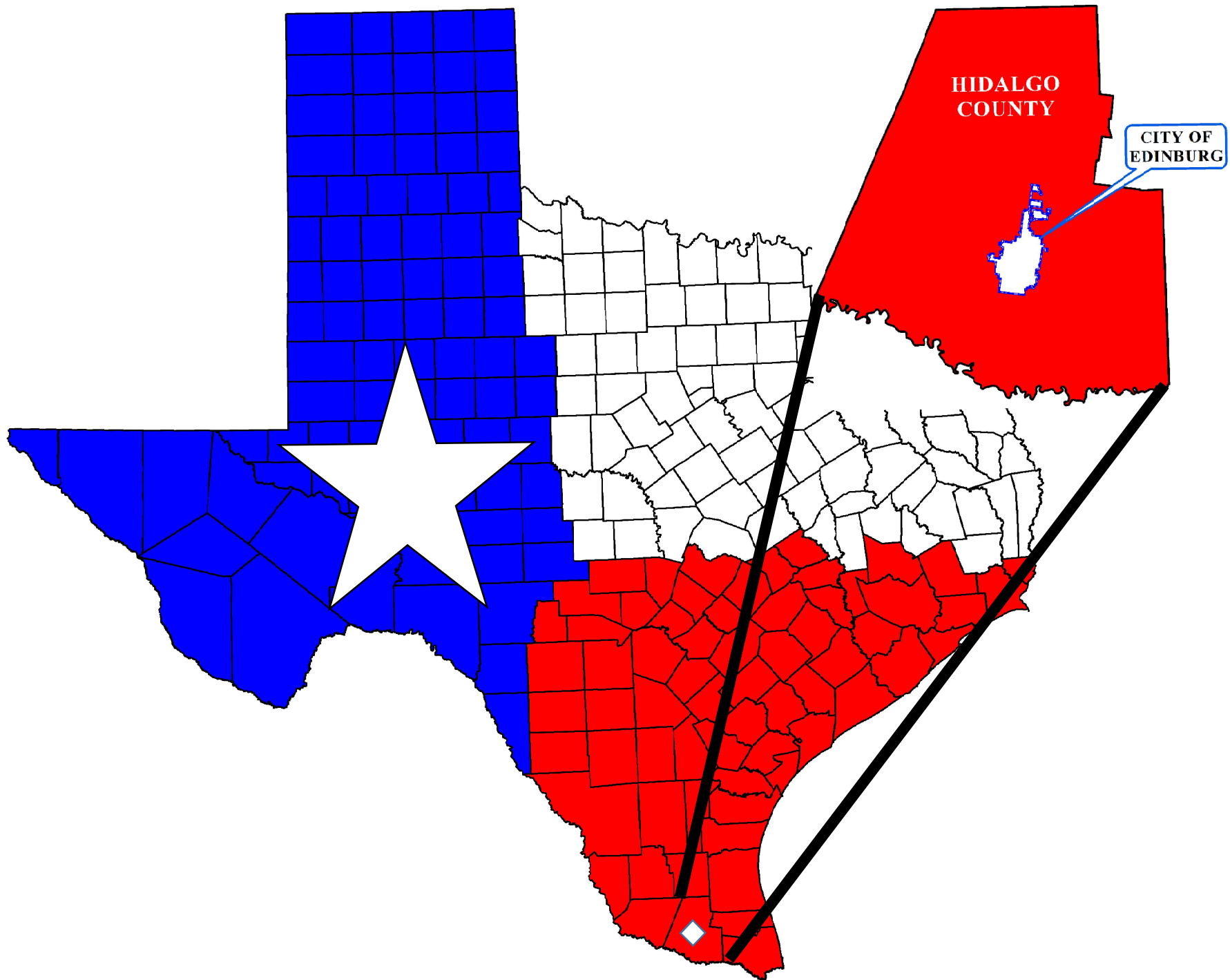
Department Directors

Chief Building Official	Natalia Velasquez
City Engineer	Mardoqueo Hinojosa
Director of Aviation	Jose Velarde
Director of Communications & Media	Roxanne Lerma
Director of Finance	Ascencion Alonzo
Director of Grants Administration	Marissa Garza
Director of Health & Code	Rafael Gonzales, Jr.
Director of Human Resources	Belinda Torres
Director of Information Technology	Daniel Vera
Director of Library and Cultural Arts	Leticia Leija
Director of Parks & Recreation	Javier Garza
Director of Planning & Zoning	Jaime Acevedo
Director of Public Works	Vincent A. Romero
Director of Solid Waste Management	Ramiro L. Gomez, Jr.
Director of Utilities	Gerardo Carmona Jr.
Director of Water Resources	Arturo Martinez
Fire Chief	Omar Garza
Police Chief	Jaime Ayala

Organizational Chart

Fiscal Year 2023-2024





FINANCIAL SECTION

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and the Members of the City Council
City of Edinburg

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City Edinburg, Texas (the City) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other 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.

Emphasis of Matter

As described in Note 1 to the financial statements, during the year ended September 30, 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, "Leases". Our opinions are not modified with respect to this matter.

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's 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.

Auditors' Responsibilities 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 *Government 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 misstatement 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's 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's 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, net pension liability and OPEB information and budgetary comparison information on pages 17 and 110 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's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule 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*, 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 the schedule 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 other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2024, on our consideration of the City's 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's 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 the City's internal control over financial reporting and compliance.

Burton, McCumber, & Longoria LLP

McAllen, Texas
January 17, 2024

Management Discussion and Analysis

Management's Discussion and Analysis

As management of the City of Edinburg, we offer readers of the City of Edinburg financial statements this narrative overview and analysis of the financial activities of the City of Edinburg for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal listed in the table of contents.

Financial Highlights

- The assets and deferred outflows of the City exceeded liabilities and deferred inflows at the close of the current fiscal year by \$186,461,340 (net position).
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$99,595,235, a decrease of \$8,356,128 from the prior year before prior period adjustments.
- At the end of the current fiscal year, nonspendable fund balance for the General Fund was \$108,092, unassigned fund balance was \$7,557,129, and assigned fund balance of \$24,755,976, totaling \$32,421,197, or 41 percent of total General Fund expenditures.
- The City of Edinburg's total long-term debt increased by \$15,722,041 or 7 percent during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Edinburg's basic financial statements. The City of Edinburg's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, the City's report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Edinburg's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Edinburg's assets and deferred outflows, and liabilities and deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Edinburg is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Edinburg that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Edinburg include general government, public safety, highways and streets, health and welfare, culture and recreation, urban redevelopment and housing, and economic development. The business-type activities of the City of Edinburg include a utility system (water and sanitary sewer services), golf course services, solid waste services, and airport services.

The government-wide financial statements include not only the City of Edinburg itself (known as the primary government), but also legally separate component units for which the City of Edinburg is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. With the exception of the Edinburg Economic Development Corporation, none of the other component units issue separate financial statements. Complete financial statements for this component unit may be obtained at its administrative office at:

Edinburg Economic Development Corporation
311 W. Freddy Gonzalez Dr.
Edinburg, Texas 78539

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Edinburg, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Edinburg can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Edinburg maintains twenty-six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, grant, and capital projects fund, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements*.

Proprietary funds. The City of Edinburg maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Edinburg uses enterprise funds to account for operations of its water and sanitary sewer system, golf courses, landfill and garbage collection, and airport. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Edinburg's various functions. The City of Edinburg uses an internal service fund to account for its self-insured worker's compensation program. Because this service predominantly benefits governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer system and solid waste operation, which are considered to be major funds of the City of Edinburg. Data from the other proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of *combining statements*. The internal service fund is presented separately in the proprietary fund financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Edinburg's progress in funding its obligation to provide other postemployment benefits (OPEB) to its employees. In addition, the City is required to present schedules concerning its net pension and OPEB liabilities and contributions related to its retirement and other postemployment benefits programs.

The City of Edinburg adopts an annual budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Edinburg, assets exceeded liabilities by \$186,461,340 at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 138,663,838	\$ 141,261,072	\$ 59,174,974	\$ 61,495,632	\$ 197,838,812	\$ 202,756,704
Capital Assets	177,705,122	166,907,733	161,057,696	151,754,935	338,762,818	318,662,668
Total Assets	316,368,960	308,168,805	220,232,670	213,250,566	536,601,630	521,419,371
Deferred Outflows of Resources	10,712,047	9,537,318	7,480,159	7,186,569	18,192,206	16,723,887
Long-Term Liabilities	200,934,847	216,183,494	82,238,731	81,088,879	283,173,578	297,272,373
Other Liabilities	45,033,947	29,099,052	16,206,622	7,565,514	61,240,569	36,664,566
Total Liabilities	245,968,794	245,282,546	98,445,353	88,654,393	344,414,147	333,936,939
Deferred Inflows of Resources	13,825,372	4,722,680	10,092,977	7,404,406	23,918,349	12,127,085
Net Position						
Invested in Capital Assets,						
Net of Related Debt	89,470,643	80,905,001	128,648,004	110,310,189	218,118,647	191,215,190
Restricted	76,612,604	7,956,587	4,607,337	5,244,568	81,219,941	13,201,155
Unrestricted	(98,796,406)	(21,160,691)	(14,080,842)	8,823,580	(112,877,248)	(12,337,111)
Total Net Position	\$ 67,286,841	\$ 67,700,898	\$ 119,174,499	\$ 124,378,336	\$ 186,461,340	\$ 192,079,234

By far, the largest portion of the City's net position reflects its investments in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City of Edinburg uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Edinburg's investment in its capital assets is 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.

An additional portion of the City of Edinburg's net position (44 percent) represents resources that are subject to external restrictions regarding how they may be used.

The City reported a deficit balance of unrestricted net position for governmental and business-type activities. During the 2017-2018 year, the city implemented GASB 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. Implementation of these standards resulted in the recording of a net OPEB liability and other postemployment benefits totaling \$25,660,557 for the current year, along with a current net pension liability of \$22,398,444. This accounts for the deficit unrestricted net position reported at September 30, 2022.

For business-type activities, the City of Edinburg is able to report positive balances in two of the three categories of net position.

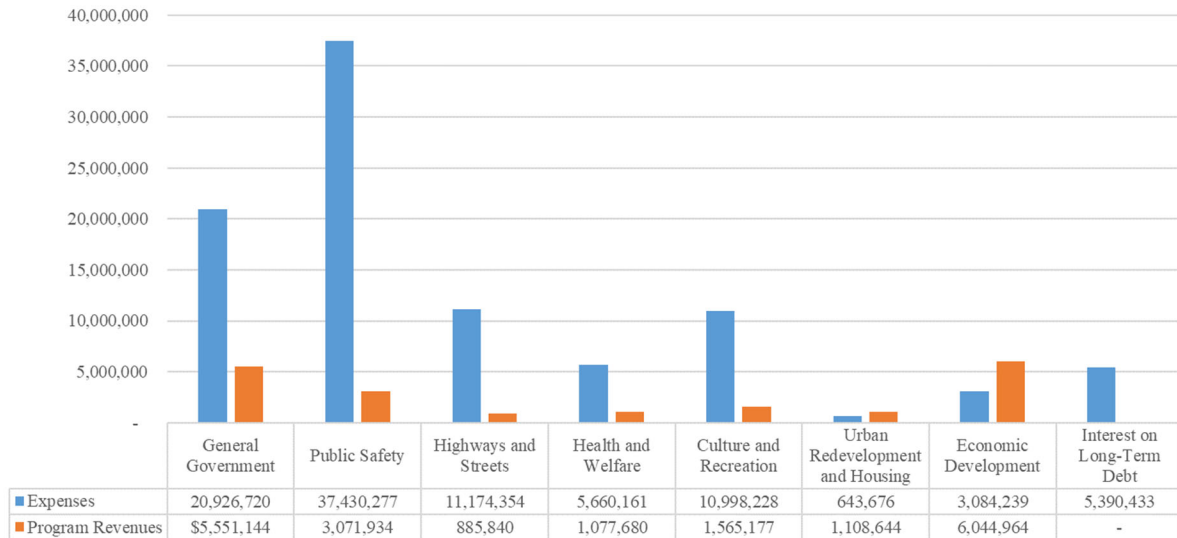
The following table presents details on revenues and expenses for both governmental activities and business-type activities.

Total revenues generated from both governmental and business-type activities for this year amounted to \$139,114,790. Expenses were \$144,499,288 thus decreasing net position by \$5,384,498.

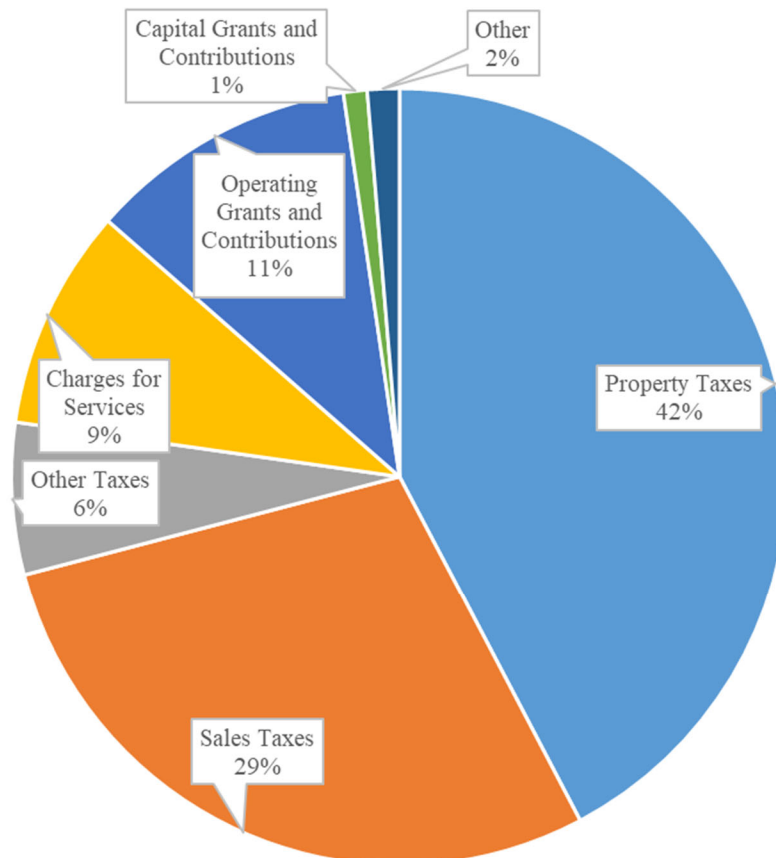
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	\$ 8,302,619	\$ 7,395,811	\$ 46,054,096	\$ 45,020,640	\$ 54,356,715	\$ 52,416,451
Operating Grants and Contributions	10,116,925	11,334,859	81,221	104,391	10,198,146	11,439,250
Capital Grants and Contributions	885,840	1,407,273	-	-	885,840	1,407,273
General Revenues:						
Property Taxes	38,119,120	35,077,865	-	-	38,119,120	35,077,865
Other Taxes	31,506,784	28,061,830	-	-	31,506,784	28,061,830
Other	1,201,259	662,817	2,846,927	993,474	4,048,186	1,656,291
Total Revenues	90,132,546	83,940,456	48,982,244	46,118,505	139,114,790	130,058,961
Expenses:						
General Government	20,926,720	13,462,924	-	-	20,926,720	13,462,924
Public Safety	37,430,277	33,877,955	-	-	37,430,277	33,877,955
Highways and Streets	11,174,354	14,922,951	-	-	11,174,354	14,922,951
Health and Welfare	5,660,161	5,785,543	-	-	5,660,161	5,785,543
Culture and Recreation	10,998,228	9,814,577	-	-	10,998,228	9,814,577
Urban Redevelopment and Housing	643,676	2,219,410	-	-	643,676	2,219,410
Economic Development	3,084,239	3,098,008	-	-	3,084,239	3,098,008
Interest on Long-Term Debt	5,390,433	4,971,648	-	-	5,390,433	4,971,648
Water and Sewer Operations	-	-	23,880,167	20,866,627	23,880,167	20,866,627
Solid Waste Operations	-	-	19,677,970	16,506,457	19,677,970	16,506,457
Golf Course Services	-	-	2,419,592	1,956,302	2,419,592	1,956,302
Airport Services	-	-	3,213,471	1,979,681	3,213,471	1,979,681
Total Expenses	95,308,088	88,153,017	49,191,200	41,309,067	144,499,288	129,462,083
Increases (Decrease) in						
Net Position before Transfers	(5,175,542)	(4,212,561)	(208,956)	4,809,439	(5,384,498)	596,878
Transfers	4,600,000	5,000,000	(5,000,000)	(5,000,000)	(400,000)	-
Changes in Net Position	(575,542)	787,439	(5,208,956)	(190,561)	(5,784,498)	596,878
Net Position October 1, 20xx	67,700,898	67,418,697	124,378,337	124,738,128	192,079,235	192,156,825
Prior Period Adjustments	161,485	(505,238)	5,118	(169,231)	166,603	(674,469)
Net Position September 30, 20xx	\$ 67,286,841	\$ 67,700,898	\$ 119,174,499	\$ 124,378,336	\$ 186,461,340	\$ 192,079,234

Governmental activities. Governmental activities decreased the City of Edinburg's net position by \$575,542. For the fiscal year 2021-2022 the City projected increases related to debt payments, equipment needs and personnel. For this reason, the General Fund adopted budget was approved with a deficit by City Council, which caused the net position to decrease at the end of the year.

Expenses and Program Revenues - Governmental Activities

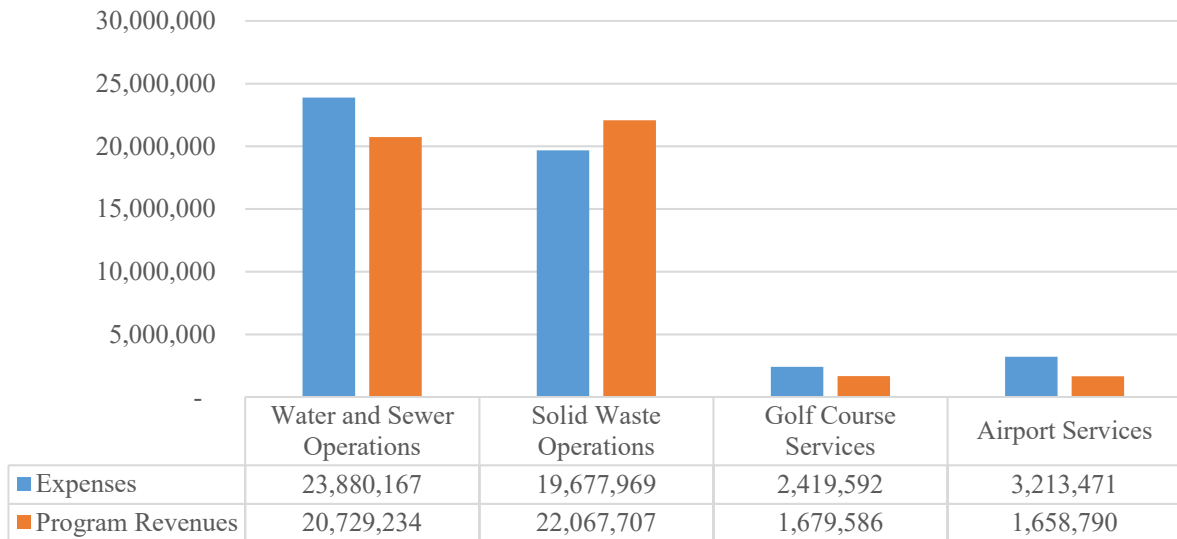


Revenues by Source - Governmental Activities

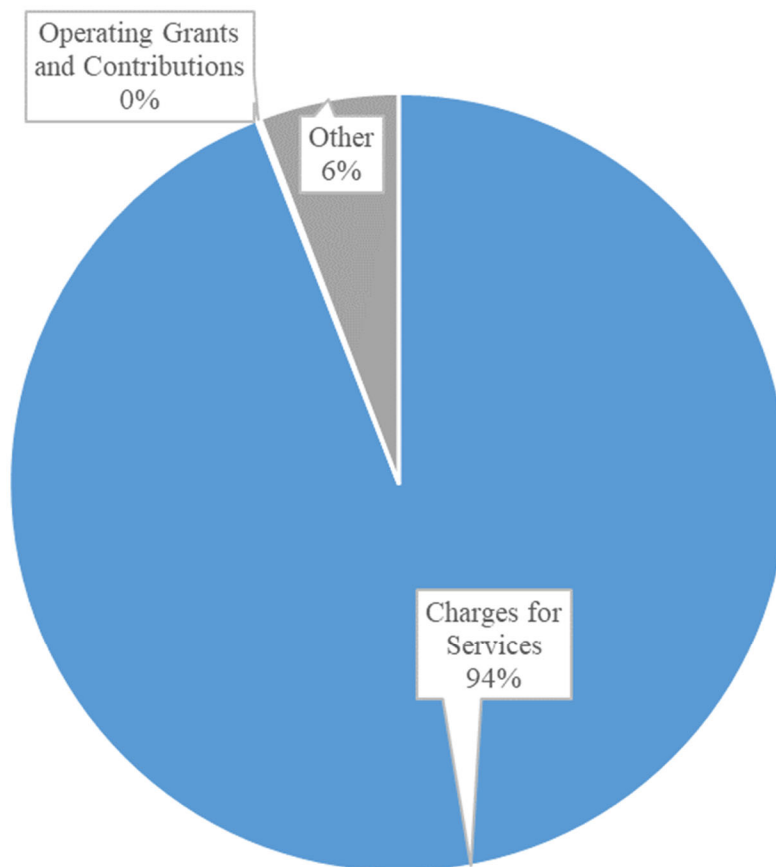


Business-type activities. Business-type activities decreased the City of Edinburg's net position by \$5,208,956. The decrease is attributed to transfers out to Non-Enterprise Funds, bad debts written off, unexpected increase in fuel cost, and landfill closure expenses that were not budgeted.

Expenses and Program Revenues - Business Type Activities



Revenues by Source - Business Type Activities



Financial Analysis of Government's Funds

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

Governmental funds. The focus of the City of Edinburg's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Edinburg's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Edinburg's governmental funds reported combined ending fund balances of \$99,595,235, a decrease of \$8,356,128 in comparison with the prior year, before prior period adjustments. \$7,557,129 constitutes unassigned fund balance for all governmental funds, which is available for spending at the City's discretion. The remainder of the fund balance (\$92,038,106) falls under a restricted, committed, assigned and non-spendable category.

The General Fund is the chief operating fund of the City of Edinburg. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,557,129 while total fund balance increased to \$32,421,197. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 10 percent of total General Fund expenditures. Total fund balance represents 41 percent of total General Fund expenditures.

During the current fiscal year, the net change in fund balance of the City of Edinburg's General Fund was an increase of \$4,554,258, before prior period adjustments of \$591,263. The key components and factors in this increase are as follows:

- There was an increase in ad valorem and sales tax revenue due to the continued growth in the City's economy.

The Debt Service Fund has a total fund balance of \$362,932, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the Debt Service Fund was \$64,084. This increase is due to higher collection of property taxes resulting in additional revenue.

Proprietary funds. The City of Edinburg proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As of September 30, 2022, total unrestricted net position amounted to (\$14,080,842). The Water, Sewer, and Solid Waste Management Funds had unrestricted net position of (\$1,160,593) and (\$10,905,139) respectively. The other non-major funds ended the year with unrestricted net position totaling (\$2,015,110).

General Fund Budgetary Highlights

The final amended expenditure budget was \$3,037,353 more than the original budget. This represented the carrying encumbrances from the prior year of \$1,018,350 that were restricted and reserved in the 2020-2021 fiscal year and \$2,269,703 for additional expenditures required to complete the 2021-2022 fiscal year.

The major final projected revenues compared to actual revenues are as follows:

Taxes

- Ad valorem tax revenues were \$282,288 above the budgeted amount. This was due to higher to expected collection rate.
- Sales tax revenues were \$802,830 above the budgeted amount. This has been an ongoing trend of the positive economic impact the City of Edinburg has been experiencing the last few years.

Capital Asset and Debt Administration

Capital assets. The City of Edinburg's investment in capital assets for its governmental and business type activities as of September 30, 2022 amounts to \$338,762,818 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, streets, storm drainage, sanitary sewer system, a water system and right-to-use lease assets. The total increase in the City of Edinburg's investment in capital assets for the current fiscal year was 6.31 percent, (6.47 percent increase for governmental activities and a 6.13 percent increase for business-type activities).

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

- Governmental activities had an increase of non-depreciable assets consisting of mainly the purchase of land for the construction of a holding pond (\$1,148,488).
- Governmental activities increased due to the amount paid to the irrigation district to bury a canal underground (\$2,500,000), for Northside Drainage Improvements (\$1,725,459), Skate Park at South Park (\$574,875), Park improvements-playscapes and restrooms (\$246,491) and Hike and Bike additions (\$312,143).
- Business-type activities had an increase of non-depreciable assets consisting mainly purchase of land for the new sewer system plant (\$1,480,175) and the purchase of land for the construction of new cell for the Solid Waste Management Department (\$1,000,000).
- Business-type activities had an increase due to the Lull Subdivision waterline improvement (\$818,736) and the Schunior main water line between sugar road and 16th street (\$714,080).
- The addition of \$120,647 right-to-use lease assets, as per the adoption of new pronouncement, see Note 1.

Additional information on the City of Edinburg's capital assets can be found in note 7, in the notes to the financial statements.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land/other	\$ 24,693,589	\$ 22,936,749	\$ 26,783,298	\$ 24,303,124	\$ 51,476,887	\$ 47,239,873
Buildings and system	81,390,030	83,007,798	97,776,712	101,956,274	179,166,742	184,964,072
Improvements other than buildings	35,836,521	35,043,477	14,612,358	15,036,602	50,448,879	50,080,078
Furniture and equipment	18,590,999	16,496,774	17,753,886	8,913,212	36,344,885	25,409,986
Right-to-use lease assets	8,627	-	112,020	-	120,647	-
Construction in progress	17,185,356	9,422,935	4,019,422	1,545,723	21,204,778	10,968,658
Total	<u>\$ 177,705,122</u>	<u>\$ 166,907,733</u>	<u>\$ 161,057,696</u>	<u>\$ 151,754,935</u>	<u>\$ 338,762,818</u>	<u>\$ 318,662,667</u>

Long-term debt. At the end of the current fiscal year, the City of Edinburg had total long-term debt outstanding of \$253,270,862.

The City's total debt decreased by \$15,722,041 or 6.64 percent, during the current fiscal year. The City maintains a "AA" rating from Standard and Poor's for its general obligation bonds and a "AA-" rating from Standard and Poor's for its utility system revenue bonds.

Additional information on the City of Edinburg's long-term debt can be found in note 8, in the notes to the financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 107,178,258	\$ 111,850,519	\$ 10,742,603	\$ 11,441,675	\$ 117,920,861	\$ 123,292,194
Tax increment bonds	38,351,761	39,272,924	-	-	38,351,761	39,272,924
Notes payable	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Financing lease obligations	14,539,210	5,636,861	22,637,867	7,672,311	37,177,077	13,309,172
Compensated absences	5,485,864	4,909,168	724,486	485,235	6,210,350	5,394,403
Revenue bonds	-	-	38,611,708	41,282,395	38,611,708	41,282,395
Reimbursement obligation-developer	8,402,575	8,983,683	-	-	8,402,575	8,983,683
Landfill closure and post closure	-	-	5,596,531	4,964,047	5,596,531	4,964,047
Total	<u>\$ 173,957,667</u>	<u>\$ 170,653,157</u>	<u>\$ 79,313,195</u>	<u>\$ 66,845,662</u>	<u>\$ 253,270,862</u>	<u>\$ 237,498,819</u>

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City of Edinburg is currently 5.40 percent. The state and national average unemployment rates are currently 4.1 percent and 3.6 percent, respectively.
- Appraisal values used in preparing the 2022-2023 budget increased \$764,173,270 over the prior year, or 10.4 percent higher than the prior year. The City approved a tax rate of (\$0.6800 per \$100 assessed valuation).

Requests for Information

This financial report is designed to provide a general overview of the City of Edinburg's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance, 415 West University Drive, Edinburg, Texas, 78541.

Basic Financial Statements

Government-Wide Financial Statements

CITY OF EDINBURG, TEXAS
STATEMENT OF NET POSITION
EXHIBIT 1-A

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	The Boys' and Girls' Club of Edinburg, Inc.	Edinburg Economic Development Corporation
SEPTEMBER 30, 2022					
Assets					
Cash and Cash Equivalents	\$ 97,511,853	\$ 12,253,795	\$ 109,765,648	\$ 2,590,605	\$ 10,380,222
Taxes Receivable, Net	8,093,133	-	8,093,133	-	-
Accounts Receivable, Net	863,285	6,228,955	7,092,240	-	13,367,203
Accrued Interest Receivable	74	-	74	-	-
Leases Receivable, Net	34,215	77,895	112,110	-	-
Due from Other Governments	5,297,351	34,605	5,331,956	-	-
Notes Receivable	1,323,774	-	1,323,774	-	-
Internal Balances	302,932	(302,932)	-	-	-
Due from Component Unit	3,170,620	-	3,170,620	-	-
Inventories	76,294	980,904	1,057,198	-	-
Prepaid Items	32,598	50,295	82,893	-	-
Restricted Assets:					
Cash and Cash Equivalents	9,587,391	22,860,672	32,448,063	10,000	19,368,773
Cash with Fiscal Agent	12,370,318	16,990,785	29,361,103	-	-
Investments	-	-	-	1,537,531	-
Capital Assets:					
Land and Construction in Progress	41,878,945	30,802,720	72,681,665	539,125	7,322,205
Other Capital Assets, Net of Depreciation	135,817,550	130,142,956	265,960,506	3,955,280	1,288,733
Right of Use Lease Assets, Net of Amortization	8,627	112,020	120,647	-	-
Total Assets	316,368,960	220,232,670	536,601,630	8,632,541	51,727,136
Deferred Outflows of Resources					
Deferred Outflows Related to Debt Refunding	584,812	917,237	1,502,049	-	1,566,855
Deferred Outflows Related to TMRS Pension	6,930,503	1,890,307	8,820,810	151,375	-
Deferred Outflows Related to TESRS Pension	1,943	-	1,943	-	-
Deferred Outflows Related to TMRS OPEB Obligation	396,927	99,500	496,427	8,839	-
Deferred Outflows Related to MED OPEB Obligation	2,797,862	961,854	3,759,716	64,566	-
Deferred Outflows Related to Landfill Closure Costs	-	3,611,261	3,611,261	-	-
Total Deferred Outflows of Resources	10,712,047	7,480,159	18,192,206	224,780	1,566,855
Liabilities					
Accounts Payable	7,418,565	4,522,846	11,941,411	1,090,715	95,287
Accrued Liabilities	2,121,273	982,318	3,103,591	36,708	-
Accrued Interest Payable	569,065	86,114	655,179	-	138,187
Due to Primary Government	-	-	-	-	985,413
Due to Component Unit	2,185,207	-	2,185,207	-	-
Deposits	229,548	2,020,245	2,249,793	-	-
Retainage Payable	138,153	-	138,153	-	-
Unearned Revenue	22,692,024	-	22,692,024	-	-
Non-Current Liabilities:					
Due within One Year	9,680,112	8,595,099	18,275,211	29,096	1,580,000
Due in More Than One Year	164,277,555	70,718,096	234,995,651	-	33,155,000
Right-to-Use Lease Liabilities	8,452	110,474	118,926	-	-
TMRS Net Pension Liabilities	17,173,136	4,838,805	22,011,941	274,217	-
TESRS Net Pension Liabilities	386,503	-	386,503	-	-
TMRS OPEB Obligations	1,844,779	463,996	2,308,775	43,548	-
MED Plan OPEB Obligations	17,244,422	6,107,360	23,351,782	374,456	-
Total Liabilities	245,968,794	98,445,353	344,414,147	1,848,740	35,953,887
Deferred Inflows of Resources					
Deferred Inflows Related to Leases Receivable	30,100	77,814	107,914	-	-
Deferred Inflows Related to TMRS Pension	7,971,281	2,038,145	10,009,426	156,774	-
Deferred Inflows Related to TESRS Pension	157,249	-	157,249	-	-
Deferred Inflows Related to TMRS OPEB Obligation	64,781	13,481	78,262	1,485	-
Deferred Inflows Related to MED Plan OPEB Obligation	5,601,961	1,982,242	7,584,203	99,444	-
Deferred Inflows Related to Landfill Closure Costs	-	5,975,547	5,975,547	-	-
Other Deferred Inflows	-	5,748	5,748	-	-
Total Deferred Inflows of Resources	13,825,372	10,092,977	23,918,349	257,703	-
Net Position (Deficit)					
Net Investment in Capital Assets	89,470,643	128,648,004	218,118,647	4,494,405	8,610,938
Restricted For:					
Debt Service	3,060,027	4,607,337	7,667,364	-	4,061,913
Capital Acquisition	57,648,270	-	57,648,270	-	13,556,134
Other	15,904,307	-	15,904,307	-	780,000
Unrestricted	(98,796,406)	(14,080,842)	(112,877,248)	2,256,473	(9,668,881)
Total Net Position (Deficit)	\$ 67,286,841	\$ 119,174,499	\$ 186,461,340	\$ 6,750,878	\$ 17,340,104

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
STATEMENT OF ACTIVITIES
EXHIBIT 1-B

FOR THE YEAR ENDED SEPTEMBER 30, 2022

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	The Boys' and Girls' Club of Edinburg, Inc.	Edinburg Economic Development Corporation
PRIMARY GOVERNMENT:									
Governmental Activities:									
General Government	\$ 20,926,720	\$ 5,551,144	\$ -	\$ -	\$ (15,375,576)	\$ -	\$ (15,375,576)		
Public Safety	37,430,277	697,619	2,374,315	-	(34,358,342)	-	(34,358,342)		
Highways and Streets	11,174,354	-	-	885,840	(10,288,514)	-	(10,288,514)		
Health and Welfare	5,660,161	1,073,460	4,220	-	(4,582,481)	-	(4,582,481)		
Culture and Recreation	10,998,228	980,396	584,781	-	(9,433,051)	-	(9,433,051)		
Urban Redevelopment and Housing	643,676	-	1,108,644	-	464,968	-	464,968		
Economic Development	3,084,239	-	6,044,964	-	2,960,725	-	2,960,725		
Interest on Long-Term Debt	5,390,433	-	-	-	(5,390,433)	-	(5,390,433)		
Total Governmental Activities	95,308,088	8,302,619	10,116,925	885,840	(76,002,705)	-	(76,002,705)		
Business-Type Activities:									
Water and Sewer Operations	23,880,167	20,729,234	-	-	-	(3,150,933)	(3,150,933)		
Solid Waste Operations	19,677,970	22,067,707	-	-	-	2,389,737	2,389,737		
Golf Course Services	2,419,592	1,679,586	-	-	-	(740,006)	(740,006)		
Airport Services	3,213,471	1,577,569	81,221	-	-	(1,554,681)	(1,554,681)		
Total Business-Type Activities	49,191,200	46,054,096	81,221	-	-	(3,055,883)	(3,055,883)		
Total Primary Government	\$ 144,499,288	\$ 54,356,715	\$ 10,198,146	\$ 885,840	(76,002,705)	(3,055,883)	(79,058,588)		
Component Units:									
Community and Youth Services	\$ 1,786,582	\$ 7,171	\$ 2,566,946	\$ -				\$ 787,535	\$ -
Economic Development and Assistance	5,599,063	104,995	-	-				-	(5,494,068)
Interest on Long-Term Debt	1,355,227	-	-	-				-	(1,355,227)
Total Component Units	\$ 8,740,872	\$ 112,166	\$ 2,566,946	\$ -				787,535	(6,849,295)
General Revenues:									
Taxes									
Property Taxes					38,119,120	-	38,119,120	-	-
Sales Taxes					25,802,830	-	25,802,830	-	8,600,943
Hotel Occupancy Tax					959,928	-	959,928	-	-
Franchise Taxes					4,537,814	-	4,537,814	-	-
Other Taxes					206,212	-	206,212	-	-
Investment Earnings					829,944	276,793	1,106,737	1,966	107,322
Other					371,315	2,570,134	2,941,449	43,248	572,859
Transfers In (Out)					4,600,000	(5,000,000)	(400,000)	400,000	-
Total General Revenues and Transfers					75,427,163	(2,153,073)	73,274,090	445,214	9,281,124
Change in Net Position					(575,542)	(5,208,956)	(5,784,498)	1,232,749	2,431,829
Net Position - Beginning of Year					67,700,898	124,378,337	192,079,235	6,469,882	16,899,514
Prior Period Adjustment					161,485	5,118	166,603	(951,753)	(1,991,239)
Net Position - End of Year					\$ 67,286,841	\$ 119,174,499	\$ 186,461,340	\$ 6,750,878	\$ 17,340,104

See Accompanying Notes to the Financial Statements.

Fund Financial Statements

CITY OF EDINBURG, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
EXHIBIT 2-A

SEPTEMBER 30, 2022	General Fund	Grants Fund	Capital Project Funds	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 21,131,760	\$ 9,626,188	\$ 59,351,297	\$ 6,777,131	\$ 96,886,376
Taxes Receivables	8,143,885	-	-	486,263	8,630,148
Allowance for Uncollectible Taxes	(427,715)	-	-	(109,300)	(537,015)
Accounts Receivables, Net	786,220	-	-	62,420	848,640
Leases Receivables, Net	4,467	-	-	29,748	34,215
Note Receivable	-	-	-	1,323,774	1,323,774
Due from Other Governments	-	3,783,092	170,198	1,344,061	5,297,351
Due from Other Funds	303,182	-	1,543,552	33,594	1,880,328
Due from Component Unit	985,413	-	-	-	985,413
Inventories	76,294	-	-	-	76,294
Prepaid Items	31,798	-	-	800	32,598
Restricted Assets:					
Cash & Cash Equivalents	-	9,587,391	-	-	9,587,391
Cash with Fiscal Agent	9,438,566	-	-	2,931,752	12,370,318
Total Assets	<u>40,473,870</u>	<u>22,996,671</u>	<u>61,065,047</u>	<u>12,880,243</u>	<u>137,415,831</u>
Liabilities					
Accounts Payable	4,135,967	61,964	3,066,728	151,099	7,415,758
Accrued Liabilities	1,929,581	30,632	-	9,504	1,969,717
Deposits	229,548	-	-	-	229,548
Retainage Payable	-	-	138,153	-	138,153
Due to Other Funds	250	1,577,146	-	-	1,577,396
Unearned Revenue	-	20,901,443	446,520	1,344,061	22,692,024
Total Liabilities	<u>6,295,346</u>	<u>22,571,185</u>	<u>3,651,401</u>	<u>1,504,664</u>	<u>34,022,596</u>
Deferred Inflows of Resources					
Deferred Inflows from Loans Receivable	-	-	-	1,323,774	1,323,774
Deferred Inflows from Taxes	1,714,597	-	-	352,425	2,067,022
Deferred Inflows from Leases	4,458	-	-	25,641	30,099
Deferred Inflows from Other	38,272	338,833	-	-	377,105
Total Deferred Inflows of Resources	<u>1,757,327</u>	<u>338,833</u>	<u>-</u>	<u>1,701,840</u>	<u>3,798,000</u>
Fund Balances					
Nonspendable	108,092	-	-	-	108,092
Restricted For:					
Debt Service	-	-	-	3,060,027	3,060,027
Capital Projects	-	-	57,413,646	234,624	57,648,270
Other Purposes	9,438,566	86,653	-	6,379,088	15,904,307
Assigned	15,317,410	-	-	-	15,317,410
Unassigned	7,557,129	-	-	-	7,557,129
Total Fund Balances	<u>32,421,197</u>	<u>86,653</u>	<u>57,413,646</u>	<u>9,673,739</u>	<u>99,595,235</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 40,473,870</u>	<u>\$ 22,996,671</u>	<u>\$ 61,065,047</u>	<u>\$ 12,880,243</u>	<u>\$ 137,415,831</u>

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE GOVERNMENTAL ACTIVITIES - STATEMENT OF NET POSITION
EXHIBIT 2-B

SEPTEMBER 30, 2022

Total Fund Balances - Governmental Funds Balance Sheet	\$ 99,595,235
Amounts Reported for Governmental Activities in The Statement of Net Position ("SNP") Are Different Because:	
1.) Capital assets used in governmental activities are not reported in the funds.	177,696,495
2.) Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	2,067,022
3.) Loans receivable are not available to pay for current period expenditures and are deferred in the funds.	1,323,774
4.) Other receivables unavailable to pay for current period expenditures are deferred in the funds.	377,105
5.) Deferred outflows for losses on bond refunding are not reported in the funds.	584,812
6.) Payables for bond principal, which are not due in the current period, are not reported in the funds.	(145,530,021)
7.) Payables for bond interest, which are not due in the current period, are not reported in the funds.	(569,065)
8.) Payables for compensated absences, which are not due in the current period, are not reported in the funds.	(5,485,862)
9.) Other long-term payables, which are not due in the current period are not reported in the funds.	(22,941,783)
10.) Payables for the City's pension liability and OPEB obligations, which are not due in the current period, are not reported in the funds.	(36,648,840)
11.) Deferred outflows of resources related to pensions and OPEB obligations are not reported in the funds.	10,127,235
12.) Deferred inflows of resources related to pensions and OPEB obligations are not reported in the funds.	(13,795,272)
13.) Right of use lease assets used in governmental activities are not reported in the funds.	8,627
14.) Right of use lease liabilities used in governmental activities are not reported in the funds.	(8,452)
15.) Lease accrued interest revenue receivable are not reported in the funds.	74
16.) The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	485,760
Net Position of Governmental Activities - Statement of Net Position	<u><u>\$ 67,286,844</u></u>

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-GOVERNMENTAL FUNDS
EXHIBIT 2-C

<i>FOR THE YEAR ENDED SEPTEMBER 30, 2022</i>	General Fund	Grants Fund	Capital Project Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Property Taxes	\$ 29,832,288	\$ -	\$ -	\$ 8,456,077	\$ 38,288,365
General Sales and Use Taxes	25,802,830	-	-	-	25,802,830
Franchise Tax	4,405,054	-	-	132,760	4,537,814
Other Tax	206,212	-	-	959,928	1,166,140
Licenses and Permits	1,245,283	-	-	-	1,245,283
Intergovernmental Revenue and Grants	1,094,576	7,281,678	-	1,584,521	9,960,775
Charges for Services	4,591,214	-	-	387,430	4,978,644
Fines and Forfeits	841,734	-	-	124,564	966,298
Investment Earnings	263,858	83,196	454,454	28,436	829,944
Contributions	-	-	560,063	1,561,575	2,121,638
Other	343,046	-	-	115,155	458,201
Total Revenues	<u>68,626,095</u>	<u>7,364,874</u>	<u>1,014,517</u>	<u>13,350,446</u>	<u>90,355,932</u>
Expenditures					
Current:					
General Government	14,899,545	4,483,389	1,110,697	289,954	20,783,585
Public Safety	36,351,593	1,909,335	4,940	233,013	38,498,881
Highways and Streets	8,271,391	-	8,965,759	-	17,237,150
Health and Welfare	5,667,544	-	-	182,056	5,849,600
Culture and Recreation	9,297,972	24,718	6,714,031	533,651	16,570,372
Urban Redevelopment and Housing	-	-	-	643,676	643,676
Economic Development	1,440,371	-	-	-	1,440,371
Debt Service:					
Principal Retirements	2,793,675	-	-	5,527,531	8,321,206
Interest and Other Charges	226,344	-	-	5,532,928	5,759,272
Total Expenditures	<u>78,948,435</u>	<u>6,417,442</u>	<u>16,795,427</u>	<u>12,942,809</u>	<u>115,104,113</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,322,340)</u>	<u>947,432</u>	<u>(15,780,910)</u>	<u>407,637</u>	<u>(24,748,181)</u>
Other Financing Sources (Uses)					
Sale of Real and Personal Property	76,069	-	-	-	76,069
Proceeds from Right-to-Use Leases	11,705,961	-	-	10,023	11,715,984
Transfers In	5,000,000	-	1,696,572	4,399,282	11,095,854
Transfers Out	(1,905,432)	(796,572)	-	(3,793,850)	(6,495,854)
Total Other Financing Sources (Uses)	<u>14,876,598</u>	<u>(796,572)</u>	<u>1,696,572</u>	<u>615,455</u>	<u>16,392,053</u>
Net Change in Fund Balances	4,554,258	150,860	(14,084,338)	1,023,092	(8,356,128)
Fund Balances - Beginning of Year	27,275,676	-	71,423,890	8,650,310	107,349,876
Prior Period Adjustments	591,263	(64,207)	74,094	336	601,486
Fund Balances - End of Year	<u>\$ 32,421,197</u>	<u>\$ 86,653</u>	<u>\$ 57,413,646</u>	<u>\$ 9,673,739</u>	<u>\$ 99,595,235</u>

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES - STATEMENT OF ACTIVITIES
EXHIBIT 2-D

SEPTEMBER 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ (8,356,128)
Amounts Reported for Governmental Activities in The Statement of Activities ("SOA") are Different Because:	
1.) Capital outlays are not reported as expenses in the SOA.	22,913,617
2.) The depreciation of capital assets used in governmental activities is not reported in the funds.	(12,124,857)
3.) Certain property tax revenues are deferred in the funds. This is the change in these amounts for the year.	(169,245)
4.) Certain revenues are deferred in the funds. This is the change in these amounts for the year.	(141,793)
5.) Bond and capital lease proceeds are reported as other financing sources in the funds, but are not in the SOA.	(11,677,366)
6.) Payment of reduction of long term debt are expenditures in the funds, but is not an expense in the SOA.	8,302,548
7.) Changes in the net pension liability for retirement are not recognized in the funds, but are in the SOA.	2,432,217
8.) Changes in the net OPEB obligation are not recognized in the funds, but are in the SOA.	(1,279,380)
9.) Amortization of bond premiums and discounts is not reported in the funds.	647,003
10.) Amortization of deferred outflows and inflows related to bond refunding is not reported in the funds.	(169,210)
11.) (Increase) decrease in accrued interest from beginning of period to end of period.	(108,954)
12.) Internal service funds are used by management to charge to costs of certain activities to individual funds.	(694)
13.) Compensated absences are reported as the amount is incurred in the SOA, but as the amount is paid in the funds.	(576,696)
14.) Right of use lease activities are not reported in the funds.	249
15.) Prior Period adjustment on capital assets.	(266,855)
Change in Net Position of Governmental Activities - Statement of Activities	<u>\$ (575,542)</u>

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
EXHIBIT 3-A

	Business-type Activities-Enterprise Funds				Governmental Activities - Internal Service Worker's Compensation
SEPTEMBER 30, 2022	Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Assets					
Current Assets:					
Cash and Cash Equivalents	\$ 5,823,567	\$ 6,231,960	\$ 198,268	\$ 12,253,795	\$ 625,477
Restricted Assets:					
Cash and Cash Equivalents	12,789,871	10,070,801	-	22,860,672	-
Cash with Fiscal Agent	7,088,590	9,008,445	893,750	16,990,785	-
Accounts Receivable, Net	2,958,075	3,204,959	65,921	6,228,955	14,646
Lease Receivable, Net	20,460	-	57,435	77,895	-
Due from Other Governments	14,855	19,750	-	34,605	-
Inventories	864,526	19,107	97,271	980,904	-
Total Current Assets	29,559,944	28,555,272	1,362,940	59,478,156	640,123
Noncurrent Assets:					
Capital Assets:					
Land	10,470,420	11,312,723	5,000,155	26,783,298	-
Buildings	172,128,868	5,462,158	6,311,847	183,902,873	-
Improvements Other Than Buildings	6,060,684	19,475,026	13,389,647	38,925,357	-
Furniture and Equipment	11,222,051	30,898,790	2,193,793	44,314,634	-
Accumulated Depreciation	(93,035,542)	(30,045,249)	(13,919,117)	(136,999,908)	-
Right-to-Use Lease Assets	51,164	-	140,952	192,116	-
Accumulated Amortization- Right-to-Use-Leases	(10,964)	-	(69,132)	(80,096)	-
Construction in Progress	3,841,391	98,531	79,500	4,019,422	-
Total Capital Assets	110,728,072	37,201,979	13,127,645	161,057,696	-
Total Noncurrent Assets	110,728,072	37,201,979	13,127,645	161,057,696	-
Total Assets	140,288,016	65,757,251	14,490,585	220,535,852	640,123
Deferred Outflows of Resources					
Deferred Outflows Related to Debt Refundings	672,503	-	244,734	917,237	-
Deferred Outflows Related to Pension	891,167	767,457	231,683	1,890,307	-
Deferred Outflows Related to OPEB Obligation	492,825	451,494	117,035	1,061,354	-
Deferred Outflows Related to Landfill Closure Costs	-	3,611,261	-	3,611,261	-
Total Deferred Outflows of Resources	2,056,495	4,830,212	593,452	7,480,159	-
Liabilities					
Current Liabilities:					
Accounts Payable	2,328,331	1,929,947	264,568	4,522,846	2,808
Accrued Liabilities	560,089	352,534	69,695	982,318	151,555
Current Portion- Compensated Absences	161,510	131,886	49,891	343,287	-
Deposits	1,922,658	92,287	5,300	2,020,245	-
Due to Other Funds	-	-	303,182	303,182	-
Accrued Interest	55,192	27,519	3,403	86,114	-
Current Portion of Revenue Bonds	2,660,000	-	-	2,660,000	-
Current Portion of General Obligation Bonds	-	335,000	361,916	696,916	-
Current Portion of Notes Payable	-	1,000,000	-	1,000,000	-
Current Portion of Financing Leases	1,255,812	2,461,881	177,204	3,894,897	-
Total Current Liabilities	8,943,592	6,331,054	1,235,159	16,509,805	154,363

CITY OF EDINBURG, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
EXHIBIT 3-A

	Business-type Activities-Enterprise Funds				Governmental Activities - Internal Service Worker's Compensation
SEPTEMBER 30, 2022	Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Noncurrent Liabilities					
Compensated Absences	167,027	145,120	69,052	381,199	-
Revenue Bonds, Net of Unamortized Discounts and Premiums	35,951,708	-	-	35,951,708	-
General Obligation Bonds, Net of Unamortized Discounts and Premiums	-	9,449,714	595,973	10,045,687	-
Financing Leases Payable	6,583,651	11,294,330	864,989	18,742,970	-
Landfill Closure and Post Closure Costs Payable	-	5,596,531	-	5,596,531	-
Right-to-Use Lease Liabilities	39,919	-	70,555	110,474	-
Net Pension Liability	2,249,186	2,067,269	522,350	4,838,805	-
Net OPEB Obligation	3,045,272	2,742,665	783,419	6,571,356	-
Total Noncurrent Liabilities	48,036,763	31,295,629	2,906,338	82,238,730	-
Total Liabilities	56,980,355	37,626,683	4,141,497	98,748,535	154,363
Deferred Inflows of Resources					
Deferred Inflow Related to Landfill Closure Costs	-	5,975,547	-	5,975,547	-
Deferred Inflows Related to Pension	935,520	853,198	249,427	2,038,145	-
Deferred Inflows Related to OPEB Obligation	950,205	814,909	230,609	1,995,723	-
Deferred Inflows Related to Leases	20,439	-	57,375	77,814	-
Other Deferred Inflows	-	-	5,748	5,748	-
Total Deferred Inflows of Resources	1,906,164	7,643,654	543,159	10,092,977	-
Net Position					
Net Investment in Capital Assets and Lease Assets	80,011,248	36,222,265	12,414,491	128,648,004	-
Restricted for Debt Service	4,607,337	-	-	4,607,337	-
Unrestricted	(1,160,593)	(10,905,139)	(2,015,110)	(14,080,842)	485,760
Total Net Position	<u>\$ 83,457,992</u>	<u>\$ 25,317,126</u>	<u>\$ 10,399,381</u>	<u>\$ 119,174,499</u>	<u>\$ 485,760</u>

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION-PROPRIETARY FUNDS
EXHIBIT 3-B

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Worker's Compensation Fund
<i>FOR THE YEAR ENDED SEPTEMBER 30, 2022</i>	Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Operating Revenues:					
Water and Sewer Sales	\$ 19,984,323	\$ -	\$ -	\$ 19,984,323	\$ -
Garbage Collection and Disposal Charges	-	21,813,892	-	21,813,892	-
Fuel Flow Fees	-	-	1,577,307	1,577,307	-
Golf Course Fees and Memberships	-	-	1,396,884	1,396,884	-
Other Revenue	744,911	253,815	282,964	1,281,690	-
Total Operating Revenues	<u>20,729,234</u>	<u>22,067,707</u>	<u>3,257,155</u>	<u>46,054,096</u>	<u>-</u>
Operating Expenses:					
Salaries, Wages, and Employee Benefits	6,381,589	5,900,172	1,794,605	14,076,366	-
Supplies and Materials	2,999,277	2,569,584	248,743	5,817,604	-
Contractual and Other Services	3,041,493	2,545,131	453,882	6,040,506	-
Repairs and Maintenance	3,135,557	1,557,486	864,726	5,557,769	-
Other Operating Costs	1,915,193	2,801,666	1,494,793	6,211,652	844
Deprecation and Amortization	5,309,367	3,208,260	712,170	9,229,797	-
Total Operating Expenses	<u>22,782,476</u>	<u>18,582,299</u>	<u>5,568,919</u>	<u>46,933,694</u>	<u>844</u>
Operating Income (Loss)	<u>(2,053,242)</u>	<u>3,485,408</u>	<u>(2,311,764)</u>	<u>(879,598)</u>	<u>(844)</u>
Non-Operating Revenues (Expenses)					
Investment Earnings	139,576	137,009	208	276,793	-
Interest Expense	(1,086,190)	(524,405)	(64,144)	(1,674,739)	-
Intergovernmental Revenues	-	-	81,221	81,221	-
Other	38,860	1,948,507	-	1,987,367	150
Total Non-Operating Revenues (Expenses)	<u>(907,754)</u>	<u>1,561,111</u>	<u>17,285</u>	<u>670,642</u>	<u>150</u>
Income (Loss) Before Transfers	<u>(2,960,996)</u>	<u>5,046,519</u>	<u>(2,294,479)</u>	<u>(208,956)</u>	<u>(694)</u>
Transfers In (Out)					
Transfers In	-	-	2,089,705	2,089,705	-
Transfers Out	-	(7,089,705)	-	(7,089,705)	-
Total Transfers In (Out)	<u>-</u>	<u>(7,089,705)</u>	<u>2,089,705</u>	<u>(5,000,000)</u>	<u>-</u>
Change in Net Position	(2,960,996)	(2,043,186)	(204,774)	(5,208,956)	(694)
Net Position - Beginning of Year	85,968,150	27,805,126	10,605,061	124,378,337	486,454
Prior Period Adjustments	450,838	(444,814)	(906)	5,118	-
Net Position - End of Year	<u>\$ 83,457,992</u>	<u>\$ 25,317,126</u>	<u>\$ 10,399,381</u>	<u>119,174,499</u>	<u>\$ 485,760</u>

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
EXHIBIT 3-C

	Business-type Enterprise Funds				Governmental Activities- Internal Service Worker's Compensation Fund
	Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Enterprise Funds	Total	
FOR THE YEAR ENDED SEPTEMBER 30, 2022					
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 20,383,094	\$ 22,920,480	\$ 2,880,178	\$ 46,183,752	\$ -
Cash Received from Other Operating Receipts	3,536,545	1,620,877	1,284,172	6,441,594	132,861
Cash Payments to Employees for Services	(6,381,590)	(5,900,170)	(1,830,904)	(14,112,664)	-
Cash Payments for Other Operating Activities	(9,497,056)	(8,132,549)	(3,158,130)	(20,787,735)	-
Cash Payments to Other Funds	-	(250)	-	(250)	-
Cash Payments to Other Suppliers for Goods and Services	(3,364,644)	(4,020,926)	(352,279)	(7,737,849)	(65,704)
Net Cash Provided (Used) by Operating Activities	4,676,349	6,487,462	(1,176,963)	9,986,848	67,157
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating Grants	-	-	81,221	81,221	-
Transfers From Other Funds	-	575,800	2,089,705	2,665,505	-
Transfers To Other Funds	-	(7,665,505)	-	(7,665,505)	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	(7,089,705)	2,170,926	(4,918,779)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Paid on Long-Term Debt	(3,765,241)	(2,417,912)	(474,564)	(6,657,717)	-
Proceeds from Capital Debt	5,636,188	12,835,782	892,016	19,363,986	-
Interest Paid on Long-Term Debt	(1,377,846)	(533,248)	(65,090)	(1,976,184)	-
Other Capital Payments	(71,624)	(938,782)	(168,283)	(1,178,689)	-
Other Capital Receipts	10,101	2,519,774	-	2,529,875	-
Acquisition or Construction of Capital Assets	(6,402,571)	(11,124,517)	(414,804)	(17,941,892)	-
Net Cash Provided/(Used) by Capital and Related Financing Activities	(5,970,993)	341,097	(230,725)	(5,860,621)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest from Investments	139,576	137,009	208	276,793	-
Proceeds from Sales and Maturities of Investments	-	-	-	-	-
Rents Received	40,259	-	-	40,259	-
Other Receipts	-	-	-	-	150
Net Cash Provided/(Used) by Investing Activities	179,835	137,009	208	317,052	150
Net Increase/(Decrease) in Cash	(1,114,809)	(124,137)	763,446	(475,500)	67,307
Cash and Cash Equivalents at Beginning of Year	26,816,837	25,435,343	328,572	52,580,752	558,170
Cash and Cash Equivalents at End of Year	\$ 25,702,028	\$ 25,311,206	\$ 1,092,018	\$ 52,105,252	\$ 625,477

CITY OF EDINBURG, TEXAS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
EXHIBIT 3-C
(Continued)

	Business-type Enterprise Funds				Governmental Activities- Internal Service Worker's Compensation Fund
	Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Enterprise Funds	Total	
Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:					
Operating Income (Loss)	\$ (2,053,242)	\$ 3,485,408	\$ (2,311,764)	\$ (879,598)	\$ (844)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	5,309,367	3,208,260	712,170	9,229,797	-
Changes in Assets and Liabilities					
Decrease (Increase) in Accounts Receivable	372,932	1,074,505	(22,366)	1,425,071	31,411
Decrease (Increase) in Due From Other Funds		(250)	-	(250)	-
Decrease (Increase) in Due From Other Governments	18,930	18,803	-	37,733	-
Decrease (Increase) in Prepaid Items		-	(50,295)	(50,295)	-
Decrease (Increase) in Inventories	(365,367)	1,702	(11,351)	(375,016)	-
Decrease (Increase) in Deferred Outflows	(67,634)	(62,868)	(10,860)	(141,362)	-
Increase (Decrease) in Accounts Payable	841,682	(1,451,342)	68,985	(540,675)	(64,860)
Increase (Decrease) in Compensated Balances	112,384	92,657	34,209	239,250	-
Increase (Decrease) in Accrued Liabilities	560,089	252,644	68,672	881,405	101,450
Increase (Decrease) In Due To Other Funds	-	-	303,182	303,182	-
Increase (Decrease) in Unearned Revenue	-	-	(13,760)	(13,760)	-
Increase (Decrease) in Deposits	29,150	(7,553)	-	21,597	-
Increase (Decrease) in Deferred Inflows	1,255,238	1,033,341	394,246	2,682,825	-
Increase (Decrease) in Pensions	(1,337,180)	(1,157,845)	(338,031)	(2,833,056)	-
Total Adjustments	6,729,591	3,002,054	1,134,801	10,866,446	68,001
Net Cash Provided (Used) by Operating Activities	\$ 4,676,349	\$ 6,487,462	\$ (1,176,963)	\$ 9,986,848	\$ 67,157

CITY OF EDINBURG, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
EXHIBIT 4-A

<u>SEPTEMBER 30, 2022</u>	<u>Developer's Escrow Fund</u>	<u>Custodial Funds</u>
Assets		
Cash and Cash Equivalents	\$ 7,933,146	\$ 7,933,146
Total Assets	<u>7,933,146</u>	<u>7,933,146</u>
Liabilities		
Accounts Payable	165,239	165,239
Total Liabilities	<u>165,239</u>	<u>165,239</u>
Fund Balances		
Restricted For:		
Developers Escrow Deposits	7,767,907	7,767,907
Total Fund Balances	<u>7,767,907</u>	<u>7,767,907</u>
Total Liabilities and Fund Balances	<u><u>\$ 7,933,146</u></u>	<u><u>\$ 7,933,146</u></u>

See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS
STATEMENT OF NET CHANGES CHANGES
FIDUCIARY FUNDS
EXHIBIT 4-B

<i>FOR THE YEAR ENDED SEPTEMBER 30, 2022</i>	Developer's Escrow Fund	Custodial Funds
Additions		
Developer Deposits	\$ 5,327,941	\$ 5,327,941
Other	12,034	12,034
Total Additions	<u>5,339,975</u>	<u>5,339,975</u>
Deductions		
Material Testing Fees	688,611	688,611
Release of Developer Escrow Deposits	3,905,698	3,905,698
Other	31,109	31,109
Total Deductions	<u>4,625,418</u>	<u>4,625,418</u>
Net Change	<u>714,557</u>	<u>714,557</u>
Fund Balance - Beginning of Year	7,053,350	7,053,350
Fund Balance	<u><u>\$ 7,767,907</u></u>	<u><u>\$ 7,767,907</u></u>

See Accompanying Notes to the Financial Statements.

Notes to the Financial Statements

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Edinburg, Texas, have been prepared in conformity with generally accepted accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles.

As a local government, the City is not subject to federal income taxes under Internal Revenue Code Section 115. Furthermore, it is not subject to state sales tax.

Reporting Entity

The City of Edinburg, Texas, was incorporated on September 19, 1919 under the Constitution of the State of Texas. The City operates under the 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, health and welfare, culture and recreation, conservation and development, general government services, solid waste, utilities (water and sewer), an international airport, and improvements.

Component Units

Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize their legal separateness from the City. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Therefore, blended component units are appropriately presented as funds of the primary government.

Discretely Presented Component Units

The Edinburg Economic Development Corporation (EEDC) was organized on behalf of the City of Edinburg for the specific public purpose of the promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and the public welfare. It was incorporated on April 23, 1990 and is considered a 501 (c) (4) corporation by the Internal Revenue Service.

A five-member board of directors, each of which is appointed by the City Council, governs the EEDC. Any director may be removed from office by the City Council for cause or at will. Exercise of all powers to affect the purposes of the corporation is subject at all times to the control of the Edinburg City Council. In addition, the City must approve amendments to EEDC's Bylaws and Articles of Incorporation. The City has financial accountability because the voting majority of the board members are nominated by the City Council and a financial benefit/burden exists, allowing the City to impose its will. EEDC is presented as a governmental fund type and has a September 30 year-end.

Complete financial statements for this component unit may be obtained at its administrative office at:

Edinburg Economic Development Corporation
3111 W. Freddy Gonzalez Dr.
Edinburg, Texas 78539

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Boys' and Girls' Club of Edinburg, Inc. (a non-profit corporation), also referred as the Boys and Girls Club, is a member of the national Boys' and Girls' Clubs of America and was organized by the City of Edinburg for the specific public purpose of improved services to the community, which are to inspire and enable all young people, especially those from disadvantaged circumstances, to realize their full potential as productive, responsible and caring citizens. It is a 501 (c) (3) nonprofit corporation. The Boys' and Girls' Club of Edinburg, Inc. is governed by an eight-member board of directors, one of which is appointed by the City Council. The Boys' and Girls' Club of Edinburg, Inc.'s primary source of funds are contributions from the general public, grants, and assistance from the City of Edinburg. The City of Edinburg also performs certain administrative functions such as payroll and accounts payable processing. There is a fiscal dependency on the City, and there is the potential that exclusion would result in misleading financial reporting. The Boys' and Girls' Club of Edinburg, Inc. is presented as discretely presented component unit type and has a September 30 year-end.

The Boys' and Girls' Club of Edinburg, Inc. does not issue separate financial statements.

Blended Component Unit

City of Edinburg, Texas Local Government Finance Corporation (LGFC) was created on January 16, 2007 by the City of Edinburg, Texas, to assist with financing and constructing economic development projects within the City and manage tax increment reinvestment zones. The LGFC is a nonprofit local government corporation established in accordance with the provisions of Subchapter D of Chapter 431, Texas Transportation Code, as amended. Its primary source of revenues are tax increments paid to it from reinvestment zones within the City to discharge debt obligations incurred in connection with economic development projects.

The LGFC is governed by a five-member board of directors all of whom are members of the Edinburg City Council. Terms of office run concurrently with the respective terms of office on the City Council. The City can impose its will on the LGFC and a financial benefit/burden exists. Because the LGFC's governing body is substantially the same as the governing body of the City, it is presented as a blended component unit in the financial statements. The LGFC does not issue separate financial statements.

Tax Increment Reinvestment Zones

Reinvestment Zone Number One, City of Edinburg, Texas (TIRZ # 1) established in 2007, is a reinvestment zone created by the City of Edinburg pursuant to the Tax Increment Financing Act, Chapter 311, Texas Tax Code. Creation of the tax increment zone along with an economic development agreement between the City of Edinburg, Hidalgo County, The Edinburg Economic Development Corporation, the City of Edinburg Local Government Finance Corporation, and the developer, allowed for property tax increment funding to support development activities relating to development of a retail shopping center containing approximately 800,000 square feet in multiple buildings.

TIRZ#1 has been combined with TIRZ # 4 (described below) and all revenues are now being used to pay obligations issued to fund the construction of a municipal facility. At the expiration of the term of the tax increment zone, any remaining tax increment revenues will be distributed into the general fund of the City in proportion to its contributions to the zone for the tax year most recently ended.

TIRZ#1 has a board of directors composed of six members, with one of the members appointed by Hidalgo County and the remaining five members appointed by the City Council of the City. Each board member serves a two-year term. The zone is managed by the LGFC, which is presented as a blended component unit of the City.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Reinvestment Zone Number Three, City of Edinburg, Texas (TIRZ #3) is a reinvestment zone created by the City of Edinburg pursuant to the Tax Increment Financing Act, Chapter 311, Texas Tax Code. The zone was created on November 18, 2008. Creation of the tax increment zone along with an economic development agreement between the City of Edinburg, Hidalgo County, LGFC, and the developer, allows for property tax increment funding to TIRZ # 3 to support qualifying development activities related to 704 acres of land located in the northeast quadrant of the city. The developer will be responsible for the development and construction of the project at their cost and expense. In exchange, taxes generated in TIRZ # 3 will reimburse the developer for all, or a portion of reimbursable public infrastructure costs as defined in the agreement. Tax increment revenues are transferred to LGFC for the purpose of discharging obligations under the development agreement. Other than the City of Edinburg and Hidalgo County, no other taxing jurisdictions are participating in TIRZ # 3. The zone will terminate upon the earlier of (i) the date on which the reimbursement commitments or tax increment bonds have been fully paid or defeased in accordance with the terms of the development agreement or (ii) 30 years (December 31, 2037) from the effective date of the ordinance creating the zone. At the expiration of the term of the tax increment zone, any remaining tax increment revenues will be distributed into the general fund of the City in proportion to its contributions to the zone for the tax year most recently ended.

TIRZ#3 has a board of directors composed of five members, with one of the members appointed by Hidalgo County and the remaining four members appointed by the City Council of the City. Each board member serves a two-year term. The zone is managed by LGFC, which is presented as a blended component unit of the City.

Reinvestment Zone Number Four, City of Edinburg, Texas (TIRZ #4) is a reinvestment zone created by the City of Edinburg pursuant to the Tax Increment Financing Act, Chapter 311, Texas Tax Code. The zone was created on November 19, 2013. Creation of the tax increment zone allows for property tax increment funding to TIRZ #4 to support financing of costs associated with the construction of public improvements related to several development and redevelopment projects, including the construction of a municipal facility. On March 1, 2015 an agreement was entered into between the City, the LGFC, TIRZ # 1, TIRZ #4, and the EEDC. Under the terms of the agreement, the LGFC will aid in the financing, constructing, furnishing, and owning of an indoor multipurpose event center. The LGFC will be the landlord and lease the municipal facility as further described in the lease and development agreement. In connection with this agreement, the LGFC issued bonds to finance the construction. Under the terms of the agreement, the developer was responsible for half of the construction costs of the municipal facility and any cost overruns. Other than the City of Edinburg and Hidalgo County, no other taxing jurisdictions are participating in TIRZ # 4.

The zone will terminate on December 31, 2045, unless otherwise terminated earlier as a result of payment in full of all project costs or tax increment bonds, if issued.

TIRZ#4 has a board of directors composed of six members, with one of the members appointed by Hidalgo County and the remaining four members appointed by the City Council of the City. Each board member serves a two-year term. The zone is managed by LGFC, which is presented as a blended component unit of the City.

**City of Edinburg
Notes to the Financial Statements
September 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements

The Governmental Accounting Standards Board issued the following pronouncements, which are relevant to the City and became effective this fiscal year and have been implemented:

GASB Statement No. 87, Leases

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Additional information about the changes to the financial statements related to the implementation of this Statement can be found in Note 10. The requirements of this statement were effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

In June 2020, the GASB issued GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Governmental Accounting Standards Board has issued the following pronouncements, which are relevant to the City and will become effective in future years:

GASB Statement No. 96, Subscription-Based Information Technology Arrangements

In May 2020, the GASB issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. GASB 96 will be implemented in the City's fiscal year 2023 financial statements and the impact has not yet been determined.

GASB Statement No. 100, Accounting Changes and Error Corrections

GASB Statement No. 100, Accounting Changes and Error Corrections, establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, Compensated Absences

GASB Statement No. 101, Compensated Absences' objective is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The more significant accounting policies of the City are described below and on the following pages.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government-wide and fund financial statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds and component units are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, similar to accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

Proprietary funds are accounted for on a cost of services or “economic resources” measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included in their statements of net position. The City reports fiduciary fund types, in which the City accounts for assets received and held by the City in the capacity of trustee or custodian. Expenditures are made only in accordance with the purpose for which the assets are received and cannot be used to support the City’s programs.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

The City issued revenue bonds to finance water and sewer system improvements. Both the water and sewer departments are accounted for in a single fund. Investors in the revenue bonds rely solely on the revenue generated by these activities for repayment. Financial information for the Water and Sewer Fund is included in Exhibits 3-A through 3-E.

Noncurrent portions of certain long-term receivables, such as property taxes, are reported on the balance sheets of governmental funds in spite of their measurement focus. Special reporting treatments are used to indicate that they should not be considered available spendable resources, since they do not represent net current assets. Recognition of governmental fund revenues represented by noncurrent receivables is deferred until they become current receivables and reported as a deferred inflow.

Those revenues susceptible to accrual are property taxes, franchise taxes, interest revenue of the current fiscal period and certain charges for services. Sales taxes collected and held by the intermediary collecting governments at year-end on behalf of the City are also recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Capital Projects Fund* is used to account for the acquisition and construction of the City's major capital facilities and infrastructure improvements, other than those financed by proprietary funds.
- The *Grant Fund* is used to account for federal, state and local awarded funds towards operations and infrastructure improvements in the City not accounted for in the General Fund.

The government reports the following major enterprise funds:

- The *Water and Sewer Fund* is used to account for water and sewer service revenue and expenses.
- The *Solid Waste Management Fund* is used to account for solid waste collections and landfill service revenues and expenses.

Additionally, the government reports the following fund types:

- *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than debt service or major capital projects) that are legally restricted to expenditures for specified purposes.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- *Internal Service Fund.* The City was formerly self-insured with respect to worker's compensation and uses an internal service fund to account for the contributions from funds and payments of expenses related to claims made under the worker's compensation program. Internal service funds are used to account for the financing of goods and services provided by an activity to other departments, funds or component units of the City on a cost-reimbursement basis. The fund currently accounts for remaining run-out claims from previous periods. Because the principal users of the internal services were the City's governmental activities, the financial statements of the internal service fund are consolidated into the governmental column when presented in the government-wide financial statements.
- *Fiduciary Fund.* A *custodial fund*, the Developer's Escrow Fund, is used to report developer's deposits held in a custodial capacity (assets equal liabilities plus net position).

As a general rule, the effect of interfund 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 government's water and sewer and solid waste management functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses 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.

Both the government-wide and proprietary fund financial statements apply all applicable GASB pronouncements.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Money market investments which are short-term, highly liquid debt instruments including commercial paper, banker's acceptances and U.S. Treasury and agency obligations that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Investments in entities (such as investment pools) that calculate net asset value per share and follow the requirements of GASB Statement No. 79 are also reported at amortized cost. All other investments are reported at fair value. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value.

The City can legally invest in adequately secured investments in accordance with the Public Funds Investment Act. The City may also participate in any public funds investment pool created under the Interlocal Corporation Act. In general, this policy allows the City to invest in certificates of deposit, repurchase agreements, obligations of the U.S. Government and its agencies or instrumentalities, and state obligations.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

The Edinburg Economic Development Corporation is authorized to invest in certificates of deposit, obligations of the U.S. Government and its agencies or instrumentalities, and state obligations.

The Boys' and Girls' Club of Edinburg, Inc.'s bank accounts are managed by the City and the City's investment policies are followed, with the exception of the endowment fund, which is managed separately by the Boys' and Girls' Club of Edinburg, Inc. The endowment fund of the Boys' and Girls' Club of Edinburg, Inc. is not subject to and does not invest its funds in accordance with the Public Funds Investment Act. The City of Edinburg has no control over the endowment fund or the investment decisions made.

The Boys' and Girls' Club of Edinburg, Inc.'s endowment investments are carried at fair value as defined in GASB Statement No. 72. The City categorizes its fair value measurements within the fair value hierarchy. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Short-Term Interfund Receivables and Payables/Internal Balances

Short-term lending/borrowing between funds that result in amounts outstanding at the end of the fiscal year are referred to as "due to/from other funds". "Due to/from other funds" represent the current portion of interfund loans. With respect to the government-wide financial statements, any residual balances outstanding between the governmental activities and business-type activities are reported as "internal balances."

Advances between funds, reported in the fund financial statements, are classified as non-spendable fund balance in governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Receivables and Payables

All trade receivables are shown net of an allowance for uncollectible accounts, as applicable. Included in accounts receivable of the City's Water and Sewer enterprise fund is an estimated amount for services rendered, but not billed as of the close of the year. The receivables are estimated by prorating subsequent cycle billings.

Property taxes are levied, by October 1, on the assessed value listed as of the prior January 1 for all real and business personal property in the City. Assessed values are an approximation of market values.

Taxes are due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. No discounts are offered. Tax liens attach on January 1 each year. The tax lien is part of a lawsuit for property that can be filed any time after taxes become delinquent. Generally, suits are filed on property after July 1. Collection costs of 15% may be added to all delinquent accounts. Current tax collections for the year ended September 30, 2022, were 97.88% of the tax levy.

Property taxes at the fund level are recorded as receivables and deferred inflows at the time the taxes are levied. Revenues are recognized as the property taxes are collected including those collected 60 days after the end of the year.

Taxes are prorated between general and debt service funds based on rates adopted for the year of the levy. For the year ended September 30, 2022, property tax rates were \$.5447 and \$.1353 for the general fund and the debt service fund, respectively, per \$100 of assessed value.

Accrued liabilities include amounts accrued for salaries and other payroll-related items.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Inventories

Inventories of governmental funds, consisting of fuel and office supplies, are valued at cost on the first-in, first-out basis. Inventories of proprietary funds, consisting of fuel and parts and supplies, are valued at cost on the first-in, first-out basis. Merchandise inventories are valued at lower of cost or market on the first-in, first-out basis. Inventories are recorded under the consumption method. Under this method, the expenditure is initially recorded as an asset and subsequently expensed upon usage.

Prepaid Items

Prepaid items consist of payments to vendors for costs applicable to future accounting periods. Prepaid items are recorded under the consumption method. Under this method, the expenditure is initially recorded as an asset and subsequently expensed over the periods service is provided.

Restricted Assets

Certain assets of the City are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

The water and sewer 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 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 and costs associated with projects associated with the bonds.

In connection with an economic development agreement, the blended component unit, City of Edinburg Local Government Finance Corporation, is required to keep cash with a fiscal agent under a trust agreement. The cash is disbursed by the trustee in relation to construction costs and debt service requirements.

Developer's deposit accounts that are to be refunded upon satisfaction of all obligations due.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks and similar items), and right-to-use-leases are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are reported at acquisition value. During the year ending September 30, 2022, there were no donated capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset life are not capitalized.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gains or losses on dispositions of capital assets are included in income within the proprietary fund financial statements and in the governmental activities and business-type activities columns of the government-wide financial statements. In the governmental fund financial statements only the proceeds from the disposition are reported.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest expense on debt issuances is not capitalized on capital assets of during construction.

Depreciation of capital assets used by proprietary funds, including those acquired by contributed capital, is charged as an expense against their operations in the fund financial statements as well as the government-wide financial statements. Depreciation of general capital assets used by funds categorized as governmental activities is not provided in the fund financial statements; however, it is included in the gross expense by function in the government-wide Statement of Activities. Capital assets, net of accumulated depreciation, are reported on proprietary fund balance sheets and in both the governmental activities and business-type activities columns of the government-wide Statement of Net Position.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Assets	Useful Lives
Buildings and Improvements	10-50 years
Water and Sewer Systems	20-50 years
Infrastructure	15-40 years
Machinery and Equipment	3-10 years

Compensated Absences

It is the City's policy to permit employees to accumulate earned, but unused vacation and sick pay benefits. The City accrues a liability for sick leave using the vesting method. Vacation leave is accrued as a liability as the benefits are earned by employees when both the employees' rights are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits.

To the extent that the City's obligation is attributable to employees' services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means, vacation benefits are accrued as liabilities (on a government-wide basis) as employees earn the benefits. On a fund financial statement basis for the governmental funds, only matured liabilities and liabilities expected to be liquidated with current assets are accrued. Sick leave benefits are accrued as a liability as employees earn the benefits, but only to the extent that it is probable the City will compensate the employees through cash payments conditioned on the employees' termination or retirement.

Compensated absences directly related to and expected to be paid from proprietary funds are recorded as an expense and liability of those funds as the benefits accrue to employees. A compensated absence is liquidated in the fund where the employee's salary was paid. All compensated absences liquidated in the general fund are associated with employees' salaries paid from governmental funds.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations

In government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental/business – type activities or the specific proprietary fund to which each relates, as applicable. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses in the period incurred, with the exception of portions related to bond insurance, which are classified as prepaid expenses and amortized to expense over the term of the policy. Losses or gains resulting from advance refunding of debt are deferred and amortized over the shorter of the life of the new debt or the original life of the defeased debt and are reported as a deferred outflow or inflow of resources. Amortized amounts are reported as a component of interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as an “other financing source.” Premiums received and discounts on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the period incurred.

Other Postemployment Benefits (OPEB)

The City provides certain health care benefits for its retired employees and their families. Please see Note 12 for additional details. At September 30, 2022, the City’s total OPEB liability for these retiree benefits was approximately \$25.7 million. The City funds the costs of these benefits on a pay-as-you-go basis.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s two pension plans and additions to/deductions from each plan’s fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability, pension expenses, and long-term deferrals are allocated to funds based on actual contributions by fund during the corresponding measurement period with the exception of the internal service funds, which are presented in governmental activities in the government-wide statements (see Note 12).

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- *Deferred charges on debt refundings* – A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- *Pension and OPEB contributions after measurement date* – These contributions are deferred and recognized in the following fiscal year.
- *Difference in projected and actual earnings on pension and OPEB assets* – This difference is deferred and amortized over a closed five-year period.
- *Deferred landfill closure and post closure care costs* – These deferred expenses are due to a change in estimate and expansion of cubic yards permitted for the landfill. This difference is deferred and amortized over the remainder of the expected life of the landfill.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has the following items that qualify for reporting in this category:

- *Changes in actuarial assumptions or other inputs and differences between expected or actual experience* – These are amortized over the weighted average remaining service lives of all participants determined as of the measurement date.
- *Receivables for property taxes and other long-term receivables* – These are recognized as revenue at the fund level when considered to be measurable and available.
- *Deferred landfill closure and post closure care costs gain* – This deferred gain is due to a change in estimate and expansion of cubic yards permitted for the landfill. This difference is deferred and amortized over the remainder of the expected life of the landfill.

Fund Balance Flow Assumptions

The City will periodically fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City's policy is to first apply the expenditure toward restricted resources and then toward unrestricted resources. In governmental funds, the City's policy is to first apply the expenditure toward restricted fund and then to other, less restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The following is a summary of the different fund balance categories:

- *Restricted*: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- *Committed*: includes amounts that can be used only for the specific purpose determined by a formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by an adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken such as the adoption of another ordinance to remove or revise the limitation.
- *Assigned*: includes amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be committed. The City Council has not passed any resolution or measure designating a specific individual to assign fund balance. Unlike commitments, assignments generally only exist temporarily. An additional action does not normally have to be taken for the removal of an assignment.
- *Unassigned*: fund balance of the general fund that is not constrained for any particular purpose. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a *positive* unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, a negative unassigned fund balance is reported in that fund.
- *Non-spendable*: fund balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**City of Edinburg
Notes to the Financial Statements
September 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Rounding Adjustments

Throughout this annual comprehensive financial report, dollar amounts are rounded, thereby creating differences between the details and the totals.

Leases

Leases are defined by the general government as the right to use an underlying asset. The City is a lessor for several leases of property.

As lessor, the City recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The City follows these procedures in establishing budgetary data:

- Prior to August 15 of each year, the City Manager is required to submit to the City Council a proposed budget for the fiscal year beginning on October 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to October 1, the budget is legally enacted by the City Council through passage of an ordinance.
- The City Manager is authorized to transfer budgeted amounts between accounts within any budgetary category of a department; however, any revisions that alter the total expenditures of any department must be approved by the City Council. Budgeted amounts include transfers and revisions to the original appropriations ordinance.
- Annual appropriated budgets are adopted for the general fund, the debt service fund, and the Boys' and Girls' Club of Edinburg, Inc., a component unit. These budgets are adopted on a basis consistent with generally accepted accounting principles. The budgetary comparison schedule reflected in Exhibit 5-A is for the general fund and includes the original and final amended budget. Budgets for the special revenue funds are adopted based on the grant term or other periods and the budget for the capital projects fund is adopted over the multiple-year term of projects. Budgets for enterprise funds are maintained for internal use only.
- Annual budgeted expenditures are adopted at the fund level and itemized in three formats: departmental, type and function/program. Accordingly, the level at which expenditures cannot legally exceed appropriations is the fund level. Supplementary appropriations were made one time during the year.
- Appropriations for annually budgeted funds lapse at year-end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds.

NOTE 3 – DEPOSITS AND INVESTMENTS

Primary Government

Deposits – State statutes require that all deposits in financial institutions be fully collateralized by direct obligations of the U.S. Government or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. The City's deposits were fully insured and collateralized as required by the state statutes at September 30, 2022.

At year-end, the City's deposits with financial institutions balance was \$169,547,697 and the carrying balance was \$171,561,740. The Federal Depositary Insurance Corporation (FDIC) covers \$250,000 for demand deposits bank balances. Balances at the bank in excess of federal insurance limits were covered with collateral. The bank collateral is held by Texas National Bank in the City's name under a joint safekeeping arrangement with the City's depository bank. The City had cash on hand of \$13,074.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments – State statutes, City bond ordinances and City resolutions authorize the City's investments. The City is authorized to invest in the following: obligations of the United States or its agencies and instrumentalities (except for mortgage pass-through securities); fully insured or collateralized certificates of deposit issued by a state or national bank, a savings bank, or a state or federal credit union domiciled in this state which is guaranteed or insured by the Federal Deposit Insurance Corporation; fully collateralized repurchase agreements having a defined termination date; investment pools with a weighted average of 90 days or less; no load money market mutual funds registered with and regulated by the Securities and Exchange Commission, which have a dollar weighted average portfolio maturity of 90 days or less; and other such securities or obligations as approved by the City Council upon the recommendation of the investment committee.

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"). Chapter 2256 of the Texas Government Code, in addition to other provisions of the Act designed to promote liquidity and safety of principal, requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The City's investments, which are in an external investment pool, as of September 30, 2022, are:

Investments	Amortized Cost	Weighted Average Maturity (Days)	Standard & Poor's Rating
Public Fund Investment Pools			
TexPool	\$ 135,063,484	24	AAAM

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool, the Texas Local Government Investment Pool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both persons who do not have a business relationship with TexPool and participants in TexPool.

As of September 30, 2022, all of the City's external investment pools meet the criteria described in GASB Statement No. 79 and measure all of their investments at amortized cost; therefore, the City has also measured their investments in these external investment pools at amortized cost for financial reporting purposes. In addition, the pools do not have any limitations or restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity or redemption gates.

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the amortized value of an investment. Per the City's investment policy, investments, with the exception of those in the debt service fund, cannot have maturities that exceed two years. For operating funds, such as the general fund and enterprise funds, maturities shall not exceed one year.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 3 – DEPOSITS AND INVESTMENTS (*Continued*)

Credit Risk

In compliance with the City's investment policy, as of September 30, 2022, the City minimized credit risk losses due to default of a security issuer or backer by:

- Limiting investments to the safest type of securities.
- All of the City's investments were in a public funds investment pool with a rating of AAAm by Standard & Poor's.
- Reviewing the credit-worthiness and other information of financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business.
- Diversifying the investment portfolio and maintaining an active as opposed to passive portfolio management philosophy.

Concentration of Credit Risk

The City's investment policy calls for the investment committee to establish strategies and guidelines for the percentage of the total portfolio that may be invested in securities other than repurchase agreements, U.S. Government or Agency obligations, or insured and collateralized certificates of deposit. As of September 30, 2022, the City has investments only in a public funds investment pool.

Custodial Credit Risk

Custodial credit risk for investments is the risk that in the event of a failure of the counterparty, the City of Edinburg will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are not registered in the name of the City, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name. As of September 30, 2022, none of the City's investments were subject to custodial credit risk.

Foreign Currency Risk for Investments

The City limits the risk that changes in exchanges rates will adversely affect the fair value of an investment. As of September 30, 2022, none of the City's investments were subject to foreign credit risk.

Edinburg Economic Development Corporation, Component Unit

Deposits and investments for the Edinburg Economic Development Corporation (EEDC) are held separately from City funds.

Deposits - At September 30, 2022, the carrying amount for the EEDC was \$29,748,995 and the bank balance was \$29,882,833. At September 30, 2022, EEDC's deposits were entirely covered by federal deposit insurance or were secured by collateral held by the pledging financial institution's agent in the EEDC's name pursuant to the depository agreement.

Please refer to the descriptions of credit risk, interest rate risk, concentration of credit risk, and custodial credit risk above relating to the primary government. The EEDC follows the same policies relating to investments.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Boys and Girls Club of Edinburg, Inc., Component Unit

Deposits - At September 30, 2022, the carrying amount for the Boys and Girls Club of Edinburg, Inc., was \$2,600,355 and the bank balance was \$2,600,355. The depository contract of the City covers these deposits. The Boys' and Girls' Club of Edinburg, Inc. had cash on hand of \$250.

Investments - Effective May 3, 2014, the Boys and Girls Club elected to no longer be under the City's investment policy with respect to their endowment fund in favor of a more aggressive investment approach. At September 30, 2022, \$794,072 of total investments were invested in a Money Market account which was uncollateralized.

At September 30, 2022, the Boys and Girls Club endowment fund had investments in the following:

Investment Type	Fair Value (Level 1)
Mutual funds	\$ 205,003
Corporate debt	127,259
Money market	1,205,269
Total	\$ 1,537,531

In addition to the amounts invested above, the Boys and Girls Club has \$10,000 of cash and cash equivalents restricted for the endowment. These are classified as part of the endowment balance at September 30, 2022, which totals \$1,537,531.

Credit Risk

The investment policy of the Boys and Girls Club provides that fixed income investments will be selected based on credit ratings, as well as other factors. Only corporate debt (including preferred stock) that is investment grade or better may be purchased for the endowment fund. Credit ratings of debt securities held at September 30, 2022 are as follows:

Debt Security	Rating	Maturity
National Rural Utils Coop 3%	A (S&P)	5/15/2023
Vodafone Group 2.95%	Baa2 (Moody's)	2/19/2023
Wells Fargo 3.45%	BBB+ (S&P)	2/13/2023
Xilink Inc 2.95%	A- (S&P)	6/1/2024

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Concentration of Credit Risk

Policies of the Boys and Girls Club investment policy provide for diversification of assets in an effort to maximize the investment return and manage the risk of the investment portfolio consistent with market conditions. The Board of Directors of the Club has established asset allocation minimum and maximum ranges for asset categories. At September 30, 2022, the Boys and Girls Club had holdings of 5% or more in the following issuers:

Issuer	Type	Percentage of Portfolio
Emerson Electric 3.15%	Corporate Debt	6.95%
Goldman Sachs 3.40%	Corporate Debt	7.00%
National Rural Utils Coop 3%	Corporate Debt	5.74%
Wells Fargo 3.45%	Corporate Debt	5.75%
Xilinx Inc 2.95%	Corporate Debt	5.62%
Vodafone Group 2.95%	Corporate Debt	5.74%

Interest Rate Risk

Short-term investments are to be properly laddered to match the present income needs of the Boys and Girls Club. No other policies address interest rate risk of the Club. Maturities of the Boys and Girls Club's debt securities are listed in the table above.

Custodial Credit Risk

The custodial credit risk for investments is the risk that in the event of a failure of the counterparty, the Boys and Girls Club of Edinburg will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Investment securities are exposed to custodial risk if the securities are not registered in the name of the Boys and Girls Club, and are held by either the counterparty or the counterparty's trust department or agent but not in the Boys and Girls Club's name. As of September 30, 2022 none of the Club's investments were subject to custodial credit risk.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Reconciliation

A reconciliation of cash and cash equivalents as shown on the Statement of Net Position is as follows:

		Component Units	
		Boys and Girls	
	Primary	Club of	
	Government	Edinburg, Inc.	E.E.D.C.
Cash on hand	\$ 13,074	\$ 250	\$ -
Carrying amounts of deposits	36,498,256	2,600,355	29,748,995
TexPool	135,063,484	-	-
Cash and Cash Equivalents	\$ 171,574,814	\$ 2,600,605	\$ 29,748,995
Cash and cash equivalents	\$ 109,765,648	\$ 2,590,605	\$ 10,380,222
Cash and cash equivalents - restricted	61,809,166	10,000	19,368,773
Cash and Cash Equivalents Statement of Net Position	\$ 171,574,814	\$ 2,600,605	\$ 29,748,995

NOTE 4 – RECEIVABLES

Primary Government

Receivables at fiscal year-end for the government's individual major funds, and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Grant	Capital	Water and	Solid Waste	Nonmajor	Nonmajor	Internal	
	Fund	Fund	Projects	Sewer	Management	Governmental	Enterprise	Service	Total
Receivables									
Property Taxes	\$ 2,250,188	\$ -	\$ -	\$ -	\$ -	\$ 486,263	\$ -	\$ -	\$ 2,736,451
Sales Taxes	5,877,738	-	-	-	-	-	-	-	5,877,738
Other Taxes	15,959	-	-	-	-	-	-	-	15,959
Accounts	1,241,337	-	-	3,084,735	4,145,970	62,420	65,921	14,646	8,615,029
Loans	-	-	-	-	-	1,323,774	-	-	1,323,774
Leases	4,467	-	-	20,460	-	29,748	57,435	-	112,110
Intergovernmental	-	3,783,092	170,198	14,855	19,750	1,344,061	-	-	5,331,956
Gross receivables	9,389,689	3,783,092	170,198	3,120,050	4,165,720	3,246,266	123,356	14,646	24,013,017
Less: Allowance									
for uncollectible-taxes	(427,715)	-	-	-	-	(109,300)	-	-	(537,015)
Less: Allowance									
for uncollectible-accounts	(455,117)	-	-	(126,660)	(941,011)	-	-	-	(1,522,788)
Net Total Receivables	\$ 8,506,857	\$ 3,783,092	\$ 170,198	\$ 2,993,390	\$ 3,224,709	\$ 3,136,966	\$ 123,356	\$ 14,646	\$ 21,953,214

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 4 – RECEIVABLES (Continued)

Water and Sewer Fund and Solid Waste Management Fund receivables are reported net of uncollectible amounts. Total uncollectible amounts related to receivables of the current period are as follows:

Uncollectible related to water sales and sewer charges	\$ 110,084
Uncollectible related to landfill and garbage charges	732,411
Total Uncollectible Amounts Related to Receivables	\$ 842,495

Loans receivable of \$1,323,774 in the nonmajor special revenue funds are loans made to low-income families for the purpose of construction or rehabilitation of homes. Management believes that these loans are fully collectible. However, a portion of these loans are not expected to be collected within a year.

Component Units

At September 30, 2022, the Edinburg Economic Development Corporation made certain loans to various entities to promote economic development in the City. At September 30, 2022, the Corporation had outstanding industrial development loans other net receivables totaling \$13,367,204.

The notes receivable (Santana Textiles) net account is comprised of two (2) notes from Santana Textiles, LLC. The first note originated on April 16, 2010, in the amount of \$5,000,000. The second note originated on August 30, 2011, in the amount of \$10,000,000. Listed below are dates in which the EEDC and Santana Textiles, LLC agreed to reinstatement, modify, renew, and extend the Note Receivable agreement. Under the most recent modification, December 17, 2017, the terms and amounts agreed for September 30, 2022, were as follows:

The \$5,000,000 note receivable from Santana Textiles, LLC has payments of \$23,167 monthly, including principal and interest (4.25%) beginning November 21, 2017. The current agreement with Santana Textiles, LLC expired on October 21, 2022. The EEDC is negotiating an extension.

The \$10,000,000 note receivable from Santana Textiles, LLC has payments of \$52,658 monthly, including principal and interest (4.25%) beginning November 21, 2017, and ending upon maturity on October 21, 2022. The current agreement with Santana Textiles, LLC expired on October 21, 2022. The EEDC is negotiating an extension.

Santana Textile has ceased operations and is in default of loan payments and interest and is currently under an agreement to cover delinquent property taxes with Hidalgo County. EEDC is secondary lien holder on Loan until a compliance date of April 24, 2022. Management of EEDC feels that a satisfactory agreement will be placed on the extended agreement to satisfy the pending receivable either by contracting with other companies to take over the project or through asset liquidation.

The combined balance of the notes receivable is \$13,640,004. An allowance for uncollectible has been setup at 2% of the note receivable balance. An additional allowance for uncollectible has been set up for the accrued interest and late fees. The total allowance for uncollectible balance is \$3,221,876 which brings the notes receivable, net balance to \$13,364,204. A Cross-Collateralization and Cross-Default and Security Agreement was executed on August 30, 2011 and recorded in the Office of the County Clerk of Hidalgo County, Texas as Document No. 2237059 for both Notes.

**City of Edinburg
Notes to the Financial Statements
September 30, 2022**

NOTE 4 – RECEIVABLES (Continued)

Leases Receivable

For the year ended September 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On October 1, 2021, the City entered into a 48-month lease as Lessor for the use of Fire Department Station No. 3. An initial lease receivable was recorded in the amount of \$5,944. As of September 30, 2022, the value of the lease receivable is \$4,467. The lessee is required to make monthly fixed payments of \$125. The lease has an interest rate of 0.4753%. The value of the deferred inflow of resources as of September 30, 2022 was \$4,458, and the City recognized lease revenue of \$1,486 during the fiscal year. The lessee had a termination period of 1 month as of the lease commencement.

On October 1, 2021, the City entered into a 42-month lease as Lessor for the use of Youth Sports Facility - Pad Site. An initial lease receivable was recorded in the amount of \$20,825. As of September 30, 2022, the value of the lease receivable is \$14,908. The lessee is required to make monthly fixed payments of \$500. The lease has an interest rate of 0.4753%. The value of the deferred inflow of resources as of September 30, 2022 was \$14,972, and the City recognized lease revenue of \$5,852 during the fiscal year.

On October 1, 2021, the City entered into a 42-month lease as Lessor for the use of Youth Sports Facility - Concession Area. An initial lease receivable was recorded in the amount of \$14,840. As of September 30, 2022, the value of the lease receivable is \$14,840. The lessee is required to make monthly fixed payments of \$500. The lease has an interest rate of 0.4753%. The value of the deferred inflow of resources as of September 30, 2022 was \$10,669, and the City recognized lease revenue of \$4,170 during the fiscal year.

On October 1, 2021, The City entered into a 19-month lease as Lessor for the use of 400 E. Freddy Gonzalez Dr. An initial lease receivable was recorded in the amount of \$55,477. As of September 30, 2022, the value of the lease receivable is \$20,460. The lessee is required to make monthly fixed payments of \$2,925. The lease has an interest rate of 0.2477%. The value of the deferred inflow of resources as of September 30, 2022 was \$20,439, and The City recognized lease revenue of \$35,038 during the fiscal year.

On October 1, 2021, the City entered into a 22-month lease as Lessor for the use of Hangar - Public Safety. An initial lease receivable was recorded in the amount of \$126,226. As of September 30, 2022, the value of the lease receivable is \$57,435. The lessee is required to make monthly fixed payments of \$5,750. The lease has an interest rate of 0.2477%. The value of the deferred inflow of resources as of September 30, 2022 was \$57,376, and the City recognized lease revenue of \$68,851 during the fiscal year.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 4 – RECEIVABLES (Continued)

Governmental Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Lease Receivable				
Buildings				
Fire Department Station No. 3	\$ 5,943	\$ -	\$ 1,477	\$ 4,467
Youth Sports Facility - Pad Site	20,825	-	5,916	14,908
Youth Sports Facility - Concession Area	14,840	-	-	14,840
Total Building Lease Receivable	41,608	-	7,393	34,215
Total Lease Receivable	\$ 41,608	\$ -	\$ 7,393	\$ 34,215

Business-type Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Lease Receivable				
Infrastructure				
400 E Freddy Gonzalez Dr.	\$ 55,477	\$ -	\$ 35,017	\$ 20,460
Total Infrastructure Lease Receivable	55,477	-	35,017	20,460
Buildings				
Hangar - Public Safety	126,226	-	68,791	57,435
Total Building Lease Receivable	126,226	-	68,791	57,435
Total Lease Receivable	\$ 181,703	\$ -	\$ 103,808	\$ 77,895

Principal and Interest Expected to Maturity

Governmental Activities		Principal Payments	Interest Payments	Total Payments
Fiscal Year				
2023	\$	13,297	\$ 203	\$ 13,500
2024		13,430	70	13,500
2025		7,488	12	7,500
Total	\$	34,215	\$ 285	\$ 34,500

Business-type Activities		Principal Payments	Interest Payments	Total Payments
Fiscal Year				
2023	\$	77,895	\$ 82	\$ 77,977
Total	\$	77,895	\$ 82	\$ 77,977

Governmental Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Deferred Inflow of Resources				
Buildings				
Fire Department Station No. 3	\$ 5,944	\$ -	\$ 1,487	\$ 4,458
Youth Sports Facility - Pad Site	20,824	-	5,852	14,972
Youth Sports Facility - Concession Area	14,840	-	4,170	10,669
Total Building Deferred Inflow of Resources	41,608	-	11,509	30,099
Total Deferred Inflow of Resources	\$ 41,608	\$ -	\$ 11,509	\$ 30,099

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 4 – RECEIVABLES (Continued)

Business-type Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Deferred Inflow of Resources				
Infrastructure				
400 E Freddy Gonzalez Dr.	\$ 55,477	\$ -	\$ 35,038	\$ 20,439
Total Infrastructure Deferred Inflow of Resources	55,477	-	35,038	20,439
Buildings				
Hangar - Public Safety	126,226	-	68,851	57,376
Total Building Deferred Inflow of Resources	126,226	-	68,851	57,376
Total Deferred Inflow of Resources	\$ 181,703	\$ -	\$ 103,889	\$ 77,815

NOTE 5 – DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES/UNEARNED REVENUE

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the fiscal year, the various components of deferred inflows, deferred outflows and unearned revenue reported in the funds were as follows:

	Governmental Funds		Enterprise Funds		
	Inflows	Unearned	Outflows	Inflows	Unearned
Delinquent property taxes (General Fund)	\$ 1,714,597	\$ -	\$ -	\$ -	\$ -
Delinquent cleaning/mowing (General Fund)	38,272	-	-	-	-
Grants (Grant Fund)	338,833	22,245,504	-	-	-
Delinquent property taxes (Nonmajor Funds)	352,425	-	-	-	-
Loans receivable (Nonmajor Funds)	1,323,774	-	-	-	-
Parkland dedication (Capital Projects Fund)	-	446,520	-	-	-
Landfill closure costs (Solid Waste Fund)	-	-	3,611,261	5,975,547	-
Debt refunding (Water and Sewer Fund)	-	-	672,503	-	-
Debt refunding (Nonmajor Enterprise Funds)	-	-	244,734	-	-
Lease revenue receivable (Governmental Funds)	30,099	-	-	-	-
Lease revenue receivable (Enterprise Funds)	-	-	-	77,814	-
Deferred revenue (Nonmajor Funds)	-	-	-	-	5,748
Total	\$ 3,798,000	\$ 22,692,024	\$ 4,528,498	\$ 6,053,361	\$ 5,748

Information regarding deferred inflows and outflows for pensions and other OPEB obligations are contained in Note 12.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Primary Government

Interfund receivable and payable balances at September 30, 2022 were as follows:

Governmental Funds

Receivable Fund	Payable Fund	Amount
General Fund	Los Lagos Golf Course	\$ 303,182
Capital Projects Fund	Grant Fund	1,543,552
Nonmajor Governmental Funds-Texas Controlled Substance Fund	Grant Fund	33,594
Total		\$ 1,880,328

Proprietary Funds

Receivable Fund	Payable Fund	Amount
Solid Waste Management Fund	General Fund	\$ 250
Total		\$ 250

Interfund balances result from a routine lag between the dates that transactions are recorded in the accounting system and payments between the funds are made. All amounts are scheduled to be repaid within one year.

Component Units

Due to/from the primary government and component unit at September 30, 2022 were as follows:

Edinburg Economic Development Corporation

Receivable Entity	Payable Entity	Amount
Primary Government- General Fund	Component Unit - E.E.D.C	\$ 985,413
Total		\$ 985,413

Interfund transfers during the year were as follows:

Transfers Out:	Transfers In:					Total
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Boys & Girls Club	
General Fund	\$ -	\$ -	\$ 1,505,432	\$ -	\$ 400,000	\$ 1,905,432
Grants Fund	-	796,572	-	-	-	796,572
Nonmajor Governmental Funds	-	900,000	2,893,850	-	-	3,793,850
Solid Waste Management Fund	5,000,000	-	-	2,089,705	-	7,089,705
Total	\$5,000,000	\$1,696,572	\$ 4,399,282	\$ 2,089,705	\$ 400,000	\$ 13,585,559

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (*Continued*)

Transfers out of the Solid Waste Management Fund (\$5,000,000) to the General Fund are for operations.

Transfers out of the Grant Fund (\$796,572) to the Capital Project Fund consists funding for the Northside Stadium and Dawson drainage project related construction expenses.

Transfers out of the Nonmajor Governmental Funds (\$900,000) to the Hotel Occupancy Tax Fund to subsidize and complete the Promenade Park, Phase I, Project.

Transfers out of the General Fund (\$416,345) to the Debt Service Fund was to supplement additional debt service for new bonds issued in the current year.

Transfers out of the General Fund (\$1,089,087) to the Nonmajor Governmental Funds (TIRZ # 1 and TIRZ #4). were dedicated sales tax revenues collected within the zones.

Transfers out of the Nonmajor Governmental Funds (TIRZ#1, TIRZ#3 & TIRZ#4 totaling \$2,893,850) to the Nonmajor Governmental Fund (LGFC) were dedicated revenues collected within the zones to pay certain obligations.

Transfers out of the Solid Waste Management Fund (\$2,089,705) to the Nonmajor Enterprise Funds are for debt service and operations.

Transfers out of the General Fund (\$400,000) to the Boys & Girls Club to supplement their annual budget, as approved by the City Council.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 7 – CAPITAL ASSETS

Primary Government

Capital asset activity for the year ended September 30, 2022 was as follows:

Governmental Activities	Balance at October 1, 2021	Increases	Decreases	Transfers	Balance at September 30, 2022
Capital assets, not being depreciated:					
Land	\$ 22,936,749	\$ 1,756,840	\$ -	\$ -	\$ 24,693,589
Construction in progress	9,422,934	14,335,133	-	(6,572,711)	17,185,356
Total capital assets, not being depreciated	32,359,683	16,091,973	-	(6,572,711)	41,878,945
Capital assets, being depreciated:					
Buildings	95,856,035	353,310	-	-	96,209,345
Improvements other than buildings	154,356,092	278,999	-	6,572,711	161,207,801
Furniture and equipment	41,491,104	6,189,335	-	-	47,680,439
Right-to-use lease assets	-	27,109	-	-	27,109
Total capital assets, being depreciated	291,703,231	6,848,753	-	6,572,711	305,124,694
Less accumulated depreciation for:					
Buildings	(12,848,236)	(1,971,079)	-	-	(14,819,315)
Improvements other than buildings	(119,312,614)	(6,058,666)	-	-	(125,371,280)
Furniture and equipment	(24,994,329)	(4,095,112)	-	-	(29,089,441)
Right-to-use lease assets	-	(18,482)	-	-	(18,482)
Total accumulated depreciation	(157,155,179)	(12,143,339)	-	-	(169,298,518)
Total capital assets, being depreciated, net	134,548,052	(5,294,586)	-	6,572,711	135,826,177
Governmental activities capital assets, net	\$ 166,907,735	\$ 10,797,387	\$ -	\$ -	\$ 177,705,122

Business-type Activities	Balance at October 1, 2021	Increases	Decreases	Transfers and Trade-ins	Balance at September 30, 2022
Capital assets, not being depreciated:					
Land/Other	\$ 24,303,124	2,480,174	\$ -	\$ -	\$ 26,783,298
Construction in progress	1,545,724	2,894,778	-	(421,080)	4,019,422
Total capital assets, not being depreciated	25,848,848	5,374,952	-	(421,080)	30,802,720
Capital assets, being depreciated:					
Buildings	183,532,513	95,136	-	275,224	183,902,873
Improvements other than buildings	38,051,226	728,275	-	145,856	38,925,357
Furniture and equipment	34,826,702	12,142,079	(2,654,147)	-	44,314,634
Right-to-use lease assets	-	192,116	-	-	192,116
Total capital assets, being depreciated	256,410,441	12,965,490	(2,654,147)	421,080	267,334,980
Less accumulated depreciation for:					
Buildings	(81,576,239)	(4,549,922)	-	-	(86,126,161)
Improvements other than buildings	(23,014,625)	(1,298,374)	-	-	(24,312,999)
Furniture and equipment	(25,913,489)	(3,263,383)	2,654,147	(38,023)	(26,560,748)
Right-to-use lease assets	-	(80,096)	-	-	(80,096)
Total accumulated depreciation	(130,504,353)	(9,191,775)	2,654,147	(38,023)	(137,080,004)
Total capital assets, being depreciated, net	125,906,088	3,773,715	-	383,057	130,254,976
Business-type activities capital assets, net	\$ 151,754,936	\$ 9,148,667	\$ -	\$ (38,023)	\$ 161,057,696

As further discussed in Note 13, at September 30, 2022, the City had remaining construction and improvement commitments amounting to \$13,766,307.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 7 – CAPITAL ASSETS (Continued)

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

Governmental Activities	
General Government	\$ 640,536
Public Safety	2,475,650
Highway and Streets	6,047,341
Health and Welfare	96,664
Culture and Recreation	1,239,280
Economic Development	1,643,868
Total Depreciation Expense - Governmental Activities	\$ 12,143,339
Business-Type Activities	
Water and Sewer	\$ 5,309,366
Solid Waste Management	3,220,540
Golf Courses	141,434
Airport	558,458
Total Depreciation Expense - Business-type Activities	\$ 9,229,798

Component Units

Edinburg Economic Development Corporation

	Balance at October 1, 2021	Increases	Decreases	Transfers	Balance at September 30, 2022
Capital assets, not being depreciated:					
Land	\$ 6,238,287	\$ 1,016,333	\$ (82,372)	\$ 149,957	\$ 7,322,205
Total capital assets, not being depreciated	6,238,287	1,016,333	(82,372)	149,957	7,322,205
Capital assets, being depreciated:					
Buildings	1,797,442	304,927	(40,338)	(149,957)	1,912,074
Furniture and equipment	724	-	-	-	724
Total capital assets, being depreciated	1,798,166	304,927	(40,338)	(149,957)	1,912,798
Less accumulated depreciation for:					
Buildings	(619,654)	(44,025)	40,338	-	(623,341)
Furniture and equipment	(637)	(87)	-	-	(724)
Total accumulated depreciation	(620,291)	(44,112)	40,338	-	(624,065)
Total capital assets, being depreciated, net	1,177,875	260,815	-	(149,957)	1,288,733
Governmental activities capital assets, net	\$ 7,416,162	\$ 1,277,148	\$ (82,372)	\$ -	\$ 8,610,938

Depreciation expense totaling \$44,112 was charged to economic development and assistance on the Statement of Activities under component units for the year ended September 30, 2022. No capital assets were impaired.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 7 – CAPITAL ASSETS (Continued)

Boys' and Girls' Club of Edinburg, Inc.

A summary of changes in capital assets for the Boys' and Girls' Club of Edinburg, Inc. is as follows:

	Balance at October 1, 2021	Increases	Decreases	Balance at September 30, 2022
Capital assets, not being depreciated:				
Land	\$ 539,125	\$ -	\$ -	\$ 539,125
Total capital assets, not being depreciated	539,125	-	-	539,125
Capital assets, being depreciated:				
Buildings	4,905,987	-	-	4,905,987
Furniture and equipment	231,372	-	-	231,372
Total capital assets, being depreciated	5,137,359	-	-	5,137,359
Less accumulated depreciation for:				
Buildings	(884,777)	(98,120)	-	(982,897)
Furniture and equipment	(195,408)	(3,774)	-	(199,182)
Total accumulated depreciation	(1,080,185)	(101,894)	-	(1,182,079)
Total capital assets, being depreciated, net	4,057,174	(101,894)	-	3,955,280
Governmental activities capital assets, net	\$ 4,596,299	\$ (101,894)	\$ -	\$ 4,494,405

Depreciation expense totaling \$101,984 was charged to community and youth services on the Statement of Activities under component units for the year ended September 30, 2022. No capital assets were impaired.

NOTE 8 – LONG TERM DEBT

Long-term debt

Primary Government

General Obligation and Combination Bonds and Tax Notes

The City issues general obligation bonds, certificates of obligation, and combination tax and revenue bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds, certificates of obligation, and combination tax and revenue bonds have been issued for governmental activities. The total amount of outstanding general obligation bonds, certificates of obligation, and combination tax and revenue bonds issued to date was \$99,319,117.

These are direct obligations issued with a pledge of the City's general taxing power for the payment of its debt obligations. General obligation bonds and certificates of obligation require the City to compute, at the time other taxes are levied, the rate of tax required to provide (in each year the bonds are outstanding) a fund to pay interest and principal at maturity. The City is in compliance with this requirement. These bonds generally are issued as 20-year serial bonds with varying amounts of principal maturing each year.

Certain general obligation bonds are being repaid by revenues of the enterprise funds and are therefore presented in Business-Type Activities.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

General obligation bonds, certificates of obligation, and combination tax and revenue bonds currently outstanding at September 30, 2022 are as follows:

Governmental Activities:

\$6,313,941, 2012 General Obligation Refunding Bonds, due in annual installments of \$130,000 to \$1,185,000 through March 1, 2025; interest at 2.00% to 2.50%.	\$ 920,000
\$7,465,000, 2015A Certificates of Obligation, due in annual installments of \$25,000 to \$615,000 through March 1, 2035; interest at 2.00% to 4.00%.	6,570,000
\$5,270,000, 2015 General Obligation Refunding Bonds, due in annual installments of \$190,000 to \$1,255,000 through March 1, 2026; interest at 3.00% to 4.00%.	4,620,000
\$13,513,328, 2016 General Obligation Refunding Bonds, due in annual installments of \$460,000 to \$2,165,000 through March 1, 2030; interest at 3.00% to 5.00%.	6,934,117
\$4,145,000, 2016 Certificates of Obligation, due in annual installments of \$135,000 to \$285,000 through September 30, 2036; interest at 2.00% to 4.00%.	3,205,000
\$9,705,000, 2018 Certificates of Obligation, due in annual installments of \$195,000 to \$830,000 through March 1, 2038; interest at 1.90% to 3.50%.	9,120,000
\$27,875,000, 2019 General Obligation Bonds, due in annual installments of \$440,000 to \$1,990,000 through March 1, 2039; interest at 3.25% to 5.00%.	25,550,000
\$17,690,000, 2021 Certificates of Obligation, due in annual installments of \$666,524 to \$1,467,850 through March 1, 2040; interest at 2.00% to 5.00%.	17,690,000
\$3,355,000, 2021 General Obligation Refunding Bonds, due in annual installments of \$233,475 to \$320,912 through March 1, 2035; interest at 1.50% to 4.50%.	3,250,000
\$21,460,000, 2021A Certificates of Obligation, due in annual installments of \$607,262 to \$1,750,162 through March 1, 2041; interest at 2.00% to 5.00%.	<u>21,460,000</u>
Total General Obligation Bonds and Certificates of Obligation	<u>\$ 99,319,117</u>
Less: Current Portion of Bonds Payable	(4,398,084)
Add: Unamortized Premiums on Bond Issuance	<u>7,859,140</u>
General Obligation Bonds and Certificates of Obligation Payable, Net of Current Portion, Discounts and Premiums	<u>\$ 102,780,173</u>

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Debt service requirements to maturity are as follows:

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2023	\$ 4,398,084	\$ 3,381,641
2024	4,591,033	3,187,951
2025	4,795,000	2,982,388
2026	5,005,000	2,771,375
2027	5,230,000	2,548,100
2028-2032	28,995,000	8,971,419
2033-2037	30,580,000	3,807,184
2038-2042	15,725,000	550,184
Total	\$ 99,319,117	\$ 28,200,242

Revenue and General Obligation Bonds

The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The total amount of outstanding bonds issued is \$44,955,000. Included within business-type activities are 2012 and 2016 general obligation refunding bonds that were issued to refund bonds across several funds and a 2021 certificate of obligations for landfill cell constructions. The outstanding issued amount of these bonds allocated to business-type activities is \$9,550,883.

Revenue and General Obligation bonds outstanding at September 30, 2022 are as follows:

Business – Type Activities:

\$10,425,000, 2014 Utility System Junior Lien Revenue Bonds, due in annual installments of \$480,000 to \$615,000 through March 1, 2034; interest at 0.00% to 2.52%.	\$ 6,570,000
\$7,700,000, 2015 Utility System Revenue Refunding Bonds, due in annual installments of \$20,000 to \$795,000 through March 15, 2028; interest at 2.00% to 4.00%.	4,875,000
\$2,876,672, 2016 General Obligation Refunding Bonds, due in annual installments of \$460,000 to \$2,165,000 through March 1, 2030; interest at 3.00% to 5.00%.	745,883
\$5,405,000, 2016 Utility System Junior Lien Revenue Bonds, due in annual installments of \$260,000 to \$295,000 through March 1, 2036; interest at .09% to 1.41%.	3,835,000
\$8,855,000, 2017 Utility System Revenue Refunding Bonds, due in annual installments of \$765,000 to \$1,285,000 through March 15, 2031; interest at 4.00% to 4.25%.	8,855,000
\$12,570,000, 2021 Utility System Revenue and Refunding Bonds, due in annual installments of \$627,907 to \$1,202,950 through March 15, 2040; interest at 2.00% to 4.00%.	12,395,000

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

\$9,050,000, 2021 Certificates of Obligation, due in annual installments of \$617,100 to \$621,150 through March 01, 2040; interest at 2.00% to 5.00%.

8,805,000

Revenue/General Obligation/Certificate of Obligations Bonds

\$ 46,080,883

Less: Current Portion of Bonds Payable

(3,356,916)

Add: Unamortized Premiums on Bond Issuance

3,273,428

Revenue Bonds Payable, Net of Current Portion and Premiums

\$ 45,997,395

Water and Sewer Fund

\$ 35,951,708

Solid Waste Management Fund

9,449,714

Los Lagos Golf Club Fund

595,973

\$ 45,997,395

Debt service requirements to maturity for Revenue/General Obligation/Certificate of Obligations Bonds in business-type activities are as follows:

Year Ending September 30,	Business-Type Activities	
	Principal	Interest
2023	\$ 3,356,916	\$ 1,339,527
2024	3,478,967	1,220,204
2025	3,200,000	1,107,707
2026	3,310,000	1,002,637
2027	3,420,000	891,354
2028-2032	15,655,000	2,675,077
2033-2037	9,210,000	871,662
2038-2042	4,450,000	134,700
Total	\$ 46,080,883	\$ 9,242,868

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Tax Increment Contract Revenue Bonds

The City of Edinburg, Local Government Finance Corporation issues tax increment contract revenue bonds. Payment of the bonds is secured by a pledge of tax increment revenues paid to the respective tax increment funds for TIRZ # 1 and TIRZ # 4. The bonds are limited obligations of the City of Edinburg, Local Government Finance Corporation and are not obligations of the City of Edinburg. The City is not obligated to make payments on these bonds. In addition, if the tax increments are timely contributed to the City of Edinburg, Local Government Finance Corporation, and such tax increments are not sufficient for the payment of principal or interest on the bonds on the date such principal or interest becomes due, an event of default will not be deemed to have occurred.

Tax increment contract revenue bonds outstanding at September 30, 2022 are as follows:

\$37,250,000, 2015A Contract Revenue Bonds, due in annual installments of \$645,000 to \$2,448,350 through March 1, 2045; interest at 5.00%.	\$ 33,680,000
\$3,475,000, 2015B Taxable Series Contract Revenue Bonds, due in annual installments of \$60,000 to \$232,625 through March 1, 2045; interest at 5.00%.	<u>3,150,000</u>
Total Contract Revenue Bonds	<u>\$ 36,830,000</u>
Less: Current Portion of Bonds Payable	(905,000)
Less: Unamortized Discounts on Bond Issuance	(107,964)
Add: Unamortized Premiums on Bond Issuance	<u>1,629,725</u>
Tax Increment Contract Revenue Bonds Payable, Net of Current Portion, Discounts and Premiums	<u>\$ 37,446,761</u>

The City of Edinburg, Local Government Finance Corporation is presented as a blended component unit of the City. Therefore, the liability is presented as part of long-term obligations of governmental activities in the Government-Wide Financial Statements.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Debt service requirements to maturity are as follows:

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2023	\$ 905,000	\$ 1,773,975
2024	945,000	1,727,725
2025	995,000	1,679,225
2026	1,045,000	1,628,225
2027	1,100,000	1,574,600
2028-2032	6,260,000	7,111,450
2033-2037	7,945,000	5,441,375
2038-2042	10,180,000	3,187,000
2043-2045	7,455,000	571,625
Total	\$ 36,830,000	\$ 24,695,200

Reimbursement Obligation- Developer TIRZ # 3

In accordance with an economic development agreement relating to TIRZ # 3, the Developer is eligible to be reimbursed for up to \$33,900,000 for costs actually incurred to construct commercial/regional-related and residential-related public infrastructure. Under the agreement, the Developer can also charge interest on this obligation at the lesser of 6.00% per annum or the actual rate incurred by the Developer in connection with the public infrastructure improvements. This reimbursement obligation is payable solely with tax increment revenues generated by TIRZ # 3 and is currently payable on a “pay as you” go basis until such time as public infrastructure bonds are issued by the City of Edinburg, Local Government Finance Corporation. As of September 30, 2022, the developer has incurred costs and interest in the amount of \$11,634,132. The balance on the obligation as of September 30, 2022 is \$8,402,575.

The reimbursement obligation is accounted for in the City of Edinburg, Local Government Finance Corporation, which is presented as a blended component unit of the City. Because the obligation is payable on a “pay as you go” basis, the City does not have a set payment schedule. In addition, other factors such as future development, increases/decreases to the tax base, future issuance of bonds, and other economic factors make it difficult for the City to predict estimated minimum obligations in the future. No other sources of revenue are obligated to be used in order to repay this obligation other than tax increment revenues generated and collected within TIRZ # 3.

Commitments More Than One Year

The City entered into a three-year contract last fiscal year for the payment of land in the amount of \$2,000,000 for future site expansion at the City’s landfill area. The payment calls for annual payments due October 1 with the first payment made in 2020. The balance sheet in the Solid Waste Fund reflects a \$500,000 current portion liability. For financial purposes this amount was blended as a *Note Payable* in the Solid Waste Management Fund.

Bond Compliance Requirements

The revenue bond ordinances require that during the period in which the bonds are outstanding the City must create and maintain certain accounts or funds to receive the proceeds from the sale of the revenue bonds and to account for the revenues (as defined), which are pledged for payment of the bonds. The assets can be used only in accordance with the terms of the bond ordinance and for the specific purpose(s) designated therein. The City is generally required to make a monthly transfer to debt service funds equal to one-twelfth of the annual debt service.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (*Continued*)

Utility Revenues Pledged

The City has pledged future water customer revenues, net of specified operating expenses, to repay the original amount of \$48,231,059 in Utility System Revenue Bonds issued in 2014, 2015, 2016, 2017 and 2021, plus a General Obligation Refunding Bond in 2012. Proceeds from the bonds provided financing for the improvement and enlargement of the water system, refunding of other revenue bonds, and the construction of a water plant. The bonds are payable solely from water customer net revenues and are payable through 2041. Average annual principal and interest payments on the bonds are expected to require a 125 percent coverage ratio from operating income (excluding depreciation expense). The total principal and interest remaining to be paid on the bonds is \$43,397,790. Principal and interest paid for the current year and total customer net revenues as defined by the pledge agreements were \$2,503,631 and \$1,249,563, respectively.

Prior Year Defeasance of Debt

In 2013, the City advance refunded \$1,850,000 of Utility System Revenue Bonds Series 2000, \$2,810,000 of Utility System Revenue and Refunding Bonds Series 2002, \$1,675,000 of Combination Tax and Revenue Bonds Series 2002, \$1,635,000 of Certificates of Obligation Series 2004, and \$1,585,000 of Certificates of Obligation Series 2004A. At September 30, 2022, \$1,310,000 of defeased bonds remains outstanding.

In 2015, the City refunded debt including \$385,000 of Certificates of Obligation, Series 2004, \$650,000 of Certificates of Obligation, Series 2004A, and \$4,315,000 of Certificates of Obligation. At September 30, 2020, \$4,000,000 of defeased bonds remains outstanding. In addition, in 2015, the City refunded debt of \$7,745,000 of Utility System Revenue Bonds Series 2006. At September 30, 2022, \$9,495,000 of defeased bonds remains outstanding.

In 2016, the City refunded \$385,000 of Certificates of Obligation Series 2006, \$7,375,000 of General Obligation Refunding Bonds, Series 2006, \$2,225,000 of Certificates of Obligation, Series 2007, \$4,035,000 of Certificates of Obligation Series 2007A, and \$4,010,000 of Certificates of Obligation, Series 2008. At September 30, 2022, \$6,934,117 of defeased bonds remains outstanding.

In 2018, the City refunded debt including \$100,000 of 2006 Utility Revenue Bond and \$9,520,000 of 2010A Utility System Revenue Bond. At September 30, 2022, \$8,855,000 of defeased bonds remains outstanding.

In 2021, the City refunded \$1,950,000 of the 2008 Utility Revenue Bond. At September 30, 2022, \$1,740,000 of defeased bonds remains outstanding.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Financing Leases

Financing Leases outstanding at September 30, 2022 are as follows:

BOA Combined	\$ 10,040,790
\$30,001,432, Signature Public Funding purchase agreement for the purchase of major equipment and vehicles	<u>27,136,287</u>
Total financing leases	<u>\$ 37,177,077</u>
Less: Current Portion of Bonds Payable	<u>(6,817,658)</u>
Revenue Bonds Payable, Net of Current Portion and Premiums	<u>\$ 30,359,419</u>

Year Ending September 30,	Financing Lease Payments	
	Principal	Interest
2023	\$ 6,817,658	\$ 570,245
2024	6,079,219	451,373
2025	5,405,110	353,979
2026	5,064,909	265,404
2027	3,714,536	190,652
2028-2032	10,095,645	296,125
Total	\$ 37,177,077	\$ 2,127,778

Year Ending September 30, 2022	Financing Lease Payments	
	Principal	Interest
Governmental Activities	\$ 14,539,210	\$ 705,557
Business-Type Activities	22,637,867	1,422,221
Total	\$ 37,177,077	\$ 2,127,778

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Business-Type Activities

Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require that the City of Edinburg place a final cover on its landfill when closed 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, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs in the Solid Waste Management Fund, an enterprise fund, are as follows: Permit 956-C, has a balance of \$4,966,625 as of September 30, 2022, which is based on 18.72% usage (filled). Permit 2302 has a balance of \$629,906 as of September 30, 2022, which is based on 31.09% usage (filled). It is estimated that an additional \$22,958,547 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and postclosure care (\$28,555,078) 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, 2022. The actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The City has complied with financial assurance requirements pursuant to 30 Texas Administrative Code, Chapter 37 by submitting a local government financial test submitted to the Texas Commission on Environmental Quality.

Long-term liability activity for the year ended September 30, 2022 was follows:

	Balance at September 30, 2021	Additional Obligations and Net Increases	Retirement and Net Decreases	Balances at September 30, 2022	Amounts Due within One Year
Governmental Activities					
General obligation bonds	\$ 103,410,544	\$ -	\$ 4,091,423	\$ 99,319,121	\$ 4,398,084
Add: issuance premium	8,439,979	-	580,839	7,859,140	-
Less: issuance discount	-	-	-	-	-
General obligation bonds payable	111,850,523	-	4,672,262	107,178,260	4,398,084
Tax increment contract revenue bonds	37,685,000	-	855,000	36,830,000	905,000
Add: issuance premium	1,700,583	-	70,858	1,629,725	-
Less: issuance discount	(112,658)	-	(4,694)	(107,964)	-
Tax increment contract revenue bonds payable	39,272,925	-	921,164	38,351,761	905,000
Financing Lease Obligations	5,636,861	11,677,366	2,775,017	14,539,210	2,687,739
Reimbursement obligation - developer	8,983,683	-	581,109	8,402,573	-
Compensated absences	4,909,168	626,372	49,677	5,485,862	1,689,289
Governmental activities long-term liabilities	\$ 170,653,158	\$ 12,303,738	\$ 8,999,230	\$ 173,957,667	\$ 9,680,112

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Business-type Activities	Balance at September 30, 2021	Additional Obligations and Net Increases	Retirement and Net Decreases	Balances at September 30, 2022	Amounts Due within One Year
Revenue bonds	\$ 39,015,000	\$ -	\$ 2,485,000	\$ 36,530,000	\$ 2,660,000
Add: issuance premium	2,267,395	-	185,687	2,081,708	-
Revenue bonds payable	41,282,395	-	2,670,687	38,611,708	2,660,000
General obligation bonds	10,154,460	-	603,577	9,550,883	696,916
Add: issuance premium	1,287,215	-	95,495	1,191,720	-
General obligation bonds payable	11,441,675	-	699,072	10,742,603	696,916
Notes payable	1,000,000	-	-	1,000,000	1,000,000
Financing Lease Obligations	7,672,311	18,324,066	3,358,510	22,637,867	3,894,897
Landfill closure and postclosure	4,964,047	632,484	-	5,596,531	-
Compensated absences	485,235	251,612	12,361	724,486	343,287
Business-type activities long-term liabilities	\$ 66,845,663	\$ 19,208,162	\$ 6,740,630	\$ 79,313,195	\$ 8,595,100

	Governmental Activities	Business-Type Activities
<i>Balance as September 30, 2022</i>		
Long-term liabilities	\$ 173,957,665	\$ 79,313,195
Less: amounts due within one year	(9,680,112)	(8,595,100)
Total liabilities due in more than one year (Exhibit 1-A)	\$ 164,277,553	\$ 70,718,095

Generally, the general and special revenue funds liquidate the portion of compensated absences that pertain to the respective funds. The liquidation of the reimbursement obligation and tax increment contract revenue bonds will be through tax increment collections remitted to the City of Edinburg, Local Government Finance Corporation (a blended component unit).

Component Units

Edinburg Economic Development Corporation

Bonds payable at September 30, 2022 consist of the following:

\$2,300,000 Bond Issue Series 2013A, due November 30, 2024; fixed interest at 3.12%; collateralized by sales and use tax receipts.	\$ 520,000
\$4,575,000 Bond Issue Series 2013B; payable in semi-annual installments of \$37,500 plus interest of 3.04% maturing November 30, 2024; collateralized by economic development sales and use tax receipts.	1,030,000
\$10,840,000 Bond Issue Series 2019; payable in semi-annual installments plus interest maturing September 30, 2044.	10,170,000

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

\$7,730,000 2021A Sales Tax Revenue Bonds; payable in semi-annual installments plus interest of 2.5%-3.375% maturing in September 30, 2046, collateralized by sales and use tax receipts. 7,495,000

\$2,250,000 2021B Sales Tax Revenue Bonds; payable in semi-annual installments plus interest of 4.750%-5.250% maturing in September 30, 2046, collateralized by sales and use tax receipts. 2,195,000

\$13,610,000 2021 Sales Tax Revenue Refunding Bonds; payable in semi-annual installments plus interest of .335%-2.340% maturing in September 30, 2035, collateralized by sales and use tax receipts. 13,325,000

Total Bonds Payable \$ 34,735,000

Less: Current Portion of Bonds Payable (1,580,000)

Total Bonds Payable, Net of Current Portion \$ 33,155,000

Annual debt service requirements to maturity for EEDC's long-term debt are as follows:

Year Ending September 30,	EEDC	
	Principal	Interest
2023	\$ 1,580,000	\$ 1,093,103
2024	1,625,000	1,049,036
2025	1,665,000	1,010,977
2026	1,695,000	977,766
2027	1,735,000	941,188
2028-2032	9,335,000	4,030,271
2033-2037	8,110,000	2,670,010
2038-2042	5,345,000	1,517,706
2043-2045	3,645,000	325,800
Total	\$ 34,735,000	\$ 13,615,857

The following is a summary of changes in long-term debt obligations for the EEDC for the year ended September 30, 2022:

	September 30, 2021, as Previously Presented	Prior Period Adjustment	September 30, 2021, as Restated	Additions	Reductions	September 30, 2022	Current Portion
Bonds payable							
Total Bonds Payable	49,445,000	(13,125,000)	36,320,000	-	(1,585,000)	34,735,000	1,580,000

**City of Edinburg
Notes to the Financial Statements
September 30, 2022**

NOTE 8 – LONG TERM DEBT (Continued)

Boys' and Girls' Club of Edinburg, Inc.

Liabilities for the Boys' and Girls' Club consisted of short-term compensated absences of \$29,096.

Right of Use Leases Payable

For the year ended September 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On October 1, 2021, the City entered into a 34-month lease as Lessee for the use of HP Copier - E87640z. An initial lease liability was recorded in the amount of \$9,306. As of September 30, 2022, the value of the lease liability is \$6,031. The City is required to make monthly fixed payments of \$275. The lease has an interest rate of 0.3277%. The equipment estimated useful life was 34 months as of the contract commencement. The value of the right to use asset as of September 30, 2022 of \$9,306 with accumulated amortization of \$3,200 is included with equipment on the Lease Class activities table found below.

On October 1, 2021, the City entered into a 21-month lease as Lessee for the use of Konica Minolta Copier - C33500i. An initial lease liability was recorded in the amount of \$5,639. As of September 30, 2022, the value of the lease liability is \$2,419. The City is required to make monthly fixed payments of \$269. The lease has an interest rate of 0.2477%. The equipment estimated useful life was 21 months as of the contract commencement. The value of the right to use asset as of September 30, 2022 of \$5,639 with accumulated amortization of \$3,118 is included with equipment on the Lease Class activities table found below.

On October 1, 2021, the City entered into a 12-month lease as Lessee for the use of Site - Lot 30. An initial lease liability was recorded in the amount of \$12,164. As of September 30, 2022, there is no remaining value to the lease. The City was required to make monthly fixed payments of \$1,015. The lease had an interest rate of 0.2133%. The infrastructure estimated useful life was 12 months as of the contract commencement. There is no remaining value of the right to use asset as of September 30, 2022.

On October 1, 2021, the City entered into a 56-month lease as Lessee for the use of Pitney Bowes equipment. An initial lease liability was recorded in the amount of \$51,164. As of September 30, 2022, the value of the lease liability is \$39,919. The City is required to make quarterly fixed payments of \$2,885. The lease has an interest rate of 0.6320%. The equipment estimated useful life was 56 months as of the contract commencement. The value of the right to use asset as of September 30, 2022 of \$51,164 with accumulated amortization of \$10,964 is included with equipment on the Lease Class activities table found below.

On October 1, 2021, the City entered into a 24-month lease as Lessee for the use of New 2019 Golf Cars. An initial lease liability was recorded in the amount of \$140,952. As of September 30, 2022, the value of the lease liability is \$70,555. The City is required to make monthly fixed payments of \$5,888. The lease has an interest rate of 0.2477%. The vehicles estimated useful life was 24 months as of the contract commencement. The value of the right to use asset as of September 30, 2022 of \$140,952 with accumulated amortization of \$69,132 is included with vehicles on the Lease Class activities table found below.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Governmental Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Lease Liability				
Equipment				
HP Copier - E87640z	\$ 9,306	\$ -	\$ 3,275	\$ 6,031
Konica Minolta Copier - C33500i	5,639	-	3,219	2,420
Total Equipment Lease Liability	14,945	-	6,494	8,451
Infrastructure				
Site - Lot 30	12,164	-	12,164	-
Total Infrastructure Lease Liability	12,164	-	12,164	-
Total Lease Liability	\$ 27,109	\$ -	\$ 18,658	\$ 8,451

Business-type Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Lease Liability				
Equipment				
Pitney bowes - Finance department	\$ 51,164	\$ -	\$ 11,245	\$ 39,919
Total Equipment Lease Liability	51,164	-	11,245	39,919
Vehicles				
New 2019 Golf Cars	140,952	-	70,397	70,555
Total Vehicle Lease Liability	140,952	-	70,397	70,555
Total Lease Liability	\$ 192,116	\$ -	\$ 81,642	\$ 110,474

Principal and Interest Requirements to Maturity

Governmental Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 5,705	\$ 17	\$ 5,722
2024	2,746	4	2,750
Total	\$ 8,451	\$ 21	\$ 8,472

Business-Type Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 81,871	\$ 320	\$ 82,191
2024	11,387	154	11,541
2025	11,459	82	11,541
2026	5,757	14	5,771
Total	\$ 110,474	\$ 570	\$ 111,044

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Governmental Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Lease Assets				
Equipment				
HP Copier - E87640z	\$ 9,306	\$ -	\$ -	\$ 9,306
Konica Minolta Copier - C33500i	5,639	-	-	5,639
Total Equipment Lease Assets	14,945	-	-	14,945
Infrastructure				
Site - Lot 30	12,164	-	12,164	-
Total Infrastructure Lease Assets	12,164	-	12,164	-
Total Lease Assets	\$ 27,109	\$ -	\$ 12,164	\$ 14,945
Lease Accumulated Amortization				
Equipment				
HP Copier - E87640z	\$ -	\$ 3,200	\$ -	\$ 3,200
Konica Minolta Copier - C33500i	-	3,118	-	3,118
Total Equipment Lease Accumulated Amortization	-	6,318	-	6,318
Infrastructure				
Site - Lot 30	-	12,164	12,164	-
Total Infrastructure Lease Accumulated Amortization	-	12,164	12,164	-
Total Lease Accumulated Amortization	-	18,482	12,164	6,318
Total Governmental Lease Assets, Net	\$ 27,109	\$ (18,482)	\$ -	\$ 8,627
Business-type Activities	Balance as of October 1, 2021	Additions	Reductions	Balance as of September 30, 2022
Lease Assets				
Equipment				
Pitney bowes - Finance department	\$ 51,164	\$ -	\$ -	\$ 51,164
Total Equipment Lease Assets	51,164	-	-	51,164
Vehicles				
New 2019 Golf Cars	140,952	-	-	140,952
Total Vehicle Lease Assets	140,952	-	-	140,952
Total Lease Assets	\$ 192,116	\$ -	\$ -	\$ 192,116
Lease Accumulated Amortization				
Equipment				
Pitney bowes - Finance department	\$ -	\$ 10,964	\$ -	\$ 10,964
Total Equipment Lease Accumulated Amortization	-	10,964	-	10,964
Vehicles				
New 2019 Golf Cars	-	69,132	-	69,132
Total Vehicle Lease Accumulated Amortization	-	69,132	-	69,132
Total Lease Accumulated Amortization	-	80,096	-	80,095
Total Business-Type Lease Assets, Net	\$ 192,116	\$ (80,096)	\$ -	\$ 112,020

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 9 – RESTRICTED ASSETS AND PAYABLES

Restricted Assets and payables

Restricted assets included in the governmental activities as of September 30, 2022 consist of \$12,370,318 of cash with fiscal agent reported in the General Fund (\$9,438,566) and the LGFC Fund (\$2,931,752), a nonmajor governmental fund.

Revenue bond indentures require that during the periods over which the bonds are outstanding, the City 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.

Restricted assets included in business-type activities as of September 30, 2022 consists of:

Type	Description	Fund	Amount
Cash with Fiscal Agent	Unspent Capital Lease Proceeds	Water and Sewer Fund	\$ 906,944
Cash with Fiscal Agent	Unspent Capital Lease Proceeds	Solid Waste Management Fund	2,760,143
Cash with Fiscal Agent	Unspent Capital Lease Proceeds	Nonmajor Enterprise Funds	893,839
Cash with Fiscal Agent	Unspent Bond Proceeds	Solid Waste Management Fund	6,248,303
Cash with Fiscal Agent	Unspent Bond Proceeds	Water and Sewer Fund	6,181,647
TexPool Restricted	Unspent Bond Proceeds	Water and Sewer Fund	8,182,534
TexPool Restricted	Unspent Bond Proceeds	Solid Waste Management Fund	10,070,801
TexPool Restricted	Related to Debt Service	Water and Sewer Fund	4,607,337
Total			\$ 39,851,547

Liabilities payable from restricted assets included in business-type activities as of September 30, 2022 consist of accrued interest payable in the amount of \$179,268 in the Water and Sewer Fund.

NOTE 10 – NET POSITION RESTRICTED BY ENABLING LEGISLATION

The Government-Wide Statement of Net Position includes \$2,101,660 restricted by enabling legislation. This net position represents revenues received by the City with various state laws restricting their use. These revenues may only be used for statutorily authorized purposes. This includes, \$620,916 for municipal court purposes, \$1,009,185 from hotel occupancy tax for tourism and \$471,559 is restricted under Chapter 66 of the Texas Utilities Code to support capital costs related to public, educational, and governmental (PEG) programming to citizens.

NOTE 11 – DEFICIT NET POSITION/FUND BALANCE

Net position deficits of \$253,327 and \$415,932 exists in the Ebony Golf Course and Los Lagos Golf Course Funds, respectively, resulting from several years of losses from operations. Currently, the Solid Waste Management Fund subsidizes these deficits to support the quality of life aspect the golf fund promotes. Net position is expected to increase in the future as operations and fee charges are monitored and reviewed annually.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS

Texas Municipal Retirement System

Plan Description

The City participates as one of 895 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at tmrs.com.

All eligible employees of the City are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

Plan provisions for the City were as follows:

Employee Deposit Rate	7%
Matching Ratio (City to Employee)	2 to 1
Years Required for Vesting	10
Retirement Eligibility (age/service)	60/10, 0/20
Updated Service Credit	100% Repeating Transfers
Annuity Increase (to retirees)	70% of Change in CPI-U, Repeating

Employees Covered by Benefit Terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	308
Inactive employees entitled to but not yet receiving benefits	514
Active employees	940
Total	1,762

**City of Edinburg
Notes to the Financial Statements
September 30, 2022**

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS *(Continued)*

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The city's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.63% and 14.65% in the calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022 were \$6,466,214 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4- year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2109 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class (Arithmetic)	Target Allocation	Long-Term Expected Net Real Rate of Return
Core fixed income	6.0%	2.00%
Non-core fixed income	20.0%	5.68%
Global public equity	35.0%	7.55%
Real estate	12.0%	6.85%
Other Public and Private Markets	12.0%	7.22%
Hedge Funds	5.0%	5.35%
Private equity	10.0%	10.00%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member 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 Members. 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.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

Changes in Net Pension Liability

Schedule of Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability Liability (a) - (b)
Net Pension Liability - Beginning	\$ 172,678,350	\$ 143,977,352	\$ 28,700,998
Changes for the year:			
Service Cost	7,055,662	-	7,055,662
Interest (on the Total Pension Liability)	11,698,505	-	11,698,505
Change in benefit terms	-	-	-
Difference between expected and actual experience	3,130,005	-	3,130,005
Changes of assumptions	-	-	-
Contributuions - employer	-	6,466,214	(6,466,214)
Contributuions - employee	-	3,125,926	(3,125,926)
Net investment income	-	18,793,124	(18,793,124)
Benefit payments, including refunds of employee contributions	(5,789,996)	(5,789,996)	-
Administrative expense	-	(86,846)	86,846
Other changes	-	595	(595)
Net Changes	16,094,176	22,509,017	(6,414,841)
Net Pension Liability - Ending	\$ 188,772,526	\$ 166,486,369	\$ 22,286,157

The amount presented above includes pension liabilities for the City's discretely presented component units. At September 30, 2022, the City's Governmental Activities portion of the net pension obligation was \$17,173,136, and the Business type activities was \$4,838,805 and the Boys & Girls Club of Edinburg's portion was \$274,217. EEDC's portion was absorbed in the City's Governmental Activities. The total net pension liability for the Primary Government was \$22,011,941.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Net Pension Liability of the city, calculated using the discount rate of 6.75%, as well as what the city's Net Pension Liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1 % Decrease 5.75%	Current Single Rate Assumption 6.75%	1 % Increase 7.75%
Governmental Activities	\$ 41,654,547	\$ 17,173,136	\$ (2,275,304)
Business Type Activities	11,292,509	4,838,805	(616,833)
Boys & Girls Club	724,567	274,217	(39,578)
Total net pension liability	\$ 53,671,623	\$ 22,286,158	\$ (2,931,715)

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmr.com.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2022, the City recognized pension expense of \$3,548,610. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 3,409,497	\$ 543,857
Changes in Actuarial Assumptions	278,524	-
Difference Between Projected and Actual Investment Earnings	-	9,622,343
Contributions Subsequent to the Measurement Period	5,284,165	-
Total	\$ 8,972,186	\$ 10,166,200

Of the total deferred outflows relating to the pension plan, \$6,930,503 is reported in Governmental Activities and \$1,890,307 is reported in Business-Type Activities. The Boys and Girls Club of Edinburg's portion is \$151,376.

Of the total deferred inflows relating to the pension plan, \$7,971,281 is reported in Governmental Activities, and \$2,038,145 is reported in Business-Type Activities. The Boys and Girls Club of Edinburg's portion is \$156,774.

\$5,285,165 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and the inflows of resources related to pensions will be recognized in pension expense as follows:

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS *(Continued)*

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (964,571)
2023	(3,075,236)
2024	(1,171,999)
2025	(1,266,372)
2026	-
Thereafter	-
Total	\$ (6,478,178)

Texas Emergency Services Retirement System

Plan Description

The Texas Emergency Services Retirement System (TESRS) administers a cost-sharing multiple employer pension system (the System) established and administered by the State of Texas to provide pension benefits for emergency services personnel who serve without significant monetary remuneration. At August 31, 2022, there were 184 contributing fire and/or emergency services department members participating in TESRS. Eligible participants include volunteer emergency services personnel who are members in good standing of a member department.

Pension Plan Fiduciary Net Position

Direct financial activity for the System is classified in the financial statements as pension trust funds. The System issues a stand-alone financial report that is available to the public at www.tesrs.org.

Benefits Provided

Senate Bill 411, 65th Legislature, Regular Session (1977), created TESRS and established the applicable benefit provisions. The 79th Legislature, Regular Session (2005), re-codified the provisions and gave the TESRS Board of Trustees authority to establish vesting requirements, contribution levels, benefit formulas, and eligibility requirements by board rule. The benefit provisions include retirement benefits as well as death and disability benefits. Members are 50% vested after the tenth year of service, with the vesting percent increasing 10% for each of the next five years of service so that a member becomes 100% vested with 15 years of service.

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percent multiplied by six times the governing body's average monthly contribution over the member's years of qualified service. For years of service in excess of 15 years, this monthly benefit is increased at the rate of 6.2% compounded annually. There is no provision for automatic postretirement benefit increases.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS *(Continued)*

On and off-duty death benefits and on-duty disability benefits are dependent on whether or not the member was engaged in the performance of duties at the time of death or disability. Death benefits include a lump sum amount or continuing monthly payments to a member's surviving spouse and dependent children.

Contributions

Contributions are made by governing bodies for the participating departments. No contributions are required from the individuals who are members of the System, nor are they allowed. The governing bodies of each participating department are required to make contributions for each month a member performs emergency services for a department (this minimum contribution is \$36 per member and the department may make a higher monthly contribution for its members). This is referred to as a Part One contribution, which is the legacy portion of the System contribution that directly impacts future retiree annuities.

The State is required to contribute an amount necessary to make the System "actuarially sound" each year, which may not exceed one-third of the total of all contributions made by participating governing bodies in a particular year.

The board rule defining contributions was amended in 2014 to add the potential for actuarially determined Part Two contributions that would be required only if the expected future annual contributions from the state are not enough with the Part One contributions to provide an adequate contribution arrangement as determined by the most recent actuarial valuation. This Part Two portion, which is actuarially determined as a percent of the Part One portion (not to exceed 15%), is to be actuarially adjusted every two years based on the most recent actuarial valuation. Based on the August 31, 2022 actuarial valuation, the Part Two contributions are not required for an adequate contribution arrangement.

Contributions Required and Contributions Made

The contribution requirement per active emergency services personnel member per month is not actuarially determined. Rather, the minimum contribution provisions are set by board rule, and there is no maximum contribution rate. For the fiscal year ended September 30, 2022, total contributions (dues, prior service, and interest on prior service financing) of \$45,820 were paid into TESRS by the City. This was equal to the required contributions for the period.

Actuarial Assumptions

The total pension liability in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	N/A
Investment of rate of return	7.50% net of pension plan investment expense, including inflation

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

Mortality rates were based on the PubS-2010 (public safety) below-median income mortality tables for employees and for retirees, projected for mortality improvement generationally using projection scale MP-2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage (currently 4.61%) and by adding expected inflation (3.0%). In addition, the final 7.5% assumption was selected by rounding down. The target allocation and expected arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Net Real Rate of Return
Equities		
Large cap domestic	20.0%	5.83%
Small cap domestic	10.0%	5.94%
Developed international	15.0%	6.17%
Emerging markets	5.0%	7.36%
Multi asset income	5.0%	3.86%
Real estate	10.0%	4.48%
Fixed income	30.0%	1.95%
Global infrastructure	5.0%	6.61%
Total	100.0%	
Weighted average		4.61%

Discount rate

The discount rate used to measure the total pension liability was 7.5%. No projection of cash flows was used to determine the discount rate because the August 31, 2022 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 30 years using the level dollar amortization method. Because of the 30-year amortization period with the amortization method, 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 was applied to all periods of projected benefit payments to determine the total pension liability.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the System, calculated using the discount rate of 7.5%, in comparison to what the System's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
\$ 606,319	\$ 386,503	\$ 208,500

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of August 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2022. The City's proportionate share of the net pension liability at September 30, 2022 was as follows:

Total Pension Liability	\$ 1,557,839
Plan Fiduciary Net Position	(1,171,336)
City's Net Pension Liability	\$ 386,503

Total net pension liability amount presented above has been reported in the Governmental Activities.

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability is 93.1%

There were no changes of assumptions or other inputs or changes in benefit terms that affected measurement of the total pension liability during the measurement period.

For the year ended September 30, 2022, the City recognized pension expense of \$321,692.

At September 30, 2022 the City reported its proportionate share of the TESRS deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between contributions during measurement period and proportionate share	\$ -	\$ -
Differences between projected and actual investment earnings	-	142,537
Differences between projected and actual experience	-	14,712
Changes in assumptions	1,943	-
Contributions subsequent to the measurement date	-	-
Change in proportion	-	-
Total	\$ 1,943	\$ 157,249

All deferred inflows and outflows of resources related to TESRS are reported in governmental activities.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS *(Continued)*

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

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (44,812)
2023	(27,819)
2024	(29,046)
2025	(53,629)
Total	\$ (155,306)

Postretirement Medical Plan

Plan Description

The City of Edinburg, Texas Medical Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the City of Edinburg, Texas. The plan provides group health insurance coverage to all full-time regular employees retiring after 20 years of service with the City. Retirees are covered until reaching the age of 65 or death, whichever occurs first. The City pays 100% of the medical premium cost for retiree-only coverage. A retiree is entitled to purchase continued health and dental benefits coverage for his/her dependents, which is purchased at his/her own expense. The City does not issue separate audited financial statements for the postemployment benefit plan.

Funding Policy/Contributions

The required contribution is based on projected pay-as-you-go financing requirements. Total premiums for fiscal year 2022 were \$874,443 for retirees (net of retiree contributions).

Employees Covered by Benefit Terms

Inactive employees or beneficiaries currently receiving benefits	78
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>953</u>
	<u>1,031</u>

**City of Edinburg
Notes to the Financial Statements
September 30, 2022**

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS *(Continued)*

Actuarial Assumptions

The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.70% per year
Salary Increases	Varies from 11.50% to 3.50%
Discount Rate: (1)	
Prior Measurement Date	2.15% per year
Measurement Date	4.77% per year
Mortality Table	Pub-2010 General and Public Safety Employees / Retirees Headcount-Weighted Mortality Tables projected fully generationally using scale MP-2021
Health Care Cost Trends	6.75% from 2022 to 2023 decreasing gradually to an ultimate rate of 4.14% by 2076

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

For purposes of calculating the Total OPEB Liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

Demographic and payroll growth assumptions are based on the same assumptions used in the Texas Municipal Retirement System (TMRS) actuarial valuation as of December 31, 2021, which were adopted by TMRS in 2015 and based on the results of the experience study completed in 2014.

The cost method has been updated from Projected Unit Credit to Entry Age Normal Level % of Salary. In conjunction with this change, the payroll growth assumption is now based on the TMRS actuarial valuation assumption as of December 31, 2021. The payroll growth assumption was not needed in prior valuations.

The discount rate used in the accounting valuation has been changed to be based on the 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate used in the prior valuations under GASB 45 accounting standard was 4.77%.

Total OPEB Liability

The City's total OPEB liability was measured as of September 30, 2022, and was determined by an actuarial valuation as of that date.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

The following presents a summary of the changes in Total OPEB liability:

Schedule of Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability Liability (a) - (b)
Net Pension Liability - Beginning	\$ 29,608,451	\$ -	\$ 29,608,451
Changes for the year:			
Service Cost	2,086,690	-	2,086,690
Interest (on the Total Pension Liability)	672,095	-	672,095
Change in benefit terms	-	-	-
Difference between expected and actual experience	(1,786,737)	-	(1,786,737)
Changes of assumptions	(5,979,817)	-	(5,979,817)
Contributions - employer	-	874,443	(874,443)
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	(874,443)	(874,443)	-
Administrative expense	-	-	-
Other changes	-	-	-
Net Changes	(5,882,212)	-	(5,882,212)
Net Pension Liability - Ending	\$ 23,726,239	\$ -	\$ 23,726,239

The amount presented above includes OPEB liabilities for the City's discretely presented component unit. At September 30, 2022, the Boys' and Girls' Club of Edinburg's portion of the OPEB liability was \$374,456. The total OPEB liability for the primary government is \$23,351,782 which is allocated between governmental activities and business-type activities in the amounts of \$17,244,422 and \$6,107,360, respectively.

Sensitivity of the 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 4.77%, as well as what the City's total OPEB liability would have been if it were calculated using a discount rate that is 1 percentage point lower (3.77%) or 1 percentage point higher (5.77%) than the current rate. In addition, the OPEB liability of the City is calculated using the current healthcare cost trend, as well as what the City's total OPEB Liability would have been if it were calculated using a healthcare cost trend as 1 percentage point lower and 1 percentage point higher.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

Health Insurance Program – Current Discount

Healthcare Cost Trend	Discount Rate		
	1% Increase (5.77%)	Current (4.77%)	1% Decrease (3.77%)
1% Decrease		\$ 20,882,511	
Current	\$ 21,552,358	\$ 23,726,239	\$ 26,169,035
1% Increase		\$ 27,127,109	

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2022 the City recognized combined OPEB expense in the amount of \$2,416,296.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 702,632	\$ 2,060,861
Changes in assumptions and other inputs	3,121,650	5,622,786
Total	\$ 3,824,282	\$ 7,683,647

Of the total deferred inflows relating to the OPEB plan, \$5,601,961 is reported in governmental activities and \$1,982,242 is reported in business-type activities. The remaining \$99,444 is reported with discretely presented component units.

Of the total deferred outflows relating to the OPEB plan, \$2,797,862 is reported in governmental activities and \$961,854 is reported in business-type activities. The remaining \$64,566 is reported with discretely presented component units.

There were no contributions subsequent to the measurement date. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources
2023	\$ (342,489)
2024	(342,489)
2025	(342,486)
2026	(212,344)
2027	(616,722)
Thereafter	(2,002,828)
Total	\$ (3,859,358)

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS *(Continued)*

Other Postemployment Benefits – Texas Municipal Retirement System-Supplemental Death Benefits

Plan Description

The City also participates in a multiple-employer, defined benefit group-term life insurance known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). This is a voluntary program in which 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.

Benefits

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). The death benefit for retirees is considered an other postemployment benefit ("OPEB") and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

Employees Covered by Benefit Terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	239
Inactive employees entitled to but not yet receiving benefits	41
Active employees	940
Total	1,220

Contributions

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.

Employees for the City of Edinburg were required to contribute 0.09% of their annual gross earnings during the fiscal years ending in 2021 and 2022. The contribution rates for the City of Edinburg were 0.17% in calendar year 2021 and 2022. The City's contributions to the SDBF for the year ended September 30, 2022 were \$83,990 and were equal to the required contributions.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS *(Continued)*

Actuarial assumptions:

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.50% to 11.50%, including inflation
Discount rate*	1.84%
Retirees' share of benefit-related costs	\$-
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates- service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates- disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

*The discount rate was based on the Fidelity Index's "20-year Municipal GO AA Index" rate as of December 31, 2021.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period of December 31, 2014 to December 31, 2018.

Total OPEB Liability

The City's Total OPEB Liability was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

The following presents a summary of the changes in Total OPEB liability:

Total OPEB Liability - beginning of the year	\$ 2,204,488
Changes for the Year	
Service Cost	107,175
Interest on Total OPEB Liability	44,760
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(43,731)
Changes in Assumptions of Other Inputs	79,821
Benefit Payments **	<u>(40,190)</u>
Net Changes	<u>147,835</u>
Total OPEB Liability - End of Year	<u>\$ 2,352,323</u>

The amount presented above includes OPEB liabilities for the City's discretely presented component units. At September 30, 2022, the Boys' and Girls' Club of Edinburg's portion of the OPEB liability was \$43,548. The total OPEB liability for the primary government is \$2,308,775 which is allocated between governmental activities and business-type activities in the amounts of \$1,844,779 and \$463,996.

Sensitivity of the 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 1.84%, as well as what the City's total OPEB liability would have been if it were calculated using a discount rate that is 1 percentage point lower (0.84%) or 1 percentage point higher (2.84%) than the current rate.

SDBF Program – Current Discount

1% Decrease 0.84%	Current Discount Rate 1.84%	1% Increase 2.84%
\$2,947,396	\$2,352,323	\$1,906,787

Schedule of Contributions (retiree-only portion of the rate, for OPEB)

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2018	0.15%	0.03%
2019	0.15%	0.03%
2020	0.15%	0.03%
2021	0.17%	0.09%
2022	0.17%	0.09%

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 12 – EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2022 the City recognized combined OPEB expense in the amount of \$242,985.

At September 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred (Inflows) Outflows of Resources:	Deferred (Inflows) of Resources	Deferred Outflows of Resources
Differences Between Expected and Actual Experience OPEB Death	\$ (79,747)	\$ -
Changes in Assumptions and Other Inputs	-	472,378
Contributions Made Subsequent to Measurement Date	-	32,889
Total	\$ (79,747)	\$ 505,267

Of the total deferred outflows relating to the OPEB plan, \$396,927 is reported is reported in governmental activities and \$99,500 is reported in business-type activities. The remaining \$8,840 is reported with discretely presented component units.

Of the total deferred inflows relating to the OPEB plan, \$64,781 is reported is reported in governmental activities and \$13,481 is reported in business-type activities. The remaining \$1,485 is reported with discretely presented component units.

\$32,889 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources
2023	\$ 91,050
2024	91,050
2025	77,737
2026	82,592
2027	45,450
Thereafter	4,752
Total	\$ 392,631

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 13 – CONSTRUCTION AND IMPROVEMENT COMMITMENTS

Construction and Improvement Commitments

At September 30, 2022, the City had the following significant remaining contractual commitments for construction and improvement projects:

Project	Financing Sources	Remaining
New Waste Water Treatment Plant (Planning Phase)	Utility Fund	\$ 3,891,740
Lull Subdivision Improvements	Capital Projects Fund / Utility Fund	3,454,073
Promenade Park (Phase I)	Capital Projects Fund	3,282,417
Stadium / Dawson Drainage Project	Capital Projects Fund / Grant Fund	910,202
Veterans Drainage Detention Pond	Capital Projects Fund	869,340
Skate Park	Capital Projects Fund	404,200
South Veterans Sanitary Sewer Project	Utility Fund	373,890
Alberta Road Reconstruction	Capital Projects Fund	324,163
Doolittle Drainage Detention Pond	Capital Projects Fund	256,282
Total		\$ 13,766,307

NOTE 14 – ENCUMBRANCES

The City utilizes encumbrances to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year is as follows:

	Encumbrances
General Fund	\$ 3,599,052
Government Grant Fund	421,480
Capital Projects Fund	16,294,214
Nonmajor Governmental Fund	
Special Revenue Fund	764,798
Water and Sewer Fund	6,384,881
Solid Waste Management Fund	334,416
Nonmajor Enterprise Fund	
Airport Fund	109,119
Ebony Golf Course Fund	85,247
Los Lagos Golf Club	71,706
Developers Escrow Fund	669,465
Total	\$ 28,734,378

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 15 – RISK MANAGEMENT

General

The City maintains insurance for all business and government functions for which it may be liable for claims. The more significant of these include \$2,000,000 of general liability insurance; property insurance covering the City's buildings and properties in an aggregate amount of \$174,287,619 as well as insurance covering mobile equipment and boiler and machinery in an aggregate amount of \$20,462,332; airport general liability insurance of \$5,000,000; and law enforcement liability insurance of \$2,000,000. Employees were covered by a fully insured health insurance plan.

Worker's Compensation

The City was formerly self-insured for its worker's compensation program which is accounted for in the Internal Service Fund. For the year ended September 30, 2022, the City participated in a premium only program. The Internal Service Fund accounts for the remaining run-out claims still outstanding. Management believes that adequate funding has been made for all incurred claims at September 30, 2022. No new claims will be incurred since the city no longer is self-insured.

NOTE 16 – CONTINGENCIES

Litigation

Various lawsuits are pending against the City involving general liability, automotive liability, civil rights actions and various contractual matters. The City maintains general liability and airport and automotive liability insurance in addition to contractor, law enforcement and public officials' policies designed to minimize the City's exposure to these claims. The extent to which insurance coverage may satisfy claims, if any, is not known. The City, in consultation with its attorney, is presently unable to estimate the City's liability, if any, in any of these matters, although management believes the outcome of the pending litigation will not have a material effect on the City's financial position or operations.

Federal and State Assisted Grant Programs

The City participates in a number of federal and state assisted grant programs. Although the City's grant programs have been audited in accordance with the provisions of the Single Audit Act through September 30, 2022, these programs are still subject to financial and compliance audits. Accordingly, the City believes it has complied with all applicable compliance requirements. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 17 – PRIOR PERIOD ADJUSTMENTS

Prior period adjustments (PPA) were needed to properly state the correct financial position of the City. The PPA amounts and the reasons are as follows:

Prior Period Adjustments - Governmental Funds	General Fund
To record corrections related to unemployment taxes not previously recorded.	\$ 109,097
To record grants not previously recorded.	46,045
To reflect EEDC transactions not previously recorded in relation to agreements related to Salaries, expenses and Food Truck.	(144,967)
To Remove Hurricane Hanna Expenses not meeting criteria for a declared disaster that were previously recorded.	(115,547)
Adjustments to deferred revenue not previously recorded.	706,858
Governmental Activities Prior Period Adjustment	\$ 601,486

Prior period Adjustments - Government Wide	General Fund
Fund Level Prior Period Adjustment	\$ 601,486
To record adjustments to construction in progress not previously recorded.	266,857
Adjustments to deferred revenue not previously recorded.	(706,858)
Government Wide Prior Period Adjustment	\$ 161,485

Prior Period Adjustments - Business-type	Water and Sewer Fund
To record bond refunding adjustment not previously recorded.	\$ 152,228
To Remove Hurricane Hanna Expenses not meeting criteria for a declared disaster that were previously recorded.	(91,538)
To record corrections related to unemployment taxes not previously recorded.	18,931
To record constriction in progress not previously recorded.	371,217
Government Wide Prior Period Adjustment	\$ 450,838

Prior Period Adjustments - Business-type	Solid Waste Management Fund
To Remove Hurricane Hanna Expenses not meeting criteria for a declared disaster that were previously recorded.	\$ (782,749)
To record corrections related to unemployment taxes not previously recorded.	18,804
To correct accounts receivables balances.	319,131
Government Wide Prior Period Adjustment	\$ (444,814)

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 17 – PRIOR PERIOD ADJUSTMENTS (Continued)

	Edinburg International Airport
Prior Period Adjustments - Non-major Enterprise	
To Remove Hurricane Hanna Expenses not meeting criteria for a declared disaster that were previously recorded.	\$ (7,771)
To record corrections related to unemployment taxes not previously recorded.	1,235
Non-major Enterprise Prior Period Adjustment	\$ (6,536)

	Ebony Golf Course Fund
Prior Period Adjustments - Non-major Enterprise	
To record corrections related to unemployment taxes not previously recorded.	\$ 1,277
Non-major Enterprise Prior Period Adjustment	\$ 1,277

	Los Lagos Course Fund
Prior Period Adjustments - Non-major Enterprise	
To record corrections related to unemployment taxes not previously recorded.	\$ 4,353
Non-major Enterprise Prior Period Adjustment	\$ 4,353

	International
Prior Period Adjustments - Non-major Enterprise	
To correct the recording of a settlement for roof repairs in the Boys and Girls Club Fund previously recorded as revenue.	\$ (1,000,000)
To adjust accounts receivable.	46,128
To adjust accounts payables.	(948)
To adjust scholarships not previously adjusted.	(2,450)
To record corrections related to unemployment taxes not previously recorded.	5,517
Non-major Enterprise Prior Period Adjustment	\$ (951,753)

NOTE 18 – RELATED PARTY TRANSACTIONS

For the year ended September 30, 2022, the City engaged in the following related party transactions with its component units:

Sales Taxes – The City collects and remits taxes to the EEDC. At the end of the year, the City has a payable due to the EEDC of \$2,185,207 and a receivable balance of \$3,170,620, net receivable of \$985,413.

Sales Tax Agreement – In connection with a project funding agreement relating to a proposed Edinburg entertainment center, the EEDC transferred \$780,418 to the City of Edinburg, Texas Local Government Finance Corporation during the year.

Other – The City of Edinburg provides administrative services to EEDC. Administrative fees for the year ended September 30, 2022 totaled \$1,000,000. Additionally, the EEDC committed proceeds from its 2019, 2021A and 2021B bonds for projects that will be contributed to the City as incentives. During the year ended September 30, 2022, EEDC had paid \$3,293,427 related to the projects.

City of Edinburg
Notes to the Financial Statements
September 30, 2022

NOTE 19 – SUBSEQUENT EVENTS

Primary Government

Management has evaluated subsequent events through January 16, 2024, the date the financials were available to be issued.

On June 22, 2023, the City issued a \$29,585,000 Utility System Revenue Improvement Bond, Series 2023. Funds will be used to fund the planning and design of Phases 1-3 Clean Water Improvement and Phase 1 Construction.

On June 28, 2023, the City issued \$14,500,000 of Combination Tax and limited Pledge Revenue Certificates of Obligation, Series 2023. Funds will be used to relocate/adjust waterlines for a Texas Department of Transportation (TxDOT) Project that will be improving the U.S. 281 (between SH 186 and FM 490) area.

EEDC sold four properties totaling \$1,305,379 in proceeds after year end. The sale of 38 acres will house companies that are expanding, such as Nicho Produce, RGV CDL Services and more.

Required Supplementary Information

CITY OF EDINBURG, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
EXHIBIT 5-A

<i>FOR THE YEAR ENDED SEPTEMBER 30, 2022</i>	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Ad Valorem	\$ 29,550,000	\$ 29,550,000	\$ 29,832,288	\$ 282,288
Sales	23,000,000	25,000,000	25,802,830	802,830
Franchise and Other	4,545,000	4,545,000	4,611,266	66,266
Total Taxes	57,095,000	59,095,000	60,246,384	1,151,384
Licenses and Permits				
Non-Business Licenses and Permits	107,000	107,000	142,237	34,577
Business Licenses and Permits	1,200,000	1,200,000	1,105,706	(94,294)
Total Licenses and Permits	1,307,000	1,307,000	1,247,943	(59,717)
Charges for Services				
General Government	238,000	238,000	230,188	(7,812)
Culture and Recreation	615,000	615,000	595,389	(19,611)
Health and Welfare	490,000	490,000	896,660	406,660
Public Safety	505,000	505,000	649,852	144,852
Total Charges for Services	1,848,000	1,848,000	2,372,089	524,089
Fines and Forfeitures				
Municipal Court	779,590	779,590	835,096	55,506
Other Fines	5,000	5,000	6,638	1,638
Total Fines and Forfeitures	784,590	784,590	841,734	57,144
Intergovernmental Revenues	5,050,000	5,050,000	3,312,076	1,737,924
Interest	50,000	50,000	263,858	213,858
Other	268,500	268,500	342,011	73,511
Total Revenues	66,403,090	68,403,090	68,626,095	3,698,193
Expenditures				
General Government				
City Council				
Personnel Services	51,400	51,400	32,807	18,593
Supplies	45,000	59,740	44,325	15,415
Miscellaneous Services	21,000	7,000	6,531	469
Total City Council	117,400	118,140	83,663	34,477
City Manager				
Personnel Services	1,235,851	1,235,851	1,178,007	57,844
Supplies	30,500	30,500	12,852	17,648
Miscellaneous Services	388,500	354,009	291,502	62,507
Total City Manager	1,666,851	1,860,372	1,482,361	378,011

CITY OF EDINBURG, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
EXHIBIT 5-A (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2022	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
City Secretary				
Personnel Services	516,352	516,352	435,283	81,069
Supplies	20,450	20,450	14,750	5,700
Miscellaneous Services	65,200	66,099	33,275	32,824
Total City Secretary	602,002	602,901	483,307	119,594
Municipal Court				
Personnel Services	1,053,632	1,053,632	1,041,653	11,979
Supplies	40,200	35,700	19,020	16,680
Miscellaneous Services	119,100	124,760	66,744	58,016
Capital Outlay	-	-	-	-
Total Municipal Court	1,212,932	1,214,092	1,127,418	86,674
Legal				
Personnel Services	239,648	239,648	90,031	149,617
Supplies	3,000	3,000	2,618	382
Miscellaneous Services	412,480	412,713	442,481	(29,768)
Total Legal	655,128	655,361	535,130	120,231
Finance				
Personnel Services	1,410,905	1,410,905	1,388,698	22,207
Supplies	27,292	15,932	13,919	2,013
Miscellaneous Services	221,072	229,840	163,144	66,696
Total Finance	1,659,269	1,656,677	1,565,761	90,916
Human Resources				
Personnel Services	847,774	847,774	913,563	(65,789)
Supplies	44,500	90,550	72,159	18,391
Miscellaneous Services	238,178	238,630	204,731	33,899
Total Human Resources	1,130,452	1,176,954	1,190,454	(13,500)
Engineering				
Personnel Services	988,241	988,241	1,048,907	(60,666)
Supplies	28,200	45,645	46,533	(888)
Miscellaneous Services	204,180	241,848	147,384	94,464
Capital Outlay	56,320	138,520	32,417	106,103
Total Engineering	1,276,941	1,414,254	1,275,241	139,013
Planning and Zoning				
Personnel Services	726,580	726,580	634,832	91,748
Supplies	44,800	48,094	31,510	16,584
Miscellaneous Services	71,721	152,277	125,039	27,238
Capital Outlay	7,500	7,500	2,024	5,476
Total Planning	850,601	934,451	793,405	141,046
Information Technology				
Personnel Services	963,508	963,508	971,391	(7,883)
Supplies	163,850	161,981	119,609	42,372
Miscellaneous Services	513,010	521,021	399,665	121,356
Capital Outlay	456,000	455,084	205,051	250,033
Total Information Technology	2,096,368	2,101,594	1,695,715	405,879

CITY OF EDINBURG, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
EXHIBIT 5-A (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2022	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Communications and Media				
Personnel Services	676,495	683,495	665,143	18,352
Supplies	47,576	48,546	41,603	6,943
Miscellaneous Services	97,300	89,300	57,023	32,277
Total Communications and Media	821,371	821,341	763,770	57,571
City Hall				
Supplies	11,000	11,500	3,335	8,165
Miscellaneous Services	161,470	164,400	170,042	(5,642)
Total City Hall	172,470	175,900	173,377	2,523
Non-Department				
Audit	50,000	15,000	12,300	2,700
Flat Rate Assessment	6,000	6,000	5,896	104
General Insurance	780,000	950,000	925,751	24,249
County Appraisal Service	350,000	375,000	354,427	20,573
Property Tax Collection Fee	62,000	80,000	79,826	174
Capital Lease Debt Service	2,823,924	3,155,894	3,047,175	108,719
Other	2,450,000	2,455,180	2,324,587	130,593
Total Non-Department	6,521,924	7,037,074	6,749,962	287,112
Total General Government	18,783,709	19,769,111	17,919,564	1,849,547
Public Safety				
Police				
Personnel Services	21,869,179	22,117,609	22,643,303	(525,694)
Supplies	997,130	1,197,452	1,041,738	155,714
Miscellaneous Services	871,400	1,204,074	1,122,630	81,444
Capital Outlay	1,221,055	2,105,148	168,900	1,936,249
Total Police	24,958,764	26,624,283	24,976,570	1,647,713
Fire				
Personnel Services	6,763,948	7,188,948	7,393,717	(204,769)
Supplies	678,690	734,964	684,640	50,324
Miscellaneous Services	509,492	570,718	526,911	43,807
Capital Outlay	6,390,000	5,840,000	2,769,755	3,070,245
Total Fire	14,342,130	14,334,630	11,375,023	2,959,607
Total Public Safety	39,300,894	40,958,913	36,351,593	4,607,320

CITY OF EDINBURG, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
EXHIBIT 5-A (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2022	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Highways and Streets				
Public Works				
Personnel Services	4,322,455	4,322,455	3,541,003	781,452
Supplies	858,850	848,000	830,642	17,358
Miscellaneous Services	1,626,900	1,685,191	1,655,764	29,427
Capital Outlay	3,207,898	3,729,382	2,243,982	1,485,400
Total Public Works	10,016,103	10,585,028	8,271,391	2,313,637
Total Highways and Streets	10,016,103	10,585,028	8,271,391	2,313,637
Health and Welfare				
Building Maintenance				
Personnel Services	1,492,581	1,487,081	1,604,966	(117,885)
Supplies	191,800	197,730	200,073	(2,343)
Miscellaneous Services	946,600	1,026,670	1,007,540	19,130
Capital Outlay	-	-	2,684	(2,684)
Total Building Maintenance	2,630,981	2,711,481	2,815,263	(103,782)
Code Enforcement				
Personnel Services	1,707,576	1,707,576	1,850,834	(143,258)
Supplies	76,500	94,649	95,244	(595)
Miscellaneous Services	266,900	286,900	247,100	39,800
Capital Outlay	50,000	202,539	174,581	27,958
Total Code Enforcement	2,100,976	2,291,664	2,367,759	(76,095)
Community Development and Grants Management				
Personnel Services	478,588	478,588	444,652	33,936
Supplies	6,800	6,938	4,721	2,217
Miscellaneous Services	34,348	34,484	12,314	22,170
Capital Outlay	295,000	270,000	22,836	247,164
Total Housing Assistance	519,736	520,010	484,523	305,487
Total Health and Welfare	5,251,693	5,523,155	5,667,544	125,611

CITY OF EDINBURG, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
EXHIBIT 5-A (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2022	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Culture and Recreation				
Library and Cultural Arts				
Personnel Services	1,551,707	1,534,040	1,724,721	(190,681)
Supplies	247,503	290,820	254,220	36,600
Miscellaneous Services	543,430	519,836	342,364	177,472
Capital Outlay	175,000	405,300	30,875	374,425
Total Library and Cultural Arts	2,517,640	2,749,996	2,352,180	397,816
Parks and Recreation				
Personnel Services	5,160,593	4,841,763	4,929,788	(88,025)
Supplies	897,300	1,118,325	1,112,286	6,039
Miscellaneous Services	466,840	587,694	562,454	25,240
Capital Outlay	1,750,000	815,450	341,265	474,185
Total Parks and Recreation	8,274,733	7,363,232	6,945,792	417,440
Total Culture and Recreation	10,792,373	10,113,228	9,297,972	815,256
Economic Development				
Personnel Services	302,850	302,850	290,567	12,283
Supplies	48,000	48,000	10,166	37,834
Services and Agreements	1,012,300	1,270,500	1,139,639	130,861
Total Economic Development	1,363,150	1,621,350	1,440,371	180,979
Total Expenditures	85,507,922	88,570,785	78,948,435	9,892,350
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(19,104,832)	(20,167,695)	(10,322,340)	9,845,355
Other Financing Sources (Uses):				
Debt Proceeds	12,931,562	12,931,562	11,705,961	(1,225,601)
Sale of Real and Personal Property	50,000	50,000	76,069	26,069
Insurance Proceeds	150,000	150,000	-	(150,000)
Transfers In	5,000,000	5,000,000	5,000,000	-
Transfers Out	(1,666,345)	(1,917,045)	(1,905,432)	11,613
Total Other Financing Sources (Uses)	16,415,217	16,164,517	14,876,598	(1,363,988)
Net Change in Fund Balances	(2,689,615)	(4,003,178)	4,554,258	8,481,367
Fund Balances - Beginning of Year	27,275,676	27,275,676	27,275,676	-
Fund Balances - End of Year	<u>\$ 24,586,061</u>	<u>\$ 23,272,498</u>	<u>\$ 32,421,197</u>	<u>\$ 8,481,367</u>

CITY OF EDINBURG, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
LAST TEN YEARS
EXHIBIT 5-B

SEPTEMBER 30,	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability								
Service Cost	\$ 3,905,080	\$ 4,465,697	\$ 4,897,533	\$ 5,271,339	\$ 5,451,177	\$ 6,001,648	\$ 6,569,509	\$ 7,055,662
Interest (on the Total Pension Liability)	7,415,662	7,952,761	8,221,195	8,778,659	9,496,321	10,025,754	10,828,811	11,698,505
Changes of benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(554,280)	(237,828)	(1,032,455)	1,028,193	(1,994,144)	588,622	960,974	3,130,005
Change of assumptions	-	(377,240)	-	-	-	674,533	-	-
Benefit payments, including refunds of employee contributions	(3,096,759)	(3,651,078)	(4,018,322)	(4,010,576)	(5,061,598)	(5,708,662)	(5,646,042)	(5,789,996)
Net Change in Total Pension Liability	7,669,703	8,152,312	8,067,951	11,067,615	7,891,756	11,581,895	12,713,252	16,094,176
Total Pension Liability - Beginning	105,533,866	113,203,569	121,355,881	129,423,832	140,491,447	148,383,203	148,383,203	172,678,350
Total Pension Liability - Ending (a)	\$ 113,203,569	\$ 121,355,881	\$ 129,423,832	\$ 140,491,447	\$ 148,383,203	\$ 159,965,098	\$ 161,096,455	\$ 188,772,526
Plan Fiduciary Net Position								
Contributions - employer	\$ 3,999,261	\$ 4,444,421	\$ 4,621,389	\$ 5,094,161	\$ 5,075,953	\$ 5,499,792	\$ 6,003,536	\$ 6,466,214
Contributions - employee	1,968,692	2,127,970	2,222,723	2,401,271	2,477,808	2,681,017	2,934,688	3,125,926
Net investment income	4,388,353	123,828	5,874,570	13,244,540	(3,362,715)	17,217,376	9,938,942	18,793,124
Benefit payments, including refunds of employee contributions	(3,096,759)	(3,651,078)	(4,018,322)	(4,010,576)	(5,061,598)	(5,708,662)	(5,646,042)	(5,789,996)
Administrative expense	(45,809)	(75,414)	(66,307)	(68,598)	(64,934)	(97,159)	(64,251)	(86,846)
Other	(3,766)	(3,725)	(3,572)	(3,476)	(3,393)	(2,919)	(2,507)	595
Net Change in Plan Fiduciary Net Position	7,209,972	2,966,002	8,630,481	16,657,322	(938,879)	19,589,445	13,164,366	22,509,017
Plan Fiduciary Net Position - Beginning	76,698,643	83,908,615	86,874,617	95,505,098	112,162,420	111,223,541	111,223,541	143,977,352
Plan Fiduciary Net Position - Ending (b)	\$ 83,908,615	\$ 86,874,617	\$ 95,505,098	\$ 112,162,420	\$ 111,223,541	\$ 130,812,986	\$ 124,387,907	\$ 166,486,369
Net Pension Liability - Ending (a)-(b)	\$ 29,294,954	\$ 34,481,264	\$ 33,918,734	\$ 28,329,027	\$ 37,159,662	\$ 29,152,112	\$ 36,708,548	\$ 22,286,157
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.12%	71.59%	73.79%	79.84%	74.96%	81.78%	77.21%	88.19%
Covered Payroll	\$ 28,124,170	\$ 30,399,572	\$ 31,740,329	\$ 34,296,282	\$ 35,397,255	\$ 38,300,244	\$ 41,924,117	\$ 44,656,087
City's Net Pension Liability as a Percentage of Covered Payroll	104.16%	113.43%	106.86%	82.60%	104.98%	76.11%	87.56%	49.91%

Note: GASB 68 Codification, Vol. 2, P20.146 requires that the data in this schedule be presented for the time period covered by the measurement date rather than the governmental entity's current fiscal year. As required by GASB 68, this schedule will be built prospectively as the information becomes available until 10 years of information is presented.

CITY OF EDINBURG, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM (TESRS)
LAST TEN YEARS
EXHIBIT 5-C

<i>SEPTEMBER 30,</i>	2015	2016	2017	2018	2019	2020	2021	2022
City's proportion of the net pension liability	1.54%	1.29%	1.34%	2.43%	0.97%	1.14%	0.50%	0.94%
City's proportionate share of the net pension liability	\$ 279,298	\$ 346,906	\$ 389,151	\$ 526,106	\$ 274,669	\$ 253,117	\$ 111,320	\$ 386,503
City's number of active members	54	58	58	39	21	26	24	25
City's net pension liability per active member	\$ 5,172	\$ 5,981	\$ 6,710	\$ 13,490	\$ 13,079	\$ 9,735	\$ 4,638	\$ 15,460
Plan fiduciary net position as a percentage of the total pension liability	83.50%	76.70%	76.30%	84.30%	80.20%	83.20%	93.10%	75.20%

Note: GASB 68 requires 10 fiscal years of data to be provided in this schedule. However, until a full 10 year trend is compiled, the city will present information for those years for which information is available.

CITY OF EDINBURG, TEXAS
SCHEDULE OF CITY'S CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
LAST TEN YEARS
EXHIBIT 5-D

<i>SEPTEMBER 30,</i>	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 4,351,814	\$ 4,586,475	\$ 4,621,389	\$ 5,094,161	\$ 5,075,953	\$ 5,499,792	\$ 6,003,536	\$ 6,466,214
Contributions in relation to the actuarially determined contribution	4,351,814	4,586,475	4,621,389	5,094,161	5,075,953	5,499,792	6,003,536	6,466,214
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 28,124,170	\$ 30,399,572	\$ 31,740,329	\$ 34,296,282	\$ 35,397,255	\$ 40,178,654	\$ 41,924,117	\$ 44,656,087
Contributions as a percentage of covered payroll	15.47%	15.09%	14.56%	14.85%	14.34%	13.69%	14.32%	14.48%

Notes to Schedule of Contributions

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	26 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	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 2015 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. Pre-retirement: PUB(10) mortality tables, with the Public Safety used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes There were no benefit changes during the year.

Note: GASB 68 requires 10 fiscal years of data to be provided in this schedule. However, until a full 10-yea trend is compiled, the city will present information for those years for which information is available.

CITY OF EDINBURG, TEXAS
SCHEDULE OF CITY'S CONTRIBUTIONS
TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM (TESRS)
LAST TEN YEARS
EXHIBIT 5-E

<i>SEPTEMBER 30,</i>	2015	2016	2017	2018	2019	2020	2021	2022
Texas Emergency Services Retirement System (TESRS)								
Contractually required contributions	\$ 31,320	\$ 46,400	\$ 40,310	\$ 36,169	\$ 43,428	\$ 46,835	\$ 49,880	\$ 45,820
Contributions in relation to the contractually required contribution	31,320	46,400	40,310	36,169	43,428	46,835	49,880	45,820
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Number of active members	54	58	58	39	21	26	24	25
Contributions per active member	\$ 580	\$ 800	\$ 697	\$ 927	\$ 2,068	\$ 1,801	\$ 2,078	\$ 1,833

Note: GASB 68 requires 10 fiscal years of data to be provided in this schedule. However, until a full 10-year trend is compiled, the city will present information for those years for which information is available.

CITY OF EDINBURG, TEXAS
Schedule of Changes in Total OPEB Obligation and Related Ratios
Post-Retirement Medical Plan
Last Ten Years
Exhibit 5-F

SEPTEMBER 30,	2018	2019	2020	2021	2022
Total OPEB Liability					
Service cost	\$ 1,149,843	\$ 1,069,819	\$ 1,500,352	\$ 2,023,214	\$ 2,086,690
Interest	715,606	826,562	654,448	659,614	672,095
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	56,192	1,079,257	(663,288)	(1,786,737)
Changes of assumptions	(1,041,173)	3,178,838	2,243,038	173,777	(5,979,817)
Benefit payments, including refunds of employee contributions	(607,647)	(762,157)	(700,345)	(812,433)	(874,443)
Net Change in Total OPEB Liability	216,629	4,369,254	4,776,750	1,380,884	(5,882,212)
Total OPEB Liability - Beginning	18,864,934	19,081,563	23,450,817	23,450,817	29,608,451
Total OPEB Liability - Ending (a)	\$ 19,081,563	\$ 23,450,817	\$ 28,227,567	\$ 24,831,701	\$ 23,726,239
Plan Fiduciary Net Position					
Contributions - employer	\$ 607,647	\$ 762,157	\$ 700,345	\$ 812,433	\$ 874,443
Contributions - employee	-	-	-	-	-
Net investment income	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(607,647)	(762,157)	(700,345)	(812,433)	(874,443)
Administrative expense	-	-	-	-	-
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB Liability - Ending (a) - (b)	\$ 19,081,563	\$ 23,450,817	\$ 28,227,567	\$ 24,831,701	\$ 23,726,239
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered - Employee Payroll	\$ 29,675,741	\$ 29,675,741	\$ 35,377,683	\$ 38,052,277	\$ 43,107,343
City's Net OPEB Liability as a Percentage of Covered - Employee Payroll	64.3%	79.0%	79.8%	65.3%	55.0%

Note: GASB 75 requires 10 fiscal years of data to be provided in this schedule. However, until a full 10-year trend is compiled, the city will present information for those years for which information is available.

Notes to Schedule: N/A

CITY OF EDINBURG, TEXAS
Schedule of Changes in Total OPEB Obligation and Related Ratios
Post Retirement Supplemental Death Benefits
Last Ten Years
Exhibit 5-G

SEPTEMBER 30,	2018	2019	2020	2021	2022
Total OPEB Liability					
Service cost	\$ 51,444	\$ 63,715	\$ 57,450	\$ 96,425	\$ 107,175
Interest	45,625	47,160	53,368	49,704	44,760
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	29,186	(64,335)	(26,207)	(43,731)
Changes of assumptions	125,031	(112,151)	314,963	331,664	79,821
Benefit payments, including refunds of employee contributions*	(10,289)	(10,619)	(11,490)	(12,577)	(40,190)
Net Change in Total OPEB Liability	211,811	17,291	349,956	439,009	147,835
Total OPEB Liability - Beginning	1,186,421	1,398,232	1,415,523	1,415,523	2,204,488
Total OPEB Liability - Ending (a)	\$ 1,398,232	\$ 1,415,523	\$ 1,765,479	\$ 1,854,532	\$ 2,352,323
 Covered - Employee Payroll	 \$ 34,296,282	 \$ 35,397,255	 \$ 38,300,244	 \$ 41,924,117	 \$ 44,656,087
City's Net OPEB Liability as a Percentage of Covered - Employee Payroll	4.08%	4.00%	4.61%	4.42%	5.27%

*The Supplemental Death Benefit Fund is considered to be an unfunded OPEB plan under GASB 75. Because of this benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Note: GASB Codification, Vol. 2, P52.139 states that the information on this schedule should be determined as of the measurement date of the plan.

As required by GASB 75, this schedule will be built prospectively as the information becomes available until 10 years of information is presented.

CITY OF EDINBURG, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2022
EXHIBIT 5-H

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

Budgets are adopted on a basis consistent with generally accepted accounting principals.

NOTE 2 BUDGETARY EXPENDITURES IN EXCESS OF APPROPRIATIONS

During the year ended September 30, 2022, total expenditures did not exceeded total appropriations in the General Fund. Annual budgeted expenditures are adopted at the department level within funds. Accordingly, the level at which expenditures cannot legally exceed appropriations is the department level.

Department	Expenditures Over Appropriations
Human Resources	\$ (13,500)
Code Enforcement	(76,095)

Note:

Human resources personnel services exceeded by \$13,500 the budget mainly due to changes in the estimated group insurance costs, increase in salaries and related retirement costs. For the year 2022-2023, their budget was increased to properly reflect the budget. Code Enforcement also exceeded the budget by \$79,095 due to differences in the actual salaries paid, related retirement and group insurances differences. For the year 2022-2023, their budget was increased to properly reflect the budget.

Other Supplementary Information

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenue resources that are restricted or committed to expenditure for specified purposes. A special revenue fund continues in existence as long as governmental resources are allocated to its specific purposes. The City has the following special revenue funds:

Community Development Fund is used to account for grant revenues and expenditures for improved community facilities and services. This fund accounts for revenues and expenditures of the Community Development Block Grant (CDBG) Program.

Home Programs Fund was established to account for all transactions administered through the City for the purpose of providing low interest and interest-free loans to low income families for the purpose of constructing and acquiring safe, decent, and affordable housing through the Home Investment Partnership Programs. This fund accounts for program income revenue received from housing loan payments made under these programs and expenditures incurred from loan servicing fees.

Texas Controlled Substance Fund is used to account for revenues and expenditures of Police Department activities in conjunction with other drug task force agencies.

Hotel Occupancy Tax Fund is used to account for a tax levied on hotels within the City. The tax revenues can be expended for tourism and related programs promoting the City.

Municipal Court Restricted Fund is used to account for revenues and expenditures of security and technology fees received under Texas Criminal Code Sections 102.017 and 102.1072, respectively, to be used in order to provide security and technology improvements to the municipal court. In addition, the fund accounts for revenues and expenditure of funds received under Texas Local Government Code 133.03 for efficiency improvements to the municipal court.

City Secretary Restricted Fund is used to account for revenues and expenditures of funds received under Health and Safety Code Section 191.0045, to be used to fund preservation of vital statistics and other records.

Public Education and Governmental Access Fund is used to account for revenues and expenditures of funds received under Chapter 66.006 of the Utilities Code concerning the 1% fee charged as part of franchise fees collected from cable companies. These fees are used to support capital costs for the City's public access channel.

Tax Increment Reinvestment Zone 1 (TIRZ#1) Fund was established to account respective rights and obligations in connection with the development and construction by the Developer of a retail shopping center project known as "The Shoppes at Rio Grande Valley."

Tax Increment Reinvestment Zone 4 (TIRZ#4) Fund is used to account for revenue that provide development incentives and funding for infrastructure improvements lacking in the selected area. TIRZ#4 is an approximately 49.57 acres of land area primarily between the corner of Alberta Road and State Highway 281 in the City of Edinburg, which is known as "Berg Ogden Arena" .

Tax Increment Reinvestment Zone 3 (TIRZ#3) Fund was established to account for respective rights and obligations in connection with the development and construction by the Developer of a mixed-use commercial and residential development commonly known as "La Sienna" or the "La Sienna Project."

Local Government Finance Corp. (LGFC) Fund was established to retire Contract Revenue Bonds, Series 2015A and Contract Revenue Bonds, Taxable Series 2015B.

DEBT SERVICE FUNDS

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

The **Debt Service Fund**, also known as the Interest and Sinking Fund, was established by ordinance authorizing the issuance of General Obligation Bonds. The fund provides for payment of bond principal, interest, paying agent fees, and a debt service reserve as a sinking fund each year. An ad valorem tax rate and tax levy is required to be computed and levied, which will be sufficient to produce the money required to pay the principal and interest as it comes due and provide the interest and sinking fund reserve.

CITY OF EDINBURG, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
EXHIBIT 6-A

<u>SEPTEMBER 30, 2022</u>	<u>Debt Service Fund</u>	<u>Special Revenue Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Assets			
Cash and Cash Equivalents	\$ 338,394	\$ 6,438,737	\$ 6,777,131
Taxes Receivables	486,263	-	486,263
Allowance for Uncollectible Taxes	(109,300)	-	(109,300)
Accounts Receivables, Net	-	62,420	62,420
Lease Receivable, Net	-	29,748	29,748
Note Receivable	-	1,323,774	1,323,774
Due from Other Governments	-	1,344,061	1,344,061
Due from Other Funds	-	33,594	33,594
Prepaid Items	-	800	800
Restricted Assets:			
Cash with Fiscal Agent	-	2,931,752	2,931,752
Total Assets	<u>\$ 715,357</u>	<u>\$ 12,164,886</u>	<u>\$ 12,880,243</u>
Liabilities			
Accounts Payable	\$ -	\$ 151,099	\$ 151,099
Accrued Liabilities	-	9,504	9,504
Unearned Revenue	-	1,344,061	1,344,061
Total Liabilities	<u>-</u>	<u>1,504,664</u>	<u>1,504,664</u>
Deferred Inflows of Resources			
Deferred Inflows from Loans Receivable	-	1,323,774	1,323,774
Deferred Inflows from Taxes	352,425	-	352,425
Deferred Inflows from Leases	-	25,641	25,641
Total Deferred Inflows of Resources	<u>352,425</u>	<u>1,349,415</u>	<u>1,701,840</u>
Fund Balances			
Restricted for:			
Debt Service	362,932	2,697,095	3,060,027
Capital Projects	-	234,624	234,624
Other Purposes	-	6,379,088	6,379,088
Unassigned	-	-	-
Total Fund Balances	<u>362,932</u>	<u>9,310,807</u>	<u>9,673,739</u>
Total Liabilities and Fund Balances	<u>\$ 715,357</u>	<u>\$ 12,164,886</u>	<u>\$ 12,880,243</u>

CITY OF EDINBURG, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
EXHIBIT 6-B

FOR THE YEAR ENDED SEPTEMBER 30, 2022	Debt Service Fund	Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes:			
Property Taxes	\$ 7,432,471	\$ 1,023,606	\$ 8,456,077
Franchise Tax	-	132,760	132,760
Other Tax	-	959,928	959,928
Intergovernmental Revenue and Grants	-	1,584,521	1,584,521
Charges for Services	-	387,430	387,430
Fines and Forfeits	-	124,564	124,564
Investment Earnings	6,143	22,293	28,436
Contributions	-	1,561,575	1,561,575
Other	-	115,155	115,155
Total Revenues	<u>7,438,614</u>	<u>5,911,832</u>	<u>13,350,446</u>
Expenditures			
Current:			
General Government	-	289,954	289,954
Public Safety	-	233,013	233,013
Health and Welfare	-	182,056	182,056
Culture and Recreation	-	533,651	533,651
Urban Redevelopment and Housing	-	643,676	643,676
Debt Service:			
Principal Retirements	4,091,422	1,436,109	5,527,531
Interest and Other Charges	3,699,453	1,833,475	5,532,928
Total Expenditures	<u>7,790,875</u>	<u>5,151,934</u>	<u>12,942,809</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(352,261)</u>	<u>759,898</u>	<u>407,637</u>
Other Financing Sources (Uses)			
Proceeds from Right of Use Leases		10,023	10,023
Transfers In	416,345	3,982,937	4,399,282
Transfers Out	-	(3,793,850)	(3,793,850)
Total Other Financing Sources (Uses)	<u>416,345</u>	<u>199,110</u>	<u>615,455</u>
Net Change In Fund Balances	64,084	959,008	1,023,092
Fund Balances - Beginning of Year	298,848	8,351,463	8,650,310
Prior Period Adjustment	-	336	336
Fund Balances - End of Year	<u>\$ 362,932</u>	<u>\$ 9,310,807</u>	<u>\$ 9,673,739</u>

CITY OF EDINBURG, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
EXHIBIT 6-C

<i>SEPTEMBER 30, 2022</i>	Community Development	Home Program	Texas Controlled Substance	Hotel Occupancy Tax	Municipal Court Restricted	City Secretary Restricted	PEG Fund	Tax Increment Reinvestment Zone 1	Tax Increment Reinvestment Zone 4	Tax Increment Reinvestment Zone 3	Local Government Finance Corp.	Total Nonmajor Special Revenue Funds
Assets												
Cash and Cash Equivalents	\$ 51,097	\$ 47,822	\$ 908,686	\$ 1,012,727	\$ 677,436	\$ 206,921	\$ 440,257	\$ -	\$ -	\$ -	\$ 3,093,791	\$ 6,438,737
Accounts Receivables, Net	30,639	-	-	-	-	-	31,781	-	-	-	-	62,420
Lease Receivable, Net	-	-	-	-	-	-	-	-	-	-	29,748	29,748
Note Receivable	1,319,263	4,511	-	-	-	-	-	-	-	-	-	1,323,774
Due from Other Governments	1,344,061	-	-	-	-	-	-	-	-	-	-	1,344,061
Due from Other Funds	-	-	33,594	-	-	-	-	-	-	-	-	33,594
Prepaid Items	-	-	-	800	-	-	-	-	-	-	-	800
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-	2,931,752	2,931,752
Total Assets	<u>2,745,060</u>	<u>52,333</u>	<u>942,280</u>	<u>1,013,527</u>	<u>677,436</u>	<u>206,921</u>	<u>472,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,055,291</u>	<u>12,164,886</u>
Liabilities												
Accounts Payable	21,744	-	4,805	4,342	56,520	5,000	479	-	-	-	58,209	151,099
Accrued Liabilities	9,504	-	-	-	-	-	-	-	-	-	-	9,504
Unearned Revenue	1,344,061	-	-	-	-	-	-	-	-	-	-	1,344,061
Total Liabilities	<u>1,375,309</u>	<u>-</u>	<u>4,805</u>	<u>4,342</u>	<u>56,520</u>	<u>5,000</u>	<u>479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,209</u>	<u>1,504,664</u>
Deferred Inflows of Resources												
Deferred Inflows from Loans Receivable	1,319,263	4,511	-	-	-	-	-	-	-	-	-	1,323,774
Deferred Inflows from Leases	-	-	-	-	-	-	-	-	-	-	25,641	25,641
Total Deferred Inflows of Resources	<u>1,319,263</u>	<u>4,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,641</u>	<u>1,349,415</u>
Fund Balances												
Restricted for:												
Debt Service	-	-	-	-	-	-	-	-	-	-	2,697,095	2,697,095
Capital Projects	-	-	-	-	-	-	-	-	-	-	234,624	234,624
Other Purposes	50,488	47,822	937,475	1,009,185	620,916	201,921	471,559	-	-	-	3,039,722	6,379,088
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>50,488</u>	<u>47,822</u>	<u>937,475</u>	<u>1,009,185</u>	<u>620,916</u>	<u>201,921</u>	<u>471,559</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,971,441</u>	<u>9,310,807</u>
Total Liabilities and Fund Balances	<u>\$ 2,745,060</u>	<u>\$ 52,333</u>	<u>\$ 942,280</u>	<u>\$ 1,013,527</u>	<u>\$ 677,436</u>	<u>\$ 206,921</u>	<u>\$ 472,038</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,055,291</u>	<u>\$ 12,164,886</u>

CITY OF EDINBURG, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
EXHIBIT 6-D

<i>FOR THE YEAR ENDED SEPTEMBER 30, 2022</i>	Community Development	Home Program	Texas Controlled Substance	Hotel Occupancy Tax	Municipal Court Restricted	City Secretary Restricted	PEG Fund	Tax Increment Reinvestment Zone 1	Tax Increment Reinvestment Zone 4	Tax Increment Reinvestment Zone 3	Local Government Finance Corp.	Total Nonmajor Special Revenue Funds
Revenues												
Taxes:												
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 478,272	\$ 251,752	\$ 293,582	\$ -	\$ 1,023,606
Franchise Tax	-	-	-	-	-	-	132,760	-	-	-	-	132,760
Other Tax	-	-	-	959,928	-	-	-	-	-	-	-	959,928
Intergovernmental Revenue and Grants	1,112,864	-	471,657	-	-	-	-	-	-	-	-	1,584,521
Charges for Services	-	-	-	-	-	43,430	-	-	-	-	344,000	387,430
Fines and Forfeits	-	-	-	-	124,564	-	-	-	-	-	-	124,564
Investment Earnings	-	-	915	2,347	1,133	354	889	-	-	-	16,655	22,293
Contributions	-	-	-	-	-	-	-	346,770	146,860	287,527	780,418	1,561,575
Other	115,155	-	-	-	-	-	-	-	-	-	-	115,155
Total Revenues	1,228,019	-	472,572	962,275	125,697	43,784	133,649	825,042	398,612	581,109	1,141,073	5,911,832
Expenditures												
Current:												
General Government	-	-	-	-	58,566	31,585	129,179	-	-	-	-	219,330
Public Safety	195,000	-	38,013	-	-	-	-	-	-	-	-	233,013
Health and Welfare	181,069	987	-	-	-	-	-	-	-	-	-	182,056
Culture and Recreation	192,384	-	-	411,891	-	-	-	-	-	-	-	604,275
Urban Redevelopment and Housing	643,676	-	-	-	-	-	-	-	-	-	-	643,676
Debt Service:												
Principal Retirements	-	-	-	-	-	-	-	-	-	-	1,436,109	1,436,109
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-	1,833,475	1,833,475
Total Expenditures	1,212,129	987	38,013	411,891	58,566	31,585	129,179	-	-	-	3,269,584	5,151,934
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,890	(987)	434,559	550,384	67,131	12,199	4,470	825,042	398,612	581,109	(2,128,511)	759,898
Other Financing Sources (Uses)												
Proceeds from Right of Use Leases	-	-	-	-	-	-	-	-	-	-	10,023	10,023
Transfers In	-	-	-	-	-	-	-	793,112	295,975	-	2,893,850	3,982,937
Transfers Out	-	-	-	(900,000)	-	-	-	(1,618,154)	(694,587)	(581,109)	-	(3,793,850)
Total Other Financing Sources (Uses)	-	-	-	(900,000)	-	-	-	(825,042)	(398,612)	(581,109)	2,903,873	199,110
Net Change in Fund Balances	15,890	(987)	434,559	(349,616)	67,131	12,199	4,470	-	-	-	775,362	959,008
Fund Balances - Beginning of Year	34,262	48,809	502,916	1,358,801	553,785	189,722	467,089	-	-	-	5,196,079	8,351,463
Prior Period Adjustment	336	-	-	-	-	-	-	-	-	-	-	336
Fund Balances - End of Year	\$ 50,488	\$ 47,822	\$ 937,475	\$ 1,009,185	\$ 620,916	\$ 201,921	\$ 471,559	\$ -	\$ -	\$ -	\$ 5,971,441	\$ 9,310,807

CITY OF EDINBURG, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
EXHIBIT 7-A

FOR THE YEAR ENDED SEPTEMBER 30, 2022	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Property Taxes	\$ 6,967,019	\$ 6,967,019	\$ 7,306,107	\$ 339,088
Penalty and Interest	80,000	80,000	126,365	46,365
Investment Earnings	-	-	6,143	6,143
Total Revenues	<u>7,047,019</u>	<u>7,047,019</u>	<u>7,438,615</u>	<u>391,596</u>
Expenditures				
Debt Service				
Principal Retirements	4,091,425	4,091,425	4,091,423	2
Interest and Other Charges	<u>3,682,939</u>	<u>3,682,939</u>	<u>3,699,453</u>	<u>(16,514)</u>
Total Expenditures	<u>7,774,364</u>	<u>7,774,364</u>	<u>7,790,876</u>	<u>(16,512)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(727,345)</u>	<u>(727,345)</u>	<u>(352,261)</u>	<u>375,084</u>
Other Financing Sources (Uses)				
Transfers In	<u>416,345</u>	<u>416,345</u>	<u>416,345</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>416,345</u>	<u>416,345</u>	<u>416,345</u>	<u>-</u>
Net Change In Fund Balance	(311,000)	(311,000)	64,084	375,084
Fund Balance - Beginning of Year	<u>298,848</u>	<u>298,848</u>	<u>298,848</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ (12,152)</u>	<u>\$ (12,152)</u>	<u>\$ 362,932</u>	<u>\$ 375,084</u>

NON-MAJOR ENTERPRISE FUNDS

Non-Major Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes. The City has the following non-major enterprise funds:

Edinburg International Airport is used to account for revenues and expenses of the City's airport operations.

City Ebony Golf Course is used to account for golf course revenues and expenses associated with the Ebony Hills Golf Course.

Los Lagos Golf Course is used to account for golf course revenues and expenses associated with the Los Lagos Golf Course.

CITY OF EDINBURG, TEXAS
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
EXHIBIT 8-A

SEPTEMBER 30, 2022	Edinburg International Airport	City Ebony Golf Course	Los Lagos Golf Course	Total Nonmajor Enterprise Funds
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 131,282	\$ 66,286	\$ 700	\$ 198,268
Accounts Receivable, Net	39,417	18	26,486	65,921
Lease Receivable, Net	57,435	-	-	57,435
Inventories	60,285	4,845	32,141	97,271
Prepaid Items	50,295	-	-	50,295
Restricted Assets:				
Cash with Fiscal Agent	362,164	130,540	401,046	893,750
Total Current Assets	<u>700,878</u>	<u>201,689</u>	<u>460,373</u>	<u>1,362,940</u>
Noncurrent Assets:				
Capital Assets:				
Land	4,246,155	25,000	729,000	5,000,155
Buildings	5,059,426	214,988	1,037,433	6,311,847
Improvements Other Than Buildings	7,594,207	-	5,795,440	13,389,647
Furniture and Equipment	598,425	152,908	1,442,460	2,193,793
Accumulated Depreciation	(6,296,946)	(331,607)	(7,290,564)	(13,919,117)
Right-to-Use Lease Assets	-	-	140,952	140,952
Accumulated Amortization- Right-to-Use-Leases	-	-	(69,132)	(69,132)
Construction in Progress	79,500	-	-	79,500
Total Capital Assets	<u>11,280,767</u>	<u>61,289</u>	<u>1,785,589</u>	<u>13,127,645</u>
Total Noncurrent Assets	<u>11,280,767</u>	<u>61,289</u>	<u>1,785,589</u>	<u>13,127,645</u>
Total Assets	<u>11,981,645</u>	<u>262,978</u>	<u>2,245,962</u>	<u>14,490,585</u>
Deferred Outflows of Resources				
Deferred Outflow Related to Debt Refundings	-	-	244,734	244,734
Deferred Outflow Related to Pension	48,561	34,369	148,753	231,683
Deferred Outflow Related to OPEB Obligation	25,736	25,428	65,871	117,035
Total Deferred Outflows of Resources	<u>74,297</u>	<u>59,797</u>	<u>459,358</u>	<u>593,452</u>
Liabilities				
Current Liabilities:				
Accounts Payable	52,241	8,882	203,445	264,568
Accrued Liabilities	16,097	7,127	46,471	69,695
Accrued Interest	289	7	3,107	3,403
Compensated Absences	7,528	10,559	31,804	49,891
Due to Other Funds	-	-	303,182	303,182
Due to Component Unit	-	-	-	-
Due to Fiduciary	-	-	-	-
Deposits	3,075	225	2,000	5,300
Current Portion of General Obligation Bonds	-	-	361,916	361,916
Current Portion of Financing Leases Payable	87,802	22,491	66,911	177,204
Total Current Liabilities	<u>167,032</u>	<u>49,291</u>	<u>1,018,836</u>	<u>1,235,159</u>

CITY OF EDINBURG, TEXAS
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
EXHIBIT 8-A
(Continued)

SEPTEMBER 30, 2022	Edinburg International Airport	City Ebony Golf Course	Los Lagos Golf Course	Total Nonmajor Enterprise Funds
Noncurrent Liabilities				
Compensated Absences	7,021	-	62,031	69,052
General Obligation Bonds, Net of Unamortized Discounts and Premiums	-	-	595,973	595,973
Financing Leases Payable	428,354	87,274	349,361	864,989
Landfill Closure and Post Closure Costs Payable				-
Right-to-Use Lease Liabilities	-	-	70,555	70,555
Net Pension Liability	79,096	143,839	299,415	522,350
Net OPEB Obligation	146,728	212,032	424,659	783,419
Total Noncurrent Liabilities	661,199	443,145	1,801,994	2,906,338
Total Liabilities	828,231	492,436	2,820,830	4,141,497
Deferred Inflows of Resources				
Deferred Inflows Related to Pension	54,465	34,208	160,754	249,427
Deferred Inflows Related to OPEB Obligation	47,231	43,710	139,668	230,609
Deferred Inflows Related to Leases	57,375	-	-	57,375
Deferred Inflows Related to Other	-	5,748	-	5,748
Total Deferred Inflows of Resources	159,071	83,666	300,422	543,159
Net Position				
Net Investment in Capital Assets and Lease Assets	11,280,767	61,289	1,072,435	12,414,491
Unrestricted	(212,127)	(314,616)	(1,488,367)	(2,015,110)
Total Net Position	\$ 11,068,640	\$ (253,327)	\$ (415,932)	\$ 10,399,381

CITY OF EDINBURG, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION-NON-MAJOR ENTERPRISE FUNDS
EXHIBIT 8-B

FOR THE YEAR ENDED SEPTEMBER 30, 2022	Edinburg International Airport	City Ebony Golf Course	Los Lagos Golf Course	Total Nonmajor Enterprise Funds
Operating Revenues				
Fuel Flow Fees	\$ 1,577,307	\$ -	\$ -	\$ 1,577,307
Golf Course Fees and Memberships	-	228,656	1,168,228	1,396,884
Other Revenue	262	55,860	226,842	282,964
Total Operating Revenues	<u>1,577,569</u>	<u>284,516</u>	<u>1,395,070</u>	<u>3,257,155</u>
Operating Expenses				
Salaries, Wages, and Employee Benefits	349,541	242,977	1,202,087	1,794,605
Supplies and Materials	27,052	34,606	187,085	248,743
Contractual and Other Services	329,271	34,330	90,281	453,882
Repairs and Maintenance	787,769	19,160	57,797	864,726
Other Operating Costs	1,153,205	62,318	279,270	1,494,793
Deprecation and Amortization	558,458	12,304	141,408	712,170
Total Operating Expenses	<u>3,205,296</u>	<u>405,695</u>	<u>1,957,928</u>	<u>5,568,919</u>
Operating Income (Loss)	<u>(1,627,727)</u>	<u>(121,179)</u>	<u>(562,858)</u>	<u>(2,311,764)</u>
Non-Operating Revenues (Expenses)				
Investment Earnings	208	-	-	208
Interest Expense	(8,175)	(1,305)	(54,664)	(64,144)
Intergovernmental Revenues	81,221	-	-	81,221
Total Non-Operating Revenues (Expenses)	<u>73,254</u>	<u>(1,305)</u>	<u>(54,664)</u>	<u>17,285</u>
Income (Loss) Before Transfers	<u>(1,554,473)</u>	<u>(122,484)</u>	<u>(617,522)</u>	<u>(2,294,479)</u>
Transfers In (Out)				
Transfers In	<u>1,339,187</u>	<u>-</u>	<u>750,518</u>	<u>2,089,705</u>
Total Transfers In (Out)	<u>1,339,187</u>	<u>-</u>	<u>750,518</u>	<u>2,089,705</u>
Change In Net Position	(215,286)	(122,484)	132,996	(204,774)
Net Position - Beginning of Year	11,290,462	(132,120)	(553,281)	10,605,061
Prior Period Adjustment	(6,536)	1,277	4,353	(906)
Net Position - End of Year	<u>\$ 11,068,640</u>	<u>\$ (253,327)</u>	<u>\$ (415,932)</u>	<u>\$ 10,399,381</u>

CITY OF EDINBURG, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
EXHIBIT 8-C

<i>FOR THE YEAR ENDED SEPTEMBER 30, 2022</i>	Edinburg International Airport	Ebony Golf Course	Los Lagos Golf Course	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 2,557,826	\$ 228,656	\$ 1,168,275	\$ 3,954,757
Cash Received from Other Operating Receipts	145,281	119,286	1,021,521	1,286,088
Cash Payments to Employees for Services	(385,840)	(242,977)	(1,202,087)	(1,830,904)
Cash Payments for Other Operating Activities	(2,421,974)	(172,175)	(565,138)	(3,159,287)
Cash Payments to Other Suppliers for Goods and Services	(35,846)	(35,338)	(281,095)	(352,279)
Net Cash Provided (Used) by Operating Activities	<u>(140,553)</u>	<u>(102,548)</u>	<u>141,476</u>	<u>(101,625)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating Grants	81,221	-	-	81,221
Transfers from Other Funds	1,339,187	-	750,518	2,089,705
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,420,408</u>	<u>-</u>	<u>750,518</u>	<u>2,170,926</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal Paid on Long-Term Debt	(76,709)	(23,147)	(374,708)	(474,564)
Proceeds from Capital Debt	369,565	127,978	394,473	892,016
Interest Paid on Long-Term Debt	(7,886)	(1,298)	(55,906)	(65,090)
Other Capital Payments	-	-	(168,284)	(168,284)
Acquisition or Construction of Capital Assets	(74,547)	(28,685)	(311,572)	(414,804)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>210,423</u>	<u>74,848</u>	<u>(515,997)</u>	<u>(230,726)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest from Investments	208	-	-	208
Net Cash Provided/(Used) By Investing Activities	<u>208</u>	<u>-</u>	<u>-</u>	<u>208</u>
Net Increase/(Decrease) in Cash	1,490,486	(27,700)	375,997	1,838,783
Cash and Cash Equivalents at Beginning of Year	78,839	224,526	25,207	328,572
Cash and Cash Equivalents at End of Year	<u>\$ 1,569,325</u>	<u>\$ 196,826</u>	<u>\$ 401,204</u>	<u>\$ 2,167,355</u>

CITY OF EDINBURG, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
EXHIBIT 8-C
(Continued)

	<u>Edinburg International Airport</u>	<u>Ebony Golf Course</u>	<u>Los Lagos Golf Course</u>	<u>Total</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ (1,627,727)	\$ (121,179)	\$ (562,858)	\$ (2,311,764)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization	558,458	12,304	141,408	712,170
Changes in Assets and Liabilities				
Decrease (Increase) in Accounts Receivable	(22,395)	(18)	47	(22,366)
Decrease (Increase) in Due From Other Governments	-	-	-	-
Decrease (Increase) in Prepaid Items	(50,295)	-	-	(50,295)
Decrease (Increase) in Inventories	(8,794)	(732)	(1,825)	(11,351)
Decrease (Increase) in Deferred Outflows	(8,579)	(2,822)	541	(10,860)
Increase (Decrease) in Accounts Payable	980,519	(1,015)	465,312	1,444,816
Increase (Decrease) in Compensated Balances	(36,299)	7,493	63,015	34,209
Increase (Decrease) in Accrued Liabilities	17,397	6,104	49,017	72,518
Increase (Decrease) in Unearned Revenue	-	(3,961)	(10,956)	(14,917)
Increase (Decrease) in Deferred Inflow	127,623	49,829	216,794	394,246
Increase (Decrease) in Pension Liabilities	(70,461)	(48,551)	(219,019)	(338,031)
Total Adjustments	<u>1,487,174</u>	<u>18,631</u>	<u>704,334</u>	<u>2,210,139</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (140,553)</u>	<u>\$ (102,548)</u>	<u>\$ 141,476</u>	<u>\$ (101,625)</u>

DISCRETELY PRESENTED COMPONENT UNITS

Discretely Presented Component Units are legally separate organizations that the City of Edinburg must include as part of its financial reporting entity for fair presentation.

The Boys' and Girls' Club of Edinburg, Inc. provides for improved services to the community which are to inspire and enable all young people, especially those from disadvantaged circumstances, to realize their full potential as productive, responsible, and caring citizens.

CITY OF EDINBURG, TEXAS
BALANCE SHEET
BOYS' AND GIRLS' CLUB OF EDINBURG, INC.
COMPONENT UNIT
EXHIBIT 9-A

SEPTEMBER 30, 2022

ASSETS

Cash and Cash Equivalents	\$ 2,590,605
Investments	1,537,531
Restricted Assets:	
Cash and Cash Equivalents	10,000
Total Assets	<u>4,138,136</u>

Liabilities

Accounts Payable	1,090,715
Accrued Liabilities	36,708
Total Liabilities	<u>1,127,423</u>

Fund Balances

Nonspendable	1,547,531
Unassigned	1,463,182
Total Fund Balances	<u>3,010,713</u>
Total Liabilities and Fund Balance	<u>\$ 4,138,136</u>

CITY OF EDINBURG, TEXAS
RECONCILIATION OF THE COMPONENT UNIT BALANCE SHEET TO THE
DISCRETELY PRESENTED COMPONENT UNIT - STATEMENT OF NET POSITION
BOYS' AND GIRLS' CLUB OF EDINBURG, INC.
COMPONENT UNIT
EXHIBIT 9-B

SEPTEMBER 30, 2022

Total Fund Balances - Component Unit Balance Sheet	\$	3,010,713
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Amounts Reported for Component Units in The Statement of Net Position ("SNP")
are Different Because:

- | | | |
|---|--|-----------|
| 1.) Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds. The net effect of including the beginning balances for capital assets (net of depreciation) of \$4,596,300 and the current year's depreciation expense of (\$101,895) is to increase (decrease) net position. | | 4,494,405 |
| 2.) The implementation of GASB 68 for the TMRS Pension plan required that the Boys & Girls Club report their net pension liability in the Government Wide Statement of Net Position. The items reported as a result of this implementation included a net pension liability of \$274,217, a Deferred Resource Outflow of \$151,375 and a Deferred Resource Inflow of \$156,774. The net effect of these was to decrease the ending net position by \$279,616. | | (279,616) |
| 3.) The implementation of GASB 75 for the TMRS Other Post Employment Pension plan required that the Boys & Girls Club report their net pension liability in the Government Wide Statement of Net Position. The items reported as a result of this implementation included a net pension liability of \$43,548, a Deferred Resource Outflow of \$8,839 and a Deferred Resource Inflow of \$1,485. The net effect of these was to decrease the ending net position by \$36,194. | | (36,194) |
| 4.) The implementation of GASB 75 for the Medical Plan required that the Boys & Girls Club report their net pension liability in the Government Wide Statement of Net Position. The items reported as a result of this implementation included a net pension liability of \$374,456, a Deferred Resource Outflow of \$64,566 and a Deferred Resource Inflow of \$99,444. The net effect of these was to decrease the ending net position by \$409,334. | | (409,334) |
| 5.) Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing compensated absences. Compensated absences are not due in the current period and are not recorded in the funds. The net effect of the compensated absences is to increase (decrease) net position. | | (29,096) |

Net Position of Component Unit - Statement of Net Position	\$	6,750,878
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CITY OF EDINBURG, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHARGES
IN FUND BALANCE
BOYS' AND GIRLS' CLUB OF EDINBURG, INC.
COMPONENT UNIT
EXHIBIT 9-C

FOR THE YEAR ENDED SEPTEMBER 30, 2022

Revenue

Contributions	\$ 1,950,263
Intergovernmental	616,683
Concession Sales and Other	50,419
Investment Income	1,966
Total Revenues	<u>2,619,331</u>

Expenditures

Current:	
Culture and Recreation	1,691,397
Total Expenditures	<u>1,691,397</u>

Other Financing Sources (Uses)

Transfers In	400,000
Other (Uses)	(49,203)
Total Other Financing Sources (Uses)	<u>350,797</u>

Net Change In Fund Balance	1,278,731
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Fund Balance - Beginning of Year

2,683,735

Prior Period Adjustment

(951,753)

Fund Balance - End of Year

\$ 3,010,713

CITY OF EDINBURG, TEXAS
RECONCILIATION OF THE COMPONENT UNIT STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
DISCRETELY PRESENTED COMPONENT UNIT - STATEMENT OF ACTIVITIES
BOYS' AND GIRLS' CLUB OF EDINBURG, INC.
COMPONENT UNIT
EXHIBIT 9-D

SEPTEMBER 30, 2022

Net Change in Fund Balance - Component Unit	\$ 1,278,731
Amounts Reported for Component Units in The Statement of Activities ("SOA") are Different Because:	
1.) GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. Finally, the pension expense on the plan as a whole had to be recorded. The net result is an increase (decrease) in the change of net position by \$48,005.	48,005
2.) GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. Finally, the pension expense on the plan as a whole had to be recorded. The net result is an increase (decrease) in the change of net position by (\$22,268).	(22,268)
3.) Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease the change in net position.	(101,895)
4.) Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing compensated absences. Compensated absences are reported as the amount earned in the statement of activities but as the amount paid in the funds. The net effect of the compensated absences is to increase (decrease) the change in net position.	30,176
Change in Net Position of Component Unit-Statement of Activities	<u>\$ 1,232,749</u>

CITY OF EDINBURG, TEXAS
BUDGETARY COMPARISON SCHEDULE
BOYS' AND GIRLS' CLUB OF EDINBURG, INC.
COMPONENT UNIT
EXHIBIT 9-E

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
<i>FOR THE YEAR ENDED SEPTEMBER 30, 2022</i>	Original	Final	Actual	
Revenue				
Contributions	\$ 505,600	\$ 505,600	\$ 1,950,263	\$ 1,444,663
Intergovernmental	729,900	729,900	616,683	(113,217)
Concession Sales and Other	66,200	66,200	50,419	(15,781)
Investment Income	66,400	66,400	1,966	(64,434)
Total Revenues	1,368,100	1,368,100	2,619,331	1,251,231
Expenditures				
Current:				
Culture and Recreation	1,768,100	1,768,100	1,691,397	76,703
Total Expenditures	1,768,100	1,768,100	1,691,397	76,703
Other Financing Sources (Uses)				
Transfers In	400,000	400,000	400,000	-
Other (Uses)	-	-	(49,203)	(49,203)
Total Other Financing Sources (Uses)	400,000	400,000	350,797	(49,203)
Net Change In Fund Balance	-	-	1,278,731	1,278,731
Fund Balance - Beginning of Year	2,683,735	2,683,735	2,683,735	-
Prior Period Adjustment	-	-	(951,753)	(951,753)
Fund Balance - End of Year	\$ 2,683,735	\$ 2,683,735	\$ 3,010,713	\$ 326,978

STATISTICAL SECTION

STATISTICAL SECTION

(Unaudited)

This part of the City of Edinburg's annual comprehensive 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 government's overall financial health.

Contents

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.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

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.

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

CITY OF EDINBURG, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net investment in capital assets	\$ 49,346,250	\$ 55,293,741	\$ 57,184,087	\$ 65,369,344	\$ 61,875,757	\$ 81,384,257	\$ 79,362,475	\$ 78,042,830	\$ 80,905,001	\$ 89,470,643
Restricted	4,049,487	7,404,974	7,350,584	4,478,473	6,066,707	7,543,470	26,556,986	11,096,592	7,956,587	67,174,037
Unrestricted	11,923,996	7,352,722	(10,026,957)	(8,323,840)	(8,853,893)	(17,975,790)	(38,582,298)	(21,720,725)	(21,160,691)	(89,357,839)
Total governmental activities net position	<u>\$ 65,319,733</u>	<u>\$ 70,051,437</u>	<u>\$ 54,507,714</u>	<u>\$ 61,523,977</u>	<u>\$ 59,088,571</u>	<u>\$ 70,951,937</u>	<u>\$ 67,337,163</u>	<u>\$ 67,418,697</u>	<u>\$ 67,700,898</u>	<u>\$ 67,286,841</u>
Business-Type Activities										
Net investment in capital assets	\$ 92,147,977	\$ 96,173,029	\$ 100,877,706	\$ 106,077,748	\$ 110,505,512	\$ 114,719,222	\$ 108,982,474	\$ 107,596,067	\$ 110,310,189	\$ 128,648,004
Restricted	3,872,343	3,970,534	3,438,540	3,415,118	3,516,475	3,153,907	3,142,522	6,938,270	5,244,568	4,607,337
Unrestricted	19,423,266	14,449,795	7,055,965	8,038,827	10,939,784	7,512,316	11,652,025	10,203,791	8,823,580	(14,399,973)
Total business-type activities net position	<u>\$ 115,443,585</u>	<u>\$ 114,593,359</u>	<u>\$ 111,372,211</u>	<u>\$ 117,531,693</u>	<u>\$ 124,961,771</u>	<u>\$ 125,385,445</u>	<u>\$ 123,777,021</u>	<u>\$ 124,738,128</u>	<u>\$ 124,378,336</u>	<u>\$ 118,855,368</u>
Primary Government										
Net investment in capital assets	\$ 141,494,227	\$ 151,466,770	\$ 158,061,793	\$ 171,447,092	\$ 172,381,269	\$ 196,103,479	\$ 188,344,949	\$ 185,638,897	\$ 191,215,190	\$ 218,118,647
Restricted	7,921,829	11,375,507	10,789,124	7,893,591	9,583,182	10,697,377	29,699,508	18,034,862	13,201,155	71,781,374
Unrestricted	31,347,262	21,802,518	(2,970,992)	(285,013)	2,085,891	(10,463,474)	(26,930,273)	(11,516,935)	(12,337,111)	(103,757,812)
Total primary government net position	<u>\$ 180,763,318</u>	<u>\$ 184,644,796</u>	<u>\$ 165,879,925</u>	<u>\$ 179,055,670</u>	<u>\$ 184,050,342</u>	<u>\$ 196,337,382</u>	<u>\$ 191,114,184</u>	<u>\$ 192,156,825</u>	<u>\$ 192,079,234</u>	<u>\$ 186,142,209</u>

CITY OF EDINBURG, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
General government	\$ 11,073,760	\$ 11,858,395	\$ 10,939,958	\$ 9,614,288	\$ 16,043,093	\$ 12,976,468	\$ 13,511,053	\$ 13,516,587	\$ 13,462,924	\$ 22,015,807
Public safety	18,928,317	20,738,773	22,197,308	23,393,747	25,111,830	28,190,073	29,594,744	38,734,704	33,877,955	37,430,277
Highways and streets	8,613,068	9,110,732	10,003,508	9,598,627	11,334,330	11,803,668	16,038,229	9,006,283	14,922,951	11,174,354
Health and welfare	2,767,098	2,704,698	4,023,104	3,679,385	3,572,179	3,582,346	4,036,587	6,401,576	5,785,543	2,844,898
Culture and recreation	7,781,780	7,606,695	7,920,837	8,872,920	8,398,294	9,516,000	11,913,650	7,696,153	9,814,577	13,813,491
Urban redevelopment and housing	727,311	547,831	604,780	699,828	658,896	569,586	506,127	2,018,407	2,219,410	643,676
Economic development	86,163	169,687	3,547,915	-	-	1,493,526	706,143	2,473,706	3,098,008	1,995,152
Interest on long-term debt	1,745,492	1,589,906	4,140,985	3,748,860	3,424,033	3,550,141	4,933,580	5,691,962	4,971,648	5,390,433
Total governmental activities expenses	51,722,987	54,326,716	63,378,395	59,607,654	68,542,655	71,681,808	81,240,112	85,539,377	88,153,017	95,308,088
Business-type Activities										
Water and sewer operations	15,109,231	16,314,832	16,223,402	16,432,173	17,074,304	16,326,190	17,202,578	19,648,894	20,866,627	23,880,167
Solid waste operations	10,952,918	10,666,074	12,096,360	12,942,541	10,816,921	13,478,459	12,727,623	16,098,186	16,506,457	19,677,970
Golf course operations	2,621,267	2,378,731	2,167,865	1,905,629	1,739,829	1,771,420	1,655,436	1,677,375	2,151,567	2,419,592
Airport services	717,282	759,619	974,332	997,790	1,423,122	1,430,654	1,362,844	1,471,894	1,979,681	3,213,471
Total business-type activities expenses	29,400,698	30,119,256	31,461,960	32,278,133	31,054,176	33,006,723	32,948,481	38,896,349	41,504,332	49,191,200
Total primary government expenses	\$ 81,123,685	\$ 84,445,972	\$ 94,840,355	\$ 91,885,787	\$ 99,596,831	\$ 104,688,531	\$ 114,188,593	\$ 124,435,727	\$ 129,657,349	\$ 144,499,288
Program Revenues										
Governmental Activities										
Charges for services										
General government	\$ 2,071,982	\$ 2,091,388	\$ 2,050,951	\$ 2,098,774	\$ 4,170,721	\$ 1,873,910	\$ 2,232,051	\$ 3,439,894	\$ 5,277,797	\$ 5,551,144
Public Safety	2,191,383	2,025,333	1,823,648	2,042,400	1,515,084	311,440	391,765	521,622	602,879	697,619
Highways and streets	-	-	-	-	-	-	-	-	-	-
Health and welfare	643,848	712,702	753,902	954,379	897,848	623,970	796,231	682,278	851,693	1,073,460
Culture and recreation	1,436,323	992,239	984,369	870,188	1,038,483	771,247	1,005,904	600,053	663,442	980,396
Operating grants and contributions	1,326,519	1,620,135	5,296,630	2,615,048	2,704,397	3,090,280	5,757,781	14,706,673	11,334,859	10,116,925
Capital grants and contributions	5,280,750	13,173,655	8,655,218	7,316,885	6,397,795	27,840,216	2,016,245	1,678,475	1,407,273	885,840
Total governmental activities program revenues	12,950,804	20,615,452	19,564,718	15,897,674	16,724,328	34,511,063	12,199,977	21,628,995	20,137,944	19,305,384
Business-type Activities										
Charges for services										
Water and sewer operations	17,595,221	16,958,996	16,044,132	18,228,648	19,071,019	18,819,247	18,696,770	19,520,480	20,889,041	20,729,234
Solid waste operations	15,240,907	16,525,779	16,970,674	18,069,876	18,688,554	21,001,992	19,642,355	21,042,726	22,471,795	22,067,707
Golf course operations	1,557,255	1,297,279	1,140,450	1,103,771	1,086,456	802,436	940,542	997,520	1,477,592	1,679,586
Airport services	293,475	396,253	533,875	479,976	374,932	359,545	492,772	396,451	377,478	1,577,569
Operating grants and contributions	25,903	48,140	48,302	223,106	-	41,209	28,175	916,661	104,391	81,221
Capital grants and contributions	2,287,639	1,048,029	359,306	3,362,834	2,756,589	1,370,828	-	-	-	-
Total business-type activities program revenues	37,000,401	36,274,476	35,096,739	41,468,211	41,977,550	42,395,257	39,800,614	42,873,838	45,320,297	46,135,317
Total primary government program revenues	\$ 49,951,205	\$ 56,889,928	\$ 54,661,457	\$ 57,365,885	\$ 58,701,878	\$ 76,906,320	\$ 52,000,591	\$ 64,502,833	\$ 65,458,240	\$ 65,440,701
Net (expense)/revenue										
Governmental activities	\$ (38,772,183)	\$ (33,711,263)	\$ (43,813,678)	\$ (43,709,981)	\$ (51,818,327)	\$ (37,170,745)	\$ (69,040,136)	\$ (63,910,383)	\$ (68,015,073)	\$ (76,002,705)
Business-type activities	7,599,703	6,155,220	3,634,778	9,190,079	10,923,374	9,388,534	6,852,134	3,977,489	3,815,964	(3,055,883)
Total primary government net expense	\$ (31,172,481)	\$ (27,556,043)	\$ (40,178,900)	\$ (34,519,902)	\$ (40,894,953)	\$ (27,782,211)	\$ (62,188,002)	\$ (59,932,894)	\$ (64,199,108)	\$ (79,058,588)

(Continued)

CITY OF EDINBURG, TEXAS
CHANGES IN NET POSITION (Continued)
Last Ten Fiscal Years
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenue and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property taxes and tax increments	\$ 22,734,856	\$ 22,207,018	\$ 23,996,486	\$ 25,926,854	\$ 28,240,717	\$ 29,501,678	\$ 30,067,499	\$ 32,283,712	\$ 35,077,865	\$ 38,119,120
Sales taxes	12,730,412	14,173,149	15,212,241	15,935,921	15,839,175	16,899,713	19,066,916	19,770,923	22,868,646	25,802,830
Franchise/other taxes	3,469,753	3,580,213	3,673,549	3,702,263	4,023,704	4,190,296	4,184,935	4,166,222	4,433,311	4,744,026
Hotel/motel taxes	273,632	326,630	393,152	477,359	404,508	539,329	623,426	493,690	759,873	959,928
Investment earnings	11,407	6,705	16,946	198,180	393,703	809,414	1,365,041	737,089	70,595	829,944
Insurance Proceeds	-	-	-	1,155,768	-	1,157,171	1,022,297	169,563	308,492	-
Miscellaneous	33,282	197,794	348,299	142,955	561,631	872,492	308,027	887,477	283,730	371,315
Grants and contributions not restricted	-	-	-	-	-	-	-	-	-	-
Special Items	-	(4,875,602)	-	-	-	-	-	-	-	-
Transfers	1,828,105	5,639,117	2,184,186	4,342,710	3,737,342	6,564,960	9,713,295	6,222,215	5,000,000	4,600,000
Total governmental activities	41,081,447	41,255,024	45,824,859	51,882,010	53,200,780	60,535,053	66,351,436	64,730,891	68,802,512	75,427,163
Business-type Activities										
Investment earnings	14,330	9,020	11,507	64,629	181,134	427,724	751,527	246,510	13,711	276,793
Miscellaneous	74,232	95,264	81,930	91,716	62,912	44,123	501,212	637,719	979,763	2,570,134
Insurance Proceeds	-	-	-	1,155,768	-	-	-	-	-	-
Transfers	(1,828,105)	(5,639,117)	(2,184,186)	(4,342,710)	(3,737,342)	(6,564,960)	(9,713,295)	(6,222,215)	(5,000,000)	(5,000,000)
Total business-type activities	(1,739,543)	(5,534,833)	(2,090,748)	(3,030,597)	(3,493,296)	(6,093,113)	(8,460,557)	(5,337,986)	(4,006,526)	(2,153,073)
Total primary government	\$ 39,341,904	\$ 35,720,191	\$ 43,734,110	\$ 48,851,413	\$ 49,707,484	\$ 54,441,940	\$ 57,890,879	\$ 59,392,905	\$ 64,795,986	\$ 73,274,090
Change in Net Position										
Governmental activities	\$ 2,309,264	\$ 7,543,762	\$ 2,011,181	\$ 7,016,263	\$ 1,382,453	\$ 23,364,308	\$ (2,688,700)	\$ 820,508	\$ 787,439	\$ (575,542)
Business-type activities	5,860,160	620,387	1,544,030	6,159,482	7,430,078	3,295,421	(1,608,423)	(1,360,497)	(190,562)	(5,208,956)
Total primary government	\$ 8,169,424	\$ 8,164,149	\$ 3,555,211	\$ 13,175,745	\$ 8,812,531	\$ 26,659,729	\$ (4,297,123)	\$ (539,989)	\$ 596,877	\$ (5,784,498)

CITY OF EDINBURG, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 186,491	\$ 83,160	\$ 73,037	\$ 112,481	\$ 73,044	\$ 101,001	\$ 114,384	\$ 82,543	\$ 100,272	\$ 108,092
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	384,467	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	1,713,740	629,257	15,931,686	15,046,900	18,173,265	22,005,551	24,755,976
Unassigned	14,204,247	15,093,739	15,989,172	16,479,550	18,492,971	3,812,237	5,693,739	6,918,157	5,169,852	7,557,129
Total general fund	<u>\$ 14,775,205</u>	<u>\$ 15,176,899</u>	<u>\$ 16,062,209</u>	<u>\$ 18,305,771</u>	<u>\$ 19,195,272</u>	<u>\$ 19,844,924</u>	<u>\$ 20,855,023</u>	<u>\$ 25,173,965</u>	<u>\$ 27,275,676</u>	<u>\$ 32,421,197</u>
All other governmental funds										
Restricted, reported in special revenue funds, capital projects funds and debt service funds	\$ 2,292,273	\$ 2,921,469	\$ 39,894,330	\$ 30,183,727	\$ 20,214,022	\$ 20,214,022	\$ 45,572,153	\$ 41,778,404	\$ 80,074,200	\$ 67,174,038
Committed, reported in capital projects and special revenue funds	1,105,611	3,204,112	857,591	103,725	1,400,258	1,400,258	3,122,712	2,575,262	-	-
Unassigned	-	-	(937,179)	-	(33,171)	(33,171)	(15,506)	-	-	-
Total all other governmental funds	<u>\$ 3,397,884</u>	<u>\$ 6,125,581</u>	<u>\$ 39,814,742</u>	<u>\$ 30,287,452</u>	<u>\$ 21,581,109</u>	<u>\$ 21,581,109</u>	<u>\$ 48,679,360</u>	<u>\$ 44,353,666</u>	<u>\$ 80,074,200</u>	<u>\$ 67,174,038</u>

Note: The City implemented GASB Statement No. 54 for the fiscal year ended September 30, 2011. The new classifications have not been restated for 2010 and prior.

CITY OF EDINBURG, TEXAS
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 39,328,571	\$ 40,645,846	\$ 43,469,036	\$ 45,953,279	\$ 48,402,426	\$ 50,085,433	\$ 53,941,473	\$ 57,483,240	\$ 63,432,374	\$ 60,246,384
Licenses and permits	538,859	553,652	611,125	835,640	836,604	699,863	1,033,451	953,364	1,302,788	1,245,283
Intergovernmental	4,947,692	6,555,081	4,390,980	5,019,509	7,347,173	5,469,932	5,249,150	14,237,396	10,293,397	1,094,576
Charges for services	1,608,271	1,583,178	1,585,529	1,750,223	1,852,117	1,762,527	2,292,457	3,703,673	5,538,088	4,591,214
Fines	1,852,884	1,764,136	1,525,429	1,587,626	1,344,734	1,118,178	1,100,043	586,810	554,936	841,734
Increment revenue	-	-	-	-	-	1,908,242	-	-	-	-
Interest	10,138	6,330	16,351	111,246	389,473	801,170	1,352,678	732,344	70,595	263,858
Contributions	-	-	4,530,915	-	100,000	100,000	2,192,646	2,147,752	2,448,736	-
Other	1,309,629	1,172,343	935,573	670,271	1,161,122	899,014	697,619	455,390	255,016	343,046
Total revenues	49,596,044	52,280,565	57,064,938	55,927,795	61,433,649	62,844,358	67,859,517	80,299,968	83,895,929	68,626,095
Expenditures										
General government	9,842,858	11,241,189	10,929,308	12,139,296	14,382,681	14,040,233	13,053,297	14,291,633	13,069,694	15,988,632
Public safety	18,363,164	20,317,710	21,322,733	21,964,688	25,060,989	27,984,921	29,080,688	40,011,073	37,835,135	36,351,593
Highways and streets	4,429,151	4,385,544	4,478,985	3,409,577	5,108,287	5,513,820	14,074,292	9,323,113	11,506,878	8,271,391
Health and welfare	2,733,613	2,630,735	3,899,887	3,370,645	3,571,225	3,564,581	3,903,856	6,178,674	5,925,073	2,852,281
Culture and recreation	7,069,226	7,803,462	7,493,462	8,319,542	7,385,292	8,603,141	8,992,754	9,733,828	10,624,454	12,113,235
Urban redevelopment and housing	927,242	619,777	953,387	879,376	860,625	595,416	506,127	374,539	575,542	-
Economic development	165,292	121,671	3,547,915	-	-	1,868,336	1,088,601	2,471,975	3,728,139	351,284
Other	108,239	-	-	-	-	15,369,424	-	-	-	-
Capital outlay	2,952,462	5,031,733	15,059,458	11,306,731	11,465,855	-	-	-	-	-
Debt service										
Principal	3,231,883	2,671,729	7,103,964	3,025,172	2,167,270	2,947,780	3,201,913	5,196,121	6,294,587	2,793,675
Interest	1,631,260	1,502,239	2,516,315	3,793,199	3,794,595	3,420,284	4,087,302	5,213,395	5,207,765	226,344
Bond issuance costs	-	-	1,600,862	320,678	-	-	-	-	-	-
Total expenditures	51,454,390	56,325,789	78,906,277	68,528,904	73,796,819	83,907,936	77,988,830	92,794,351	94,767,268	78,948,435
Excess of revenues over (under) expenditures	(1,858,346)	(4,045,224)	(21,841,339)	(12,601,109)	(12,363,170)	(21,063,578)	(10,129,313)	(12,494,383)	(10,871,340)	(10,322,340)
Other financing sources (uses)										
Transfers in	4,163,859	7,696,899	14,755,759	5,235,785	5,431,967	7,178,630	17,189,766	10,734,734	9,974,391	5,000,000
Transfers out	(1,707,957)	(1,057,782)	(12,571,572)	(893,075)	(1,860,259)	(613,670)	(7,476,471)	(4,512,519)	(4,974,391)	(1,905,432)
Insurance recoveries / sale of property	-	-	-	-	-	1,157,171	1,066,897	278,380	427,637	76,069
Tax increment bonds issued	-	-	40,725,000	-	-	-	-	-	-	-
Bonds issued	6,313,941	-	11,390,000	4,145,000	-	9,705,000	27,875,000	-	39,150,000	-
Refunding bonds issued	-	-	5,270,000	13,513,328	-	-	-	-	-	-
Premium on bonds issued	-	-	2,165,808	360,973	-	158,994	2,505,779	-	4,031,899	-
Premium on refunding bonds issued	-	-	337,047	2,005,777	-	-	-	-	-	-
Discount on bonds issued	261,220	-	(190,860)	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	(6,457,305)	-	(5,465,370)	(15,315,014)	-	-	-	-	-	-
Proceeds from Capital Leases	-	-	-	-	-	-	2,146,000	5,987,036	-	-
Proceeds from Right-to-Use Leases	-	-	-	-	-	-	-	-	-	11,705,961
Total other financing sources (uses)	2,573,757	6,639,117	56,415,811	9,052,774	3,571,708	17,586,125	43,306,971	12,487,631	48,609,537	14,876,598
Net change in fund balances	\$ 715,411	\$ 2,593,893	\$ 34,574,472	\$ (3,548,335)	\$ (8,791,462)	\$ (3,477,453)	\$ 33,177,658	\$ (6,752)	\$ 37,738,197	\$ 4,554,258
Debt service as a percentage of noncapital expenditures (1)	10.49%	8.69%	15.53%	12.91%	9.81%	9.46%	10.37%	13.53%	13.79%	5.39%

(1) Capital outlay removed from expenditures in calculation comes from Exhibit 2-D.

CITY OF EDINBURG, TEXAS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited)

Tax Year	Real Property	Personal Property	Minerals	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Market Value (1)	Assessed Value as a Percentage of Actual Value
2013	\$ 3,732,477,314	\$ 577,764,119	\$ 3,156,619	\$ 735,719,652	\$ 3,577,678,400	0.63500	\$ 4,313,398,052	83%
2014	3,918,878,554	577,451,585	2,818,541	746,511,590	3,752,637,090	0.63500	4,499,148,680	83%
2015	4,356,173,395	571,352,461	2,229,076	883,157,509	4,046,597,423	0.63500	4,929,754,932	82%
2016	4,606,527,883	602,960,808	1,423,404	929,584,179	4,281,327,916	0.63500	5,210,912,095	82%
2017	4,798,556,308	608,674,932	2,258,088	902,072,086	4,507,417,242	0.63500	5,409,489,328	83%
2018	5,386,814,750	610,994,169	2,294,751	1,123,680,604	4,876,423,066	0.63500	6,000,103,670	81%
2019	5,582,974,563	618,479,899	1,376,640	1,105,856,845	5,096,974,257	0.68000	6,202,831,102	82%
2020	5,972,969,607	595,804,576	582,031	1,289,702,892	5,279,653,322	0.68000	6,569,356,214	80%
2021	6,557,537,512	568,596,316	1,459,742	1,373,067,492	5,754,526,078	0.68000	7,127,593,570	81%
2022	7,191,577,660	628,105,800	2,643,325	1,510,827,054	6,311,499,731	0.64000	7,822,326,785	81%

(1) The estimated property value is derived directly from the Levy Roll Tax Totals provided by the Hidalgo County Appraisal District.

(2) Tax rate per every \$100 valuation of property.

CITY OF EDINBURG, TEXAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Unaudited)

Tax Year	City of Edinburg			Overlapping Rates			Total Direct and Overlapping Rates
	Operating Tax Rate	Debt Service Tax Rate	Total City Tax Rate	Hidalgo County Tax Rate	Edinburg CISD Tax Rate	South Texas College Tax Rate	
2013	0.52104	0.11396	0.63500	0.59000	1.23980	0.15070	2.61550
2014	0.52140	0.11360	0.63500	0.59000	1.23980	0.15000	2.61480
2015	0.52370	0.11130	0.63500	0.59000	1.23980	0.18500	2.64980
2016	0.53400	0.10100	0.63500	0.59000	1.23980	0.18500	2.64980
2017	0.55840	0.07660	0.63500	0.59000	1.23980	0.18500	2.64980
2018	0.54470	0.09030	0.63500	0.58000	1.23980	0.17800	2.63280
2019	0.55700	0.12300	0.68000	0.57500	1.13820	0.17330	2.56650
2020	0.58260	0.09740	0.68000	0.57500	1.13820	0.17180	2.56500
2021	0.54470	0.13530	0.68000	0.57500	1.10570	0.17150	2.53220
2022	0.50420	0.13580	0.64000	0.57500	1.06040	0.16150	2.43690

Source: Hidalgo County Tax Office and City of Edinburg Tax Office.

Note: Overlapping rates are those of the City, County, and school district that apply to property owners within the City of Edinburg. Not all overlapping rates apply to all City of Edinburg property owners (for example, the rates for the Edinburg Independent School District only apply to the proportion of the City's property owners whose property is located within the geographic boundaries of the Edinburg Independent School District).

**CITY OF EDINBURG, TEXAS
PRINCIPAL TAXPAYERS
(Unaudited)**

Taxpayer	2022			2013		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Day Surgery at Renaissance, LLC	\$ 55,447,346	1	0.88%	\$ 44,525,265	2	1.24%
Day Surgery at Renaissance	52,090,941	2	0.83%	44,353,730	3	1.24%
Trenton Street Corporation	46,195,128	3	0.73%	40,674,813	4	1.14%
Shoppes at Rio Grande Valley, LP	42,674,258	4	0.68%	28,426,695	5	0.79%
AEP Texas Inc.	40,705,830	5	0.64%			
Doctors Hospital at Renaissance LTD	29,668,462	6	0.47%	14,297,810	9	0.40%
Calpine Central, LP (Magic Valley Power)	28,439,560	7	0.45%	96,675,800	1	2.70%
Resaca Investments LTD	19,312,775	8	0.31%			
Toros Stadium, LLC	16,635,124	9	0.26%			
Santana Textiles LLC	16,621,576	10	0.26%			
Calpine Central, LR (Hidalgo Energy)				71,228,800	6	1.99%
Wal-Mart Stores Texas, LLC				16,991,359	7	0.47%
Azteca Milling, LP				15,781,581	8	0.44%
Edinburg Containers				14,000,324	10	0.39%
Totals	<u>\$ 347,791,000</u>		<u>5.51%</u>	<u>\$ 386,956,177</u>		<u>10.82%</u>

Source: Hidalgo County Tax Assessor

CITY OF EDINBURG, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities					Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Tax Increment Bonds	Notes Payable	Other (2)	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases	General Obligation Bonds			
2013	\$ 35,867,899	\$ 3,675,000	\$ -	\$ 11,455,777	\$ -	\$ 31,266,847	\$ 1,151,250	\$ -	\$ 7,648,972	\$ 91,065,745	6.20%	1,069
2014	33,136,567	3,675,000	2,000,000	11,404,118	-	40,073,913	2,845,750	-	6,388,150	99,523,499	6.51%	1,139
2015	41,877,467	42,709,906	1,500,000	11,118,790	-	38,230,412	1,982,548	-	5,233,310	142,652,433	9.35%	1,592
2016	43,946,550	42,643,742	1,000,000	10,831,241	-	36,054,406	1,101,218	-	4,891,267	140,468,424	8.32%	1,529
2017	41,565,179	42,575,231	500,000	10,480,824	-	38,945,103	601,661	-	4,177,094	138,845,092	7.73%	1,473
2018	48,975,612	41,804,068	-	9,958,780	-	36,824,023	338,771	-	3,484,472	141,385,726	7.45%	1,463
2019	76,754,296	41,000,251	-	9,611,526	2,007,795	34,444,637	229,439	6,952,917	2,773,778	173,774,639	8.92%	1,753
2020	68,545,774	38,505,000	-	9,611,526	7,071,214	30,845,000	1,616,554	9,431,552	1,769,228	167,395,848	8.38%	1,646
2021	103,410,540	37,685,000	-	8,983,683	5,636,861	39,015,000	1,000,000	7,672,311	10,154,460	213,557,855	10.85%	2,130
2022	99,319,117	36,830,000	-	8,402,574	14,539,210	36,530,000	1,000,000	22,637,867	9,550,883	228,809,651	12.51%	2,194

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

(1) Source: Edinburg Economic Development Corporation.

(2) Included is a reimbursement obligation payable to a developer as part of development agreements in the City's tax increment reinvestments zones. The obligation is payable solely from tax increments collected from the applicable tax increment reinvestment zone.

CITY OF EDINBURG, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2013	\$ 35,867,899	\$ 923,724	\$ 34,944,175	0.98%	410
2014	33,136,567	1,287,428	31,849,139	0.85%	365
2015	41,877,467	1,266,202	40,611,265	1.00%	453
2016	43,946,550	980,835	42,965,715	1.00%	468
2017	41,565,179	1,433,185	40,131,994	0.89%	426
2018	48,975,612	1,457,766	47,517,846	0.97%	492
2019	76,754,296	2,446,951	74,307,345	1.46%	749
2020	68,545,774	1,533,935	67,011,839	1.27%	659
2021	103,410,540	295,517	103,115,023	1.79%	1029
2022	99,319,117	362,932	98,956,185	1.57%	949

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. In addition, amounts listed under general obligation bonds do not include the portion of these bonds that are being serviced in proprietary funds.

(1) Please see the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF EDINBURG, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$21,033,720.0	\$20,243,058.8	96.24%	\$ 538,774.0	\$20,781,832.8	98.80%
2014	21,566,294	20,845,695	96.66%	376,743	21,222,438	98.41%
2015	22,543,924	21,923,142	97.25%	715,398	22,638,540	100.42%
2016	24,167,562	23,547,286	97.43%	647,137	24,194,423	100.11%
2017	25,928,498	24,945,947	96.21%	530,143	25,476,090	98.26%
2018	27,315,178	26,597,685	97.37%	704,283	27,301,968	99.95%
2019	29,581,424	28,776,708	97.28%	672,992	29,449,700	99.55%
2020	33,007,592	32,044,729	97.08%	629,082	32,673,811	98.99%
2021	34,412,990	33,703,685	97.94%	995,048	34,698,733	100.83%
2022	37,390,042	36,595,507	97.88%	862,633	37,458,140	100.18%

CITY OF EDINBURG, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
(Unaudited)

Assessed valuation 2021 tax roll for fiscal year 2022	\$ 7,127,593,570
Debt limit - Texas statutes do not prescribe a debt limit; however, by custom a practical economic debt limit of 5% of the assessed valuation is used.	<u>5%</u>
	<u>356,379,679</u>
Total bonded debt	99,319,117
Deduct amount available in debt service fund	<u>362,932</u>
Applicable debt	<u>98,956,185</u>
Economic debt margin	<u><u>\$ 257,423,494</u></u>

CITY OF EDINBURG, TEXAS
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Revenue Bonds					
	Charges and Other (1)	Less:	Net	Debt Service		Coverage
		Operating Expenses (2)	Available Revenue	Principal	Interest	
2013	\$ 17,665,578	\$ 10,134,705	\$ 7,530,873	\$ 1,550,000	\$ 1,389,290	2.56
2014	17,012,496	10,237,471	6,775,025	1,588,000	1,418,842	2.25
2015	16,101,150	10,264,246	5,836,904	2,080,000	1,159,740	1.80
2016	19,575,465	10,434,304	9,141,161	2,451,090	1,369,999	2.39
2017	19,201,875	11,344,996	7,856,879	2,167,270	1,493,117	2.15
2018	19,068,805	11,214,940	7,853,865	2,579,521	1,013,052	2.19
2019	19,073,410	11,012,350	8,061,060	2,627,874	1,061,968	2.18
2020	19,676,606	13,993,352	5,683,254	2,375,000	951,837	1.71
2021	20,897,131	14,920,678	5,976,453	2,450,000	879,284	1.80
2022	20,868,810	17,473,109	3,395,701	2,485,000	1,189,840	0.92

- (1) Total operating revenues including interest earned on funds created by the bond ordinance.
(2) Total operating expenses excluding depreciation.
(3) Revenue bonds only. Amounts do not include the general obligation bonds reported in the Utility Fund or debt defeasance transactions.
(4) Per first lien revenue bond covenants, the required coverage is 1.45.

CITY OF EDINBURG, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population (1)	MSA(2) Per Capita Personal Income	Median Age (1)	Unemployment Rate (2)
2013	85,172	\$ 17,244	28.40	6.80%
2014	87,356	17,514	28.50	6.15%
2015	89,596	17,029	27.70	5.10%
2016	91,893	18,370	28.80	5.90%
2017	94,249	19,046	29.10	5.60%
2018	96,666	19,641	29.40	4.70%
2019	99,144	17,542	29.60	4.50%
2020	101,687	20,271	28.80	9.80%
2021	100,243	20,271	29.10	7.61%
2022	104,294	21,137	29.80	4.60%

(1) Estimated (information was received from the 2020 US Census)

(2) Source: Texas LMI Tracer-Labor Market

**CITY OF EDINBURG, TEXAS
PRINCIPAL EMPLOYERS
(Unaudited)**

	<u>2022(1)</u>		<u>2013(1)</u>	
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Doctor's Hospital at Renaissance	6,000	1	3,595	3
University of Texas Rio Grande Valley-UTRGV	5,098	2	4,000	2
Edinburg CISD	4,965	3	4,682	1
U.S. Customs & Border Patrol	3,700	4	1,609	6
Hidalgo County	3,628	5	3,030	4
South Texas Health System	3,500	6		
City of Edinburg	1,452	7	800	8
Maximus	1,400	8		
Evins Regional Juvenile Detention Center	500	9		
Region One	450	10		
Edinburg Regional Medical Center			2,000	5
Teleperformance			860	7
Tropical Texas MHMR			586	9
H.E.B. Food Stores			525	10
Total	<u>30,693</u>		<u>21,687</u>	

(1) Source: Edinburg Economic Development Corporation

CITY OF EDINBURG, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION
Last Three Fiscal Years
(Unaudited)

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
General Government			
Mayor and City Council	5	5	5
City Manager	8	9	10
Municipal Court	17.5	17.5	17.5
Legal	2	2	2
City Secretary	9	9	9
Communications and Media	7	9	12
Information Technology	16	18	20
Public Works	6	6	6
Finance	28	28	29
Human Resources	11	12	13
Grants Administration	6	6	6
Planning and Zoning	8	9	10
Public Safety			
Police	235	256	260
Fire	64	78	78
Fire Prevention	7	9	9
Highway and Streets			
Engineering	14	14.5	14.5
Streets	43	47	47
Health and Welfare			
Building Maintenance	34.5	34.5	37.5
Building Safety	31	34	38
Culture and Recreation			
R.O.W.	29	37	41
Library	30	33	36
Recreation	169	170	179
World Birding Center	11.5	13.5	13.5
Parks	55	57	59
GENERAL FUND TOTAL	846.5	914	952
Utilities/Admin.	8	9	9
Water Plant	20	21	22
Wastewater Plant	33	35	39
Systems	49	49	49
UTILITY FUND TOTAL	110	114	119
C.D.B.G.	1	1	1
C.D.B.G. TOTAL	1	1	1
Aviation	8	10	10
Ebony Golf Course	5.5	7	7
Solid Waste Management	111	124	124
Los Lagos Golf Course	25.5	26.5	29
Boys and Girls Club Fund	29.5	29.5	29.5
OTHER FUNDS TOTAL	179.5	197	199.5
GRAND TOTAL	1137	1226	1271.5

Source: City of Edinburg Finance Department

CITY OF EDINBURG, TEXAS
OPERATING INDICATORS BY FUNCTION
(Unaudited)

Function	2021	2022
Public Safety- Police		
Physical Arrests	2,042	2,792
Parking Violations	131	217
Traffic Violations	16,626	26,601
Public Safety- Fire		
Number of Calls Answered	2,886	3,131
Inspections	1,019	4,310
Highways and Streets		
Streets Resurfacing (miles)	2.8	17.6
Traffic Signs Repaired	792	1,425
Solid Waste Services		
Refuse Collected-Residential Accts/Weekly	22,723	23,182
Refuse Collected-Commercial Accts/Weekly	3,121	3,801
Material Recycled - Tons	700	854
Golf Course Services		
Golf Course		
Rounds-9 Hole	12,950	12,462
Rounds-18-Hole	30,681	34,029
Culture and Recreation		
Programs	135	140
Parks Maintained	19	25
Water		
New Connections	1,072	817
Water Mains Breaks	169	284
Average Daily Consumption (millions of gallons)	12.632	12.812
Wastewater		
Average Daily Sewage Treatment (millions of gallons)	10.101	9.200

Sources: Various City Departments

Note: Indicators are not available for the general government function and airport services.

CITY OF EDINBURG, TEXAS
CAPITAL ASSETS STATISTICS BY FUNCTION
(Unaudited)

Miles of Streets:

Paved	450
Graded	0.7
State Highways	48.53

Miles of Sewers:

Storm	22.45
Storm Drainage Ditches	23.72

Building Permits:

Permits Issued	1,932
Estimated Value	\$ 335,804,314

Fire Protection:

Number of Stations	5
Number of Firemen (Volunteers)	36
Fire Training Filed	1

Police Protection:

Number of Stations	1
Number of Policemen	180

Recreation:

	Number	Acres
Parks	23	333.3
Number of Picnic Areas	161	0
Number of Municipal Swimming Pools	2	2,294 sq. yds.
Number of Playgrounds	34	0
9 Hole Golf Course	1	65
18 Hole Championship Golf Course	1	162
Community Centers	2	0
Tennis Courts	3	0
Baseball Fields	17	0
Soccer Fields	8	0

Source: Various City Departments

FEDERAL AND STATE AWARDS SECTION

INDEPENDENT AUDITORS' 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 City Council
City of Edinburg, Texas

We have audited, in accordance with the 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Edinburg, Texas (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 17, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, 2022-003, 2022-004, 2022-005, 2022-006, 2022-007, 2022-008, 2022-009, and 2022-010 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-003 and 2022-011.

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Burton, McCumber, & Longoria LLP

McAllen, Texas
January 17, 2024

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE OF TEXAS
UNIFORM GRANT MANAGEMENT STANDARDS AND THE TEXAS GRANT MANAGEMENT STANDARDS

Honorable Mayor and Members of the City Council
City of Edinburg, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the City of Edinburg's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal and state programs for the year ended September 30, 2022. The City's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the 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, 2022.

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; and 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 *State of Texas Uniform Grant Standards* (UGMS) and the *Texas Grant Management Standards* (TxGMS). Our responsibilities under those standards, the Uniform Guidance and the UGMS/TxGMS are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City 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 the City's 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, and provisions of contracts or grant agreements applicable to the City's federal and state programs.

Auditors' 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's 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, *Government Auditing Standards*, the Uniform Guidance, and the UGMS/TxGMS will always detect material noncompliance when it exists.

The risk of not detecting 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 the City's 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 UGMS/TxGMS 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 the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's 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 UGMS/TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the City's 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and the UGMS/TxGMS and which are described in the accompanying schedule of findings and questioned costs as item 2022-011. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. the City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-011, to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 UGMS/TxGMS. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State of Texas Uniform Grant Management Standards and the Texas Grant Management Standards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated January 17, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance, *State of Texas Uniform Grant Management Standards* and *Texas Grant Management Standards* and is 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 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 schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Burton, McCumber & Longoria LLP

McAllen, Texas

January 17, 2024

City of Edinburg, Texas
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

(1)	(2)	(3)	(4)	(5)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development				
<u>Direct Programs</u>				
CDBG-Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-48-0503	\$ -	\$ 481,693
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-48-0503	62,042	425,797
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	19-CDBG CV3	-	55,032
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	20-CDBG-CV	-	133,069
COVID-19 Community Development Block Grants/Entitlement Grants TERAP	14.218		-	540
Program Revenue	14.218		-	115,155
Total			62,042	1,211,286
Total U.S. Department of Housing and Urban Development/CDBG-Entitlement Grants Cluster			62,042	1,211,286
U.S. Department of Justice				
<u>Direct Programs</u>				
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1323	-	18,027
Bulletproof Vest Partnership Program	16.607	2021-BVP	-	3,266
Public Safety Partnership and Community Policing Grants	16.710	21-GG-03411-UHPX	-	63,196
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0393	-	63,191
Edward Byrne Memorial Justice Assistance Grant Program	16.738	22-GG-02639-JAGX	-	23,062
Equitable Sharing Program	16.922		-	35,812
Total			-	206,554
Total U.S. Department of Justice			-	206,554
United States Department of the Treasury (TREAS)				
<u>Direct Programs</u>				
Coronavirus State and Local Fiscal Recovery Funds	21.027		-	4,483,388
Total Passed Through Hidalgo County				4,483,388
Total United States Department of the Treasury (TREAS)			-	4,483,388
Institute of Museum and Library Services				
<u>Passed Through Texas State Library & Archives Commission</u>				
National Leadership Grants	45.312	LS-249990-OLS-21	-	9,940
Total Passed Through Texas State Library & Archives Commission			-	9,940
Total Institute of Museum and Library Services			-	9,940
U.S. Department of Homeland Security				
<u>Direct Programs</u>				
Staffing for Adequate Fire and Emergency Response (SAFER) Grant	97.083	EMW-2020-FH-00332	-	83,103
Total			-	83,103
<u>Passed Through the Texas Office of the Governor</u>				
Homeland Security Grant Program	97.067	4031002	-	40,000
Homeland Security Grant Program	97.067	HS 4031001	-	61,456
Homeland Security Grant Program	97.067	4243001	-	30,035
Homeland Security Grant Program	97.067	3172506	-	234,402
Homeland Security Grant Program	97.067	3172507	-	205,004
Total Passed Through the Texas Office of the Governor			-	570,897
<u>Passed Through the Texas Division of Emergency Management (TDEM)</u>				
Hazard Mitigation Grant Program	97.039	DR-4223-057	-	29,886
Hazard Mitigation Grant Program	97.039	DR-4223-058	-	796,572
Public Assistance Grant	97.036	DR-4586	-	49,328
Total Passed Through the Texas Division of Emergency Management (TDEM)				875,786
Total U.S. Department of Homeland Security			-	1,529,786
Total Expenditures of Federal Awards			\$ 62,042	\$ 7,440,954

See accompanying notes to the schedule of expenditures of federal and state awards.

City of Edinburg, Texas
Schedule of Expenditures of State Awards
For the Year Ended September 30, 2022

State Grantor Pass-Through Grantor or Cluster Title	Assistance Listing Number	Passed-Through Grantor's Number	Funds Provided to Subrecipients	State Expenditures
Texas Agencies				
Office of the Attorney General of Texas				
Forfeited Funds			\$ -	\$ 2,200
Victim Coordinator & Liaison Grant (VCLG)			-	48,708
Total Office of the Attorney General of Texas			-	50,908
Office of the Governor of Texas				
FY 2022 Body-Worn Camera Program (BWCP)		4373201	-	60,596
TxDOT Traffic Safety Grant		2022-EdinbuPD-S-1YG-00026	-	39,939
Local Border Star Grant		2022-BL-ST-0016	-	189,964
Total Office of the Governor of Texas				290,499
Texas Parks & Wildlife Department				
TPWD Chapin R Hike-And-Bike Trail		LP-2020-E-00059R	-	546,012
Total Texas Parks & Wildlife Department			-	546,012
Total Expenditures of State Awards			\$ -	\$ 887,419
Total Expenditures of Federal and State Awards			\$ 62,042	\$ 8,328,373

See accompanying notes to the schedule of expenditures of federal and state awards.

CITY OF EDINBURG, TEXAS
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of all federal and state award programs of the City of Edinburg, Texas, for the year ended September 30, 2022. The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the City of Edinburg, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance and the State of Texas Single Audit Circular. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Because this schedule presents only a selected portion of the operations of the City of Edinburg, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Edinburg.

NOTE 2 – INDIRECT COST RATE

The City has elected to use the 10% de minimis indirect cost rate. No grants received by the City for the year ended September 30, 2022 were provided for reimbursement of indirect costs.

NOTE 3 – PROGRAM COSTS/MATCHING CONTRIBUTIONS

The amounts shown as current year expenses represent only the federal grant portion of the program costs. Entire program costs, including the City's portion, may be more than shown.

NOTE 4 – FEDERAL LOANS AND LOAN GUARANTEES

During the year ended September 30, 2022, the City had no outstanding federal loans payable or loan guarantees.

NOTE 5 – NONCASH AWARDS

During the year ended September 30, 2022, the City did not receive any noncash assistance.

NOTE 6 – FEDERALLY FUNDED INSURANCE

During the year ended September 30, 2022, the City did not have insurance that was federally funded.

NOTE 7 – PROGRAM INCOME

Community Development Block Grants, CDFA 14.218, reported program income in the amount of \$115,155 for the year ended September 30, 2022.

NOTE 8 – PRIOR YEAR ELIGIBLE COSTS

Hazard Mitigation Grant Program, CDFA 97.039, reported prior year eligible costs in the amount of \$79,214 for the year ended September 30, 2022.

**CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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? _____ X yes _____ none reported

Noncompliance material to financial statements noted? _____ X yes _____ 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? _____ X yes _____ 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)?

_____ X yes _____ no

Identification of major programs:

CFDA Number(s)

21.027

Name of Federal Program or Cluster

Coronavirus State and Local Fiscal Recovery Funds

97.067

Homeland Security Grant Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualifies as a low-risk auditee?

_____ X yes _____ no

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Section I - Summary of Auditors' Results – Continued

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:

Name of State Program or Cluster

TPWD Chapin R Hike-And-Bike Trail

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualifies as a low-risk auditee?

 X yes _____ no

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Section II – Financial Statement Findings

Reference Number 2022-001	Fiscal Year-End Closing Process
Criteria and Condition:	The fiscal year-end closing process should be completed within a reasonable time after the end of the fiscal year, ideally no later than 2 months after the end of the entity's fiscal year. An auditable trial balance was not provided to us to begin our audit until June 21, 2023, or approximately 9 months after the entity's fiscal year end. Additionally, the trial balance required a significant number of adjustments. A total of 54 adjustments were posted by management to the initial trial balance provided for audit. With the latest adjustment being provided on January 17, 2024. Moreover, the Schedule of Expenditures of Federal and State Awards was not provided to us until September 8, 2023. Finally, the City does not have a formal policy for financial closing.
Cause and Effect:	The City of Edinburg finance department experienced turnover which caused delays in the year-end closing process. Additionally, the City does not have a financial closing policy in place. Significant delays in the year-end closing process may be indicative of weaknesses in internal controls and results in untimely financial reporting, including the completion of the audit.
Repeat Finding from Prior Year(s):	We noted a similar finding communicated in a letter to management for the previous 2 years (2021-001 and 2020-002).
Recommendation:	We recommend management evaluate the year-end closing process to ensure adequate controls are in place for timely completion.
Views of Responsible Officials:	See management's corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-002	Disaster Recovery Plan
Criteria and Condition:	A disaster recovery plan is critical as it provides a framework for establishing efficient and effective restoration of systems and mitigates the risk of data loss in the event of system disruption or disaster. Our evaluation of the City of Edinburg’s internal control system revealed the absence of a well-defined and documented disaster recovery plan. The lack of a disaster recovery plan violates widely recognized business practices.
Cause and Effect:	The City has been working on a disaster recovery plan, but the plan has not yet been finalized, implemented, or tested. The absence of a disaster recovery plan exposes the City of Edinburg to various risks and vulnerabilities that could significantly impact its operations, finances, and reputation. Some effects of not having a disaster recovery plan include extended downtime, data loss and recovery challenges, inadequate communication, and regulatory and compliance violations.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the City finalize and implement a disaster recovery plan that includes key elements such as risk assessment, backup and recovery strategies, communication protocols, and testing procedures. Once a disaster recovery plan is in place, we recommend the City establish mechanisms to monitor and review the effectiveness of the plan on an ongoing basis.
Views of Responsible Officials:	See management’s corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-003	Public Funds Investment Act – Compliance
Criteria and Condition:	Cities must comply with Government Code 2256, also known as the Public Funds Investment Act (PFIA). Among other requirements, the PFIA requires the following: Sec 2256.023 requires that not less than quarterly the investment officer prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by the PFIA. The PFIA outlines the information required to be included in the quarterly reports. Sec 2256.008 requires the attendance of at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least 10 hours of instruction relating to the treasurer's or officer's responsibilities under this subchapter within 12 months after taking office or assuming duties. Our evaluation of the City of Edinburg investment policy for compliance with the Public Funds Investment Act (PFIA) revealed non-compliance with the requirements noted above. The absence of one Quarterly Investment report (Quarter 1) being presented to the City Council for review and approval. Additionally, reports are not presented to the Board timely. Second, the investment officer training was not completed by one investment officer within 12 months of assuming responsibilities.
Cause and Effect:	Controls were not suitably designed to ensure compliance with all the provisions of the PFIA. The absence of presenting all quarterly reports and untimely investment officer training exposed the City of Edinburg to non-compliance with PFIA requirements.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the City review Government Code 2256, Public Funds Investment Act and implement controls to ensure compliance with its requirements. The City should ensure all Quarterly reports are sent to the City Council timely for review and approval. We recommend the City establish procedures to monitor and review compliance on an ongoing basis related to investment officer training.
Views of Responsible Officials:	See management's corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-004	Authorized Signers - Fiscal Agent Cash and Long Term Debt
Criteria and Condition:	The City should maintain records on who the authorized signors are for the City's accounts. Only authorized personnel should have access to sensitive financial information and accounts. We noted the City was unable to identify current signers for fiscal agent cash and bond accounts.
Cause and Effect:	Policies and procedures were not in place to suitably review and update the authorized signers listing. The absence of readily available or knowledge of who is an authorized signer on a respective account. This exposes the City to an increased fraud risk and may cause delays or difficulties in executing financial transactions.
Repeat Finding from Prior Year(s):	We noted a similar finding communicated in a letter to management in the prior year (2021-004).
Recommendation:	We recommend that the City establish procedures to monitor, review, and document who the authorized signers are on all applicable accounts.
Views of Responsible Officials:	See management's corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-005	Cash – Outstanding Checks in Bank Accounts
Criteria and Condition:	As part of the monthly preparation and review of bank reconciliations, the City should review and investigate old outstanding checks that remain uncleared for long periods of time and dispose of such balances by either contacting the recipients and re-issuing their checks or escheat the funds to the State as unclaimed property. We noted 1,425 checks in the Pooled Cash Operating Account totaling \$90,015 that have remained outstanding for more than one year.
Cause and Effect:	Checks outstanding greater than one year were not reviewed for follow-up. Not taking steps periodically to dispose of long outstanding checks will result in the amount of outstanding checks continuing to increase.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend controls be strengthened by including a step in the bank reconciliation review process for reviewing old outstanding checks and taking steps to dispose of those items whether by re-issuing checks to recipients or escheating the funds to the State as unclaimed property. We recommend this process be conducted not less than annually.
Views of Responsible Officials:	See management's corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-006	Property Taxes
Criteria and Condition:	Property taxes at the fund level should be recorded as receivables and deferred inflows at the time taxes are levied. Revenues are recognized as property taxes are collected including those collected 60 days after the end of the year. During our review of Property Taxes Receivables as of September 30, 2022, we noted the City did not correctly record the collections 60 days after the year end.
Cause and Effect:	Property tax collections were not calculated or recorded at year end. Deferred inflows in property taxes was not accurately reported. This resulted in an adjustment of \$107,877 and 24,538 to Deferred Revenue Taxes for Maintenance & Operations and Interest and Sinking, respectively.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the City implement procedures to review property tax collection reports and properly record receivables and deferred inflows at the time taxes are levied.
Views of Responsible Officials:	See management's corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-007	Capital Assets – Depreciation Schedules
Criteria and Condition:	Capital asset depreciation schedules should include all relevant details about each asset to ensure a complete and accurate schedule. Details should include but not be limited to the asset number, the in-service date, depreciation method, depreciation expense, etc. This ensures each asset is identifiable and balances on the schedule are verifiable. We noted the City's capital asset depreciation schedules did not include an in-service date. Additionally, five assets in the Governmental funds, two assets in the Component Unit Boys & Girls Club funds, and one asset in the Enterprise funds were noted to be depreciated using a useful life not aligned with the City's policy as outlined in the ACFR note disclosures.
Cause and Effect:	The capital asset depreciation schedules do not have all the relevant information necessary. Accumulated depreciation and depreciation expense may not be calculated timely and accurately. Additionally, errors may not be found and corrected timely.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the City include all relevant information in their capital asset depreciation schedules along with the in-service date for all assets and should not only be applied to new additions. This will ensure a complete and accurate schedule. Additionally, we recommend the City review the useful lives of all assets.
Views of Responsible Officials:	See management's corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-008	Utility Billing – Landfill Customer Deposits
Criteria and Condition:	Landfill customer deposits and fees are collected by the Landfill office. Landfill deposits should be posted to customer accounts to be returned or used as a credit on future landfill use. During our review of customer deposits, we noted customer deposits (liabilities) have been increasing yearly and payments and/or deposits are not being posted properly to customer accounts.
Cause and Effect:	Clerks failed to collect the proper information from the customers. Consequently, as the billing department could not complete the setup of certain customer accounts, the deposit (liability) account has been increasing.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the City implement policies and procedures to properly collect and input information applicable to the customer landfill deposits.
Views of Responsible Officials:	See management’s corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-009	Cash – Depository Agreement
Criteria and Condition:	Per the City’s investment policy, all demand deposits and all time deposits should be collateralized. During our review of pledged securities, we noted the City has no depository agreement in place with Plains Capital Bank or Greater Texas Federal Credit Union.
Cause and Effect:	There were no depository agreements in place with Plains Capital Bank or Greater Texas Federal Credit Union. The City has approximately \$63,424 in Plains Capital Bank and approximately \$794,072 in Greater Texas Federal Credit Union not secured after the FDIC insured amount. Not having an agreement in place may put the City at risk of not having all funds collateralized per the City’s policy.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the City have all cash accounts collateralized by having a depository agreement in place with all financial institutions to remain in compliance with the investment policy. This will ensure all deposit are properly covered and in compliance with the City’s investment policy.
Views of Responsible Officials:	See management’s corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Reference Number 2022-010	Expenditure Test of Internal Controls
Criteria and Condition:	The City's purchasing policies require all purchases to have on file quotes or bids, documented approvals by Director of Finance, Assistant City Manager, Purchase Manager, and Department Director. During our test of 40 purchases, we found 8 exceptions: 1 lacked Director of Finance and Assistant City Manager approvals, 1 lacked approval from the Department Director, 4 instances lacking Purchase Manager approval for the purchase, 1 instance where PO approval was not done and 1 instance where no bids/quotes were obtained. No quotes were obtained for the purchase of propane tanks for training purposes in the amount of \$2,327.50.
Cause and Effect:	The City had high turnover in the finance department throughout the year. The failure to monitor and adhere to expenditure procedures and policies may put the City at risk of funds being spent on unauthorized goods/services.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend that the City ensure to verify proper approvals are obtained before purchases are made. We recommend that the City monitor and review that procedures and policies are followed on an ongoing basis.
Views of Responsible Officials:	See management's corrective action plan.

CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONCLUDED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Section III – Federal Awards Findings

Reference Number 2022-011	Coronavirus State and Local Fiscal Recovery Fund – Compliance
Criteria and Condition:	The Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) performance reporting compliance requirement states that recipients must submit quarterly performance reports. The Quarterly Project and Expenditure report (Quarter 4) was not submitted by the required deadline.
Cause and Effect:	The City did not research and gather the financial data timely. Consequently, the quarter that was not submitted had to be combined in the next quarterly report. The untimely submittal of the report resulted in noncompliance with the terms of the U.S. Treasury federal award program.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend that the City ensure all Quarterly reports are submitted to the U.S Treasury for timely review and approval. We recommend that the City establish procedures to monitor and review that compliance is met on an ongoing basis.
Views of Responsible Officials:	See management’s corrective action plan.



**CITY OF EDINBURG, TEXAS
CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Section I – Financial Statement Findings

Reference Number 2022-001	Fiscal Year-End Closing Process
Recommendation:	We recommend management evaluate the year-end closing process to ensure adequate controls are in place for timely completion.
Views of Responsible Officials:	Management will evaluate the year-end closing process to ensure adequate controls are in place for timely completion. Management will continue to provide resources for year-end training.
Proposed Completion Date:	Immediately
Contact Person:	Ascencion Alonzo, Director of Finance, City of Edinburg

Reference Number 2022-002	Disaster Recovery Plan
Recommendation:	We recommend that the City finalize a disaster recovery plan that includes key elements such as risk assessment, backup and recovery strategies, communication protocols, and testing procedures. Once a disaster recovery plan is in place, we recommend the City establish mechanisms to monitor and review the effectiveness of the plan on an ongoing basis.
Views of Responsible Officials:	City Management will work diligently to finalize and implement the formal disaster recovery plan as budget is allocated. Part of the plan will address the disaster recovery plan testing terms to ensure its effectiveness. Once it is implemented, a monitoring plan will be developed on an ongoing basis to test its effectiveness.
Proposed Completion Date:	Fiscal Year Ending September 30, 2024
Contact Person:	Daniel Vera, Director of Information Technology, City of Edinburg

**CITY OF EDINBURG, TEXAS
CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Reference Number 2022-003	Public Funds Investment Act – Compliance
Recommendation:	We recommend the City review Government Code 2256, Public Funds Investment Act, and implement controls to ensure compliance with its requirements. We recommend that the City ensure all Quarterly report are sent to the City Council for timely review and approval. We recommend that the City establish procedures to monitor and review that compliance is met on an ongoing basis related to investment officer training.
Views of Responsible Officials:	Investment officers will undergo the required training. Quarterly investment reports will be presented to the City Council for approval to comply with the provisions of the Public Funds Investment Act on a timely basis.
Proposed Completion Date:	February 2024
Contact Person:	Ascencion Alonzo, Director of Finance, City of Edinburg
Reference Number 2022-004	Authorized Signers - Fiscal Agent Cash and Long-Term Debt
Recommendation:	We recommend that the City establish procedures to monitor, review, and document who the authorized signers are on all applicable accounts.
Views of Responsible Officials:	The City will establish procedures to monitor, review, and document all the authorized signers on financial accounts. The City will review all financial documents to make sure that the authorized signers are updated.
Proposed Completion Date:	Immediately
Contact Person:	Ascencion Alonzo, Director of Finance, City of Edinburg

**CITY OF EDINBURG, TEXAS
CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Reference Number 2022-005	Cash – Outstanding Checks in Bank Accounts
----------------------------------	---

Recommendation: We recommend controls be strengthened by including a step in the bank reconciliation review process for reviewing old outstanding checks and taking steps to dispose of those items whether by re-issuing checks to recipients or by escheating the funds to the State as unclaimed property. We recommend this process be conducted no less than annually.

Views of Responsible Officials: Staff will review the bank reconciliation process for all outstanding checks. Necessary steps to dispose of those items, either by re-issuing checks to recipients or by escheating the funds to the State as unclaimed property, will be performed at least annually.

Proposed Completion Date: Immediately

Contact Person: Ascencion Alonzo, Director of Finance, City of Edinburg

Reference Number 2022-006	Property Taxes
----------------------------------	-----------------------

Recommendation: We recommend the City implement procedures to review property tax collection reports and properly record receivables and deferred inflows at the time taxes are levied.

Views of Responsible Officials: The City will implement procedures to review property tax collection reports and properly record related receivables and deferred inflows at the time taxed are levied. Staff will also reconcile them at year end.

Proposed Completion Date: Immediately

Contact Person: Ascencion Alonzo, Director of Finance, City of Edinburg

**CITY OF EDINBURG, TEXAS
CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Reference Number 2022-007	Capital Assets – Depreciation Schedules
----------------------------------	--

Recommendation: We recommend the City include all relevant information in their capital asset depreciation schedules along with the in-service date for all assets and should not only be applied for new additions. This will ensure a complete and accurate schedule. Additionally, we recommend the City review the useful life of all assets.

Views of Responsible Officials: Due to Finance Department employee turnover and vacancies, the City had to delay the implementation of a Fixed Asset Software. Fixed Asset Software will be implemented as soon as funds are appropriated and vacancies are filled. The City will review and update the useful life of all assets.

Proposed Completion Date: Fiscal Year Ending 2023-2024

Contact Person: Ascencion Alonzo, Director of Finance, City of Edinburg

Reference Number 2022-008	Utility Billing – Landfill Customer Deposits
----------------------------------	---

Recommendation: We recommend the City implement policies and procedures to properly collect and input information applicable to the customer landfill deposits.

Views of Responsible Officials: The City will review and implement policies and procedures to properly collect and input information applicable to landfill customer deposits. Additionally, staff will review the State escheat laws and remit all eligible transactions identified to the State as unclaimed property, including the landfill deposits.

Proposed Completion Date: Immediately

Contact Person: Ascencion Alonzo, Director of Finance, City of Edinburg

**CITY OF EDINBURG, TEXAS
CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Reference Number 2022-009	Cash – Depository Agreement
Recommendation:	We recommend the City have all cash accounts collateralized by having a depository agreement in place with all financial institutions to remain in compliance with the investment policy. This will ensure all deposit are properly covered and in compliance with the City's investment policy.
Views of Responsible Officials:	All bank accounts not included in the City's depository agreement will be closed. The City will review that all cash accounts are collateralized as required by the Public Funds Investment Act.
Proposed Completion Date:	Immediately
Contact Person:	Ascencion Alonzo, Director of Finance, City of Edinburg
Reference Number 2022-010	Expenditure Test of Internal Controls
Recommendation:	We recommend that the City ensure to verify proper approvals are obtained before purchases are made. We recommend that the City monitor and review that procedures and policies are followed on an ongoing basis.
Views of Responsible Officials:	During Fiscal Year 2021-2022, the Purchasing Division was transitioning to use Incode Software to allow departments to approve Purchase Orders (POs) electronically. During this process, the departments were allowed the option to approve manually and/or electronically. During this implementation, some purchase requisitions were not approved electronically or manually. The process was fully implemented in Fiscal Year 2022-2023 to require electronic approvals.
Proposed Completion Date:	Fiscal Year 2022-2023
Contact Person:	Ascencion Alonzo, Director of Finance, City of Edinburg

**CITY OF EDINBURG, TEXAS
CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Section II – Federal Awards Findings

Reference Number 2022-011	Coronavirus State and Local Fiscal Recovery Fund – Compliance
Recommendation:	We recommend that the City ensure all Quarterly reports are submitted to the U.S. Treasury for timely review and approval. We recommend that the City establish procedures to monitor and review that compliance is met on an ongoing basis.
Views of Responsible Officials:	The City has changed the process to submit their Quarterly reports. Reports are reviewed by the Grants Administration Department and Finance Department before they are submitted. Reports have been submitted to the U.S Treasury on a timely basis.
Proposed Completion Date:	Fiscal Year 2022-2023
Contact Person:	Ascencion Alonzo, Director of Finance, City of Edinburg

**CITY OF EDINBURG, TEXAS
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

None.



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PRESENTATIONS AND REPORTS

Agenda Item No: 6.B.

EEDC Annual Comprehensive Financial Report

1. Agenda Item:

Presentation of the Annual Comprehensive Financial Report for the Edinburg Economic Development Corporation for Fiscal Year Ending September 30, 2022. [Raudel Garza, Edinburg EDC Executive Director]

2. Description:

The Burton, McCumber & Longoria LLP firm conducted the audit and reviewed the Annual Financial Report for the year ended September 30, 2022. Ricky Longoria, CPA, CFE and Luis Lopez, CPA, will be available for any questions.

The Edinburg EDC has an engagement letter with Burton, McCumber & Longoria, LLP, per the RFP No. 2022-018 for Auditing Services for year ending September 30, 2022.

3. Staff's Recommendation:

Staff recommends acceptance of the Audit Financial Report for Fiscal Year 2021-2022. The Edinburg EDC Board of Directors accepted the audit report at the August 28, 2023 board meeting.

Reviewed by:

Raudel Garza, Director of Economic Development
Nelda Ramirez, Assistant City Manager

Prepared by:

Leticia Pantoja

Attachments:

- A. Edinburg EDC Audit Governance Letter
- B. Edinburg EDC Audit Report - September 30, 2022

August 25, 2023

To the Board of Directors
Edinburg Economic Development Corporation

We have audited the financial statements of the governmental activities and each major fund of Edinburg Economic Development Corporation (EEDC) for the year ended September 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 9, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by EEDC are described in Note I to the financial statements. During the year ended September 30, 2022, GASB Statement No. 87, *Leases*, became effective. Management evaluated the effect of this new accounting and determined it does not have a material effect, both individually or in the aggregate, to the financial statements taken as a whole. We noted no transactions entered into by EEDC during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the EEDC's financial statements were:

Management's estimate regarding the collectability of notes receivable balances due from Santana Textiles, LLC. Management believes their position as second lienholder is favorable and are confident the property used as collateral holds enough value for successful collection.

Management's estimate of depreciation expense and accumulated depreciation is based on the estimated useful lives of capital assets using the straight-line method.

We evaluated the methods, assumptions, and data used to develop the estimated described above in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure related to the notes receivable from Santana Textiles, LLC in Note V to the financial statements. Notes receivable from Santana Textiles, LLC make up approximately 31% of total assets for the general fund. Management's estimates related to the collectability of these balances are critical as it can have a significant impact on the EEDC's financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

The completion of our audit was significantly delayed given the timing at which information was provided to us to begin our audit. Due to turnover in the City's finance department as well as accounting issues identified in management's process for preparing for the audit, management was unable to provide a trial balance to us until April 14, 2023. Once a trial balance was provided to us, supporting schedules and other information requested continued to be provided through August 2023.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. Additionally, the attached schedule also summarizes material misstatements detected as a result of audit procedures which were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 18, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to EEDC's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as EEDC's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the schedule of revenues, expenditures and changes in fund balance – budget to actual – General Fund, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of EEDC and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Burton McGuire & Long, LLP

Edinburg Economic Development Corporation
Summary of Uncorrected and Corrected Misstatements
September 30, 2022

Uncorrected Misstatements

Account	Description	Debit	Credit
Proposed Journal Entries			
Proposed Journal Entries JE# 1			
PAJE - Adjustment to record the lease receivable and related deferred inflows of resources associated with the implementation of GASB Statement No. 87, Leases. This is a new lease standards applicable to EEDC for the fiscal year ended September 30, 2022.			
	DR LEASES RECEIVABLE	19,563.00	
	CR DEEFERRED INFLOWS OF RESOURCES - LEASES		19,563.00
Total		19,563.00	19,563.00

Corrected Misstatements

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE# 1			
To reclassify negative cash balances in pooled cash account with the City of Edinburg.			
450-101100	CLAIM ON OPERATING CASH	2,319,795.00	
452-101100	CLAIM ON OPERATING CASH	850,825.00	
450-210100	DUE TO GENERAL FUND (CITY OF EDINBURG)		2,319,795.00
452-210100	DUE TO GENERAL FUND (CITY OF EDINBURG)		850,825.00
Total		3,170,620.00	3,170,620.00

Adjusting Journal Entries JE# 2			
Reclassification to separate the allowance between notes receivables and other receivables.			
450-103201	ALLOWANCE UNCOLLECTABLE	2,825,951.00	
450-103201-RCL	ALLOWANCE UNCOLLEABLE - RECEIVABLES		2,825,951.00
Total		2,825,951.00	2,825,951.00

Adjusting Journal Entries JE# 3			
PBC AJE- To record accrued interest for bonds FY 21-22			
904-9500-702701	BOND INTEREST EXPENSE	138,187.00	
904-201250	ACCRUED INTEREST		138,187.00
Total		138,187.00	138,187.00

Adjusting Journal Entries JE# 4			
PBC AJE#2- To zero out CIP account since assets undergoing construction will transfer ownership to the City of Edinburg and IDEA.			
904-300301	FUND BALANCE	3,293,427.00	
904-300301	FUND BALANCE	591,030.00	
904-155120	CONSTRUCTION IN PROGRESS		3,293,427.00
904-155120	CONSTRUCTION IN PROGRESS		591,030.00
Total		3,884,457.00	3,884,457.00

Adjusting Journal Entries JE# 5			
To correct revenue recognition related to accrued interest and late fees on Santana Textiles, LLC receivables.			
450-300302	PRIOR PERIOD ADJUSTMENT	999,665.00	
450-8000-425100	SANTANA TEXTILES LOAN REVENUE	728,750.00	
450-9500-554400	BAD DEBTS	123,125.00	
450-9500-554400	BAD DEBTS	61,461.00	
450-103201-RCL	ALLOWANCE UNCOLLEABLE - RECEIVABLES		123,125.00
450-8000-425100	SANTANA TEXTILES LOAN REVENUE		61,461.00
450-9500-554400	BAD DEBTS		728,750.00
450-9500-554400	BAD DEBTS		999,665.00
Total		1,913,001.00	1,913,001.00



EDINBURG

Economic Development Corporation

FISCAL YEAR - 21|22

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EDINBURG ECONOMIC DEVELOPMENT CORPORATION
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the Edinburg Economic Development Corporation

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Edinburg Economic Development Corporation (EEDC), a component unit of the City of Edinburg, Texas, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the EEDC's 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 and each major fund of the EEDC, as of September 30, 2022, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the EEDC, and to meet our other 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.

Emphasis of a Matter

As discussed in Note III to the financial statements, the EEDC has notes receivable totaling \$13,640,004 due from Santana Textiles, LLC. Santana Textiles, LLC has ceased operations and has not complied with the loan repayment terms as outlined in the note agreements. Accordingly, Santana Textiles, LLC is in default with the terms of the note agreements. Management has evaluated the facts and circumstances associated with these notes, including the EEDC's status as second lien holder and the market values of property and equipment. Management expects to substantially recover the balances due from Sanatana Textiles, LLC. Any changes in management's estimates associated with these notes may have a material effect on the EEDC's financial statements. Our opinion is not modified with respect to this matter.

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 EEDC's 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.

Auditors' Responsibilities 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 auditors' 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement 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 EEDC's 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the EEDC's 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.

Burton McCall & Long, LLP

McAllen, Texas
August 18, 2023

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending September 30, 2022

In this section of the Annual Financial Report, we, the managers of Edinburg Economic Development Corporation (EEDC), discuss and analyze the EEDC's financial performance for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with the independent auditors' report on page 1, and the EEDC's Basic Financial Statements and related disclosures, which begin on page 10.

FINANCIAL HIGHLIGHTS

General Fund

- At fiscal year-end, total fund balance for the General Fund was \$42,035,498.
- General Fund revenues were \$9,149,502 and General Fund expenses were \$9,552,482.

Government-Wide

- EEDC's governmental activities reported program expenses of \$6,954,290. General revenues totaled to \$9,281,124 and charges for services \$104,995, resulting in an increase in net position of \$2,431,829.
- At year end, EEDC's governmental activities reported combined total net position of \$17,340,104.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities on pages 10 and 11. These statements provide information about the activities of the EEDC as a whole and present a longer-term view of EEDC's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner like the financial reports of a business enterprise.

Fund financial statements, starting on page 12, report the EEDC's operations in more detail than the government-wide statements by providing information about the EEDC's most significant funds. For governmental funds, these statements tell how services were financed in the short-term, as well as, what resources remain for future spending. They reflect the flow of current financial resources and the appropriations budget.

The notes to the financial statements starting on page 16 provide narrative explanations or additional data needed for full disclosure in the government-wide statements and fund financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to EEDC's basic financial statements. EEDC's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending September 30, 2022

Government-Wide Financial Statements

The analysis of the EEDC's overall financial condition and operations begins on page 10. Its primary purpose is to show whether the EEDC is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the EEDC's assets, liabilities and outflow of resources at the end of the year while the Statement of Activities includes all the revenues and expenses generated by EEDC's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All the current year's revenues and expenses are recognized regardless of when cash is received or paid. The EEDC's revenues are divided into those provided by outside parties who share the costs of some programs. All the EEDC's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the EEDC's net position and changes in them. The EEDC's net position (the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources) provide one measure of the EEDC's financial health or financial position. Over time, increases or decreases in the EEDC's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the EEDC, however, you should consider non-financial factors as well, such as changes in the EEDC's sales taxes due to the economy and the condition of the EEDC's facilities.

In the Statement of Net Position and the Statement of Activities, we reflect the EEDC in only one kind of activity:

- Governmental activities: All of the EEDC's basic services are reported here. Sales taxes designated for economic development finance most of EEDC's activities.

Fund Financial Statements

The fund financial statements begin on page 12 and provide detailed information about the EEDC as a whole. The EEDC has one fund type - Governmental Funds.

- Governmental funds: All of the EEDC's basic services are reported in governmental funds. These funds use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the EEDC's general operations and the basic services it provides.

We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending September 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position (Government-Wide)

Net position may serve over time as a useful indicator of a government's financial position. At year end, EEDC's assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$17,340,104. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements was \$(9,668,881). In prior years, EEDC acquired debt that was committed for projects and assets contributed to other entities, please refer to Note XIV - Commitments for additional information. The release of funds related to the contributed projects and assets, decreases the restricted net position. In the year ending September 30, 2022, unrestricted net assets increased by \$3,309,972 and restricted net assets decreased by \$2,072,919. Additionally, EEDC acquired land and buildings that increased capital assets by \$1,194,776.

The following table summarizes the EEDC's net Position as of September 30, 2022.

Table I

	Governmental Activities 2022	Governmental Activities 2021, Restated
Assets		
Current and other assets	\$ 43,116,198	\$ 44,896,004
Capital assets	8,610,938	7,416,162
Total assets	<u>51,727,136</u>	<u>52,312,166</u>
Deferred outflow of resources	<u>1,566,855</u>	<u>1,697,863</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 53,293,991</u>	<u>\$ 54,010,029</u>
Liabilities		
Current liabilities	\$ 1,218,887	\$ 4,481,754
Long-term liabilities	34,735,000	34,620,000
Total liabilities	<u>35,953,887</u>	<u>39,101,754</u>
Net Position		
Net in invested in capital assets	8,610,938	7,416,162
Restricted	18,398,047	20,470,966
Unrestricted	<u>(9,668,881)</u>	<u>(12,978,853)</u>
Total Net Position	<u>17,340,104</u>	<u>14,908,275</u>
Total Liabilities and Net Position	<u>\$ 53,293,991</u>	<u>\$ 54,010,029</u>

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending September 30, 2022

Statement of Activities (Government-Wide)

The EEDC 's total revenues were \$9,386,119. Sales tax contributed \$8,600,943 or 91.6% of total revenues, which contributed for most of the revenues increase. Economic Development and Assistance increased by \$1,905,019 or 51.6% as projects related to incentives continued construction, see note XIV for more information. As the Series 2015 Sales Tax Revenue Bond was refinanced in the prior year, bond interest decreased as expected.

The following table summarizes the change in the EEDC's net assets from its activities for the fiscal year ended September 30, 2022.

Table 2

	Governmental Activities 2022	Governmental Activities 2021, Restated
Revenues		
Program Revenues:		
Charges for Services	\$ 104,995	\$ 90,132
General Revenues:		
Sales Taxes	8,600,943	7,622,882
Miscellaneous Revenue	336,242	-
Investment Earnings	107,322	9,843
Gain on Sale of Property	236,617	857,691
Total Revenue	<u>\$ 9,386,119</u>	<u>\$ 8,580,548</u>
Expenses		
Economic Development and Assistance	\$ 5,599,063	\$ 3,694,044
Debt Bond Interest and Other Charges	1,355,227	2,570,958
Total Expenses	<u>6,954,290</u>	<u>6,265,002</u>
Change in Net Position	2,431,829	2,315,546
Net Position Beginning	14,908,275	12,302,791
Prior Period Adjustment	-	289,938
Net Position Ending	<u>\$ 17,340,104</u>	<u>\$ 14,908,275</u>

As reflected in the Statement of Activities, total expenses for governmental activities were \$6,954,290. General revenues of \$9,386,119 exceeded the total net expenses for governmental activities of \$6,954,290 by \$2,431,829. As payments related to projects start to increase, expenses will increase, projecting a decrease in net position for the upcoming year.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending September 30, 2022

GENERAL FUND FINANCIAL ANALYSIS

The General Fund is the chief operating fund of the EEDC. At the end of the current fiscal year, the total fund balance of the General Fund was \$42,035,498.

General Fund Budgetary Highlights

The EEDC amended the General Fund Budget during the year. Those budget amendments fall into two categories. The first involved amendments moving funds from categories that did not need all the resources to categories with resource needs. The second involved adjusting the budget to better reflect the needs and resources available as changes in personnel affected the use of the budget.

- The major revenue variance of \$870,943, or 11%, was in Sales Tax Revenue as it was budgeted conservatively.
- Overall expenditures were below budget. During the year, certain projects were delayed due to changes in personnel and shortages in materials and equipment which caused differences in the budget. Additionally, purchases of properties budgeted for the year ending September 30, 2022 closed after year end which resulted in budget differences.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2021-2022 year, the EEDC had \$8,610,938 invested in a broad range of capital assets, including land, buildings, furniture and equipment. No capital assets are impaired.

More detailed information about the EEDC's Capital Assets is presented in the notes to the financial statements.

Debt

At year-end, the EEDC had \$34,735,000 in bonds outstanding versus \$36,320,000, restated. The decrease is attributed to principal payments made during the year. No new debt was issued.

More detailed information about the EEDC's long-term liabilities is presented in the notes to the financial statements.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending September 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Fiscal year 2023 is projected to be a year of continued growth. Both public and private development in building and infrastructure activity will serve to broaden the City's tax base and provide continuing employment opportunities for the residents. In 2022, the EEDC experienced a 13% increase in sales tax revenue from 2021. Cash reserves are in place in accordance with the investment policy in secured investments. Additionally, according to the Texas Labor Market Review, the unemployment rate for the McAllen-Edinburg-Mission MSA as of November 30, 2022 was 5.5%, which represents a decrease compared to 7.7% from prior year. The state average rate is reported at 3.8% and the national average rate is at 3.6%.

The EEDC Board of Directors has approved the General Fund Budget for the Fiscal Year 2023 that includes funding for continued growth and development opportunities. Revenues in the General Fund are estimated at \$9,119,480, with an additional transfer in from the City of Edinburg of \$13,225,173. Budgeted expenditures are estimated at \$22,344,653. Cash is expected to decrease by the close of fiscal year 2023 as construction progress. Priority has been placed on the development of El Tule Recreation Center, airport, infrastructure projects, workforce programs, and the revitalization of the Downtown District, including the construction of the Parking Garage and the Edinburg Arts, Culture, Events Center (A.C.E.).

CONTACTING THE EEDC'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the EEDC's finances and to show the EEDC's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the EEDC's administration office at:

Edinburg Economic Development Corporation
3111 W. Freddy Gonzalez Dr.
Edinburg, Texas 78539

BASIC FINANCIAL STATEMENTS

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

EXHIBIT A-1

	Primary	Government
		Governmental Activities
ASSETS		
Cash and Cash Equivalents	\$	10,380,222
Cash and Cash Equivalents- Restricted		19,368,773
Notes Receivable, Net		13,367,203
Capital Assets:		
Land Purchase and Improvements		7,322,205
Buildings, Net		1,288,733
Total Assets		<u>51,727,136</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge for Refunding		<u>1,566,855</u>
Total Deferred Outflows of Resources		<u>1,566,855</u>
LIABILITIES		
Accounts Payable		95,287
Due to Primary Government		985,413
Accrued Interest Payable		138,187
Noncurrent Liabilities:		
Bonds Payable:		
Bonds Payable - Due Within One Year		1,580,000
Bonds Payable - Due in More Than One Year		<u>33,155,000</u>
Total Liabilities		<u>35,953,887</u>
NET POSITION		
Net Investment in Capital Assets		8,610,938
Restricted:		
Restricted for Capital Acquisition		13,556,134
Restricted for Debt Service		4,061,913
Restricted for Other Purposes		780,000
Unrestricted		<u>(9,668,881)</u>
Total Net Position	\$	<u><u>17,340,104</u></u>

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

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

					Net (Expense) Revenue and Changes in Net Position
			Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions		Primary Gov. Governmental Activities
Primary Government:					
GOVERNMENTAL ACTIVITIES:					
Economic Development and Assistance	\$ 5,599,063	\$ 104,995	\$ -	\$	(5,494,068)
Interest on Debt	1,351,674	-	-	-	(1,351,674)
Other Debt Charges	3,553	-	-	-	(3,553)
TOTAL PRIMARY GOVERNMENT	\$ 6,954,290	\$ 104,995	\$ -		(6,849,295)
General Revenues:					
General Sales Taxes					8,600,943
Miscellaneous Revenue					336,242
Investment Earnings					107,322
Gain in Sale of Property					236,617
Total General Revenues					9,281,124
Change in Net Position					2,431,829
Net Position - Beginning					16,899,514
Prior Period Adjustment					(1,991,239)
Net Position - Ending				\$	17,340,104

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

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund
ASSETS	
Cash and Cash Equivalents	\$ 10,380,222
Cash and Cash Equivalents- Restricted	19,368,773
Notes Receivable, Net	13,367,203
Total Assets	<u>\$ 43,116,198</u>
LIABILITIES	
Accounts Payable	\$ 95,287
Due to Primary Government	985,413
Total Liabilities	<u>1,080,700</u>
FUND BALANCE	
Nonspendable	13,367,203
Restricted for Capital Projects	13,556,135
Restricted for Debt Service	4,061,913
Other Restricted	780,000
Unassigned	10,270,247
Total Fund Balance	<u>42,035,498</u>
Total Liabilities and Fund Balance	<u>\$ 43,116,198</u>

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

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Total Fund Balances - Governmental Funds	\$ 42,035,498
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. The net effect of including the beginning balances for capital assets (net of depreciation) of \$7,416,162 the current year capital outlays of \$1,321,260, the disposal of capital assets of (\$82,372) and the current year's depreciation expense of (\$44,112) is to increase net position.	8,610,938
Long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The current and long term liabilities for bonds payable are reported in the statement of net position.	(34,735,000)
Deferred amounts on refunding's are deferred outflows of resources and, therefore, are not reported in the funds.	1,566,855
Interest on long-term debt payable is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(138,187)
Net Position of Governmental Activities	\$ 17,340,104

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

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-3

General
Fund

REVENUES:

General Sales Taxes	\$ 8,600,943
Lease and Rental	104,995
Note Receivable Interest	61,461
Investment Earnings	107,322
Other Revenue	274,781
Total Revenues	<u>9,149,502</u>

EXPENDITURES:

Conservation and Development:	
Economic Development and Assistance	5,554,951
Debt Service:	
Principal on Debt	1,585,000
Interest on Debt	1,087,719
Other Debt Charges	3,553
Capital Outlay:	
Capital Outlay	1,321,259
Total Expenditures	<u>9,552,482</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(402,980)</u>

OTHER FINANCING SOURCES (USES):

Sale of Real and Personal Property	318,988
Total Other Financing Sources (Uses)	<u>318,988</u>
Net Change in Fund Balance	(83,992)
Fund Balance - October 1 (Beginning)	58,928,352
Prior Period Adjustment	(16,808,862)
Fund Balance - September 30 (Ending)	<u>\$ 42,035,498</u>

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

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Total Net Change in Fund Balances - Governmental Funds	\$ (83,992)
Current year capital outlays \$1,321,260 are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of removing the 2022 capital outlays and the disposal of capital assets with a net value of (\$82,372) is to increase net position.	1,238,888
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease the change in net position.	(44,112)
Current year long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2022 debt principal payments of \$1,585,000 is to increase net position.	1,585,000
Amortization of deferred bond charges and accrued interest payable are not recognized as expenses in governmental funds since they do not require the use of current financial resources. The net effect of the current year's amortization expense of \$125,768 and accrued interest payable of \$138,187 is to decrease the change in net position.	(263,955)
Change in Net Position of Governmental Activities	\$ 2,431,829

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

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Edinburg Economic Development Corporation (EEDC), a component unit of the City of Edinburg, was incorporated on April 23, 1990, under the Constitution of the State of Texas. The EEDC was organized on behalf of the City of Edinburg for the purpose of promoting the development of commercial, industrial, and manufacturing enterprises as well as improving the quality of life within its city limits and encouraging new employment opportunities.

The EEDC is a 501(c)(4) not for profit corporation by the Internal Revenue Service, and thus, its income is generally exempt from federal income taxation.

The EEDC prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for established governmental accounting and financial reporting principles.

The accounting policies of the EEDC as reflected in the accompanying financial statements conform to GAAP for local governmental units as prescribed by the GASB.

A. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) Statement No. 61, "The Financial Reporting Entity," provides guidance for determining which governmental organizations should be included within a reporting entity. GASB statement No. 61 sets forth financial accountability as the basic criterion for inclusion of a government unit in a governmental reporting entity. Financial accountability is defined as appointment of a voting majority of the component units board and either the ability to impose its will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Due to the primary government's ability to impose its will on the EEDC, the EEDC is a component unit of the City of Edinburg.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the EEDC's non-fiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes and other intergovernmental revenues.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

The Statement of Activities demonstrates how other people or entities that participate in programs the EEDC operates have shared in the payment of the direct costs. The "charges for services" column includes payments made by parties that purchase, use or directly benefit from goods or services provided by a given function or segment of the EEDC. The "grants and contributions" column includes amounts paid by organizations outside the EEDC to help meet the operational or capital requirements of given function. If a revenue is not a program revenue, it is a general revenue used to support all of the EEDC's functions. Taxes are always general revenues.

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers in and transfers out are netted and presented as a single "transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "internal balances" line of the government-wide statement of net position.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, and fund balances are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present net increases and decreases in current assets (i.e. revenues and other financing sources and the expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long- term debt, which is recognized when due. The expenditures related to certain claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The EEDC considers all revenues available if they are collected within 60 days after year-end.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Revenues from local sources consist primarily of sales taxes. Sales tax revenues are recognized under the "susceptible to accrual" concept, that is, when they are both measurable and available. The EEDC considers them "available" if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until received. Investment earnings are recorded as earned, since they are both measurable and available.

D. FUND ACCOUNTING

The EEDC reports the following major governmental funds:

The General Fund - The primary operating fund is the only major fund in the current fiscal year. It accounts for all of the financial resources of the general government, except those required to be accounted for in another fund.

E. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. The capital projects are appropriated on a project-length basis. The appropriated budget is prepared by fund, function, and department. Transfers of appropriations between require the approval of the Board of Directors.

F. OTHER ACCOUNTING POLICIES

1. In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as, bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. OTHER ACCOUNTING POLICIES (Continued)

2. Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.
3. Receivables consist of uncollected notes receivable at year end. Additional details can be found on Note III.
4. Capital assets, which include land, buildings, furniture and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the EEDC as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings, furniture, and equipment of the EEDC are depreciated using the straight-line method over the following estimated useful lives. The estimated lives range from 5 to 20 years for equipment, 10 to 40 years for improvements, and 40 years for buildings.

5. Deferred Outflows/Inflows of Resources are sometimes an addition to assets and liabilities. They are reported in a separate section for deferred outflows and inflows of resources in the statement of net position. Deferred outflow of resources represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The EEDC records deferred outflows of resources related to deferred charges on refunding.
6. *Restricted Assets:* Proceeds of revenue bonds issued, 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.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

F. OTHER ACCOUNTING POLICIES (*Continued*)

7. When the EEDC incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first whenever they will have to be returned if they are not used.
8. In the fund financial statements, governmental funds report fund balance based on the following classifications: non-spendable, restricted, committed, assigned *or* unassigned. Restricted fund balances are amounts legally restricted by outside parties for use by a specific purpose. Commitments of fund balance require approval of the Board of Directors through formal action. The Board of Directors delegates the responsibility to assign fund balance to the Director or his/her designee, when appropriate. Unassigned fund balance is the residual classification for the general fund after the amounts for the restricted, committed, and assigned classifications have been identified. Funds will be utilized in the following order: restricted, committed, assigned, and unassigned.

G. CURRENT ACCOUNTING STANDARDS

In June 2017, GASB issued Statement No. 87, Leases, which improves the accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provision of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This statement was adopted in the current year, resulting in no material effect.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

II. DEPOSITS AND INVESTMENTS

The EEDC Depository Agreement requires its designated financial institution to secure by collateral valued at fair value, less the amount of the Federal Deposit Insurance Corporation insurance. At September 30, 2022, the EEDC's deposits were entirely covered by federal deposit insurance or were secured by collateral held by the pledging financial institution's agent in the EEDC's name, pursuant to the Depository Agreement. The bank balance consisted of the following at September 30, 2022:

Bank	Bank Balance
Texas National Bank-Operating	\$ 10,514,061
Texas National Bank-Debt Service	2,673,675
Texas National Bank-Arena	780,000
TexStar 2019 DS	780,136
TexStar 2021AB	9,073,696
TexStar 2021B DS	164,048
TexStar 2021A DS	444,054
TexStar 2019	5,453,163
Total Bank Deposits	<u>\$ 29,882,833</u>

The Public Funds Investment Act (Government Code, Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires the EEDC to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity (2) portfolio diversification (3) allowable investments (4) acceptable risk levels (5) expected rates of return (6) maximum allowable stated maturity of portfolio investments (7) maximum average dollar- weighted maturity allowed based on the stated maturity date for the portfolio (8) investment staff quality and capabilities (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the City to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas (2) certificates of deposit (3) certain municipal securities (4) money market savings accounts (5) repurchase agreements (6) bankers acceptance (7) Mutual Funds (8) Investment Pools guaranteed investment contract (10) and common trust funds.

At September 30, 2022 the EEDC had 100% of its investments in interest paying accounts and TexSTAR, a conservatively managed fund operated in full compliance with the PFIA, rated AAAM by Standard & Poors. TexSTAR is an investment pool created by Local Governments for Local Governments.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

II. DEPOSITS AND INVESTMENTS (Continued)

As of September 30, 2022, all of the EEDC's external investment pools meet the criteria described in GASB Statement No. 79 and measure all of their investments at amortized cost; therefore, the EEDC has also measured their investments in these external investment pools at amortized cost for financial reporting purposes. In addition, the pools do not have any limitations or restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity or redemption gates.

Credit Risk: To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations the EEDC limits investments to Certificates of Deposits, Public Funds Investment Pools and Guaranteed Investment Contracts, collateralized by the U.S. Government Securities. As of September 30, 2022, the EEDC's investments were secured by the U.S. Government Securities, pursuant to the Depository Agreement.

Custodial Credit Risk for Investments: State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the EEDC complies with this law, it has no custodial credit risk for deposits.

Concentration of Credit Risk: To limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the **investment portfolio** shall be diversified in terms of investment instruments maturity scheduling, and financial institutions. As of September 30, 2022, the EEDC had investments only in a public funds investment pool.

Interest Rate Risk: Interest rate risk is defined as the risk that changes in interest rates will adversely affect the amortized value of an investment. For operating funds, such as the general fund, maturities shall not exceed one year. As of September 30, 2022, the EEDC had investments only in a public funds investment pool.

Foreign Currency Risk for Investments: Foreign currency risk is the risk that changes in exchanges rates will adversely affect the fair value of an investment. At year-end, the EEDC was not exposed to foreign currency risk.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

III. AGGREGATE RECEIVABLES

The aggregate receivables at September 30, 2022, were:

Notes Receivable - Santana Textiles	\$ 13,640,004
Allowance for Uncollectible Notes	(272,800)
<u>Total Notes Receivable, net</u>	<u>\$ 13,367,204</u>
Accounts Receivable - Accrued Interest and Late Fees (Santana Textiles)	3,221,876
Allowance for Uncollectible	(3,221,876)
<u>Total Receivable, net</u>	<u>\$ -</u>

The notes receivable (Santana Textiles) account is comprised of two (2) notes from Santana Textiles, LLC. The first note originated on April 16, 2010, in the amount of \$5,000,000. The second note originated on August 30, 2011, in the amount of \$10,000,000. The current agreement with Santana Textiles expired on October 21, 2022. The EEDC is negotiating an extension. Listed below are dates in which the EEDC and Santana Textiles, LLC agreed to reinstate, modify, renew, and extend the note receivable agreement. Under the most recent contract dated December 17, 2017, the terms and amounts agreed were as follows:

The \$5,000,000 note receivable from Santana Textiles, LLC requires payments of \$23,167 monthly, including principal and interest (4.25%) beginning November 21, 2017, and ending upon maturity on October 21, 2022.

The \$10,000,000 note receivable from Santana Textiles, LLC requires payments of \$52,658 monthly, including principal and interest (4.25%) beginning November 21, 2017, and ending upon maturity on October 21, 2022.

Santana Textiles has ceased operations and is in default of loan payments and interest and is currently under an agreement to cover delinquent property taxes with Hidalgo County. EEDC is secondary lien holder on the notes. Management of EEDC feels that a satisfactory agreement will be placed and is negotiating an extension to agree on a date to satisfy the pending receivable either by contracting with other companies to take over the project or through asset liquidation.

The combined balance of the notes receivable is \$13,640,004. An allowance for uncollectible has been setup at 2% of the note receivable balance. An additional allowance for uncollectible has been set up for the accrued interest and late fees. The total allowance for uncollectible balance is \$3,221,876 which brings the notes receivable, net balance to \$13,367,204. A Cross-Collateralization and Cross-Default and Security Agreement was executed on August 30, 2011 and recorded in the Office of the County Clerk of Hidalgo County, Texas as Document No. 2237059 for both Notes.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

IV. ACCOUNTS PAYABLE

The accounts payable at September 30, 2022, were:

Capital Projects	\$	89,416
TML Insurance		5,599
Utilities		272
Total Accounts Payable	\$	95,287

V. SINKING FUNDS

As of September 30, 2022, the sinking funds consisted of the following:

Account	Reserve Required	Balance at 09/30/22	Overfunded/ (Underfunded)
TexStar Series 19 Bond Reserve	\$ 761,150	\$ 780,136	\$ 18,986
TexStar Series 2021A Bond Reserve	456,069	444,054	(12,015)
TexStar Series 2021B Bond Reserve	162,988	164,048	1,060
	\$ 1,380,207	\$ 1,388,238	\$ 8,031

VI. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

During the current year, revenues from local and intermediate sources consisted of the following:

	General Fund
Sales Taxes	\$ 8,600,943
Investment Income	107,322
Rental Income	104,995
Note Receivable Interest	61,461
Miscellaneous Income	274,781
Total	\$ 9,149,502

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

VII. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Primary Government				
<i>For the Years Ended September 30,</i>	2021	Additions	Retirements	Adjustments	2022
Capital assets not being depreciated:					
Land	\$ 6,238,287	\$ 1,016,333	\$ (82,372)	\$ 149,957	\$ 7,322,205
Total capital assets not being depreciated	6,238,287	1,016,333	(82,372)	149,957	7,322,205
Capital assets being depreciated:					
Buildings	1,797,442	304,927	(40,338)	(149,957)	1,912,074
Furniture and equipment	724	-	-	-	724
Total capital assets being depreciated	1,798,166	304,927	(40,338)	(149,957)	1,912,798
Less: accumulated depreciation for:					
Buildings	(619,654)	(44,025)	40,338	-	(623,341)
Furniture and equipment	(637)	(87)	-	-	(724)
Total accumulated depreciation	(620,291)	(44,112)	40,338	-	(624,065)
Total capital assets, being depreciated, net	1,177,875	260,815	-	(149,957)	1,288,733
Governmental activities capital assets, net	\$ 7,416,162	\$ 1,277,148	\$ (82,372)	\$ -	\$ 8,610,938

Costs associated with the ongoing construction projects were not capitalized as the assets will be owed and operation by the City of Edinburg or other entities. See note XIV for additional information. For the fiscal year ended September 30, 2022 depreciation expense was \$44,112.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

VIII. LONG-TERM DEBT

Long-term debt consists of the following at September 30, 2022:

\$2,300,000 Bond Issue Series 2013A; payable in semi-annual installments of \$18,750 plus interest of 3.120%, maturing February 15, 2024; collateralized by economic development sales tax receipts.	\$ 520,000
\$4,575,000 Bond Issue Series 2013B; payable in semi-annual installments of \$37,500 plus interest of 3.040%, maturing August 15, 2024; collateralized by economic development sales and use tax receipts.	1,030,000
\$10,840,000 Bond Issue Series 2019; payable in semi-annual installments plus interest maturing August 15, 2044.	10,170,000
\$7,730,000 2021A Sales Tax Revenue Bonds; payable in semi-annual installments plus interest of 2.500%-3.375%, maturing in August 15, 2046; collateralized by sales and use tax receipts.	7,495,000
\$2,250,000 2021B Sales Tax Revenue Bonds; payable in semi-annual installments plus interest of 4.750%-5.250%, maturing in August 15, 2046; collateralized by sales and use tax receipts.	2,195,000
\$13,610,000 2021 Sales Tax Revenue Refunding Bonds; payable in semi-annual installments plus interest of .355%-2.340%, maturing in February 15, 2035; collateralized by sales and use tax receipts.	<u>13,325,000</u>
	<u>\$ 34,735,000</u>

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

VIII. LONG-TERM DEBT (Continued)

EEDC has issued sales tax revenue bonds to finance various construction projects to enhance economic development in the Edinburg area. These bonds are to be repaid with sales tax revenue.

Annual debt service requirements to maturity for the EEDC's general long-term debt are as follows:

Fiscal Year	Principal	Interest
2023	\$ 1,580,000	\$ 1,093,103
2024	1,625,000	1,049,036
2025	1,665,000	1,010,977
2026	1,695,000	977,766
2027	1,735,000	941,188
2028-2032	9,335,000	4,030,271
2033-2037	8,110,000	2,670,010
2038-2042	5,345,000	1,517,706
2043-2046	3,645,000	325,800
	\$ 34,735,000	\$ 13,615,857

Summary of changes in Long-Term Debt for the year ended September 30, 2022:

	September 30, 2021, as Previously Presented	Prior Period Adjustment	September 30, 2021, as Restated	Additions	Reductions	September 30, 2022	Current Portion
Bonds payable							
Series 2013A	\$ 765,000	\$ -	\$ 765,000	\$ -	\$ (245,000)	\$ 520,000	\$ 255,000
Series 2013B	1,520,000	-	1,520,000	-	(490,000)	1,030,000	505,000
Taxable Series 2015	13,125,000	(13,125,000)	-	-	-	-	-
Series 2019	10,445,000	-	10,445,000	-	(275,000)	10,170,000	285,000
Series 2021A	7,730,000	-	7,730,000	-	(235,000)	7,495,000	220,000
Series 2021B	2,250,000	-	2,250,000	-	(55,000)	2,195,000	50,000
Series 2021 Refunding	13,610,000	-	13,610,000	-	(285,000)	13,325,000	265,000
Total Bonds Payable	49,445,000	(13,125,000)	36,320,000	-	(1,585,000)	34,735,000	1,580,000
Total Long-Term Debt	\$ 49,445,000	\$(13,125,000)	\$ 36,320,000	\$ -	\$ (1,585,000)	\$ 34,735,000	\$ 1,580,000

Prior Year Defeasance of Debt

In 2021, the EEDC refunded \$13,125,000 of the Series 2015 Sales Tax Revenue Bond. At September 30, 2022, \$13,010,000 of defeased bonds remains outstanding.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

IX. RISK MANAGEMENT

The EEDC maintains insurance for all business and government functions of which it may be liable for claims, through the City of Edinburg, Texas. The more significant of these include general liability insurance, property insurance covering the EEDC's industrial park buildings and structures, and the Director and Board of Directors. City personnel who served as administrators for the EEDC were covered by a fully insured health insurance plan provided by the City of Edinburg. There have been no significant reductions in insurance coverage.

X. TAX INCREMENT REINVESTMENT ZONE

In 1997, the City Council approved Ordinance No. 1915 which created a tax increment reinvestment zone pursuant to Chapter 311 of the Texas Code. This was originally designated as Reinvestment Zone Number One, City of Edinburg, Texas (1997 Zone). However, no public or private improvements were made to the 1997 Zone and expected development never materialized. Therefore, on November 18, 2008, an ordinance was passed terminating the 1997 zone. However, the new zone established in 2007 (TIRZ #1 described below) was inadvertently named Reinvestment Zone Number One, City of Edinburg, Texas. Since the 1997 Zone was terminated, there was no need to change the name of the 2007 tax increment zone. There is no Tax Increment Zone Number Two. Reinvestment Zone Number One, City of Edinburg, Texas (TIRZ #1) is a reinvestment zone created by the City of Edinburg, pursuant to the Tax Increment Financing Act, Chapter 311, Texas Tax Code. Creation of the tax increment zone along with an economic development agreement between the City of Edinburg, Hidalgo County, the Edinburg Economic Development Corporation, the City of Edinburg Local Government Finance Corporation, and the developer, allowed for property tax increment funding to support development activities relating to the development of a retail shopping center containing approximately 800,000 square feet in multiple buildings. On March 16, 2015, the development agreement with First Harford Realty Corporation dated February 20, 2007 and subsequently amended on August 16 and November 15, 2011 was cancelled. All work under the agreement had been performed by the developer and the City desired to use TIRZ #1 to help finance the repayment of debt issued for the construction Reinvestment Zone Number Four, City of Edinburg, Texas of a new municipal facility in (TIRZ #4).

TIRZ #4 is a reinvestment zone created by the City of Edinburg, pursuant to the Tax Increment Financing Act, Chapter 311, Texas Tax Code. The zone was created on November 19, 2013. Creation of the tax increment zone allows for property tax increment funding to TIRZ #4 to support financing of costs associated with the construction of public improvements related to several possible development and redevelopment projects, including the construction of a municipal facility.

On March 1, 2015, an agreement was entered into between the City, the Local Government Finance Corporation (LGFC), TIRZ # 1, TIRZ #4, and the EEDC. Under the terms of the agreement, the LGFC will aid in the financing, constructing, furnishing, and owning of an indoor multipurpose event center. The LGFC will be the landlord and lease the municipal facility to Vipers Arena, LLC as further described in the Lease and Development Agreement. In connection with this agreement, the LGFC issued bonds to finance the construction.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

X. TAX INCREMENT REINVESTMENT ZONE (Continued)

Under the terms of the agreement, the developer was responsible for half of the construction costs of the municipal facility and any cost overruns. The zone will terminate on December 31, 2045, unless otherwise terminated earlier as a result of payment in full of all project costs or tax increment bonds, if issued. The zone is managed by the City of Edinburg Local Government Finance Corporation, which is presented as a blended component unit of the City.

Under the developer agreement, the City was required to provide a Chapter 380 Grant Reimbursement equal to the difference between \$8,000,000 and the public infrastructure reimbursement. This was being paid from the City's dedicated 1% sales tax revenues within TIRZ #1 and TIRZ #4. The remaining amount due to the developer under the agreement was \$1,575,266. In addition, the EEDC owed a remaining balance of \$1,975,684, for a total amount of \$3,547,950. Under the agreement to terminate the economic development agreement, both the City and the EEDC agreed to pay off these balances. In return, the developer would release both the City and the EEDC from future obligations under the agreement. The amount needed to pay off this balance was provided by a contribution from the Vipers Arena, LLC. Tax increment revenues received by the City of Edinburg are deposited into a separate bank account designated for the tax increment reinvestment zone and transferred to the City of Edinburg Local Government Finance Corporation for the purpose of discharging obligations arising out of Public Infrastructure Bonds issued for which tax increment revenues have been pledged. Other than the City of Edinburg and Hidalgo County, no other taxing jurisdictions are participating. At the expiration of the term of the tax increment zone, any remaining tax increment revenues will be distributed into the general fund of the City in proportion to its contributions to the zone for the tax year most recently ended. TIRZ #1 and TIRZ#4 are managed by the City of Edinburg Local Government Finance Corporation, which is presented as a blended component unit of the City.

XI. RELATED PARTY TRANSACTIONS

The City of Edinburg provides administrative services to EEDC. Administrative fees for the year ended September 30, 2022 totaled \$1,000,000. Additionally, the EEDC committed proceeds from its 2019, 2021A and 2021B bonds for projects that will be contributed to the City as incentives. During the year ended September 30, 2022, EEDC had paid \$3,293,427 related to the projects.

The EEDC has a receivable for sales tax revenue sharing from the City of Edinburg. The receivable balance as of September 30, 2022 was \$2,185,207 and a payable to the City of \$2,319,795, net of \$985,413.

EEDC entered into a contract for technical assistance with the University of Texas – Rio Grande Valley Office of Center Operations and Community Services. An officer of the University is a member of the Board of Directors of EEDC. Consulting fees for the year ended September 30, 2022 totaled \$15,000. Additionally, EEDC contributed \$32,500 to the University in sponsorships for the year ended September 30, 2022.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

XII. EXPENDITURES EXCEEDING APPROPRIATION

For fiscal year ended September 30, 2022 expenditures exceeded budget in the General Fund in the following:

Function	Amount
Economic Development Assistance	\$ 1,410,533
Debt Service	3,553
Total	\$ 1,414,086

XIII. LITIGATION

From time to time the EEDC is involved in legal proceeding arising from its operations. The EEDC's administration believe the outcome of these proceedings, if not favorable to the EEDC, will not materially affect the EEDC's financial position and therefore no allowances have been made.

XIV. COMMITMENTS

Commitments as of September 30, 2022 consists of:

	Beneficiary	Committed	Expended to Date	Remaining Commitment
Incentives				
Workforce Resource Center	EEDC	\$ 1,854,828	\$ -	\$ 1,854,828
El Tule Recreation Center	City of Edinburg	4,974,310	3,293,427	1,680,884
Capable Kids Beethoven	Vanguard Academy	591,030	591,030	-
Municipal Water Park	City of Edinburg	1,000,000	-	1,000,000
ACE Center	City of Edinburg	7,000,000	-	7,000,000
Parking Garage	City of Edinburg	2,000,000	-	2,000,000
Total Commitments		\$ 17,420,168	\$ 3,884,457	\$ 13,535,711

EDINBURG ECONOMIC DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

XV. PRIOR PERIOD ADJUSTMENT

The EEDC prior period adjustments for the fiscal year ended September 30, 2022 were as follows:

Prior Period Adjustments - Governmental Funds	General Fund
To record outstanding incentives expenses not recorded in 2020-2021.	\$ (986,333)
To remove escrow investment for Bond Taxable Series 2015.	(14,822,863)
Adjustments to Santana Textiles' note receivable due to uncertainty, not booked in prior years.	(999,666)
Governmental Activities Prior Period Adjustment	\$ (16,808,862)
Prior period Adjustments - Government Wide	
Fund Level Prior Period Adjustment	\$ (16,808,862)
Adjustment to remove Bond Series 2015 related debt.	13,125,000
Adjustment to record deferred charges on refunding.	1,692,623
Government Wide Prior Period Adjustment	\$ (1,991,239)

XVI. SUBSEQUENT EVENTS

The EEDC considered all events through August 18, 2023, the financial statement issuance date.

During the year ending September 30, 2022, the EEDC contracted the City of Edinburg to perform their management and day to day operations. On November 7, 2022 the EEDC hired an Executive Director who began to hire personnel to perform management and day to day operations.

After year end, EEDC sold four properties totaling \$1,305,379 in proceeds.

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REQUIRED SUPPLEMENTARY INFORMATION

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EDINBURG ECONOMIC DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
General Sales Taxes	\$ 7,730,000	\$ 7,730,000	\$ 8,600,943	\$ 870,943
Lease and Rental	91,032	91,032	104,995	13,963
Note Receivable Interest	-	-	61,461	61,461
Investment Earnings	10,000	10,000	107,322	97,322
Other Revenue	-	-	274,781	274,781
Total Revenues	7,831,032	7,831,032	9,149,502	1,318,470
EXPENDITURES:				
Conservation and Development:				
Economic Development and Assistance	4,069,000	4,144,418	5,554,951	(1,410,533)
Debt Service:				
Principal on Debt	1,585,000	1,585,000	1,585,000	-
Interest on Debt	1,088,095	1,088,095	1,087,719	376
Other Debt Charges	-	-	3,553	(3,553)
Capital Outlay:				
Capital Outlay	4,336,548	3,100,000	1,321,259	1,778,741
Total Expenditures	11,078,643	9,917,513	9,552,482	365,031
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,247,611)	(2,086,481)	(402,980)	1,683,501
OTHER FINANCING SOURCES (USES):				
Sale of Real and Personal Property	-	-	318,988	318,988
Total Other Financing Sources (Uses)	-	-	318,988	318,988
Net Change	(3,247,611)	(2,086,481)	(83,992)	2,002,489
Fund Balance - October 1 (Beginning)	58,928,352	58,928,352	58,928,352	-
Prior Period Adjustment	-	-	(16,808,862)	(16,808,862)
Fund Balance - September 30 (Ending)	\$ 55,680,741	\$ 56,841,871	\$ 42,035,498	\$ (14,806,373)

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

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COMPLIANCE SECTION

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INDEPENDENT AUDITORS' 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 Board of Directors
Edinburg Economic Development Corporation

We have audited, in accordance with the 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 and each major fund of Edinburg Economic Development Corporation (EEDC), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise EEDC's basic financial statements and have issued our report thereon dated August 18, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered EEDC's 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 EEDC's internal control. Accordingly, we do not express an opinion on the effectiveness of EEDC's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and management responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and management responses as item 2022-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and management responses as items 2022-002, 2022-003, 2022-004 and 2022-005 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether EEDC's financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and management responses as items 2022-002 and 2022-005.

EEDC's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the EEDC's response to the findings identified in our audit and described in the accompanying schedule of findings and management responses. EEDC's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Benton McCall & Long, LLP

McAllen, Texas
August 18, 2023

Edinburg Economic Development Corporation
Schedule of Findings and Responses
For the Year Ended September 30, 2022

Reference Number 2022-001	Prior Period Adjustments (Material Weakness)
Criteria and Condition:	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 (US GAAP), 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. We noted the prior year audited financial statements contained material misstatements resulting from errors in the application of US GAAP.
Cause and Effect:	US GAAP was not properly applied in accounting for the refunding of bonds and accounting for loans receivables. We also noted improper cutoff of expenditures. These errors resulted in prior period adjustments which decreased fund balance by \$16,808,862 in the fund financial statements and net position by \$1,991,239 in the government-wide financial statements.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend accounting principles in accordance with US GAAP be applied to ensure financial statements are free from material misstatements. Continuous training and resources should be made available to finance personnel.
Views of Responsible Officials:	At the end of the year ending September 30, 2021, the Edinburg Economic Development Corporation (EEDC) transitioned accountants and the related financial records that influenced the oversight of the errors made. US GAAP will be applied to ensure financial statements are free from material misstatements. Continuous training and resources will be available to finance personnel.

**Edinburg Economic Development Corporation
Schedule of Findings and Responses - Continued
For the Year Ended September 30, 2022**

Reference Number 2022-002	Public Funds Investment Act (Significant Deficiency)
Criteria and Condition:	The Public Funds Investment Act (Government Code Chapter 2256) provides public entities in Texas with specific parameters related to the administration of investments. These parameters include a requirement for the entity's governing body to review and approve the entity's investment policy and investment strategies not less than annually, sets forth training requirements for the entity's investment officers, and requires the investment officers to prepare and submit to the governing body an investment report not less than quarterly. We noted EEDC did not have an investment policy in place for the fiscal year ended September 30, 2022. No evidence could be provided to support that investment officers had undergone the required training nor that the required investment reports were provided to the governing body on a quarterly basis.
Cause and Effect:	The EEDC did not comply with the provisions of the Public Funds Investment Act (Government Code Chapter 2256).
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the investment policy be presented to the EEDC board of directors not less than annually, that investment officers undergo the required training and that quarterly investment reports be presented to the board of directors for approval to comply with the provisions of the Public Funds Investment Act.
Views of Responsible Officials:	The investment policy will be presented to the EEDC board of directors not less than annually. Investment officers will undergo the required training and that quarterly investment reports will be presented to the board of directors for approval to comply with the provisions of the Public Funds Investment Act.
Reference Number 2022-003	Disaster Recovery Plan (Significant Deficiency)
Criteria and Condition:	A disaster recovery plan is critical as it provides a framework for establishing efficient and effective restoration of systems and mitigates the risk of data loss in the event of system disruption or disaster. The EEDC's IT systems are overseen by the City of Edinburg (the City). The City and EEDC do not have a formal disaster recovery plan in place.
Cause and Effect:	The City has been working on a disaster recovery plan, but the plan has not yet been finalized and implemented. The lack of a formal disaster recovery plan may increase the risk of extended downtime, data loss and/or recovery challenges, and inadequate communication.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend the City finalize and implement the formal disaster recovery plan. Additionally, we recommend the disaster recovery plan be tested periodically to ensure its effectiveness.
Views of Responsible Officials:	City will work diligently to finalize and implement the formal disaster recovery plan as budget is allocated. Part of the plan will address the disaster recovery plan testing terms to ensure its effectiveness.

Edinburg Economic Development Corporation
Schedule of Findings and Responses - Continued
For the Year Ended September 30, 2022

Reference Number 2022-004	Fiscal Year-End Closing Process (Significant Deficiency)
Criteria and Condition:	The fiscal year-end closing process should be completed within a reasonable time after the end of the fiscal year, ideally no later than 2 months after the end of the entity's fiscal year-end. An auditable trial balance was not provided to us to begin our audit until April 14, 2023, or approximately 7.5 months after the entity's fiscal year end. Additionally, supporting documentation needed to complete our audit was provided through August 2023.
Cause and Effect:	The City of Edinburg finance department, who maintains the books and records for EEDC, experienced turnover which caused delays in the year-end closing process. Additionally, in preparing for the audit management identified accounting matters which required additional analysis and correction as outlined in finding 2022-001. Significant delays in the year-end closing process may be indicative of weaknesses in internal controls and results in untimely financial reporting, including the completion of the audit.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend management evaluate the year-end closing process to ensure adequate controls are in place for timely completion.
Views of Responsible Officials:	At the end of the year ending September 30, 2021, EEDC transitioned accountants and the related financial records that influenced the oversight of the errors made. Management will evaluate the year-end closing process to ensure adequate controls are in place for timely completion. US GAAP will be applied to ensure financial statements are free from material misstatements. Continuous training and resources will be available to finance personnel.

**Edinburg Economic Development Corporation
Schedule of Findings and Responses - Continued
For the Year Ended September 30, 2022**

Reference Number 2022-005	Required Reserves 2021A Series Bonds (Significant Deficiency)
Criteria and Condition:	For the 2021A Series Bonds, the EEDC is required to maintain a required reserve on deposit. The required reserve amount should be equal to the lesser of (i) 10% of the principal amount of all parity obligations outstanding; (ii) the maximum annual debt service for all parity obligations outstanding; or (iii) 125% of the average annual debt service requirement of all parity obligations then outstanding. The required reserve shall be calculated, on a fiscal year basis, at the time of issuance and annually. At September 30, 2022, the required reserve for the 2021A Series Bonds was underfunded by \$12,015.
Cause and Effect:	EEDC did not maintain sufficient funds in the 2021A Series Bonds reserve account to meet the minimum required reserve. Not maintaining the minimum required reserve results in noncompliance with the terms and conditions of the bond agreement.
Repeat Finding from Prior Year(s):	N/A
Recommendation:	We recommend EEDC monitor the required reserve and maintain at least the minimum required amount in the reserve account.
Views of Responsible Officials:	EEDC will monitor the required reserve and maintain at least the minimum required amount in the reserve account.



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PRESENTATIONS AND REPORTS

Agenda Item No: 6.C.

1. Agenda Item:

Presentation and Possible Action Regarding Implementation of Utility Rates and Charges. [Tomas D. Reyna, Assistant City Manager]

2. Description:

Efforts have been made to notify all ratepayers regarding the new utilities rates. City staff mailed out a public notice informing them of the rate increase that will be effective March 01, 2024. The date of the notice and effective date provide all ratepayers a grace period.

City staff, along with the financial advisors, began evaluating the utility rates in December 2022. The financial advisors recommended the city consider conducting a utilities rate study to determine a rate increase.

On April 4, 2023, the Mayor established the Utilities Rate Study Task Force to have citizen participation during the utilities rate study process.

In August 2023, Willdan Financial Services was contracted as the utilities rate study consultant. From August through November, the consultants worked along with city staff and the task force on the study. The task force recommended staff to proceed with the utilities rate study.

On December 19, 2023, during a City Council special work session, the consultant presented the findings of the utilities rate study with two proposed scenarios. The Financial Advisors, the consultant, and the Utilities Rate Task Force informed the Council they agreed moving forward with a rate increase. Scenario 1 was an approximate 11% increase every year. Scenario 2 was an initial 22% increase then an 8% increase every year thereafter.

The Scenario 1 approved rates will be for a period of five (5) consecutive years beginning March 2024, October 2024, October 2025, October 2026, October 2027 and October 2028.

The approved rate increase will enable the Utility Fund to cover the increasing maintenance and operating costs, provide for the Utility Fund to self-sufficiently operate without General Fund subsidies, and help fund the five-year Water and Wastewater Capital Improvement Plan proposed projects due to the demand based on the city's growth.

3. Staff's Recommendation:

Presentation and Possible Action Regarding Implementation of Utility Rates and Charges.

Reviewed by:

Prepared by:

Tomas Reyna, Assistant City Manager

Attachments:

None



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PUBLIC HEARINGS

Agenda Item No: 7.A.

1. **Agenda Item:**

Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Agriculture & Open Space (AO) District to Residential, Multifamily (RM) District, Being 5.00 Acres Out of Lot 7, Block 3, A.J. McColl Subdivision, Located at 5320 South Jackson Road, as Requested by Edinburg Teachers Credit Union. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]

2. **Description:**

This property is located on the east side of South Jackson Road, approximately 1,050 feet north of West Owassa Road. The property has a frontage of 149.35 feet a depth of 1,458.30 for a total of 4.931 acres. A preliminary plat application for Jackson Estates Subdivision was submitted to the City on December 6, 2023 for 10 multi-family lots. The proposed zoning is to allow for the construction of a multi-family development. The future land use designation for this property is General Commercial Uses and Auto-Urban Uses.

The property is currently zoned Agriculture & Open Space (AO) District. The surrounding zoning is Agriculture & Open Space (AO) District to the west, east and a portion to the south, the remaining portion to the south is Commercial General (CG) District, Residential, Primary (RP) District, and Residential, Suburban (RS) District and to the north is Commercial, General (CG) District. Adjacent land uses consist of a mixture of single-family development, commercial uses, Al Khair Islamic Society of RGV and vacant land.

Staff mailed a notice of the public hearing to 39 neighboring property owners on Thursday, December 28, 2023, and had received no comments in favor and 2 comments against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2024.

The Planning & Zoning Commission recommended with a unanimous vote of 6-0 to approve the Rezoning Request. A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.

3. **Staff's Recommendation:**

Staff recommends approval of the Rezoning Request from Agriculture & Open Space (AO) District to Residential, Multifamily (RM) District, based on the Future Land Uses and uses within the vicinity. If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building/fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and other City requirements, as applicable.

Reviewed by:

Jesus Saenz, Assistant City Manager

Prepared by:

Jaime Acevedo, Director of

Attachments:

- A. ETCU City Council Agenda Packet Attachments
- B. Ordinance-ETCU Ordinance

MEETING DATES:
PLANNING & ZONING COMMISSION – 01/09/2024
CITY COUNCIL – 02/06/2024
DATE PREPARED – 01/03/2024

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Rezoning Request from Agriculture & Open Space (AO) District to Residential, Multifamily (RM) District

APPLICANT: Edinburg Teachers Credit Union

AGENT: Mario A. Reyna, P.E

LEGAL: Being 5.00 acres out of Lot 7, Block 3, A.J. McColl Subdivision.

LOCATION: 5320 South Jackson Road

LOT/TRACT SIZE: 5.00 Acres

CURRENT USE: Vacant

PROPOSED USE: Multi Family Development

EXISTING ZONING: Agriculture & Open Space (AO) District

ADJACENT ZONING: North – Commercial, General (CG) District
South – Commercial General (CG) District, Suburban Residential (SR) District, Agriculture & Open Space (AO) District and Residential, Primary (RP) District
East – Agriculture & Open Space (AO) District
West – Agriculture & Open Space (AO) District

LAND USE PLAN: General Commercial Uses and Auto Urban Uses

PUBLIC SERVICES: City of Pharr Water and City of Edinburg Sewer

RECOMMENDATION: Staff recommends approval of the Rezoning Request from Agriculture & Open Space (AO) District to Residential, Multifamily (RM) District

REZONING REQUEST

EDINBURG TEACHERS CREDIT UNION

EVALUATION

The following is staff's evaluation of the request:

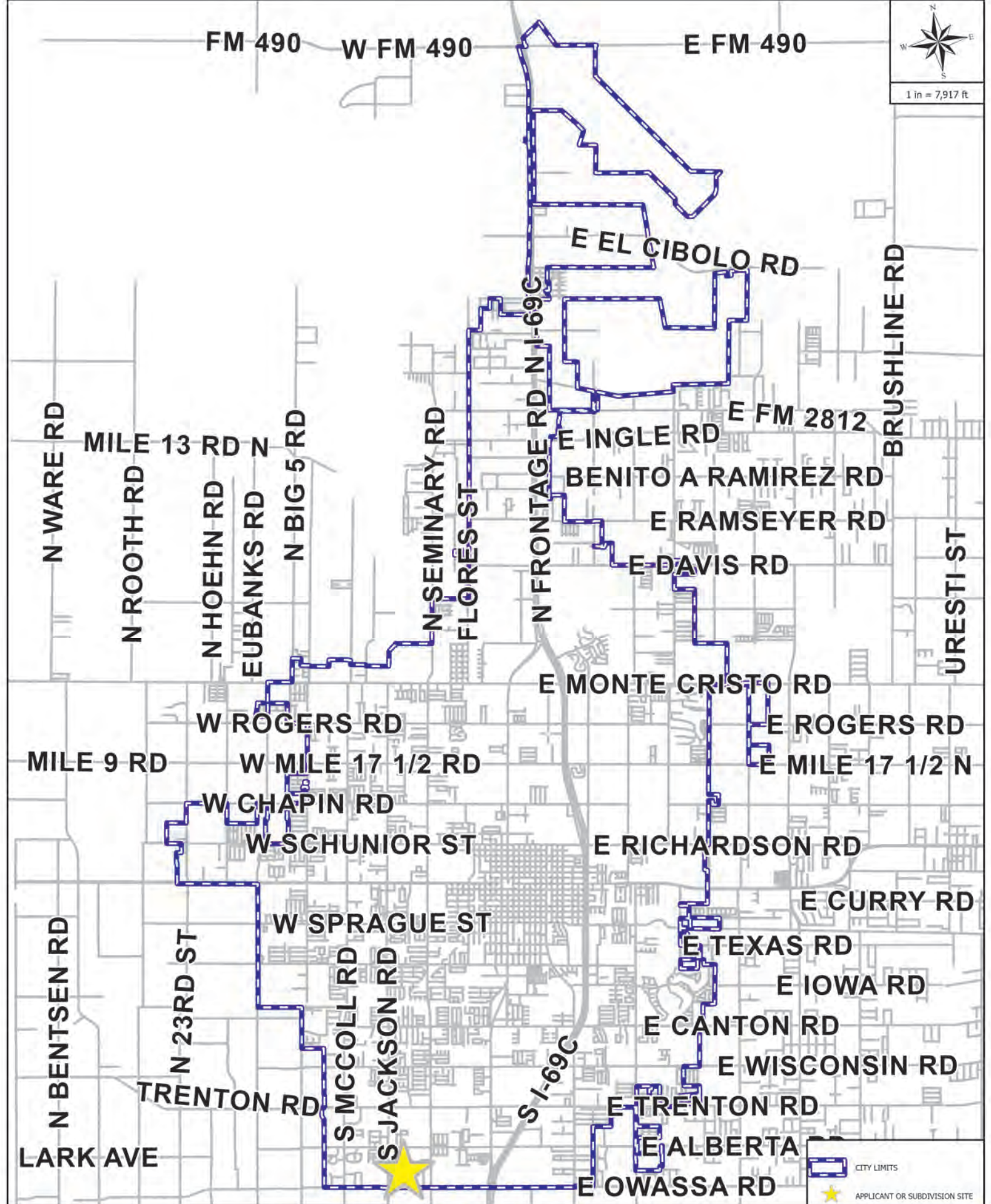
1. Adjacent land uses consist of commercial zoned vacant property, commercial plaza, single family residential homes and Al Khair Islamic Society of RGV.
2. There is need for additional housing in the community.
3. The proposed zoning is consistent with the Future Land Use Plan.

Staff recommends approval of the Rezoning Request from Agriculture & Open Space (AO) District to Residential, Multifamily (RM) District based on the surrounding land uses as well as along a major roadway. If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building/fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and other City requirements, as applicable.

Staff mailed a notice of the public hearing to 39 neighboring property owners on Friday, December 28, 2023, and had received no comments in favor and 2 comments against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2023.

ATTACHMENTS:

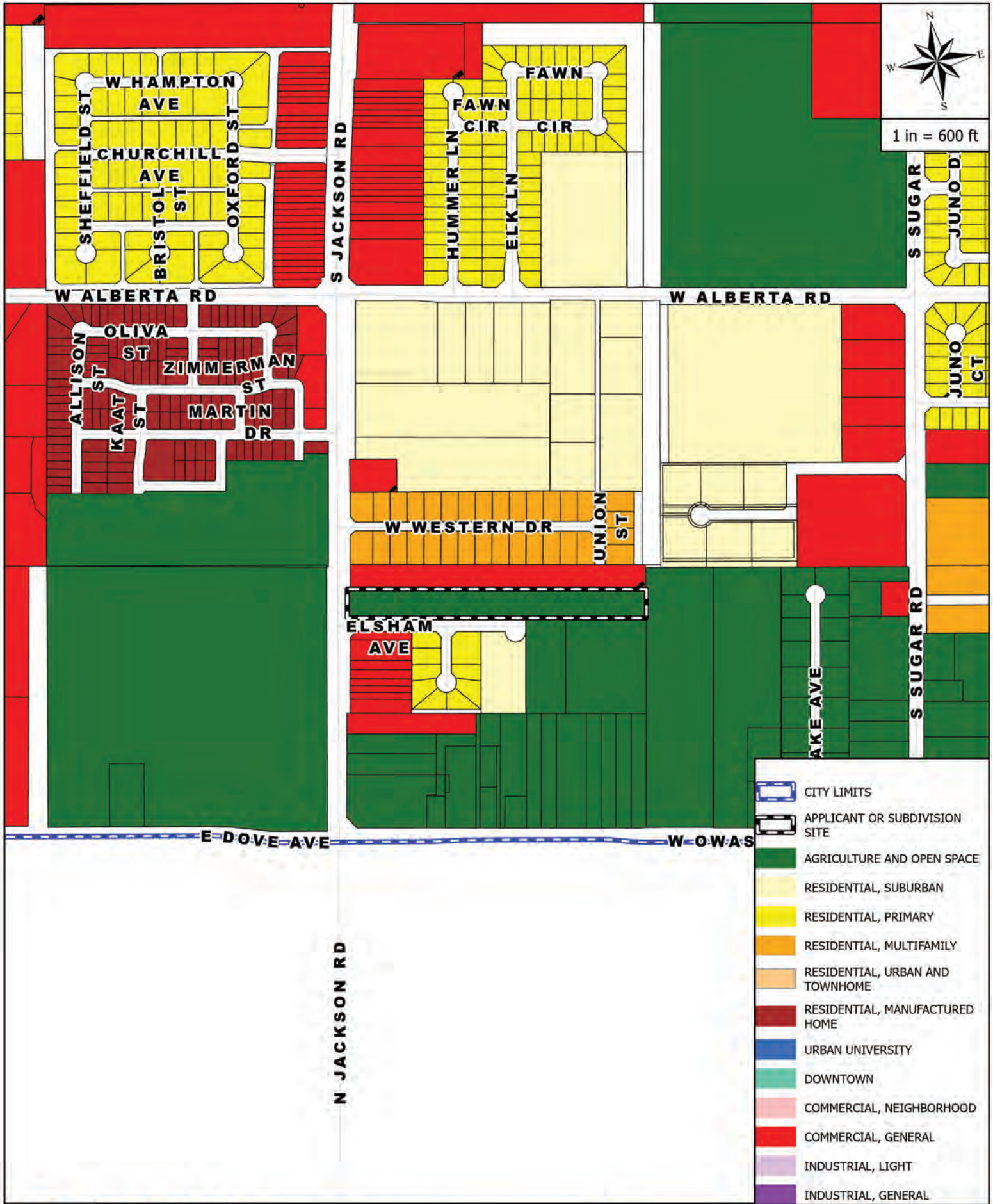
Development Map
Aerial Map
Zoning Map
Future Land Use Map
Mailout & Site Map
Plat
Survey
Site Photo Application
Owner Notification List

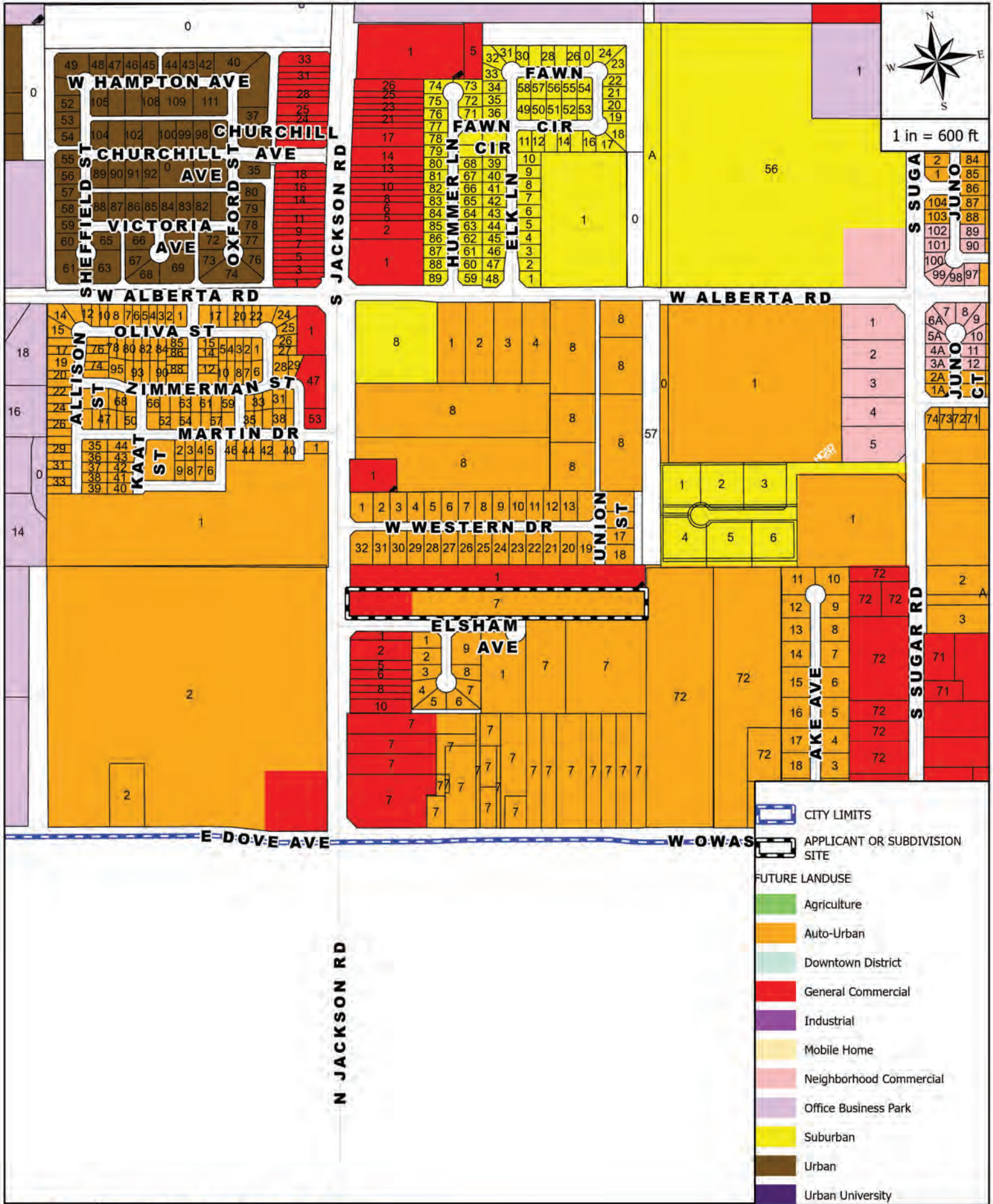


EDINBURG NEW DEVELOPMENT MAP

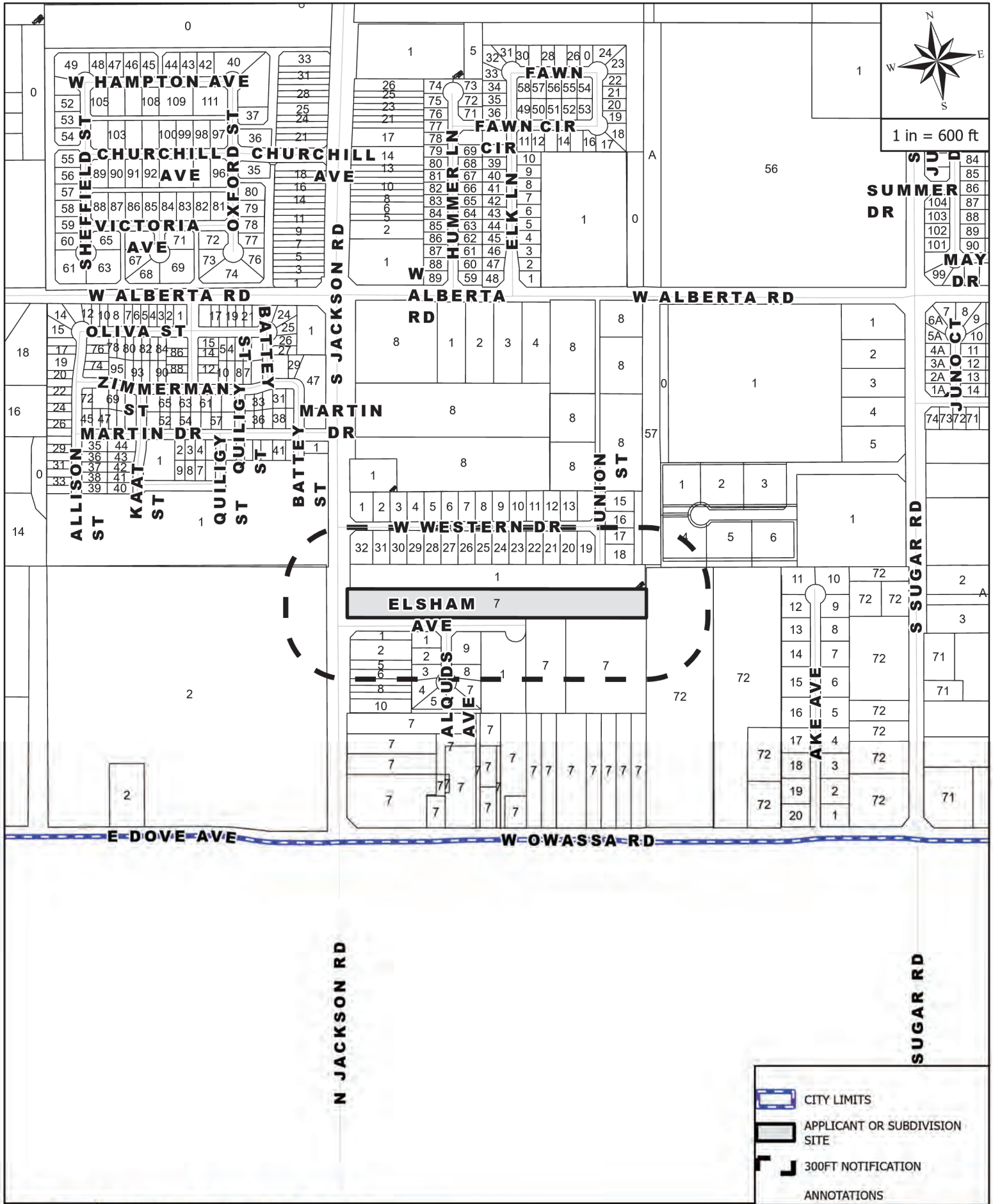
APPLICANT AND/OR SUBDIVISION:

RZNE-2023-0172 EDINBURG TEACHERS CREDIT





FUTURE LANDUSE MAP
APPLICANT AND/OR SUBDIVISION:
 RZNE-2023-0172 EDINBURG TEACHERS CREDIT





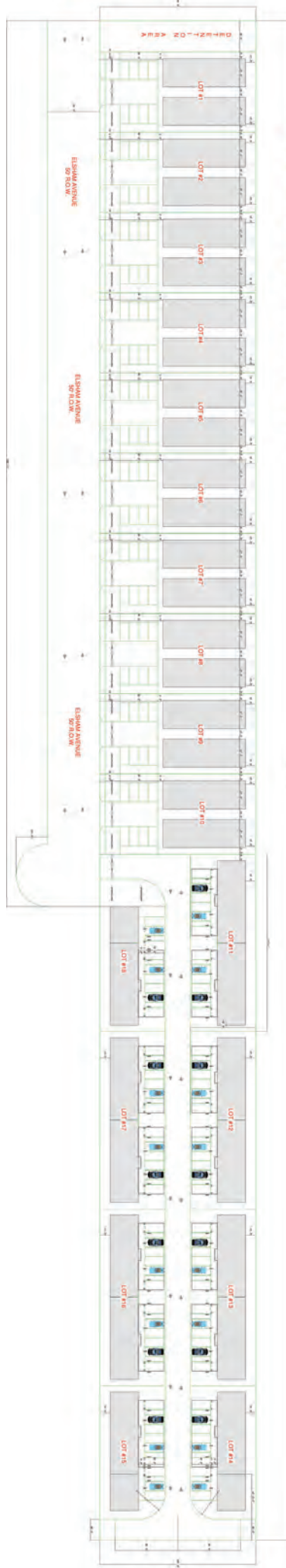
Rezoning Request Site Photo

EDINBURG TEACHERS CREDIT UNION

5320 South Jackson Road



JACKSON HEIGHTS



JACKSON PALMS DEVELOPMENT
VOLUME 45, PAGE 115, H.C.M.R.

P.O.B.

DR. CARL R. LOWE SUBDIVISION
INSTRUMENT NO. 2000227, H.C.M.R.

5.000 AC. GROSS
-0.069 AC. JACKSON RD. R.O.W.
4.931 AC. NET

S 08° 30' 32" W
H&N ANAYA INC.,
WARRANTY DEED
DOCUMENT NO. 2741706, H.C.O.R.

DOI: 10.1002/for



PLAT SHOWING
5.000 ACRES
[217,797.105 Sq. Ft.] OUT OF
LOT 7, BLOCK 3
A.J. MCCOLL SUBDIVISION
VOLUME 21, PAGE 598 H.C.D.R.
CITY OF EDINBURG
HIDALGO COUNTY, TEXAS

THE UNDERSIGNED HEREBY CERTIFIES THAT THIS SURVEY AS DESCRIBED HEREON, WAS MADE ON THE GROUND ON 10/19/23 UNDER MY DIRECTION, THAT THE ONLY IMPROVEMENTS ON THE GROUND ARE AS SHOWN, THAT THERE ARE NO VISIBLE ENCROACHMENTS, VISIBLE OVERLAPPING, APPARENT CONFLICTS, OR VISIBLE EASEMENTS, EXCEPT AS SHOWN HEREON.

RUBEN JAMES DE JESUS, POLS NO. 6813 DATE:



FLOOD ZONE
ZONE 99

ZONE 2
AREAS BETWEEN LIMITS OF THE 100-YEAR FLOOD AND 500-YEAR FLOOD, OR CERTAIN AREAS SUBJECT TO 100-YEAR FLOODING WITH AVERAGE DEPTHS LESS THAN ONE-TWO FEET OR WHERE THE COMBINED DEPTH OF THE 100-YEAR FLOOD AND THE 500-YEAR FLOOD IS LESS THAN ONE SQUARE FOOT OF AVERAGE PROTECTED BY LIMITS FROM THE 500-YEAR FLOOD.

LEGEND

- ① SET 7" MARK ON CONCRETE
 ② SET #4 REBAR WITH PLASTIC
 CAP STAPPED BETWEEN 4" PLANT, AND
 POWER POLE
 ③ FILL JOINT
 ④ FILL JOINT
 ⑤ WATER VALVE
 ⑥ CLEANOUT
 ⑦ SWIMMING SEWER MANHOLE
 ⑧ OVERSIZED POWER LINE
 ⑨ HOG WIRE FENCE
 ⑩ SANITARY SEWER LINE
 ⑪ ASPHALT DRIVE
- N4 - BACK OF CURB TO BACK OF CURB
 N4 - BACK OF CURB TO BACK OF CURB
 H.C.R. - HINDS COUNTY RECORDS
 H.C.R. - HINDS COUNTY DEED RECORDS
 H.C.R. - HINDS COUNTY OFFICIAL RECORDS
 S.C.P. - SOUTHERN POWER
 S.C.P. - SOUTHERN POWER
 P.O.B. - POINT OF BEGINNING
 P.O.C. - POINT OF COMMENCING
 N.T.C. - NOT TO SCALE

ELEVATION DATUM PER MARS IN PLACE 2012

MEIDEN & HUNT inc
CONSULTANTS • ENGINEERS • SURVEYORS

BOOK: T-1156, PG. 75
DATE: 10/24/2023
JOB No. 23791.06
FILE NAME: 23791.06
DRAWN BY: J.C.

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Planning & Zoning

415 West University Drive
Edinburg, Texas 78539
(956) 388-8202



THE CITY OF
Edinburg

Zone Change Application

ENERGOV CASE # RZNE-2023-0172

Date: December 5, 2023

1. Property Owner (required): Edinburg Teachers Credit Union 2. Phone: (956) 381-0981

3. Mailing Address: 900 W. University Dr. Edinburg Tx 78539

4. City: Edinburg State: Texas Zip: 78539

5. Owner's Email: trigen24@gmail.com 6. Cell No. (956) 381-0981

7. Agent (not owner): Mario A. Reyna 8. Agent's Phone: (956) 381-0981

9. Agent's Mailing Address: 115 W. McIntyre Street

10. City: Edinburg State: Texas Zip: 78541

11. Agent's Email: Mario@meldenandhunt.com

12. Address/Location being Rezoned: Corner of S. Jackson & Elsham Ave

13. Legal Description of Property: 14. Property ID(s): 230954
5.000 +/- being part or portion of Lot 7, Block 3 A.J McColl Subdivision Volume 21,
Page 598 H.C.D.R City of Edinburg Hidalgo County, Texas

15. Zone Change: From: AO - Agriculture/Open Space To: RM - Residential, Multifamily

16. Existing Land Use: Open land

17. Reason for Zone Change: For development purposes. We are proposing a multi family
(four-plex) subdivision.

Mario A. Reyna
(Please Print Name)

M. Reyna
Signature

OFFICE USE ONLY

REVIEWED BY Ana Lisa Liciano DATE RECEIVED 12/5/23 2:59 PM

***INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED OR SCHEDULED EVEN IF PAYMENT IS MADE.**

THE CITY OF
Edinburg
NOTIFICATION

Dear Property Owner:

A public hearing will be held on Tuesday, January 9, 2024, at 5:30 P.M. in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, at which time the Planning and Zoning Commission will address the following:

CONSIDER THE REZONING REQUEST FROM AGRICULTURE & OPEN SPACE (AO) DISTRICT TO RESIDENTIAL, MULTIFAMILY (RM) DISTRICT, BEING 5.00 ACRES OUT OF LOT 7, BLOCK 3, A.J. MCCOLL SUBDIVISION, LOCATED AT 5320 SOUTH JACKSON ROAD, AS REQUESTED BY EDINBURG TEACHERS CREDIT UNION.

This district is a high intensity residential district intended to accommodate various multifamily residential uses (2 or more dwelling units on a single lot).

This request is scheduled to be heard by the City Council on Tuesday, February 6, 2024 at 6:00 P.M. As a property owner within 300 ft. of the subject property, you are invited to attend. Please note that meeting time (s) and date (s) are subject to change. Therefore; please call on the date of the meeting to assure that the item is on the agenda. As part of the City effort to encourage greater participation in the rezoning process, the City is using this notice to solicit your input, but no action or response is required. Should you have any questions or need more information regarding this notice, you may call (956) 388-8202.

You may return your response by one of the following: MAIL: P. O. Box 1079 Edinburg, Texas 78540
FAX: (956) 292-2080 by Monday, January 8, 2024
EMAIL: planning@cityofedinburg.com by Monday, January 8, 2024

Please place a checkmark on the appropriate box to indicate if you are in favor, against, or have no comments on this request.

☐ In Favor/A Favor

☒ Against/En Contra

☐ No Comments/No Comentario

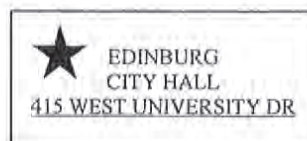
Comments: _____

Print Name: Victor Silva Phone No. 956-222-4700
Address: 5508 Alquds Ave City: Edinburg State: TX Zip: 78539

NOTIFICACIÓN

Si tiene preguntas o necesita información sobre esta aplicación en español, por favor llame al 956-388-8202.

Planning and Zoning Department
City of Edinburg
PO BOX 1079
Edinburg, TX 78540-1079



University Dr. (S.H.107)

8th Ave.

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Edinburg
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☐ In Favor/A Favor

☒ Against/En Contra

☐ No Comments/No Comentario

Comments: The lot to the north on Western Dr. is an entire community of multi-family dwellings. This area seems to have a higher crime rate due to the low income housing. To add another 5 acres would deteriorate the single family home values. We pay 12000.00 per year in property tax not to live next to this type of community. This should be zoned for single family homes.

Print Name: Christian Griesemer

Phone No. 956-609-9020 / 602-377-6701

Address: 5502 Alquds Avenue City: Edinburg State: Texas Zip: 78539

NOTIFICACIÓN

Si tiene preguntas o necesita información sobre esta aplicación en español, por favor llame al 956-388-8202.

Planning and Zoning Department

City of Edinburg

PO BOX 1079

Edinburg, TX 78540-1079



EDINBURG
CITY HALL
415 WEST UNIVERSITY DR

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 230933

AMYX LAND COMPANY
4517 TRIANGLE AVE #614
AUSTIN, TX 78751-3525

PID: 230936

APP REAL ESTATE INVESTMENTS LLC
1005 E NOLANA AVE
MCALLEN, TX 78504-6101

PID: 201981

MEDINA BERTHA L & MELECIO
1300 S 1 1/2 ST
MCALLEN, TX 78501-1107

PID: 713293

GRIESEMER CHRISTIAN W
5502 ALQUDS AVE
EDINBURG, TX 78539-8438

PID: 631776

MOHN Y COMPANY LLC
502 S CLOSNER BLVD
EDINBURG, TX 78539-4660

PID: 631780

MOHN Y COMPANY LLC
502 S CLOSNER BLVD
EDINBURG, TX 78539-4660

PID: 631775

ARIASI PROPERTIES LP
PO BOX 2079
MCALLEN, TX 78505-2079

PID: 680525

CORDERO LORCEL M
2441 MOUNTAIN FALLS CT
FRIENDSWOOD, TX 77546-5591

PID: 680523

TSAFACK DAVID F
1902 W WESTERN DR APT 1
EDINBURG, TX 78539-4625

PID: 680521

**JOSE REYNALDO ANTONIO
& NANCY DUPYAWON**
3619 BRIDGET ST
EDINBURG, TX 78539-3148

PID: 713285

**CASTILLO JUAN ANTONIO JR
& DENISE RODRIGUEZ**
5503 ALQUDS AVE
EDINBURG, TX 78539-8438

PID: 713288

**MARTINEZ JESUS MARCELINO JR
& ANGELICA PACHECO**
5507 ALQUDS AVE
EDINBURG, TX 78539-8438

PID: 713287

**GUTIERREZ ALFREDO M
& ANDREA M HERRERA**
5505 ALQUDS AVE
EDINBURG, TX 78539-8438

PID: 713291

SILVA VICTOR HUGO
5508 ALQUDS AVE
EDINBURG, TX 78539

PID: 713286

**CASTILLO JUAN A AKA
JUAN A CASTILLO JR &
DENISE RODRIGUEZ**
5503 ALQUDS AVE
EDINBURG, TX 78539-8438

PID: 631781

HUQ MAHFUZUL
6920 N 1ST ST
MCALLEN, TX 78504-1909

PID: 631779

MOHN Y COMPANY LLC
502 S CLOSNER BLVD
EDINBURG, TX 78539-4660

PID: 711071

**NORTH AMERICAN
ISLAMIC TRUST ""NAIT""**
1910 ELSHAM RD
EDINBURG, TX 78539-3684

PID: 713292

NHHOMESTX LLC
5032 CEDAR SPRINGS
DALLAS, TX 75235-8774

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 680529
DIAZ EDWARD BALATBAT
6613 N 24TH ST
MCALLEN, TX 78504-4257

PID: 680536
**BENAVIDES CARLOS R
& MAGDA HERRERA**
1310 QUAMASIA AVE
MCALLEN, TX 78504-3797

PID: 680534
DCD & NED FAMILY LP
2301 SOLERA DR
MISSION, TX 78572-7617

PID: 680533
DIAZ MICHAEL B
6613 N 24TH STREET
MCALLEN, TX 78504-4257

PID: 680532
**VALADEZ DOMINGO &
ELENA D CO-TRUSTEES**
VALADEZ FAMILY LIVING TRUST
7700 N 29TH ST
MCALLEN, TX 78504-9608

PID: 608108
CITY OF EDINBURG
PO BOX 1079
EDINBURG, TX 78540-1079

PID: 202099
H & N ANAYA INC
1701 W OWASSA RD
EDINBURG, TX 78539-7047

PID: 230954
**EDINBURG TEACHERS
CREDIT UNION**
900 W UNIVERSITY DR
EDINBURG, TX 78539-2904

PID: 230975
BANDA JOAQUIN
1916 ELSHAM RD
EDINBURG, TX 78539-3684

PID: 680520
DIAZ EDWARD BALATBAT
6613 N 24TH ST
MCALLEN, TX 78504-4257

PID: 680535
DIAZ EDWARD BALATBAT
6613 N 24TH ST
MCALLEN, TX 78504-4257

PID: 680531
**VALDEZ DOMINGO &
ELENA D CO-TRUSTEES**
FAMILY LIVING TRUST
7700 N 29TH ST
MCALLEN, TX 78504-9608

PID: 680524
SWEETWATER MCALLEN LLC
4508 VERMONT AVE
MCALLEN, TX 78503-7317

PID: 680522
DE LEON J ANDREW
2321 FAIRMONT AVE
MCALLEN, TX 78504-6171

PID: 680530
ASHLEY WILLIAM D GINIBLO B
2016 W WESTERN DR
EDINBURG, TX 78539-3756

PID: 680528
SWEETWATER MCALLEN LLC
4508 VERMONT AVE
MCALLEN, TX 78503

PID: 680527
RANGEL JOSE LUIS JR
2009 W WESTERN DR APT 4
EDINBURG, TX 78539

PID: 680526
MARINI IRMO & DARLENE M
2609 BRAZOS AVE
MCALLEN, TX 78504

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 230976

ANAYA HERIBERTO

2413 W WISCONSIN

EDINBURG, TX 78539-9677

PID: 1128069

BR GROUPS LLC

7414 ZACHERY DR

FRISCO, TX 75033-3388

ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES OF THE AGRICULTURE AND OPEN SPACE (AO) DISTRICT TO RESIDENTIAL, MULTIFAMILY (RM) DISTRICT, AS SET OUT IN THE UNIFIED DEVELOPMENT CODE OF THE CITY OF EDINBURG, HIDALGO COUNTY, TEXAS, BY CHANGING 5.00 ACRES OUT OF LOT 7, BLOCK 3, A.J. MCCOLL SUBDIVISION, LOCATED AT 5320 SOUTH JACKSON ROAD, EDINBURG, HIDALGO COUNTY, TEXAS, FROM ONE DISTRICT TO ANOTHER; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; PROVIDING FOR CODIFICATION; PROVIDING A WAIVER OF THE THREE (3) SEPARATE READINGS; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, the owner of the herein described real estate has submitted to the Planning and Zoning Commission of the City of Edinburg, Texas, a proposed amendment, and the proposed supplement and change to the boundaries of the Agriculture and Open Space (AO) District and the Residential, Multifamily (RM) District, as set out in the Unified Development Code of the City of Edinburg, Texas, heretofore finally passed, approved, and adopted by said City Council on the 9th day of August, 2022. Such proposed amendment is to change the zoning of 5.00 acres out of Lot 7, Block 3, A.J. McColl Subdivision, Located at 5320 South Jackson Road, Edinburg, Hidalgo County, Texas, from Agriculture and Open Space (AO) District to Residential, Multifamily (RM) District, for a recommendation and report by said Planning and Zoning Commission; and

WHEREAS, the said Planning and Zoning Commission of the City of Edinburg, Texas, gave due notice as provided by said Unified Development Code of a public hearing to be held before said Planning and Zoning Commission, on January 9, 2024, at 5:30 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, and said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes, providing said notice by U. S. Mail to all property owners and persons rendering property for taxation within 300 feet of the property affected not less than ten (10) days before said public hearing; and

WHEREAS, after such public hearing, the Planning and Zoning Commission of the City of Edinburg, Texas, presented its report to the City Council of the City of Edinburg that they approved the change in zoning of said property, from one district to the other; and

WHEREAS, after receipt of the final report from the Planning and Zoning Commission, the City Council of said City provided due notice, as provided by said Unified Development Code

to be held before said City Council, and notice was published one time in a newspaper published in the City of Edinburg, Texas, and of general circulation in said City, stating that a public hearing to consider said proposed revision would be held on February 6, 2024 at 6:00 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, which time was not less than 15 days nor more than 20 days from the date of publication, and that said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes; and

WHEREAS, having held said public hearing, it is the opinion of the City Council of the City of Edinburg, Texas that such change and revision should be made.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION I. AUTHORITY OF LAW: All requirements of the law have been met in the passing of this Ordinance.

SECTION II. The zoning of the first above-described property is hereby changed from Agriculture and Open Space (AO) District to Residential, Multifamily (RM) District and changed so as to delete the said area from the said Agriculture and Open Space (AO) District and added to Residential, Multifamily (RM) District.

SECTION III. REPEALER CLAUSE: This Ordinance shall be cumulative of all other ordinances dealing with the same subject and any provision of any ordinance in direct conflict with any provision of this ordinance is hereby repealed and the provisions of this Ordinance shall supersede any provisions in conflict herewith; all provisions of any other ordinance not in conflict herewith shall remain in full force and effect.

SECTION IV. SAVINGS CLAUSE: If any section, part, or provision of this Ordinance is declared unconstitutional or invalid, by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION V. PUBLICATION AND EFFECTIVE DATE: This Ordinance shall take effect immediately upon its passage and publication according to law.

SECTION VI. CODIFICATION: That this Ordinance shall not be published in the Code of Ordinances of the City of Edinburg, Texas, as it is not amendatory thereof.

SECTION VII. WAIVER CLAUSE: This requirement of three separate readings of this Ordinance is hereby dispensed with by a vote of not less than a majority of all the members of the City Council.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.041, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:
OMAR OCHOA LAW FIRM, P.C.

By: _____
Omar Ochoa, City Attorney



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PUBLIC HEARINGS

Agenda Item No: 7.B.

1. **Agenda Item:**

Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District, Being Lot 21, Block 1, Gernentz Subdivision, Located at 218 South Raul Longoria Road, as Requested by La Florida Multiservices, LLC. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]

2. **Description:**

The property is located on the east side of South Raul Longoria Road, approximately 600 feet south of East University Drive. The lot has 50 ft. of frontage along South Raul Longoria Road and a total lot area of approximately 6,949.49 sq. ft. The lot is currently occupied with a framed home. The requested zoning designation is the Commercial, Neighborhood (CN) District, intended to provide small neighborhood shopping opportunities and services in areas that are largely residential in use. Permitted uses are smaller-scale commercial businesses that, while auto-urban commercial in nature, have buildings scaled to the surrounding residential area and more landscaping. The proposed use is for an office at this location.

The property is currently zoned Residential, Primary (RP) District. Adjacent zoning is Residential, Primary (RP) District to the north, east, west, and south. The future land use designation is for Urban Uses at this location. Staff received a Zone Change Application for the subject property on October 16, 2023. The applicant indicated that the reason for the zone change is to place an office for a provider company at this location.

Staff mailed a notice of the public hearing to 54 neighboring property owners on Thursday, December 28, 2023, and had received 1 comment in favor and 3 comments against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2024.

The Planning & Zoning Commission recommended with a unanimous vote of 6-0 to approve the Rezoning Request. A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.

3. **Staff's Recommendation:**

Staff recommends approval of the Rezoning Request from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District based on existing commercial uses in the area. The proposed zoning is not in keeping with the Future Land Use Plan. If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building/ fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and other City requirements, as applicable.

Reviewed by:

Jesus Saenz, Assistant City Manager

Prepared by:

Jaime Acevedo, Director of
Planning and Zoning

Attachments:

- A. La Florida Multiservices City Council Agenda Packet Attachments
- B. Ordinance - La Florida Multiservice Llc

MEETING DATES:
PLANNING & ZONING COMMISSION – 1/9/24
CITY COUNCIL – 2/06/2024
DATE PREPARED – 1/04/2024

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Rezoning Request from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District

APPLICANT: La Florida Multiservices, LLC.

AGENT: Julia F. Nunez

LEGAL: Being Lot 21, Block 1, Gernentz Subdivision

LOCATION: 218 South Raul Longoria Road

LOT/TRACT SIZE: approximately 6,949.49 sq. ft.

CURRENT USE: Single-family residential

PROPOSED USE: Neighborhood Commercial

EXISTING ZONING: Residential, Primary (RP) District

ADJACENT ZONING: North – Residential, Primary (RP)
South – Residential, Primary (RP)
East – Residential, Primary (RP)
West – Residential, Primary (RP)

LAND USE PLAN: Urban

PUBLIC SERVICES: City of Edinburg Sewer and North Alamo Water Supply Corporation
Water

RECOMMENDATION: Staff recommends approval of the Rezoning Request from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District.

**REZONING REQUEST
LA FLORIDA MULTISERVICES, LLC.**

EVALUATION

The following is staff's evaluation of the request.

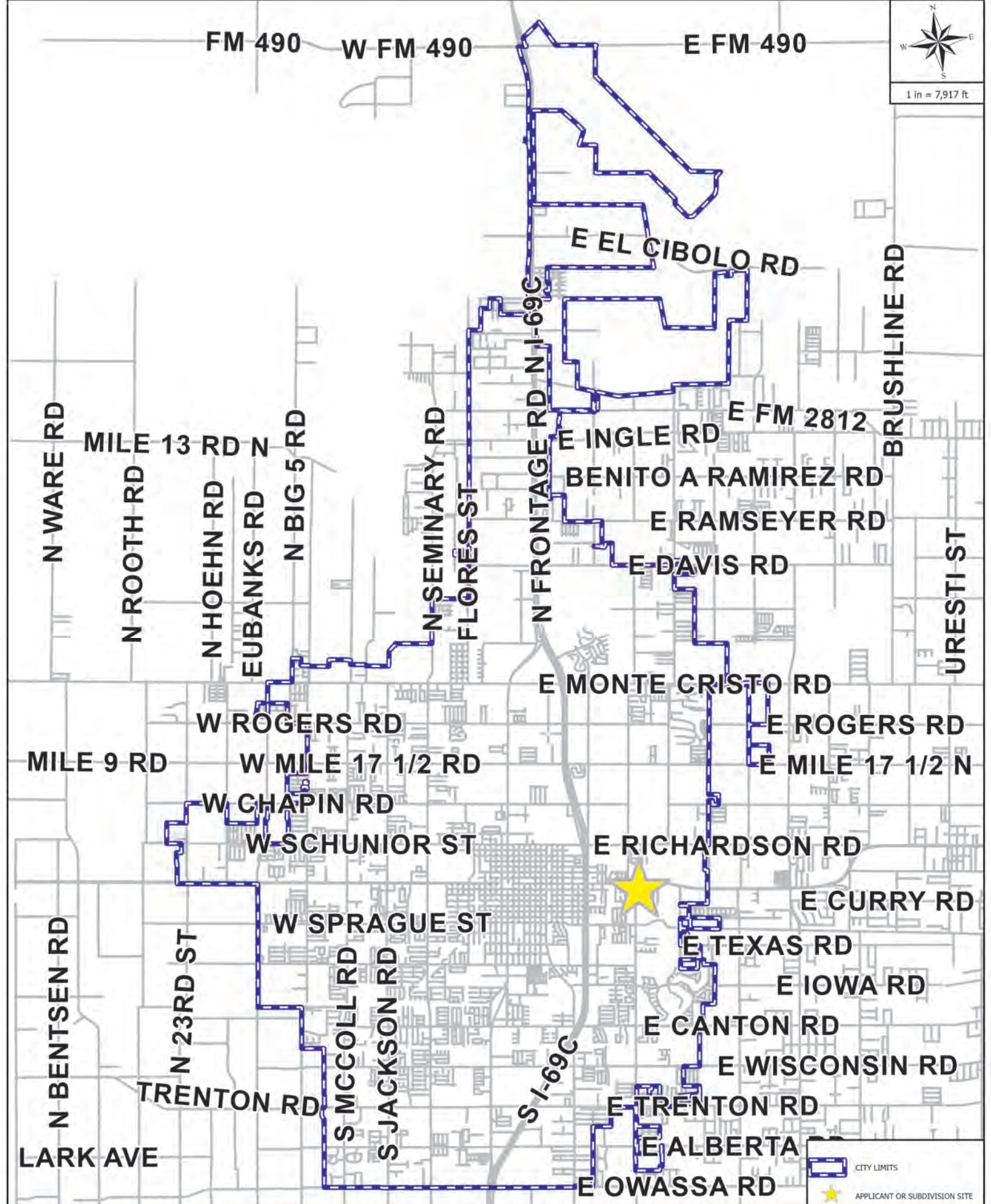
1. The land use pattern for this area of the community is a mix of single-family and commercial uses.
2. The proposed zoning exists to the north of the subject property.
3. The proposed use is in keeping with the requested District and not likely to create conflict at this location.
4. The proposed zoning is not in keeping with the Future Land Use Plan.

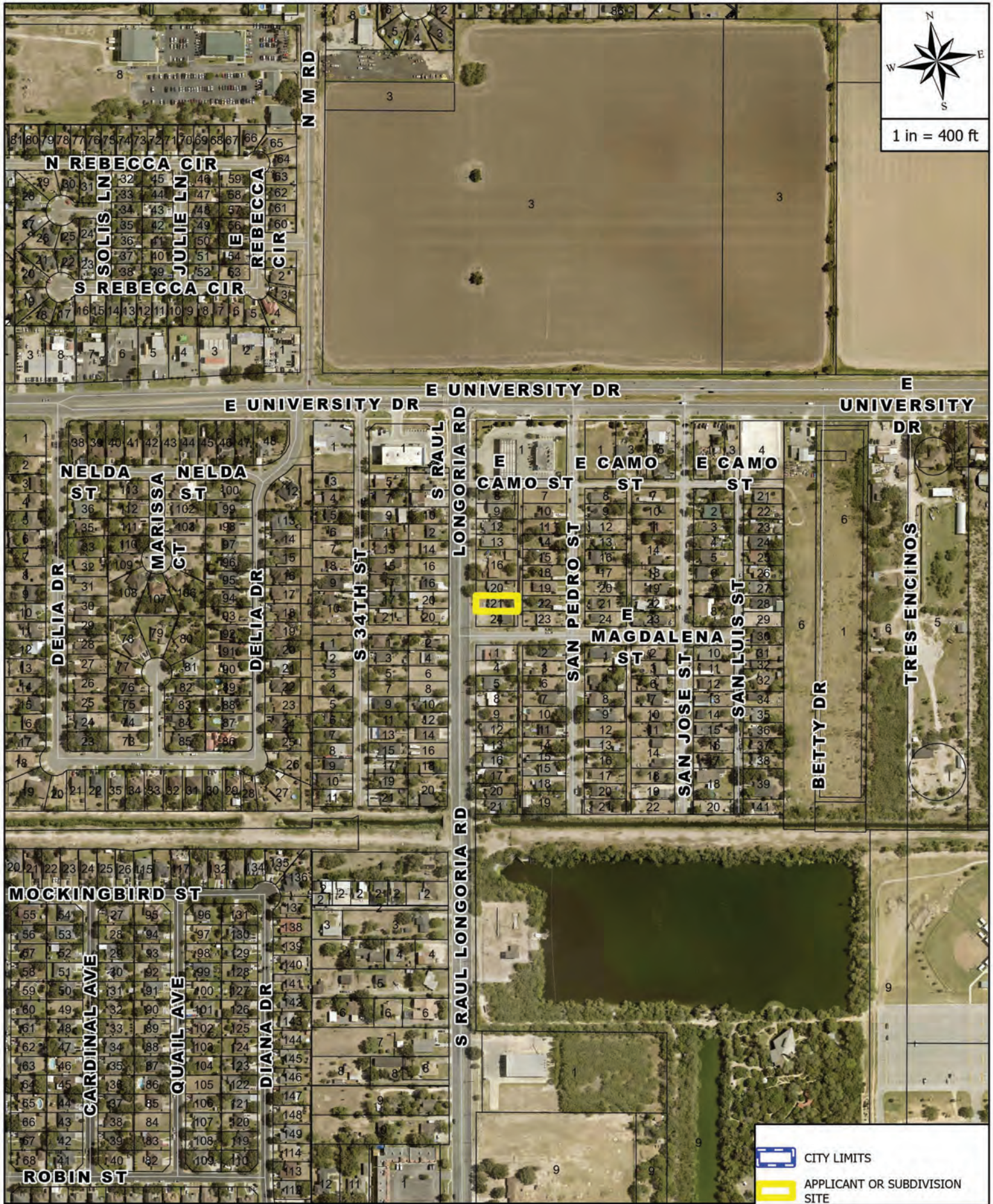
Staff recommends approval of the Rezoning Request from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District based on existing commercial uses in the area. Light commercial use is appropriate for a location on a principal arterial street.

If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building and fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and any other City requirements, as applicable.

Staff mailed a notice of the public hearing to 54 neighboring property owners on Thursday, December 28, 2023, and had received 1 comment in favor and 3 against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2024.

ATTACHMENTS: Development Map
Aerial Map
Zoning Map
Future Land Use Map
Mailout and Site Map
Photo
Plat
Site Plan
Application
Notification Response
Owner Notification List





1 in = 400 ft

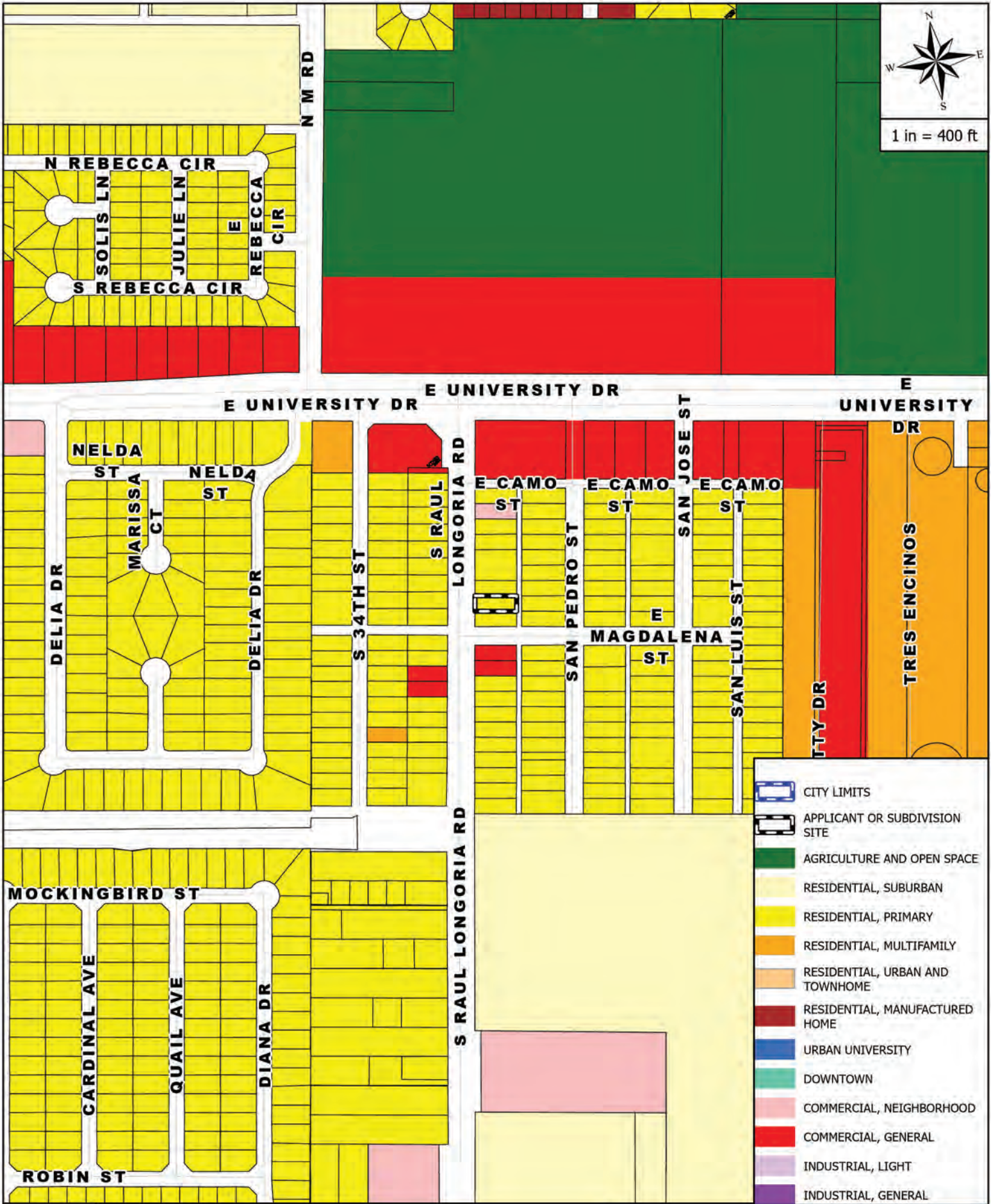
-  CITY LIMITS
-  APPLICANT OR SUBDIVISION SITE



AERIAL MAP
APPLICANT AND/OR SUBDIVISION:
RZNE-2023-0167 LA FLORIDA MULTISERVICES



1 in = 400 ft



ZONING MAP

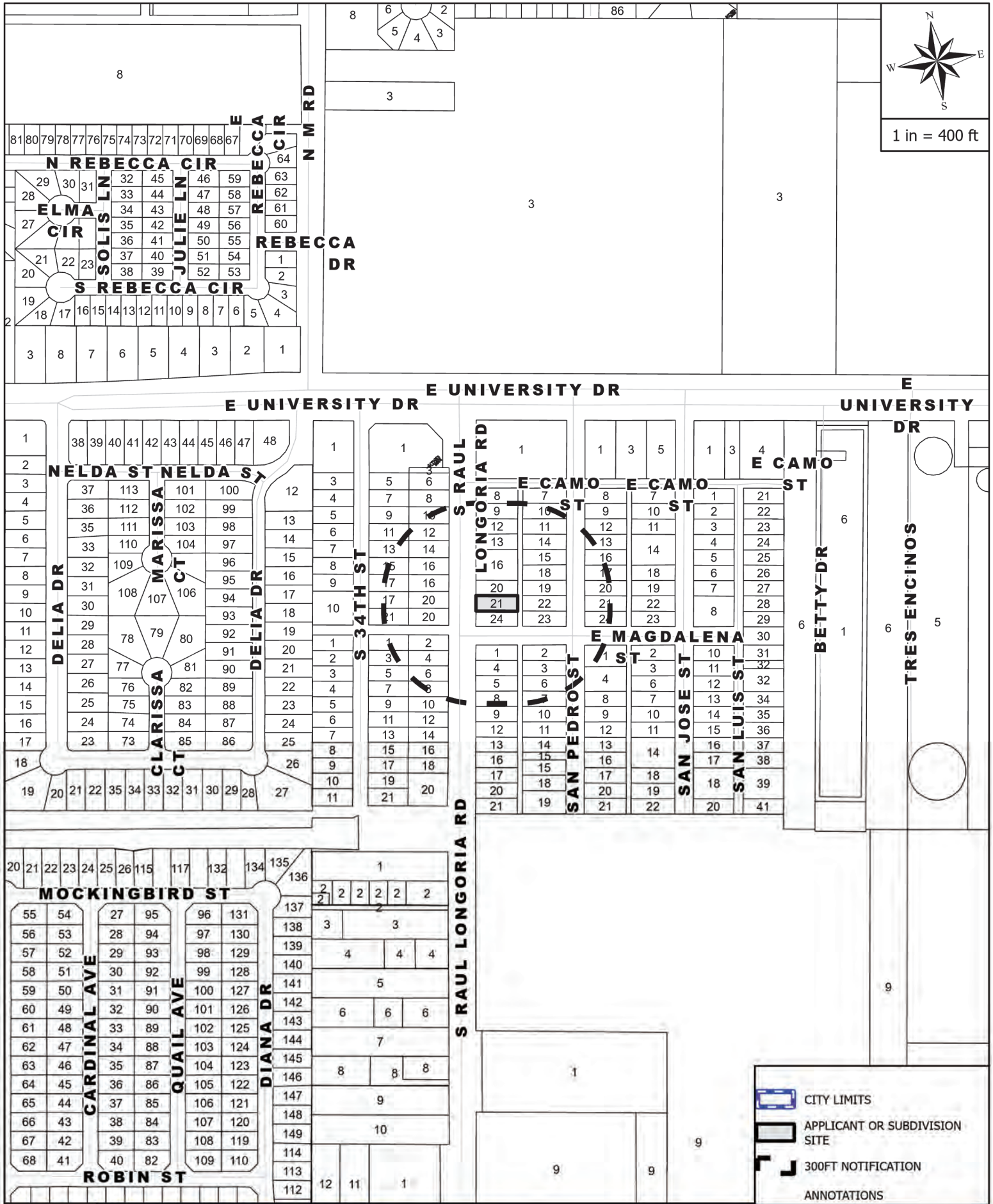
APPLICANT AND/OR SUBDIVISION:

RZNE-2023-0167 LA FLORIDA MULTISERVICES

BA



FUTURE LANDUSE MAP
APPLICANT AND/OR SUBDIVISION:
 RZNE-2023-0167 LA FLORIDA MULTISERVICES



1 in = 400 ft

-  CITY LIMITS
-  APPLICANT OR SUBDIVISION SITE
-  300FT NOTIFICATION
-  ANNOTATIONS



MAILOUT AND SITE MAP

APPLICANT AND/OR SUBDIVISION:

RZNE-2023-0167 LA FLORIDA MULTISERVICES



Rezoning Request Site Photo

LA FLORIDA MULTISERVICES, LLC.

218 South Raul Longoria Road



RECEIVED
OCT 16 2023
By _____



218 S. Raul Longoria

Planning & Zoning

415 West University Drive
Edinburg, Texas 78539
(956) 388-8202



THE CITY OF
Edinburg

Zone Change Application

ENERGOV CASE # RZNE-2023-0167

Date: 10/05/2023

1. Property Owner (required): La Florida Multiserv^{ces}, LLC 2. Phone: 956 369-8994
3. Mailing Address: 1701 Quamasia Ave
4. City: McAllen State: TX Zip: 78504
5. Owner's Email: omarjuma@hotmail.com 6. Cell No. 956 369-8994
7. Agent (not owner): Julia F. Nuñez 8. Agent's Phone: 956 369-9990
9. Agent's Mailing Address: 1701 Quamasia Ave.
10. City: McAllen State: TX Zip: 78504
11. Agent's Email: joliebonita@yahoo.com
12. Address/Location being Rezoned: 218 S. Raul Longoria Rd. Edinburg
13. Legal Description of Property: 14. Property ID(s): 178999
Single family Home - Gemitz Lot 21 BLK 1

15. Zone Change: From: Residential Primary To: Commercial Neighborhood

16. Existing Land Use: Residential

17. Reason for Zone Change: To Place an Office for a
Provider Company

Omar Gómez
(Please Print Name)

Signature

[Signature]



OFFICE USE ONLY

REVIEWED BY

[Signature]

DATE RECEIVED

10/16/23 *For Jimmy meeting*

***INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED OR SCHEDULED EVEN IF PAYMENT IS MADE.**

THE CITY OF
Edinburg
NOTIFICATION

Dear Property Owner:

A public hearing will be held on **Tuesday, January 9, 2024, at 5:30 P.M.** in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, at which time the Planning and Zoning Commission will address the following:

CONSIDER THE REZONING REQUEST FROM RESIDENTIAL, PRIMARY (RP) DISTRICT TO COMMERCIAL, NEIGHBORHOOD (CN) DISTRICT, BEING LOT 21, BLOCK 1, GERNENTZ SUBDIVISION, LOCATED AT 218 SOUTH RAUL LONGORIA ROAD, AS REQUESTED BY LA FLORIDA MULTISERVICES, LLC.

This district provides small neighborhood shopping opportunities and services in areas that are largely residential in use.

This request is scheduled to be heard by the **City Council on Tuesday, February 6, 2024, at 6:00 P.M.** As a property owner within 300 ft. of the subject property, you are invited to attend. Please note that meeting time (s) and date (s) are subject to change. Therefore; please call on the date of the meeting to assure that the item is on the agenda. As part of the City effort to encourage greater participation in the rezoning process, **the City is using this notice to solicit your input, but no action or response is required.** Should you have any questions or need more information regarding this notice, you may call (956) 388-8202.

You may return your response by one of the following: MAIL: P. O. Box 1079 Edinburg, Texas 78540
FAX: (956) 292-2080 by Monday, January 8, 2024
EMAIL: planning@cityofedinburg.com by Monday, January 8, 2024

Please place a checkmark on the appropriate box to indicate if you are in favor, against, or have no comments on this request.

☒ In Favor/A Favor ☐ Against/En Contra ☐ No Comments/No Comentario

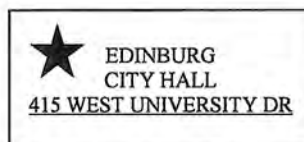
Comments: There are already commercial lots
on Raul Longoria I back any investment made
to favor commercial development. Good Luck!

Print Name: Ramiro Resendez Phone No. 956 432 4219
Address: 301 S. Raul Longoria City: Edinburg State: Tx Zip: _____

NOTIFICACIÓN

Si tiene preguntas o necesita información sobre esta aplicación en español, por favor llame al 956-388-8202.

Planning and Zoning Department
City of Edinburg
PO BOX 1079
Edinburg, TX 78540-1079



University Dr. (S.H.107)

8th Ave.

Ramiro Resendez owner: 301. S. Raul Longoria
Edinburg, Tx.

Mailing Address:
1001 S. 10th St. Suite G835
McAllen, Tx- 78501

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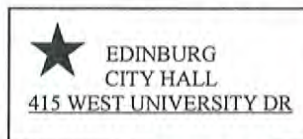
☐ In Favor/A Favor ☒ Against/En Contra ☐ No Comments/No Comentario

Comments: I don't want my taxes to go up
because of the change from residential to
commercial...

Print Name: Alejandro Pérez Phone No. (956) 467-7581
Address: 302 S. 34th Ave. City: Edinburg State: TX Zip: 78539

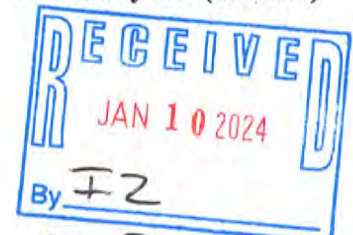
NOTIFICACIÓN

aplicación en español, por favor llame al 956-388-8202.



University Dr. (S.H.107)

8th Ave.



Page 296 of 520

THE CITY OF
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Comments:

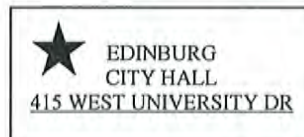
Against Its NOT Good For US

Print Name: *Pedro & Blanca Carlenas* Phone No. *956-292-8459*
Address: *301 San Pedro* City: *Edinburg* State: *TX* Zip: *78539*

NOTIFICACIÓN

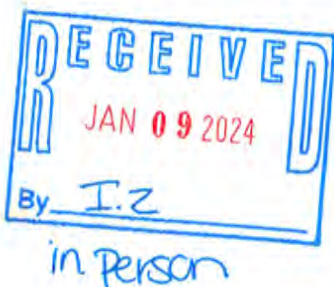
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Planning and Zoning Department
City of Edinburg
PO BOX 1079
Edinburg, TX 78540-1079



University Dr. (S.H.107)

8th Ave.



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☐ In Favor/A Favor ☒ Against/En Contra ☐ No Comments/No Comentario

Comments: _____

Not in favor

Print Name: _____

Blanca Flores

Phone No. _____

Address: _____

617 S. Raul Longoria Rd. Edinburg

State: _____

Tx Zip: 78542

NOTIFICACIÓN

Si tiene preguntas o necesita información sobre esta aplicación en español, por favor llame al 956-388-8202.

Planning and Zoning Department
City of Edinburg
PO BOX 1079
Edinburg, TX 78540-1079



University Dr. (S.H.107)

8th Ave.

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 178989
RODRIGUEZ ERICKA
119 SAN PEDRO ST
EDINBURG, TX 78542-6725

PID: 179010
TIJERINA GRACIELA
PO BOX 840
LA BLANCA, TX 78558-0840

PID: 179084
**CARDENAS PEDRO JR
& BLANCA A**
1419 CASTILLE CT
EDINBURG, TX 78539-5316

PID: 179087
YBARRA PEDRO & SOCORRO
309 SAN PEDRO ST
EDINBURG, TX 78542-6729

PID: 179002
ORNELAS MANUEL JR
222 S RAUL LONGORIA RD
EDINBURG, TX 78542-6720

PID: 178999
LA FLORIDA MULTISERVICES LLC
1701 QUAMASIA AVE
MCALLEN, TX 78504-3714

PID: 178997
GOMEZ EVA QUINTERO
213 SAN PEDRO ST
EDINBURG, TX 78542-6727

PID: 179000
**GARZA GRACIELA &
FELIPE LOPEZ JR &
ISRAEL ELI OCHOA**
217 SAN PEDRO ST
EDINBURG, TX 78542-6749

PID: 179001
FLORES BLANCA E
617 S RAUL LONGORIA RD
EDINBURG, TX 78542-5143

PID: 179021
MALDONADO ESTEBAN ALBERTO
503 WILLOWBROOK DR
MESQUITE, TX 75149-2347

PID: 179065
DE LA TORRE NORMA L ALEMAN
302 SAN PEDRO ST
EDINBURG, TX 78542-6730

PID: 178995
TIJERINA SUSANA L
210 S RAUL LONGORIA RD
EDINBURG, TX 78542-6720

PID: 178991
GARZA ELISEO & MARIA
121 S RAUL LONGORIA RD
EDINBURG, TX 78542-6717

PID: 178990
CARREON VICTORIA
121 SAN PEDRO ST
EDINBURG, TX 78542-6725

PID: 178994
MORAN ALONZO & EVA
205 SAN PEDRO ST
EDINBURG, TX 78542-6727

PID: 179017
ALVAREZ OSCAR & ROSA MARIA
3608 E TEXAS RD
EDINBURG, TX 78542-9898

PID: 179013
CAAMAL ANNA GRISELDA
206 SAN PEDRO ST
EDINBURG, TX 78542-6728

PID: 178988
MORAN DORA
116 S RAUL LONGORIA RD
EDINBURG, TX 78542-6718

PID: 178987
COLUNGA ANASTACIA
112 S RAUL LONGORIA RD
EDINBURG, TX 78542-6718

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 178998

PARDO SEFERINO

6709 E STATE HIGHWAY 107
EDINBURG, TX 78542-3829

PID: 178992

LOPEZ MARIA DE JESUS ETAL

202 S RAUL LONGORIA RD
EDINBURG, TX 78542-6720

PID: 178993

GARCIA MARIA ALICIA

512 S GLASSCOCK BLVD
ALTON, TX 78573-5062

PID: 178996

SUAREZ MARTHA J CORONA

209 SAN PEDRO ST
EDINBURG, TX 78542-6727

PID: 313976

TORRES GERARDO

210 34TH ST
EDINBURG, TX 78542-6736

PID: 313977

**GARZA JESUS M &
GUADALUPE C**

205 S RAUL LONGORIA RD
EDINBURG, TX 78542-6719

PID: 313978

RODRIGUEZ REBECCA M

214 34TH ST
EDINBURG, TX 78542-6736

PID: 313979

**VALDEZ JOSE ANGEL &
MARIA INEZ**

2329 ISIAH ST
EDINBURG, TX 78542-3878

PID: 179068

**RAMIREZ ROGELIO
& ROSA M**

8702 E CURRY RD
EDINBURG, TX 78542-5083

PID: 179083

RIOS HECTOR JAVIER JR

5321 MAURITUS
EDINBURG, TX 78542-7591

PID: 179085

RIOS ROXANNA

5321 MAURITIUS LN
EDINBURG, TX 78542-7591

PID: 179086

DELGADO MARISA

310 S RAUL LONGORIA RD
EDINBURG, TX 78542-6722

PID: 179088

RENTERIA GILBERTO (DEC'D)

314 S RAUL LONGORIA RD
EDINBURG, TX 78542-6722

PID: 179018

ALVAREZ ROSA MARIA

3608 E TEXAS RD
EDINBURG, TX 78542-9898

PID: 179014

VILLEGAS HECTOR J & MARIA A

210 SAN PEDRO ST
EDINBURG, TX 78542-6728

PID: 179011

MARTINEZ GUADALUPE O

1914 NORMA LN
EDINBURG, TX 78539-5958

PID: 343127

**SANCHEZ ANTONIO
& CLAUDIA**

313 SAN PEDRO ST
EDINBURG, TX 78542-6729

PID: 313974

**SANCHEZ ANTONIO & LUCIA
& TERESA SANCHEZ**

206 34TH ST
EDINBURG, TX 78542-6736

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 567835
RODRIGUEZ MARIA LOURDES
RIVERA & JOSE LUIS SR
215 S RAUL LONGORIA RD
EDINBURG, TX 78542-6719

PID: 313981
ALMANZA CRISTINA GAMBOA
& GUADALUPE ALMANZA JR
222 S 34TH ST
EDINBURG, TX 78542-6745

PID: 695075
GALLARDO CANDELARIO
305 SAN PEDRO ST
EDINBURG, TX 78542-6729

PID: 313954
DELGADO JUAN JR & YOLANDA
315 S RAUL LONGORIA RD
EDINBURG, TX 78542-6721

PID: 313945
PEREZ ALEJANDRO
302 34TH ST
EDINBURG, TX 78542

PID: 313948
DE LA GARZA JESUS ALVERTO
305 S RAUL LONGORIA RD
EDINBURG, TX 78542

PID: 313949
RODRIGUEZ REBECCA M
214 S 34TH ST
EDINBURG, TX 78542

PID: 313950
CARRANZA DEVELOPMENT LLC
4119 CROSSPOINT BLVD
EDINBURG, TX 78539

PID: 313947
FUENTES GABRIELA AGUILERA
306 S 34TH ST
EDINBURG, TX 78542

PID: 1472800
VALDEZ JOSE ANGEL &
MARIA INEZ
2329 ISIAH ST
EDINBURG, TX 78542-3878

PID: 313973
GARZA ELISEO &
ELISEO GARZA JR
121 S RAUL LONGORIA
EDINBURG, TX 78542-6717

PID: 313975
GARZA ELISEO JR
202 34TH ST
EDINBURG, TX 78542-6736

PID: 313980
MADRIGAL MARIA DEL REFUGIO
218 34TH ST
EDINBURG, TX 78542-6745

PID: 313980
MADRIGAL MARIA DEL REFUGIO
218 34TH ST
EDINBURG, TX 78542-6745

PID: 567835
RODRIGUEZ MARIA LOURDES
RIVERA & JOSE LUIS SR
215 S RAUL LONGORIA RD
EDINBURG, TX 78542-6719

PID: 313952
CARRANZA DEVELOPMENT LLC
4119 CROSSPOINT BLVD
EDINBURG, TX 78539

PID: 313952
CARRANZA DEVELOPMENT LLC
4119 CROSSPOINT BLVD
EDINBURG, TX 78539

PID: 313946
RESENDEZ RAMIRO A
1001 S 10TH ST
MCALLEN, TX 78501

ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES OF THE RESIDENTIAL, PRIMARY (RP) DISTRICT TO COMMERCIAL, NEIGHBORHOOD (CN) DISTRICT, AS SET OUT IN THE UNIFIED DEVELOPMENT CODE OF THE CITY OF EDINBURG, HIDALGO COUNTY, TEXAS, BY CHANGING BEING LOT 21, BLOCK 1, GERNENTZ SUBDIVISION, EDINBURG, HIDALGO COUNTY, TEXAS, FROM ONE DISTRICT TO ANOTHER; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; PROVIDING FOR CODIFICATION; PROVIDING A WAIVER OF THE THREE (3) SEPARATE READINGS; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, the owner of the herein described real estate has submitted to the Planning and Zoning Commission of the City of Edinburg, Texas, a proposed amendment, and the proposed supplement and change to the boundaries of the Residential, Primary (RP) District and the Commercial, Neighborhood (CN) District, as set out in the Unified Development Code of the City of Edinburg, Texas, heretofore finally passed, approved, and adopted by said City Council on the 9th day of August, 2022. Such proposed amendment is to change the zoning of Being Lot 21, Block 1, Gernentz Subdivision, Edinburg, Hidalgo County, Texas, from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District, for a recommendation and report by said Planning and Zoning Commission; and

WHEREAS, the said Planning and Zoning Commission of the City of Edinburg, Texas, gave due notice as provided by said Unified Development Code of a public hearing to be held before said Planning and Zoning Commission, on January 9, 2024, at 5:30 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, and said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes, providing said notice by U. S. Mail to all property owners and persons rendering property for taxation within 300 feet of the property affected not less than ten (10) days before said public hearing; and

WHEREAS, after such public hearing, the Planning and Zoning Commission of the City of Edinburg, Texas, presented its report to the City Council of the City of Edinburg that they approved the change in zoning of said property, from one district to the other; and

WHEREAS, after receipt of the final report from the Planning and Zoning Commission, the City Council of said City provided due notice, as provided by said Unified Development Code to be held before said City Council, and notice was published one time in a newspaper published

in the City of Edinburg, Texas, and of general circulation in said City, stating that a public hearing to consider said proposed revision would be held on February 6, 2024 at 6:00 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, which time was not less than 15 days nor more than 20 days from the date of publication, and that said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes; and

WHEREAS, having held said public hearing, it is the opinion of the City Council of the City of Edinburg, Texas that such change and revision should be made.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION I. AUTHORITY OF LAW: All requirements of the law have been met in the passing of this Ordinance.

SECTION II. The zoning of the first above-described property is hereby changed from Residential, Primary (RP) District to Commercial, Neighborhood (CN) District, and the boundaries of said Districts are hereby amended, supplemented and changed so as to delete the said area from the said Residential, Primary (RP) District and added to Commercial, Neighborhood (CN) District.

SECTION III. REPEALER CLAUSE: This Ordinance shall be cumulative of all other ordinances dealing with the same subject and any provision of any ordinance in direct conflict with any provision of this ordinance is hereby repealed and the provisions of this Ordinance shall supersede any provisions in conflict herewith; all provisions of any other ordinance not in conflict herewith shall remain in full force and effect.

SECTION IV. SAVINGS CLAUSE: If any section, part, or provision of this Ordinance is declared unconstitutional or invalid, by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION V. PUBLICATION AND EFFECTIVE DATE: This Ordinance shall take effect immediately upon its passage and publication according to law.

SECTION VI. CODIFICATION: That this Ordinance shall not be published in the Code of Ordinances of the City of Edinburg, Texas, as it is not amendatory thereof.

SECTION VII. WAIVER CLAUSE: This requirement of three separate readings of this Ordinance is hereby dispensed with by a vote of not less than a majority of all the members of the City Council.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.041, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:
OMAR OCHOA LAW FIRM, P.C.

By: _____
Omar Ochoa, City Attorney



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PUBLIC HEARINGS

Agenda Item No: 7.C.

1. **Agenda Item:**

Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Agriculture & Open Space (AO) District to Residential Primary (RP) District, Being all of Lot 2 and West ½ of Lot 3, Block 26, Located at 206 Wilson Avenue, as Requested by Noelia Luna. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]

2. **Description:**

This property is located on the south side of Lincoln Avenue, approximately 500 ft. east of the North I-69C Frontage Road in the Town of Faysville Subdivision. The property has 75 feet of frontage along Wilson Avenue and a total lot area of 12,000 sq. ft. The requested zoning designation is the Residential, Primary District which is the primary residential district, intended to permit single-family residential uses. The applicant is seeking a zone change to establish a new single-family residential development at this location.

Adjacent zoning to the north, east, and west is Agriculture and Open Space (AO) District with land south of the property being outside of the city limits. Adjacent land uses are single-family residential. On December 10, 2013, a portion of the Town of Faysville Subdivision was annexed into the city with the Agricultural District designation. The future land use designation for this property is Auto-Urban.

A demolition permit was issued on November 28, 2023 to demolish the existing home and a building permit application for a new construction was submitted on October 12, 2023. Staff received a Zone Change Application for the subject property on December 8, 2023. The zone change is being requested in order to build a new home on the property. To proceed with the proposed project, a rezoning would be required.

Staff mailed a notice of the public hearing to 36 neighboring property owners on Thursday, December 28, 2023, and had received 1 comment in favor and none against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2024.

The Planning & Zoning Commission recommended with a unanimous vote of 6-0 to approve the Rezoning Request. A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.

3. **Staff's Recommendation:**

Staff recommends approval of the Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District based on adjacent land uses. If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building/ fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and other City requirements, as applicable.

Reviewed by:

Jesus Saenz, Assistant City Manager

Prepared by:

Jaime Acevedo, Director of
Planning and Zoning

Attachments:

- A. Noelia Luna City Council Agenda Packet Attachments
- B. ORDINANCE - NOELIA LUNA - AO TO RP

MEETING DATES:
PLANNING & ZONING COMMISSION – 1/9/24
CITY COUNCIL –2/6/24
DATE PREPARED – 1/3/2024

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District

APPLICANT: Noelia Luna

AGENT: N/A

LEGAL: Faysville Lot 2 and West ½ of Lot 3, Block 26

LOCATION: 206 Wilson Avenue

LOT/TRACT SIZE: 12,000 sq. ft.

CURRENT USE: Single-family Residential

PROPOSED USE: Single-family Residential

EXISTING ZONING: Agriculture and Open Space (AO) District

ADJACENT ZONING: North – Agriculture and Open Space (AO)
South – outside city limits
East – Agriculture and Open Space (AO)
West – Agriculture and Open Space (AO)

LAND USE PLAN: Auto-Urban Uses

PUBLIC SERVICES: City of Edinburg Water and Sewer

RECOMMENDATION: Staff recommends approval of the Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District.

REZONING REQUEST

NOELIA LUNA

EVALUATION

The following is staff's evaluation of the request:

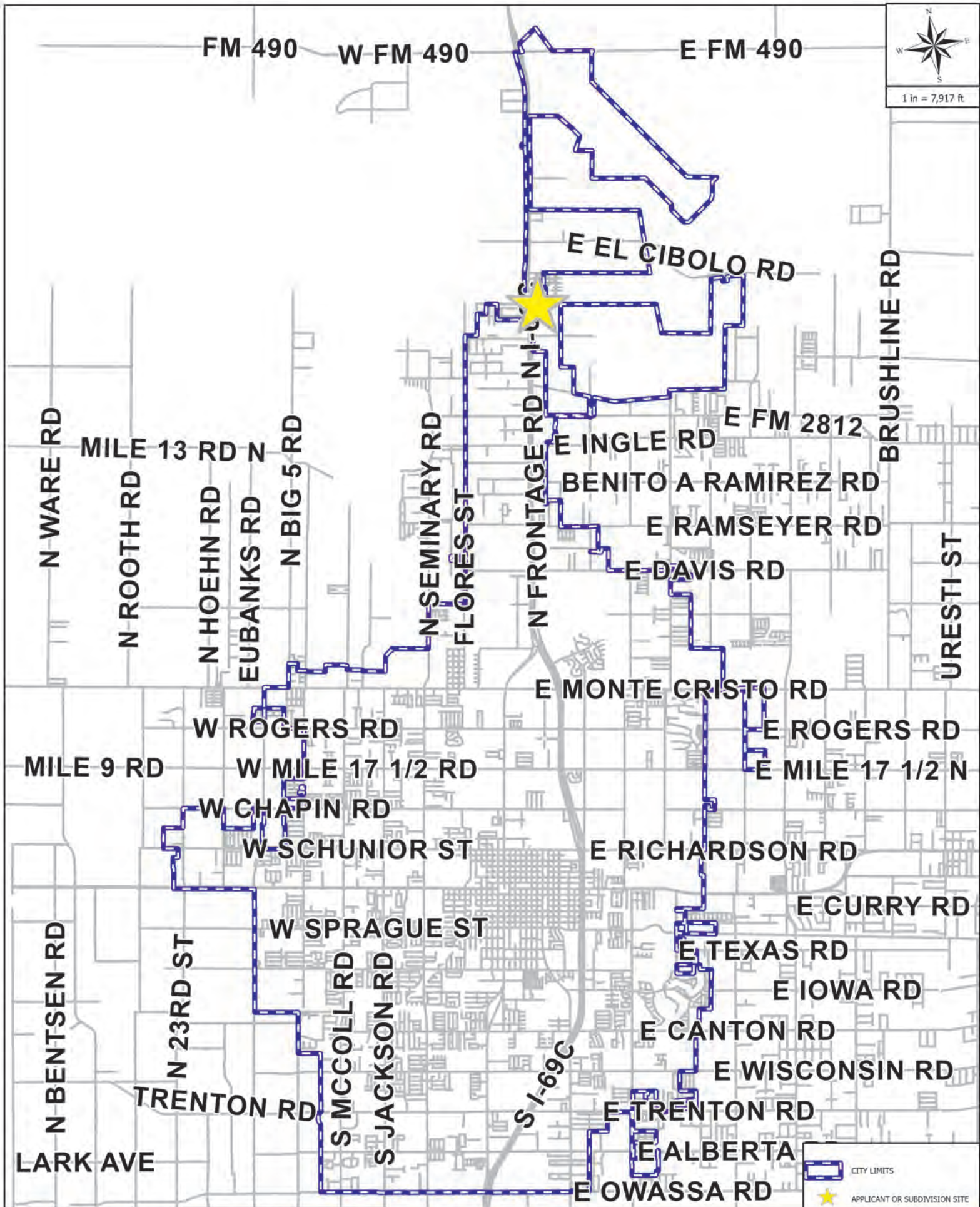
1. As part of the 2013 annexation, the property was zoned Agriculture.
2. The residential uses along Wilson Avenue were already established when the area was annexed.
3. The proposed zoning and land use is consistent with the adjacent land uses and character of the neighborhood.
4. The proposed zoning is consistent with the Future Land Use Plan.

Staff recommends approval of the Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District based on adjacent land uses. Based on the surrounding land uses and the proposed use of the property, the requested zone designation is appropriate. The existing zoning designation is not appropriate for the property.

If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building and fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and any other City requirements, as applicable.

Staff mailed a notice of the public hearing to 36 neighboring property owners on Thursday, December 28, 2023, and had received 1 comment in favor and none against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2024.

ATTACHMENTS: Development Map
Aerial Map
Zoning Map
Future Land Use Map
Mailout & Site Map
Plat
Site Photo
Application
Owner Notification List

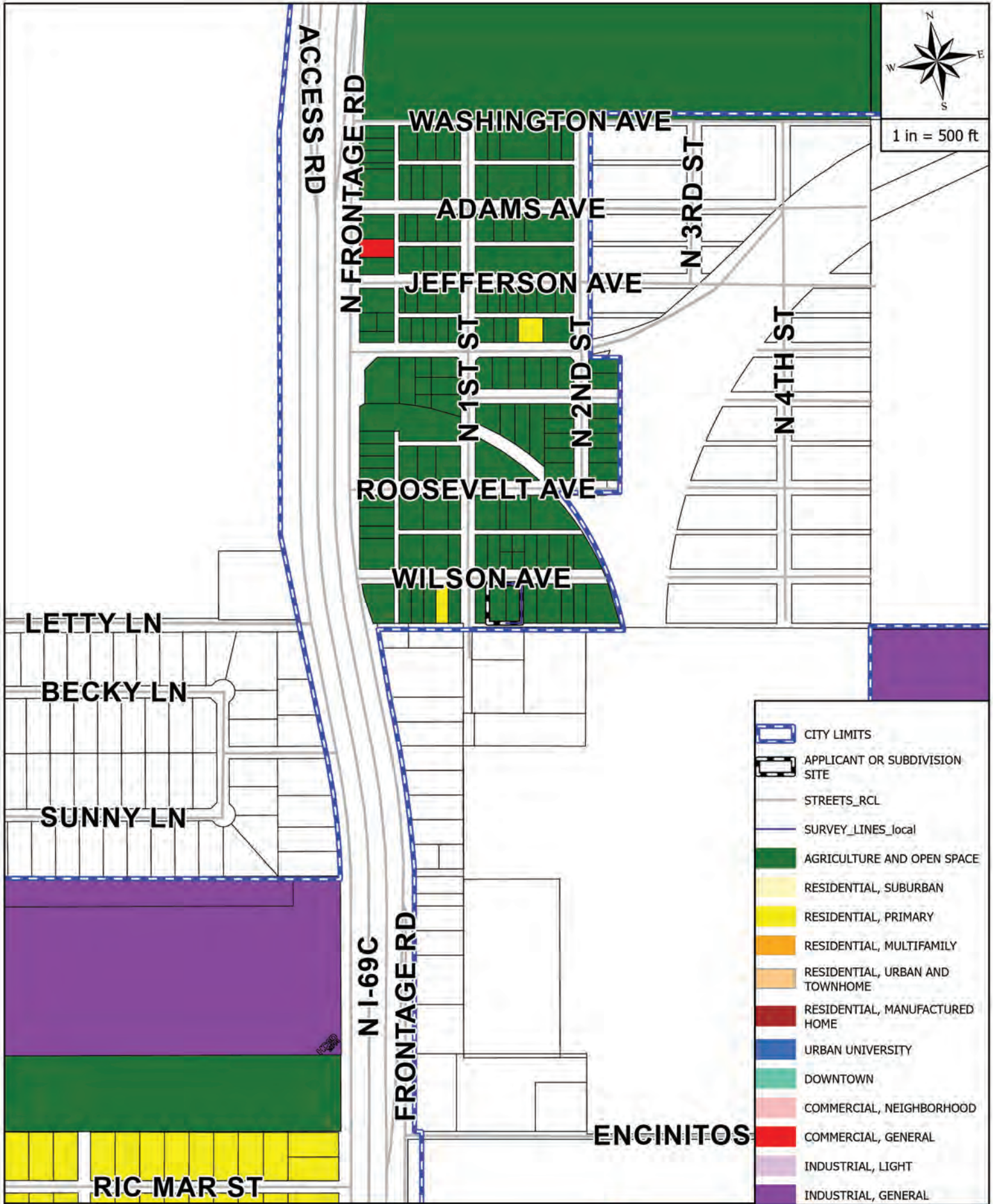




AERIAL MAP

APPLICANT AND/OR SUBDIVISION:

RZNE-2023-0173 NOELIA LUNA



1 in = 500 ft

- CITY LIMITS
- APPLICANT OR SUBDIVISION SITE
- STREETS_RCL
- SURVEY_LINES_local
- AGRICULTURE AND OPEN SPACE
- RESIDENTIAL, SUBURBAN
- RESIDENTIAL, PRIMARY
- RESIDENTIAL, MULTIFAMILY
- RESIDENTIAL, URBAN AND TOWNHOME
- RESIDENTIAL, MANUFACTURED HOME
- URBAN UNIVERSITY
- DOWNTOWN
- COMMERCIAL, NEIGHBORHOOD
- COMMERCIAL, GENERAL
- INDUSTRIAL, LIGHT
- INDUSTRIAL, GENERAL



ZONING MAP

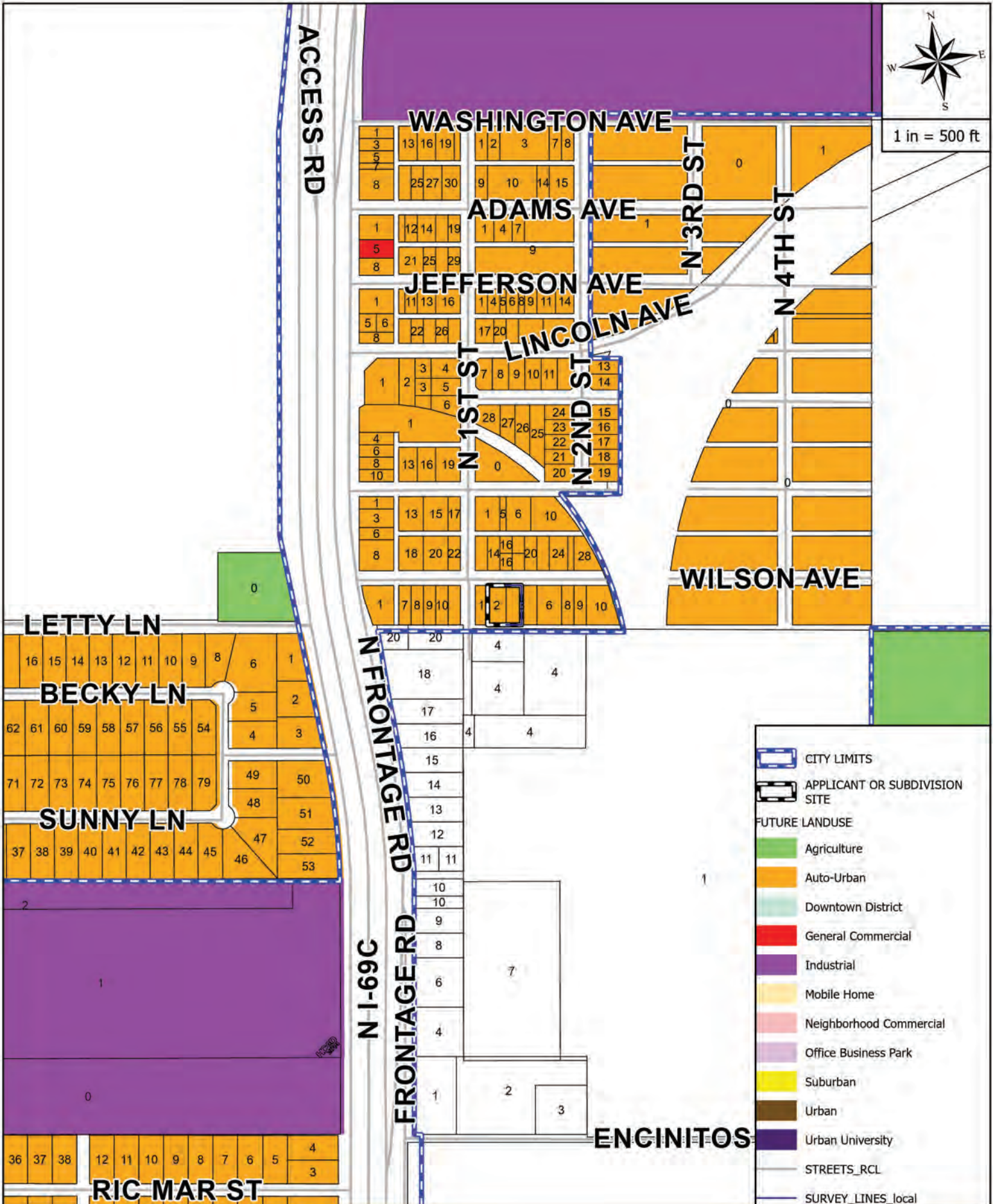
CA

APPLICANT AND/OR SUBDIVISION:

RZNE-2023-0173 NOELIA LUNA



1 in = 500 ft



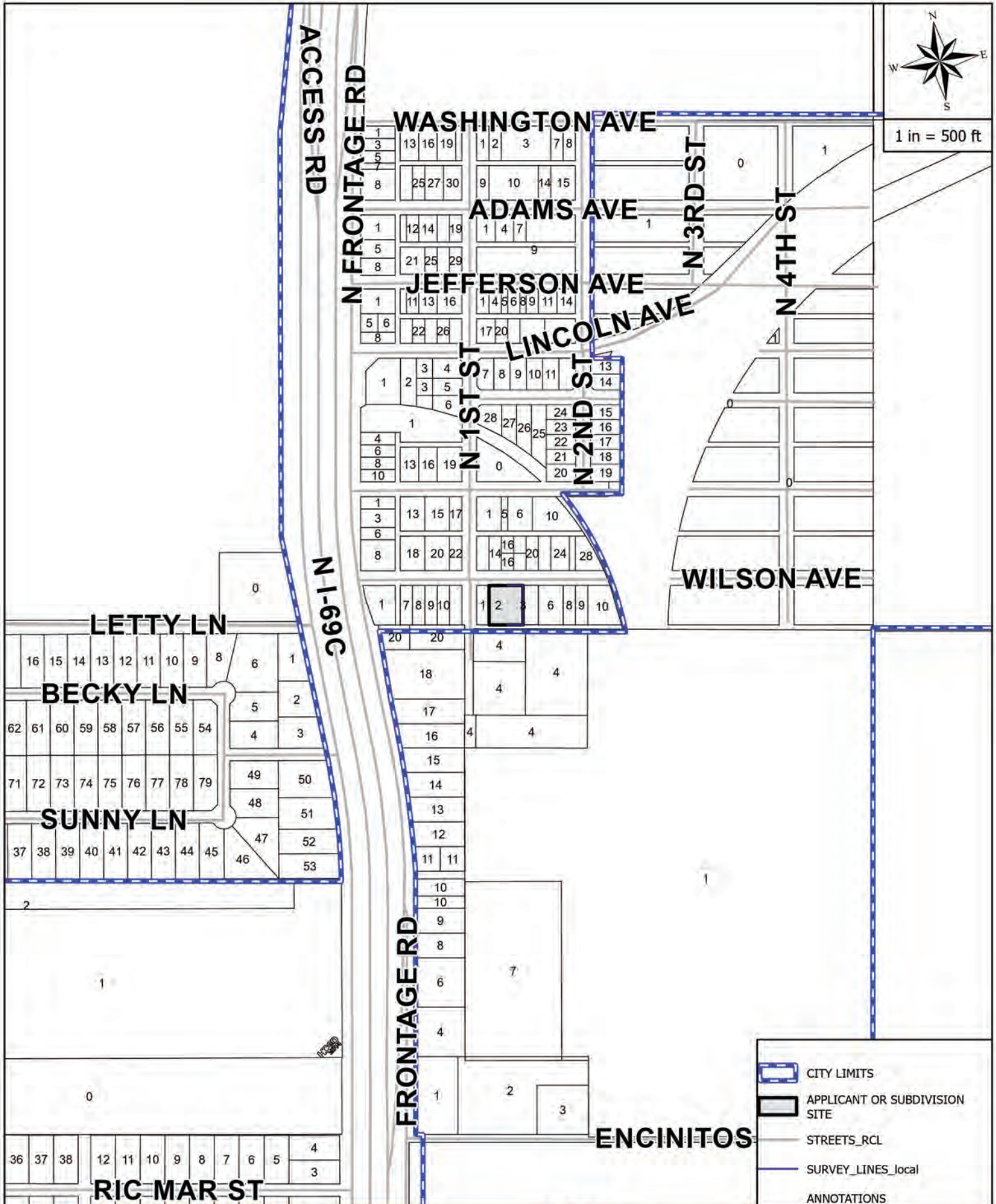
FUTURE LANDUSE MAP

APPLICANT AND/OR SUBDIVISION:

RZNE-2023-0173 NOELIA LUNA



1 in = 500 ft



MAILOUT AND SITE MAP

CASES

APPLICANT AND/OR SUBDIVISION:

RZNE-2023-0173 NOELIA LUNA

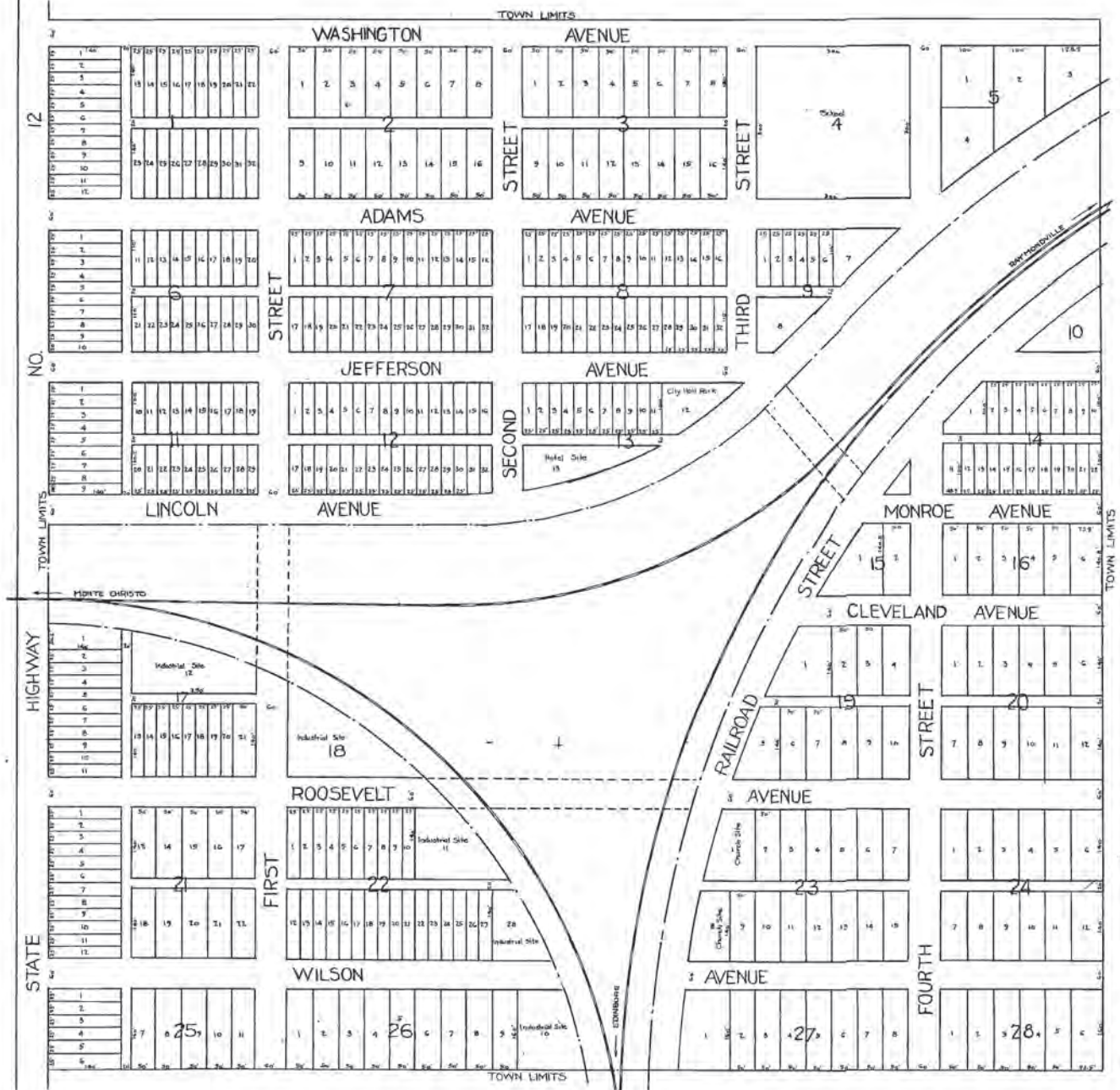


Rezoning Request Site Photo

NOELIA LUNA

206 Wilson Avenue





MAP OF THE **TOWN OF FAYSVILLE**

BEING A SUBDIVISION OF 100 ACRES OF LAND
ALL OWNED BY P. S. DEVINE EXCEPT RAILROAD RIGHTS-
OF-WAY, LING AND BEING SITUATED IN THAT CERTAIN GRANT OF LAND
IN HIDALGO COUNTY, TEXAS, KNOWN AS CALLED AND BEING
"SAN SALVADOR DEL TULE" JUAN JOSE BALL, ORIGINAL GRANTEE

Plat, Texas

Scale 1"=100'

April 15, 1926

FILED IN RECORD BOOK 19th
day of April 1926
9:00 o'clock A.M.
CAMP E. HILL
County Clerk of Hidalgo County, Texas
at Mary London
clerk

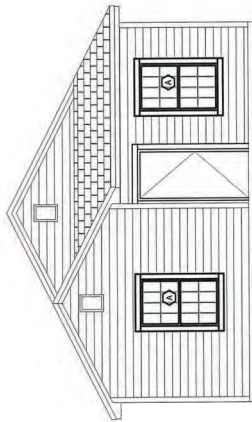
The State of Texas }
County of Hidalgo }
I, M. E. Carroll, Civil Engineer and Surveyor, do hereby certify that this map is a true and correct
map of the Town of Faysville, in Hidalgo County, Texas, as surveyed, mapped and plotted by me during the month of April,
1926, that it truly and correctly delineates all blocks, lots, streets, avenues, alleys and railroad rights-of-way within the limits of
said town; that the limits of said town comprise 100 acres of land, being the same 100 acres as land particularly described
in the Deed of Dedication executed this day by P. S. Devine, donor, and filed for record in the Office of the County Clerk
of said County.
In witness whereof, I have hereunto set my hand, at Fort Worth, Texas, this 15th day of April, 1926.
M. E. Carroll
Surveyor and Subscribed before me this 16th day of April, 1926
C. E. S. Salazar
Notary Public in and for Hidalgo County, Texas

The State of Texas }
County of Hidalgo }
I, Camp E. Hill, County Clerk of said County, do hereby certify that the attached map,
certified to by M. E. Carroll, Civil Engineer and Surveyor, on the 15th day of April, 1926, was filed for record in
my office this 19th day of April, 1926 at 9 o'clock A.M., and duly recorded on the 19th day of April, 1926
at 4 o'clock P.M. in the Map Records of said County in Volume 3, page 80.
Witness my hand and the Seal of said Court at its office in El Paso, Texas, this day
and year last written above.
CAMP E. HILL
County Clerk of Hidalgo County, Texas
by A. Gibson
clerk

NEW RESIDENCE

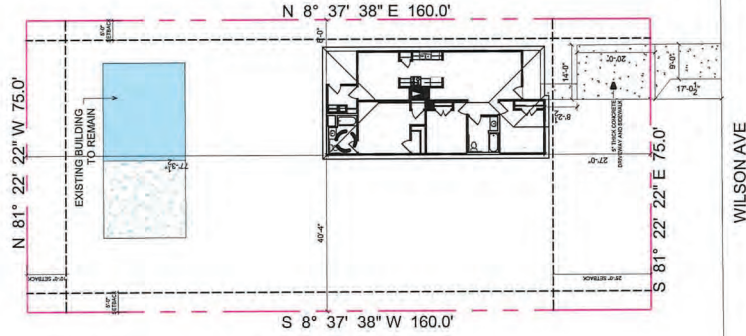
206 WILSON AVE

MAGNOLIA PLAN OPTION 3



INDEX OF DRAWINGS

GENERAL	
G000	COVER AND INDEX
G001	GENERAL RESIDENT PLAN
G002	GENERAL NOTES
G003	SPECIFICATIONS
G004	ADA GUIDELINES
STRUCTURAL	
S100	FOUNDATION PLAN
S200	FOUNDATION GENERAL NOTES AND DETAILS
S300	CEILING JOIST AND FRAMING PLAN
S400	CEILING JOIST AND FRAMING DETAILS
S500	WINDSTORM DETAILS AND NOTES
S600	WINDSTORM DETAILS AND NOTES
S700	WINDSTORM DETAILS AND NOTES
ARCHITECTURAL	
A100	FLOOR PLAN AND ROOF PLAN
A101	THERMAL INSULATION PLAN
A200	WALL AND CEILING FINISHES
A300	REFLECTED CEILING PLAN
A400	BUILDING, WALL, AND SECTION DETAILS
A500	PLUMBING, HVAC, AND SEWER/VENT PLAN
SQUARE FOOTAGE:	
LIVING AREA	1,354
FRONT PORCH	59
BACK PORCH	66
TOTAL	1,479



1 SITE PLAN
SCALE: 1/32" = 1'-0"

G000
SHEET

NEW RESIDENCE
206 WILSON AVE
EDINBURG, TEXAS
COVER SHEET



FULCRUM
CONSULTING SERVICES
PLANNERS • ENGINEERS • ARCHITECTS
TBE FIRM NO. F12369 - TBEA FIRM NO. BR 44
P.O. BOX 530540
HARTLINGEN, TX 78553
PH: 956-797-3411
FAX: 956-797-3400

This drawing is the instrument of service and the ENGINEER, ARCHITECT, PLANNER, or other professional responsible for the design and construction of the project. The OWNER may make and retain copies of this drawing for reference; however, this drawing shall not be used for any other purpose without written authorization by the ENGINEER.

GENERAL NOTES

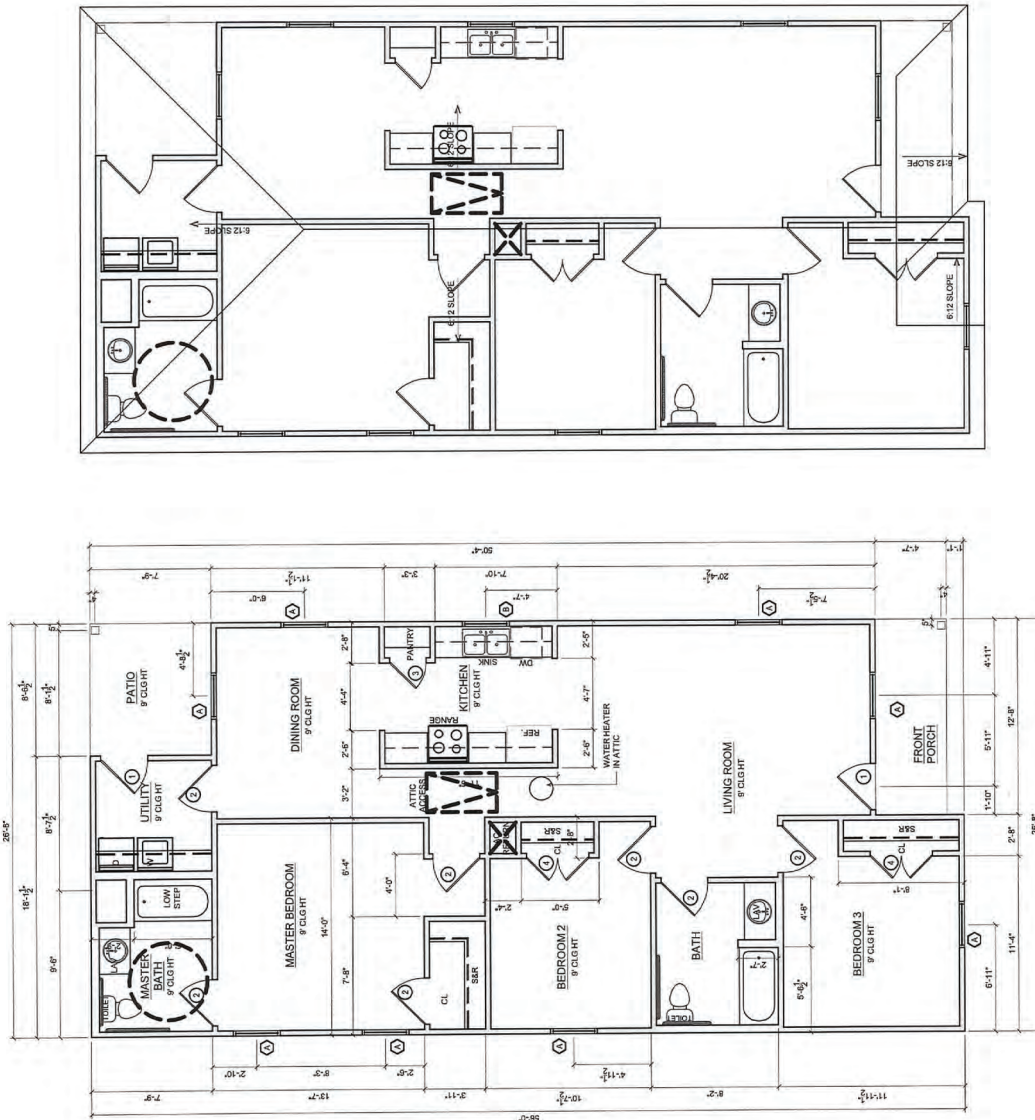
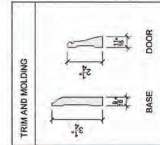
1. 2x4 LVL FRAMING TO THE STUD GIRD. JOIST AND BATTERS TO BE NO. 2x8 VP (SOUTHERN YELLOW PINE) AND 8-BAY, STRIPS, AND HEADERS TO BE NO. 1x4 S.P.F., 1x4 POSTS AND TIMBERS TO BE NO. 2x4 S.P.F.
2. 2x6 LVL FRAMING TO THE ATTIC AREA. _____ SQ. FT. MAX. 144 SQ. INCHES IN FREE SPACE.
3. ARCHITECTURAL SINGLES, 1/4" RATED BATTERS OVER ORNIFLET
4. 2x12 TO 4x12 PITCH, TOWELTAINS, HALF UNPLED.
5. 4x12 OR GREATER 1x12 LATER
6. 4x12 OR GREATER 1x12 LATER
7. WINDOW AT MAIN LIVES AND SHOWERS WITHIN 7' DOORS AND 10' ABOVE FINISHED FLOOR.
8. PROVIDE BALCONY FRAMING AT EXTERIOR WALL SIONS ON SLOPING CEILING.
9. PROVIDE DOUBLE TOP PLATE WITH 1/4" SPACERS STRAPPED WITH SIMPSON STRAP 516224.
10. PROVIDE FIRE BLOCKING, VERTICAL OR HORIZONTAL, SMALL CONFORM TO I.R.C.
11. PROVIDE DOUBLE 1x6 JOIST UNDER ALL PARALLEL STRUCTURE, 2x4 BLOCK JOIST UNDER WALLS AND BEARING POINTS.
12. JOIST SILL FRAMING FROM OPPOSITE SIDE OF BEAM, GRIDER OR PARTITION SHALL BE LAPPEED AT LEAST 9' OR THE OPPOSING JOIST SHALL BE TIED TOGETHER IN AN APPROXIMATE 12' SPACING.
13. PROVIDE 2x6 OR GREATER TRUSS WALLS, 8" IN WINDUP 0' GROSS OVER HOLLOW WALLS.
14. PROVIDE 1x6 IN THE ROOF OR CEILING UNLESS OTHERWISE RECOMMENDED BY CERTIFIED ENGINEER REPORT.
15. PROVIDE AT LEAST ONE WINDOW OR EXTERIOR DOOR APPROVED FOR EMERGENCY WINDOW OR OPENING MUST HAVE A CLEAR NET OPENABLE DIMENSION OF 20" HIGH AND 20" WIDE AND TOTALS 5'0" SQ. FT. THE MAX FINISHED SL. HEIGHT IS 4'0" ABOVE FLOOR.
16. WATER HEATER AND AIR HANDLER UNIT TO BE LOCATED IN ATTIC SPACE.
17. WITHIN CLASSIFIED WEATHERSTRIAP AREAS, ALL COMPONENTS AND CLOSING SHALL BE COMPLAINT WITH DEAS DEPARTMENT OF INSURANCE REQUIREMENTS.
18. ALL FINISHING WALLS SHALL BE 2x60 FRAMING.
19. ATTIC AREA SHALL BE 30'x50'x4'.

IRC CODES
2018 IRC - INTERNATIONAL RESIDENTIAL CODE
2018 IMC - INTERNATIONAL MECHANICAL CODE
2018 IPC - INTERNATIONAL PLUMBING CODE
2018 IEC - INTERNATIONAL ELECTRICAL CODE
2018 IFB - INTERNATIONAL FIRE CODE
2018 IFC - INTERNATIONAL FIRE CODE
2017 NEC - NATIONAL ELECTRICAL CODE

NOTE:
(CODE YEAR SUBJECT TO CHANGE BASED ON
LOCATION OF SITE SPECIFIC PROJECT)

WINDOW SCHEDULE	
MARK	DESCRIPTION
A	3'-0" X 5'-0" SH
B	3'-0" X 3'-0" SH

DOOR SCHEDULE	
MARK	DESCRIPTION
1	3'-0" X 6'-8" EXTERIOR
2	3'-0" X 6'-5" INTERIOR
3	2'-4" X 8'-5" INTERIOR
4	2'-0" X 6'-8" DOUBLE DOOR



FLOOR PLAN

ROOF PLAN

Planning & Zoning

415 West University Drive
Edinburg, Texas 78539
(956) 388-8202



THE CITY OF
Edinburg

Zone Change Application

ENERGOV CASE # RZNE-2023-0173

Date: 12-8-23

1. Property Owner (required): Noelia Luna 2. Phone: 956-279-9558

3. Mailing Address: 206 Wilson Avenue

4. City: Edinburg State: Texas Zip: 78542

5. Owner's Email: noelia.luna.0925@gmail.com Cell No. 956-279-9558

7. Agent (not owner): _____ 8. Agent's Phone: _____

9. Agent's Mailing Address: _____

10. City: _____ State: _____ Zip: _____

11. Agent's Email: _____

12. Address/Location being Rezoned: 206 Wilson Avenue, Edinburg, Texas 78542

13. Legal Description of Property: East 1/2 of 10+3 Block 26 Townsite of Faysville

14. Property ID(s): _____

Lot 2

15. Zone Change: From: Agriculture To: Residential

16. Existing Land Use: residential

17. Reason for Zone Change: Construct a single-family home

Noelia Luna

(Please Print Name)

Noelia Luna

Signature

OFFICE USE ONLY

REVIEWED BY _____ DATE RECEIVED _____



***INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED OR SCHEDULED EVEN IF PAYMENT IS MADE.**

THE CITY OF
Edinburg
NOTIFICATION

Dear Property Owner:

A public hearing will be held on Tuesday, January 9, 2024, at 5:30 P.M. in the Edinburg City Hall, City Council Chambers, 415 West University Drive, at which time the Planning and Zoning Commission will address the following:

CONSIDER THE REZONING REQUEST FROM AGRICULTURAL & OPEN SPACE (AO) DISTRICT TO RESIDENTIAL PRIMARY (RP) DISTRICT, BEING ALL OF LOT 2 AND WEST 1/4 OF BLOCK 26, LOCATED AT 206 WILSON AVENUE, AS REQUESTED BY NOELIA LUNA.

This district has a predominantly auto-urban character. It is the primary residential district, intended to permit a wide range of family residential uses.

This request is scheduled to be heard by the City Council on Tuesday, February 6, 2024 at 6:00 P.M. As a property owner of the subject property, you are invited to attend. Please note that meeting time (s) and date (s) are subject to change. Please call on the date of the meeting to assure that the item is on the agenda. As part of the City effort to encourage greater participation in the rezoning process, the City is using this notice to solicit your input, but no action or response is required. Should you have any questions or need more information regarding this notice, you may call (956) 388-8202.

You may return your response by one of the following: MAIL: P. O. Box 1079 Edinburg, Texas 78540
FAX: (956) 292-2080 by Monday, January 8, 2024
EMAIL: planning@cityofedinburg.com by Monday, January 8, 2024

Please place a checkmark on the appropriate box to indicate if you are in favor, against, or have no comments on this request.

☒ In Favor/A Favor

☐ Against/En Contra

☐ No Comments/No Comentario

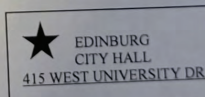
Comments: _____

Print Name: Aniwar & Melissa Garcia Phone No: (956) 358-2472
Address: 214 Roosevelt Ave City: Edinburg State: Tx Zip: 78540

NOTIFICACIÓN

Si tiene preguntas o necesita información sobre esta aplicación en español, por favor llame al 956-388-8202.

Planning and Zoning Department
City of Edinburg
PO BOX 1079
Edinburg, TX 78540-1079



University Dr. (S.)

8th Ave.

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 173991
DE LEON JESUS MARTIN
211 WILSON AVE
EDINBURG, TX 78542-1471

PID: 173992
DE LEON JOSE JUAN G
215 WILSON AVE
EDINBURG, TX 78542-1471

PID: 173995
GARZA MA ISABEL
PO BOX 1915
EDINBURG, TX 78540-1915

PID: 173996
**GONZALEZ ANTONIO P
& MARIA I GARZA**
221 WILSON AVE
EDINBURG, TX 78542-1471

PID: 173997
**RODRIGUEZ JANET DE LEON
OSCAR & MARCIANA A DE LEON**
307 WILSON AVE
EDINBURG, TX 78542-4302

PID: 174008
GUZMAN LAURA LEE
222 WILSON AVE
EDINBURG, TX 78542-6161

PID: 173980
MOLINA EMEDEL
307 N 24TH ST
NEDERLAND, TX 77627-5921

PID: 173990
CANTU MARIA DE JESUS
9406 WOLF PT
SAN ANTONIO, TX 78251-4297

PID: 173993
GARZA MARIBEL
211 WILSON AVE
EDINBURG, TX 78542-1471

PID: 173982
RODRIGUEZ ALVARO
110 ADAMS AVE
EDINBURG, TX 78542-6110

PID: 173983
HERNANDEZ FIDEL & DANIEL
18884 RD 212
STRATHMORE, CA 93267-9709

PID: 173985
LOPEZ CARLOS MONTOYA
200 ROOSEVELT AVE
EDINBURG, TX 78542-6100

PID: 173988
**GARCIA ANIVAR
& MELISSA T**
214 ROOSEVELT AVE
EDINBURG, TX 78542-6100

PID: 724143
**TURRUBIARTEZ FAUSTINO
& BRENDA**
220 ROOSEVELT AVE
EDINBURG, TX 78542-6100

PID: 173984
BECERRA ESTELA
121 WILSON AVE
EDINBURG, TX 78542-7792

PID: 174005
MOLINA ERADIO JR
214 WILSON AVE
EDINBURG, TX 78542-6161

PID: 173981
**SUSTAITA LUIS M &
JESSICA M RODRIGUEZ**
107 LINCOLN AVE
EDINBURG, TX 78542-6101

PID: 192463
MARTINEZ JOSE & JOHANA GOMEZ
11004 N EXPRESSWAY 281
EDINBURG, TX 78542-5244

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 174010

CASTILLO JUAN ANTONIO JR
102 RANCHO ESCONDIDO ST
ALAMO, TX 78516-9314

PID: 174003

**PREMIERE HOMES
& DEVELOPMENT LLC**
4000 ELK RUM DRIVE
EDINBURG, TX 78541-4442

PID: 174002

ZAMORA EDUARDO & MARIA D R
112 WILSON AVE
EDINBURG, TX 78542-7714

PID: 174001

ZAMORA MARIA DE REFUGIO
PO BOX 1182
EDINBURG, TX 78540-1182

PID: 173987

LOPEZ CARLOS MONTOYA
200 ROOSEVELT AVE
EDINBURG, TX 78542-6100

PID: 174004

LUNA ADOLFO & MA ANDREA
4710 E RICHARDSON RD
EDINBURG, TX 78542-0469

PID: 174009

MOLINA ERADIO III
214 WILSON AVE
EDINBURG, TX 78542-6161

PID: 173998

CERVANTES PAULA
C/O VICENTE CERVANTES
2195 ALCOTT ST
TULARE, CA 93274-1390

PID: 727393

RODRIGUEZ JANET DE LEON
315 WISON AVE
EDINBURG, TX 78542

PID: 603989

**DERAS HERLINDA ANDRES
HERNANDEZ & JUANITA LONGORIA**
10800 N 1ST ST
EDINBURG, TX 78542-0407

PID: 137151

CASAS VICENTE JR & AURORA
10810 N 1ST ST
EDINBURG, TX 78542-0407

PID: 137150

CASAS VICENTE III
10810 N 1ST ST
EDINBURG, TX 78542-0407

PID: 192465

CASAS VICENTE III
10810 N 1ST ST
EDINBURG, TX 78542-0407

PID: 902306

MOLINA OFELIA L & ERADIO JR
214 WILSON AVE
EDINBURG, TX 78542

PID: 174006

LUNA NOELIA
206 WILSON AVE
EDINBURG, TX 78542

PID: 173994

GARZA MARIBEL
211 WILSON AVE
EDINBURG, TX 78542

ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES OF THE AGRICULTURE AND OPEN SPACE (AO) DISTRICT TO RESIDENTIAL, PRIMARY (RP) DISTRICT, AS SET OUT IN THE UNIFIED DEVELOPMENT CODE OF THE CITY OF EDINBURG, HIDALGO COUNTY, TEXAS, BY CHANGING BEING ALL OF LOT 2 AND WEST ½ OF LOT 3, BLOCK 26, LOCATED AT 206 WILSON AVENUE, EDINBURG, HIDALGO COUNTY, TEXAS, FROM ONE DISTRICT TO ANOTHER; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; PROVIDING FOR CODIFICATION; PROVIDING A WAIVER OF THE THREE (3) SEPARATE READINGS; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, the owner of the herein described real estate has submitted to the Planning and Zoning Commission of the City of Edinburg, Texas, a proposed amendment, and the proposed supplement and change to the boundaries of the Agriculture and Open Space (AO) District and the Residential, Primary (RP) District, as set out in the Unified Development Code of the City of Edinburg, Texas, heretofore finally passed, approved, and adopted by said City Council on the 9th day of August, 2022. Such proposed amendment is to change the zoning of Being all of Lot 2 and West ½ of Lot 3, Block 26, Located at 206 Wilson Avenue, Edinburg, Hidalgo County, Texas, from Agriculture and Open Space (AO) District to Residential, Primary (RP) District, for a recommendation and report by said Planning and Zoning Commission; and

WHEREAS, the said Planning and Zoning Commission of the City of Edinburg, Texas, gave due notice as provided by said Unified Development Code of a public hearing to be held before said Planning and Zoning Commission, on January 9, 2024, at 5:30 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, and said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes, providing said notice by U. S. Mail to all property owners and persons rendering property for taxation within 300 feet of the property affected not less than ten (10) days before said public hearing; and

WHEREAS, after such public hearing, the Planning and Zoning Commission of the City of Edinburg, Texas, presented its report to the City Council of the City of Edinburg that they approved the change in zoning of said property, from one district to the other; and

WHEREAS, after receipt of the final report from the Planning and Zoning Commission, the City Council of said City provided due notice, as provided by said Unified Development Code to be held before said City Council, and notice was published one time in a newspaper published

in the City of Edinburg, Texas, and of general circulation in said City, stating that a public hearing to consider said proposed revision would be held on February 6, 2024 at 6:00 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, which time was not less than 15 days nor more than 20 days from the date of publication, and that said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes; and

WHEREAS, having held said public hearing, it is the opinion of the City Council of the City of Edinburg, Texas that such change and revision should be made.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION I. AUTHORITY OF LAW: All requirements of the law have been met in the passing of this Ordinance.

SECTION II. The zoning of the first above-described property is hereby changed from Agriculture and Open Space (AO) District to Residential, Primary (RP) District, and the boundaries of said Districts are hereby amended, supplemented and changed so as to delete the said area from the said Agriculture and Open Space (AO) District and added to Residential, Primary (RP) District.

SECTION III. REPEALER CLAUSE: This Ordinance shall be cumulative of all other ordinances dealing with the same subject and any provision of any ordinance in direct conflict with any provision of this ordinance is hereby repealed and the provisions of this Ordinance shall supersede any provisions in conflict herewith; all provisions of any other ordinance not in conflict herewith shall remain in full force and effect.

SECTION IV. SAVINGS CLAUSE: If any section, part, or provision of this Ordinance is declared unconstitutional or invalid, by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION V. PUBLICATION AND EFFECTIVE DATE: This Ordinance shall take effect immediately upon its passage and publication according to law.

SECTION VI. CODIFICATION: That this Ordinance shall not be published in the Code of Ordinances of the City of Edinburg, Texas, as it is not amendatory thereof.

SECTION VII. WAIVER CLAUSE: This requirement of three separate readings of this Ordinance is hereby dispensed with by a vote of not less than a majority of all the members of the City Council.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.041, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:
OMAR OCHOA LAW FIRM, P.C.

By: _____
Omar Ochoa, City Attorney



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PUBLIC HEARINGS

Agenda Item No: 7.D.

1. **Agenda Item:**

Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District, Being Lot 1, Urbano Vista Subdivision, Unit No. 1, Located at 2106 East University Drive, as Requested by Antonio Vera. **(A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.)** [Jaime Acevedo, Director of Planning & Zoning]

2. **Description:**

The property is located on the south side of East University Drive, approximately ¼ mile east of N. I-69C. The property has 100.00 ft. of frontage on East University Drive and a depth of 118.00 ft. for a total area of 11,800 square feet. The lot is currently vacant. The requested zoning designation is the primary commercial district and accommodates a wide range of commercial uses. The proposed use is for a car lot development at this location.

The property is currently zoned Commercial, Neighborhood (CN) District. Adjacent zoning is Residential, Primary (RP) District to the east and south, Commercial, General (CG) District to the north, and Residential, Multifamily (RM) District to the west. The future land use designation is for Neighborhood Commercial uses at this location.

Staff mailed a notice of the public hearing to 26 neighboring property owners on Thursday December 28, 2023, and had received no comments in favor or against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2024.

The Planning & Zoning Commission recommended with a unanimous vote of 6-0 to approve the Rezoning Request. A 4/5 vote is required by the City Council to overturn the Planning & Zoning Commission action.

3. **Staff's Recommendation:**

Staff recommends approval of the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District based on adjacent zoning and land uses. If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building/fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and other City requirements, as applicable.

Reviewed by:

Jesus Saenz, Assistant City Manager

Prepared by:

Jaime Acevedo, Director of Planning and Zoning

Attachments:

- A. Antonio Vera City Council Agenda Packet Attachments
- B. ORDINANCE - Antonio Vera- CN TO CG

MEETING DATES:
PLANNING & ZONING COMMISSION – 1/09/2024
CITY COUNCIL –02/06/2024
DATE PREPARED – 12/28/2023

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District

APPLICANT: Antonio Vera

AGENT: Not Applicable

LEGAL: Being Lot 1, Urbano Vista Subdivision, Unit No. 1

LOCATION: 2106 East University Drive

LOT/TRACT SIZE: 11,800 square feet

CURRENT USE: Vacant

PROPOSED USE: Car lot

EXISTING ZONING: Commercial, Neighborhood (CN) District

ADJACENT ZONING: North – Commercial, General (CG) District
South – Residential, Primary (RP) District
East – Residential, Primary (RP) District
West – Residential, Multifamily (RM) District

LAND USE PLAN: Neighborhood Commercial

PUBLIC SERVICES: North Alamo Water Supply Water and City of Edinburg Sewer

RECOMMENDATION: Staff recommends approval of the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District

REZONING REQUEST ANTONIO VERA

EVALUATION

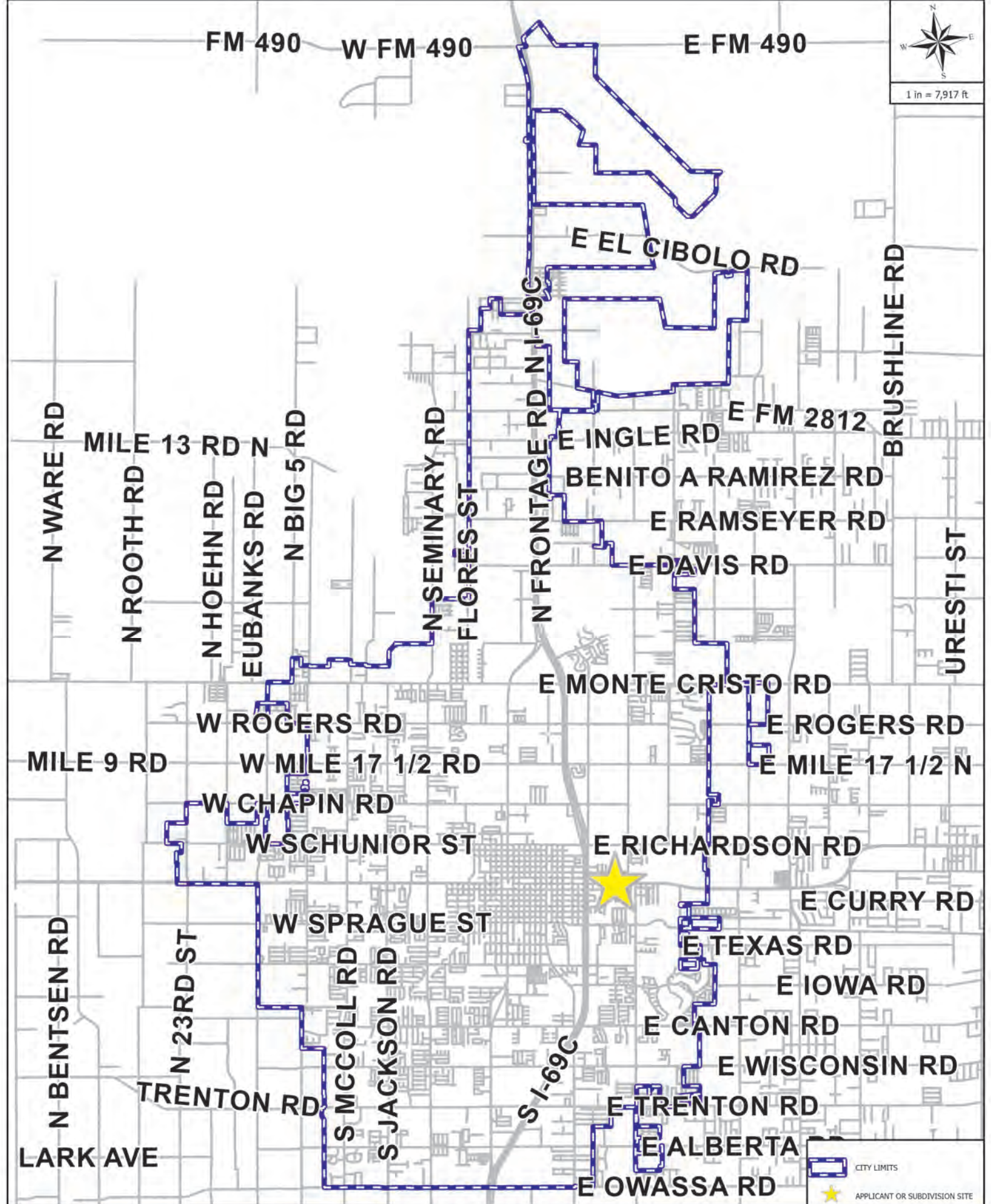
The following is staff's evaluation of the request.

1. Adjacent land uses consist of single-family residential homes, commercial business and vacant land.
2. The proposed zoning and land use is consistent with the adjacent land uses and character of the neighborhood.
3. East University Drive is classified as a principal arterial street. As such, it is better suited to commercial uses.

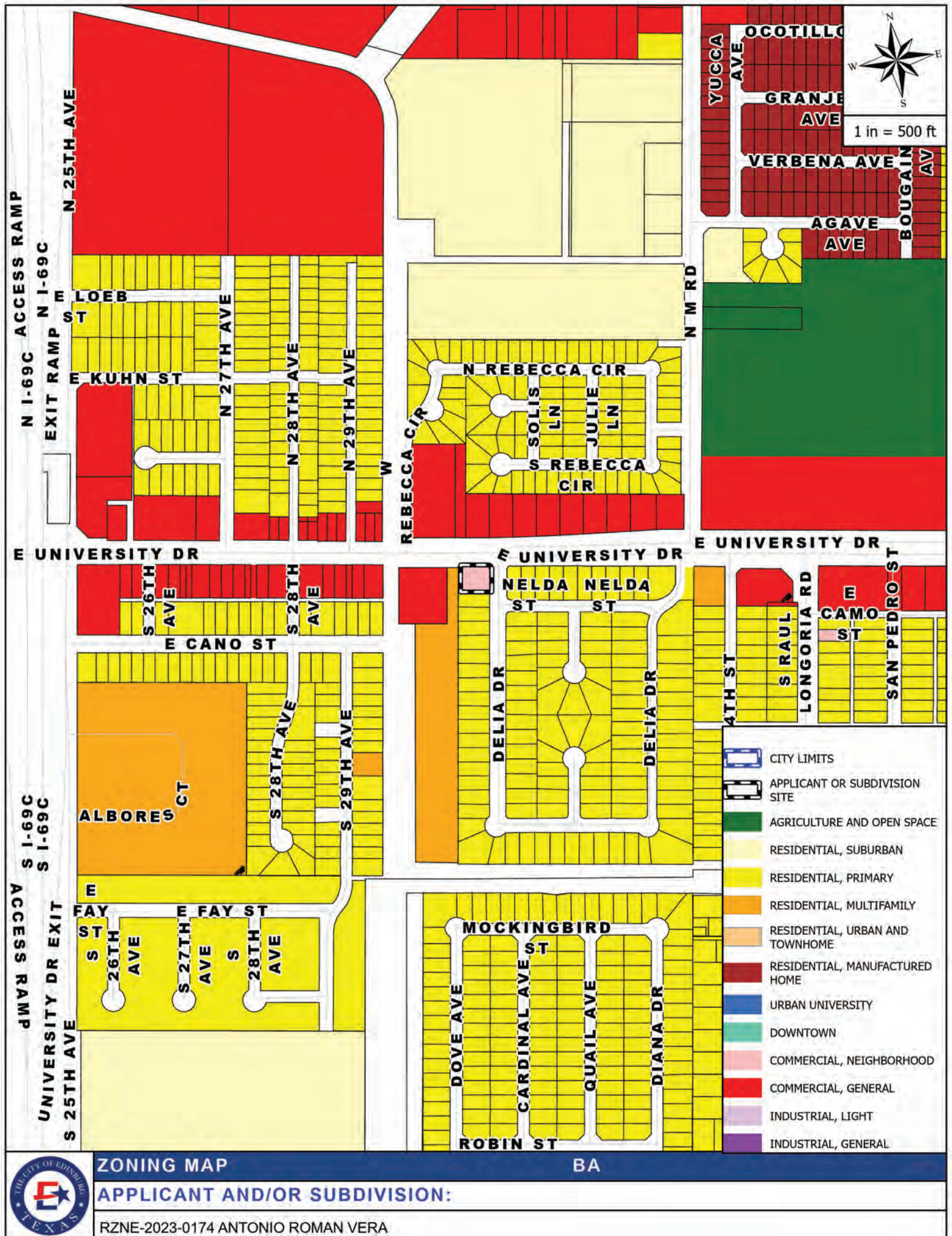
Staff recommends approval of the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District based on adjacent zoning and the location on East University Drive. If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building and fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and any other City requirements, as applicable.

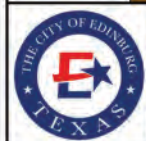
Staff mailed a notice of the public hearing to 26 neighboring property owners on Thursday December 28, 2023, and had received no comments in favor or against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on January 17, 2024.

ATTACHMENTS: Aerial Photo
Site Map
Zoning Map
Future Land Use Map
Photo of Site
Exhibits









APPLICANT AND/OR SUBDIVISION:

Page 332 of 520



APPLICANT AND/OR SUBDIVISION:

Page 333 of 520

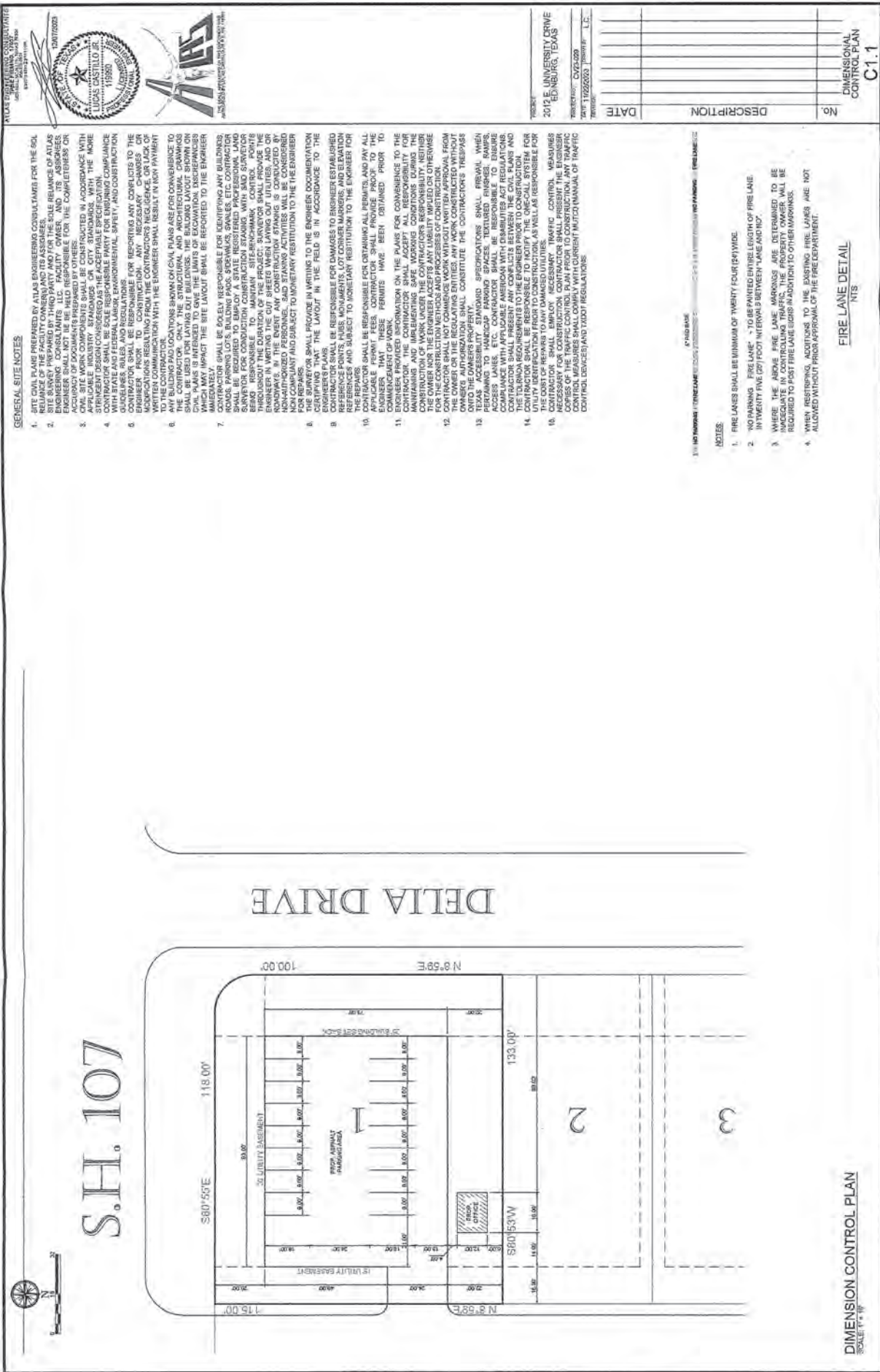


Rezoning Request Site Photo

ANTONIO VERA

2106 East University Drive





- GENERAL SITE NOTES**
1. SITE DATA WAS PREPARED BY ATLAS ENGINEERING CONSULTANTS FOR THE 50% SITE SURVEY PREPARED BY THIRD PARTY AND FOR THE SOLE RELIANCE OF ATLAS ENGINEERING CONSULTANTS, L.L.C. FACILITY OWNER, AND ITS ASSIGNEES. ENGINEERING CONSULTANTS, L.L.C. SHALL NOT BE RESPONSIBLE FOR THE COMPLETION OR ACCURACY OF DOCUMENTS PREPARED BY OTHERS.
 2. CIVIL SITE WORK COMPONENTS SHALL BE CONSTRUCTED IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR HIGHWAY CONSTRUCTION, LATEST EDITION, AND THE STANDARD SPECIFICATIONS FOR HIGHWAY BRIDGES, LATEST EDITION, AND THE MORE STRINGENT DESIGN CONSIDERATIONS AS THE ACCEPTABLE SPECIFICATION.
 3. CONTRACTOR SHALL BE SOLE RESPONSIBLE PARTY FOR ENSURING COMPLIANCE WITH ALL APPLICABLE ENVIRONMENTAL, SAFETY, AND CONSTRUCTION GUIDELINES, RULES, AND REGULATIONS.
 4. CONTRACTOR SHALL BE RESPONSIBLE FOR SECURING ANY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY PERMITS, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 5. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 6. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 7. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 8. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 9. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 10. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 11. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 12. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 13. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 14. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.
 15. CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY, AND FOR OBTAINING ALL NECESSARY CONVEYANCE TO THE PROPERTY FROM THE STATE OF TEXAS, ANY LOCAL GOVERNMENT, OR ANY OTHER AGENCY.

NO.	DESCRIPTION	DATE
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99	2015 UNIVERSITY DRIVE	11/22/2017
100	2015 UNIVERSITY DRIVE	11/22/2017

NOTES

1. FIRE LANE SHALL BE MINIMUM OF TWENTY FOUR (24) FEET WIDE.
2. "NO PARKING" FIRE LANE - TO BE PAINTED ENTIRE LENGTH OF FIRE LANE IN TWENTY FIVE (25) FOOT INTERVALS BETWEEN "LANE AND NO".
3. WHERE THE ABOVE FIRE LANE MARKINGS ARE DETERMINED TO BE INADEQUATE IN CONTROLLING TRAFFIC, THE PROPERTY OWNER WILL BE REQUIRED TO POST FIRE LANE SIGNS IN ADDITION TO OTHER MARKINGS.
4. WHEN RESTRICTING, ADDITIONS TO THE EXISTING FIRE LANE ARE NOT ALLOWED WITHOUT PRIOR APPROVAL OF THE FIRE DEPARTMENT.

FIRE LANE DETAIL

NTS

DIMENSION CONTROL PLAN

SCALE: 1" = 40'

Planning & Zoning

415 West University Drive
Edinburg, Texas 78539
(956) 388-8202



THE CITY OF
Edinburg

Zone Change Application

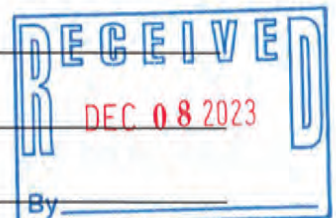
ENERGOV CASE # RZNE-2023-0174Date: 12-8-241. Property Owner (required): ANTONIO ROMAN VERA Phone: (956) 560-55863. Mailing Address: 307 N. CESAR CHAVEZ4. City: EDINBURG State: TEXAS Zip: 785425. Owner's Email: _____ 6. Cell No (956) 560-5586

7. Agent (not owner): _____ 8. Agent's Phone: _____

9. Agent's Mailing Address: _____

10. City: _____ State: _____ Zip: _____

11. Agent's Email: _____

12. Address/Location being Rezoned: 2106 E. UNIVERSITY13. Legal Description of Property: _____ 14. Property ID(s): 311001URBANO VISTA UT NO 1 LOT 115. Zone Change: From: NEIGHBORHOOD COMMERCIAL To: COMMERCIAL GEN.16. Existing Land Use: VACANT17. Reason for Zone Change: CAR LOT

ANTONIO VERA
(Please Print Name)

Antonio Vera
Signature

OFFICE USE ONLY

REVIEWED BY [Signature] DATE RECEIVED Dec 8, 2023

*INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED OR SCHEDULED EVEN IF PAYMENT IS MADE.

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 341660

GONZALEZ ALVAR & ELIZABETH

2207 ARLINA DR
EDINBURG, TX 78542-2906

PID: 341658

**SANTA CRUZ DAY CARE
FOR ADULTS LLC**

PO BOX 2070
ELSA, TX 78543-2070

PID: 292553

SALINAS DAVID G & GLORIA A

208 CERRITO LINDA DR
EDINBURG, TX 78541-9364

PID: 341659

VERA'S KING O MEATS

2012 E UNIVERSITY DR
EDINBURG, TX 78542-3858

PID: 292552

**TAMEZ CESAR EMMANUEL
& CRYSTAL ANN**

15915 MILE 20 NORTH
EDINBURG, TX 78542-0920

PID: 292554

GONZALEZ ALVAR & ELIZABETH

2207 ARLINA DR
EDINBURG, TX 78542-2906

PID: 311039

IZAGUIRRE MARIA SONIA GARCIA

15 DEER HAVEN CT
BROWNSVILLE, TX 78520-9015

PID: 311038

GARATE ESEQUIEL JR & NORA D

102 DELIA DR
EDINBURG, TX 78542-5041

PID: 311112

FLORES MANUEL

115 MARISSA CT
EDINBURG, TX 78542-5057

PID: 311002

CASTILLO JOSE H

105 DELIA DR
EDINBURG, TX 78542-5000

PID: 311004

ALFARO OMAR ANDRES

115 DELIA DR
EDINBURG, TX 78542-5000

PID: 311005

MARTINEZ SYLVIA A

121 DELIA DR
EDINBURG, TX 78542-5000

PID: 311006

CORONA ARMANDO

201 DELIA DR
EDINBURG, TX 78542-5031

PID: 311007

HERNANDEZ OLIVIA

209 DELIA DR
EDINBURG, TX 78542-5031

PID: 311113

ALEJOS JAVIER & JANIE

109 MARISSA CT
EDINBURG, TX 78542-5057

PID: 311111

QUINTANILLA ORALIA

121 MARISSA CT
EDINBURG, TX 78542-5057

PID: 455791

**VERA ANTONIO & RAMON JR
& EDNA V TRUSTEES**

2006 E UNIVERSITY DR
EDINBURG, TX 78542

PID: 311001

VERA'S KING-O-MEATS

2006 E UNIVERSITY DR
EDINBURG, TX 78542

**ZONING CASE
OWNER NOTIFICATION LIST**

PID: 296989
VERA ANTONIO & ROMAN JR
2012 E UNIVERSITY DR
EDINBURG, TX 78542-3858

PID: 311034
BADILLO FRANCISCO JR
202 DELIA DR
EDINBURG, TX 78542-5032

PID: 311035
PENA ABIEL
120 DELIA DR
EDINBURG, TX 78542-5004

PID: 311037
SALINAS ANGELICA R
110 DELIA DR
EDINBURG, TX 78542

PID: 311003
GUTIERREZ JULIA
109 DELIA DR
EDINBURG, TX 78542-5000

PID: 311041
VERA ANTONIO
2201 NELDA
EDINBURG, TX 78542-5039

PID: 311040
SANCHEZ ERASMO & DELIA
2117 NELDA ST
EDINBURG, TX 78542

PID: 311036
MANGUM ROSALIE H
116 DELIA DR
EDINBURG, TX 78542-5004

ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES OF THE COMMERCIAL, NEIGHBORHOOD (CN) DISTRICT TO COMMERCIAL, GENERAL (CG) DISTRICT, AS SET OUT IN THE UNIFIED DEVELOPMENT CODE OF THE CITY OF EDINBURG, HIDALGO COUNTY, TEXAS, BY CHANGING LOT 1, URBANO VISTA SUBDIVISION, UNIT NO. 1, LOCATED AT 2106 EAST UNIVERSITY DRIVE, EDINBURG, HIDALGO COUNTY, TEXAS, FROM ONE DISTRICT TO ANOTHER; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; PROVIDING FOR CODIFICATION; PROVIDING A WAIVER OF THE THREE (3) SEPARATE READINGS; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, the owner of the herein described real estate has submitted to the Planning and Zoning Commission of the City of Edinburg, Texas, a proposed amendment, and the proposed supplement and change to the boundaries of the Commercial, Neighborhood (CN) District and the Commercial, General (CG) District, as set out in the Unified Development Code of the City of Edinburg, Texas, heretofore finally passed, approved, and adopted by said City Council on the 9th day of August, 2022. Such proposed amendment is to change the zoning of Lot 1, Urbano Vista Subdivision, Unit No. 1, Located at 2106 East University Drive, Edinburg, Hidalgo County, Texas, from Commercial, Neighborhood (CN) District to Commercial, General (CG) District, for a recommendation and report by said Planning and Zoning Commission; and

WHEREAS, the said Planning and Zoning Commission of the City of Edinburg, Texas, gave due notice as provided by said Unified Development Code of a public hearing to be held before said Planning and Zoning Commission, on January 9, 2024, at 5:30 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, and said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes, providing said notice by U. S. Mail to all property owners and persons rendering property for taxation within 300 feet of the property affected not less than ten (10) days before said public hearing; and

WHEREAS, after such public hearing, the Planning and Zoning Commission of the City of Edinburg, Texas, presented its report to the City Council of the City of Edinburg that they approved the change in zoning of said property, from one district to the other; and

WHEREAS, after receipt of the final report from the Planning and Zoning Commission, the City Council of said City provided due notice, as provided by said Unified Development Code to be held before said City Council, and notice was published one time in a newspaper published

in the City of Edinburg, Texas, and of general circulation in said City, stating that a public hearing to consider said proposed revision would be held on February 6, 2024 at 6:00 P.M., in the Edinburg City Hall, City Council Chambers, located at 415 West University Drive, Edinburg, Texas, which time was not less than 15 days nor more than 20 days from the date of publication, and that said public hearing was held at such time and place, and all of which procedure in the giving of notice and the holding of said public hearing is hereby ratified and confirmed as meeting all the requirements of said Unified Development Code of the City of Edinburg, Texas and applicable statutes; and

WHEREAS, having held said public hearing, it is the opinion of the City Council of the City of Edinburg, Texas that such change and revision should be made.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION I. AUTHORITY OF LAW: All requirements of the law have been met in the passing of this Ordinance.

SECTION II. The zoning of the first above-described property is hereby changed from Commercial, Neighborhood (CN) District to Commercial, General (CG) District and changed so as to delete the said area from the said Commercial, Neighborhood (CN) District and added to Commercial, General (CG) District.

SECTION III. REPEALER CLAUSE: This Ordinance shall be cumulative of all other ordinances dealing with the same subject and any provision of any ordinance in direct conflict with any provision of this ordinance is hereby repealed and the provisions of this Ordinance shall supersede any provisions in conflict herewith; all provisions of any other ordinance not in conflict herewith shall remain in full force and effect.

SECTION IV. SAVINGS CLAUSE: If any section, part, or provision of this Ordinance is declared unconstitutional or invalid, by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION V. PUBLICATION AND EFFECTIVE DATE: This Ordinance shall take effect immediately upon its passage and publication according to law.

SECTION VI. CODIFICATION: That this Ordinance shall not be published in the Code of Ordinances of the City of Edinburg, Texas, as it is not amendatory thereof.

SECTION VII. WAIVER CLAUSE: This requirement of three separate readings of this Ordinance is hereby dispensed with by a vote of not less than a majority of all the members of the City Council.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.041, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:
OMAR OCHOA LAW FIRM, P.C.

By: _____
Omar Ochoa, City Attorney



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

PUBLIC HEARINGS

Agenda Item No: 7.E.

FY 2024 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program – Chapin Street Planning Grant

1. Agenda Item:

Hold Public Hearing and Consider Resolution Authorizing the City Manager to Submit a Planning Grant Application for Chapin Street to the U.S. Department of Transportation Under the Fiscal Year 2024 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program and Execute Grant Documents Relating Thereto. [Mardoqueo Hinojosa, P.E., CFM, CPM, City Engineer]

2. Description:

The U.S. Department of Transportation (USDOT) announced the solicitation of grant applications for its Fiscal Year 2024 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program on November 30, 2023. This program funds investments in surface transportation that will have a significant local or regional impact.

The City will request funds for planning activities for the roadway redesign and complete street conversion for Chapin street, from I69C to the West City Limits. This planning project will fund the redesign and engineering of Chapin street, will evaluate corridor transportation needs, and develop a preferred design concept and associated engineering. It will reduce crashes and protect non-motorized travelers along the corridor, and incorporate stormwater management to improve resiliency against flooding. The project will also increase affordable and accessible transportation options by improving non-motorized facilities. Because this project's Census Tracts are designated as Areas of Persistent Poverty, the 20 percent required match is waived and the City is eligible to seek 100 percent grant funding. The grant request is approximately \$5,081,700.00.

The deadline for the grant application is Wednesday, Feb. 28, 2024. The period of performance is anticipated to be three years. Award notification is anticipated no later than June 27, 2024.

If awarded, procurement will adhere to federal, state, and City procurement policies.

3. Staff's Recommendation:

Approve resolution authorizing the City Manager to submit a grant application to the U.S. Department of Transportation under the Fiscal Year 2024 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program and execute grant documents relating thereto.

Reviewed by:

Tomas Reyna, Assistant City Manager

Prepared by:

Mardoqueo Hinojosa, City Engineer

Attachments:

- A. FY 2024 RAISE Resolution
- B. Chapin St RAISE Grant Cost Estimate
- C. Chapin St Exhibit

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A PLANNING GRANT APPLICATION FOR CHAPIN ROAD TO THE U.S. DEPARTMENT OF
COUNTY OF HIDALGO	§	TRANSPORTATION UNDER THE FISCAL YEAR 2024 REBUILDING AMERICAN INFRASTRUCTURE WITH SUSTAINABILITY AND EQUITY (RAISE) GRANT
CITY OF EDINBURG	§	PROGRAM AND EXECUTE GRANT DOCUMENTS RELATING THERETO.

WHEREAS, The City of Edinburg finds it is the best interest of the residents to submit a planning grant application to the U.S. Department of Transportation, under the Fiscal Year 2024 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program for planning activities for the roadway redesign and complete street conversion for Chapin Road, from I69C to Trooper Moises Sanchez Boulevard (SH 336); and,

WHEREAS, the City of Edinburg is eligible to seek 100 percent grant funding; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for the said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the U.S. Department of Transportation funds, the City of Edinburg assures that the funds will be returned to the U.S. Department of Transportation in full; and

WHEREAS, the City of Edinburg wishes to designate the City Manager, as the City's authorized official, to accept, alter, terminate and execute any and all documents related to the grant on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION 1: INCORPORATION OF RECITALS: The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City of Edinburg hereby authorizes and designates the City Manager, as the City's authorized official, to submit a grant application to the U.S. Department of Transportation, under the Fiscal Year 2024 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program, and accept, alter, terminate and execute any and all grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its

parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:

Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney



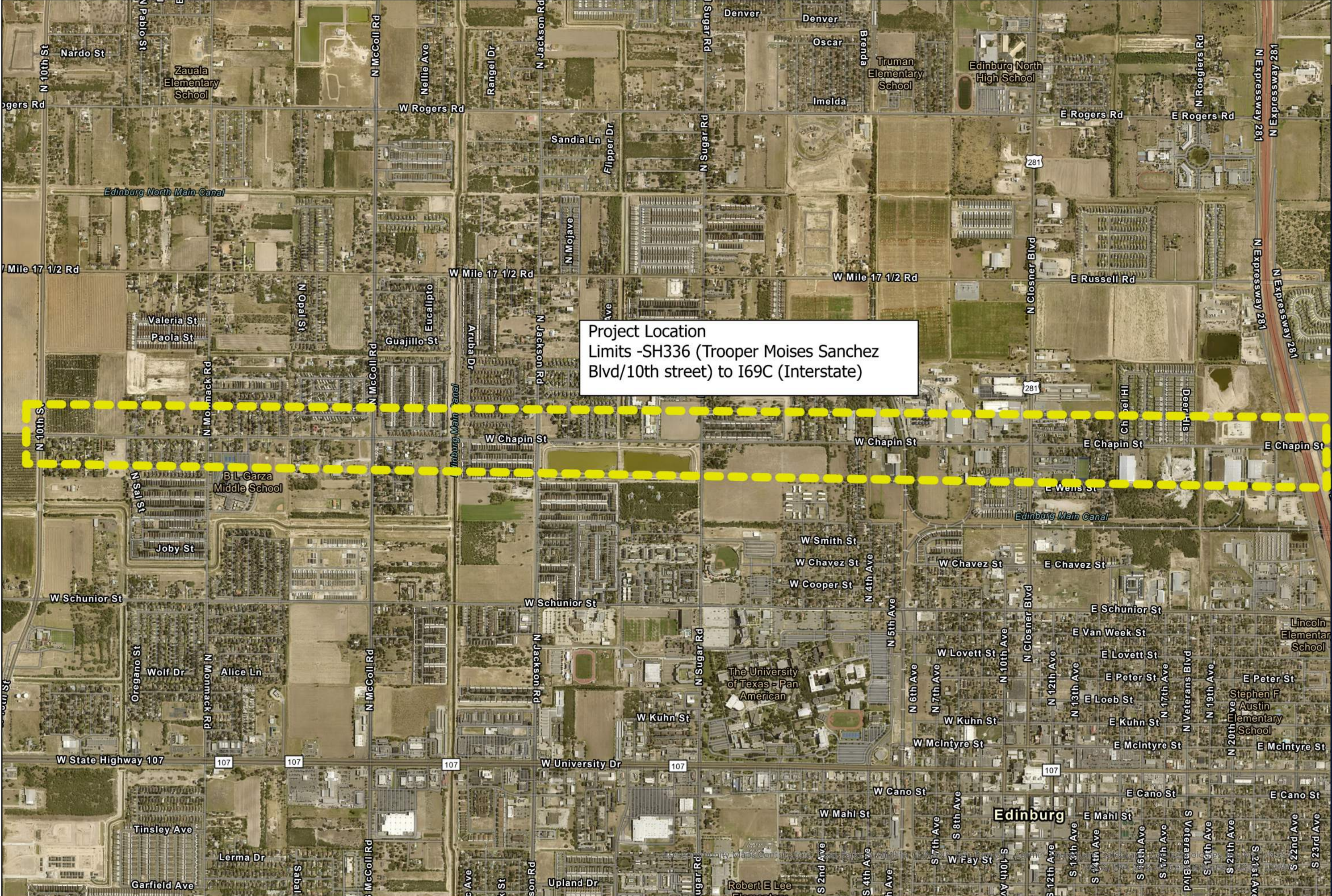
CHAPIN STREET PROJECT ESTIMATED PRELIMINARY PROJECT COSTS

ROADWAY PROJECT:	Chapin Street
LIMITS:	From: SH 336 (10th Street) To: I 69 C
EXISTING ROADWAY	20' to 50' Varies
EXISTING ROW WIDTH	60' - 80' Varies
PROPOSED ROADWAY	5-lanes (70' B-B)
PROPOSED ROW WIDTH:	80'
LENGTH FOR 4-LANE ROADWAY	3.80 Miles
ESTIMATED PROJECT COSTS	TOTAL ESTIMATED PROJECT COST
Phase I -Project Development, Schematic, Geotechnical, Environmental, Survey	
Project Development (Funding/Entity Coordination, Project Management, etc.)	\$ 61,000.00
Geotechnical Engineering Services	\$ 122,000.00
Environmental Document (TxDOT/FHWA Clearance and Archeological & Historical Research)	\$ 292,800.00
Aerial & Topographic Survey	\$ 305,000
Schematic Development	\$ 183,000
Hydrological Map for Outfall Drain Ditches Outfalls & Capacities	\$ 36,600
Bridge Layout (Scour and Submittals)	\$ 54,900.00
Public Involvement for the Project w/1 Public Meeting	\$ 61,000
Utility Coordination & (SUE Level D, C, B, A)	\$ 366,000
Traffic Signal Warrants & Traffic LOS Analysis	\$ 122,000
Public Involvement for the Project w/1 Public Hearing	\$ 57,000
SUB-TOTAL	\$ 1,661,300
Phase II - PS&E	
Electric Vehicle Charging Station Design	\$ 100,000
Bridge and Foundation Design	\$ 67,100.00
PS&E	\$ 1,920,000
Permanent Signal Designs	\$ 549,000
Temporary Signal Designs during Construction	\$ 384,300
SUB-TOTAL	\$ 3,020,400
PHASE I	\$ 1,661,300
PHASE II	\$ 3,020,400
Project Contingencies	\$ 400,000
GRAND TOTAL	\$ 5,081,700



01/16/2024

Roberto D. Hernandez



Chapin Street 2024-RAISE Grant

REQUESTED BY:	Engineering Dept	CREATED BY:	ENGINEERING DEPARTMENT	DATE:	January 2024
MAP DISCLAIMER: This product is for informational purposes and may not have been prepared for, or suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information. The user of this information agrees to these terms by using the data provided. City of Edinburg and the software developers assume no legal responsibility for the information.					



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

VARIANCE

Agenda Item No: 8.A.

1. **Agenda Item:**

Consider Variance Requests to the City's Unified Development Code: 1) Section 5.203-1 Right of Way & Paving Width and 2) Section 5.209 Sidewalks, for Owassa Place Subdivision, Being a 9.655 Acre Tract Out of Lot 15, Block 54, Alamo Land and Sugar Company's Subdivision, Located at 8101 East Owassa Road, as Requested by Melden & Hunt, Inc. [Jaime Acevedo, Director of Planning & Zoning]

2. **Description:**

The property is located on the north side of East Owassa Road, approximately 4,275 feet east of North Tower Road, within the City of Edinburg's Extra Territorial Jurisdiction. The proposed subdivision is for a single-family residential development consisting of fifteen (15) lots averaging approximately 22,120 sq. ft. (.508 acres) each. Melden & Hunt, Inc, on behalf of the developer, is requesting a variance to the City's Unified Development Code (UDC) for the aforementioned subdivision.

Variance Request #1: Section 5.203-1 Right-of-Way & Paving Width This Variance Request is to dedicate the required right-of-way along Owassa Road, but not to widen or escrow for widening. UDC Section 5.203-1 requires dedication of Right of Way to the Rio Grande Valley Metropolitan Planning Organization (RGVMPO) classification standard ROW that classifies East Owassa Road as an Existing Principal Arterial right-of-way, which is 60 ft from centerline. The developer is proposing to dedicate their half of the right-of-way to meet the overall required 120 ft, but is asking to not pave the approximate 28 ft by 330 ft required by the UDC.

Variance Request #2: Section 5.209 Sidewalk

This Variance Request is to dedicate the required right-of-way, but not install sidewalks or escrow along the perimeter along Owassa Road. Section 5.209 in conjunction with the engineering standards manual requires that five (5) foot sidewalks be installed before recording of said subdivision along public or private rights-of-way. The nearest city limit to The City of Edinburg is approximately 3.8 miles, with the nearest school being approximately 2.1 miles by road or .88 miles straight-line distance. No cost estimate has been submitted.

The Planning & Zoning Commission recommended with a unanimous vote of 6-0 to approve the variance request.

3. **Staff's Recommendation:**

Staff recommends denial of both variances. The proposed subdivision has 330 ft of frontage and the widening in that area will eventually need to happen. Regarding the sidewalks they provide a safer means for pedestrian travel.

Reviewed by:

Jesus Saenz, Assistant City Manager

Prepared by:

Jaime Acevedo, Director of

Attachments:

- A. Owassa Place Subdivision Agenda Packet Attachments

Sec. 5.203, Streets Cross Sections

- A. Right-of-Way and Pavement Widths.** Rights-of-way shall conform to those set out in Table 5.203-1, *Right-of-Way Widths*, and as generally depicted in Figure 5.203-1, *Sample Right-of-Way Cross-Section*.
- B. Adjustments.** The City shall, where feasible, require the street's design to minimize the disturbance of natural resources, including floodplains. Where additional right-of-way is needed to obtain vertical curve, grade, clear sight triangles, turn lanes, or medians, the required right-of-way shall be adjusted to the extent necessary in accordance with local needs as determined by the Planning and Engineering Departments.
- C. Half Streets Prohibited.** No half-streets shall be permitted in new subdivision plats.

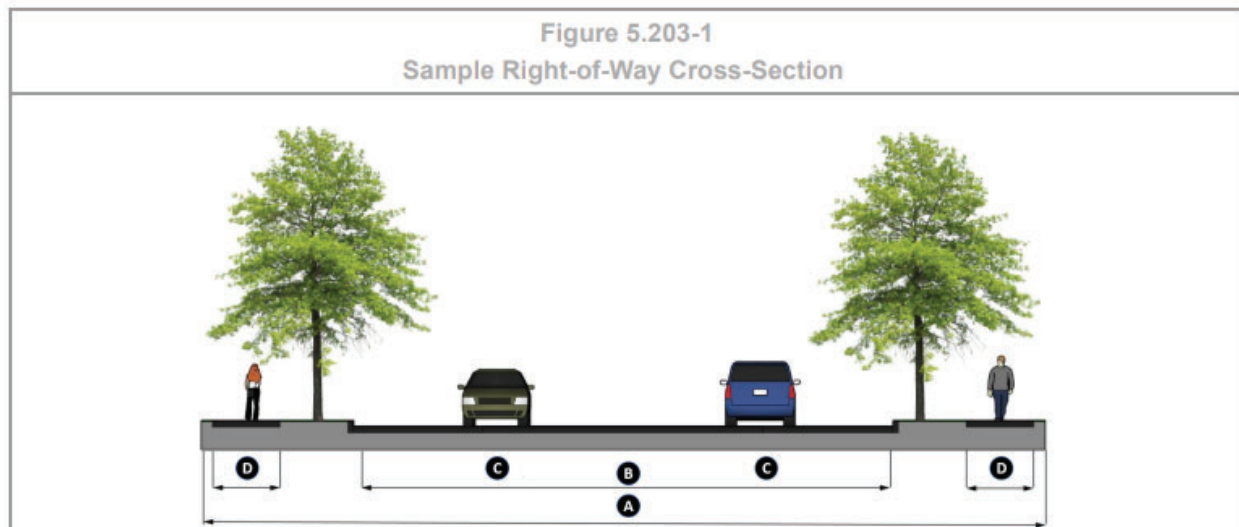
Table 5.203-1 Right-of-Way Widths ¹				
Road Classification	Minimum Right-of-Way Width Required (A)	Minimum Pavement Width Required ² (B)	Lanes (C)	Sidewalks (width and sides of street) (D)
Principal Arterial	120 feet	81 feet	5 including center	5 feet / Both
Minor Arterial	100 feet	64 feet	5 including center	5 feet / Both
Collector	80 feet	57 feet	3 including center	5 feet / Both
Residential Collector ³	60 feet	43 feet	2	5 feet / Both
Minor Street	50 feet / 60 feet	32 feet / 36 feet	2	5 feet / Both
Alleys	20 feet	18 feet	--	--

TABLE NOTES:

¹Refer to the City Standards Manual [Street Details](#) for more information.

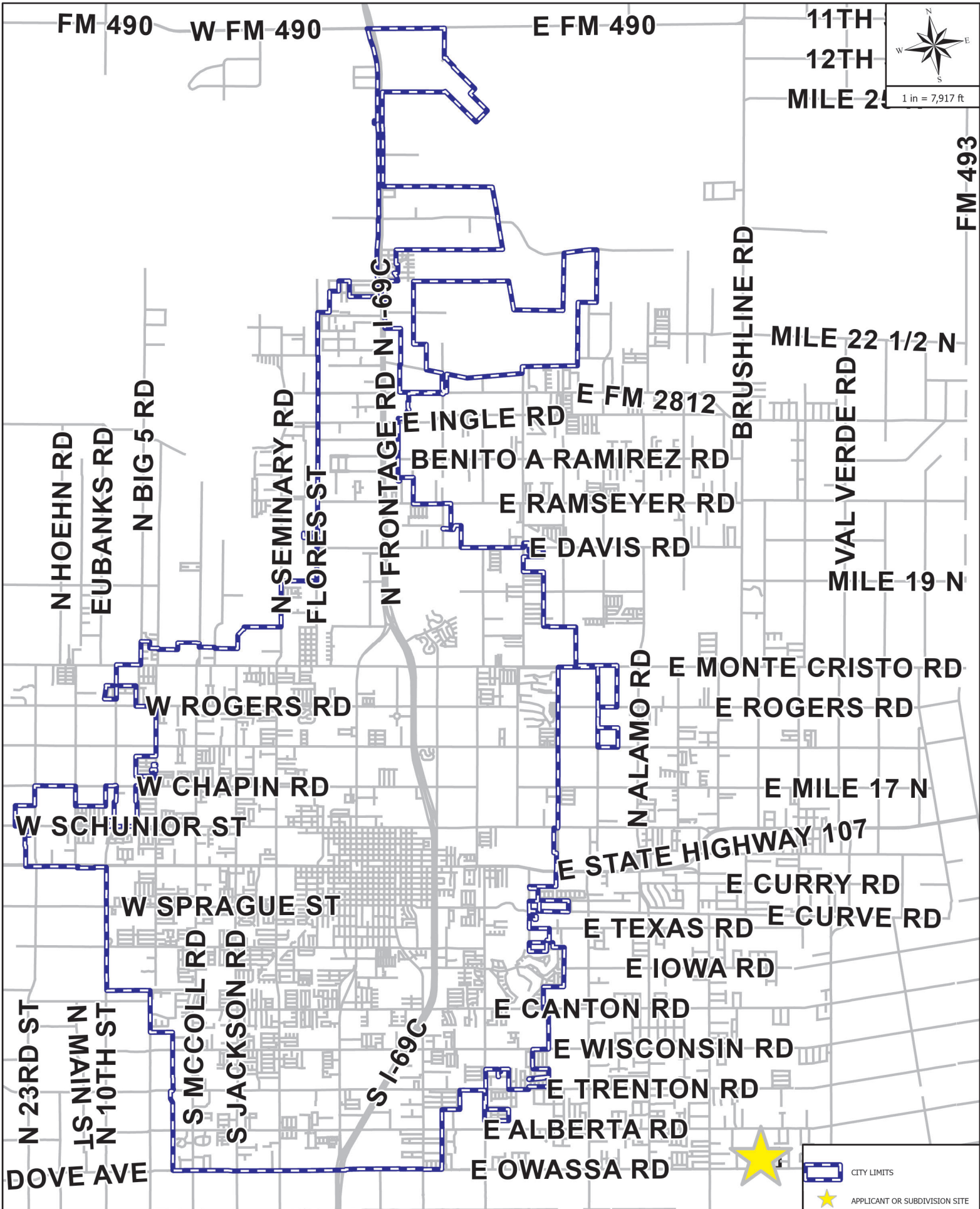
²From back-of-curb to back-of-curb.

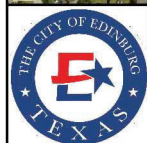
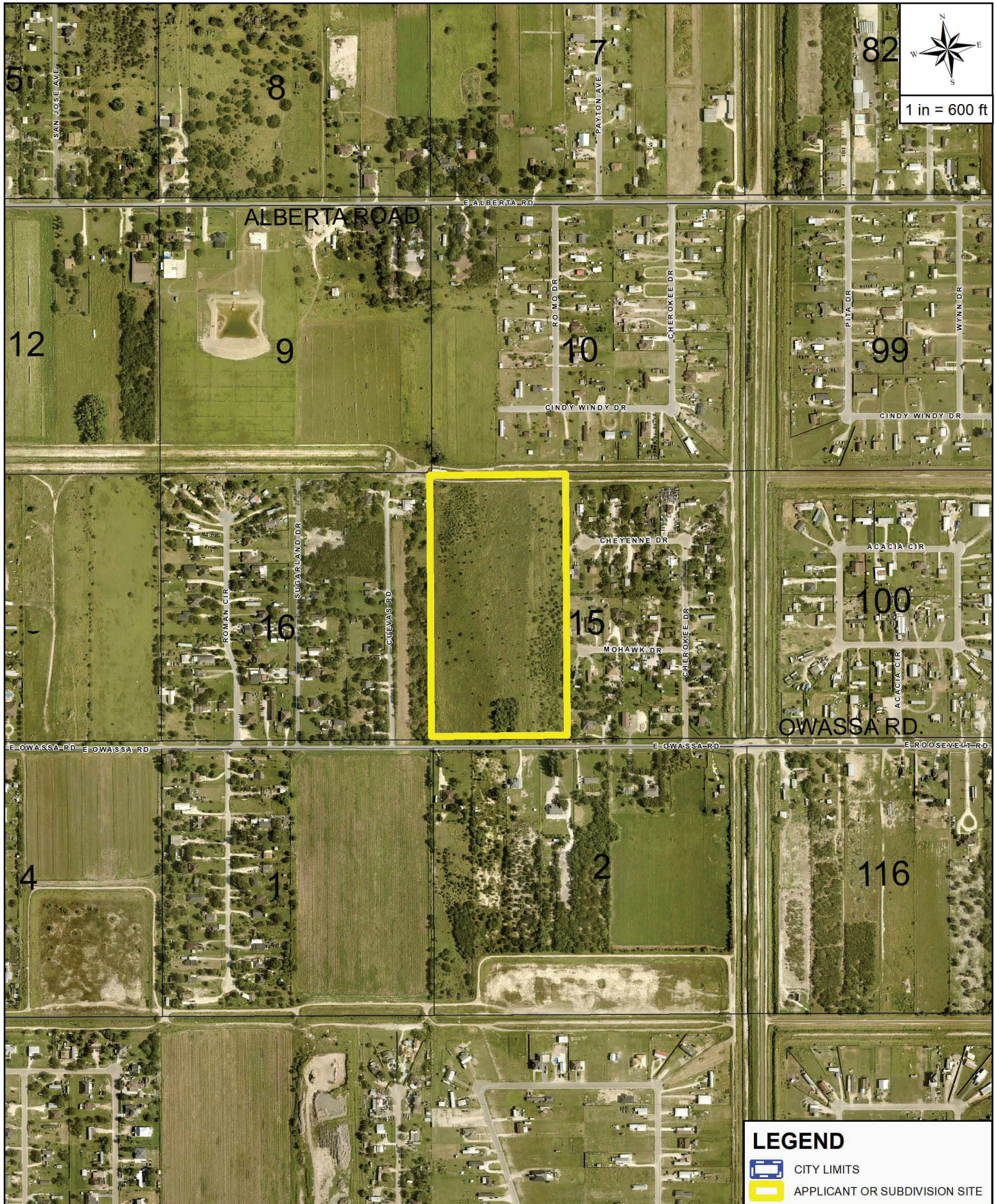
³Multi-family subdivisions shall be required to comply with residential collector street standards except that internal streets may have a minimum right-of-way width of 50 feet, a minimum pavement width of 40 feet, and shall require easements that are 10 feet in width on both sides of the street for utilities and sidewalks. Streets on the perimeter of the development are not eligible for this reduction.



Sec. 5.209, Sidewalks

- A. **Sidewalk Plan Required.** A sidewalk plan shall be submitted with the subdivision's construction plans and with the Building Permit application for unplatted property.
- B. **Location of Sidewalks.**
 1. Sidewalks shall be provided in the area between the parkway and the edge of the right-of-way, as shown in the City's Engineering Standards Manual, latest edition, and as depicted generally in Figure 5.209-1, *Sample Right-of-Way Cross-Section*.
 2. The outer boundaries of sidewalks shall be located in the platted street right-of-way, generally one foot from the property line. This one-foot width shall be subtracted from the required parkway width. Sidewalks may meander into the parkway to protect the root system of a mature tree, provided that no sidewalk be located closer than three feet to the back of curb or edge of pavement if no curb is present. This arrangement shall not reduce the right-of-way width requirement.
 3. Walks shall also be installed in any pedestrian easements as may be required by the Planning Department.
- C. **Modification of Sidewalk Requirements.** Sidewalk requirements may be altered or waived if a sidewalk plan that provides equal or greater pedestrian circulation is submitted to and approved by the Planning and Zoning Commission at the time of platting. These trade-offs may be permitted:
 1. In the AO or RS districts to allow off-street trails in lieu of sidewalks, thereby meeting the needs of walkers and cyclists; or
 2. In order to implement the City's Parks and Recreation Master Plan, as set out in subsection F, *Trails and Bikeways*, below.
- D. **Completion of Sidewalk Networks.**
 1. In general, perimeter sidewalks should be constructed concurrent with street construction, with special provisions to protect their condition and integrity during the process of building construction. However, this requirement may be waived at the discretion of the Planning and Zoning Commission if reasonable assurances are provided that:
 - a. Sidewalk segments across individual lots will be constructed after buildings are constructed on the individual lots, but before they are occupied; and
 - b. The timing and phasing of development will result in the completion of the sidewalks on each street segment within two years of the date that building construction on the street segment is commenced.
 2. Sidewalks should be installed along street corridors on a priority basis, as may be articulated in the City's adopted Capital Improvements Projects list, in areas where they are not currently available.
 3. Interior sidewalks shall be installed by the property owner upon approval of a Building Permit for the principal structure.
- E. **Maintenance of Sidewalks Outside of the City.** Developers of property in the ETJ shall provide for the continuing maintenance of sidewalks by property owners, homeowners association, or other appropriate means. Sidewalks inside the City shall be maintained by the City in the public right-of-way and/or by adjoining property owners if in an easement.

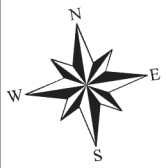




AERIAL MAP

APPLICANT AND/OR SUBDIVISION:

MELDEN & HUNT / OWASSA PLACE



1 in = 500 ft



CITY LIMITS



APPLICANT OR SUBDIVISION
SITE

ANNOTATIONS

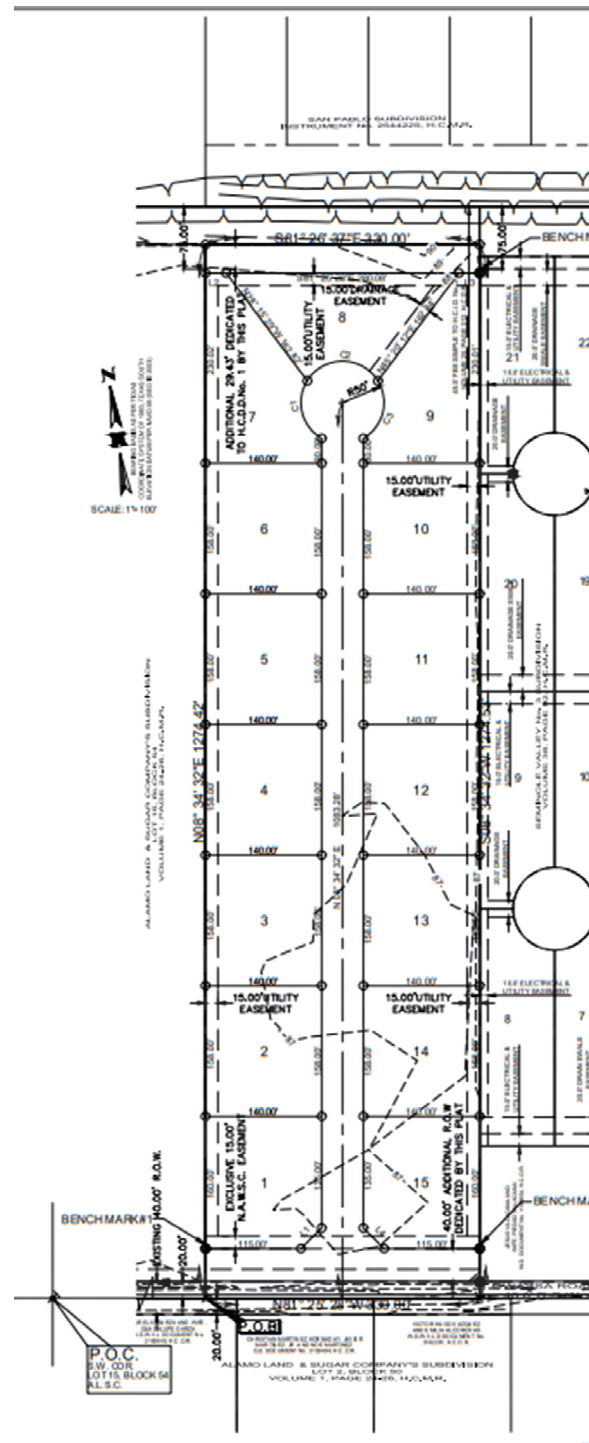


MAILOUT AND SITE MAP

APPLICANT AND/OR SUBDIVISION:

OWASSA PLACE SUBDIVISION

SUBDIVISION MAP OF
OWASSA PLACE SUBDIVISION
 BEING 9.655 ACRES OUT OF
 LOT 15, BLOCK 54
 ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION
 VOLUME 1, PAGE 24 H.C.M.R.
 HIDALGO COUNTY, TEXAS



MELDEN & HUNT, INC.
 TEXAS REGIST. F-1435



MELDEN & HUNT INC.
 CONSULTANTS • ENGINEERS • SURVEYORS

115 W. McINTYRE - EDINBURG, TX 78541
 PH: (956) 381-0981 - FAX: (956) 381-1839
 ESTABLISHED 1947 - www.meldenandhunt.com

g & Zoning

University Drive
Edinburg, Texas 78539
888-8202



THE CITY OF
Edinburg

Subdivision Variance Application

ENERGOV CASE # **VAR-2023-0210**

Submittal Date: December 5, 2023

Legal Description:

HCAD Property ID #: 113275

9.655 acres out of Lot 15, Blk. 54 Alamo Land & Sugar Company's Subdivision

Variance Requested (Identify section of Unified Development Code):

5.203 A Right of Way and Pavement Widths

5.209 Sidewalks

Reason for Request (hardship/extraordinary and exceptional conditions):

Requesting no sidewalks to be put along Owassa Road

Requesting not having to widen Owassa Road

Valley Affordable Housing, LLC

Property Owner (Print legibly or type)

200 S. 10th Street, Ste. 1700

Address

McAllen, Texas 78501

City, State, Zip

(956) 381-0981

Telephone

c/o mario@meldenandhunt.com

Email address


Signature

Mario A. Reyna, P.E.

Applicant / Agent (Print legibly or type)

115 W. McIntyre

Address

Edinburg, Tx 78541

City, State, Zip

(956) 381-0981

Telephone

mario@meldenandhunt.com

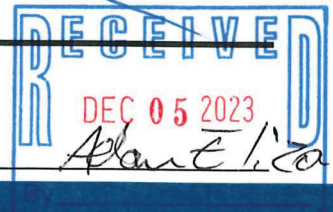
Email address


Signature

Receipt #

(\$450 Application Fee): _____

Received By: _____





CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

ORDINANCES

Agenda Item No: 9.A.

1. Agenda Item:

Consider Ordinance Providing for a Temporary Special Use Permit for a Special Event, “55th Annual Fiesta Edinburg Event and Parade” to be Held from Thursday February 29, 2024 to Sunday, March 3, 2024 at Bert Ogden Arena, Being Lot 1, Edinburg Arena Subdivision, Located at 4900 South I 69 C, as Requested by Edinburg Chamber of Commerce. [Jaime Acevedo, Director of Planning & Zoning]

2. Description:

A temporary special use permit is being processed for a Special Event “55th Annual Fiesta Edinburg Event & Parade” to be held from Thursday February 29, 2024 to Sunday, March 3, 2024 at Bert Ogden Arena. Parade will be held on March 2, 2024 from 10:00 a.m. to 12:00 noon along Closner Blvd.

This request is being coordinated through the Planning & Zoning, Parks and Recreation, Police, Solid Waste, Public Works, Fire, and Code Enforcement Departments.

3. Staff's Recommendation:

Staff recommends approval of the Temporary Special Use Permit and the Request for Waiver of Fees for a Special Event, “55th Annual Fiesta Edinburg Event & Parade” to be held from Thursday February 29, 2024 to Sunday, March 3, 2024 at Bert Ogden Arena, with the conditions that the events meets all City requirements. The Waiver of Fees will be at the City Council’s discretion.

Reviewed by:

Jesus Saenz, Assistant City Manager

Prepared by:

Jaime Acevedo, Director of Planning and Zoning

Attachments:

- A. Fiesta Edinburg City Council Agenda Packet Attachments
- B. Ordianance-Fiesta Edinburg 2024
- C. Hold Harmless Agreement Final Fiesta Edinburg 2024

MEETING DATES:
CITY COUNCIL – 02/06/2024
DATE PREPARED – 1/17/2024

STAFF REPORT
GENERAL INFORMATION

<u>APPLICATION:</u>	Temporary special use permit and waiver of fees for the “55 th Annual Fiesta Edinburg Event & Parade”.
<u>APPLICANT:</u>	Edinburg Chamber of Commerce
<u>AGENT:</u>	Ronnie Larralde, Executive Director
<u>LEGAL:</u>	Being Lot 1, Edinburg Arena Subdivision
<u>LOCATION:</u>	4900 South I69C
<u>LOT/TRACT SIZE:</u>	N/A
<u>CURRENT USE OF PROPERTY:</u>	Bert Ogden Arena
<u>PROPOSED USE OF PROPERTY:</u>	Festival / Concert / Parade
<u>EXISTING LAND USE/ ADJACENT ZONING:</u>	North –Agriculture (AG) District South – Agriculture (AG) District East – Agriculture (AG) District West – Commercial General (CG) District
<u>LAND USE PLAN DESIGNATION:</u>	Commercial General (CG) District
<u>ACCESS AND CIRCULATION:</u>	This property has access to South I-69C and East Alberta Road
<u>PUBLIC SERVICES:</u>	Public utilities are readily available to serve the site.
<u>RECOMMENDATION:</u>	Staff recommends approval of the temporary special use permit for the “55 th Annual Fiesta Edinburg Event & Parade”. A comprehensive evaluation is on the following page(s).

SPECIAL USE PERMIT
“55TH ANNUAL FIESTA EDINBURG EVENT & PARADE”

EVALUATION AND CONDITIONS FOR APPROVAL

The following is the staff’s evaluation and conditions for approval of this application for the “55th Annual Fiesta Edinburg Event & Parade”.

1. **Duration:** The proposed days and hours requested by the applicant are on Thursday February 29, 2024 to Sunday, March 3, 2024 from 6:00 a.m. to 11:00 p.m. The event must meet the days and hours of operation and must meet Section 130.22 Curfew Hours of the Code of Ordinances.
2. **Access Control:** The main access for this event will be from South I-69C and West Alberta Road.
3. **Sanitation:** The applicant must make arrangements for disposal of waste from the events with the Solid Waste Department.
4. **Electric and Lighting:** Outdoor events will be provided with electrical service.
5. **Security Services:** Security services are to be provided by on-duty city police officers until the time of closing of the event.
6. **Noise:** Any activities resulting in excessive noise must be situated away from residences.
7. **Site Restoration:** The applicant must make arrangements to restore the property to its original condition.
8. **Liability Insurance:** The City is provided with and is included as an added insured in the liability insurance carried by the applicant.
9. **Indemnity:** The City is indemnified by the applicant of all liability in accordance with the provisions set out in a Hold Harmless Agreement between the applicant and the City.
10. **Health Permit:** A temporary health permit for food vendors and food vending booths must be obtained through the Code Enforcement Division.

ATTACHMENTS: Aerial Map
Site Map
Application
Letter of Intent
Site Plan
Hold Harmless Agreement
Ordinance



January 18, 2024

Ms. Myra Ayala
City of Edinburg
P.O. Box 1079
Edinburg, Texas 78540

Dear Ms. Ayala:

I would like to request assistance with various resources from the City of Edinburg for the 55th annual Fiesta Edinburg celebration being held at Bert Ogden Arena, 4900 S. I-69C in Edinburg. The festival will take place from Thursday, February 29, 2024, through Sunday, March 3, 2024. The Heart of America Carnival will be held on the premises of Bert Ogden Arena, and will set up on Sunday, February 25, 2024 and run through Sunday March 3, 2024. The Fiesta Edinburg Texas Legends" Parade celebrating Texas Independence Parade will take place Saturday, March 2nd at 10 a.m. down Closner Blvd. and will end approximately at 11:30 a.m. The Fiesta Committee will continue to work closely with City Staff and the Edinburg Police and Fire Departments on all the details.

Not only is Fiesta hosting a Carnival, but it will also host a variety of top-notch live music concerts and special attractions for the whole family to enjoy.

I want to thank you for your continued support of the Chamber's programs. It has been wonderful to work jointly with the City of Edinburg to bring these wonderful, quality of life events to the citizens of Edinburg, and its surrounding communities. If you have any questions concerning Fiesta Edinburg 2024, please call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronnie Larralde". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ronnie Larralde
Executive Director
Edinburg Chamber of Commerce

P.O. Box 85
Edinburg, TX 78540
(956) 383-4974

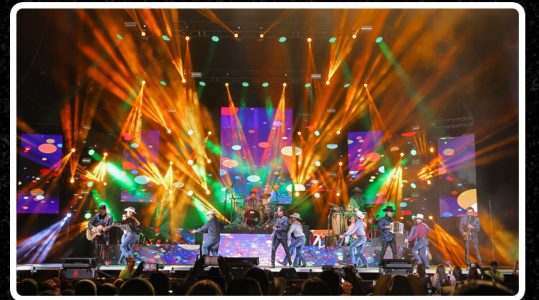
2024

Fiesta Edinburg

MUSIC FESTIVAL * EST. 1968

**FEBRUARY 29 –
MARCH 3, 2024**

BERT OGDEN ARENA
4900 S I-69C,
EDINBURG, TX 78539



FOR MORE INFORMATION CALL **(956) 383-4974**

WWW.EDINBURG.COM

EXPLORE
EDINBURG

EDINBURG
CHAMBER OF COMMERCE

THE CITY OF
Edinburg

EDINBURG
Economic Development Corporation

BERT OGDEN
RIO GRANDE VALLEY
Fiesta
DEALERSHIPS
EDINBURG

FIESTA EDINBURG

MUSIC FESTIVAL * EST. 1968

FESTIVAL MAP

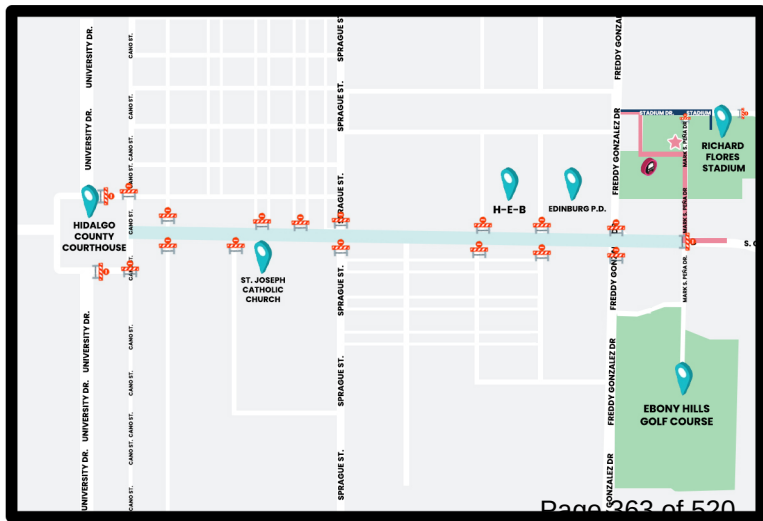
- | | |
|--|--|
|  FOOD VENDORS |  CONCERT PARKING ENTRANCE |
|  RESTROOM |  CARNIVAL PARKING ENTRANCE |
|  CARNIVAL PARKING |  RIDESHARE ENTRANCE |
|  CONCERT PARKING |  ADA PARKING |
|  FESTIVAL GROUNDS |  EXIT ONLY/NO ENTRY |
|  ALL TRAFFIC ENTRY |  ROAD CLOSURE |
|  EVENT ENTRANCE |  RIDESHARE DROP OFF |





PARADE ROUTE

-  STUDENT DROP OFF ROUTE
-  FLOAT LINEUP
-  SCHOOL BUS PARKING
-  PARTICIPANT DROP OFF
-  ROAD CLOSURE





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/30/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Agent Robert Elizalde 2108 S Hwy 281 Edinburg, TX 78539	CONTACT NAME: Robert Elizalde PHONE (A/C, No, Ext): 956-383-4312 E-MAIL: robert.elizalde.j3mz@statefarm.com ADDRESS:		FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE INSURER A: State Farm Lloyds INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:		NAIC # 43419
INSURED EDINBURG CHAMBER OF COMMERCE PO BOX 85 EDINBURG TX 78540-0085			

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD INSD	SUB WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
☒	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:			90-KK-5536-8	11/17/2023	11/17/2024	EACH OCCURRENCE \$ 100,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 200,000 PRODUCTS - COMP/OP AGG \$ 200,000 \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE ☐ OTH-ER ☐ \$ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

City Of Edinburg P.O. Box 1079 Edinburg, TX 78540	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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AN ORDINANCE GRANTING A TEMPORARY SPECIAL USE PERMIT FOR A SPECIAL EVENT AND REQUEST OF WAIVER OF FEES FOR “55TH ANNUAL FIESTA EDINBURG EVENT & PARADE” TO BE HELD FROM THURSDAY FEBRUARY 29, 2024 TO SUNDAY, MARCH 3, 2024 AT BERT OGDEN ARENA, BEING LOT 1, EDINBURG ARENA SUBDIVISION, LOCATED AT 4900 SOUTH I 69 C, AS PROVIDED IN ARTICLE 2.511 OF THE CITY OF EDINBURG UNIFIED DEVELOPMENT CODE, PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; PROVIDING FOR CODIFICATION; PROVIDING A WAIVER OF THE THREE (3) SEPARATE READINGS; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, Edinburg Chamber Commerce, has applied for a Temporary Special Use Permit and Waiver of Application Fee under Article 2.511 of the Unified Development Code of the City of Edinburg, Texas for “55th Annual Fiesta Edinburg Event & Parade” to be held from Thursday February 29, 2024 to Sunday, March 3, 2024; and

WHEREAS, this type of activity is prohibited by said Zoning Ordinance unless a Temporary Special Use Permit is granted; and

WHEREAS, the City Council of the City of Edinburg may by an affirmative two-thirds’ (2/3) vote grant by a temporary special use permit the location of this type of activity in any zoning district, but not within three hundred (300) feet of any Residential District;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, AS FOLLOWS:

SECTION I. AUTHORITY OF LAW: All requirements of the law have been met in the passing of this Ordinance.

SECTION II. That a Temporary Special Use Permit under Article 2.511 of the Unified Development Code of the City of Edinburg, Texas, be granted to Edinburg Chamber of Commerce for “55th Annual Fiesta Edinburg Event & Parade” to be held from Thursday February 29, 2024 to Sunday, March 3, 2024 at Bert Ogden Arena, Being Lot 1, Edinburg Arena Subdivision, Located at 4900 South I 69 C, with the following conditions:

1. **Duration:** The proposed days and hours requested by the applicant are on Thursday February 29, 2024 to Sunday, March 3, 2024 from 6:00 a.m. to 11:00 p.m. The event must meet the days and hours of operation and must meet Section 130.22 Curfew Hours of the Code of Ordinances.
2. **Access Control:** The main access for this event will be from South I-69C and West Alberta Road.

3. **Sanitation:** The applicant must make arrangements for disposal of waste from the events with the Solid Waste Department.
4. **Electric and Lighting:** Outdoor events will be provided with electrical service.
5. **Security Services:** Security services are to be provided by on-duty city police officers until the time of closing of the event.
6. **Noise:** Any activities resulting in excessive noise must be situated away from residences.
7. **Site Restoration:** The applicant must make arrangements to restore the property to its original condition.
8. **Liability Insurance:** The City is provided with and is included as an added insured in the liability insurance carried by the applicant.
9. **Indemnity:** The City is indemnified by the applicant of all liability in accordance with the provisions set out in a Hold Harmless Agreement between the applicant and the City.
10. **Health Permit:** A temporary health permit for food vendors and food vending booths must be obtained through the Code Enforcement Division.

SECTION III. REPEALER CLAUSE: This Ordinance shall be cumulative of all other ordinances dealing with the same subject and any provision of any ordinance in direct conflict with any provision of this ordinance is hereby repealed and the provisions of this Ordinance shall supersede any provisions in conflict herewith; all provisions of any other ordinance not in conflict herewith shall remain in full force and effect.

SECTION IV. SAVINGS CLAUSE: If any section, part, or provision of this Ordinance is declared unconstitutional or invalid, by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION V. PUBLICATION AND EFFECTIVE DATE: This Ordinance shall take effect immediately upon its passage and publication according to law.

SECTION VI. CODIFICATION: That this Ordinance shall not be published in the Code of Ordinances of the City of Edinburg, Texas, as it is not amendatory thereof.

SECTION VII. WAIVER CLAUSE: This requirement of three separate readings of this Ordinance is hereby dispensed with by a vote of not less than a majority of all the members of the City Council.

READ, CONSIDERED, PASSED AND APPROVED on this first reading at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.041, on the 6th day of February, 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:
OMAR OCHOA LAW FIRM, P.C.

By: _____
Omar Ochoa, City Attorney

STATE OF TEXAS

§

HOLD HARMLESS AGREEMENT

COUNTY OF HIDALGO

§

CITY OF EDINBURG

This agreement is entered into this 6th day of February, 2024, by and between CITY OF EDINBURG, Hidalgo County, Texas, hereinafter called City, and Ronnie Larralde on behalf of Edinburg Chamber of Commerce, Edinburg, Hidalgo County, Texas, hereinafter called Indemnitor.

INDEMNITY

To the maximum extent allowed by law, the undersigned, Edinburg Chamber of Commerce, its agents, employees and/or representatives (Indemnitor), agrees to hold harmless, indemnify, and defend the CITY OF EDINBURG, TEXAS, a home-rule municipal corporation of the State of Texas, with its offices located at 415 West University Drive, Edinburg, Hidalgo County, Texas, its employees, elected and appointed officials, officers, successors and assigns (Indemnatee) from and against any and all causes of action, claims, liabilities, obligations, judgments, losses, or damages, including reasonable attorneys' fees and costs of litigation ("claims") arising out of, or in connection with, the Temporary Special Use Permit granted February 6, 2024 for the "55th Annual Fiesta Edinburg Event & Parade" to be held from Thursday February 29, 2024 to Sunday, March 3, 2024 at Bert Ogden Arena, Being Lot 1, Edinburg Arena Subdivision, Located at 4900 South I 69 C, Edinburg, Hidalgo County, Texas.

This Agreement shall be governed by the laws of the State of Texas. It is further stipulated and agreed that the laws of the State of Texas shall control in the construction of this instrument. Indemnitor and Indemnatee agree that the venue for any and all disputes related to this Agreement shall be Hidalgo County, Texas. For any controversy, claim, or dispute arising out of or relating to this Agreement, Indemnitor and Indemnatee shall first attempt to informally resolve such controversy, claim, or dispute. Thereafter, Indemnitor and Indemnatee shall submit in good faith to mediation before commencing a legal proceeding. Each party shall bear its own costs and expenses, including attorneys' fees and costs, in seeking to enforce the terms of this Agreement.

EXECUTED this the 6th day of February, 2024.

CITY OF EDINBURG

BY: _____
Myra L. Ayala, City Manager

APPROVED AS TO FORM

OMAR OCHOA LAW FIRM, P.C.

"55th Annual Fiesta Celebration"
Indemnitor

By: _____
Omar Ochoa, City Attorney

BY: _____
Ronnie Larralde on behalf of
Edinburg Chamber of Commerce



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

ORDINANCES

Agenda Item No: 9.B.

1. Agenda Item:

Consider Ordinance of the City of Edinburg Texas Amending Title III Administration, Chapter 32 Boards, Councils, Commissions and Committees by Adding Section 32.43 Downtown District Steering Committee. [Clarice Y. Balderas, City Secretary]

2. Description:

The Downtown District Steering Committee was created by Resolution No. 2592 on January 16, 2024. To provide a comprehensive list of boards, councils, commissions, and committees to which the Mayor and/or City Council appoints members, the City Council deems it appropriate and necessary to amend Chapter 32 Administrative Code of the City of Edinburg, Texas to list the Downtown District Steering Committee.

3. Staff's Recommendation:

Approve Ordinance of the City of Edinburg Texas Amending Title III Administration, Chapter 32 Boards, Councils, Commissions and Committees by Adding Section 32.43 Downtown District Steering Committee.

Reviewed by:

Prepared by:

Clarice Balderas, City
Secretary

Attachments:

A. Ordinance-Downtown District Steering Committee

ORDINANCE NO. ____

CONSIDER ORDINANCE OF THE CITY OF EDINBURG TEXAS AMENDING TITLE III ADMINISTRATION, CHAPTER 32 BOARDS, COUNCILS, COMMISSIONS AND COMMITTEES BY ADDING SECTION 32.43 DOWNTOWN DISTRICT STEERING COMMITTEE, PROVIDING FOR WAIVER OF THE THREE SEPARATE READINGS; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR ITS CODIFICATION IN THE CODE OF ORDINANCES OF THE CITY; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; AND, ORDAINING OTHER MATTERS PERTAINING TO THIS SUBJECT MATTER THEREOF.

WHEREAS, The Downtown District Steering Committee was created by Resolution No. 2592 on January 16, 2024.

WHEREAS, to provide a comprehensive list of boards, councils, commissions, and committees to which the Mayor and/or City Council appoints members, the City Council deems it appropriate and necessary to amend Chapter 32 Administrative Code of the City of Edinburg, Texas to list the Downtown District Steering Committee.

NOW, THEREFORE, BE IT ORDAINED BY CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS THAT:

SECTION I. AUTHORITY OF LAW. The City Council specifically finds that all requirements of law have been met in the passing of this Ordinance.

SECTION II. TITLE III, ADMINISTRATION, CHAPTER 32, ADMINISTRATIVE CODE, of the Code of Ordinances of the City of Edinburg, Texas, is hereby amended to be read as follows:

GENERAL PROVISIONS

Sec. 32.43. – Downtown District Steering Committee

- A. *Creation and composition.* There is hereby created the Downtown District Steering Committee. The Board shall consist of seven members.
- B. *Powers and duties.*
 - 1. It shall be the duty of the Board to identify the areas of ownership and zoning, finance and economic development, community use, compare similar communities and conduct community outreach practices. The Committee shall provide innovative ideas and activities for the future redevelopment of the Downtown District.
 - 2. The Board shall function in an advisory capacity only and shall have no power to make personnel appointments or direct or supervise work operations.

3. The Board shall not be authorized to incur, on behalf of the city, any expenses incident to the operation, maintenance, development, or any other expenditure incident to the cultural arts activities and programs.

SECTION III. WAIVER CLAUSE. The requirement of three separate readings of this Ordinance is hereby dispensed with by a vote of not less than a majority of all the members of the City Council.

SECTION IV. REPEALER CLAUSE. This Ordinance shall be cumulative of all other ordinances dealing with the same subject and any provision of any Ordinance in direct conflict with any provision of this Ordinance is hereby repealed and the provisions of this Ordinance shall supersede any provisions in conflict herewith; all provisions of any other Ordinance not in conflict herewith shall remain in full force and effect.

SECTION V. SAVINGS CLAUSE. If any section, part, or provision of this Ordinance is declared unconstitutional or invalid, by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION VI. CODIFICATION CLAUSE. The provisions of Section II of this Ordinance are to be published in the location indicated in the Code of Ordinances of the City of Edinburg, Texas, as soon as possible.

SECTION VII. PUBLICATION AND EFFECTIVE DATE. This Ordinance shall take effect immediately upon its passage and publication according to law.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present, which was held in accordance with VTCA, Government Code, Section 551.041 on the 6th day of February, 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:
OMAR OCHOA LAW FIRM, P.C.

By: _____
Omar Ochoa, City Attorney



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

APPOINTMENTS

Agenda Item No: 10.A.

1. Agenda Item:

Consider Appointments to the Following City Advisory Boards, Councils, Commissions and Committees: Downtown District Steering Committee, Seven Members. [Clarice Y. Balderas, City Secretary]

2. Description:

City staff is presenting the following Appointment to the City Advisory Board, Council, Commission and Committee for consideration:

Downtown District Steering Committee (7 Members) -

Present Member(s): None.

Applicant (s): Jason S. Hartley; Nick Cantu; Julie Perez

CHAPTER 32: BOARDS, COUNCILS, COMMISSIONS AND COMMITTEES

Sec. 32.01 – Residence or tax paying status requirements for membership.

1. Unless otherwise provided for, all members of boards, councils, commissions, and committees appointed by the Mayor and/or City Council pursuant to provisions of the charter and ordinances and resolutions of the city shall be residents of the city or nonresident tax-paying property owners of the city but residing within the extraterritorial jurisdiction of the city.

2. Unless otherwise provided for, any member of a board, council, commission, or committee who, after such member's appointment, shall change such member's residence or property status so that such member does not comply with either of the qualifications set out above shall be deemed to have resigned from such board, council, commission, or committee.

Sec. 32.02 – Appointment of members; filling vacancy.

1. Unless otherwise provided by federal law, state law, the city charter, or city ordinance, all appointments to boards, councils, commissions, and committees shall be made by the City Council.

2. Unless otherwise provided by federal law, state law, the city charter, or city ordinance, and except for the Edinburg Economic Development Corporation and Civil Service Commission, all appointments to boards, councils, commissions, and committees shall be limited to three continuous, two-year terms, for a maximum of six continuous years. Board members who exceed six continuous years may continue to serve until a replacement has been appointed.

3. Any vacancy, for whatever reason, of membership of any board, council, commission, or committee shall be filled by the Mayor and/or City Council in the same manner as the original appointment. Unless otherwise provided for, rather than serve out only the unexpired term of the vacant position, all appointees to fill vacancies shall begin a new, full term upon appointment.

Board Members are required to attend not less than 3/4 of the meetings scheduled; a vacancy is created if a member is absent three consecutive meetings, unless specifically excused at the following meeting for purposes authorized by Resolution.

All appointments to the City Advisory Boards and Committees are at the discretion of the City Council. The City Council may choose from the list of applicants or appoint a resident meeting the requirements for membership.

3. Staff's Recommendation:

Approve Appointments to the following City Advisory Boards, Councils, Commissions and Committees: Appointments to the Following City Advisory Boards, Councils, Commissions and Committees: Downtown District Steering Committee, seven members.

Reviewed by:

Prepared by:
Clarice Y. Balderas
City Secretary

Attachments:

None



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

ECONOMIC DEVELOPMENT

Agenda Item No: 11.A.

Edinburg Chamber of Commerce Sponsorship

1. Agenda Item:

Consider Sponsorship Request from the Edinburg Chamber of Commerce for “Fiesta Edinburg” to be held February 29-March 03, 2024. (The Edinburg EDC Board approved this item by a vote of 5-0 on January 23, 2024) [Raudel Garza, Executive Director]

2. Description:

The Edinburg Chamber of Commerce requested the EEDC Sponsorship for Fiesta Edinburg at the Pachanga Title Sponsor level in the amount of \$20,000.

3. Staff's Recommendation:

Approve Request for Sponsorship from the Edinburg Chamber of Commerce for “Fiesta Edinburg” to be held February 29-March 03, 2024. (The Edinburg EDC Board approved this item by a vote of 5-0 on January 23, 2024)

Reviewed by:

Raudel Garza, Director of Economic Development

Nelda Ramirez, Assistant City Manager

Prepared by:

Jacqueline Guerra

Attachments:

A. Fiesta Edinburg 2024 Sponsorship Packet



PRESENTED BY:



Dear Fiesta Sponsor,

The Edinburg Chamber of Commerce is proud to introduce the 55th Annual Fiesta Edinburg! Fiesta Edinburg has been giving people a reason to celebrate the All-America City of Edinburg. Besides being a fun, family-oriented festival, Fiesta Edinburg provides an opportunity for friends and family to enjoy an important moment in our history, celebrating Edinburg as the home of the county seat. We are proud to say Fiesta Edinburg will be moving the festival to the beautiful Bert Ogden Arena in Edinburg! Our city will be the place to be to enjoy quality, live entertainment, food, vendors and the Heart of America Carnival.

Fiesta Edinburg drew over 25,000 people in attendance last year. With your support, Fiesta will expect to draw an even larger crowd in 2024 with added events and attractions. As a corporate sponsor, we are encouraging you to take advantage of Fiesta's crowd-drawing power and market your business or organization. Your participation in Fiesta Edinburg 2024 is a mutually beneficial partnership with the Edinburg Chamber of Commerce.

Thank you, and the many businesses and individuals who partner with the Edinburg Chamber of Commerce to put on a wonderful quality of life event for our community. We encourage all citizens, businesses and visitors to attend Fiesta Edinburg; it is indeed a memorable experience. On behalf of the entire Edinburg Chamber of Commerce Board, Chamber Staff and the residents of Edinburg, we thank you for your dedication and commitment to your Chamber and our community. If you would like any more information on our partnership or would like a customized package for your business, please call our Executive Director, Ronnie Larralde at 956-383-4974.

Sincerely,



Kelly Salazar
Linbarger Goggan Blair &
Sampson LLP

Edinburg Chamber
Board President



Marsha Green
Bert Ogden Auto Group

Edinburg Chamber
V.P. of Special Events

\$20,000 PACHANGA TITLE SPONSOR

- Official Fiesta Edinburg Presenting Sponsor
- Featured on all printed material and media releases and announcements
- Feature in our 'Thank You' Ad in the Edinburg Chamber E-newsletter and Press Releases
- Inclusion in all radio campaigns, promotions, and commercials
- Complimentary live radio remote at your place of business with participating radio station
- Logo prominently displayed on Fiesta Edinburg T-Shirts
- "Big Check" Presentation, with a photo opportunity and mention in press releases
- Year-round promotion on the chamber website
- Business name mentioned on-site during the festival
- Complimentary 20x20 exhibitor booth, including tent, table, and 4 chairs
- Prominent placement of company branding on stage and festival grounds (provided by sponsor and approved by the Chamber)
- Recognition on all social media platforms, collectively reaching over 40,000 fans & followers
- First right of refusal as the exclusive sponsor for Fiesta Edinburg annually
- No competitive sponsor allowed
- 16 V.I.P. tickets and access to V.I.P. parking for premium festival experience for two days
- Access to the VIP Suite at Bert Ogden Arena for two days
- 16 complimentary T-shirts for you and your team

\$10,000 SOMBRERO SPONSOR

- Inclusion in ALL advertising materials
- Logo prominently featured on the event poster
- Feature in our 'Thank You' Ad in the Edinburg Chamber E-newsletter and Press Releases
- "Big Check" Presentation, with a photo opportunity and mention in press releases
- Company recognition during the press conference
- Logo prominently displayed on Fiesta Edinburg T-Shirts
- Business name mentioned on-site during the festival
- Complimentary 10x10 exhibitor booth, inclusive of tent, table, and 2 chairs
- Prominent placement of company branding on festival grounds (provided by sponsor and approved by the Chamber)
- One complimentary entry of a commercial float or vehicle in the Fiesta Edinburg Parade
- Recognition on all social media platforms, collectively reaching over 40,000 fans & followers
- 8 V.I.P. tickets and access to V.I.P. parking for premium festival experience
- Access to the VIP Suite at Bert Ogden Arena for two days
- 8 complimentary T-shirts for you and your team

\$5,000 Tardeada Sponsor

- Feature in our 'Thank You' Ad in the Edinburg Chamber E-newsletter and Press Releases
- "Big Check" Presentation, with a photo opportunity and mention in press releases
- Business name mentioned on-site during the festival
- One complimentary entry of a commercial float or vehicle in the Fiesta Edinburg Parade
- Complimentary 10x10 exhibitor booth, inclusive of tent, table, and 2 chairs

- Prominent placement of company branding on festival grounds (provided by sponsor and approved by the Chamber)
- Recognition on all social media platforms, collectively reaching over 40,000 fans & followers
- 4 V.I.P tickets and access to V.I.P. parking for premium festival experience
- Access to the VIP Suite at Bert Ogden Arena for two days
- 4 complimentary T-shirts for you and your team

\$2,500 PARRILLADA SPONSOR

- Prominent placement of company branding on festival grounds (provided by sponsor and approved by the Chamber)
- Feature in our 'Thank You' Ad in the Edinburg Chamber E-newsletter and Press Releases
- Company name featured in newspaper ads
- "Big Check" Presentation, with a photo opportunity and mention in press releases
- Business name mentioned on-site during the festival
- Prominent placement of company branding on festival grounds (provided by sponsor and approved by the Chamber)
- Recognition on all social media platforms, collectively reaching over 40,000 fans & followers
- 4 V.I.P tickets and access to V.I.P. parking for premium festival experience (one day)
- Access to the VIP Suite at Bert Ogden Arena for one day
- 4 complimentary T-shirts for you and your team

\$1000 PINATA SPONSOR

- Feature in our 'Thank You' Ad in the Edinburg Chamber E-newsletter and Press Releases
- Company name featured in newspaper ads
- Business name mentioned on-site during the festival
- Recognition on all social media platforms, collectively reaching over 40,000 fans & followers
- 2 V.I.P tickets and access to V.I.P. parking for premium festival experience (one day)
- Access to the VIP Suite at Bert Ogden Arena for one day
- 2 complimentary T-shirts



2024 Sponsorship Commitment Form

Please complete Sponsorship Commitment Form and return to:

Ronnie Larralde, Edinburg Chamber of Commerce Executive Director

Edinburg Chamber Office, 602 W. University Dr., Edinburg, TX 78539

Ph: (956) 383-4974 * Fax: (956) 383-6942 * Email: chamber@edinburg.com

As a sponsor at the 2024 Fiesta Edinburg, you have an array of sponsorship opportunities to choose from guaranteeing full recognition for your company. Sponsorship creates a unique platform while enhancing corporate identification to in this region. To maximize your investment in Fiesta Edinburg 2024, reserve one of the following sponsorship opportunities by completing this form and returning it to the Edinburg Chamber of Commerce Office, or emailing it to marketing@edinburg.com.

Commitment Due: January 31,2024 • Payment Due: February 16, 2024

Company Name _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Submitted by _____ Email _____

☐ \$ 20,000 Pachanga Sponsor

☐ \$ 5,000 Tardeada Sponsor

☐ \$ 1000 Pinata Sponsor

☐ \$ 10,000 Sombrero Sponsor

☐ \$ 2,500 Parillada Sponsor

This agreement, signed by an authorized representative of the company, must be received by the Edinburg Chamber of Commerce by Friday, January 31,2024 and will constitute a binding contract for the sponsorship amount indicated. Full payment is due to the Edinburg Chamber of Commerce Office by Friday, February 16, 2024. This agreement will become effective upon acceptance by the Edinburg Chamber of Commerce.

Signed and dated this ____ day of _____, 20 ____ . Sponsorship Amount \$ _____.

How would you like your Company / Organization listed?

Please email all of your organizations marketing material to chamber@edinburg.com .

Print Name

Signature of Authorized Company Representative



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

ECONOMIC DEVELOPMENT

Agenda Item No: 11.B.

VIDA Proposal

1. Agenda Item:

Consider Proposal Submitted by Valley Initiative for Development and Advancement (VIDA).
(The Edinburg EDC Board approved this item by a vote of 5-0 on January 23, 2024) [Raudel Garza, EDC Executive Director]

2. Description:

The Valley Initiative for Development and Advancement (VIDA) began in 1995 with its mission is to formulate new institutional relationships in the Lower Rio Grande Valley that simultaneously address employers' needs for skilled workers, while linking the area's unemployed and underemployed with high-skill, high-wage jobs identified in the region.

The Economic Development staff received a proposal for funding from the Valley Initiative for Development and Advancement (VIDA). The funding proposal is \$50,000 for FY 2023-2024. This will provide higher education training and workforce development for at least 15 underserved Edinburg residents.

VIDA will provide a matching contribution of \$25,000.

The funding proposal includes:

Training cost at South Texas College (STC), University of Texas-Rio Grande Valley (UTRGV), Texas State Technical College (TSTC), Texas Southmost College.
Direct Program Services - Intensive Career Counseling & Case Management.

3. Staff's Recommendation:

Approve Proposal Submitted by Valley Initiative for Development and Advancement (VIDA).
(The Edinburg EDC Board approved this item by a vote of 5-0 on January 23, 2024).

Reviewed by:

Raudel Garza, Director of Economic Development
Nelda Ramirez, Assistant City Manager

Prepared by:

New - Jacqueline Guerra

Attachments:

- A. VIDA 2024 Funding Proposal
- B. VIDA FY22-23 Grant Summary
- C. VIDA FY22-23 Student Status Report



2024 FUNDING PROPOSAL

**Prepared By: Felida Villarreal, CPA
President & CEO | VIDA**

January 16, 2024



Project Name

Career Training in High Demand Occupations for Low-Income Edinburg Residents

Funding Request

\$50,000 for fiscal year 10/01/2023 – 09/30/2024

Project Details

At least 15 Edinburg residents will be supported through VIDA's program model through the fiscal year October 1, 2023 – September 2024. 100% of students assisted under this grant must meet the following eligibility criteria:

1. Participant must be an Edinburg resident.
2. Participant must be 18 years of age or older.
3. Participant must be eligible to work in the U.S.
4. Participant must be under 200% of the federal poverty guidelines, underemployed, or unemployed.

Mission

VIDA's mission is to empower Rio Grande Valley residents to achieve economic prosperity through market-driven training, resources, and career pathways. Our continued focus includes formulating new institutional relationships in the RGV that simultaneously address employers' needs for skilled workers, while linking the area's unemployed and underemployed with high-skill, high-wage jobs identified in the region. Our vision is to build and sustain a highly skilled and highly educated workforce, which will not only be ready for tomorrow's jobs, but will have an opportunity to live a more prosperous and healthy life.

History

The concept for VIDA began in 1995 with Valley Interfaith, a community-organizing group in the Lower Rio Grande Valley affiliated with the national Industrial Areas Foundation. Valley Interfaith observed a need for education and training to secure family sustaining wage employment, as the region experienced elevated levels of unemployment from many plant closures and layoffs in the textile industry due to foreign competition. Meanwhile, businesses and economic development boards seeking to attract and retain employers in the region reported a need for a more highly skilled and educated workforce. As a result, collaborative efforts between Valley Interfaith and industry leaders sought an opportunity to meet the needs of both Valley residents and employers through the creation of VIDA, a workforce training model committed to providing both economic and social supports to low-income residents, to ensure successful completion of post-secondary education training and secure competitive employment. Throughout the years, VIDA has remained relevant and innovative by collaborating with regional institutions of higher education and industry leaders to assess employment needs and align career pathways with local industry demand.

Currently, more than half of our student population enrolls in allied health careers such as registered nursing, licensed vocational nursing, dental hygiene, diagnostic medical sonography, emergency medical sciences, occupational therapy, respiratory therapy, radiography, medical billing

& coding, surgical technology, and more. As we continue to recover from the long-term effects of a global pandemic, it is critical to assess and respond to both the regional and national shortage of healthcare professionals. As a result, VIDA continues to promote training and higher education credentials in the healthcare industry in efforts to enhance health equity across the Rio Grande Valley. The remaining student population pursues training in high demand occupations in fields of study such as STEM and the skilled trades – all of which provide an opportunity for self-sufficiency and long-term career advancement.

Core Services

VIDA primarily funds training for one-year certificates, two-year associate degrees, or the last two years of bachelor level degrees. VIDA provides customized financial assistance for training in fields of allied health, STEM, and specialized trades. In addition, VIDA's program provides intensive case management and weekly counseling services to address academic and social barriers. VIDA counselors become key mentors in the lives of our participants, coaching and guiding them to advance in their appropriate career pathways. VIDA regularly updates the occupational training it supports based on feedback from economic development boards and local employers to ensure students pursue careers in high demand occupations relevant to our economic climate. South Texas College, Texas State Technical College, Texas Southmost College, and UT Rio Grande Valley are VIDA's primary training partners. We collaborate extensively with these institutions for outreach, student support and progress, enhancing career pathways, and more.

In 2023, VIDA served 627 students with an average persistence rate of 96%! 100% of our student population is identified as unemployed, underemployed, or low-income, based on 200% of the Federal Poverty Guidelines. During 2023, a student enrolled as a VIDA participant with an average wage of \$8.43 per hour but graduated as a VIDA participant and secured employment with an average wage of over \$22.96 per hour following program completion. The average age of VIDA participants in 2023 was 28 years old and 84% of our participants identified as first-generation college students.

Consequently, this demographic faces a multitude of challenges that represent risk factors for college persistence and graduation. Oftentimes, our participants are first-generation college students, lacking a dedicated support system at home, which VIDA addresses with ongoing one-on-one career coaching and mentoring. VIDA recognizes our participants face language barriers and family responsibilities that interfere with successful completion or satisfactory performance of coursework. As a result, VIDA counselors meet regularly with participants on an individualized basis and in group sessions with other VIDA participants to help them overcome prominent challenges such as time management, stress, emotional triggers, conflict resolution, and promote overall mental health. VIDA counselors share an extensive knowledge and expertise in fields of psychology, social work, and education, facilitating strong relationships with participants and effectively building bonds of accountability, maintaining our students focused, committed, and encouraged. Moreover, VIDA's customized financial assistance for tuition, textbooks, tools, uniforms, childcare, and transportation further promotes students' full-time enrollment while breaking economic barriers to education success.

VIDA organizes speaker series workshops on a monthly basis, in which we collaborate with local industry partners to share their expertise with our participants collectively. For example, our community partner, JP Morgan Chase, hosts financial literacy workshops with VIDA participants as a

group to educate them on valuable topics such as banking, lending, credit scores, financial planning, investments, retirement, and more. In turn, VIDA participants develop and enhance life-long skills for both professional and personal success, learning the importance of fiscal responsibility and personal budgeting. This type of soft skills development model effectively complements the students' traditional classroom coursework to build a more well-rounded individual, better prepared to achieve career success with a competitive and diverse skillset.

Outcomes & Results

VIDA's outcomes are primarily measured by higher persistence rates, graduation rates, and number of certificates awarded:

1. 85% or more of VIDA participants will graduate from an educational/training program within 3 years.
2. 80% or more of VIDA graduates will receive job placement with competitive compensation.
3. 90% or more will persist in their education from year to year.
4. 100% will attend mandatory counseling sessions to ensure program retention.

VIDA has a well-established capacity to track extensive information in a secured, comprehensive, Social Solutions database. Detailed demographic and socioeconomic characteristics are maintained and accessed on a regular basis for reporting and quality control. VIDA measures the academic progress of each participant through grade reports, case notes from the counselors and other program staff, and supportive services received - all of which are documented in Social Solutions. Participants entering employment are tracked for three years post-graduation, and their wages, positions, and employers are reported in the database.

A recent economic impact study conducted by UT - Rio Grande Valley, reports that for every \$1.00 invested in VIDA, there is a return on investment of \$14.74 to the communities we serve. Additionally, the Institute for Women's Policy Research featured VIDA in a report on innovations to address unmet needs in job training programs. The report states: "case management can have the added effect of creating a sense of accountability to the program that increases persistence and completion among trainees. Having a primary point person who participants can go to for advice, support, and to access program resources lead them to feel a greater sense of responsibility or commitment to their program...the relationships that case managers establish with participants create bonds of accountability that enhance participants' chances of success within their programs."



VIDA
Edinburg EDC Program Budget

15 Participants/Students

New Applicants; Roll-Over/Continuing Program/Graduates

Post-Secondary Occupational Training (PSOT):

Allied Health, STEM, and Specialized Trades

Associate Degrees, College/Industry Recognized Certificates, Bachelor Degrees (last 2 years only)

BUDGET ITEMS	10/01/2023 – 9/30/2024 Projected Expenditures
Training Costs Curriculum Based – Program Required Expenses South Texas College (STC); University of Texas – Rio Grande Valley (UTRGV); Texas State Technical College (TSTC); Texas Southmost College (TSC); Other • Tuition, Course Fees, Textbooks, Exams, and Licensure Fees Student Support/Direct Program Services Intensive Career Counseling & Case Management • Customized Financial Assistance for Tools, Uniforms, Transportation, Childcare, & more • Community Outreach, Profile Assessment, & Aptitude Testing • Peer Learning, Effective Studying Skills, & Test Taking Strategies • Soft Skills Training: Guest Speaker Forums, Professional Development Workshops, Financial Literacy, Domestic Violence, Legal Aid, Parental Involvement, Time Management, Stress Management, Mental Health, etc. • Employability Skills: Conflict Resolution in the Workplace, Resume Writing, Business Etiquette, & Interview Skills • Individualized Career Coaching and Academic Advisement • Individual and Group Counseling Sessions • Job Placement Services & Career Tracking 3 years post-graduation • Building Accountability - Monitoring Academic Performance and Progress for Intervention and Completion • Direct Program Related Expenses	
Sub-Total	\$ 63,750
VIDA Administrative Costs	\$ 11,250
Total Program Budget	\$ 75,000
Edinburg EDC Request	\$ 50,000
VIDA's Matching Contribution	\$ 25,000

Edinburg EDC Project Update FY 2022 - 2023

For every \$1 invested in VIDA's program, there is a return of \$14.74 to the communities we serve.

Economic Impact Study 2020 - University of Texas Rio Grande Valley, Data & Information Systems Center.

Average Salary Reported Upon Graduation: \$30,430.40 as of December 18, 2023

2022 - 2023 AT-A-Glance

49% Between Age of 25-50
 100% Unemployed, Underemployed or Low Income
 43% 1+ Dependent Child(ren) in the Household
 85% First Generation in College
Edinburg EDC Investment: \$50,000
Contractual Benchmark: 15
Total Served: 54
Persistence Rate: 100%

CREDENTIAL ANALYSIS

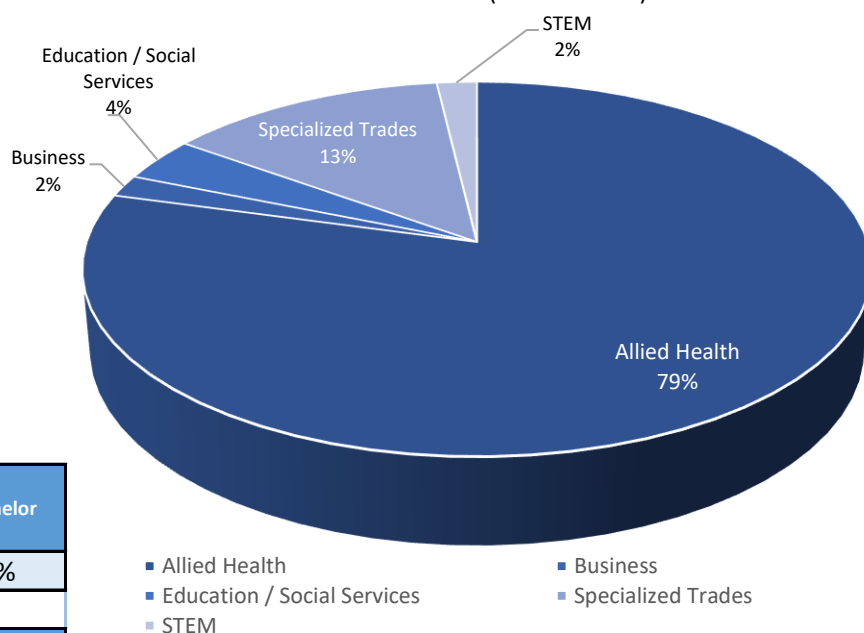
Graduates/Completers

Industry Recognized Credential	Certificate	Associate	Bachelor
57%	43%	0%	0%

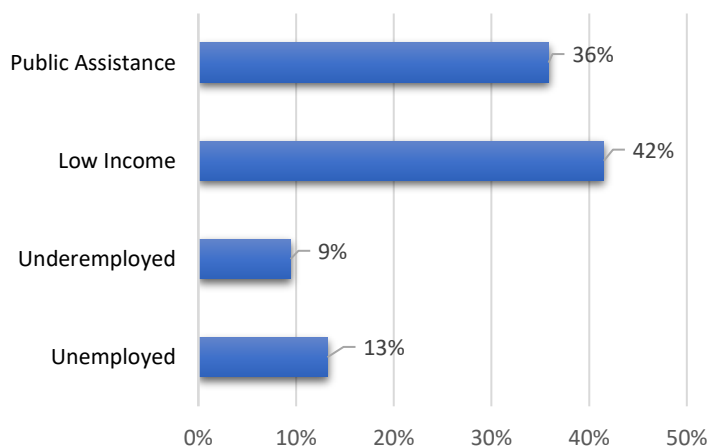
Active Students

Industry Recognized Credential	Certificate	Associate	Bachelor
7%	30%	54%	9%

PROGRAM OF STUDY (BY INDUSTRY)

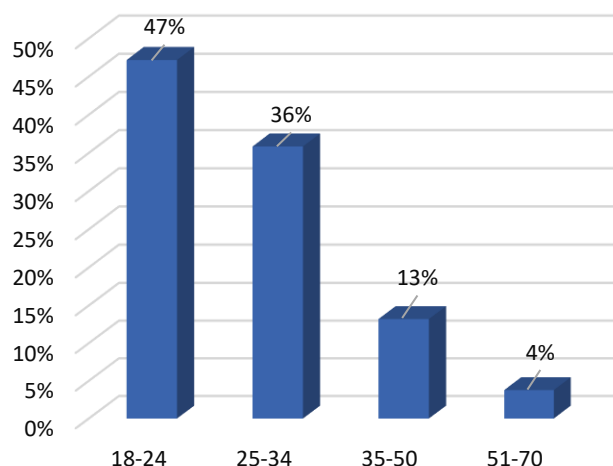


Financial Eligibility



Some participants meet more than one eligibility factor.

Participant Age



VIDA - Edinburg EDC FY2022-2023 Student Information

Valley Initiative for Development and Advancement (VIDA) will provide services to residents which will further the goals of the Edinburg EDC by attracting, retaining and developing talent that meets the needs of current industry and supports the development of future business location in the city.

Graduates with Employment ▼

First	Last	Current Address	Current City	Program of Study	Name of Employer	Current Wage	College 1	Date of Program Entry	College 1 ID #
Jose	Garza		Edinburg	Commercial Electrician	Weslaco Air Conditioning	\$12.00	RGV-LEJATC	03/13/2023	
Aaron	Lopez		Edinburg	Commercial Electrician	Zitro Electric	\$13.00	RGV-LEJATC	03/20/2023	636385316
Ethan	Martinez		Edinburg	Commercial Electrician	Superior Alarm Systems	\$10.00	RGV-LEJATC	10/03/2022	643882943
Rachel	LiVigni		Edinburg	Licensed Vocational Nurse	DHR	\$23.50	STC - South Texas College	04/01/2022	A00411136
						Average Current Wage			
						\$14.63			

Total Application Records

4

Graduates Seeking Employment ▼

First	Last	Current Address	Current City	Program of Study	College 1	Date of Program Entry	College 1 ID #
Clarissa	Vela		Edinburg	Licensed Vocational Nurse	STC - South Texas College	03/16/2023	A00438400
Crystal	Garcia		Edinburg	Licensed Vocational Nurse	STC - South Texas College	02/16/2023	A00383305
Francisco	Serna		Edinburg	Commercial Drivers Licensing - Truck Driving - 4 weeks	STC - South Texas College	01/24/2023	A00159063

Total Application Records

3

Actives ▼

First	Last	Current Address	Current City	Program of Study	College 1	Date of Program Entry	College 1 ID #
Adam	Maldonado		Edinburg	Environmental Science	UTRGV - University of Texas Rio Grande Valley	02/03/2023	20570493
Adriana	Aburto		Edinburg	Patient Care Assistant	STC - South Texas College	08/24/2023	A00639369
Amanda	Medina		Edinburg	ADN	STC - South Texas College	02/09/2023	A00377051
Angela	Gutierrez		Edinburg	BSN	UTRGV - University of Texas Rio Grande Valley	03/29/2023	20390234
Anysa	Martinez		Edinburg	ADN	STC - South Texas College	08/24/2023	A00609658
Anysa	Villarreal		Edinburg	Licensed Vocational Nurse	STC - South Texas College	08/31/2023	A00489077
Ashley	Parra		Edinburg	ADN	STC - South Texas College	08/28/2023	A00587817

First	Last	Current Address	Current City	Program of Study	College 1	Date of Program Entry	College 1 ID #
Brandy	Rodriguez		Edinburg	ADN	STC - South Texas College	08/24/2023	A00510171
Brianna	Flores		Edinburg	Surgical Technician	TSTC - Texas State Technical College	09/12/2023	1952901
Daisy	Hernandez		Edinburg	Bachelor: Organizational Leadership	STC - South Texas College	05/22/2023	A00520837
Dana	Outon		Edinburg	Respiratory TherapyCare	STC - South Texas College	02/27/2023	A00652410
Deena	Ramirez		Edinburg	Licensed Vocational Nurse	STC - South Texas College	05/11/2022	A00416407
Erica	Gaona		Edinburg	Radiology Technician	STC - South Texas College	12/06/2022	A00061509
Gehovana	Ramirez Llanes		Edinburg	Licensed Vocational Nurse	STC - South Texas College	09/10/2023	A00549878
Isaac	Gonzalez		Edinburg	Licensed Vocational Nurse	STC - South Texas College	01/11/2023	A00639799
Isamar	Lopez		Edinburg	ADN	STC - South Texas College	09/29/2023	A00329960
Jacqueline	Valdes		Edinburg	Licensed Vocational Nurse	STC - South Texas College	01/10/2023	A00397269
Jade	Perez		Edinburg	Licensed Vocational Nurse	STC - South Texas College	08/30/2023	A00405556
Jasmine	Flores		Edinburg	Diagnostic Medical Sonography	STC - South Texas College	08/28/2023	A00653799
Karina	Castillo		Edinburg	ADN	STC - South Texas College	01/30/2023	A00462261
Kassandra	Minjarez		Edinburg	Licensed Vocational Nurse	STC - South Texas College	09/27/2023	A00526909
Kassandra	Throop		Edinburg	Licensed Vocational Nurse	STC - South Texas College	11/28/2023	A00091710
Katia	De la cruz		Edinburg	Licensed Vocational Nurse	STC - South Texas College	09/27/2023	A00541481
Lorena	Tamez		Edinburg	ADN	STC - South Texas College	05/09/2022	A00008272
Lorena	Hernandez		Edinburg	Licensed Vocational Nurse	STC - South Texas College	08/30/2023	A00652869
Lyanna	Solis		Edinburg	ADN	STC - South Texas College	02/09/2022	A00330551
Marcela	Herrera		Edinburg	Respiratory TherapyCare	STC - South Texas College	09/28/2023	A00598360
Maria	Quintana		Edinburg	ADN	STC - South Texas College	11/28/2022	A00459496
Marissa	Arce		Edinburg	Licensed Vocational Nurse	STC - South Texas College	11/29/2023	A00499079
Melissa	Covarrubias		Edinburg	Radiology Technician	STC - South Texas College	11/08/2023	A00625695
Meri	Rosas		Edinburg	Teaching- Early Childhood - 6th Generalist - last 2 years of Bachelors	UTRGV - University of Texas Rio Grande Valley	02/03/2023	20015043
Michael	Maldonado		Edinburg	Diagnostic Medical Sonography	STC - South Texas College		A00207740
Miguel	Cardoza		Edinburg	Commercial Electrician - Level I	RGV-LEJATC	09/05/2023	754439619
Miranda	Puga		Edinburg	Elementary EC -6 Generalist or Teaching	STC - South Texas College	02/09/2023	A00585748
Nora	Zermeno		Edinburg	Commercial Electrician - Level I	RGV-LEJATC	08/07/2023	837017767
Pamela	Salinas		Edinburg	Licensed Vocational Nurse	STC - South Texas College	02/08/2023	A00336856
Raul	Solis		Edinburg	Radiology Technician	STC - South Texas College	08/13/2023	A00509610
Rebecca	Garza		Edinburg	ADN	STC - South Texas College	04/04/2023	A00452201
Roel	Garza		Edinburg	Respiratory TherapyCare	STC - South Texas College	10/27/2023	A00363759
Roland	Cano		Edinburg	Heating, Ventilation and Air Conditioning	STC - South Texas College	09/25/2023	A00307667
Rosa	Carranza		Edinburg	ADN	STC - South Texas College	03/18/2021	A00545137
Sheyla	Quiroz		Edinburg	ADN	STC - South Texas College	03/28/2023	A00576910
Stephanie	Lira		Edinburg	Licensed Vocational Nurse	STC - South Texas College	02/08/2023	A00462899
Venessa	Sosa		Edinburg	ADN	STC - South Texas College	07/15/2021	A00167784

First	Last	Current Address	Current City	Program of Study	College 1	Date of Program Entry	College 1 ID #
Xochitl	Rodriguez		Edinburg	ADN	STC - South Texas College	04/25/2022	A00509064
Yvette	Balderas		Edinburg	ADN	STC - South Texas College	02/27/2023	A00461724

Total Application Records

46

Actives Hold ▼

First	Last	Current Address	Current City	Program of Study	Date of Program Entry	College 1 ID #
Erica	Gaona		Edinburg	Radiology Technician	12/06/2022	A00061509

Total Application Records

1



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.A.

1. Agenda Item:

Consider Authorizing a Proposal for a Five-Year Lease Agreement for 100 EZ-GO Golf Carts from EZ-GO Division of Textron Inc. Through the OMNIA Partners, Public Sector (subsidiaries National IPA and U.S. Communities) in the Amount of \$191,172 Per Year. [Javier Garza, Director of Parks & Recreation]

2. Description:

In an effort to continue providing efficient and cost effective purchasing for the City of Edinburg, the city is a member of the following different Cooperative Purchasing Entities in the State of Texas: Houston Galveston Area Council (HGAC), Local Government Purchasing Cooperative (Buy Board), Texas Interlocal Purchasing Contract (TIPS), and the Texas Facilities Commission (TFC), OMNIA Partners, Public Sector (subsidiaries National IPA and U.S. Communities). Through the combined efforts of these cooperative entities, members comply with Texas State Procurement Statues while identifying vendors of commodities, goods and services at extremely competitive bid prices.

A total of three (3) quotes were received. EZ-GO, Club Car, and Yamaha. A review and tabulation revealed that EZ-GO as the third lowest quote who meets our specifications. The lowest bidder, Yamaha; expected golf cart delivery time is April 2025, and Club Car, expected golf cart delivery time is 8-10 months, therefore we are recommending leasing the third lowest bidder, EZ-GO.

City staff requests approval of the prosoal for a five year lease agreement for 100 EZ-GO golf carts from EZ-GO Division of Textron Inc. through the OMNIA Partners, Public Sector (subsidiaries National IPA and U.S. Communities) in the amount of \$191,172 per year or monthly payments of \$15,931. Staff has verified that no monies are owed to the City of Edinburg by EZ-GO Division of Textron Inc. and Los Lagos Golf Course Department has successfully worked with EZ-GO Division of Textron Inc. of Augusta, Georgia on a previous project.

Funding for the new 100 Electric Golf Carts for Los Lagos Golf Course in the amount of \$191,172 is available in the 2023-2024 Fiscal Year General Fund budget under Parks and Recreation Rents & Contractuals.

3. Staff's Recommendation:

Approve Authorizing a Proposal for a Five-Year Lease Agreement for 100 EZ-GO Golf Carts from EZ-GO Division of Textron Inc. Through the OMNIA Partners, Public Sector (subsidiaries National IPA and U.S. Communities) in the Amount of \$191,172 Per Year.

Reviewed by:

Javier Garza, Director of Parks and Recreation

Jesus Saenz, Assistant City Manager

Prepared by:

Lee Tamez, Administrative
Assistant

Attachments:

- A. WPQ Golf Carts1
- B. EZGO Golf Cart Proposal
- C. Yamaha Cart Proposal
- D. Club Car Golf Cart Proposal75
- E. Club Car Golf Cart Proposal25
- F. OMNIA Finance Verification
- G. New Golf Carts
- H. Golf Cart Vendor Lead Times
- I. PNC Finance Contract for EzGo

WRITTEN PRICE QUOTATION

VENDOR <u>EZGO</u> <u>MARCH/APRIL 24</u> PERSON CONTACTED: <u>EVAN HUGHES</u> AMOUNT QUOTED: <u>15,931.00 per mths</u> PHONE #: <u>512-417-9918</u> TIME/DATE: <u> AM</u> <u>PM</u>	VENDOR: <u>CLUB CAR</u> <u>24-Mar</u> PERSON CONTACTED: <u>RANDY JONES</u> AMOUNT QUOTED: <u>15,378.75 per mth</u> PHONE #: <u>682-308-9509</u> TIME/DATE: <u> AM</u> <u>PM</u>	VENDOR: <u>YAMAHA</u> <u>15 MONTHS TO DELIVER</u> PERSON CONTACTED: <u>JT CARNEY</u> AMOUNT QUOTED: <u>15,250.00 per mth</u> PHONE #: <u>678-551-0524</u> TIME/DATE: <u> AM</u> <u>PM</u>
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REQUESTED BY: Javier Garza - Director of Parks and Recreation

DATE: 10/29/2020

ITEM	QUANTITY	DESCRIPTION OF GOODS OR SERVICES
1	75	GOLF CARTS WITH LITHIUM BATTERIES 75 CARTS WITH GEOFENCING/GPS/YARDAGE 48-60 MONTH LEASE
2	25	25 GOLF CARTS WITH LITHIUM BATTERIES 48-60 MONTH LEASE

UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
GRAND TOTAL	\$191,172.00	GRAND TOTAL	\$184,545.00	GRAND TOTAL	\$183,000.00

COMMENTS We received 3 price quotes from various vendors; EZGO was the third lowest bid who meets our specifications; The EZGO quote includes a range picker cart.

*Club Cart carts are not available until 8-10 months *Yamaha carts are not available until 2025.

The Best Will Always Have Our
Name On It.



PREPARED FOR:

Los Lagos Golf Course



Partner with the Industry Leader



ELITE
LITHIUM



**ADVANCED
INTELLIBRAKE™
TECHNOLOGY**

January 4, 2024

Juan De La Cruz
Los Lagos Golf Course
1720 S RAUL LONGORIA ROAD
EDINBURG, 78539

Dear Juan De La Cruz,

E-Z-GO® is honored to prepare this exclusive proposal for Los Lagos Golf Course and its members. Since 1954, E-Z-GO has been at the forefront of innovation, reliability and service for the last 70 years. We are committed to providing our customers with vehicle solutions that exceed expectations and perform to the demands of your facilities.

E-Z-GO and Cushman® vehicles are manufactured with purpose in mind. We have taken the golf car industry by storm with technologies such as the Samsung Powered ELiTE Lithium batteries, a first-of-its-kind EX1 gas engine, and our Textron Pace systems. These technologies, paired with our reliable fleet and utility vehicle options, provide an experience refined to elevate and improve any course to a premium caliber.

The E-Z-GO and Cushman advantage goes far beyond our products. You'll gain access to a level of service and support unsurpassed in the industry, through the largest fleet of factory direct service technicians, our strong network of factory-owned branch locations and authorized distributors.

Through highly reputable regional sponsorships, professional golfers and industry partners, we are dedicated to advancing the game of golf and the industry that fuels it.

Our constant pursuit for innovation, performance and customer service elevated our name to the premium provider in the industry. We're committed to the game and will never stop looking for what's next. Never settling has put our products on the most prestigious courses and facilities in the world so if you're looking for the best, E-Z-GO and Cushman have you covered.

As you review the enclosed materials, please do not hesitate to contact me with additional questions. I look forward to hearing from you soon, and to serving you at Los Lagos Golf Course.

With sincere appreciation,

Evan Hughes
Territory Sales Mgr
ehughes@textron.com



Proposal

Los Lagos Golf Course

May 9, 2023

RXV ELITE

STANDARD FEATURES

5-YEAR BATTERY WARRANTY

ZERO MAINTENANCE BATTERIES

ADVANCED INTELLIBRAKE TECHNOLOGY

SAMSUNG SDI LITHIUM BATTERIES

UNBEATABLE ENERGY EFFICIENCY

LOWEST COST OF OPERATIONS

ACCESSORIES

2024 Model Year	100
Body Color Patriot Blue	100
Standard Seat Gray	100
Hole-in-One 18 x 8.50 - 8 (4 Ply Rated) - (Set of 4)	100
Spoke, Silver (Set of 4)	100
2.2 Single ELiTE Battery Pack	100
Light World Charger, ELiTE (3 m [10 ft] Cord)	100
Premium Steering Wheel	100
USB Port	100
Sand Bottle (Single) (Both)	200
Message Holder	100
Sun Canopy, 54" Black	100
Windshield, Fold Down	100
Custom Logo/Decals	100
Freight	100



Proposal

Los Lagos Golf Course

May 9, 2023

HAULER PRO ELITE

STANDARD FEATURES

ZERO MAINTENANCE 56V AC LITHIUM
BATTERIES

5-YEAR BATTERY WARRANTY

1,200-LB VEHICLE LOAD CAPACITY

800-LB BED LOAD CAPACITY

12-CU-FT CARGO BED

FUNCTIONAL DASHBOARD WITH
STORAGE

ACCESSORIES

Body Color Forest Green	1
Side Decals Matte Black (no decal)	1
Contoured Seat Gray	1
K500 18 x 8.5-8, 6 Ply Rated, Black Wheel	1
Two Wheel Mechanical Brakes	1
Brush Guard	1
Comfort Grip Steering Wheel with Scorecard Holder	1
Halogen Headlights	1
State of Charge Meter	1
ELiTE 6.2 Batteries	1
Charger Cord - 5M (16ft) North American (For on board charger)	1
DC Converter (30 amp)	1
World Charger, ELiTE (3 m [10 ft] Cord)	1
Plastic Bed Box (Manual Lift): 39" x 44" x 12" - 12 cu ft	1
2 in (5 cm) Receiver (Rear)	1
Ball Cage - Non ROPS	1
Easy Picker Range Picker Adapter (* Brushguard not included when adapter or ball cage is picked)	1
Freight	1



Proposal

Los Lagos Golf Course

May 9, 2023

PACE 7EX (60 MO)

STANDARD FEATURES

REAL-TIME VEHICLE DATA	AUTOMATIC SOFTWARE UPDATES	7" ULTRA-BRIGHT TOUCHSCREEN DISPLAY
ACCURATE HOLE AND YARDAGE GPS	ENHANCED HD HOLE GRAPHICS	GEOFENCING & VEHICLE ALERTS

ACCESSORIES

TruPin	1
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Proposal

Los Lagos Golf Course

May 9, 2023

RXV FREEDOM ELITE

STANDARD FEATURES

5 – YEAR BATTERY WARRANTY

ZERO MAINTENANCE BATTERIES

ADVANCED INTELLIBRAKE TECHNOLOGY

SAMSUNG SDI LITHIUM BATTERIES

UNBEATABLE ENERGY EFFICIENCY

LOWEST COST OF OPERATIONS

ACCESSORIES

2024 Model Year	100
Body Color Patriot Blue	100
Premium Seat Gray	100
205x50-10 on Machined, 10" Alloy Wheels	100
2.2 Single ELiTE Battery Pack	100
Light World Charger, ELiTE (3 m [10 ft] Cord)	100
Premium Steering Wheel	100
Headlights/Taillights/Brake Lights (LED) (Turn Signals Not Included)	100
State of Charge Meter	100
DC Converter	100
USB Port	100
Brake Lights	100
Cooler & Bracket (Driver Side)	100
Sand Bottle (Single) (Both)	200
Sand Bottle Premium Seat Bracket ()	1
Club & Ball Washer (Passenger Side)	100
Windshield, Fold Down	100
Bag Cover Kit (Black)	100
NEW Canopy Top, 2 Passenger Modular, Black	100
Custom Logo/Decals	100
PACE STEERING COLUMN MOUNTING KIT	100
Freight	100



Proposal

Los Lagos Golf Course

May 9, 2023

RXV ELITE

STANDARD FEATURES

5-YEAR BATTERY WARRANTY

ZERO MAINTENANCE BATTERIES

ADVANCED INTELLIBRAKE TECHNOLOGY

SAMSUNG SDI LITHIUM BATTERIES

UNBEATABLE ENERGY EFFICIENCY

LOWEST COST OF OPERATIONS

ACCESSORIES

2024 Model Year	100
Body Color Patriot Blue	100
Premium Seat Gray	100
Hole-in-One 18 x 8.50 - 8 (4 Ply Rated) - (Set of 4)	100
Spoke, Silver (Set of 4)	100
2.2 Single ELiTE Battery Pack	100
Light World Charger, ELiTE (3 m [10 ft] Cord)	100
Premium Steering Wheel	100
USB Port	100
Cooler & Bracket (Driver Side)	100
Sand Bottle (Single) (Both)	200
Club & Ball Washer (Passenger Side)	100
Sun Canopy, 54" Black	100
Windshield, Fold Down	100
Pace Wiring Harness Screens	100
Custom Logo/Decals	100
Freight	100



Proposal

Los Lagos Golf Course

May 9, 2023

PACE 7EX (48 MO)

STANDARD FEATURES

REAL-TIME VEHICLE DATA	AUTOMATIC SOFTWARE UPDATES	7" ULTRA-BRIGHT TOUCHSCREEN DISPLAY
ACCURATE HOLE AND YARDAGE GPS	ENHANCED HD HOLE GRAPHICS	GEOFENCING & VEHICLE ALERTS

ACCESSORIES

TruPin	1
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Proposal

Los Lagos Golf Course

May 9, 2023

FAIR MARKET VALUE LEASE

✓	YEAR	MODEL	QTY	TERM	CAR/MONTH	TOTAL MONTHLY PRICE
	2024	RXV ELITE	100	60 Month	\$130.45	\$13,044.92
	2024	Hauler Pro ELITE	1	60 Month	\$284.08	\$284.08
	2024	Pace 7EX (60 Mo)	75	60 Month	\$38.48	\$2,886.35
	2024	RXV Freedom ELITE	100	60 Month	\$165.66	\$16,566.25
	2024	RXV ELITE	100	60 Month	\$136.45	\$13,645.01
	2024	Pace 7EX (48 Mo)	75	48 Month	\$42.60	\$3,195.17
					MONTHLY AMOUNT	\$49,621.78

FAIR MARKET VALUE LEASE 2

✓	YEAR	MODEL	QTY	TERM	CAR/MONTH	TOTAL MONTHLY PRICE
	2024	RXV ELITE	100	48 Month	\$146.46	\$14,645.60
	2024	RXV Freedom ELITE	100	48 Month	\$188.94	\$18,893.70
	2024	RXV ELITE	100	48 Month	\$153.70	\$15,369.54
					MONTHLY AMOUNT	\$48,908.84

PROGRAM DETAILS

NUMBER OF PAYMENTS PER YEAR	PAYMENT MONTHS	DELIVERY	FIRST PAYMENT
12	All	3/24	4/23

CURRENT LEASE CONDITIONS

Upon acceptance of this proposal, **Los Lagos Golf Course** current lease schedule(s) **98986017-1** will be terminated after **Oct 14, 2023** payment has been made provided the lease is current and in good standing.

This last payment date is subject to change due to shifts in the delivery timeline. Unless otherwise stated, the last payment will coincide with the month of the new delivery.

SPECIAL CONSIDERATIONS

While it is our intent to honor the quoted pricing, the final pricing may change due to factors beyond the control of E-Z-GO. Final interest rates, pricing, and trade values will be determined 90 days prior to delivery. Trades must be in working condition and free from major cosmetic or mechanical damage, at time of pickup, to receive full trade value.

Based on the structure of the above proposed deal, the following documentation will be required for all deals, to establish creditworthiness:

LEASED NEEDS:

- Signed Credit Application



Proposal

Los Lagos Golf Course

May 9, 2023

- Last Two Full years of Audited Financial Statements (Income Statement, Balance Sheet)
- YTD Financial Statements (Income Statement, Balance Sheet)

CASH PURCHASE NEEDS:

- Bank Letter (Proof of Funds at 90 days prior to delivery) OR Financials (Income Statement, Balance Sheet) to establish a Credit Limit with E-Z-GO.

While it's our intent to hold this pricing, this pricing is subject to change due to factors that are beyond the control of E-Z-GO. Final interest rates, trade values, and pricing will be determined 90 days prior to delivery.

NOTE: All goods ordered in error by the Customer or goods the Customer wishes to return are subject to a restock fee. The restock fee is 3% of the original invoice value of the goods. Prices quoted above are those currently in effect and are guaranteed subject to acceptance within 30 days of the date of this proposal. Applicable state taxes, local taxes, and insurance are not included. Lease rates may change if alternate financing is required. Payment schedule(s) does not include any finance, documentation, or initiation fees that may be included with the first payment. All lease cars and trades must be in running condition and a fleet inspection will be performed prior to pick up. It is the club's responsibility to either repair damages noted or pay for the repairs to be completed. All electric cars must have a working charger. All pricing and trade values are contingent upon management approval. Any change to the accessory list must be obtained in writing at least 30 days prior to production date.

Los Lagos Golf Course

Accepted by: _____

Title: _____

Date: _____

E-Z-GO

Accepted by: _____

Title: _____

Date: _____



Limited Warranty Terms and Conditions – RXV ELiTE Fleet Vehicles

Textron Specialized Vehicles Inc. ("Company") provides that any new Model Year 2024 E-Z-GO RXV Fleet Elite electric vehicle (Vehicles factory equipped with a lithium battery pack) (the "Vehicles") and/or the battery charger for the Vehicle's lithium battery pack purchased from the Company, a Company affiliate, or an authorized Company dealer or distributor, or leased from a leasing company approved by the Company, shall be free from defects in material or workmanship under normal use and service (the "Limited Warranty"). This Limited Warranty with respect only to parts and labor is extended to the Original Retail Purchaser or the Original Retail Lessee ("Purchaser") for defects reported to the Company no later than the following warranty periods for the Vehicle parts and components set forth below (the "Warranty Period"):

Part or Component	Warranty Period
FRAME - WORKMANSHIP	LIFETIME
SUSPENSION - Steering Gearbox, steering column, shocks and leaf springs	4 Years
MAJOR ELECTRONICS – Electric motor, solid state speed controller	4 Years
LITHIUM BATTERY SYSTEM – Battery pack, battery management system, battery charger, and charger receptacle	5 Years
PEDAL GROUP - Pedal assemblies, and motor brake	4 Years
SEATS - Seat bottom, seat back and hip restraints	3 Years
CANOPY SYSTEM - Canopy and canopy struts	4 Years
POWERTRAIN – Electric axle	3 Years
BODY GROUP – Front and rear cowl, side panels and instrument panel	3 Years
OTHER ELECTRICAL COMPONENTS – Solenoid, limit switches, DC/DC converter, F&R switch, charger cord, wiring harness	3 Years
ALL REMAINING COMPONENTS - All options and accessories supplied by E-Z-GO at time of delivery, and all components not specified elsewhere	2 Years
INITIAL ADJUSTMENTS – Initial alignment, adjustments, fastener tightening	90 days
ALL PACE SCREENS supplied by Company at time of purchase	5 Years
ALL OTHER PACE COMPONENTS supplied by Company at time of purchase	3 Years

The Warranty Period for all parts and components of the Vehicle other than Lithium Batteries shall commence on the date of delivery to the Purchaser's location or the date on which the Vehicle is placed in Purchaser-requested storage. The Warranty Period for Lithium Batteries shall commence on the earliest of the following dates:

- of Vehicle delivery to the Purchaser's location,
- on which the Vehicle is placed in Purchaser-requested storage or
- that is sixty (60) days from the date of sale or lease of the Vehicle by the Company to an authorized Company dealer or distributor.

Parts repaired or replaced under this Limited Warranty are warranted for the remainder of the length of the original Warranty Period. This Limited Warranty applies only to the Purchaser and not to any subsequent purchaser or lessee without the prior written approval from the Director of the Company's Customer Care / Warranty Department.

EXCLUSIONS: Specifically **EXCLUDED** from this Limited Warranty are:

- routine maintenance items, normal wear and tear, cosmetic deterioration or electrical components damaged as a result of fluctuations in electric current;
- damage to or deterioration of a Vehicle, part or battery charger resulting from an accident or collision, or from the neglect, abuse, or inadequate maintenance of the Vehicles;
- damage resulting from installation or use of parts or accessories not approved by Company, including but not limited to subsequent failures of the Vehicle, other parts or the battery charger due to the installation and/or use of parts and accessories not approved by Company;
- warranty repairs performed by someone other than a Company branch or an authorized and qualified Dealer designee. Warranty repairs performed by someone other than a Company branch or an authorized and qualified Dealer or designee shall void the Limited Warranty;
- damage or loss resulting from acts of nature, vandalism, theft, war or other events over which Company has no control;
- any and all expenses incurred in transporting the Vehicle to and from the Company or an authorized and qualified Dealer, distributor or designee for warranty service or in performing field warranty service; and
- any and all expenses, fees or duties incurred relative to inbound freight, importation, or customs.

THIS LIMITED WARRANTY MAY BE VOIDED OR LIMITED AT THE SOLE DISCRETION OF COMPANY IF THE VEHICLE AND/OR BATTERY CHARGER:

- shows indications that routine maintenance was not performed in accordance with the Owner's Manual provided with the Vehicle, including but not limited to rotation of fleet, proper tire inflation, and lack of charging.
- shows indications that non-recommended lubricants were applied to the Vehicle and any part thereof;
- shows indications that the speed governor was adjusted or modified to permit the Vehicle to operate beyond Company specifications;
- shows indications that it has been altered or modified in any way from Company specifications, including but not limited to alterations to the speed braking system, electrical system, passenger capacity or seating;
- has been altered to be used or operated outside of Company approved applications, specified environments or performance conditions;
- is equipped with tires not expressly approved by Company for use with the Vehicles;
- lacks an adequate number of operating battery chargers, or uses unapproved battery chargers for the Vehicle or uses extension cords with battery chargers;
- shows indication that the battery charger has been modified to charged vehicles not approved for the charger;
- has electrical accessories that are not manufactured or sold by the Company for use with the Vehicle or any electrical energy consuming devices installed directly to the battery pack;
- shows indications that the battery pack was disassembled, opened, or tampered with in any way;
- shows indications that attempts may have been made to intentionally reduce the battery pack life;
- contain lithium battery packs that are not paired with the battery management system as supplied by the Company;



Storage and Operation Limitations Condition	Time Allowed
STORAGE BETWEEN CHARGE CYCLES	3 months
STORAGE BETWEEN -22°F (-30°C) AND -4°F (-20°C) STORAGE ONLY – NO CHARGING OR DISCHARGING OF BATTERY PACK	1 month
OPERATION OF VEHICLE BELOW -4°F (-20°C) OR ABOVE 140°F (60°C)	NOT ALLOWED

USE OF NON-APPROVED PARTS AND ACCESSORIES: THIS LIMITED WARRANTY SHALL NOT APPLY TO ANY PROPERTY DAMAGE OR ADDITIONAL ENERGY CONSUMPTION ARISING FROM OR RELATED TO PARTS OR ACCESSORIES NOT MANUFACTURED OR EXPRESSLY AUTHORIZED BY THE COMPANY, OR WHICH WERE NOT INSTALLED BY THE COMPANY, ITS DEALERS OR DISTRIBUTORS, INCLUDING BUT NOT LIMITED TO GPS SYSTEMS, COOLING AND HEATING SYSTEMS, COMMUNICATION SYSTEMS, INFORMATION SYSTEMS, OR OTHER FORMS OF ENERGY CONSUMING DEVICES WIRED DIRECTLY OR INDIRECTLY TO THE VEHICLE BATTERIES.

REMEDY: Purchaser's sole and exclusive remedy under this Limited Warranty in the event of a defect in material or workmanship in the Vehicle, any part or component, or battery charger during the applicable Warranty Period is that Company will, at its sole option, repair or replace any defective parts. For such warranty repairs or replacements, the Company may, at its discretion, provide factory reconditioned parts or new components from alternate suppliers. All replaced parts become the sole property of the Company. This exclusive remedy will not be deemed to have failed of its essential purpose so long as the Company has made reasonable efforts to repair or replace the defective parts.

DISCLAIMER: *THIS LIMITED WARRANTY IS THE SOLE AND EXCLUSIVE WARRANTY PROVIDED FOR THE VEHICLES AND BATTERY CHARGER AND IS MADE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL SUCH OTHER WARRANTIES BEING EXPLICITLY DISCLAIMED.*

LIABILITY LIMITATIONS: IN NO CASE SHALL THE COMPANY BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO DEATH, PERSONAL INJURY OR PROPERTY DAMAGE ARISING FROM OR RELATED TO ANY ALLEGED FAILURE IN A VEHICLE OR BATTERY CHARGER, OR ANY DAMAGE OR LOSS TO THE PURCHASER OR ANY THIRD PARTY FOR LOST TIME, INCONVENIENCE OR ANY ECONOMIC LOSS, WHETHER OR NOT THE COMPANY WAS APPRISED OF THE FORSEEABILITY OF SUCH DAMAGES OR LOSSES. ANY LEGAL CLAIM OR ACTION ARISING THAT ALLEGES BREACH OF WARRANTY MUST BE BROUGHT WITHIN THREE (3) MONTHS FROM THE DATE THE WARRANTY CLAIM ARISES. THIS LIMITED WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS AND YOU MAY HAVE OTHER RIGHTS WHICH VARY FROM STATE TO STATE. SOME STATES DO NOT ALLOW THE EXCLUSION OF INCIDENTAL DAMAGES OR LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY MAY LAST, SO THE ABOVE EXCLUSIONS AND LIMITATIONS MAY NOT APPLY TO YOU

WARNING: ANY MODIFICATION OR CHANGE TO THE VEHICLE OR BATTERY CHARGER WHICH ALTERS THE WEIGHT DISTRIBUTION OR STABILITY OF THE VEHICLE, INCREASES THE VEHICLE'S SPEED, OR ALTERS THE OUTPUT OF THE BATTERY CHARGER BEYOND FACTORY SPECIFICATIONS, CAN RESULT IN PROPERTY DAMAGE, PERSONAL INJURY OR DEATH. DONOTMAKEANYSUCHMODIFICATIONSORCHANGES. SUCH MODIFICATIONS OR CHANGES WILL VOID THIS LIMITED WARRANTY. THE COMPANY DISCLAIMS RESPONSIBILITY FOR ANY SUCH MODIFICATIONS, CHANGES OR ALTERATIONS WHICH WOULD ADVERSELY IMPACT THE SAFE OPERATION OF THE VEHICLE OR BATTERY CHARGER.

LITHIUM BATTERY WARRANTY LIMITATIONS, CONDITIONS AND EXCEPTIONS:

- Claims for battery replacement require specific testing, as specified by Company's Customer Care / Warranty Department. The Company, or an authorized Company dealer or distributor, should be contacted to obtain a copy of the required tests.
- **IF IT IS DETERMINED THAT PARTS OR ACCESSORIES WERE INSTALLED DIRECTLY TO THE VEHICLE'S BATTERY PACK WITHOUT THE COMPANY'S**

EXPRESS WRITTEN APPROVAL, THEN THE WARRANTY FOR THE BATTERY PACK AND THE BATTERY MANAGEMENT SYSTEM SHALL BE VOID.

- **ALL NON-FACTORY INSTALLED ACCESSORIES REQUIRE THE INSTALLATION AND USE OF A COMPANY APPROVED DC TO DC CONVERTER THAT USES ENERGY FROM ALL BATTERIES.**
- **Electric Vehicle storage facilities must provide the following:**
 - ample electrical power to charge all Vehicles and allow the charger to shut off automatically;
 - battery chargers must each have an independent dedicated 15 amp circuit;
 - each battery charger must be connected to its circuit with at minimum a NEMA 15-5R three-pin receptacle;
 - one (1) functional charger for each Vehicle in the fleet with a proper electrical supply as specified above; and
 - BATTERY CHARGERS MUST BE THE COMPANY APPROVED CHARGERS FOR LITHIUM BATTERY PACK VEHICLES.

OTHER COMPANY RIGHTS:

- Company may perform semi-annual vehicle inspections (directly or through assigned Company representatives) through the term of any fleet lease.
- Company may improve, modify or change the design of any Company vehicle, part or battery charger without being responsible to modify previously manufactured vehicles, parts or battery chargers.
- Company may audit and inspect the Purchaser's facility, maintenance records and its Vehicles prior to approving any warranty claim; furthermore, Company may use a third party to perform such audit or inspection of the Purchaser's storage facilities, and/or batteries.
- THE WARRANTY FOR ALL VEHICLES IN A FLEET SHALL BE VOIDED IF DATA SUBMITTED FOR AN INDIVIDUAL VEHICLE WARRANTY CLAIM CONTAINS FALSE OR MISLEADING INFORMATION.

AUTHORITY: No Company employee, dealer, distributor or representative, or any other person, has any authority to bind Company to any modifications of the terms and conditions of this Limited Warranty without the express written approval from the Director of the Company's Customer Care / Warranty Department

FOR FURTHER INFORMATION, CALL 1-800-774-3946, GO TO TSV.COM, OR WRITE TO TEXTRON SPECIALIZED VEHICLES INC., ATTENTION: TSV CUSTOMER CARE / WARRANTY DEPARTMENT, 1451 MARVIN GRIFFIN ROAD, AUGUSTA, GEORGIA 30906 USA.

TSV P/N 657284G24





Golf Car

PROPOSAL EXPRESSLY PREPARED FOR

THE CITY OF
Edinburg



PROUDLY PRESENTED BY

JT Carney
District Sales Manager

DRIVE^E



Wednesday January 3, 2024

Juan De La Cruz
City of Edinburg
1720 S Raul Longoria Rd
Edinburg, TX 78539

On behalf of the entire team at Yamaha Golf-Car Company, I would like to express my most sincere gratitude for the opportunity to submit this proposal for a new fleet of Yamaha golf cars at the City of Edinburg golf courses. Consistently ranked among the most beloved and recognized brands in the world, Yamaha prides itself on providing superior engineering and efficiency in its vehicles, and our quality and image align seamlessly with that of your fine facility. We simply believe Yamaha will be the easiest and best decision you ever make.

Since the launch of 'The Drive' model golf car in late 2006, Yamaha has been on a steady climb to the top of the industry, gaining more than 15% market share over that span. The legacy and growth continues with the Drive² and UMAX, evolutions which maintained all the popular features of previous models while enhancing golfer comfort and connectivity and lowering the cost of ownership for your facility.

- Industry - Leading Factory Direct Fleet Service
- Classy Body Styling & Premium Accessories
- Ergonomic Engineering that Emphasizes Player Comfort and Functionality
- Lowest-Maintenance and Cost of Ownership Golf Car in the Industry

Our primary goal at Yamaha is to look out for the best interests of your Club while maintaining your out-of-pocket maintenance costs and eliminating down time. I want to emphasize how confident we are you and your members' needs and expectations will be met and far exceeded with our world class vehicles and the personal touch of excellence from our Industry-Leading Service.

In closing, please know that Yamaha is not only committed to earning your trust and your business on this deal, but building a long-term partnership as your golf car and utility fleet provider for years to come.

Most sincere regards,

A handwritten signature in cursive script that reads "John T. Carney".

JT Carney
District Sales Manager
(678) 551-0524
JT_Carney@Yamaha-motor.com



The Yamaha Story

OUR CARS

The best fleet and utility cars in the industry and the only company with four fleet options:

Drive² PowerTech AC Lithium

Drive² AC Electric (Lithium battery option available)

Drive² EFI, Golf Digest Editors' Choice Award for Best Gas Golf Car

Drive² QuieTech EFI, an Industry First

OUR STATS

3,238+ Courses have switched to Yamaha in the past 13 years

1 Rated in Satisfaction, Customer Support, and Reliability *

97% Brand Loyalty **

94% Customer Retention Rate

OUR AFFORDABLE GPS SOLUTION

Track and control your fleet.

Drive Profits. Reduce Costs.

Work Smarter.

* Golf Car Attitudes and Perceptions Research Study Published by NGF, 2015.

** Golf Car Fleet Study Published by Golf DataTech, LLC., 2015.

YGC funded the research studies conducted by NGF and Golf DataTech, LLC.



Company Profile

Yamaha Golf-Car Company (YGC) is a for-profit subsidiary of Yamaha Motor Corporation, USA. We are an American company with nearly 1,700 American employees between our factory in Newnan, GA and our Southeastern Headquarters in Kennesaw, GA.

For more information, please visit us on the web at:
www.yamahagolfcar.com

Our Team

President: Stephen Donnell

Division Manager, Fleet Sales & Marketing: Kevin Norcross, PGA

Regional Sales Manager: Craig Sanford

District Sales Manager: JT Carney

Inside Sales Manager: Danielle Jones

Factory Service Provider: Ben Brace

Manufacturing Facility

Yamaha Motor Manufacturing Corporation
1000 GA Hwy. 34 East
Newnan, GA 30265

Corporate Headquarters

Yamaha Golf-Car Company
1270 Chastain Rd. NW
Kennesaw, GA 30144

Parent Corporation

Yamaha Motor Corporation U.S.A. (YMUS)
1270 Chastain Rd. NW
Kennesaw, GA 30144

Captive Finance Company

Yamaha Motor Finance Corporation (YMFUS)
6555 Katella Ave.
Cypress, CA 90630





Important Links

Yamaha Golf-Car Company Website:

<https://www.yamahagolfcar.com>

Yamaha Golf-Car Company Social Media Outlets:

Facebook: <https://www.facebook.com/YamahaGolfCarCompany>

Twitter: <https://twitter.com/yamahagolfcars>

YouTube https://www.youtube.com/channel/UC3Znm5q_y-eavvxTM8uprQg

Instagram: <https://instagram.com/yamahagolfcar>

Google + <https://plus.google.com/+Yamahagolfcarcompany>



Listing of our Video Testimonials:

<https://www.yamahagolfcar.com/testimonials/>

2017 Drive2 Launch Video:

<https://www.youtube.com/watch?v=45RaUUgUqnY&t=40s>

2018 UMAX Utility Launch Video:

https://www.youtube.com/watch?v=6M9HE_K5Q0E

2022 Drive2 Lithium Launch Video:

https://www.youtube.com/watch?v=M_Ps6nlxBEg



Our Partners

Official Golf Car:  **NGCOA**

Affiliate Member:  **CLUB
MANAGERS
ASSOCIATION
OF AMERICA**

Silver Sponsor: 

Member:  **INTERNATIONAL
LIGHT TRANSPORTATION
VEHICLE ASSOCIATION®**

Section Sponsor:

- Alabama - NW Florida Section, PGA
- Carolinas Section, PGA
- Georgia Section, PGA
- Gulf States Section, PGA
- New England Section, PGA
- North Texas Section, PGA
- Northern California Section, PGA
- Southern California Section, PGA
- South Central Section, PGA
- South Florida Section, PGA
- South Texas Section, PGA
- Tennessee Section, PGA

Great Incentives When You Convert or Renew Your Golf Car Fleet



Yamaha is the “Official Golf Car Partner” of the National Golf Course Owners Association.

NGCOA members receive valuable incentives, including rebates, on Yamaha’s golf car and utility vehicle purchases and leases.

You’ll appreciate Yamaha’s technical **innovation and advancements**—including the YamaTrack GPS fleet management utility—and will find satisfaction and value in Yamaha’s **superior customer service**.

ALREADY AN NGCOA MEMBER?

- **Convert** your fleet to Yamaha golf cars and receive a \$50 rebate per golf car*
- OR
- **Renew** your current Yamaha contract and receive one FREE registration for NGCOA’s Golf Business Conference—an \$800 value

NOT YET AN NGCOA MEMBER?

- **Convert** your fleet to Yamaha golf cars and receive one year of NGCOA membership FREE, and one FREE registration for NGCOA’s Golf Business Conference—a combined \$1,250+ value
- OR
- **Renew** your current Yamaha contract and receive one year of NGCOA membership FREE— a \$450+ value

Learn more about the benefits of membership at www.ngcoa.org/membership/join, and contact Sherea Malcolm, Assistant Director of Membership, at smalcolm@ngcoa.org or 302-399-1652 with any questions.

NGCOA members who **joined prior to 03/31/18** receive the rebate payment following the **Yamaha contract date**.
 After 04/01/18, new NGCOA members joining with a **1-year membership** receive the rebate payment following their **2nd year renewal**.
 After 04/01/18, new NGCOA members joining with a **2-year membership** receive the rebate payment following the **Yamaha contract date**.
 *Rebates are processed quarterly.



Proposed Equipment and Accessories

2025 Yamaha Drive² AC Lithium (Fleet) Golf Car

Standard Vehicle Equipment

Description

RoyPow Lithium Battery, optimized by Yamaha
48-volt AC Motor with Toyota Industries-built controller
Cradle-Smooth Rear Suspension
TruTrack II Fully-Independent, Automotive-Style Front Suspension
HybriCore Chassis
Removable Modular Body Panels
Sentry Wraparound Protection System w/ 5 MPH-Rated Bumper
Rack-and-Pinion Steering and Drum Brakes
Enhanced Automotive-Style Dash
ClimaGuard Top with Dual Rain Gutters



Description

(2) Single Sand Bottle w/ Handle
Custom Club Logo on Front of Car
Polycarbonate Clear, Hinged Windshield
Color-Matched Custom Number Decals (2 per car)
Wheel Covers (4)
USB Charging Ports
Clip-On Information Holder
On-Board Towing Systems



DRIVE²



ROYPOW LITHIUM-ION BATTERY

WE THINK OF EVERYTHING SO YOU DON'T HAVE TO

Yamaha is known for offering the strongest product line in the world, and with our Drive² PowerTech Li golf car, it is no different. We engineered and optimized every last detail while creating an ideal balance between efficiency and driving comfort.

STILL THE MOST COMFORTABLE RIDE

The lithium-ion battery is considerably lighter than its FLA counterpart. To ensure we maintained the smoothest, most comfortable ride Yamaha customers have come to expect, our engineers optimized the car design to accommodate for this change. But don't worry, nothing was compromised — only perfected.

WE MADE A GREAT BATTERY BETTER

Our lithium-ion battery was manufactured by RoyPow® and optimized by Yamaha to ensure the integrity and quality you demand. This battery is not a basic, off-the-shelf product. We've taken the time to engineer better overall performance for your long-term peace of mind.



THIS IS HOW WE STACK UP AGAINST THE REST



Feature	Drive ² PowerTech Li	Onward HP Li-Ion	FREEDOM RXV
Battery Mile Range: Flat	38.0 miles	20.3 miles	TBD
Battery Mile Range: Test Track	21.0 miles	12.2 miles	TBD
Charge Time	6.8 Hours (including burn off time)	4.68 Ah/min	5.76 Ah/min
Power Output	870W charger output	784W charger output	650W charger output
Amp Hours	105 Ah	60 Ah	60 Ah
Battery Voltage	51V	58V	56V
Battery Chemistry	Lithium Iron Phosphate	Nickel Manganese Cobalt-Oxide	Nickel Manganese Cobalt-Oxide
Charge Temperature	0~55°C (32~131°F)	-5~55°C (23~131°F)	-5~55°C (23~131°F)
Horsepower	4.4 Hp	3.3 Hp	4.4 Hp
Battery Life	8 years	8 years	TBD
Efficiency Usage after 36 holes	33Ah(67Ah rem)	TBD	31Ah(19Ah rem, higher regen)
Soil Compaction	13.6% less (74.5N/in ² vs 86.2N/in ²)	TBD	TBD but has LSD
Vehicle Weight Fleet	772 lbs	717 lbs	662 lbs
Independent Rear Suspension	Yes	No	No

Vehicle specifications are subject to change.

Drive² Fleet Color Options



YAMATRACK

BACK OFFICE

- Sell and upload custom on-screen advertising to increase course revenue.
- Check car amp hours and battery levels instantly to improve fleet rotation and optimize battery life.
- Monitor the pace of play to maximize rounds and enhance the player experience.
- View your course map to see where cars currently are or view their location history.
- Utilize GPS geo-fencing to keep cars out of sensitive areas around the golf course.
- Use the overnight lockdown feature to secure your cars and avoid losses.
- Generate custom reports to help you make informed decisions about your golf operation.
- Send messages directly to cars while they are on the course to ensure timely communication and player safety.



PLAYER APP

If you have a Yamaha fleet, then we've already built your mobile app for you. Activating the app for your course is easy and convenient, and the mobile-based software allows your players to navigate their round no matter where they are on the course or in the game. The YamaTrack Player App assures players that support is just around the corner, so they can spend more energy on their game.

- Customize your course's mobile player app to include your club logo and food & beverage menu.





4-Year Limited Warranty for Drive² Golf Car

Yamaha Golf-Car Company hereby warrants that any new Yamaha DRIVE² Gas or DRIVE² Electric Fleet golf car purchased from Yamaha, or an Authorized Dealer or Distributor in the United States will be free from defects in material and workmanship for FOUR years from date of purchase, subject to the stated limitations. DURING THE PERIOD OF WARRANTY, any authorized Yamaha golf car service technician, dealer, or distributor will, free of charge, repair or replace, at Yamaha's option, any part adjudged defective by Yamaha due to faulty workmanship or material from the factory. Parts used in warranty repairs will be warranted for the balance of the vehicle's warranty period. All parts replaced under warranty become property of Yamaha Golf-Car Company.

Car Components	Warranty Period	Electric Car Specific Parts	Warranty Period
Frame	Limited Lifetime to Original Owner	Battery - Trojan T875 FLA	4 Years or 23,500 amp hours whichever comes first / without HydroLink Watering System
Transaxle	4 Years		4 Years or 25,000 amp hours whichever comes first / with HydroLink Watering System <i>*See Trojan Warranty Statement for details</i>
Steering / Suspension Components	4 Years	Battery - Trojan T875 AGM	5 Years or 50,000 amp hours whichever comes first
Brakes (Excluding Shoes / Pads)	4 Years		<i>*See Trojan Warranty Statement for details</i>
Sun Top	4 Years	RoyPow® Lithium-Ion Battery	5 Years or 97,000 amp hours whichever comes first <i>*See RoyPow Battery Warranty Statement for details</i>
Electrical Wires, Switches, and Relays	3 Years	Battery Charger and Cord	4 Years
Pedal Assy	3 Years	Electric Motor and Controller	4 Years
Body Parts	3 Years	Charger Receptacle	4 Years
Bumpers / Bag Carrier	3 Years	Throttle Position Sensor	2 Years
Seats	2 Years	Gas Car Specific Parts	Warranty Period
Scorecard Holder	2 Years	Gas Engine	4 Years
Floor Mats	2 Years	Starter Generator	4 Years
Common Accessories	Warranty Period	Exhaust / Intake	4 Years
Genuine Yamaha Fleet Accessories	3 years* <i>*Refer to the Accessory Warranty Statement for details</i>	Clutch (Excluding Drive Belt)	4 Years
		Throttle / Control Cables	3 Years
		Starting Battery	1 Year
		All Remaining Parts	1 Year

EXCLUSIONS from this Warranty shall include any failures caused by:

- Abnormal strain, neglect, or abuse, including lack of proper maintenance, and use contrary to the Owner's/Operator's Manual instructions.
- Accident or collision damage.
- Installation of parts or accessories that are not original equipment.
- Fading, rust, or deterioration due to exposure or ordinary wear and tear.
- Modifications or alterations that affect the car's condition, operation, performance, or durability.
- Damage due to improper transportation.
- Acts of God, i.e. lightning, hail damage, flooding, fire, etc.

This Limited Warranty does not cover any parts replaced due to normal wear or routine maintenance, including oil and air filter elements, brake shoes, tire wear, spark plugs, starter and clutch drive belts. Any charges incurred in transporting a golf car or charger to and from an authorized Yamaha golf car dealer for service or in performing field service are also excluded from this warranty. Gasoline-powered golf car starting batteries on vehicles equipped with a golf course GPS device, or any other device with a parasitic current draw, unless the vehicle is equipped from the factory with an optional deep cycle starting battery, are also excluded from this warranty.

THE CUSTOMER'S RESPONSIBILITY under this warranty shall be to:

- Operate and Maintain the golf car, personal transportation vehicle (PTV), or commercial (Utility) vehicle as specified in the appropriate Owner's/Operator's manual, and
- Give notice to an authorized Yamaha Golf car dealer/distributor of all apparent defects within ten (10) days of discovery, and make the car available at that time for inspection and repairs at the dealer's/distributor's place of business, and
- Transport the car to and from an authorized dealer or distributor for warranty service.

EMISSION CONTROL SYSTEM WARRANTY (USA only): Yamaha Golf-Car Company also warrants to the ultimate purchaser of each gas-powered golf car covered by this warranty that the product is designed, built, and equipped so as to conform at the time of sale with all U.S. emission standards applicable at the time of manufacture and that it is free from defects in materials and workmanship which would cause it not to meet these standards within the same time period described in THE PERIOD OF WARRANTY above, or a minimum of two years, whichever is longer. Failures other than those resulting from defects in material or workmanship which arise solely as a result of owner abuse and/or lack of proper maintenance are not covered by this warranty.

Yamaha Golf-Car Company makes no other warranty of any kind, expressed or implied. All implied warranties of merchantability and fitness of merchantability and fitness for a particular purpose which exceed the obligations and time limits stated in this warranty are hereby disclaimed by Yamaha Golf-Car Company and excluded from this Warranty.

Some states do not allow limitations on how long implied warranty lasts, so the above limitation may not apply to you. Also excluded from this Warranty is any incidental or consequential damages including loss of use. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above exclusion may not apply to you. This Warranty give you specific legal rights, and you may also have other rights, which vary from state to state.

EFFECTIVE DATE: 09/01/21

I have read and agree to the above conditions set forth in the Golf-Car Warranty _____ (Initial)



5-YEAR LIMITED WARRANTY FOR ROYPOW® BRAND BATTERY SYSTEM WHEN CHARGED WITH A YAMAHA PROVIDED 48-VOLT CHARGER

Yamaha Golf-Car Company (herein referred to as "YGC") hereby warrants to the Original Retail Purchaser or Lessee of a Yamaha Drive2 Golf car, PTV, Mul^{ti} passenger, or Util^{ity} car purchased from Yamaha, or an Authorized Dealer or Distributor in the United States, that the RoyPow® brand batteries charged with a Yamaha provided battery charger will be free from defects in materials and workmanship, and will provide "36-hole performance" as follows:

- 5-years or 97,000 amp-hours, whichever comes first, with S51105PC battery system

WARRANTY LIMITATIONS

Yamaha Golf-Car Company's and RoyPow Technology Company Limited's limit of liability shall be to replace a defective battery. Replacement shall mean furnishing a new battery or used battery with sufficient life to complete the remainder of the warranty term, at no cost to the purchaser during the limited warranty period, except for labor or transportation expenses. The following conditions apply.

- Amp-hours will be determined either through the PC Genius controller or through other means necessary in the event of a controller failure or replacement.
- This warranty only applies to factory installed RoyPow® battery charged with a Yamaha provided battery charger.
- The customer must perform (or have a contracted Yamaha Dealer perform) all periodic maintenance and discharge testing as specified in the Yamaha Service Manual Maintenance Schedule. No labor or transportation expenses are included in this limited warranty. Maintenance records must be kept.
- YGC supplied or approved replacement batteries may be of a different brand or capacity, but are warranted to provide 36-hole performance for the remainder of the original warranty term.
- "36-hole performance" is defined as 83-minutes (@ 56 amp draw) discharge time as tested and recorded using a Lester model #17770 discharge machine at an ambient temperature 80 degrees F (27 degrees C).
- The customer must notify the Dealer within 10 days that a vehicle has failed to make 36 holes per day. YGC reserves the right to test and recharge any battery in question.

ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL BE VOID AND EXCLUDED SUBSEQUENT TO ONE YEAR FROM THE DATE OF PURCHASE. THE REPLACEMENT OF THE BATTERY IS THE EXCLUSIVE REMEDY UNDER THIS WRITTEN WARRANTY OR ANY IMPLIED WARRANTY. YAMAHA MAKES NO OTHER REPRESENTATION OR WARRANTY OF ANY KIND, AND NO REPRESENTATIVE, EMPLOYEE, DISTRIBUTOR OR DEALER OF YAMAHA HAS THE AUTHORITY TO MAKE OR IMPLY ANY REPRESENTATION, PROMISE OR AGREEMENT WHICH IN ANY WAY VARIES THE TERMS OF THIS WARRANTY.

LIMITED WARRANTY EXCLUSIONS:

Without limiting the generality of the foregoing in any way, and as part of its limited warranty exclusion, YAMAHA does not warrant that its battery is suitable for use in any application other than in a golf car or utility vehicle. As in the use of any battery, a prudent owner will read and study the charger owner's manual, the vehicle owner's manual, the operator's instructions, and the battery warning labels; and will exercise due care in working on or around batteries.

THE PROVISIONS OF THIS LIMITED WARRANTY SHALL NOT APPLY IF BATTERIES ARE SUBJECTED TO ANY OF THE FOLLOWING CONDITIONS:

- Batteries subjected to any parasitic load while in storage or transit.
- Batteries operated with accessory loads in excess of 8AH draw.
- Abuse or neglect such as loose or defective wiring, rusted or corroded hardware.
- Lack of proper maintenance as outlined in the electric vehicle Owner's / Operator's Manual. For example, improper charging procedures during long term storage.
- Damage caused by improper removal or installation of the battery.
- Neglect, breakage, freezing, fire, explosion, wreckage, impact, the addition of any chemical, or the operation of the battery in an uncharged condition (below half-charge).
- Battery charged by systems other than the original equipment type battery charger.
- On fleet golf cars, the use of any non-YAMAHA supplied electrical devices that consume more than one amp-hour per round or two amp-hours per day of battery energy. Examples of these devices include, but are not limited to: heating or cooling systems; GPS (global position system) devices; information gathering devices; lights; radios or stereos; or yardage measuring devices.
- Less than one charger per car or inadequate facility electrical power to power all chargers. Examples include more than one charger on a single circuit, circuit rating of less than 15 amps, or not enough circuits for the number of cars.
- In fleet applications, less than one battery charger per vehicle. For example, using only 10 battery chargers to charge a 15 car fleet.
- The use of any system that does not allow the battery chargers to shut off automatically. For example, timer systems that are designed to switch battery charger AC power on and off during peak demand hours.
- Damage not resulting from a defect in materials or workmanship or which occurs due to abuse or neglect (including failure to provide reasonable and necessary maintenance), accident, alteration or acts of God is excluded from this limited warranty.

THIS BATTERY IS INTENDED TO BE USED BY PERSONS WITH TRAINING AND EXPERIENCE WITH BATTERIES AND ONLY IN YAMAHA ELECTRIC VEHICLES. ANY OTHER USE RENDERS THE LIMITED WARRANTIES EXPRESSED HEREIN AND ALL IMPLIED WARRANTIES NULL AND VOID AND SAME ARE HEREBY EXCLUDED.

ALSO EXCLUDED FROM THIS LIMITED WARRANTY ARE ANY AND ALL INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OR REVENUE, LOSS OF TIME, INCONVENIENCE OR ANY OTHER ECONOMIC LOSS.

Some states do not allow limitation on the duration of an implied warranty, exclusions or limitations of incidental or consequential damages. Therefore, the above limitations or exclusions may not apply to you. This warranty gives you specific legal rights, and you may also have other rights, which vary state to state.

EFFECTIVE DATE: 09/01/21

I have read and agree to the above conditions set forth in the Golf-Car Warranty _____ (Initial)



Service Details

Yamaha Golf-Car Company's factory-supported service is the clear leader in the industry. Factory-supported dealers' and technicians' vehicles are fully equipped with the parts and tools necessary to provide on-site repairs and get your golf car back out on the course in the event that it should become disabled. Our service providers are trained extensively on the mechanical aspects of Yamaha golf cars and are routinely re-trained throughout the course of their tenure. The timely response and attentive manner of our service providers are two key factors in the success and customer satisfaction that we have been able to achieve at Yamaha.

The service provider for City of Edinburg is Ben Brace. Ben has been with Yamaha for many years and has received countless positive reviews from the customers they service. Their goal is to be your partner and look out for the best interests of your fleet and your Club, while minimizing your down time. For your convenience, Ben's contact information is listed below.

Please refer to your owner's manual for maintenance requirements and recommended service intervals. For further reference, a quick service check guide is included on the following page with tips to ensure your fleet runs as expected.

Factory Service Provider

Ben Brace

470-591-9441

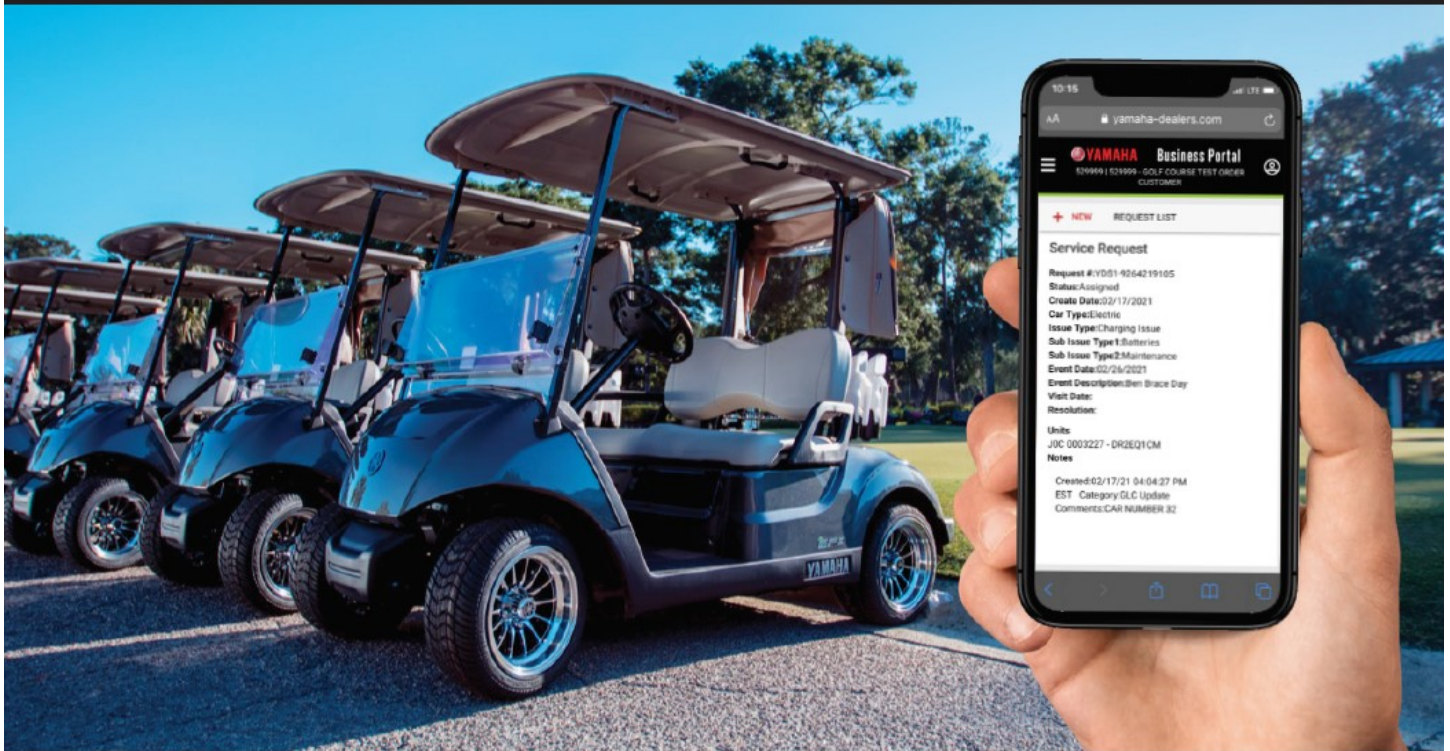
Ben_Brace@yamaha-motor.com





WELCOME TO SOS

THE SERVICE OPERATIONS SYSTEM FROM YAMAHA



TAKE COMMAND OF YOUR FLEET FROM YOUR COMPUTER OR SMARTPHONE.
SOS OFFERS A NEW LEVEL OF TRANSPARENCY, ACCOUNTABILITY AND CONVENIENCE.

- **REQUEST** repairs quickly and easily
- **PLAN** for scheduled maintenance
- **TRACK** the status of every car throughout the entire service cycle

With the portability of SOS, you can see and track the status of your service request no matter where you are – from home, the office, the course or the cart barn. That means less hassle, more profit potential and total peace of mind.



Simply scan the QR code with your phone to watch our video tutorial. More complete fleet management is just minutes away.



YamahaGolfCar.com | (866) 747-4027 |     



Equipment Maintenance Schedule

While Yamaha Golf-Car Company maintains a network of reliable service providers that are willing and able to assist you at any time, the following are best practices that will ensure that your golf car fleet stays in optimum working condition, cutting down on the need of service assistance:

Daily Safety Checklist:

- Visually inspect all equipment for damage. Be sure all nuts, bolts, and screws are tight.
- Insure that all warning and instruction labels are on equipment and in good condition.
- Check equipment for proper and safe operation.
- Maintain a proper tire pressure of 18 psi for gas cars, and 22 psi for electric cars.
- Check drive unit, transmission, engine, and fuel system (gasoline equipment) for leaks.

Daily Performance Inspection:

- *Forward/Reverse Switch:* Check for proper operation.
- *Brakes:* Be sure brakes function properly.
- *Parking Brake:* When latched, the parking brake should lock the wheels and hold the vehicle stationary.
- *Reverse Buzzer:* The reverse buzzer will sound as a warning when the forward/reverse handle or switch is in the reverse position.

Daily Maintenance:

- Remove trash from bag well, floorboard, dash compartment, and drink holders.
- Wash exterior of equipment, including seats and bag well. Do not pressure wash.
- Wash engine compartment. Avoid all electrical components and connections. Do not pressure wash.
- Keep equipment clean with damp cloth.
- Change or repair flat tires.
- *Fuel:* Check fuel level.
- *Engine:* Check for proper engine oil level.
- *Battery:* Check battery post; wires should be tight and free of corrosion, and battery should be fully charged.

Monthly Maintenance:

- *Engine:* Check engine cooling air intake; clean if necessary. Visually inspect the unshrouded area around the engine exhaust for grass and debris; clean if necessary.
- *Tires:* Check air pressure and adjust as necessary.

I have read and understand the above Equipment Maintenance Schedule _____ (Initial)



Terms and Conditions for Returning Vehicles or Trades

Sole Responsibility, if applicable:

City of Edinburg agrees to accept sole responsibility for any loss or damage to its returned cars beyond ordinary wear due to normal use. The returned cars must meet the following conditions:

- 1.) All cars must be free of all liens and encumbrances.
- 2.) All cars must be capable of running at least nine (9) holes of golf.
- 3.) All cars must be the same quantity and year model as originally evaluated.
- 4.) All cars must be clean, and free of trash, scorecards, pencils, tees, etc.
- 5.) All cars must have a working charger.
- 6.) All cars must have four (4) serviceable tires that retain proper air pressure.
- 7.) All cars must steer properly in all directions.
- 8.) All batteries must be free of corrosion, and properly filled with water.

Furthermore, City of Edinburg understands and agrees to further charges being assessed if the below conditions are found upon Yamaha Golf-Car Company's inspection of the returned cars:

- 1.) Severely damaged or missing chargers
- 2.) Inoperable cars
- 3.) Minor damage (damage to bodies, bumpers, or seats)
- 4.) Major damage (frame damage, wrecked cars, etc.)

I have read and agree to the above terms and conditions for returning vehicles and/or trades

_____ (Initial)



References

Local Yamaha Customers

- | | |
|---|----------------------------------|
| 1) Black Jack's Crossing, Lajitas, TX (Li) | Matt Rippy, PGA, (432) 424-5080 |
| 2) Westwood Golf Club, Houston, TX (Li) | Ricky Lyons, PGA, (713) 774-3011 |
| 3) Northgate Country Club, Houston, TX (Li) | Jeremy Ice, PGA, (281) 440-1223 |
| 4) Tierra Santa Golf Club, Weslaco, TX | Adrian Livas, (956) 973-1811 |
| 5) Champion Lakes, McAllen, TX | Carlos Espinoza, (956) 681-3444 |

Regional Yamaha Customers

- 1) Preston Trail Golf Club, Dallas, Texas
- 2) Ridgewood Country Club, Waco, Texas
- 3) Crown Colony Country Club, Lufkin, Texas
- 4) Chattanooga Golf & Country Club, Chattanooga, Tennessee
- 5) Ballantrae Golf Course, Pelham, Alabama

National Yamaha Customers

- 1) Pine Needles, Pinehurst, North Carolina
#12 on *Golf Digest* "Top 100 Courses in the U.S.A."
- 2) Cog Hill, Lemont, Illinois
#51 on *Golf Digest* "Top 100 Public Courses in the U.S.A."
- 3) PGA West, La Quinta, California
Stadium Course - #4 on *Golf Digest* "100 Toughest Courses.."
- 4) Sand Hills Golf Club, Mullen, Nebraska
#10 on *Golf Digest* "Top 100 Courses in the U.S.A."
- 5) Kittansett Club, Marion, Massachusetts
#77 on *Golf Digest* "Top 100 Public Courses in the U.S.A."
- 6) French Lick Resort, French Lick, Indiana
#117 according to *Golf Digest*



Proposal Details and Acceptance

Golf Car Pricing:

Unit	Qty.	Term	Car/Month	Lease/Month	Roll-Out
Fleet Cars	100	48 Months	\$138.50	\$13,850.00	42 Months
YamaTrack	75	48 Months	\$41.00	\$3,075.00	42 Months
Total				\$16,925.00	

- Early Roll Option:

Upon entering into the last year of the lease with Yamaha Commercial Customer Finance, if all terms and conditions of the lease have been satisfactorily met, Yamaha Golf-Car Company will grant customer the option of rolling into a new fleet of Yamaha golf cars. The new agreement must be with Yamaha Commercial Customer Finance and will be subject to their credit approval process. The new payment will be based upon current fleet condition, product pricing, and interest rates at that time.

The preceding quotation does not include any applicable taxes or insurance and is subject to the final approval of Yamaha Commercial Customer Finance and Yamaha Golf-Car Company; additional documentation to follow. **All prices listed above are subject to change without notice.**

This quotation is valid for seven (7) days and is subject to change beyond that date. Furthermore, this proposal constitutes the entire understanding and agreement amongst the parties, whether oral or in writing. Neither party has made any further representations or promises to the other with respect to the subject matter of this agreement, except as set forth in this agreement. This agreement supersedes any previous agreements made between parties and is confidential in nature.

If this proposal is acceptable under the above terms, please sign and date below:

Accepted by: _____ Date: _____ Accepted by: John Flannery Date: 1/3/2024

City of Edinburg

Yamaha District Sales Manager

Accepted by: ij fidel Date: 1/3/2024

Yamaha Regional Manager



Proposal Details and Acceptance

Golf Car Pricing:

Unit	Qty.	Term	Car/Month	Lease/Month	Roll-Out
Fleet Cars	100	60 Months	\$124.75	\$12,475.00	54 Months
YamaTrack	75	60 Months	\$37.00	\$2,775.00	54 Months
Total				\$15,250.00	

- Early Roll Option:

Upon entering into the last year of the lease with Yamaha Commercial Customer Finance, if all terms and conditions of the lease have been satisfactorily met, Yamaha Golf-Car Company will grant customer the option of rolling into a new fleet of Yamaha golf cars. The new agreement must be with Yamaha Commercial Customer Finance and will be subject to their credit approval process. The new payment will be based upon current fleet condition, product pricing, and interest rates at that time.

The preceding quotation does not include any applicable taxes or insurance and is subject to the final approval of Yamaha Commercial Customer Finance and Yamaha Golf-Car Company; additional documentation to follow. **All prices listed above are subject to change without notice.**

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If this proposal is acceptable under the above terms, please sign and date below:

Accepted by: _____ Date: _____ Accepted by: John Flannery Date: 1/3/2024

City of Edinburg

Yamaha District Sales Manager

Accepted by: [Signature] Date: 1/3/2024

Yamaha Regional Manager

Customer Quote

Bill To:

Club Car Financial Services
4125 Washington Rd
EVANS, GA 30809-3067
USA

Ship To:

LOS LAGOS GOLF CLUB
1720 S RAUL LONGORIA RD
EDINBURG, TX 78539-9108
USA

Req Ship Date: March/April 2024

Quote#: 1-28PH2IP

Sales Contact: Randy Jones

Sales Contact Email: randyd.jones@clubcar.com

PO:

Currency: USD

F.O.B. Terms: FOB Augusta GA

Comments:

No applicable taxes included in proposal pricing
Freight and prepping included in proposal pricing
2024 model year car

Proposal pricing compliant with the current Sourcewell Contract #122220-CCR

City of Edinburg Sourcewell Member #186806

Product	Part Number	Ext Qty
Tempo Lithium Ion 2 Passenger w/B&S Pack	47680179001	75
Connect Lease with Baskets Direct (includes 10" Android Touchscreen, mounting hardware and (1) module for 48 months.) Module Options: Golf Experience, Control or Tracking Optional a la carte modules: \$12.25 per car per month to be billed on a separate licensing and service agreement	CONNECT-23B	75
VDU, V4	47752400001	75
Body Color Options: Cashmere, White, Green, Platinum	47605277010	75
Seat Color Options: Beige, White, Black, Grey	102539601	75
Golf Package (Lithium Ion-Direct)	LZ_GOLF_2E_PKG	75
Visage Console Install with Baskets	47638178001	75
Installation Motor Controller Unit 235A	47687930002	75
Lithium Ion battery Gen II installation	47682951001	75
Standard Wheel Cover	102536504	75
Shelf charger 650W, 9' DC Cord	47631087001	75
Kenda Hole-N-1 18x8.50x8 4 Ply Steel Wheel(Front)	103950901	75
Gold Club Car Nameplate	47605591001	75
Kenda Hole-N-1 18x8.50x8 4 Ply Steel Wheel (Rear)	103950921	75
Std Gold Domed Number Decal, Side of Body, Drvr Side, Loc 3	47606820103	75
Std Gold Domed Number Decal, Side of Body, Psgr Side,	47606820106	75

Loc 6		
Standard rear leaf springs gas car	103976501	75
Comfort Grip Steering Wheel	102507313	75
12.0 MPH	SWP123002	75
Base, No Lights, LED display	47684674008	75
6 ft AC Power Cord with US NEMA Plug	105138501	75
Acceleration - Normal	SWP134001	75
USB Installation 48V	47560035002	75
Gold Tempo Decal LI	47623581003	75
Pedal Up Braking- Normal	SWP124002	75
Custom Logo Los Lagos Logo, Cowl Front Center, Location 1	47607355001	75
Sand Bottle, Driver Side	103451602	75
Sand Bottle, Passenger Side	103451601	75
Rear Tow Plate	102570201	75
Differential Guard	102551003	75
2 Passenger Canopy with Handles Color Options: Black, White, Beige	104008002	75
Rear Strut, Packaged On Car	104008801	75
Visage Front Strut, On Car	47638184001	75
No horn	LI_NO_HORN_2P	75
DBR	47632805001	75
Field	FIELD PREP	75
VCM Visage Enable	SWP130001	75
Console Assembly required for Connect Install Lithium Ion	47765407001	75
LED Display	LI_LED_DSPLY_2P	75
Deluxe Info Holder (QTY 1)	47568987001	75
Clear Hinged Windshield Kit	105248701	75
Uncommon Key Switch A	47632481001	75
COMP DISC LITHIUM 2 B	COMP_LITH2B	75
Surcharge GOLF	SURCHGE PI2G	75
Club Car Truck Freight Truckload Quantity	NC-CCT-TL	75

Leasing Details

Lease Term and Payment: 48 Months - \$160.18 per car/per month **Total:** \$12,013.50 per month

Lease Type: Operating Lease

Club Car's funding source proposes to lease the City of Edinburg/Los Lagos Golf Course (75) vehicles equipped as stated on the Equipment Detail Quotation pages. The rates quoted herein are subject to Club Car's normal credit approval.

City of Edinburg/Los Lagos Golf Course may be required to submit credit information for credit approval. Any applicable state, local and property tax not included in this proposal.

(Note: Interest rate and monthly payment will be locked in 90 days prior of delivery and are subject to change depending upon the cost of goods and rate environment at the time of funding.)

Prices quoted herein are projected for a future estimated date of delivery of Club Car golf and utility products. Due to current market conditions and estimated lead times, pricing and interest rates are subject to change prior to projected delivery. For a purchase or lease transaction, where trade-in vehicle values are quoted, pricing assumes trade-in of customer's current fleet in a quantity and in condition to be agreed upon by Club Car. In the event customer's current fleet is not available for trade-in at the time of delivery, Club Car reserves the right to adjust pricing accordingly, and Customer agrees to be responsible for any price increases. Customer is to submit required credit information for credit approval. Any applicable State or Local Taxes or any additional fees associated with documentation are not included. F.O.B. – Augusta, GA

©2016 Club Car, LLC. Club Car believes the information and specifications in this quote were correct at the time of printing. Due to current market conditions and estimated lead times, pricing and interest rates are subject to change prior to projected delivery. Specifications, standard features, options, fabrics and colors are subject to change without notice. Some features may be unavailable when your vehicle is built. Some vehicles are pictured with options that may be available at extra cost or may not be available on some models. Ask your dealer about the availability of options and verify that the vehicle you ordered includes the equipment you ordered. There are no warranties, expressed or implied, contained herein. See the Limited Warranty in the owner's manual or write to: Club Car, PO Box 204658, Augusta, GA 30917. The company reserves the right to make design changes without obligation to make these changes on previously sold units or systems. These vehicles are designed and manufactured for off-road use only. They do not conform to Federal Motor Vehicle Safety Standards for automobiles or to FMVSS 500 for low-speed vehicles, and are not equipped for operation on public streets, roads or highways.

This quote for products, equipment, and parts is subject to Club Car's Terms and Conditions of Equipment Sale, as revised or amended from time to time (the "Terms"). The Terms, which are incorporated into this quote by reference, are located at [Terms and Conditions](#), and Customer hereby acknowledges receipt, review, and acceptance of the Terms. At Customer's written request, Club Car will mail Customer a copy of the Terms. Club Car hereby gives notice of its objection to any additional or different terms included in any purchase order or other form submitted by Customer.

Accepted By: _____

Company: _____

Title: _____

Date: _____

Randy Jones/Club Car LLC., South Texas Territory Sales Manager **Randy Jones**



Club Car, LLC
4125 Washington Road
Evans, GA 30809
www.clubcar.com

Customer Quote

Bill To:

Club Car Financial Services
4125 Washington Rd
EVANS, GA 30809-3067
USA

Ship To:

LOS LAGOS GOLF CLUB
1720 S RAUL LONGORIA RD
EDINBURG, TX 78539-9108
USA

Req Ship Date: March/April 2024

Quote#: 1-28PHDBS

Sales Contact: Randy Jones

Sales Contact Email: randyd.jones@clubcar.com

PO:

Currency: USD

F.O.B. Terms: FOB Augusta GA

Comments:

No applicable taxes included in proposal pricing
Freight and prepping included in proposal pricing
2024 model year car

Proposal pricing compliant with the current Sourcwell Contract #122220-CCR

City of Edinburg Sourcwell Member #186806

Product	Part Number	Ext Qty
Tempo Lithium Ion 2 Passenger w/B&S Pack	47680179001	25
No Connectivity	NO VISAGE	25
Body Color Options: Cashmere, White, Green, Platinum	47605277010	25
Seat Color Options: Beige, White, Black, Grey	102539601	25
Golf Package (Lithium Ion-Direct)	LZ_GOLF_2E_PKG	25
Installation Motor Controller Unit 235A	47687930002	25
Lithium Ion battery Gen II installation	47682951001	25
Standard Wheel Cover	102536504	25
Shelf charger 650W, 9' DC Cord	47631087001	25
Kenda Hole-N-1 18x8.50x8 4 Ply Steel Wheel(Front)	103950901	25
Gold Club Car Nameplate	47605591001	25
Kenda Hole-N-1 18x8.50x8 4 Ply Steel Wheel (Rear)	103950921	25
Std Gold Domed Number Decal, Side of Body, Drvr Side, Loc 3	47606820103	25
Std Gold Domed Number Decal, Side of Body, Psgr Side, Loc 6	47606820106	25
Standard rear leaf springs gas car	103976501	25
Comfort Grip Steering Wheel	102507313	25
12.0 MPH	SWP123002	25
Base, No Lights, LED display	47684674008	25

6 ft AC Power Cord with US NEMA Plug	105138501	25
Acceleration - Normal	SWP134001	25
USB Installation 48V	47560035002	25
Gold Tempo Decal LI	47623581003	25
Pedal Up Braking- Normal	SWP124002	25
Custom Los Lagos Logo, Cowl Front Center, Location 1	47607355001	25
Sand Bottle, Driver Side	103451602	25
Sand Bottle, Passenger Side	103451601	25
Rear Tow Plate	102570201	25
Differential Guard	102551003	25
2 Passenger Canopy with Handles Color Options: Black, White, Beige	104008002	25
Rear Strut, Packaged On Car	104008801	25
No horn	LI_NO_HORN_2P	25
DBR	47632805001	25
Standard Front Strut Packaged on Car	104008703	25
Field	FIELD PREP	25
LED Display	LI_LED_DSPLY_2P	25
Deluxe Info Holder (QTY 1)	47568987001	25
Clear Hinged Windshield Kit	105248701	25
Uncommon Key Switch A	47632481001	25
COMP DISC LITHIUM 2 B	COMP_LITH2B	25
Surcharge GOLF	SURCHGE PI2G	25
Club Car Truck Freight Truckload Quantity	NC-CCT-TL	25

Leasing Details

Lease Term and Payment: 48 Months - \$138.33 per car/per month **Total:** \$3,458.25

Lease Type: Operating Lease

Club Car's funding source proposes to lease the City of Edinburg/Los Lagos Golf Course (25) vehicles equipped as stated on the Equipment Detail Quotation pages. The rates quoted herein are subject to Club Car's normal credit approval.

City of Edinburg/Los Lagos Golf Course may be required to submit credit information for credit approval. Any applicable state, local and property tax not included in this proposal.

(Note: Interest rate and monthly payment will be locked in 90 days prior of delivery and are subject to change depending upon the cost of goods and rate environment at the time of funding.)

Prices quoted herein are projected for a future estimated date of delivery of Club Car golf and utility products. Due to current market conditions and estimated lead times, pricing and interest rates are subject to change prior to projected delivery. For a purchase or lease transaction, where trade-in vehicle values are quoted, pricing assumes trade-in of customer's current fleet in a quantity and in condition to be agreed upon by Club Car. In the event customer's current fleet is not available for trade-in at the time of delivery, Club Car reserves the right to adjust pricing accordingly, and Customer agrees to be responsible for any price increases. Customer is to submit required credit information for credit approval. Any applicable State or Local Taxes or any additional fees associated with documentation are not included. F.O.B. – Augusta, GA

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Accepted By: _____

Company: _____

Title: _____

Date: _____

Randy Jones/Club Car LLC., South Texas Territory Sales Manager _____ ***Randy Jones***_____

C. Lee Tamez

From: Juan De La Cruz <jdelacruz@cityofedinburg.com> on behalf of Juan De La Cruz
Sent: Thursday, November 9, 2023 8:11 AM
To: C. Lee Tamez
Subject: Fwd: EZGO #706-23
Attachments: ~WRD0003.jpg; image001.png; Los Lagos Proposal V5.pdf; E-Z-GO Division of Textron, Inc. _ OMNIA Partners _ Contract Documents.pdf

Best Regards,

Juan De La Cruz
Los Lagos Golf Course Manager



1720 S Raul Longoria Rd
Edinburg, TX 78542
(956) 316-0444
jdelacruz@cityofedinburg.com

----- Forwarded message -----

From: Veronica Gutierrez <vgutierrez@cityofedinburg.com>
Date: Fri, Oct 6, 2023 at 2:31 PM
Subject: Fwd: EZGO #706-23
To: Juan De La Cruz <jdelacruz@cityofedinburg.com>
Cc: Criselda Lozano <clozano@cityofedinburg.com>

Good Afternoon Juan,

The OMNIA contract has been verified to be active for E-Z-GO. Be advised that this agreement will need to be taken to the City Council for approval. Feel free to contact me if you have any questions or concerns.

Thank you,

----- Forwarded message -----

From: Hughes, Evan <ehughes@textron.com>
Date: Fri, Oct 6, 2023 at 9:27 AM
Subject: RE: EZGO #706-23
To: vgutierrez@cityofedinburg.com <vgutierrez@cityofedinburg.com>
Cc: clozano@cityofedinburg.com <clozano@cityofedinburg.com>, Juan De La Cruz <jdelacruz@cityofedinburg.com>

Hi Veronica,

Attached is the revised proposal with our Omnia contract #. Please let me know if you have any questions.

Thank you,

Evan Hughes

Territory Sales Manager- Austin

Ehughes@textron.com

Cell : (512)417-9918

From: Juan De La Cruz <jdelacruz@cityofedinburg.com>

Sent: Friday, October 6, 2023 8:39 AM

To: Hughes, Evan <ehughes@textron.com>

Subject: Fwd: EZGO #706-23

FYI

Best Regards,

Juan De La Cruz

Los Lagos Golf Course Manager

1720 S Raul Longoria Rd

Edinburg, TX 78542

(956) 316-0444

jdelacruz@cityofedinburg.com

----- Forwarded message -----

From: **Veronica Gutierrez** <vgutierrez@cityofedinburg.com>

Date: Fri, Oct 6, 2023 at 8:32 AM

Subject: Re: EZGO #706-23

To: Juan De La Cruz <jdelacruz@cityofedinburg.com>

Good Morning Juan,

Can you please send me the quote with the OMNIA contract number so that I can verify it.

Thank you,

On Fri, Oct 6, 2023 at 8:28 AM Juan De La Cruz <jdelacruz@cityofedinburg.com> wrote:

GM, can you please let me know if this is good?

Best Regards,

Juan De La Cruz

Los Lagos Golf Course Manager

1720 S Raul Longoria Rd

Edinburg, TX 78542

GPS UNIT PACE 7EX





Los Lagos Golf Course

TO: Javier Garza, Director of Parks & Recreation
FROM: Juan De La Cruz, Golf Course Manager 
DATE: January 11, 2024
RE: Golf Cart Lead Times

Please be advised, golf cart lead times according to the representative of each vendor are as follows:

EZGO - April 2024 according to representative via email attached.

Yamaha - May 2025 according to representative via email attached.

Club Car - August 2024 according to representative via verbal acknowledgement, pending email response.

Juan De La Cruz
Golf Course Manager



1720 S Raul Longoria Rd

Edinburg, Texas 78539

(956) 316-0444 - O

(956) 648-2904 - M

jdelaacruz@cityofedinburg.com





Juan De La Cruz <jdelacruz@cityofedinburg.com>

Golf Carts

Hughes, Evan <ehughes@textron.com>

Wed, Jan 10, 2024 at 2:59 PM

To: Juan De La Cruz <jdelacruz@cityofedinburg.com>

Juan,

If signed next week production/delivery for carts will be in April 2024.

Thank you,

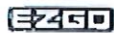
Evan Hughes

Territory Sales Manager- Central Texas

E-Z-GO & Cushman

Ehughes@textron.com

Cell : (512)417-9918



SERVICE REQUESTS

<https://textronspecializedvehicles.secure.force.com/request/servicerequest>**From:** Juan De La Cruz <jdelacruz@cityofedinburg.com>**Sent:** Wednesday, January 10, 2024 1:42 PM**To:** Hughes, Evan <ehughes@textron.com>**Subject:** Golf Carts

What would the lead time be for the carts? Considering the proposal gets signed next week.

C. Lee Tamez

From: Juan De La Cruz <jdelacruz@cityofedinburg.com> on behalf of Juan De La Cruz
Sent: Wednesday, January 17, 2024 11:05 AM
To: C. Tamez
Subject: Fwd: Lead times for golf cart proposal

Sent from my iPhone

Begin forwarded message:

From: "Jones, Randy" <RandyD.Jones@clubcar.com>
Date: January 11, 2024 at 4:00:28 PM CST
To: Juan De La Cruz <jdelacruz@cityofedinburg.com>
Subject: RE: Lead times for golf cart proposal

Juan,
I would feel very confident in saying that we could deliver the new fleet to Los Lagos in the July/August 2024 timeframe if I receive the order in the next 30 days.
Hope that helps.
Thank you
Respectfully,

Randy Jones, PGA
South Texas Territory Manager
Club Car, LLC.
Mobile: (682) 308-9509
"2019 PGA National Deacon Palmer Award Winner"

Email: randyd.jones@clubcar.com
Website: www.clubcar.com
Visage: <http://www.visagehelp.com/>



Increase Revenues . Reduce Expense . Manage Assets . Improve Guest Experience



Official Golf Car of The PGA of America



Juan De La Cruz <jdelacruz@cityofedinburg.com>

Golf Cart Fleet

Jt Carney <jt_carney@yamaha-motor.com>

Thu, Nov 30, 2023 at 12:33 PM

To: Juan De La Cruz <jdelacruz@cityofedinburg.com>

Juan,

Attached is the proposal that matches the information you provided below. The biggest thing that I will note is that we will not be able to deliver the new fleet March/April of next year. Our current lead time is about 15 months. If you would like to still switch the fleet, we can do a temporary fleet that could deliver in that timeframe and you would just have that until the new fleet is available. The temporary fleet would not have the YamaTrack GPS system, but everything else could match.

If you have any other questions, please don't hesitate to ask.



JT Carney

District Sales Manager

678-551-0524 cell

678-601-1579 fax

jt_carney@yamaha-motor.com

January 12, 2024

City of Edinburg
Course Name: Los Lagos Golf Course
415 W. University Dr.
Edinburg, TX 78539

RE: Lease Number 98986017-2

To Whom It May Concern:

Thank you for choosing PNC Bank, National Association as your financing source. Enclosed you will find the following documentation:

- **Lease Agreement:** Please sign, print name, title and date.
- **Schedule A (if applicable):** Please initial at the bottom of the page.
- **Insurance:** Please note the page detailing instructions regarding the certificate of insurance required under the terms of the lease. Simply forward a copy of the signed page to your insurance carrier, so that they may issue the appropriate certificate on a timely basis.
- **Opinion of Counsel:** Please complete and return.
- **Resolution and Certificate of Incumbency:** Please have all authorized signers (including the individual who signed the documents) sign in the middle section along with the Corporate Secretary or Assistant Secretary, who should complete the bottom section of the document. This person must complete the top and bottom sections of the document. If you have a corporate resolution available, please include that in the return of your documents. If this document does not apply to your business structure, please send a copy of your Operating Agreement, Partnership Agreement or Incorporating documents.
- **Customer Information Form:** Please complete and return.
- **Notification of Tax Treatment:** Please complete and return.
- **Return Rider:** Please complete and return.
- **Additional State Provisions Rider:** Please complete and return.
- **Meeting Minutes:** Please return a copy with the signed documents.

We appreciate this opportunity to serve you and look forward to working with you in the future. Should you have any questions before sending the documents, please feel free to contact me at gwixted@pnc.com.

If you have questions or need information on your contract in the future, you can call our customer service team at 267-960-4000 or email them at customerservice@leaserv.com.

Sincerely,

Gillian Wixted
Sales Specialist

Lease Agreement

Dated as of January 12, 2024

Lease Number: 98986017-2

Lessor: PNC Bank, National Association
655 Business Center Drive
Horsham, Pennsylvania 19044

Lessee:	LESSEE FULL LEGAL NAME	FEDERAL TAX ID
	City of Edinburg	746000714
	415 W. University Dr.	
	Edinburg, TX 78539	

Equipment Description:

Quantity	Description	Serial No.
100	(100) 2024 E-Z-GO RXV Elite	
75	(75) 2024 E-Z-GO PACE 7EX GPS Units	

Lease Term is for **60** months, with Rent payments due in 60 Monthly plus applicable tax; each in the amount of **\$15,932.37** beginning _____.

Lessee shall pay Rent payments exclusively from legally available funds in U.S. currency to Lessor in the amounts and on the dates set forth herein, without notice or demand.

TERMS AND CONDITIONS

- LEASE.** Subject to the terms of this Lease, Lessee agrees to lease from Lessor the equipment (the "Equipment") described above when Lessor accepts this Lease. Lessee agrees to be bound by all the terms of this Lease.
- DELIVERY AND ACCEPTANCE OF EQUIPMENT.** Acceptance of the Equipment occurs upon delivery. When Lessee receives the Equipment, Lessee agrees to inspect it and to verify by telephone or in writing such information as Lessor may require. Delivery and installation costs are Lessee's responsibility. If Lessee signed a purchase contract for the Equipment, by signing this Lease Lessee assigns its rights, but none of its obligations under the purchase contract, to Lessor.
- RENT.** Lessee agrees to pay Lessor Rent (plus applicable taxes) in the amount and frequency stated above. If Lessee's Rent payments are due in Advance, Lessee's first Rent payment is due on the date Lessee accepts the Equipment under the Lease. Lessor will advise Lessee as to (a) the due date of each Rent payment, and (b) the address to which Lessee must send payments. Rent is due whether or not Lessee receives an invoice from Lessor. Lessee will pay Lessor any required advance rent when Lessee signs this Lease. Lessee authorizes Lessor to change the Rent by not more than 15% due to changes in the Equipment configuration, which may occur prior to Lessor's acceptance of this Lease. Restrictive endorsements on checks Lessee sends to Lessor will not reduce Lessee's obligations to Lessor.
NON-APPROPRIATION OF FUNDS. Lessee intends to remit all Rent and other payments to Lessor for the full Lease Term if funds are legally available. In the event Lessee is not granted an appropriation of funds at any time during the Lease Term for the Equipment subject to this Lease and operating funds are not otherwise available to Lessee to pay the Rent and other payments due and to become due under this Lease, and there is no other legal procedure or available funds by or with which payment can be made to Lessor, and the non-appropriation did not result from an act or omission by Lessee, Lessee shall have the right to return the Equipment as provided herein and terminate this Lease on the last day of the fiscal period for which appropriations were received without penalty or expense to Lessee, except as the portion of Rent for which funds shall have been appropriated and budgeted. At least 30 days prior to the end of Lessee's fiscal year, Lessee's chief executive officer (or legal counsel) shall certify in writing that (a) funds have not been appropriated for the upcoming fiscal period, (b) such non-appropriation did not result from any act or failure to act by Lessee, and (c) Lessee has exhausted all funds legally available for the payment of Rent.
- UNCONDITIONAL OBLIGATION.** LESSEE AGREES THAT IT IS UNCONDITIONALLY OBLIGATED TO PAY ALL RENT AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE IN ALL FISCAL YEARS IN WHICH FUNDS HAVE BEEN APPROPRIATED NO MATTER WHAT HAPPENS, EVEN IF THE EQUIPMENT IS DAMAGED OR DESTROYED, IF IT IS DEFECTIVE OR IF LESSEE HAS TEMPORARY OR PERMANENT LOSS OF ITS USE. LESSEE IS NOT ENTITLED TO ANY REDUCTION OR SET-OFF AGAINST RENT OR OTHER AMOUNTS DUE UNDER THIS LEASE FOR ANY REASON WHATSOEVER.
- DISCLAIMER OF WARRANTIES.** THE EQUIPMENT IS BEING LEASED TO LESSEE IN "AS IS" CONDITION. LESSEE AGREES THAT LESSOR HAS NOT MANUFACTURED THE EQUIPMENT AND THAT LESSEE HAS SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSEE HAS NOT RELIED ON ANY STATEMENTS LESSOR OR ITS EMPLOYEES HAVE MADE. LESSOR HAS NOT MADE AND DOES NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP, OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW. Lessee is aware of the name of the Equipment manufacturer. If the manufacturer has provided Lessor with a warranty, Lessor assigns its rights to such warranty to Lessee and Lessee may enforce all warranty rights directly against the manufacturer of the Equipment. Lessee agrees to settle any dispute regarding performance of the Equipment directly with the manufacturer of the Equipment.

6. **TITLE AND SECURITY INTEREST.** Unless otherwise required by the laws of the state where Lessee is located, Lessor shall have title to the Equipment during the Lease Term.
7. **USE, MAINTENANCE AND REPAIR.** Lessee will not move the Equipment from the Equipment Location without Lessor's advance written consent. Lessee will give Lessor reasonable access to the Equipment Location so that Lessor can check the Equipment's existence, condition and proper maintenance. Lessee will use the Equipment in the manner for which it was intended, as required by all applicable manuals and instructions, and keep it eligible for any manufacturer's certification and/or standard full-service maintenance contract. At Lessee's own cost and expense, Lessee will keep the Equipment in good repair, condition and working order, ordinary wear and tear excepted. Lessee will not make any permanent alterations to the Equipment and will remove any alterations or markings from the Equipment before returning to Lessor.
8. **TAXES.** Unless a proper exemption certificate is provided, applicable sales and use taxes will be added to the Rent. Lessee agrees to pay Lessor, when invoiced, all taxes (including any sales, use and personal property taxes), fines, interest and penalties relating to this Lease and the Equipment (excluding taxes based on Lessor's net income). Lessee agrees to file any required personal property tax returns and, if Lessor asks, Lessee will provide Lessor with proof of payment. Lessor does not have to contest any tax assessments.
9. **INDEMNITY.** Lessor is not responsible for any injuries, damages, penalties, claims or losses, including legal expenses, incurred by Lessee or any other person caused by the transportation, installation, manufacture, selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the Equipment. To the extent permitted by law, Lessee agrees to reimburse Lessor for and defend Lessor against any claims for such losses, damages, penalties, claims, injuries, or expenses. This indemnity continues even after this Lease has expired, for acts or omissions that occurred during the Lease Term.
10. **IDENTIFICATION.** Lessee authorizes Lessor to insert or correct missing information on this Lease, including serial numbers and any other information describing the Equipment.
11. **LOSS OR DAMAGE.** Lessee is responsible for any loss of the Equipment from any cause at all, whether or not insured, from the time the Equipment is shipped to Lessee until it is returned to Lessor. If any item of Equipment is lost, stolen or damaged, Lessee will promptly notify Lessor of such event. Then, at Lessor's option, Lessee will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay Lessor an amount equal to the Net Book Value (as defined herein) of the lost, stolen or damaged Equipment. If Lessee has satisfied their obligations herein, Lessor will forward to Lessee any insurance proceeds which Lessor receives for lost, damaged, or destroyed Equipment. If Lessee is in default, Lessor will apply any insurance proceeds Lessor receives to reduce Lessee's obligations pursuant to this Lease.
12. **INSURANCE.** Lessee agrees to (a) keep the Equipment fully insured against loss, naming Lessor as loss payee, and (b) obtain a general public liability insurance policy covering both personal injury and property damage in amounts not less than Lessor may tell Lessee, naming Lessor as additional insured, until Lessee has met all their obligations under this Lease. Lessor is under no duty to tell Lessee if Lessee's insurance coverage is adequate. The policies shall state that Lessor is to be notified of any proposed cancellation at least 30 days prior to the date set for cancellation. Upon Lessor's request, Lessee agrees to provide Lessor with evidence of insurance acceptable to Lessor. If Lessee does not provide Lessor with evidence of proper insurance within ten days of Lessor's request or Lessor receives notice of policy cancellation, Lessor may (but Lessor is not obligated to) obtain insurance on Lessor's interest in the Equipment at Lessee's expense. Lessee will pay all insurance premiums and related charges.
13. **DEFAULT.** Lessee will be in default under this Lease if any of the following happens: (a) Lessor does not receive any Rent or other payment due under this Lease within ten days after its due date, (b) Lessee fails to perform or observe any other promise or obligation in this Lease and does not correct the default within ten days after Lessor sends Lessee written notice of default, (c) any representation, warranty or statement Lessee has made in this Lease shall prove to have been false or misleading in any material respect, (d) any insurance carrier cancels or threatens to cancel any insurance on the Equipment, (e) the Equipment or any part of it is abused, illegally used, misused, lost, destroyed, or damaged beyond repair, (f) a petition is filed by or against Lessee under any bankruptcy or insolvency laws, or (g) Lessee defaults on any other agreement between it and Lessor (or Lessor's affiliates).
14. **REMEDIES.** Upon the occurrence of a default, Lessor may, in its sole discretion, do any or all of the following: (a) provide written notice to Lessee of default, (b) as liquidated damages for loss of a bargain and not as a penalty, declare due and payable, the present value of (i) any and all amounts which may be then due and payable by Lessee to Lessor under this Lease, plus (ii) all Rent payments remaining through the end of the then current fiscal year, discounted at the higher of 3% or the lowest rate allowed by law plus the Fair Market Value (as defined herein) of the Equipment (collectively, the "Net Book Value") and (c) require Lessee to immediately return the Equipment to Lessor. Lessor has the right to require Lessee to make the Equipment available to Lessor for repossession during reasonable business hours or Lessor may repossess the Equipment, so long as Lessor does not breach the peace in doing so, or Lessor may use legal process in compliance with applicable law pursuant to court order to have the Equipment repossessed. Lessee will not make any claims against Lessor or the Equipment for trespass, damage or any other reason. If Lessor takes possession of the Equipment Lessor may (a) sell or lease the Equipment at public or private sale or lease without notice, and/or (b) exercise such other rights as may be allowed by applicable law. Although Lessee agrees that Lessor has no obligation to sell the Equipment, if Lessor does sell the Equipment, Lessor will reduce the Net Book Value by the amounts Lessor receives. Lessee will immediately pay Lessor the remaining Net Book Value. Lessee agrees (a) to pay all of the costs Lessor incurs to enforce Lessor's rights against Lessee, including attorney's fees, and (b) that Lessor will retain all of Lessor's rights against Lessee even if Lessor does not choose to enforce them at the time of Lessee's default.
15. **LESSEE'S OPTION AT END OF LEASE.** Notwithstanding anything contained in the Lease to the contrary, so long as no default shall have occurred and be continuing, Lessee may, at Lessee's option, purchase the Equipment leased pursuant to this Lease on an "as is, where is" basis, without representation or warranty, express or implied, at the end of the Lease Term at a price equal to the Fair Market Value thereof, plus applicable taxes. Fair Market Value shall be the retail in-place value of the Equipment as determined solely by Lessor. This purchase option as applicable shall only be available if Lessee gives Lessor 90 days' prior written notice of Lessee's irrevocable intent to exercise such option and Lessor and Lessee shall have agreed to all terms and conditions of such purchase prior to the expiration date of the Lease Term. Until the Equipment is returned as required below, all terms of the Lease shall remain in full force and effect including the obligation to pay Rent calculated on a monthly basis.
16. **RETURN OF EQUIPMENT.** If (a) default occurs, (b) a non-appropriation of funds occurs as provided herein, or (c) Lessee does not exercise its purchase option at the end of the Lease Term, Lessee will immediately return the Equipment to any location(s) in the continental United States and aboard any carriers(s) Lessor may designate. The Equipment must be properly packed for shipment in accordance with the manufacturer's recommendations or specifications, freight prepaid and insured, maintained in accordance with this Lease, and in "Average Saleable Condition." "Average Saleable Condition" means that all of the Equipment is immediately available for use by a third-party buyer, user or lessee, other than Lessee named in this Lease, without the need for any repair or refurbishment. Lessee will pay

Lessor for any missing or defective parts or accessories. Lessee will continue to pay Rent calculated on a monthly basis until the Equipment is received and accepted by Lessor.

- 17. LESSEE'S REPRESENTATIONS AND WARRANTIES.** Lessee hereby represents and warrants to Lessor that as of the date of this Lease, and throughout the Lease Term: (a) Lessee is the entity indicated in this Lease; (b) Lessee is a state or a fully constituted political subdivision or agency of the State in which Lessee is located; (c) Lessee is duly organized and existing under the constitution and laws of the state in which they are located; (d) Lessee is authorized to enter into and carry out Lessee's obligations under this Lease, any documents relative to the acquisition of the Equipment and any other documents required to be delivered in connection with this Lease (collectively, the "Documents"); (e) the Documents have been duly authorized, executed and delivered by Lessee in accordance with all applicable laws, rules, ordinances, and regulations, the Documents are valid, legal, binding agreements, enforceable in accordance with their terms and the person(s) signing the Documents have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signature, each of which are genuine; (f) the Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of Lessee's authority; (g) Lessee intends to use the Equipment for the entire Lease Term for such function and shall take all necessary action to include in Lessee's annual budget any funds required to fulfill Lessee's obligations for each fiscal year during the Lease Term; (h) Lessee has complied fully with all applicable law governing open meetings, public bidding and appropriations required in connection with this Lease and the acquisition of the Equipment; (i) Lessee's obligations to remit Rent under this Lease constitutes a current expense and not a debt under applicable state law and no provision of this Lease constitutes a pledge of Lessee's tax or general revenues, and any provision which is so constructed by a court of competent jurisdiction is void from the inception of this lease; and (j) all financial information Lessee has provided to Lessor is true and accurate and provides a good representation of Lessee's financial condition.
- 18. LESSEE'S PROMISES.** In addition to the other provisions of this Lease, Lessee agrees that during the term of this Lease (a) Lessee will promptly notify Lessor in writing if it moves its principal office or changes its name or legal structure, (b) Lessee will provide to Lessor such financial information as may reasonably request from time to time, and (c) Lessee will take any action Lessor reasonably requests to protect Lessor's rights in the Equipment and to meet Lessee's obligations under this Lease.
- 19. ASSIGNMENT. LESSEE WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE, SUB-LEASE OR PART WITH POSSESSION OF THE EQUIPMENT OR FILE OR PERMIT A LIEN TO BE FILED AGAINST THE EQUIPMENT.** Lessee will not attach any of the Equipment to any real estate.
- 20. ASSIGNMENT BY LESSOR.** This Lease, and the rights of Lessor hereunder and in and to the Equipment, may be assigned and reassigned in whole or in part to one or more assignees by Lessor or its assigns at any time without the necessity of obtaining the consent of Lessee. Upon an assignment, Lessee agrees to make all payments as designated in the assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Lease or otherwise) that Lessee may from time to time have against Lessor or Lessor's assigns.
- 21. COLLECTION EXPENSES, OVERDUE PAYMENT.** Lessee agrees that Lessor can, but does not have to, take on Lessee's behalf any action which Lessee fails to take as required by this Lease, and Lessor's expenses will be in addition to that of the Rent which Lessee owes Lessor. If Lessor receives any payment from Lessee after the due date, Lessee shall pay Lessor on demand as a late charge 5% of such overdue amount, limited, however, to the maximum amount allowed by law.
- 22. MISCELLANEOUS.** This Lease contains the entire agreement and supersedes any conflicting provision of any equipment purchase order or any other agreement. **TIME IS OF THE ESSENCE IN THIS LEASE.** If a court finds any provision of Lease to be unenforceable, the remaining terms of this Lease shall remain in effect. **THIS LEASE IS A "FINANCE LEASE" AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE.** Lessee authorizes Lessor (or Lessor's agent) to (a) obtain credit reports, (b) make such other credit inquiries as Lessor may deem necessary, and (c) furnish payment history information to credit reporting agencies. To the extent permitted by law, Lessor may charge Lessee a fee of \$250.00 to cover Lessor's documentation and investigation costs.
- 23. NOTICES.** All of Lessee's written notices to Lessor must be sent by certified mail or recognized overnight delivery service, postage prepaid, to Lessor at Lessor's address stated in this Lease, or by facsimile transmission to Lessor's facsimile telephone number, with oral confirmation of receipt. All of Lessor's notices to Lessee may be sent first class mail, postage prepaid, to Lessee's address stated in this Lease. At any time after this Lease is signed, Lessee or Lessor may change an address or facsimile telephone number by giving notice to the other of the change.
- 24. ANTI-MONEY LAUNDERING/INTERNATIONAL TRADE COMPLIANCE.** Lessee represents, warrants and covenants to Lessor, as of the date of this Lease, the date of each advance of proceeds under the Lease, the date of any renewal, extension or modification of this Lease, and at all times until this Lease has been terminated and all amounts thereunder have been indefeasibly paid in full, that: (a) no Covered Entity (i) is a Sanctioned Person; (ii) has any of its assets in a Sanctioned Jurisdiction or in the possession, custody or control of a Sanctioned Person; (iii) does business in or with, or derives any of its operating income from investments in or transactions with, any Sanctioned Jurisdiction or Sanctioned Person; (b) the proceeds of this Lease will not be used to fund any unlawful activity; (c) the funds used to repay the Lease are not derived from any unlawful activity; (d) each Covered Entity is in compliance with, and no Covered Entity engages in any dealings or transactions prohibited by, any laws of the United States, including but not limited to any Anti-Terrorism Laws; and (e) no Equipment is or will become Embargoed Property. Lessee covenants and agrees that (a) it shall immediately notify Lessor in writing upon the occurrence of a Reportable Compliance Event; and (b) if, at any time, any Equipment becomes Embargoed Property, in addition to all other rights and remedies available to Lessor, upon request by Lessor, Lessee shall provide substitute Equipment acceptable to Lessor that is not Embargoed Property.

As used herein: "**Anti-Terrorism Laws**" means any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, or bribery, all as amended, supplemented or replaced from time to time; "**Compliance Authority**" means each and all of the (a) U.S. Treasury Department/Office of Foreign Assets Control, (b) U.S. Treasury Department/Financial Crimes Enforcement Network, (c) U.S. State Department/Directorate of Defense Trade Controls, (d) U.S. Commerce Department/Bureau of Industry and Security, (e) U.S. Internal Revenue Service, (f) U.S. Justice Department, and (g) U.S. Securities and Exchange Commission; "**Covered Entity**" means Lessee, its affiliates and subsidiaries, all other obligors, all owners of the foregoing, and all brokers or other agents of Lessee acting in any capacity in connection with this Lease; "**Embargoed Property**" means any property (a) in which a Sanctioned Person holds an interest; (b) beneficially owned, directly or indirectly, by a Sanctioned Person; (c) that is due to or from a Sanctioned Person; (d) that is located in a Sanctioned Jurisdiction; or (e) that would otherwise cause any actual or possible violation by Lessor of any applicable Anti-Terrorism Law if Lessor were to obtain an encumbrance on, lien on, pledge of or security interest in such property or provide services in consideration of such property; "**Reportable Compliance Event**" means (1) any Covered Entity becomes a Sanctioned Person, or is indicted, arraigned, investigated or custodially detained, or receives an inquiry from regulatory or law enforcement officials, in connection

with any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law, or self-discovers facts or circumstances implicating any aspect of its operations with the actual or possible violation of any Anti-Terrorism Law; (2) any Covered Entity engages in a transaction that has caused or may cause Lessor to be in violation of any Anti-Terrorism Laws, including a Covered Entity's use of any proceeds of the Lease to fund any operations in, finance any investments or activities in, or, make any payments to, directly or indirectly, a Sanctioned Jurisdiction or Sanctioned Person; or (3) any Equipment becomes Embargoed Property; **"Sanctioned Jurisdiction"** means a country subject to a sanctions program maintained by any Compliance Authority; and **"Sanctioned Person"** means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person or entity, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any order or directive of any Compliance Authority or otherwise subject to, or specially designated under, any sanctions program maintained by any Compliance Authority.

- 25. USA PATRIOT ACT NOTICE.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each lessee that opens an account. What this means: when the Lessee opens an account, Lessor will ask for the business name, business address, taxpayer identifying number and other information that will allow the Lessor to identify Lessee, such as organizational documents. For some businesses and organizations, Lessor may also need to ask for identifying information and documentation relating to certain individuals associated with the business or organization.
- 26. WAIVERS. LESSOR AND LESSEE EACH AGREE TO WAIVE, AND TO TAKE ALL REQUIRED STEPS TO WAIVE, ALL RIGHTS TO A JURY TRIAL.** To the extent Lessee is permitted by applicable law, Lessee waives all rights and remedies conferred upon a lessee by Article 2A (Sections 508-522) of the Uniform Commercial Code. To the extent Lessee is permitted by applicable law, Lessee waives any rights they now or later may have under any statute or otherwise which requires Lessor to sell or otherwise use any Equipment to reduce Lessor's damages, which requires Lessor to provide Lessee with notice of default, intent to accelerate amounts becoming due or acceleration of amounts becoming due, intent to sale the Equipment at a public or private sale, or which may otherwise limit or modify any of Lessor's rights or remedies. Lessor will not be liable for specific performance of this Lease or for any losses, damages, delay or failure to deliver Equipment.
- 27. IMPORTANT INFORMATION ABOUT PHONE CALLS.** By providing telephone number(s) to Lessor, now or at any later time, Lessee authorizes Lessor and its affiliates and designees to contact Lessee regarding Lessee account(s) with Lessor or its affiliates, whether such accounts are Lessee individual accounts or business accounts for which Lessee is a contact, at such numbers using any means, including but not limited to placing calls using an automated dialing system to cell, VoIP or other wireless phone number, or leaving prerecorded messages or sending text messages, even if charges may be incurred for the calls or text messages. Lessee consents that any phone call with Lessor may be monitored or recorded by Lessor.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS LEASE SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. THE TERMS OF THIS LEASE MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT BETWEEN LESSEE AND LESSOR. LESSEE AGREES TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS LEASE. LESSEE AGREES THAT THE EQUIPMENT WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

LESSEE CERTIFIES THAT ALL THE INFORMATION GIVEN IN THIS LEASE AND LESSEE'S APPLICATION WAS CORRECT AND COMPLETE WHEN THIS LEASE WAS SIGNED. THIS LEASE IS NOT BINDING UPON LESSOR OR EFFECTIVE UNLESS AND UNTIL LESSOR EXECUTES THIS LEASE. THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF THE LESSEE.

PNC Bank, National Association

("Lessor")

X

Authorized Signature

Print Name

Title:

655 Business Center Drive
Horsham, PA 19044

City of Edinburg

("Lessee")

X

Authorized Signature

Print Name

Title:

Date

415 W. University Dr.
Edinburg, TX 78539

OPINION OF COUNSEL

I have acted as counsel to : **City of Edinburg** ("Lessee") with respect to this Lease Agreement by and between the Lessee and Lessor (the "Lease"), and in this capacity have reviewed the original or duplicate originals of the Lease and such other documents as I have deemed relevant. Based upon the foregoing, I am of the opinion that: (A) the execution, delivery and performance of the Lease by Lessee has been duly authorized by all necessary action on the part of Lessee; (B) the Lease constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as limited by laws of general application affecting the enforcement of creditors' rights, and does not constitute a debt of Lessee which is prohibited by state law; (C) the authorization, approval and execution of the Lease and all other proceedings of Lessee related to the transactions contemplated thereby have been performed in accordance with all open-meeting laws, public bidding laws, and all other applicable state laws. The undersigned certifies that (s)he is an attorney duly authorized to practice law in the State of Texas.

The foregoing opinions are limited to the laws of such State and federal laws of the United States.

Attorney of Lessee

By: _____

Print Name: _____

Law firm: _____

January 12, 2024

City of Edinburg**Course Name: Los Lagos Golf Course**

415 W. University Dr.

Edinburg, TX 78539

Attn:

RE: Insurance Coverage Requirements for Equipment Financing Transaction between
PNC Bank, National Association and City of Edinburg

Before funding your transaction, PNC Bank, National Association requires evidence of appropriate insurance coverage on the equipment described in your transaction documents. Please forward this request to your insurance company, agent or broker as soon as possible and ask for the evidence of insurance to be sent to the address below.

PNC Bank, National Association will have an insurable interest in the following equipment:

Quantity	Description	Serial No.
100	(100) 2024 E-Z-GO RXV Elite	
75	(75) 2024 E-Z-GO PACE 7EX GPS Units	

As a condition to entering into the equipment financing transaction, PNC Bank, National Association requires the following at all times during the term of the transaction:

1. All of the equipment must be insured for its full insurable value on a 100% replacement cost basis.
2. PNC Bank, National Association must be named as lender loss payee under a property insurance policy insuring all risks to the equipment, including fire, theft, and other customary coverage under an "extended coverage" endorsement.
3. For leases only, PNC Bank, National Association must receive evidence that a comprehensive general liability insurance policy is in place with a minimum coverage of \$1,000,000. PNC Bank, National Association must be named as an additional insured under the liability policy.
4. Each property insurance policy must contain a lender's loss payable clause, or special endorsement, in which the insurer agrees that any loss will be payable in accordance with the policy terms, notwithstanding any act or negligence of the insured.
5. Each policy must provide for 30 days' written notice to PNCEF prior to any cancellation, non-renewal or amendment of the policy.

The evidence of insurance can consist of a Certificate of Insurance form, Evidence of Insurance form, Memorandum of Insurance, binder for insurance, declarations page, or the actual policy and endorsements, in each case naming PNC Bank, National Association as follows:

PNC Bank, National Association, and its successors and assigns, as lender loss payee

Attn: Insurance Department

655 Business Center Drive, Suite 250

Horsham, PA 19044

When completed, the evidence of insurance should be emailed to: SMEDocs@leaserv.com

RESOLUTION AND CERTIFICATE OF INCUMBENCY

Lease Number 98986017-2

Lessee: City of Edinburg

Amount: \$955,942.20 (Payment x Term)

WHEREAS, Lessee, a body politic and corporate duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State or Commonwealth ("State") is authorized by the laws of the State to purchase, acquire and lease certain equipment and other property for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, pursuant to applicable law, the governing body of the Lessee ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interest in property, leases and easements necessary to the functions or operations of the Lessee.

WHEREAS, the Governing Body hereby finds and determines that the execution of one or more Lease Agreements or lease schedules ("Leases") in the amount not exceeding the amount stated above for the purpose of acquiring the property ("Equipment") to be described in the Leases is appropriate and necessary to the functions and operations of the Lessee.

WHEREAS, PNC Bank, National Association ("Lessor") shall act as Lessor under said Leases.

NOW, THEREFORE, Be It Ordained by the Governing Body of the Lessee:

Section 1. Either one of the _____ OR _____ (each an "Authorized Representative") acting on behalf of the Lessee, is hereby authorized to negotiate, enter into, execute, and deliver one or more Leases in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Lease as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Leases are hereby authorized.

Section 2. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Leases on behalf of the Lessee.

Section 3. The Lessee's obligations under the Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Lease and the Lessee's obligations under the Leases shall not constitute general obligations of the Lessee or indebtedness under the Constitution or laws of the State.

Section 4. This resolution shall take effect immediately upon its adoption and approval.

NAMES AND TITLES OF AUTHORIZED REPRESENTATIVES: AUTHORIZED LEASE SIGNORS ONLY

Name

Title

Name

Title

ADOPTED AND APPROVED on this _____, 20__.

Section 5. I, the undersigned Secretary/Clerk identified below, does hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the above Lessee, a political subdivision duly organized and existing under the laws of the State where Lessee is located, that I have the title stated below, and that, as of the date hereof, the individuals named above are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

The undersigned Secretary/Clerk of the above-named Lessee hereby certifies and attests that the undersigned has access to the official records of the Governing Body of the Lessee, that the foregoing resolutions were duly adopted by said Governing Body of the Lessee at a meeting of said Governing Body and that such resolutions have not been amended or altered and are in full force and effect on the date stated below.

LESSEE: City of Edinburg

Signature of Secretary/Clerk of Lessee

Print Name: _____

Official Title: _____

Date: _____



Customer Information

Lease # 98986017-2

Please provide the following information. By providing such information, you will enable us to ensure prompt payment of your vendor and the correct processing of your lease transaction.

Thank you.

Lessee Information

Full Business Legal Name: City of Edinburg	Federal Tax ID Number: 746000714
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Preferred Method of Payment:

Is a Purchase Order required on Invoices? ☐ YES ☐ NO PO # _____

Please enter your preferred method (Mail/Email): _____

- Mail - If you would like to receive your Monthly Invoice by Mail, please provide this information:

Invoices should be directed to:	Attention:		
Address:	City:	State:	Zip:

- Email - If you would like to receive your Monthly Invoice by Email, please provide this information:

Contact Name:	Email:
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Contact Information

In order to verify receipt of equipment and review terms and conditions of the lease, please provide contact information for one or more staff that can assist in this process.

Contact 1:	Phone:
Email:	
Contact 2:	Phone:
Email:	

I hereby attest the above information is accurate.

Signature X	Date
----------------	------

Email:

PNC Bank, National Association ("PNC"), is required to collect and remit sales/use tax in the taxing jurisdiction where your equipment will be located. If you select that you are exempt by marking one of the checkboxes below, you must provide a valid exemption certificate. If you do not provide this certificate *prior* to the booking of your transaction, you will be responsible for sales tax on all accrued payments.

- If tax has been remitted up front and financed into your lease payment, your account will not be marked sales tax exempt if you provide an exemption certificate after your transaction has been booked.
- If your tax is remitted on a monthly basis, your lease may be marked sales tax exempt for the remaining payments left to be invoiced if you provide a valid exemption certificate after your transaction has been booked.
- In the event we do not receive a valid sales tax exemption certificate prior to the date your lease commences, you will be charged sales/use tax.

Personal property tax returns will be filed as required by local law. In the event that any tax abatements or special exemptions are available on the equipment you will be leasing from us, please notify us as soon as possible and forward the related documentation to us. This will ensure that your leased equipment will be reported correctly.

Please indicate below if your lease is subject to tax or whether a valid exemption exists.

Sales Tax

- ☐ I agree that my lease is subject to sales/use tax.
- ☐ I am exempt from sales/use tax and I have attached a completed exemption certificate to PNC.
- ☐ I am claiming a partial exemption from tax. I have attached a completed exemption certificate or other documented proof of this partial exemption.
- ☐ I agree that my business is subject to sales/use tax and I have attached a completed resale certificate. This certificate indicates that I will be responsible for collection and remittance of sales/use tax based on the subsequent re-rental of the property.

If applicable to the tax rates in your state, are you outside the city limits or in an unincorporated area?

- ☐ Inside city limits ☐ Outside city limits ☐ Unincorporated area

Property Tax

- ☐ I have a valid abatement or property tax exemption (documentation attached).
- ☐ Location: State _____
Taxing District _____

Additional comments:

Lease Number 98986017-2

Lessee: City of Edinburg

Signature:

X

Print Name:

Title:

Date:

Return Rider (Cars and Turf)

This Rider is executed and delivered by the undersigned Lessor and the undersigned Lessee regarding the Customer No 98986017 ("Agreement").

Pursuant to the Agreement, Lessee may return all, but not less than all, of the Equipment at the expiration of the lease term with respect thereto, at Lessee's expense to such location as Lessor may designate, in the condition required pursuant to the Agreement and any applicable Rider. If, in the opinion of Lessor, any item of the Equipment fails to meet the standards set forth in the Agreement, any applicable Rider, Lessee agrees to pay on demand all costs and expenses incurred in connection with repairing the Equipment and restoring it to such condition, including its assembly and delivery.

Until Lessee has fully complied with the notice and purchase requirements set forth herein, Lessee's Rent payment obligation and all other obligations under the Agreement shall continue from month to month notwithstanding the expiration or termination of the term of the Agreement. Lessor may terminate Lessee's right to use the Equipment upon ten days' notice to Lessee.

In addition to the requirements of the Agreement relating to the condition of the Equipment upon return thereof by the Lessee to Lessor, the following return conditions shall apply to the Equipment:

(a) all safety equipment must be in place and meet applicable federal, state and other governmental standards; (b) all covers and guards must be in place with no sheet metal, plastic or cowling damage; (c) all parts, pieces, components and optional equipment must be present, installed and operational; (d) all accessories shall be returned in proper order; (e) all electronic controls shall operate per manufacturer's specifications and controls which bypass normal operations shall be repaired at Lessee's expense; (f) all electrical systems shall be able to provide electrical output as specified by the manufacturer; (g) all Equipment must have a relatively clean appearance; (h) all Equipment shall be free from excessive wear necessitating major component repair or replacement caused by lack of recommended maintenance as detailed in customer operation/maintenance manuals; (i) all Equipment shall be free from structural damage or bent frames; (j) any usage or metering devices must not have been altered in any way; and (k) all Equipment attachments, if any, must be in good operating condition; (l) all motors shall operate smoothly without overheating and shall have good bearings and bushings; (m) all batteries shall be in good, safe operating condition with no dead cells or cracked cases and all batteries shall hold a charge and provide adequate power to operate the Equipment; (n) all Equipment shall have serviceable tires, with 50% remaining tread, retaining proper air pressure, and without repair patches; (o) all oil and grease seals must contain lubrication in the manufacturers designed reservoir; and (p) all hydraulic cylinders must not be bent, nicked, gouged or leaking. In addition, each item of Equipment regardless of type must be able to complete the following tests: (q) have all functions and controls work in normal manner; and (r) perform its designed functions in a satisfactory manner. In addition, if this Agreement involves the leasing of Turf Equipment, such Equipment must be able to complete the following tests: (s) operate normally in forward and reverse directions through all its speed ranges or gears; (t) steer normally right and left in both forward and reverse; (u) be able to stop with its service brakes in a safe distance in both forward and reverse; (v) operate without leaking any fluids; and (w) all cutting units (if applicable) must be able to lower, turn on, run, raise and shut off as they are designed to do.

In addition, for leases involving Turf Equipment the hours of use of an item of Equipment shall be determined by the hour meter attached to said item of Equipment with usage as is limited to 600 hours per year with a \$10.00 per hour on each item of Equipment for each hour of excess use.

If any item of Equipment is damaged or does not meet the standards set forth above for the return condition of such Equipment or if the Lessee fails to discharge Lessee's obligations set forth above with regard to any item of Equipment, Lessee shall pay to Lessor, immediately upon demand, the Net Book Value of such item of Equipment.

PNC Bank, National Association
("Lessor")

X

Authorized Signature

Print Name

Title:

655 Business Center Drive
Horsham, PA 19044

City of Edinburg
("Lessee")

X

Authorized Signature

Print Name

Title:

Date
415 W. University Dr.

Edinburg, TX 78539

Additional State Provisions Rider

This Rider is executed and delivered by the undersigned Lessor and the undersigned Lessee regarding the Customer No 98986017 ("Lease").

If the Lessee is a state government agency or political subdivision of a state listed below, the additional provisions listed below for the respective state apply to the Lease as provided for below:

State	Additional Provisions
Florida	Notwithstanding anything contained in the Lease, the Lessor shall not have title to the Equipment as owner nor be granted a security interest to the extent such a grant or holding title violates Florida law. In addition, any insurance provisions naming Lessor as lender loss payee, loss payee, and/or additional insured shall not be applicable.
Georgia	Notwithstanding anything to the contrary contained in the Lease, the Lease Term commences on, and interest accrues from, the date this Lease is executed by you as set forth on your signature line below, and in accordance with applicable Georgia law, the initial term shall continue in effect until midnight on December 31 of the calendar year in which this Lease is executed. The Lease Term shall automatically renew for each succeeding calendar year for the remaining period of the stated Lease Term, unless you give notice to us by December 1 of a calendar year stating your intention not to renew this Lease for the period after December 31 of such calendar year. If you deliver such notice of nonrenewal of the Lease Term, this Lease shall terminate absolutely and without further obligation on your part, including any obligation to pay Rent payments for the period after termination, at the end of such calendar year. In the event that your governing body does not approve an appropriation of funds at any time during the Lease Term for the payment of Rent payments and other amounts (if any) due and to become due for the succeeding fiscal year during the Lease Term for the Equipment subject to this Lease, you shall have the right to return such Equipment in accordance with the terms hereof, and terminate this Lease on the last day of the fiscal year for which sufficient appropriations were received without penalty or expense to you, except as to the portion of Rent payments for which funds shall have been appropriated and budgeted. At least 15 days prior to the end of your fiscal year in which your governing body shall not have approved an appropriation of funds for the succeeding fiscal year, your chief finance or budgetary official shall certify in writing to us that funds have not been appropriated for the succeeding fiscal year. In addition, Lessee hereby agrees to complete, execute and deliver to Lessor with respect to the Lease, on the date of its execution and delivery, a Certificate of Compliance with Georgia Law in substantially the form attached to this Rider as the "Georgia Exhibit".
Kansas	Lessee hereby agrees to complete, execute and deliver to Lessor with respect to the Lease, on the date of its execution and delivery, a Certificate of Compliance with Kansas Law in substantially the form attached to this Rider as the "Kansas Exhibit".
New York	NOT APPLICABLE FOR NEW YORK STATE GOVERNMENT ENTITIES. APPLICABLE FOR ALL OTHER GOVERNMENT ENTITIES IN NEW YORK. For purposes of Section 109-b(2)(f) of the General Municipal Law of the State of New York, Lessor and Lessee hereby agree that the Lease shall be deemed executory only to the extent of monies appropriated and available for the purpose of the Lease, and no liability on account thereof shall be incurred by Lessee beyond the amount of such monies. The Lease is not a general obligation of Lessee. Neither the full faith and credit nor the taxing power of Lessee are pledged to the payment of any amount due or to become due under the Lease. It is understood that neither the Lease nor any representation by any public employee or officer creates any legal or moral obligation to appropriate or make monies available for the purpose of the Lease. In addition to Lessee's representations, warranties and covenants set forth in the Lease, Lessee hereby further represents to Lessor as follows: (a) the stated full Lease Term of the Lease does not exceed the "period of probable usefulness" prescribed by Section 11.00 of the Local Finance Law of the State of New York for the equipment, machinery or apparatus financed under the Lease; (b) the authorization for the issuance of obligations to finance the equipment, machinery or apparatus to be leased, acquired and financed under the Lease is not required by law to be subject to (i) a permissive or mandatory referendum, (ii) a supermajority vote of Lessee's governing board or (iii) a referendum only if the obligations have a maturity not less than a specified minimum period; and (c) the amount of unpaid periodic payments (excluding interest) proposed to be made under the Lease and those other installment purchase contracts entered into by Lessee pursuant to Section 109-b of the General Municipal Law of the State of New York, together with the amount of outstanding indebtedness, do not exceed 115% of the limit prescribed by Section 104.00 of the Local Finance Law of the State of New York and the total amount of such payments (excluding interest) under the Lease and all such other installment purchase contracts do not exceed 40% of such limit.
Ohio	NOT APPLICABLE FOR OHIO STATE GOVERNMENT ENTITIES. APPLICABLE FOR ALL OTHER GOVERNMENT ENTITIES IN OHIO. Lessee hereby agrees to complete, execute, and deliver to Lessor with respect to the Lease, a Certificate of Adequate Resources in substantially the form attached to this Addendum as the "Ohio Exhibit".
Texas	Pursuant to Section 2270.002 of the Texas Government Code, Lessor hereby certifies that it does not boycott Israel and will not boycott Israel during the term of this Lease.

PNC Bank, National Association
("Lessor")

X
Authorized Signature

Print Name

Title:

655 Business Center Drive
Horsham, PA 19044

City of Edinburg
("Lessee")

X
Authorized Signature

Print Name)

Title

Date
415 W. University Dr.
Edinburg, TX 78539



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.B.

2024 All-America City Award Application

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit an Application to the National Civic League for the 2024 All-America City Award and Execute Application Documents Relating Thereto. [Claudia Farias, Interim Director of Grants Administration]

2. Description:

The National Civic League is soliciting applications for the 2024 All-America City Award. The All-America City Award recognizes communities that leverage civic engagement, collaboration, inclusiveness and innovation to successfully address local issues. Benefits of winning this award designation include national recognition, economic stimulus and pride and collaboration.

The 2024 All-America City Award theme is “Strengthening Democracy through Local Action and Innovation.” The 2024 All-America City Award will recognize communities that are finding innovative ways to equitably engage community members in activities that strengthen democratic processes, like engaging in community affairs, and serving in leadership roles. Applicants will be asked to discuss the strength of their civic capital-the formal and informal relationships, networks and capacities they use to make decisions and solve problems-and to provide examples of three community-driven projects or programs that have adapted and transformed the community.

An optional Letter of Intent was submitted on November 20, 2023. The application deadline is February 13, 2024. Finalists will be announced in March 2024. Finalists will be invited and expected to attend the awards event and competition in Denver, CO and provide for all travel costs and expenses. Finalist community delegations will be required to present their story to a national jury of civic, local government, business, philanthropy, and community experts at the All-America City Awards Competition and Event in Denver, CO, which is scheduled for June 7-9, 2024.

There is a \$250 application fee; however, because a Letter of Intent was submitted, the application fee is reduced to \$150. The \$150 application fee is available in the FY 2023-2024 General Fund Operating Budget.

3. Staff's Recommendation:

Approve Resolution authorizing the City Manager to submit an application to the National Civic League for the 2024 All-America City Award and execute application documents relating thereto.

Reviewed by:

Prepared by:

Claudia Farias, Interim
Director of Grants
Administration

Attachments:

A. 2024 All-America City Award Application Resolution

RESOLUTION NO. _____

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT AN APPLICATION TO THE NATIONAL CIVIC LEAGUE FOR THE 2024 ALL-AMERICA CITY AWARD AND AUTHORIZE CITY MANAGER TO EXECUTE APPLICATION DOCUMENTS.
COUNTY OF HIDALGO	§	
CITY OF EDINBURG	§	

WHEREAS, the City of Edinburg finds it is the best interest of the citizens of the City of Edinburg to apply for the National Civic League 2024 All-America City Award; and

WHEREAS, the award and designation recognize communities that leverage civic engagement, collaboration, inclusiveness and innovation to successfully address local issues; and

WHEREAS, this national award is designed to offer the opportunity for both recognition and reflection, as applications require communities to come together to assess their strengths and challenges; and

WHEREAS, the process of applying for the award provides an opportunity to mobilize local groups to work together and display on a national stage the people and projects that make a community a great place to live, work, and play; and

WHEREAS, the City of Edinburg desires to designate the City Manager as the awardee's authorized official, who has the power to apply for, accept, alter, terminate and execute related documents for the award on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS THAT:

SECTION 1. INCORPORATION OF RECITALS: The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct, and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City Council hereby authorizes the City Manager to submit the application to the National Civic League and to comply with applicable requirements, accept, alter, terminate and execute related documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February, 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:
Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.C.

Donate Used Equipment to Valle Hermoso, Tamaulipas, Mexico,
Abasolo, Nuevo Leon, Mexico and South Texas College.

1. **Agenda Item:**

Consider Resolution Authorizing the City of Edinburg Fire Department to Donate Used Equipment and Personal Protective Equipment to Valle Hermoso, Tamaulipas, Mexico, Abasolo, Nuevo León, Mexico and South Texas College. [Omar Garza, Fire Chief]

2. **Description:**

Staff is requesting to donate the following used equipment and personal protective equipment to the following entities. This equipment is over ten years old and no longer meets NFPA standards. The receiving entities will be required to sign the necessary legal documents and release of liability forms from the City of Edinburg and will accept full responsibility for the use, care and maintenance of the equipment. This donation is made in the spirit of cooperation and the understanding that there are firefighters volunteering to help citizens during life-threatening situations or using said equipment to train but can not afford to purchase the proper equipment to perform those duties. These donations were based off of the request letters that were submitted by each entity, which are included. The Automobile Deletion form is also included for City Council review and approval. If approved, these vehicles will be removed from the automobile schedule.

Valle Hermoso, Tamaulipas, Mexico - Donation:

- 2003 Pierce Engine - VIN #1GDM7D1GXKV521387
- 10 Scott Face Masks
- 10 Scott AP75 Air Packs
- 30 Bunker Coats
- 33 Bunker Pants
- 24 Pairs of Gloves
- 12 Helmets
- 12 Pairs of Structural Boots
- 17 Nomex Hoods

Abasolo, Nuevo Leon, Mexico - Donation

- 1989 GMC Rescue - VIN #4P1CT02S73A003292
- 29 Bunker Coats
- 33 Bunker Pants
- 12 Pairs of Structural Boots
- 12 Helmets
- 17 Nomex Hoods
- 20 Scott 4500 PSI Cylinders
- 10 Scott Face Masks

South Texas College - Donation

- 10 Sets of Personal Protective Equipment to include:
 - Bunker Coats
 - Bunker Pants
 - Structural Boots
 - Structural Gloves
 - Helmets

3. Staff's Recommendation:

Approve Resolution Authorizing the City of Edinburg Fire Department to Donate Used Equipment and Personal Protective Equipment to Valle Hermoso, Tamaulipas, Mexico, Abasolo, Nuevo León and South Texas College.

Reviewed by:

Omar Garza, Fire Chief

Jesus Saenz, Assistant City Manager

Prepared by:

Maricruz Tovar, Emergency
Management Planner

Attachments:

- A. Request for Donation_Valle Hermoso
- B. Resolution Donation of Equipment for Valle Hermoso
- C. City Contract Valle Hermoso
- D. Request for Donation_Abasolo Nuevo Leon
- E. Resolution Donation of Equipment for Abasolo Nuevo Leon
- F. City Contract Abasolo Nuevo Leon
- G. Request for Donation_STC
- H. Resolution Donation of Equipment for South Texas College
- I. City Contract South Texas College
- J. Automobile Deletion Form

**DIRECCIÓN DE PROTECCIÓN CIVIL Y BOMBEROS DE VALLE HERMOSO,
TAMAULIPAS, MEXICO.**

DECEMBER/1st /2023

**MR. OMAR GARZA
FIRE CHIEF OF EDINBURG**

**SUBJECT: EQUIPMENT DONATION REQUEST
FOR THE FIRE DEPARTMENT**

The department of the Heroic Fire Department of the city of Valle Hermoso, Tamaulipas, Mexico, addresses the City Council of the City of Edinburg, Texas with the intention of requesting your valuable contribution with equipment for our elements.

Knowing your good will and the excellent work you do in your city, we allow ourselves to come to you to request humanitarian collaboration so that our elements can provide protection and the necessary tools to our people, a brother people of traditions and customs.

We know that your good will will be greatly rewarded and we will be eternally grateful to the Fire Department and the city of Edinburg, Texas, for the support provided.



ATENTAMENTE


LIC. JORGE IVAN MANCHA ESQUIVEL

DIRECTOR DE PROTECCIÓN CIVIL Y BOMBEROS DE VALLE HERMOSO

RESOLUTION NO. _____

STATE OF TEXAS	§	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS AUTHORIZING THE DISPOSITION OF SURPLUS FIRE DEPARTMENT EQUIPMENT PREVIOUSLY UTILIZED BY THE
COUNTY OF HIDALGO	§	EDINBURG FIRE DEPARTMENT AT VARIOUS INCIDENTS FOR DONATION TO VALLE HERMOSO, TAMAULIPAS, MEXICO; PROVIDING FOR SEVERABILITY; AND RESOLVING OTHER
CITY OF EDINBURG	§	MATTERS RELATED THERETO.

WHEREAS, the Edinburg Fire Department wishes to declare as surplus and effectuate the disposition of fire department equipment previously used in various incidents; and,

WHEREAS, the equipment has served its purpose in the course of the departmental function and is considered negligible in value and of no viable use in the Edinburg Fire Department; and,

WHEREAS, the Valle Hermoso, Tamaulipas, Mexico has expressed a need for the equipment for use in firefighting activities; and

WHEREAS, the Valle Hermoso, Tamaulipas, Mexico has inspected and agreed to accept the equipment as is; and,

WHEREAS, the City Council of the City of Edinburg is of the consensus that a transfer of the equipment as a donation to the Valle Hermoso, Tamaulipas, Mexico is justified because it is for a public purpose and properly allowed by law; and,

WHEREAS, the Valle Hermoso, Tamaulipas, Mexico will indemnify, defend and hold City harmless for any losses or damages, which may arise at any time from the use of the transferred equipment; and,

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS THAT:

SECTION I. REQUIREMENT OF LAW. The City Council specifically finds that all requirements of law have been met in the passing of this Resolution.

SECTION II. PURPOSE. Surplus fire equipment more particularly described on Exhibit “A”, attached hereto, formerly utilized by the Edinburg Fire Department in various incidents, is hereby declared surplus and donated to the Valle Hermoso, Tamaulipas, Mexico pursuant to a donation agreement attached hereto as Exhibit B.

SECTION III. ADMINISTRATION. The City Manager and/or his designee is hereby authorized to execute any and all documents necessary to effectuate the transfer of the subject equipment.

SECTION IV. SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Resolution that its parts shall be severable, and all other parts of his Resolution shall not be affected thereby and shall remain in full force and effect.

SECTION V. EFFECTIVE DATE. This Resolution shall take effect immediately after its passage.

READ, CONSIDERED, PASSED AND APPROVED BY THE CITY COUNCIL OF EDINBURG, TEXAS, at a regular meeting on the 6^h day of February, 2024, at which a quorum

was present and for which due notice was given pursuant to Section 551.001, et. seq. of the Government Code.

CITY OF EDINBURG

BY: _____
Ramiro Garza, Jr., Mayor

ATTEST:

BY: _____
Clarice Balderas, City Secretary

APPROVED AS TO FORM:
Omar Ochoa Law Firm, P. C.

BY: _____
Omar Ochoa, City Attorney

STATE OF TEXAS §
COUNTY OF HIDALGO §
CITY OF EDINBURG §

**DONATION AGREEMENT BETWEEN
THE CITY OF EDINBURG AND VALLE
HERMOSO, TAMAULIPAS, MEXICO**

The City of Edinburg, Hidalgo County, Texas, a municipal corporation, (hereinafter “City”) and Valle Hermoso, Tamaulipas, Mexico (hereinafter “Donee”), are the parties to this Agreement.

RECITALS

WHEREAS, City owns certain property described in Exhibit A, attached hereto and incorporated herein (the “Property”), and

WHEREAS, City desires to donate the Property to Donee, and Donee desires to accept donation of the Property subject to the terms and conditions contained herein;

SECTION I
DONATION OF THE PROPERTY

A. Upon the terms, covenants, and conditions herein, City agrees to donate to Donee the Property, and Donee agrees to accept the donation of the Property from Donor.

B. Donee further agrees that it shall use the Property for public purposes only and shall not sell the Property to any private person or entity. To the extent Donee donates the Property in the future, it shall do so only after ensuring that any subsequent donee uses the Property for public purposes only.

SECTION II
CONDITION OF PROPERTY AND SEPARATE RESPONSIBILITIES

A. City shall provide to Donee, within five (5) business days following the execution of this Agreement, the Property. City expressly disclaims any representations or warranties with respect to the condition of the Property. It is understood and agreed that Donee shall be responsible to perform any inspections and other examinations of the Property as Donee deems necessary or desirable (including, without limitation, any tests, studies, investigations, inspections, and other examinations of physical and functional conditions of the Property).

B. DONEE ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, DONOR HAS NOT MADE, AND SPECIFICALLY NEGATES AND DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES REGARDING ANY ASPECT OF THE PROPERTY, INCLUDING

WITHOUT LIMITATION: (A) THE VALUE, NATURE, QUALITY OR PHYSICAL CONDITION OF THE PROPERTY, (B) THE SUITABILITY OF THE PROPERTY FOR ANY ACTIVITY OR USE WHICH DONEE MAY CONDUCT, (C) THE COMPLIANCE OF THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (D) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, OR (E) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO PERSON ACTING ON BEHALF OF DONOR IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF DONEE ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, WARRANTY, COVENANT OR AGREEMENT REGARDING THE PROPERTY OR THE DONATION CONTEMPLATED HEREIN. DONEE ACKNOWLEDGES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, DONEE IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY DONOR. DONEE FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE DONATION OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" BASIS WITH ALL FAULTS. DONEE ASSUMES THE RISK THAT ADVERSE PAST, PRESENT OR FUTURE PHYSICAL CHARACTERISTICS AND CONDITIONS OF THE PROPERTY MAY NOT HAVE BEEN REVEALED BY DONOR'S DISCLOSURES OR DONEE'S INSPECTIONS OR INVESTIGATIONS OF THE PROPERTY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OR ANY TERMINATION OF THIS AGREEMENT.

C. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either party as an agent of the other for any purpose whatsoever. Except as otherwise specifically provided herein, neither party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

D. Each party hereto shall be responsible for the payment of its respective attorneys' fees and all other costs and expenses of any kind or nature incurred by such party in connection with this Agreement or the Property.

SECTION III **REPRESENTATIONS AND WARRANTIES**

A. Donee has all requisite power and authority to execute this Agreement; the execution and delivery thereof by Donee is fully authorized by all requisite authority; and no other consents by any other party are required for Donee to execute and deliver this Agreement.

B. The execution, delivery of and performance under this Agreement is pursuant to authority validly and duly conferred upon Donee and the signatories of Donee hereto. To the actual knowledge of Donee, the performance by Donee of its obligations under the terms of this Agreement do not conflict in any material or adverse way with our result in breach of any of the terms or provisions of, or constitute a default under any agreement, arrangement, understanding, accord, document or instrument by which Donee is bound, and, to the actual knowledge of Donee, will not and does not constitute a violation of any applicable law, rule, regulation, judgment, order or decree of any governmental instrumentality or court, domestic or foreign, to which Donee is subject.

SECTION IV **RELEASE OF CLAIMS**

A. Donee hereby covenants and agrees to release and not to sue City, its officers, directors, attorneys, agents and employees (the "Released Parties") as a result of any and all claims regarding the condition of the Property, including any and all claims and causes of action existing as of the date of Donor's delivery of the Property to Donee and any claims and causes of action thereafter created or enacted, whether at common law or by federal, state, county or municipal law or ordinance. The provisions of this paragraph shall survive Closing and conveyance of the Property.

SECTION V **ALTERNATE DISPUTE RESOLUTION/NEUTRAL PARTY**

A. If any dispute, controversy, or claim between or among the Parties arises under this Agreement or is related in any way to this Agreement or the relationship of the Parties hereunder (a "Dispute"), the Parties shall first attempt in good faith to settle and resolve such Dispute by meeting at a mutually agreeable time and place to discuss the Dispute within seven (7) days following the original written notice of any Dispute by the party making such a claim. The Parties shall seek to resolve the Dispute in writing within fourteen (14) days following the original written notice of any Dispute by the party making such a claim.

B. If a mutual resolution and settlement are not obtained at the meeting, the Parties shall participate in good faith in formal mediation, within thirty (30) days following the original written notice of any Dispute, with a mutually agreeable mediator at a mutually agreeable time and place. No settlement reached under this provision shall be binding on the Parties until reduced to a writing signed by a representative of each Party. Unless the parties expressly agree otherwise, each party shall bear its own costs and legal and expert fees incurred in the mediation, and evenly share the costs of the mediator. If after proceeding in good faith the parties, with the assistance of a neutral mediator, do not resolve the dispute within forty-five (45) days following the original written notice of any Dispute, the parties may proceed in accordance with the section below.

SECTION VI
CONTROLLING LAW, MANDATORY VENUE, AND FEES AND EXPENSES

A. After exhausting the procedures set forth above, either party may initiate litigation to resolve the dispute. The Law of the State of Texas shall control the Dispute. Venue is mandatory in in State courts located in Hidalgo County, Texas.

B. In the event of any litigation between the parties, the parties shall bear their own costs, including attorneys' fees and expenses.

SECTION VII
INDEMNIFICATION

A. To the maximum extent allowed by law, Donee agrees to and shall indemnify, hold harmless, and defend City, its officers, agents, and employees from any all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, court costs, and attorney's fees arising out of or directly connected with the donation of Property made under this Agreement.

SECTION VIII
AGREEMENT CONSTRUCTION

A. The headings of the Sections contained in this Agreement are for reference purposes only, and shall not affect the meaning or interpretation of this Agreement. The parties have been advised by counsel in connection with this Agreement. This Agreement shall be construed and interpreted in accordance with the plain meaning of its language, and not for or against either party, and as a whole, giving effect to all of the terms, conditions, and provisions of this Agreement. Nothing contained in this Agreement shall be deemed to confer any right or benefit on any person who is not a party to this Agreement.

SECTION IX
SEVERABILITY

A. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SECTION X
NOTICE

A. Any notices to be given under this Agreement shall be in writing, (i) sent by registered or certified mail, postage prepaid, return receipt requested or (ii) sent by nationally recognized overnight courier (e.g. Federal Express) with electronic tracking, and addressed to such party as follows:

(a) Notices to the City:

City of Edinburg
415 W. University Drive
Edinburg, Texas 78539
Attn.: City Manager

(b) Notices to Donee:

Gobierno Municipal Valle Hermoso
Attn.: Director de Proteciccon Civil y Bomberos

B. Such Notices shall be deemed delivered (i) in the case of U.S. mail in the manner provided above, three (3) business days after posting or (ii) if sent by nationally recognized overnight courier with electronic tracking service, the next business day after depositing same with such overnight courier before the overnight deadline and if deposited with such courier after such deadline, then the next succeeding business day.

SECTION XI

SUCCESSORS AND ASSIGNS

City and Donee each bind themselves, their partners, successors, executors, administrators, and assigns to the other party of the Agreement in respect to all covenants of this Agreement. Neither City nor Donee shall assign, sublet, or transfer interest in this Agreement without written consent of the other.

SECTION XII

NO WAIVERS OR ACCORD AND SATISFACTION

A. This Agreement may be amended only by written instrument signed by all parties.

B. No failure or delay of any Party, in any one or more instances (i) in exercising any power, right, or remedy under this Agreement or (ii) in insisting upon the strict performance by the other Party of such other Party's covenants, obligations, or agreements under this Lease, shall operate as a waiver, discharge, or invalidation thereof, nor shall any single or partial exercise of any such right, power, or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power, or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power, or remedy. The covenants, obligations, and agreements of a defaulting Party and the rights and remedies of the other Party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act, or omission.

C. Without limiting the generality of the above, the receipt by City of any Services with knowledge of a breach by Donee of any covenant, obligation, or agreement under this Agreement shall not be deemed or construed to be a waiver of such breach. No acceptance of Services or payment to Donee shall be deemed to be other than on account of the earliest installment of the amounts due under this Agreement, nor shall any endorsement or statement on any check, or any letter accompanying any check, wire transfer or other payment, be deemed an accord and satisfaction. City may accept services or make payment without prejudice to its rights under this Agreement or pursue any remedy provided in this Agreement or provided otherwise by law or equity.

EXECUTED by the parties in triplicate originals on this ____ day of _____, 2024.

CITY OF EDINBURG:

BY: _____
Myra L. Ayala, City Manager
City of Edinburg
415 W. University Dr.
P.O. Box 1079
Edinburg, Texas 78540
Phone: (956) 388-8207
Fax: (956) 383-7111

ATTEST:

BY: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

Omar Ochoa Law Firm, P.C.

BY: _____
Omar Ochoa, City Attorney

DONEE:

BY: _____
Lic. Jorge Ivan Mancha Esquivel
Director de Proteciccon Civil y Bomberos
Gobierno Municipal Valle Hermoso

Attachments: Description of Donated Property

EXHIBIT “A” TO AGREEMENT BETWEEN THE CITY OF EDINBURG AND VALLE HERMOSO, TAMAULIPAS, MEXICO

Donation of Equipment

- 2003 Pierce Engine - VIN #1GDM7D1GXKV521387
- 10 Scott Face Masks
- 10 Scott AP75 Air Packs
- 30 Bunker Coats
- 33 Bunker Pants
- 24 Pairs of Gloves
- 12 Helmets
- 12 Pairs of Structural Boots
- 17 Nomex Hoods

ABASOLO. NL A 31 DE JULIO DEL 2023
NO. DE OFICIO: CMPYB/2702/2023
ASUNTO: EL QUE SE INDICA

Chief Omar Garza

Departamento de bomberos de la cd. De Edinburg, Texas.

Presente. –

Por medio del presente le envié un cordial saludo y sirva la ocasión hacer de conocimiento que nuestro personal de bomberos se a incrementado debido a las exigencias y emergencias que se presentan día a día en nuestro querido municipio Abasolo, Nuevo Leon. Dicho esto, me permito solicitar la donación de equipos y materiales que se encuentren en buen estado y sirvan para apoyar en los trabajos que valientemente realiza el personal de esta Coordinación todos los días para servir a la ciudadanía de Abasolo, al atender emergencias que incluyen, incendios de pastizal, estructurales, emergencias médicas y de atención prehospitilaria entre otras.

Sin otro particular y esperando ser favorecido con su respuesta positiva, reitero a usted la seguridad de mi más fina consideración y respeto.

ATENTAMENTE



HECTOR GARZA
DIRECTOR DE BOMBEROS
ABASOLO NUEVO LEON



RESOLUTION NO. _____

STATE OF TEXAS	§	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS AUTHORIZING THE DISPOSITION OF SURPLUS FIRE DEPARTMENT EQUIPMENT PREVIOUSLY UTILIZED BY THE EDINBURG FIRE DEPARTMENT AT VARIOUS INCIDENTS FOR DONATION TO ABASOLO, NUEVO LEON, MEXICO; PROVIDING FOR SEVERABILITY; AND RESOLVING OTHER MATTERS RELATED THERETO.
COUNTY OF HIDALGO	§	
CITY OF EDINBURG	§	

WHEREAS, the Edinburg Fire Department wishes to declare as surplus and effectuate the disposition of fire department equipment previously used in various incidents; and,

WHEREAS, the equipment has served its purpose in the course of the departmental function and is considered negligible in value and of no viable use in the Edinburg Fire Department; and,

WHEREAS, the Abasolo, Nuevo Leon, Mexico has expressed a need for the equipment for use in firefighting activities; and

WHEREAS, the Abasolo, Nuevo Leon, Mexico has inspected and agreed to accept the equipment as is; and,

WHEREAS, the City Council of the City of Edinburg is of the consensus that a transfer of the equipment as a donation to the Abasolo, Nuevo Leon, Mexico is justified because it is for a public purpose and properly allowed by law; and,

WHEREAS, the Abasolo, Nuevo Leon, Mexico will indemnify, defend and hold City harmless for any losses or damages, which may arise at any time from the use of the transferred equipment; and,

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS THAT:

SECTION I. REQUIREMENT OF LAW. The City Council specifically finds that all requirements of law have been met in the passing of this Resolution.

SECTION II. PURPOSE. Surplus fire equipment more particularly described on Exhibit “A”, attached hereto, formerly utilized by the Edinburg Fire Department in various incidents, is hereby declared surplus and donated to the Abasolo, Nuevo Leon, Mexico pursuant to a donation agreement attached hereto as Exhibit B.

SECTION III. ADMINISTRATION. The City Manager and/or his designee is hereby authorized to execute any and all documents necessary to effectuate the transfer of the subject equipment.

SECTION IV. SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Resolution that its parts shall be severable, and all other parts of his Resolution shall not be affected thereby and shall remain in full force and effect.

SECTION V. EFFECTIVE DATE. This Resolution shall take effect immediately after its passage.

READ, CONSIDERED, PASSED AND APPROVED BY THE CITY COUNCIL OF EDINBURG, TEXAS, at a regular meeting on the 6th day of February, 2024, at which a quorum

was present and for which due notice was given pursuant to Section 551.001, et. seq. of the Government Code.

CITY OF EDINBURG

BY: _____
Ramiro Garza, Jr., Mayor

ATTEST:

BY: _____
Clarice Balderas, City Secretary

APPROVED AS TO FORM:
Omar Ochoa Law Firm, P. C.

BY: _____
Omar Ochoa, City Attorney

STATE OF TEXAS §
COUNTY OF HIDALGO §
CITY OF EDINBURG §

**DONATION AGREEMENT BETWEEN
THE CITY OF EDINBURG AND
ABASOLO, NUEVO LEON, MEXICO**

The City of Edinburg, Hidalgo County, Texas, a municipal corporation, (hereinafter “City”) and Abasolo, Nuevo Leon, Mexico (hereinafter “Donee”), are the parties to this Agreement.

RECITALS

WHEREAS, City owns certain property described in Exhibit A, attached hereto and incorporated herein (the “Property”), and

WHEREAS, City desires to donate the Property to Donee, and Donee desires to accept donation of the Property subject to the terms and conditions contained herein;

SECTION I
DONATION OF THE PROPERTY

A. Upon the terms, covenants, and conditions herein, City agrees to donate to Donee the Property, and Donee agrees to accept the donation of the Property from Donor.

B. Donee further agrees that it shall use the Property for public purposes only and shall not sell the Property to any private person or entity. To the extent Donee donates the Property in the future, it shall do so only after ensuring that any subsequent donee uses the Property for public purposes only.

SECTION II
CONDITION OF PROPERTY AND SEPARATE RESPONSIBILITIES

A. City shall provide to Donee, within five (5) business days following the execution of this Agreement, the Property. City expressly disclaims any representations or warranties with respect to the condition of the Property. It is understood and agreed that Donee shall be responsible to perform any inspections and other examinations of the Property as Donee deems necessary or desirable (including, without limitation, any tests, studies, investigations, inspections, and other examinations of physical and functional conditions of the Property).

B. DONEE ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, DONOR HAS NOT MADE, AND SPECIFICALLY NEGATES AND DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES REGARDING ANY ASPECT OF THE PROPERTY, INCLUDING

WITHOUT LIMITATION: (A) THE VALUE, NATURE, QUALITY OR PHYSICAL CONDITION OF THE PROPERTY, (B) THE SUITABILITY OF THE PROPERTY FOR ANY ACTIVITY OR USE WHICH DONEE MAY CONDUCT, (C) THE COMPLIANCE OF THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (D) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, OR (E) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO PERSON ACTING ON BEHALF OF DONOR IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF DONEE ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, WARRANTY, COVENANT OR AGREEMENT REGARDING THE PROPERTY OR THE DONATION CONTEMPLATED HEREIN. DONEE ACKNOWLEDGES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, DONEE IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY DONOR. DONEE FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE DONATION OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" BASIS WITH ALL FAULTS. DONEE ASSUMES THE RISK THAT ADVERSE PAST, PRESENT OR FUTURE PHYSICAL CHARACTERISTICS AND CONDITIONS OF THE PROPERTY MAY NOT HAVE BEEN REVEALED BY DONOR'S DISCLOSURES OR DONEE'S INSPECTIONS OR INVESTIGATIONS OF THE PROPERTY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OR ANY TERMINATION OF THIS AGREEMENT.

C. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either party as an agent of the other for any purpose whatsoever. Except as otherwise specifically provided herein, neither party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

D. Each party hereto shall be responsible for the payment of its respective attorneys' fees and all other costs and expenses of any kind or nature incurred by such party in connection with this Agreement or the Property.

SECTION III **REPRESENTATIONS AND WARRANTIES**

A. Donee has all requisite power and authority to execute this Agreement; the execution and delivery thereof by Donee is fully authorized by all requisite authority; and no other consents by any other party are required for Donee to execute and deliver this Agreement.

B. The execution, delivery of and performance under this Agreement is pursuant to authority validly and duly conferred upon Donee and the signatories of Donee hereto. To the actual knowledge of Donee, the performance by Donee of its obligations under the terms of this Agreement do not conflict in any material or adverse way with our result in breach of any of the terms or provisions of, or constitute a default under any agreement, arrangement, understanding, accord, document or instrument by which Donee is bound, and, to the actual knowledge of Donee, will not and does not constitute a violation of any applicable law, rule, regulation, judgment, order or decree of any governmental instrumentality or court, domestic or foreign, to which Donee is subject.

SECTION IV **RELEASE OF CLAIMS**

A. Donee hereby covenants and agrees to release and not to sue City, its officers, directors, attorneys, agents and employees (the "Released Parties") as a result of any and all claims regarding the condition of the Property, including any and all claims and causes of action existing as of the date of Donor's delivery of the Property to Donee and any claims and causes of action thereafter created or enacted, whether at common law or by federal, state, county or municipal law or ordinance. The provisions of this paragraph shall survive Closing and conveyance of the Property.

SECTION V **ALTERNATE DISPUTE RESOLUTION/NEUTRAL PARTY**

A. If any dispute, controversy, or claim between or among the Parties arises under this Agreement or is related in any way to this Agreement or the relationship of the Parties hereunder (a "Dispute"), the Parties shall first attempt in good faith to settle and resolve such Dispute by meeting at a mutually agreeable time and place to discuss the Dispute within seven (7) days following the original written notice of any Dispute by the party making such a claim. The Parties shall seek to resolve the Dispute in writing within fourteen (14) days following the original written notice of any Dispute by the party making such a claim.

B. If a mutual resolution and settlement are not obtained at the meeting, the Parties shall participate in good faith in formal mediation, within thirty (30) days following the original written notice of any Dispute, with a mutually agreeable mediator at a mutually agreeable time and place. No settlement reached under this provision shall be binding on the Parties until reduced to a writing signed by a representative of each Party. Unless the parties expressly agree otherwise, each party shall bear its own costs and legal and expert fees incurred in the mediation, and evenly share the costs of the mediator. If after proceeding in good faith the parties, with the assistance of a neutral mediator, do not resolve the dispute within forty-five (45) days following the original written notice of any Dispute, the parties may proceed in accordance with the section below.

SECTION VI
CONTROLLING LAW, MANDATORY VENUE, AND FEES AND EXPENSES

A. After exhausting the procedures set forth above, either party may initiate litigation to resolve the dispute. The Law of the State of Texas shall control the Dispute. Venue is mandatory in in State courts located in Hidalgo County, Texas.

B. In the event of any litigation between the parties, the parties shall bear their own costs, including attorneys' fees and expenses.

SECTION VII
INDEMNIFICATION

A. To the maximum extent allowed by law, Donee agrees to and shall indemnify, hold harmless, and defend City, its officers, agents, and employees from any all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, court costs, and attorney's fees arising out of or directly connected with the donation of Property made under this Agreement.

SECTION VIII
AGREEMENT CONSTRUCTION

A. The headings of the Sections contained in this Agreement are for reference purposes only, and shall not affect the meaning or interpretation of this Agreement. The parties have been advised by counsel in connection with this Agreement. This Agreement shall be construed and interpreted in accordance with the plain meaning of its language, and not for or against either party, and as a whole, giving effect to all of the terms, conditions, and provisions of this Agreement. Nothing contained in this Agreement shall be deemed to confer any right or benefit on any person who is not a party to this Agreement.

SECTION IX
SEVERABILITY

A. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SECTION X
NOTICE

A. Any notices to be given under this Agreement shall be in writing, (i) sent by registered or certified mail, postage prepaid, return receipt requested or (ii) sent by nationally recognized overnight courier (e.g. Federal Express) with electronic tracking, and addressed to such party as follows:

(a) Notices to the City:

City of Edinburg
415 W. University Drive
Edinburg, Texas 78539
Attn.: City Manager

(b) Notices to Donee:

Gobierno Municipal De Abasolo
Attn.: Director de Bomberos

B. Such Notices shall be deemed delivered (i) in the case of U.S. mail in the manner provided above, three (3) business days after posting or (ii) if sent by nationally recognized overnight courier with electronic tracking service, the next business day after depositing same with such overnight courier before the overnight deadline and if deposited with such courier after such deadline, then the next succeeding business day.

SECTION XI **SUCCESSORS AND ASSIGNS**

City and Donee each bind themselves, their partners, successors, executors, administrators, and assigns to the other party of the Agreement in respect to all covenants of this Agreement. Neither City nor Donee shall assign, sublet, or transfer interest in this Agreement without written consent of the other.

SECTION XII **NO WAIVERS OR ACCORD AND SATISFACTION**

A. This Agreement may be amended only by written instrument signed by all parties.

B. No failure or delay of any Party, in any one or more instances (i) in exercising any power, right, or remedy under this Agreement or (ii) in insisting upon the strict performance by the other Party of such other Party's covenants, obligations, or agreements under this Lease, shall operate as a waiver, discharge, or invalidation thereof, nor shall any single or partial exercise of any such right, power, or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power, or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power, or remedy. The covenants, obligations, and agreements of a defaulting Party and the rights and remedies of the other Party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act, or omission.

C. Without limiting the generality of the above, the receipt by City of any Services with knowledge of a breach by Donee of any covenant, obligation, or agreement under this Agreement shall not be deemed or construed to be a waiver of such breach. No acceptance of Services or payment to Donee shall be deemed to be other than on account of the earliest installment of the amounts due under this Agreement, nor shall any endorsement or statement on any check, or any letter accompanying any check, wire transfer or other payment, be deemed an accord and satisfaction. City may accept services or make payment without prejudice to its rights under this Agreement or pursue any remedy provided in this Agreement or provided otherwise by law or equity.

EXECUTED by the parties in triplicate originals on this ____ day of _____, 2024.

CITY OF EDINBURG:

BY: _____
Myra L. Ayala, City Manager
City of Edinburg
415 W. University Dr.
P.O. Box 1079
Edinburg, Texas 78540
Phone: (956) 388-8207
Fax: (956) 383-7111

ATTEST:

BY: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

Omar Ochoa Law Firm, P.C.

BY: _____
Omar Ochoa, City Attorney

DONEE:

BY: _____
Hector Garza, Director de Bomberos
Gobierno Municipal de Abasolo

Attachments: Description of Donated Property

**EXHIBIT “A” TO AGREEMENT BETWEEN THE CITY OF EDINBURG AND
ABASOLO, NUEVO LEON, MEXICO**

Donation of Equipment

- 1989 GMC Rescue - VIN #4P1CT02S73A003292
- 29 Bunker Coats
- 33 Bunker Pants
- 12 Pairs of Structural Boots
- 12 Helmets
- 17 Nomex Hoods
- 20 Scott 4500 PSI Cylinders
- 10 Scott Face Masks

Fwd: Request for Donation of Surplus Bunker Gear

1 message

Omar Garza <ogarza@cityofedinburg.com>
To: Maricruz Tovar <mtovar@cityofedinburg.com>

Wed, Nov 1, 2023 at 2:12 PM

STC donation letter.

**Omar Garza**
Fire Chief
Fire Department✉ : ogarza@cityofedinburg.com

☎ : (956) 383-7691

🌐 : cityofedinburg.com

📍 : 212 W. McIntyre St. Edinburg, TX 78539



Sign up now for City of Edinburg's **CodeRED**, to get important notifications and dial **311** for any city information/request.

CONFIDENTIALITY STATEMENT: This email and attachments are intended for the above name only and are confidential. If you are not the intended addressee, or the person responsible for delivering it to the intended addressee, you may neither copy, disseminate, nor distribute it to anyone else or use it in any unauthorized manner; to do so is strictly prohibited and may be unlawful. If you receive this email by mistake, please advise the sender immediately by using the reply facility in your mail software and delete it from your computer.

----- Forwarded message -----

From: **Victor Valdez** <vvaldez18@southtexascollege.edu>

Date: Tue, Sep 12, 2023 at 3:29 PM

Subject: Request for Donation of Surplus Bunker Gear

To: ogarza@cityofedinburg.com <ogarza@cityofedinburg.com>Cc: Victor Fonseca <vfonseca@southtexascollege.edu>, Oscar Rodriguez <orodr103@southtexascollege.edu>

Dear Chief Garza,

I hope this email finds you well. I am writing to request a donation of any surplus bunker gear that the Edinburg Fire Department may have.

At South Texas College, we are committed to providing our trainees with the best training experience possible. We have been informed that you may have bunker gear that may no longer be in active use. We believe that this gear could be of great benefit to our academy and our trainees. It's important to note that the donated bunker gear will not be used in any live-fire situations. Instead, these items will be used exclusively for training purposes, such as fire and rescue exercises, and training drills for donning and doffing bunker gear. Your generosity in donating your surplus bunker gear to our academy would greatly contribute to the professional development and preparedness of our future firefighters. It will also help us in maintaining a cost-effective and efficient training program.

If you are willing to proceed with this donation, please let us know the details regarding the quantity and condition of the gear. We can arrange for its pick-up or coordinate a drop-off location that is convenient for you.

We sincerely appreciate your consideration of this request. Your support will have a positive impact on the education and training of our future firefighters.

Thank you for your time and support. If you have any questions or require further information, please feel free to contact me at 956-341-5322.

Regards,

Victor Valdez Jr.

Department Chair, Public Safety

South Texas College

Office: (956) 872-4201

Cell: (956) 341-5322

Email: vvaldez18@southtexascollege.edu



CONFIDENTIALITY NOTICE: This e-mail and/or attachment are for the sole use of the intended recipient(s) and may contain confidential information. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender immediately and destroy all copies of the original message.

RESOLUTION NO. _____

STATE OF TEXAS	§	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS AUTHORIZING THE DISPOSITION OF SURPLUS FIRE DEPARTMENT EQUIPMENT PREVIOUSLY UTILIZED BY THE
COUNTY OF HIDALGO	§	EDINBURG FIRE DEPARTMENT AT VARIOUS INCIDENTS FOR DONATION TO SOUTH TEXAS COLLEGE; PROVIDING FOR SEVERABILITY; AND
CITY OF EDINBURG	§	RESOLVING OTHER MATTERS RELATED THERETO.

WHEREAS, the Edinburg Fire Department wishes to declare as surplus and effectuate the disposition of fire department equipment previously used in various incidents; and,

WHEREAS, the equipment has served its purpose in the course of the departmental function and is considered negligible in value and of no viable use in the Edinburg Fire Department; and,

WHEREAS, South Texas College has expressed a need for the equipment for use in firefighting activities; and

WHEREAS, South Texas College has inspected and agreed to accept the equipment as is; and,

WHEREAS, the City Council of the City of Edinburg is of the consensus that a transfer of the equipment as a donation to South Texas College is justified because it is for a public purpose and properly allowed by law; and,

WHEREAS, the South Texas College will indemnify, defend and hold City harmless for any losses or damages, which may arise at any time from the use of the transferred equipment; and,

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS THAT:

SECTION I. REQUIREMENT OF LAW. The City Council specifically finds that all requirements of law have been met in the passing of this Resolution.

SECTION II. PURPOSE. Surplus fire equipment more particularly described on Exhibit “A”, attached hereto, formerly utilized by the Edinburg Fire Department in various incidents, is hereby declared surplus and donated to South Texas College pursuant to a donation agreement attached hereto as Exhibit B.

SECTION III. ADMINISTRATION. The City Manager and/or his designee is hereby authorized to execute any and all documents necessary to effectuate the transfer of the subject equipment.

SECTION IV. SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid by a court of competent jurisdiction, then, in that event, it is expressly provided, and it is the intention of the City Council in passing this Resolution that its parts shall be severable, and all other parts of his Resolution shall not be affected thereby and shall remain in full force and effect.

SECTION V. EFFECTIVE DATE. This Resolution shall take effect immediately after its passage.

READ, CONSIDERED, PASSED AND APPROVED BY THE CITY COUNCIL OF EDINBURG, TEXAS, at a regular meeting on the 6th day of February, 2024, at which a quorum

was present and for which due notice was given pursuant to Section 551.001, et. seq. of the Government Code.

CITY OF EDINBURG

BY: _____
Ramiro Garza, Jr., Mayor

ATTEST:

BY: _____
Clarice Balderas, City Secretary

APPROVED AS TO FORM:
Omar Ochoa Law Firm, P. C.

BY: _____
Omar Ochoa, City Attorney

STATE OF TEXAS §
COUNTY OF HIDALGO §
CITY OF EDINBURG §

**DONATION AGREEMENT BETWEEN
THE CITY OF EDINBURG AND
SOUTH TEXAS COLLEGE**

The City of Edinburg, Hidalgo County, Texas, a municipal corporation, (hereinafter “City”) and South Texas College (hereinafter “Donee”), are the parties to this Agreement.

RECITALS

WHEREAS, City owns certain property described in Exhibit A, attached hereto and incorporated herein (the “Property”), and

WHEREAS, City desires to donate the Property to Donee, and Donee desires to accept donation of the Property subject to the terms and conditions contained herein;

SECTION I
DONATION OF THE PROPERTY

A. Upon the terms, covenants, and conditions herein, City agrees to donate to Donee the Property, and Donee agrees to accept the donation of the Property from Donor.

B. Donee further agrees that it shall use the Property for public purposes only and shall not sell the Property to any private person or entity. To the extent Donee donates the Property in the future, it shall do so only after ensuring that any subsequent donee uses the Property for public purposes only.

SECTION II
CONDITION OF PROPERTY AND SEPARATE RESPONSIBILITIES

A. City shall provide to Donee, within five (5) business days following the execution of this Agreement, the Property. City expressly disclaims any representations or warranties with respect to the condition of the Property. It is understood and agreed that Donee shall be responsible to perform any inspections and other examinations of the Property as Donee deems necessary or desirable (including, without limitation, any tests, studies, investigations, inspections, and other examinations of physical and functional conditions of the Property).

B. DONEE ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, DONOR HAS NOT MADE, AND SPECIFICALLY NEGATES AND DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES REGARDING ANY ASPECT OF THE PROPERTY, INCLUDING

WITHOUT LIMITATION: (A) THE VALUE, NATURE, QUALITY OR PHYSICAL CONDITION OF THE PROPERTY, (B) THE SUITABILITY OF THE PROPERTY FOR ANY ACTIVITY OR USE WHICH DONEE MAY CONDUCT, (C) THE COMPLIANCE OF THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (D) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, OR (E) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO PERSON ACTING ON BEHALF OF DONOR IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF DONEE ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, WARRANTY, COVENANT OR AGREEMENT REGARDING THE PROPERTY OR THE DONATION CONTEMPLATED HEREIN. DONEE ACKNOWLEDGES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, DONEE IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY DONOR. DONEE FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE DONATION OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" BASIS WITH ALL FAULTS. DONEE ASSUMES THE RISK THAT ADVERSE PAST, PRESENT OR FUTURE PHYSICAL CHARACTERISTICS AND CONDITIONS OF THE PROPERTY MAY NOT HAVE BEEN REVEALED BY DONOR'S DISCLOSURES OR DONEE'S INSPECTIONS OR INVESTIGATIONS OF THE PROPERTY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OR ANY TERMINATION OF THIS AGREEMENT.

C. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either party as an agent of the other for any purpose whatsoever. Except as otherwise specifically provided herein, neither party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

D. Each party hereto shall be responsible for the payment of its respective attorneys' fees and all other costs and expenses of any kind or nature incurred by such party in connection with this Agreement or the Property.

SECTION III **REPRESENTATIONS AND WARRANTIES**

A. Donee has all requisite power and authority to execute this Agreement; the execution and delivery thereof by Donee is fully authorized by all requisite authority; and no other consents by any other party are required for Donee to execute and deliver this Agreement.

B. The execution, delivery of and performance under this Agreement is pursuant to authority validly and duly conferred upon Donee and the signatories of Donee hereto. To the actual knowledge of Donee, the performance by Donee of its obligations under the terms of this Agreement do not conflict in any material or adverse way with our result in breach of any of the terms or provisions of, or constitute a default under any agreement, arrangement, understanding, accord, document or instrument by which Donee is bound, and, to the actual knowledge of Donee, will not and does not constitute a violation of any applicable law, rule, regulation, judgment, order or decree of any governmental instrumentality or court, domestic or foreign, to which Donee is subject.

SECTION IV **RELEASE OF CLAIMS**

A. Donee hereby covenants and agrees to release and not to sue City, its officers, directors, attorneys, agents and employees (the "Released Parties") as a result of any and all claims regarding the condition of the Property, including any and all claims and causes of action existing as of the date of Donor's delivery of the Property to Donee and any claims and causes of action thereafter created or enacted, whether at common law or by federal, state, county or municipal law or ordinance. The provisions of this paragraph shall survive Closing and conveyance of the Property.

SECTION V **ALTERNATE DISPUTE RESOLUTION/NEUTRAL PARTY**

A. If any dispute, controversy, or claim between or among the Parties arises under this Agreement or is related in any way to this Agreement or the relationship of the Parties hereunder (a "Dispute"), the Parties shall first attempt in good faith to settle and resolve such Dispute by meeting at a mutually agreeable time and place to discuss the Dispute within seven (7) days following the original written notice of any Dispute by the party making such a claim. The Parties shall seek to resolve the Dispute in writing within fourteen (14) days following the original written notice of any Dispute by the party making such a claim.

B. If a mutual resolution and settlement are not obtained at the meeting, the Parties shall participate in good faith in formal mediation, within thirty (30) days following the original written notice of any Dispute, with a mutually agreeable mediator at a mutually agreeable time and place. No settlement reached under this provision shall be binding on the Parties until reduced to a writing signed by a representative of each Party. Unless the parties expressly agree otherwise, each party shall bear its own costs and legal and expert fees incurred in the mediation, and evenly share the costs of the mediator. If after proceeding in good faith the parties, with the assistance of a neutral mediator, do not resolve the dispute within forty-five (45) days following the original written notice of any Dispute, the parties may proceed in accordance with the section below.

SECTION VI
CONTROLLING LAW, MANDATORY VENUE, AND FEES AND EXPENSES

A. After exhausting the procedures set forth above, either party may initiate litigation to resolve the dispute. The Law of the State of Texas shall control the Dispute. Venue is mandatory in in State courts located in Hidalgo County, Texas.

B. In the event of any litigation between the parties, the parties shall bear their own costs, including attorneys' fees and expenses.

SECTION VII
INDEMNIFICATION

A. To the maximum extent allowed by law, Donee agrees to and shall indemnify, hold harmless, and defend City, its officers, agents, and employees from any all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, court costs, and attorney's fees arising out of or directly connected with the donation of Property made under this Agreement.

SECTION VIII
AGREEMENT CONSTRUCTION

A. The headings of the Sections contained in this Agreement are for reference purposes only, and shall not affect the meaning or interpretation of this Agreement. The parties have been advised by counsel in connection with this Agreement. This Agreement shall be construed and interpreted in accordance with the plain meaning of its language, and not for or against either party, and as a whole, giving effect to all of the terms, conditions, and provisions of this Agreement. Nothing contained in this Agreement shall be deemed to confer any right or benefit on any person who is not a party to this Agreement.

SECTION IX
SEVERABILITY

A. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SECTION X
NOTICE

A. Any notices to be given under this Agreement shall be in writing, (i) sent by registered or certified mail, postage prepaid, return receipt requested or (ii) sent by nationally recognized overnight courier (e.g. Federal Express) with electronic tracking, and addressed to such party as follows:

(a) Notices to the City:

City of Edinburg
415 W. University Drive
Edinburg, Texas 78539
Attn.: City Manager

(b) Notices to Donee:

South Texas College
3201 Pecan Blvd.
McAllen, Tx 78501
Attn.: Department Chair Public Safety

B. Such Notices shall be deemed delivered (i) in the case of U.S. mail in the manner provided above, three (3) business days after posting or (ii) if sent by nationally recognized overnight courier with electronic tracking service, the next business day after depositing same with such overnight courier before the overnight deadline and if deposited with such courier after such deadline, then the next succeeding business day.

SECTION XI

SUCCESSORS AND ASSIGNS

City and Donee each bind themselves, their partners, successors, executors, administrators, and assigns to the other party of the Agreement in respect to all covenants of this Agreement. Neither City nor Donee shall assign, sublet, or transfer interest in this Agreement without written consent of the other.

SECTION XII

NO WAIVERS OR ACCORD AND SATISFACTION

A. This Agreement may be amended only by written instrument signed by all parties.

B. No failure or delay of any Party, in any one or more instances (i) in exercising any power, right, or remedy under this Agreement or (ii) in insisting upon the strict performance by the other Party of such other Party's covenants, obligations, or agreements under this Lease, shall operate as a waiver, discharge, or invalidation thereof, nor shall any single or partial exercise of any such right, power, or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power, or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power, or remedy. The covenants, obligations, and agreements of a defaulting Party and the rights and remedies of the other Party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act, or omission.

C. Without limiting the generality of the above, the receipt by City of any Services with knowledge of a breach by Donee of any covenant, obligation, or agreement under this Agreement shall not be deemed or construed to be a waiver of such breach. No acceptance of Services or payment to Donee shall be deemed to be other than on account of the earliest installment of the amounts due under this Agreement, nor shall any endorsement or statement on any check, or any letter accompanying any check, wire transfer or other payment, be deemed an accord and satisfaction. City may accept services or make payment without prejudice to its rights under this Agreement or pursue any remedy provided in this Agreement or provided otherwise by law or equity.

EXECUTED by the parties in triplicate originals on this ____ day of _____, 2024.

CITY OF EDINBURG:

BY: _____
Myra L. Ayala, City Manager
City of Edinburg
415 W. University Dr.
P.O. Box 1079
Edinburg, Texas 78540
Phone: (956) 388-8207
Fax: (956) 383-7111

ATTEST:

BY: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

Omar Ochoa Law Firm, P.C.

BY: _____
Omar Ochoa, City Attorney

DONEE:

BY: _____
Victor Valdez, Department Chair Public Safety
South Texas College
3201 Pecan Blvd
McAllen, Tx 78501
Office: (956) 872-4201

Attachments: Description of Donated Property

EXHIBIT “A” TO AGREEMENT BETWEEN THE CITY OF EDINBURG AND SOUTH TEXAS COLLEGE

Donation of Equipment

10 Sets of Personal Protective Equipment to include:

- Bunker Coats
- Bunker Pants
- Structural Boots
- Structural Gloves
- Helmets



Automobile Schedule Additions/Deletions

(To Include: trailer/utility trailers without any permanent fixtures, sedans, pickups, cab & chassis, fire trucks, street sweepers, trucks, vans, utility vehicles, buses, etc.)

Department Name: Fire Effective Date: 11/21/2023
 Submitted By: Omar Garza Approved By / Date: Omar Garza/11/21/2023

VIN #	LICENSE PLATE #	UNIT #	ASSIGNED TO	YEAR	MAKE	MODEL	COLOR	EMERGENCY RESPONSE VEHICLE (YES/NO)	VALUE AMOUNT	ADDITION OR DELETION
1GDM7D1GXXV521387	568-411	910	Fire	1987	GMC	2 1/2 ton	Red	Yes	150,000	Deletion
Comments: Unit was donated to Abasolos, Nuevo Leon (Old 910 unit)										
4P1CT02S73A003292	857-745	968	Fire	2003	Pierce	Pumper	Red	Yes	324,889	Deletion
Comments: Unit was donated to Ciudad de Reynosa (Old 968 Unit)										
Comments:										
Comments:										
Comments:										
Comments:										

* **COMMENT:** Please explain the reason for addition or deletion, i.e. transferred from another department, new purchase, unit was auctioned, or unit is out of service. (Revised 1/2020)



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.D.

FY 2024 State Homeland Security Grant Program

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor under the Fiscal Year 2024 State Homeland Security Grant Program and Execute Grant Documents Relating Thereto. [Omar Garza, Fire Chief].

2. Description:

The Office of the Governor announced the solicitation of grant applications for its Fiscal Year 2024 State Homeland Security Grant Program on December 11, 2023. The program funds projects that support state and local efforts to prevent terrorism and targeted violence and prepare for the threats and hazards that pose the greatest risk to the security of Texas citizens. This funding supports state, tribal and local preparedness activities that address high-priority preparedness gaps in preventing, preparing for, protecting against, or responding to acts of terrorism.

The Fire Department requests City Council approval to apply for grant funding to purchase seven thermal imagers for first responders. These thermal imagers would be used during local or regional response to detect various issues such as overheating and circuit overload in electrical and mechanical systems, as well as to identify heat sources during structure fires or when conducting search and rescue operations. The grant request is approximately \$40,000. The grant does not have a match requirement. Procurement will adhere to federal and state and City policies as required. If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

The deadline for the grant application is February 8, 2024. The period of performance is twelve months, anticipated to begin October 1, 2024 through September 30, 2025. The award notification is anticipated by Summer 2024.

3. Staff's Recommendation:

Approve Resolution authorizing the City Manager to Submit a Grant Application to the Office of the Governor under the Fiscal Year 2024 State Homeland Security Grant Program and Execute Grant Documents Relating Thereto.

Reviewed by:

Omar Garza, Fire Chief

Jesus Saenz, Assistant City Manager

Prepared by:

Maricruz Tovar, Emergency
Management Planner

Attachments:

A. FY 2024 SHSP Grant Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR UNDER THE FISCAL YEAR 2024 STATE HOMELAND SECURITY GRANT PROGRAM AND EXECUTE GRANT DOCUMENTS RELATING THERETO.
COUNTY OF HIDALGO	§	
CITY OF EDINBURG	§	

WHEREAS, the Office of the Governor is soliciting grant applications for the Fiscal Year 2024 State Homeland Security Program to support local preparedness activities that address high-priority preparedness gaps to prevent, prepare for, protect against, or respond to acts of terrorism; and,

WHEREAS, the City of Edinburg will be reimbursed for expenses to support local efforts to prevent terrorism and other catastrophic events and prepare for the threats and hazards that pose the greatest risk to the security of citizens; and,

WHEREAS, the City Council of the City of Edinburg finds it is the best interest of the citizens to submit a grant application to the Office of the Governor under the Fiscal Year 2024 State Homeland Security Grant Program for local preparedness activities that address high-priority preparedness gaps in preventing, preparing for, protecting against, or responding to acts of terrorism; and,

WHEREAS, the grant does not require a local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg wishes to designate the City Manager, as the City's authorized official, to apply for, accept, alter, reject, terminate and execute any and all documents related to the grant on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS:

SECTION 1: INCORPORATION OF RECITALS: The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City of Edinburg hereby authorizes and designates the City Manager, as the City’s authorized official, to submit a grant application to the Office of the Governor, comply with applicable grant requirements as required by funding source, to accept, alter, terminate, and execute any and all grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Yvette Balderas, City Secretary

APPROVE AS TO FORM:

Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Grant Application Number: 5009601



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.E.

FY 2025 Body-Worn Camera Grant Program

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Body-Worn Camera Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]

2. Description:

The Office of the Governor announced the solicitation of grant applications for its Fiscal Year 2025 Body-Worn Camera Grant Program on December 11, 2023. The purpose of the grant is to solicit applications for the Fiscal Year 2025 Body-Worn Camera Grant Program to equip peace officers with body-worn cameras. The Edinburg Police Department requests City Council approval to apply for grant funding to replace outdated body-worn cameras with 111 new body-worn cameras. The grant request is approximately \$49,950, with a required 25% percent match of \$16,650, for a total project cost of approximately \$66,600.

The deadline for the grant application is February 8, 2024. The period of performance is twelve months, beginning September 1, 2024 through August 31, 2025. The award notification is anticipated by Summer 2024.

The local match will be budgeted in the Police Department's FY 2024-2025 General Fund Operating Budget.

If awarded, procurement will adhere to federal, state and City policies as required.

If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

3. Staff's Recommendation:

Approve Resolution Authorizing the City Manager to Submit a Grant Application to The Office of The Governor Under the Fiscal Year 2025 Body-Worn Camera Grant Program and to Execute Grant Documents Relating Thereto.

Reviewed by:

Jaime Ayala, Police Chief
Jesus Saenz, Assistant City Manager

Prepared by:

Mary Gonzalez, Grants
Analyst
Iris Alvarado, Management
Services Administrator

Attachments:

A. FY 2025 Body-Worn Camera Grant Program Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR UNDER THE
COUNTY OF HIDALGO	§	FISCAL YEAR 2025 BODY-WORN CAMERA GRANT PROGRAM AND TO EXECUTE GRANT DOCUMENTS RELATING THERETO.
CITY OF EDINBURG	§	

WHEREAS, the City Council of the City of Edinburg finds it is the best interest of citizens to submit a grant application to the Office of the Governor for the Fiscal Year 2025 Body-Worn Camera Grant Program for funds to replace the Edinburg Police Department's outdated body-worn cameras with new body-worn cameras.

WHEREAS, the grant requires a 25 percent local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg designates the City Manager, as the grantee's authorized official, and the authorized official is given the power to apply for, accept, alter, reject, terminate and execute any and all grant documents on the behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS:

SECTION 1: INCORPORATION OF RECITALS. The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City Council hereby authorizes and designates the City Manager, as the City's authorized official, to submit a grant application to the Office of the Governor for the Fiscal Year 2025 Body-Worn Camera Grant Program, and to alter, terminate, accept and execute grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its

parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:
Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Application Number: **5006601**



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.F.

FY 2025 Bullet-Resistant Shield Grant Program

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Bullet-Resistant Shield Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police].

2. Description:

The Office of the Governor announced the solicitation of grant applications for its Fiscal Year 2025 Bullet-Resistant Shield Grant Program on December 11, 2023. The grant funds will be used to purchase bullet-resistant shields over the next twelve months. Edinburg Police Department requests City Council approval to apply for grant funding for approximately thirty-five (35) bullet resistant shields, totaling approximately \$219,936. No matching funds are required. If awarded, any cost over the grant award amount will need to be considered and appropriated from the Fiscal Year 2024-2025 General Fund Operating Budget.

This grant will provide bullet resistant shields to respond to local and school safety emergencies.

The deadline for the grant application is February 8, 2024. Period of performance is twelve months, beginning September 1, 2024 through August 31, 2025. The award notification is anticipated by Summer 2024.

If awarded, procurement will adhere to federal, state, and City policies as required.

If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

3. Staff's Recommendation:

Approve Resolution Authorizing the City Manager to Submit a Grant Application to The Office of The Governor Under the Fiscal Year 2025 Bullet-Resistant Shield Grant Program and Execute Grant Documents Relating Thereto

Reviewed by:

Jaime Ayala, Police Chief

Jesus Saenz, Assistant City Manager

Prepared by:

Mary Gonzalez, Grants

Analyst

Iris Alvarado, Management

Services Administrator

Attachments:

A. FY 2025 Bullet Resistant Shield Grant Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR UNDER THE FISCAL YEAR 2025 BULLET-RESISTANT SHIELD GRANT PROGRAM AND EXECUTE GRANT DOCUMENTS RELATING THERETO.
COUNTY OF HIDALGO	§	
CITY OF EDINBURG	§	

WHEREAS, The City of Edinburg finds it is the best interest of the residents to submit a grant application to the Office of the Governor, under the Fiscal Year 2025 Bullet-Resistant Shield Grant Program to request funds for bullet resistant shields; and,

WHEREAS, the grant does not require a local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for the said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg wishes to designate the City Manager, as the City's authorized official, to accept, alter, terminate and execute any and all documents related to the grant on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION 1: INCORPORATION OF RECITALS: The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City of Edinburg hereby authorizes and designates the City Manager, as the City's authorized official, to submit a grant application to the Office of the Governor, under the Fiscal Year 2025 Bullet-Resistant Shield Grant Program, and accept, alter, terminate and execute any and all grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:
Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Application Number: **5006801**



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.G.

FY 2025 Criminal Justice Grant Program

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Criminal Justice Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]

2. Description:

The Office of the Governor announced the solicitation of grant applications for its Fiscal Year 2025 Criminal Justice Grant Program on December 11, 2023. This program funds projects that promote public safety, reduce crime and improve the criminal justice system. The Edinburg Police Department (EPD) requests City Council approval to apply for grant funding for (2) Digital Message Boards and two (2) surveillance trailers. The digital message boards will provide public education and lead to deterrence. The surveillance trailers will assist the Police Department in the prevention of crime and gathering of important data.

EPD will request two (2) Digital Message Boards and two (2) surveillance trailers and associated accessories totaling approximately \$140,000 and requires no local match. If awarded, any cost over the grant award amount will need to be considered and appropriated from the Fiscal Year 2024-2025 General Fund Operating Budget.

The deadline for the grant application is February 8, 2024. The period of performance is twelve months, beginning October 1, 2024 through September 30, 2025. The award notification is anticipated by Summer 2024.

Procurement will adhere to federal, state and City of Edinburg policies as required.

If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

3. Staff's Recommendation:

Approve Resolution Authorizing the City Manager to Submit a Grant Application to The Office of The Governor, Under the Fiscal Year 2025 Criminal Justice Grant Program, and Execute Grant Documents Relating Thereto.

Reviewed by:

Jaime Ayala, Police Chief
Jesus Saenz, Assistant City Manager

Prepared by:

Mary Gonzalez, Grants
Analyst
Iris Alvarado, Management
Services Administrator

Attachments:

A. FY 2025 Criminal Justice Grant Program Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR, UNDER THE FISCAL YEAR 2025 CRIMINAL JUSTICE GRANT PROGRAM AND EXECUTE GRANT DOCUMENTS RELATING THERETO.
COUNTY OF HIDALGO	§	
CITY OF EDINBURG	§	

WHEREAS, The City of Edinburg finds it is the best interest of the residents to submit a grant application to the Office of the Governor, under the Fiscal Year 2025 Criminal Justice Grant Program to request two (2) Digital Message Boards and two (2) surveillance trailers and associated accessories; and

WHEREAS, the grant does not require a local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for the said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg wishes to designate the City Manager, as the City's authorized official, to apply for, accept, alter, reject, terminate and execute any and all documents related to the grant on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION 1: INCORPORATION OF RECITALS: The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City of Edinburg hereby authorizes and designates the City Manager, as the City's authorized official, to submit a grant application to the Office of the Governor, under the Fiscal Year 2025 Criminal Justice Grant Program, and accept, alter, terminate and execute any and all grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:
Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Application Number: **4725402**



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.H.

FY 2025 General Victim Assistance Grant Program

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit Grant Application to the Office of the Governor Under the Fiscal Year 2025 General Victim Assistance Grant Program and to Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]

2. Description:

The Office of the Governor announced the solicitation of grant applications for its Fiscal Year 2025 General Victim Assistance Grant Program on December 11, 2023. The purpose of the grant is to provide services and assistance directly to victims of crime to speed their recovery and aid them through the criminal justice process.

The City of Edinburg was previously awarded the FY 2022-2023 and FY 2023-2024 General Victim Assistance Grant Program from the Office of the Governor to fund the salary and benefits of a second Crime Victim Liaison. Crime Victim Liaisons are expected to provide direct victim services; and to promote and educate the community and professionals about victim rights and services in an effort to identify and provide or refer them to needed services.

The Police Department requests City Council approval to re-apply in order to keep funding the second Crime Victim Liaison position for another one-year period for FY 2024-2025. The Crime Victim Liaison's salary and fringe benefits are compensated through this grant.

The City is requesting approximately \$33,955 to fund the salary and fringe benefits of the second Crime Victim Liaison. A 20% match is required of approximately \$8,489 for a total project cost of approximately \$42,444 and will be budgeted in the Police Department's Fiscal Year 2024-2025 General Fund Operating Budget. The City is responsible to pay any cost over the grant award amount for salaries and fringe benefits.

The deadline for the grant application is February 8, 2024. The period of performance is twelve months, beginning October 1, 2024 through September 30, 2025. The award notification is anticipated by Summer 2024.

If the grant is not awarded for the FY 2024-2025 cycle, the salary and fringe benefits will be requested through the Police Department's FY 2024-2025 General Fund if the City intends to retain the awarded position. It is not required by the grant to retain the position.

If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

3. Staff's Recommendation:

Approve Resolution Authorizing the City Manager to Submit Grant Application to The Office of The Governor Under the Fiscal Year 2025 General Victim Assistance Grant Program and Execute Grant Documents Relating Thereto.

Reviewed by:

Jaime Ayala, Police Chief

Jesus Saenz, Assistant City Manager

Prepared by:

Mary Gonzalez, Grants

Analyst

Iris Alvarado, Management
Services Administrator

Attachments:

A. FY 2025 General Victim Assistance Grant Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR UNDER THE
COUNTY OF HIDALGO	§	FISCAL YEAR 2025 GENERAL VICTIM ASSISTANCE GRANT PROGRAM AND TO EXECUTE GRANT DOCUMENTS RELATING
CITY OF EDINBURG	§	THERE TO.

WHEREAS, the City Council of the City of Edinburg finds it in the best interest of citizens to submit a grant application for the Fiscal Year 2025 General Victim Assistance Grant to the Office of the Governor to continue funding the second Crime Victim Liaison position for another one-year period for FY 2024-2025. The Crime Victim Liaison's salary and fringe benefits are compensated through this grant; and,

WHEREAS, the Office of the Governor will pay grants on a cost reimbursement basis and the grant requires a 20 percent local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg designates the City Manager, as the grantee's authorized official, and the authorized official is given the power to apply for, accept, alter, reject, terminate and execute any and all grant documents on the behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS:

SECTION 1: INCORPORATION OF RECITALS. The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City of Edinburg hereby authorizes and designates the City Manager, as the City's authorized official, to submit a grant application to the Office of the Governor, under the FY 2025 General Victim Assistance Grant Program to fund one (1) Crime Victim Liaison, and accept, alter, terminate, and execute any and all grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is

expressly provided and it is the intention of the City Council, in passing this Resolution, that its parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:

Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Application Number: **4429503**



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.I.

FY 2025 Project Safe Neighborhoods Grant Program

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Project Safe Neighborhoods Grant Program and Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police].

2. Description:

The Office of the Governor announced the solicitation of grant applications for its Fiscal Year 2025 Project Safe Neighborhoods Grant Program on December 11, 2023. The program funds projects designed to create and foster safe neighborhoods through a sustained reduction in violent crime, including but not limited to addressing criminal gangs and felonious possession and use of firearms. Applicants are required to develop data-driven strategies to target enforcement efforts in locations with significant violent crime problems and against offenders who are driving the violence.

The Police Department requests City Council approval to apply for grant funding to compensate overtime and fringe costs for Commissioned Police Officers for targeted and prioritized enforcement in neighborhoods, focusing on the following three areas:

1. Identify locations within their jurisdiction in greatest need of comprehensive violent crime reduction efforts;
2. Identify offenders who are driving the violence in those locations; and
3. Ensure offenders are prosecuted in the jurisdiction that can provide the most certain and appropriate sanction.

The Police Department will request funding in the amount of \$75,000 that will be used for compensation of overtime and fringe costs for Commissioned Police Officers. No matching funds are required.

The deadline for the grant application is February 8, 2024. The period of performance is twelve months, beginning October 1, 2024 through September 30, 2025. The award notification is anticipated by Summer 2024.

If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

3. Staff's Recommendation:

Approve Resolution Authorizing the City Manager to Submit a Grant Application to The Office of The Governor under the Fiscal Year 2025 Project Safe Neighborhoods Grant Program and Execute Grant Documents Relating Thereto.

Reviewed by:

Jaime Ayala, Police Chief

Prepared by:

Mary Gonzalez, Grants

Jesus Saenz, Assistant City Manager

Analyst
Iris Alvarado, Management
Services Administrator

Attachments:

A. FY 2025 Project Safe Neighborhoods Grant Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR UNDER THE
COUNTY OF HIDALGO	§	FISCAL YEAR 2025 PROJECT SAFE NEIGHBORHOODS GRANT PROGRAM AND
CITY OF EDINBURG	§	EXECUTE GRANT DOCUMENTS RELATING THERE TO.

WHEREAS, the City Council of the City of Edinburg finds it is the best interest of the citizens to submit a grant application to the Office of the Governor Fiscal Year 2025 Project Safe Neighborhoods Grant Program to compensate overtime and fringe costs for Commissioned Police Officers for targeted and prioritized enforcement in neighborhoods; and,

WHEREAS, the grant does not require a local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg wishes to designate the City Manager, as the City's authorized official, to apply for, accept, alter, reject, terminate and execute any and all documents related to the grant on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS:

SECTION 1: INCORPORATION OF RECITALS: The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City of Edinburg hereby authorizes and designates the City Manager, as the City's authorized official, to submit a grant application to the Office of the Governor, under the FY 2025 Project Safe Neighborhoods Grant Program, and accept, alter, terminate, and execute any and all grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its

parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Yvette Balderas, City Secretary

APPROVE AS TO FORM:

Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Application Number: **4457702**



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.J.

FY 2025 Violence Against Women Justice and Training Program Grant

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Violence Against Women Justice and Training Grant Program and to Execute Grant Documents Relating Thereto. [Jaime Ayala, Chief of Police]

2. Description:

The purpose of the Fiscal Year 2025 Violence Against Women Justice and Training Grant is to solicit applications for projects that promote a coordinated, multi-disciplinary approach to improve the justice system's response to violent crimes against women, including domestic violence, sexual assault, dating violence and stalking.

The Rape Aggression Defense (R.A.D.) training course is an internationally recognized program for sharing lifesaving information. R.A.D. provides women with an opportunity to acquire self-defense education in a relatively short period of time.

In order to provide R.A.D. training to women in the community, the Police Department plans to send four (4) Police Officers to R.A.D. training. Additionally, funds to compensate overtime and fringe costs to educate the community will be requested. The Police Department requests City Council approval to apply for grant funding of approximately \$17,500, with a required 30 percent match of \$7,500, for a total project cost of approximately \$25,000. The local match will be budgeted in the Police Department's FY 2024-2025 General Fund Operating Budget.

The deadline for the grant application is February 8, 2024. The period of performance is twelve months, beginning October 1, 2024 through September 30, 2025. The award notification is anticipated by Summer 2024.

If awarded, procurement will adhere to federal, state and City policies as required.

If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

3. Staff's Recommendation:

Approve Resolution Authorizing the City Manager to Submit a Grant Application to The Office of The Governor Under the Fiscal Year 2024 Violence Against Women Justice and Training Grant Program and Execute Grant Documents Relating Thereto.

Reviewed by:

Jaime Ayala, Police Chief

Jesus Saenz, Assistant City Manager

Prepared by:

Mary Gonzalez, Grants

Analyst

Iris Alvarado, Management

Services Administrator

Attachments:

A. FY 2025 Violence Against Women Grant Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY
		MANAGER TO SUBMIT A GRANT APPLICATION
		TO THE OFFICE OF THE GOVERNOR UNDER THE
COUNTY OF HIDALGO	§	FISCAL YEAR 2025 VIOLENCE AGAINST WOMEN
		JUSTICE AND TRAINING GRANT PROGRAM AND
		TO EXECUTE GRANT DOCUMENTS RELATING
CITY OF EDINBURG	§	THERE TO.

WHEREAS, the City Council of the City of Edinburg finds it is the best interest of citizens to submit a grant application to the Office of the Governor for the Fiscal Year 2025 Violence Against Women Justice and Training Grant Program to send four (4) Police Officers to Rape Aggression Defense (R.A.D) Training and seek grant funds to compensate overtime and fringe costs to educate the community; and,

WHEREAS, the grant requires a 30 percent local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg designates the City Manager, as the grantee's authorized official, and the authorized official is given the power to apply for, accept, alter, reject, terminate and execute any and all grant documents on the behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS:

SECTION 1: INCORPORATION OF RECITALS. The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City Council hereby authorizes and designates the City Manager, as the City's authorized official, to submit a grant application to the Office of the Governor for the Fiscal Year 2024 Violence Against Women Justice and Training Grant Program, and to alter, terminate, accept and execute grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its

parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:

Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Application Number: 4735402



CITY OF EDINBURG - CITY COUNCIL

Meeting Date: February 6, 2024

CONSENT AGENDA

Agenda Item No: 12.K.

FY 2025 First Responder Mental Health Program

1. Agenda Item:

Consider Resolution Authorizing the City Manager to Submit a Grant Application to the Office of the Governor for the Fiscal Year 2025 First Responder Mental Health Program and Execute Documents Related Thereto. [Jaime Ayala, Chief of Police]

2. Description:

The Office of the Governor announced the solicitation of grant applications for its Fiscal Year 2025 First Responder Mental Health Program on December 11, 2023. The purpose of this program is to provide services and assistance directly to peace officers and first responders to address direct and indirect trauma that occurs in the course of their normal duties either as the result of the commission of crimes by other persons or in response to an emergency.

The Edinburg Police Department requests City Council approval to apply for grant funding of approximately 150 professional therapy and counseling sessions at an estimated rate of \$81.25 per session. Grant funds will provide traditional, cultural, and/or alternative therapy and healing as well as necessary supplies to be used in the therapy sessions. The grant will provide professional therapy and counseling services for officers with the objective of improving coping mechanisms/strategies and providing a confidential, specialized, evidence-based approach to treating and reducing stress. The City is requesting approximately \$40,000 to fund the therapy/counseling session and necessary supplies. A 20% match is required of approximately \$10,000 for a total project cost of approximately \$50,000. The local match will be budgeted in the Police Department's FY 2025 General Fund Operating Budget.

The deadline for the grant application is February 8, 2024. The period of performance is twelve months, beginning October 1, 2024 through September 30, 2025. The award notification is anticipated by Summer 2024.

If awarded, procurement will adhere to federal, state, and City policies as required.

If authorized to submit this grant application, the City will have an opportunity to maximize grant funding and alleviate budget expenditures.

3. Staff's Recommendation:

Approve Resolution Authorizing the City Manager to Submit a Grant Application to The Office of The Governor, Under the Fiscal Year 2025 First Responder Mental Health Program, and Execute Grant Documents Relating Thereto.

Reviewed by:

Jaime Ayala, Police Chief

Jesus Saenz, Assistant City Manager

Prepared by:

Mary Gonzalez, Grants

Analyst

Iris Alvarado, Management
Services Administrator

Attachments:

A. FY 2025 First Responder Mental Health Grant Resolution

RESOLUTION NO.

THE STATE OF TEXAS	§	RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR, UNDER THE FISCAL YEAR 2025 FIRST RESPONDER MENTAL HEALTH PROGRAM AND EXECUTE GRANT DOCUMENTS RELATING THERETO.
COUNTY OF HIDALGO	§	
CITY OF EDINBURG	§	

WHEREAS, The City of Edinburg finds it is the best interest of the residents to submit a grant application to the Office of the Governor, under the Fiscal Year 2025 First Responder Mental Health Program for professional therapy and counseling sessions and supplies; and

WHEREAS, the grant requires a 20 percent local match; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements for the said project as required by the funding source; and,

WHEREAS, the Edinburg City Council agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Edinburg assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City of Edinburg wishes to designate the City Manager, as the City's authorized official, to apply for, accept, alter, reject, terminate and execute any and all documents related to the grant on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION 1: INCORPORATION OF RECITALS: The City Council finds that the statements set forth in the Recitals of this Resolution are true and correct and the City Council hereby incorporates such Recitals as part of this Resolution.

SECTION 2: The City of Edinburg hereby authorizes and designates the City Manager, as the City’s authorized official, to submit a grant application to the Office of the Governor, under the Fiscal Year 2025 First Responder Mental Health Program, and accept, alter, terminate and execute any and all grant documents on behalf of the City.

SECTION 3: SEVERABILITY. If any section, part or provision of this Resolution is declared unconstitutional or invalid, by a court of competent jurisdiction, then in that event, it is expressly provided and it is the intention of the City Council, in passing this Resolution, that its parts shall be severable, and all other parts of this Resolution shall not be affected thereby, and they shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Resolution shall be and remain in full force and effect from and after the date of its passage.

READ, CONSIDERED, PASSED and APPROVED at a regular meeting of the City Council of the City of Edinburg, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.04, on the 6th day of February 2024.

CITY OF EDINBURG

By: _____
Ramiro Garza Jr., Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:
Omar Ochoa Law Firm P.C.

By: _____
Omar Ochoa
City Attorney

Application Number: **4457802**