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
MARCH 17, 2026
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. MAYOR'S REPORT

A. City Events:

- 6th Annual Edinburg Community Health Fair
- 14th Annual Rio Grande Valley Regional Dance Competition
- 20th Annual The Big Squeeze
- 6th Annual Outdoor Expo
- 45th Annual Easter Egg Hunt

B. City Projects

C. Public Announcements

5. PROCLAMATION/RECOGNITION

A. Presentation of Proclamation Recognizing March 2026 as Theatre in Our Schools Month, as Requested by Jose JT Gonzalez, RVHS Thespian President. [Clarice Y. Balderas, City Secretary]

6. 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.

7. PRESENTATION AND REPORT

A. Presentation of the Annual Comprehensive Financial Report for the City of Edinburg for Fiscal Year Ending September 30, 2025. [Ascencion Alonzo, Director of Finance]

8. PUBLIC HEARINGS

All members of the public who appear before the City of Edinburg City Council to be heard during Public Hearings shall have a maximum of three (3) minutes to make his/her remarks.

A. Hold Public Hearing and Consider the Ordinances Providing for the Comprehensive Plan Amendment from Neighborhood Commercial Uses to General Commercial Uses and the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District, Being the South 0.260-Acre Tract of Land, More or Less, Out of the South 0.6981 Acres of the West One (1) Acre of Lot 6, Block "B", Original Townsite of Edinburg, Located at 223 W. Schunior Street, as Requested by Benjamin Yip, Pon. [Jaime Acevedo, Director of Planning and Zoning]

B. Hold Public Hearing and Consider the Resolution Proposing the Renaming of the Real Property Currently Identified as Edinburg Municipal Park Baseball Field #7, Located at 714 S. Raul Longoria Road, Edinburg, Texas, to Honor Fernando "Fernie" De La Garza, as Requested by the City of Edinburg Little League Board. [Jaime Acevedo, Director of Planning and Zoning]

9. PUBLIC HEARINGS - ROUTINE ITEMS

All members of the public who appear before the City of Edinburg City Council to be heard during Public Hearings-Routine Items shall have a maximum of three (3) minutes to make his/her remarks. All Matters Listed Under Public Hearing(s)-Routine Items Will Be Enacted By One Motion. If Discussion Is Desired, That Item Will Be Removed And Will Be Considered Separately.

A. Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Residential Multifamily (RM) District to Commercial, General (CG) District, Being Lots 7&8, Block 260, Original Townsite of Edinburg, Located at 703 W. Cano Street, as Requested by Benjamin Yip, Pon. [Jaime Acevedo, Director of Planning and Zoning]

B. Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District, Being a 16.277 Acre Tract of Land Out of Blocks 37 and 38, Santa Cruz Ranch Subdivision, as Recorded in Volume Z and Page 161, Deed Records, Hidalgo County, Texas, Located at 5161 N. I-69C, as Requested by RK Development & Construction LLC. [Jaime Acevedo, Director of Planning and Zoning]

C. Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Residential, Primary (RP) District to Residential, Urban and Townhome (RU) District, Being 22.63 Acres Out of Lots 5,6,7,8 and 9, Block 8, Santa Cruz Gardens Unit No. 3 Subdivision, Located at 2812 E. Davis Road, as Requested by Rio Delta Engineering. [Jaime Acevedo, Director of Planning and Zoning]

10. ORDINANCE

A. Consider Ordinance Providing for a Temporary Special Use Permit for the "Special Olympics Texas Spring Games" Event to be Held Wednesday, April 8, 2026, Through Friday, April 10, 2026, at the Edinburg Parks and Recreation Facility and Temporary Road Closure of Mark S. Pena Drive, as

Requested by Lauro Garza. [Jaime Acevedo, Director of Planning and Zoning]

11. CONTRACTUAL

A. Consider Executing an Interlocal Agreement Between the City of Edinburg and the Edinburg Consolidated Independent School District for the Joint Use and Development of Fountain Park, and Execute All Documents Related Thereto. [Tomas D. Reyna, Assistant City Manager]

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. If Discussion Is Desired, That Item Will Be Removed From The Consent Agenda And Will Be Considered Separately.

A. Consider Ordinance Amending the Budget for the 2025-2026 Fiscal Year Carry-Overs Appropriations to the General Fund, Governmental Grant Fund, Parkland Dedication Fund, Utility Fund, Solid Waste Management Fund and Edinburg International Airport at Edinburg Fund. [Ascencion Alonzo, Director of Finance]

B. Consider Resolution Approving the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program Budget Amendment. [Claudia L. Farias, Director of Grants Administration]

C. Consider Resolution Ratifying the City Manager's Submission of a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Operation Stonegarden Grant (OPSG) Program and to Execute all Grant Documents Relating Thereto. [Jaime Ayala, Police Chief]

D. Consider Authorizing the City Manager to Enter Into a Waterline Access Agreement with North Alamo Water Supply Corporation to Provide Fire Protection Services to Palma Ranch Subdivision. [Gerardo Carmona Jr, P.E., Director of Utilities]

E. Consider Approval of the Fiscal Year 2025-2026 Staffing Services Agreement Between the City of Edinburg and Edinburg Economic Development Corporation. [Raudel Garza, Edinburg EDC Executive Director]

F. Consider Authorizing the Disposition of Approximately 47 Cubic Feet (Boxes of Letter Size Records) of Non-Vital City Records in Accordance with City's Records Management Program and the Texas State Library and Archives Commission Local Records Retention Schedules. [Clarice Y. Balderas, City Secretary]

13. OTHER BUSINESS

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

B. Consider Canceling or Rescheduling the Tuesday, May 19, 2026 City Council Regular Meeting. [Clarice Y. Balderas, City Secretary]

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. Consultation with City Attorney. (551.071 Consultation with Attorney; Closed Meeting)

B. Consultation with City Attorney Regarding Personnel Matters. (§552.074 Personnel Matters; §551.071 Consultation with Attorney; Closed Meeting.)

C. Discussion and Possible Action Regarding the Conveyance, Exchange, or Lease of Real Property - 1. Workforce Resource Center. (§551.071 Consultation with Attorney; §551.072 Deliberation Regarding Real Property; Closed Meeting.; §551.087 Deliberation Regarding Economic Development Negotiations; Closed Meeting.)

D. Discussion and Possible Action Regarding Economic Development Matters. (§551.071 Consultation with Attorney; §551.087 Deliberation Regarding Economic Development Negotiations; Closed Meeting.)

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 March 11, 2026 at 6:50 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: March 17, 2026
PROCLAMATION/RECOGNITION
Agenda Item No: 5.A.
Proclamation: Theatre in Our Schools Month

1. **Agenda Item:**
   Presentation of Proclamation Recognizing March 2026 as Theatre in Our Schools Month, as Requested by Jose JT Gonzalez, RVHS Thespian President. [Clarice Y. Balderas, City Secretary]

2. **Description:**
   Theatre in Our Schools Month is a campaign to raise public awareness of the impact of theatre education and draw attention to the need for more access to quality programs for all students. Theatre helps students build self-confidence, enhance self-reliance, and cultivate empathy and compassion toward themselves and others. As both a creative outlet and a foundation for potential professional careers, theatre programs in Edinburg, Texas, shape the future of our young people by providing them with invaluable skills, including problem-solving, teamwork, leadership, and collaboration.

   The Edinburg City Council would like to recognize March 2026 as Theatre in Our Schools Month.

3. **Staff's Recommendation:**
   Present Proclamation Recognizing March 2026 as Theatre in Our Schools Month.

Reviewed by:
Clarice Balderas, City Secretary

Prepared by:
Maria Ortiz, Administrative Assistant

Attachments:
A. Theatre in our Schools Month 2026

PROCLAMATION



THEATRE IN OUR SCHOOLS MONTH
MARCH 2026

WHEREAS, every year in March, the American Alliance for Theatre & Education, the Educational Theatre Association, and the International Thespian Society, partner for Theatre In Our Schools Month to raise awareness about the value of theatre education and draw attention to the need for all students to have access to a quality theatre program; and,

WHEREAS, theatre is an integral part of arts education, and the arts have been a fundamental part of human life, enriching and deepening the human experience while adding creativity and meaning to our environment; and,

WHEREAS, all students participating in arts education benefit from the skills and processes developed through theatre, applying them in a variety of disciplines and career paths; and,

WHEREAS, participation in theatre fosters essential life skills such as listening, understanding human experiences, adapting to diverse perspectives, effective communication, critical thinking, and creative expression; and,

WHEREAS, theatre helps students build self-confidence, enhance self-reliance, and cultivate empathy and compassion toward themselves and others; and,

WHEREAS, as both a creative outlet and a foundation for potential professional careers, theatre programs in Edinburg, Texas, shape the future of our young people by providing them with invaluable skills, including problem-solving, teamwork, leadership, and collaboration.

NOW, THEREFORE, I, OMAR OCHOA, MAYOR OF THE CITY OF EDINBURG, TX: By the power vested in me by law, do hereby recognize the month of March as:

THEATRE IN OUR SCHOOLS MONTH

and encourage everyone to celebrate and support theatre education, its students, and its educators as we work toward a brighter future enriched by the performing arts.

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 17th day of March, 2025.

CITY OF EDINBURG, TEXAS

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
PRESENTATION AND REPORT
Agenda Item No: 7.A.
Annual Comprehensive Financial Report

1. **Agenda Item:**
   Presentation of the Annual Comprehensive Financial Report for the City of Edinburg for Fiscal Year Ending September 30, 2025. [Ascencion Alonzo, Director of Finance]

2. **Description:**
   The independent firm of Cascos & Associates, PC, has completed the City of Edinburg's 2024-2025 Annual Comprehensive Financial Report. Mr. Roel Cantu 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, 2025.

Reviewed by:
Nelda Ramirez, Assistant City Manager

Prepared by:
Ascencion Alonzo, Director of Finance

Attachments:
A. Draft - City of Edinburg ACFR (2025)

CITY OF EDINBURG

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Annual Comprehensive Financial Report



City of Edinburg, Texas

For the Fiscal Year Ended
September 30, 2025

Myra L. Ayala
City Manager

Ascencion Alonzo
Director of Finance

Prepared by:
Finance Department

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Elected Officials



Mayor, Omar Ochoa



Councilmember
Dan Diaz



Councilmember
Gerardo Lozano



Councilmember
Jason De Leon



Mayor Pro Tem
David Salazar

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CITY OF EDINBURG, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2025

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March 13, 2026

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, 2025. 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 all funds of the City on an annual basis. The City of Edinburg's financial statements have been audited by Cascos & Associates, PC. 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, 2025, 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) 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 33,881. 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, building safety, 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 Director of Finance. 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,

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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, 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 100,243 in 2020, up by about 30% since 2010, making Edinburg the fastest growing community in the Rio Grande Valley. The City approved approximately $203 million in residential investments in Fiscal Year 2024-2025, totaling nearly 555 new housing units. The local economy also benefited from more than $204 million in new commercial investment. Total permitted development approached $407 million in 2025.

Recent economic highlights include:

- In Fiscal Year 2024-2025, the City of Edinburg collaborated with the Edinburg Economic Development Corporation (EEDC) to engage in cooperative initiatives in the following projects- Brentwood Plaza, Hyde Plaza, Courtyard by Marriott Edinburg Hotel, Zoho Echo Hotel redevelopment, Siddons-Martin facility, Downtown Parking Garage, and the Façade and lot Improvement Program (FLIP).
- Edinburg's sales tax revenue in Fiscal Year 2025 was $3,853,743 above Fiscal Year 2024. This represents a 13.55% increase, demonstrating the resilience of local businesses.

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 undergoing 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 improves the quality of life throughout the region. The research facility provides state-of-the-art laboratory space and equipment for scholars and scientists to conduct research on critical health problems facing the Texas-Mexico border. The 45,500 square foot Edinburg complex features 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.

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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.

In May 2024, Driscoll Children's Hospital Rio Grande Valley opened the region's first dedicated children's hospital in the Rio Grande Valley. The eight-story, $100 million pediatric facility includes 119 pediatric beds, a Level III Neonatal Intensive Care Unit (NICU), and clinical training programs. It is the first freestanding children's hospital in the region designed specifically to provide specialized care for infants, children, and adolescents.

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.

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. In 2024, Nicho Produce relocated to its new 50,000 square foot cold storage and distribution center to the North Industrial Park and RGV CDL Services, L.LC. also opened a commercial truck training business at its new facility in the City North Industrial Park.

Last year, the City of Edinburg welcomed several new businesses, including Panera Bread, Dave's Hot Chicken, Pedro's Tacos & Tequila, Scooter's Coffee, 7 Brew Coffee, Cinnaholic, and a second Dunkin' Donuts location.

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In Fiscal Year 2024–2025, the City of Edinburg continued its growth by attracting additional developments such as Brentwood Plaza, Hyde Plaza, the Courtyard by Marriott Edinburg Hotel, the Zoho Echo Hotel redevelopment, the Siddons-Martin facility, a new Downtown Parking Garage, and the Façade and Lot Improvement Program (FLIP).

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:

	General Obligation	Revenue
Standard and Poor's	AA-	A
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 Cascos & Associates, PC.

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,

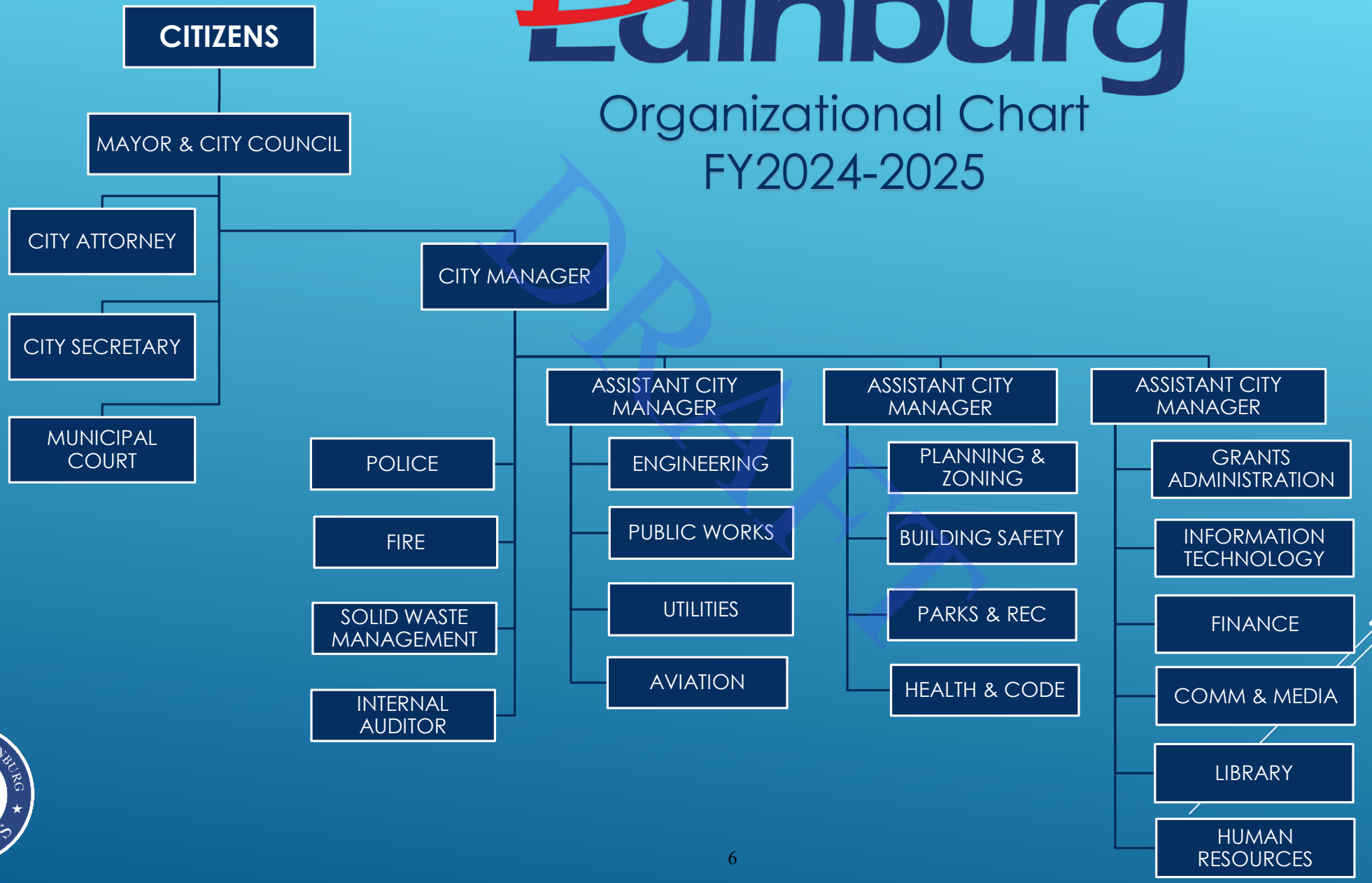
Myra L. Ayala, City Manager

Ascencion Alonzo, Director of Finance

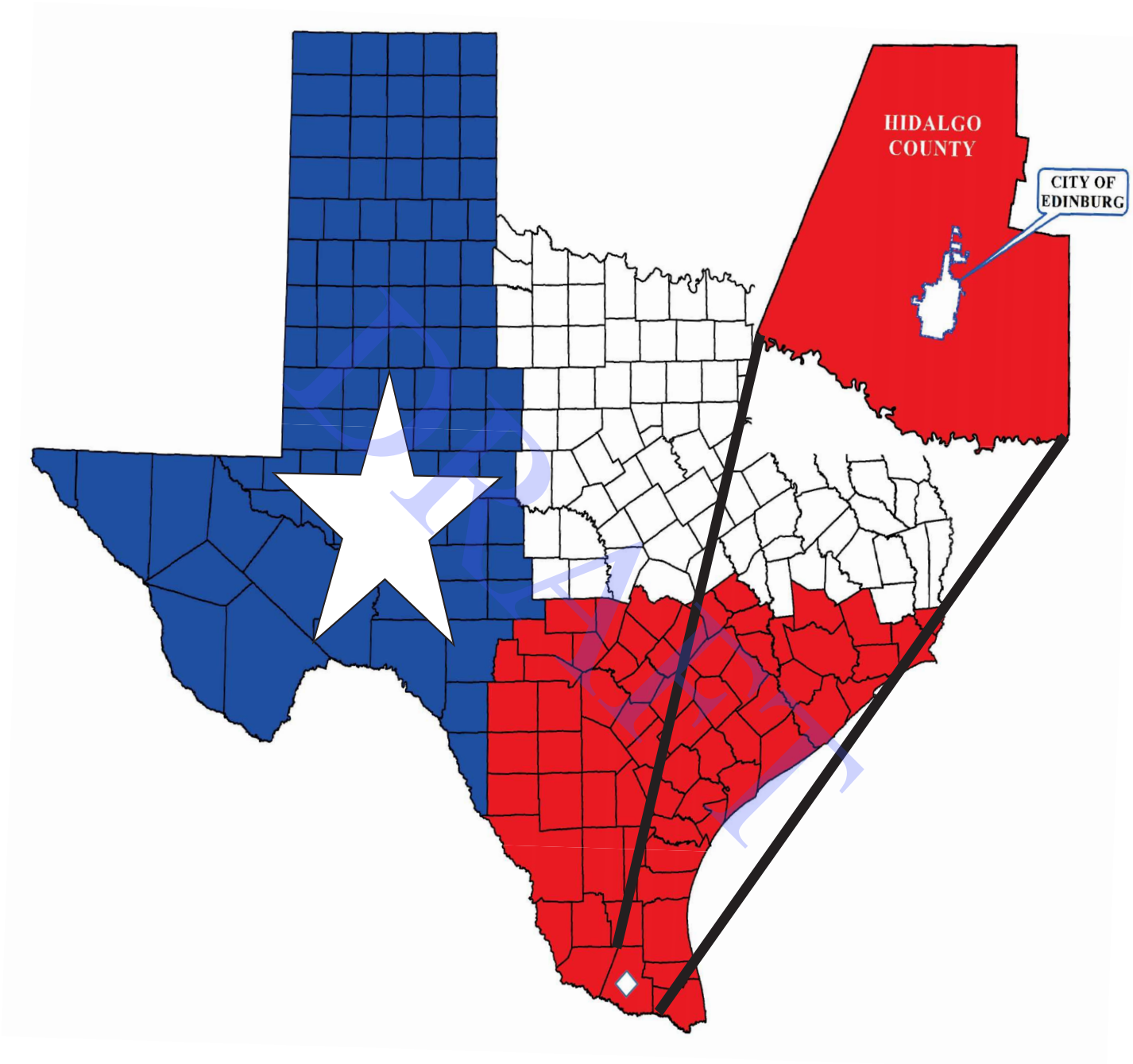
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THE CITY OF Edinburg

Organizational Chart FY2024-2025



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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the City Commission
City of Edinburg, Texas

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 of Edinburg, Texas (the "City"), as of and for the year ended September 30, 2025, 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, 2025, 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

Change in Accounting Principle

As described in Note I to the financial statements, in 2025, the City adopted new accounting guidance, GASB Statement No. 101, Compensated Absences and GASB Statement No. 102, Certain Risk Disclosures. 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 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.

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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 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.
- 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.
- 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 and budgetary comparison information, and pension and other post-employment benefits 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.

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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 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 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 auditors' 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 March 17, 2026, 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 City's internal control over financial reporting and compliance.

Cascos & Associates, PC
Brownsville, Texas
March 17, 2026

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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, 2025. 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 $204,447,325 (net position).
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $64,188,207, a decrease of $4,254,257 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $28,487,259, or 32.4 percent of total General Fund 2024-2025 budgeted expenditures.
- The City of Edinburg's total long-term debt decreased by $6,381,282 or 2.36 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.

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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
3111 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.

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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 $204,447,325 at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	$ 79,439,432	$ 93,199,139	$ 89,331,153	$ 99,893,290	$ 168,770,585	$ 193,092,429
Capital Assets	198,129,604	199,682,372	185,610,719	155,674,094	383,740,323	355,356,466
Total Assets	277,569,036	292,881,511	274,941,872	255,567,384	552,510,908	548,448,895
Deferred Outflows of Resources	10,499,481	15,223,017	7,624,283	8,997,948	18,123,764	24,220,965
Long-Term Liabilities	201,194,543	217,246,829	128,933,212	126,151,816	330,127,755	343,398,645
Other Liabilities	10,673,815	20,777,482	8,389,375	5,571,072	19,063,190	26,348,554
Total Liabilities	211,868,358	238,024,311	137,322,587	131,722,888	349,190,945	369,747,199
Deferred Inflows of Resources	8,220,470	5,226,059	8,775,932	7,599,697	16,996,402	12,825,756
Net Position						
Invested in Capital Assets, Net of Related Debt	52,358,551	43,304,576	81,490,188	55,832,091	133,848,739	99,136,667
Restricted	37,690,357	43,713,890	5,634,979	5,634,979	43,325,336	49,348,869
Unrestricted	$ (22,069,219)	$ (22,164,308)	49,342,469	63,775,677	27,273,250	41,611,369
Total Net Position	$ 67,979,689	$ 64,854,158	$ 136,467,636	$ 125,242,747	$ 204,447,325	$ 190,096,905

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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 (21.19 percent) represents resources that are subject to external restrictions regarding how they may be used.

The City reported a surplus 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 $29,874,262 for the current year, along with a current net pension liability of $35,086,265. This accounts for the unrestricted net position reported at September 30, 2025.

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

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

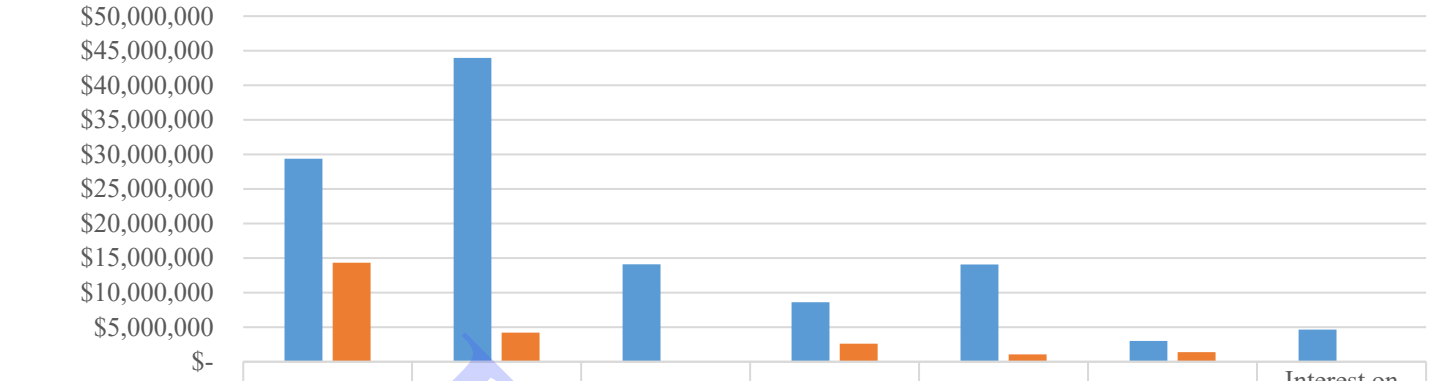
Total revenues generated from both governmental and business-type activities for this year amounted to $175,557,135. Expenses were $171,132,147 thus increasing net position by $4,424,988.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	$ 7,455,687	$ 7,798,967	$ 56,989,468	$ 52,567,209	$ 64,445,155	$ 60,366,176
Operating Grants and Contributions	12,337,540	14,026,470	-	-	$ 12,337,540	$ 14,026,470
Capital Grants and Contributions	3,805,564	11,156,238	-	-	$ 3,805,564	$ 11,156,238
General Revenue:						
Property Taxes	46,974,981	43,976,660	-	-	$ 46,974,981	$ 43,976,660
Other Taxes	38,017,953	34,323,227	-	-	$ 38,017,953	$ 34,323,227
Other	4,283,918	(2,043,444)	5,692,024	8,432,749	$ 9,975,942	$ 6,389,305
Total Revenues	112,875,643	109,238,118	62,681,492.00	60,999,958.00	$ 175,557,135	$ 170,238,076
Expenses:						
General Government	29,371,313	30,005,563	-	-	29,371,313	30,005,563
Public Safety	43,948,262	43,190,614	-	-	43,948,262	43,190,614
Highways and Streets	14,086,664	14,195,853	-	-	14,086,664	14,195,853
Health and Welfare	8,606,469	7,999,187	-	-	8,606,469	7,999,187
Culture and Recreation	14,080,792	12,960,143	-	-	14,080,792	12,960,143
Economic Development	3,014,601	3,229,292	-	-	3,014,601	3,229,292
Interest on Long-Term Debt	4,654,049	5,276,641	-	-	4,654,049	5,276,641
Water and Sewer Options	-	-	25,711,914	22,950,360	25,711,914	22,950,360
Solid Waste Operations	-	-	22,271,208	20,911,991	22,271,208	20,911,991
Golf Course Services	-	-	3,208,850	2,798,754	3,208,850	2,798,754
Airport Services	-	-	2,178,025	2,692,342	2,178,025	2,692,342
Total Expenses	117,762,150	116,857,293	53,369,997	49,353,447	171,132,147	166,210,740
Increases (Decreases) in Net Position before Transfers	(4,886,507)	(7,619,175)	9,311,495	11,646,511	4,424,988	4,027,336
Transfers	6,495,286	5,750,000	(6,495,286)	(5,750,000)	-	-
Changes in Net Position	$ 1,608,779	$ (1,869,175)	2,816,209	5,896,511	4,424,988	4,027,336
Net Position October 1, 2024	64,854,158	66,723,333	125,242,747	119,346,236	190,096,905.00	186,069,569.00
Prior Period Adjustments	1,516,752		8,408,680		9,925,432	-
Net Position September 30, 2025	$ 67,979,689	$ 64,854,158	$ 136,467,636	$ 125,242,747	$ 204,447,325	$ 190,096,905

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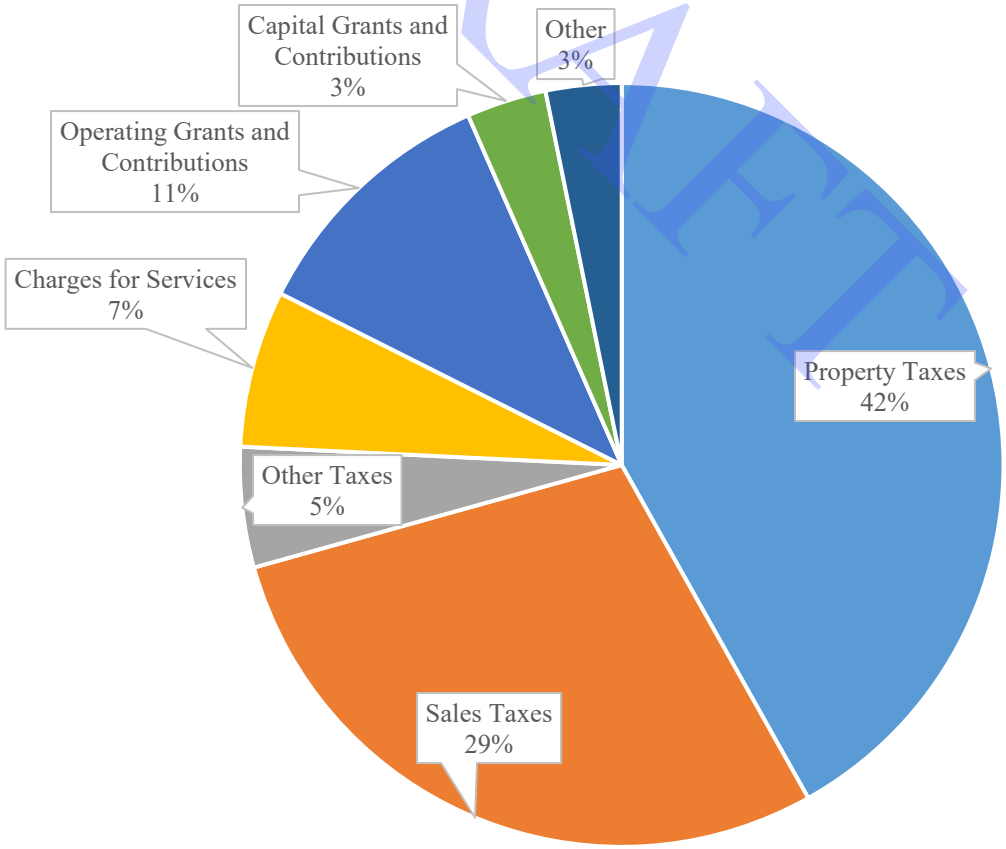
Governmental activities. Governmental activities increased the City of Edinburg's net position by $1,608,779. This increase is attributed to continued increase in property taxes, sales, franchise and other taxes, and an increase in municipal court fines.

Expenses and Program Revenues - Governmental Activities



	General Government	Public Safety	Highways and Streets	Health and Welfare	Culture and Recreation	Economic Development	Interest on Long-Term Debt
Expenses	$29,371,313	$43,948,262	$14,086,664	$8,606,469	$14,080,792	$3,014,601	$4,654,049
Program Revenues	$14,313,715	$4,205,358	$19,350	$2,606,855	$1,068,289	$1,385,224	$-

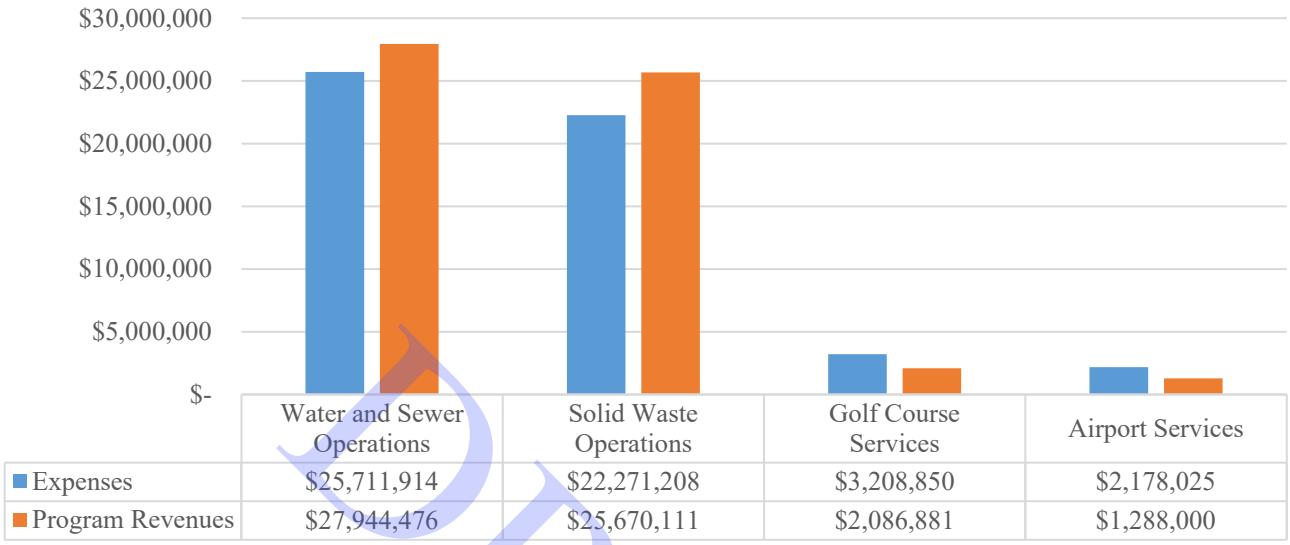
Revenues by Source - Governmental Activities



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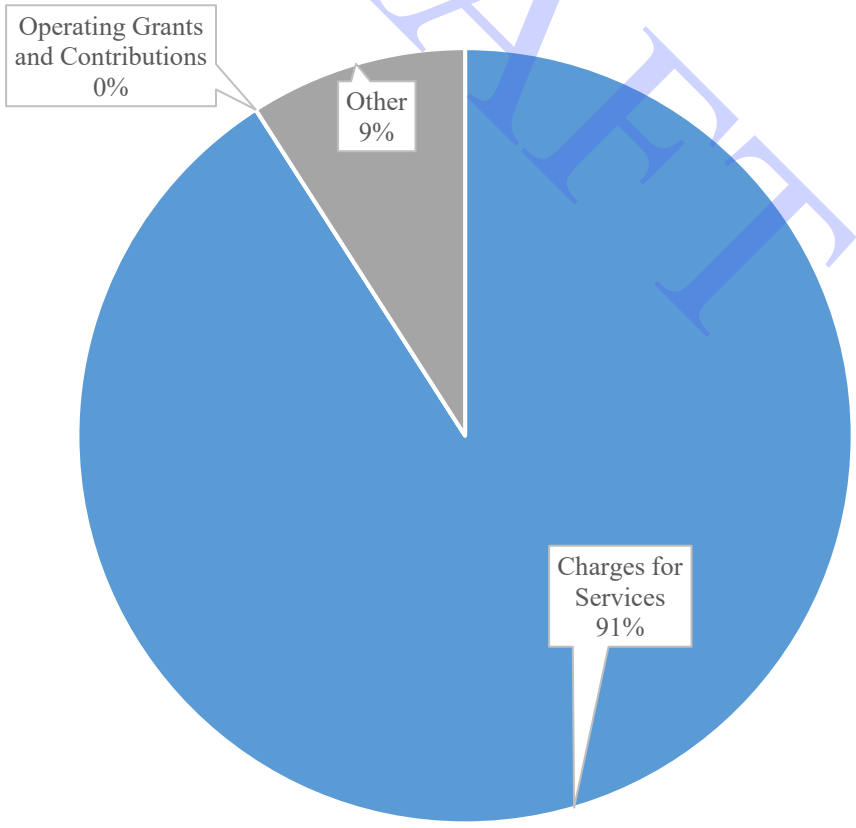
Business-type activities. Business-type activities increased the City of Edinburg's net position by $2,816,209. The increase is attributed to an eleven percent (11%) rate increase adopted on March 1, 2024 and decreases in the supplies, materials and other operational cost.

Expenses and Program Revenues - Business Type Activities



	Water and Sewer Operations	Solid Waste Operations	Golf Course Services	Airport Services
Expenses	$25,711,914	$22,271,208	$3,208,850	$2,178,025
Program Revenues	$27,944,476	$25,670,111	$2,086,881	$1,288,000

Revenues by Source - Business Type Activities



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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 $64,188,207, a decrease of $4,254,257 in comparison with the prior year. $28,487,259 constitutes unassigned fund balance for all governmental funds, which is available for spending at the City's discretion. The remainder of the fund balance $35,700,948 falls under a restricted, committed, assigned and non-spendable category.

The General Fund is the main operating fund of the City of Edinburg. At the end of the current fiscal year, unassigned fund balance of the General Fund was $28,487,259 while total fund balance increased to $29,370,419. 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 32.4 percent of total General Fund 2024-2025 budgeted expenditures. Total fund balance represents 33.4 percent of total General Fund 2024-2025 budgeted expenditures.

During the current fiscal year, the net change in fund balance of the City of Edinburg's General Fund was increase of $1,769,281. The key components and factors in this increase are as follows:

- Increase in ad valorem property taxes, sales tax, franchise tax that are attributable to the continued growth in the City's economy.
- Increase in municipal court fines.
- Increase from sale of City property.

The Debt Service Fund has a total fund balance of $1,185,348, 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 $309,436. 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, 2025, total unrestricted net position amounted to $49,234,439. The Water, Sewer, and Solid Waste Management Funds had unrestricted net position of $37,505,356 and $11,862,020 respectively. The other non-major funds ended the year with unrestricted net position totaling ($132,937).

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General Fund Budgetary Highlights

The final amended expenditure budget was $3,112,034 more than the original budget. The major differences can be briefly summarized as follows:

- $2,874,718, increase in various departments for carry-overs from the previous fiscal year for encumbered purchase orders. The City of Edinburg honors encumbrances outstanding at year-end.
- $48,929, Appropriation increase in the Fire Department. The increase was attributed to additional appropriation ($48,929) for the purchase of a pickup truck.
- $188,387, Appropriation increase in the Human Resources Department. The increase was attributed to additional appropriation ($188,387) for the purchase of a time and attendance software.

This represented the carrying encumbrances from the prior year of $2,874,718 that were restricted and reserved in the 2023-2024 fiscal year and $237,316 for additional expenditures required to complete the 2024-2025 fiscal year.

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

Taxes

- Ad valorem tax revenues were $25,358 lower than the budgeted amount. This was due to collections being slightly lower for ad valorem taxes.
- Sales tax revenues were $1,496,780 above the budgeted amount. Actual sales tax revenue increased by $3,853,743 over Fiscal Year Ending September 30, 2024, which was an increase of 13.55%. Sales tax revenue increases have been an ongoing trend of the positive economic impact the City of Edinburg has been experiencing the last few years
- Franchise and other taxes were $82,680 above the budgeted amount due to ongoing change in TV Cable and streaming media and growth in population.
- Interest revenue was $174,570 below the budgeted amount due to volatile interest rates during the fiscal year.

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, 2025 amounts to $383,740,323 (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 7.99 percent, (.78 percent decrease for governmental activities and a 19.23 percent increase for business-type activities).

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

- Governmental activities included amounts paid in Fiscal Year 2024-2025 for the A.C.E. Center ($791,452), Animal Care Facility ($130,950), Municipal Park Turf Fields Phase II Improvements ($1,222,977), Bicentennial, Frontier and Memorial Park Improvements ($612,736), Jackson Hike & Bike Crossing Project ($604,249), De Zavala City School Park ($202,897), Parking Garage ($572,358), Schunior Drainage Detention Pond ($476,327), Alberta Road Reconstruction ($1,544,407), Doolittle Drainage Detention Pond ($3,150,160), Veterans Drainage Detention Pond ($146,080), and Brennaaleen Cedar Drainage Detention Pond ($168,319).

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- Business-type activities had an increase due to amounts paid for an Elevated Water Storage Tank ($858,957), UV System Channel ($445,304), WWTP Gearbox ($274,373), the construction of a new Waste Water Treatment Plant ($16,296,005), Landfill Expansion Project ($346,942), and the New Cell Construction Project ($3,753,157).

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	
	2025	2024	2025	2024	2025	2024
Land/Other	$ 24,844,261	$ 24,844,261	$ 29,375,651	$ 27,283,298	$ 54,219,912	$ 52,127,559
Building and System	75,557,091	77,565,863	88,269,043	92,221,027	163,826,134	169,786,890
Improvements other than Building	42,308,601	47,767,105	11,787,058	11,988,765	54,095,659	59,755,870
Furniture and Equipment	10,073,944	14,031,247	14,197,414	14,445,771	24,271,358	28,477,018
Right-to-Use Lease Assets	11,592	-	835,207	915,311	846,799	915,311
Software subscription assets	532,059	635,729	6,316	210	538,375	635,939
Construction in Progress	44,802,056	34,838,167	41,140,030	8,819,712	85,942,086	43,657,879
Total	$ 198,129,604	$199,682,372	$ 185,610,719	$ 155,674,094	$ 383,740,323	$ 355,356,466

Long-term debt. At the end of the current fiscal year, the City of Edinburg had total long-term debt outstanding of $263,915,696.

The City's total debt decreased by $6,381,282 or 2.36 percent, during the current fiscal year.
The City maintains a "AA-" rating from Standard and Poor's for its general obligation bonds and a "A" 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	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	$ 91,664,066	$ 97,027,466	17,891,207	9,146,215	$ 109,555,273	$ 106,173,681
Tax Increment Bonds	35,308,269	36,369,433	-	-	35,308,269	36,369,433
Notes Payable	6,907,022	7,257,022	1,575,000	-	8,482,022.00	7,257,022.00
Financing Lease Obligations	6,287,868	8,735,777	12,119,597	15,053,491	18,407,465	23,789,268
Compensated Absences	6,422,272	6,346,490	832,478	787,723	7,254,750	7,134,213
Revenue Bonds	-	-	72,304,647	76,125,335	72,304,647	76,125,335
Reimbursement Obligation-Developer	5,339,020	6,748,753	-	-	5,339,020	6,748,753
Landfill Closure and Post-Closure	-	-	7,264,250	6,699,273	7,264,250	6,699,273
Total	$ 151,928,517	$162,484,941	$ 111,987,179	$ 107,812,037	$ 263,915,696	$ 270,296,978

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City of Edinburg is approximately 5.0 percent. The state and national average unemployment rates are currently 4.3 percent and 4.4 percent, respectively.
- Appraisal values used in preparing the 2025-2026 budget increased $683,218,722 over the prior year, or 9.48 percent higher than the prior year. The City approved a tax rate of ($0.6300 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.

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

SEPTEMBER 30, 2025	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	Edinburg Economic Development Corporation
Assets				
Cash and Cash Equivalents	$ 29,513,375	$ 13,518,953	$ 43,032,328	$ 11,389,405
Taxes Receivable, Net	10,076,857	-	10,076,857	-
Accounts Receivable, Net	854,730	8,723,518	9,578,248	-
Accrued Interest Receivable	78	-	78	-
Due from Other Governments	2,623,650	-	2,623,650	-
Notes Receivable	1,366,470	-	1,366,470	20,274,226
Internal Balances	204,650	(204,650)	-	-
Due from Primary Government	-	-	-	1,715,763
Due from Component Unit	10,878	-	10,878	-
Inventories	64,713	922,882	987,595	-
Prepaid Items	20,393	8,408,883	8,429,276	-
Restricted Assets:				
Cash and Cash Equivalents	31,173,941	40,844,641	72,018,582	10,491,690
Cash with Fiscal Agent	3,529,697	17,116,926	20,646,623	-
Capital Assets:				
Land and Construction in Progress	69,646,317	70,515,681	140,161,998	6,041,510
Other Capital Assets, Net of Depreciation	127,939,636	114,253,515	242,193,151	422,563
Right of Use Lease Assets, Net of Amortization	11,592	835,207	846,799	9,150
Subscription-Based Information Technology Arrangements, Net of Amortization	532,059	6,316	538,375	-
Total Assets	277,569,036	274,941,872	552,510,908	50,344,307
Deferred Outflows of Resources				
Deferred Outflows Related to Debt Refunding	153,752	596,724	750,476	1,189,552
Deferred Outflows Related to TMRS Pension	7,366,682	2,604,637	9,971,319	25,893
Deferred Outflows Related to TESRS Pension	112,262	-	112,262	-
Deferred Outflows Related to TMRS OPEB Obligation	265,589	86,297	351,886	1,549
Deferred Outflows Related to MED OPEB Obligation	2,601,196	922,044	3,523,240	8,193
Deferred Outflows Related to Landfill Closure Costs	-	3,414,581	3,414,581	-
Total Deferred Outflows of Resources	10,499,481	7,624,283	18,123,764	1,225,187
Liabilities				
Accounts Payable	2,089,248	4,216,511	6,305,759	220,817
Accrued Liabilities	3,052,483	1,025,008	4,077,491	29,113
Accrued Interest Payable	373,152	115,111	488,263	123,233
Due to Primary Government	-	-	-	10,878
Due to Component Unit	1,715,763	-	1,715,763	-
Deposits	320,934	1,883,494	2,204,428	-
Retainage Payable	363,063	1,149,251	1,512,314	-
Unearned Revenue	2,759,172	-	2,759,172	-
Non-Current Liabilities:				
Due within One Year	10,474,075	7,780,386	18,254,461	1,698,010
Due in More Than One Year	141,604,249	104,540,832	246,145,081	28,195,983
Right-to-Use Lease Liabilities	3,759	495,268	499,027	-
Subscription-Based Information Technology Arrangement Liabilities	264,994	3,665	268,659	-
TMRS Net Pension Liabilities	26,347,230	8,398,196	34,745,426	173,344
TESRS Net Pension Liabilities	340,839	-	340,839	-
TMRS OPEB Obligations	1,334,079	399,902	1,733,981	11,003
MED Plan OPEB Obligations	20,825,318	7,314,963	28,140,281	73,090
Total Liabilities	211,868,358	137,322,587	349,190,945	30,535,471
Deferred Inflows of Resources				
Deferred Inflows Related to TMRS Pension	2,282,136	603,371	2,885,507	26,942
Deferred Inflows Related to TESRS Pension	250,155	-	250,155	-
Deferred Inflows Related to TMRS OPEB Obligation	484,639	154,356	638,995	3,209
Deferred Inflows Related to MED Plan OPEB Obligation	5,203,540	1,813,307	7,016,847	19,397
Deferred Inflows Related to Landfill Closure Costs	-	5,595,217	5,595,217	-
Other Deferred Inflows	-	609,681	609,681	-
Total Deferred Inflows of Resources	8,220,470	8,775,932	16,996,402	49,548
Net Position (Deficit)				
Net Investment in Capital Assets	52,358,551	81,490,188	133,848,739	6,463,594
Restricted For:				
Debt Service	4,212,294	5,743,009	9,955,303	2,735,000
Capital Acquisition	24,643,924	-	24,643,924	12,547,204
Other	6,759,624	-	6,759,624	3,512,500
Unrestricted	(19,994,704)	49,234,439	29,239,735	(4,273,823)
Total Net Position (Deficit)	$ 67,979,689	$ 136,467,636	$ 204,447,325	$ 20,984,475

See Accompanying Notes to the Financial Statements.

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FOR THE YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-type Activities	Net (Expenses) Revenues and Changes in Net Position: Total	Edinburg Economic Development Corporation
PRIMARY GOVERNMENT:								
Governmental Activities:								
General Government	$ 29,371,313	$ 4,563,015	$ 9,367,887	$ 2,744,833	$ (12,695,578)	$ -	$ (12,695,578)	
Public Safety	43,948,262	657,658	2,546,627	-	(40,743,977)	-	(40,743,977)	
Highways and Streets	14,086,664	-	-	-	(14,086,664)	-	(14,086,664)	
Health and Welfare	8,606,469	1,413,598	423,026	-	(6,769,845)	-	(6,769,845)	
Culture and Recreation	14,080,792	821,416	-	-	(13,259,376)	-	(13,259,376)	
Economic Development	3,014,601	-	-	1,060,731	(1,953,870)	-	(1,953,870)	
Interest on Long-Term Debt	4,654,049	-	-	-	(4,654,049)	-	(4,654,049)	
Total Governmental Activities	117,762,150	7,455,687	12,337,540	3,805,564	(94,163,359)	-	(94,163,359)	
Business-Type Activities:								
Water and Sewer Operations	25,711,914	27,944,476	-	-	-	2,232,562	2,232,562	
Solid Waste Operations	22,271,208	25,670,111	-	-	-	3,398,903	3,398,903	
Golf Course Services	3,208,850	2,086,881	-	-	-	(1,121,969)	(1,121,969)	
Airport Services	2,178,025	1,288,000	-	-	-	(890,025)	(890,025)	
Total Business-Type Activities	53,369,997	56,989,468	-	-	-	3,619,471	3,619,471	
Total Primary Government	$ 171,132,147	$ 64,445,155	$ 12,337,540	$ 3,805,564	(94,163,359)	3,619,471	(90,543,888)	
Component Units:								
Economic Development and Assistance	$ 16,645,924	$ -	$ -	$ -				$ (16,645,924)
Interest on Long-Term Debt	1,175,652	-	-	-				(1,175,652)
Total Component Units	$ 17,821,576	$ -	$ -	$ -				(17,821,576)
General Revenues:								
Taxes								
Property Taxes					46,974,981	-	46,974,981	-
Sales Taxes					32,302,340	-	32,302,340	9,482,866
Hotel Occupancy Tax					878,397	-	878,397	-
Franchise Taxes					4,627,931	-	4,627,931	-
Other Taxes					209,285	-	209,285	-
Investment Earnings					3,586,848	2,318,648	5,905,496	673,360
Intergovernmental					-	3,158,075	3,158,075	-
Other					697,070	215,301	912,371	1,026,170
Transfers In (Out)					6,495,286	(6,495,286)	-	-
Total General Revenues and Transfers					95,772,138	(803,262)	94,968,876	11,182,396
Change in Net Position					1,608,779	2,816,209	4,424,988	(6,639,180)
Net Position - Beginning of Year, as Previously Stated					64,854,158	125,242,747	190,096,905	23,600,438
Error Correction					1,516,752	8,408,680	9,925,432	-
Net Position - Beginning of Year, as Restated					66,370,910	133,651,427	200,022,337	23,600,438
Net Position - End of Year					$ 67,979,689	$ 136,467,636	$ 204,447,325	$ 16,961,258

See Accompanying Notes to the Financial Statements.

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

SEPTEMBER 30, 2025	General Fund	Grants Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	$ 26,606,287	$ -	$ -	$ 2,134,857	$ 28,741,144
Taxes Receivables	9,926,010	-	-	687,862	10,613,872
Allowance for Uncollectible Taxes	(427,715)	-	-	(109,300)	(537,015)
Accounts Receivables, Net	729,801	-	-	124,127	853,928
Note Receivable	-	-	-	1,366,470	1,366,470
Due from Other Governments	-	1,429,432	119,233	1,074,985	2,623,650
Due from Other Funds	760,197	-	-	51,061	811,258
Due from Component Unit	10,878	-	-	-	10,878
Inventories	64,713	-	-	-	64,713
Prepaid Items	18,248	-	-	2,145	20,393
Restricted Assets:					
Cash & Cash Equivalents	-	782,149	25,318,145	5,073,647	31,173,941
Cash with Fiscal Agent	491,142	-	-	3,038,555	3,529,697
Total Assets	38,179,561	2,211,581	25,437,378	13,444,409	79,272,929
Liabilities					
Accounts Payable	1,458,437	190,037	71,690	369,084	2,089,248
Accrued Liabilities	2,826,150	-	-	7,617	2,833,767
Deposits	320,934	-	-	-	320,934
Retainage Payable	-	-	363,063	-	363,063
Due to Other Funds	250	606,358	-	-	606,608
Due to Component Unit	1,715,763	-	-	-	1,715,763
Unearned Revenue	11,315	1,069,593	603,279	1,074,985	2,759,172
Total Liabilities	6,332,849	1,865,988	1,038,032	1,451,686	10,688,555
Deferred Inflows of Resources					
Deferred Inflows from Loans Receivable	-	-	-	1,373,883	1,373,883
Deferred Inflows from Taxes	2,476,293	-	-	545,991	3,022,284
Total Deferred Inflows of Resources	2,476,293	-	-	1,919,874	4,396,167
Fund Balances					
Nonspendable					
Inventory	64,713	-	-	-	64,713
Prepaids	18,248	-	-	2,145	20,393
Restricted For:					
Debt Service	-	-	-	4,212,294	4,212,294
Capital Projects	-	-	24,399,346	244,578	24,643,924
Other Purposes	800,199	345,593	-	5,613,832	6,759,624
Unassigned	28,487,259	-	-	-	28,487,259
Total Fund Balances	29,370,419	345,593	24,399,346	10,072,849	64,188,207
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 38,179,561	$ 2,211,581	$ 25,437,378	$ 13,444,409	$ 79,272,929

See Accompanying Notes to the Financial Statements.

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

SEPTEMBER 30, 2025

Total Fund Balances - Governmental Funds Balance Sheet		$	64,188,207
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.		197,585,953
2.)	Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.		3,022,284
3.)	Loans receivable are not available to pay for current period expenditures and are deferred in the funds.		1,373,883
4.)	Other receivables unavailable to pay for current period expenditures are deferred in the funds.		-
5.)	Deferred outflows for losses on bond refunding are not reported in the funds.		153,752
6.)	Payables for bond principal, which are not due in the current period, are not reported in the funds.		(138,303,432)
7.)	Payables for bond interest, which are not due in the current period, are not reported in the funds.		(373,152)
8.)	Payables for compensated absences, which are not due in the current period, are not reported in the funds.		(4,456,961)
9.)	Other long-term payables, which are not due in the current period are not reported in the funds.		(9,317,931)
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.		(48,847,466)
11.)	Deferred outflows of resources related to pensions and OPEB obligations are not reported in the funds.		10,345,729
12.)	Deferred inflows of resources related to pensions and OPEB obligations are not reported in the funds.		(8,220,470)
13.)	Subscription-based information technology arrangement assets used in governmental activities are not reported in the funds.		532,059
14.)	Subscription-based information technology arrangement liabilities used in governmental activities are not reported in the funds.		(264,994)
15.)	Lease accrued interest revenue receivable are not reported in the funds.		78
16.)	The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		554,317
	Net Position of Governmental Activities - Statement of Net Position	$	67,979,689

See Accompanying Notes to the Financial Statements.

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	General Fund	Grants Fund	Capital Project Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Property Taxes	$ 36,968,102	$ -	$ -	$ 9,545,187	$ 46,513,289
General Sales and Use Taxes	32,302,340	-	-	-	32,302,340
Franchise Tax	4,564,346	-	-	63,585	4,627,931
Other Tax	209,285	-	-	878,397	1,087,682
Licenses and Permits	1,413,597	-	-	-	1,413,597
Intergovernmental Revenue and Grants	371,463	11,197,551	-	768,526	12,337,540
Charges for Services	4,482,993	-	-	391,343	4,874,336
Fines and Forfeits	1,015,318	-	-	152,436	1,167,754
Investment Earnings	1,684,127	274,509	1,213,883	414,329	3,586,848
Contributions	-	-	2,744,833	1,060,731	3,805,564
Other	298,744	-	-	-	298,744
Total Revenues	83,310,315	11,472,060	3,958,716	13,274,534	112,015,625
Expenditures					
Current:					
General Government	18,778,326	8,446,056	623,324	178,312	28,026,018
Public Safety	38,490,228	2,190,323	-	590,754	41,271,305
Highways and Streets	8,000,748	203,455	7,721,458	14,100	15,939,761
Health and Welfare	7,419,672	685,604	-	472,951	8,578,227
Culture and Recreation	12,055,084	25,360	1,723,946	1,534,954	15,339,344
Economic Development	-	-	-	1,409,733	1,409,733
Debt Service:					
Principal Retirements	3,021,922	-	-	5,790,000	8,811,922
Interest and Other Charges	145,311	-	7,500	5,064,587	5,217,398
Total Expenditures	87,911,291	11,550,798	10,076,228	15,055,391	124,593,708
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,600,976)	(78,738)	(6,117,512)	(1,780,857)	(12,578,083)
Other Financing Sources (Uses)					
Proceeds from Right-to-Use Leases	20,514	-	-	5,596	26,110
Proceeds from Subscription-Based Information Technology Arrangements	116,731	-	-	-	116,731
Sale of Real and Personal Property	249,265	-	-	-	249,265
Transfers In	7,095,286	-	161,507	4,455,688	11,712,481
Transfers Out	(1,111,539)	(651,352)	(110,155)	(3,344,149)	(5,217,195)
Total Other Financing Sources (Uses)	6,370,257	(651,352)	51,352	1,117,135	6,887,392
Net Change in Fund Balances	1,769,281	(730,090)	(6,066,160)	(663,722)	(5,690,691)
Fund Balances - Beginning of Year, as Previously Reported	27,601,138	1,075,683	29,029,072	10,736,571	68,442,464
Error Corrections	-	-	1,436,434	-	1,436,434
Fund Balances - Beginning of Year, as Restated	27,601,138	1,075,683	30,465,506	10,736,571	69,878,898
Fund Balances - End of Year	$ 29,370,419	$ 345,593	$ 24,399,346	$ 10,072,849	$ 64,188,207

See Accompanying Notes to the Financial Statements.

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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, 2025

Net Change in Fund Balances - Total Governmental Funds	$	(5,690,691)
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.		11,364,104
2.) The depreciation of capital assets used in governmental activities is not reported in the funds.		(13,007,101)
3.) Certain property tax revenues are deferred in the funds. This is the change in these amounts for the year.		461,692
4.) Certain revenues are deferred in the funds. This is the change in these amounts for the year.		131,953
5.) Bond, capital lease, and subscription-based inforamation technology arrangement proceeds are reported as other financing sources in the funds, but are not in the SOA.		(125,861)
6.) Payment of reduction of long term debt are expenditures in the funds, but is not an expense in the SOA.		11,469,718
7.) Changes in the net pension liability for retirement are not recognized in the funds, but are in the SOA.		(932,045)
8.) Changes in the net OPEB obligation are not recognized in the funds, but are in the SOA.		(1,281,557)
9.) Amortization of bond premiums and discounts is not reported in the funds.		(634,564)
10.) Amortization of deferred outflows and inflows related to bond refunding is not reported in the funds.		(92,639)
11.) (Increase) decrease in accrued interest from beginning of period to end of period.		21,502
12.) Internal service funds are used by management to charge costs of certain activities to individual funds.		50
13.) Compensated absences are reported as the amount incurred in the SOA, but as the amount paid in the funds.		(75,782)
Change in Net Position of Governmental Activities - Statement of Activities	$	1,608,779

See Accompanying Notes to the Financial Statements.

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

SEPTEMBER 30, 2025	Business-type Activities-Enterprise Funds: Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Worker's Compensation Fund
Assets					
Current Assets:					
Cash and Cash Equivalents	$ 5,547,367	7,829,757	$ 141,829	$ 13,518,953	$ 772,231
Accounts Receivable, Net	5,170,882	3,469,309	83,327	8,723,518	802
Due from Other Funds	250	14,848	-	15,098	-
Inventories	771,331	22,652	128,899	922,882	-
Prepaid Items	8,054,568	-	354,315	8,408,883	-
Restricted Assets:					
Cash and Cash Equivalents	20,025,596	18,924,701	1,894,344	40,844,641	-
Cash with Fiscal Agent	16,115,817	818,995	182,114	17,116,926	-
Total Current Assets	55,685,811	31,080,262	2,784,828	89,550,901	773,033
Noncurrent Assets:					
Capital Assets:					
Land	10,470,420	13,905,076	5,000,155	29,375,651	-
Buildings	175,173,793	5,469,799	6,311,847	186,955,439	-
Improvements Other Than Buildings	6,060,684	19,491,006	14,203,831	39,755,521	-
Furniture and Equipment	16,440,674	34,413,409	2,537,229	53,391,312	-
Accumulated Depreciation	(108,544,504)	(41,437,446)	(15,866,807)	(165,848,757)	-
Right-to-Use Lease Assets	51,164	13,364	1,213,938	1,278,466	-
Accumulated Amortization- Right-to-Use-Leases	(43,855)	(7,235)	(392,169)	(443,259)	-
Subscription-Based Information Technology Arrangements	-	-	7,630	7,630	-
Accumulated Amortization- Subscription-Based Information Technology Arrangements	-	-	(1,314)	(1,314)	-
Construction in Progress	25,305,726	5,039,078	10,795,226	41,140,030	-
Total Capital Assets	124,914,102	36,887,051	23,809,566	185,610,719	-
Total Noncurrent Assets	124,914,102	36,887,051	23,809,566	185,610,719	-
Total Assets	180,599,913	67,967,313	26,594,394	275,161,620	773,033
Deferred Outflows of Resources					
Deferred Outflows Related to Debt Refundings	443,765	-	152,959	596,724	-
Deferred Outflows Related to Pension	1,166,265	1,107,921	330,451	2,604,637	-
Deferred Outflows Related to OPEB Obligation	38,753	36,587	10,957	86,297	-
Deferred Outflows Related to MED OPEB Obligation	432,279	373,589	116,176	922,044	-
Deferred Outflows Related to Landfill Closure Costs	-	3,414,581	-	3,414,581	-
Total Deferred Outflows of Resources	2,081,062	4,932,678	610,543	7,624,283	-
Liabilities					
Current Liabilities:					
Accounts Payable	1,494,870	2,653,569	68,072	4,216,511	-
Accrued Liabilities	649,848	279,211	95,949	1,025,008	218,716
Deposits	1,819,247	59,947	4,300	1,883,494	-
Retainage Payable	956,996	192,255	-	1,149,251	-
Due to Other Funds	4,600	8,900	206,248	219,748	-
Accrued Interest	95,109	19,868	134	115,111	-
Current Portion of Compensated Absences	179,782	143,563	56,208	379,553	-
Current Portion of Revenue Bonds	3,735,000	-	-	3,735,000	-
Current Portion of General Obligation Bonds	-	600,000	-	600,000	-
Current Portion of Right-to-Use Lease Liabilities	5,757	5,456	320,323	331,536	-
Current Portion of Subscription-Based Information Technology Arrangement Liabilities	-	-	2,503	2,503	-
Current Portion of Financing Leases	1,115,653	1,472,636	143,505	2,731,794	-
Total Current Liabilities	10,056,862	5,435,405	897,242	16,389,509	218,716

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

SEPTEMBER 30, 2025	Business-type Activities-Enterprise Funds: Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Worker's Compensation Fund
Noncurrent Liabilities					
Compensated Absences	209,211	184,543	59,171	452,925	-
Revenue Bonds, Net of Unamortized					
Discounts and Premiums	68,569,647	-	-	68,569,647	-
General Obligation Bonds, Net of Unamortized					
Discounts and Premiums	-	17,158,703	132,504	17,291,207	-
Notes Payable	-	1,575,000	-	1,575,000	-
Financing Leases Payable	2,829,983	6,244,149	313,671	9,387,803	-
Landfill Closure and Post Closure Costs Payable	-	7,264,250	-	7,264,250	-
Right-to-Use Lease Liabilities	-	1,388	493,880	495,268	-
Subscription-Based Information Technology Arrangements	-	-	3,665	3,665	-
Net Pension Liability	3,781,592	3,552,555	1,064,049	8,398,196	-
Net OPEB Obligation	180,715	168,562	50,625	399,902	-
Net MED OPEB Obligation	3,421,653	2,963,032	930,278	7,314,963	-
Total Noncurrent Liabilities	78,992,801	39,112,182	3,047,843	121,152,826	-
Total Liabilities	89,049,663	44,547,587	3,945,085	137,542,335	218,716
Deferred Inflows of Resources					
Deferred Inflows Related to Landfill Closure Costs	-	5,595,217	-	5,595,217	-
Deferred Inflows Related to Pension	276,040	251,469	75,862	603,371	-
Deferred Inflows Related to OPEB Obligation	69,519	65,285	19,552	154,356	-
Deferred Inflows Related to MED OPEB Obligation	845,561	735,049	232,697	1,813,307	-
Other Deferred Inflows	90,000	13,645	506,036	609,681	-
Total Deferred Inflows of Resources	1,281,120	6,660,665	834,147	8,775,932	-
Net Position					
Net Investment in Capital Assets and Lease Assets	49,101,827	9,829,719	22,558,642	81,490,188	-
Restricted for Debt Service	5,743,009	-	-	5,743,009	-
Unrestricted	37,505,356	11,862,020	(132,937)	49,234,439	554,317
Total Net Position	$ 92,350,192	$ 21,691,739	$ 22,425,705	$ 136,467,636	$ 554,317

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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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Business-type Activities - Enterprise Funds				
	Water and Sewer Fund	**Solid Waste Management Fund**	**Nonmajor Enterprise Funds**	**Total Enterprise Funds**	**Governmental Activities-Internal Service Worker's Compensation Fund**
Operating Revenues:					
Water and Sewer Sales	$ 26,966,217	$ -	$ -	$ 26,966,217	$ -
Garbage Collection and Disposal Charges	-	25,394,681	-	25,394,681	-
Fuel Flow Fees	-	-	1,288,000	1,288,000	-
Golf Course Fees and Memberships	-	-	1,733,091	1,733,091	-
Other Revenue	978,259	275,430	353,790	1,607,479	50
Total Operating Revenues	27,944,476	25,670,111	3,374,881	56,989,468	50
Operating Expenses:					
Salaries, Wages, and Employee Benefits	7,980,941	6,985,481	2,311,597	17,278,019	-
Supplies and Materials	3,678,401	3,441,234	287,597	7,407,232	-
Contractual and Other Services	5,749,931	4,047,437	685,029	10,482,397	-
Repairs and Maintenance	112,148	2,065,750	308,994	2,486,892	-
Other Operating Costs	1,859,072	1,638,781	982,830	4,480,683	-
Depreciation and Amortization	5,002,832	3,775,210	798,158	9,576,200	-
Total Operating Expenses	24,383,325	21,953,893	5,374,205	51,711,423	-
Operating Income (Loss)	3,561,151	3,716,218	(1,999,324)	5,278,045	50
Non-Operating Revenues (Expenses)					
Capital Outlay (Needs to be reclassed)	-	-	-	-	-
Investment Earnings	1,186,518	1,087,331	44,799	2,318,648	-
Interest Expense	(1,328,589)	(317,315)	(12,670)	(1,658,574)	-
Intergovernmental Revenues	-	-	3,158,075	3,158,075	-
Other	(80,346)	295,193	454	215,301	-
Total Non-Operating Revenues (Expenses)	(222,417)	1,065,209	3,190,658	4,033,450	-
Income (Loss) Before Transfers	3,338,734	4,781,427	1,191,334	9,311,495	50
Transfers In (Out)					
Transfers In	2,282,941	9,000,000	1,637,660	12,920,601	-
Transfers Out	(2,282,941)	(17,132,946)	-	(19,415,887)	-
Total Transfers In (Out)	-	(8,132,946)	1,637,660	(6,495,286)	-
Change in Net Position	3,338,734	(3,351,519)	2,828,994	2,816,209	50
Net Position - Beginning of Year, as Previously Reported	88,998,658	25,043,258	11,200,831	125,242,747	554,267
Error Corrections	12,800	-	8,395,880	8,408,680	-
Net Position - Beginning of Year, as Restated	89,011,458	25,043,258	19,596,711	133,651,427	554,267
Net Position - End of Year	$ 92,350,192	$ 21,691,739	$ 22,425,705	$ 136,467,636	$ 554,317

See Accompanying Notes to the Financial Statements.

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Business-type Enterprise Funds: Water and Sewer Fund	Business-type Enterprise Funds: Solid Waste Management Fund	Business-type Enterprise Funds: Nonmajor Enterprise Funds	Total	Governmental Activities-Internal Service Worker's Compensation Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	$ 30,702,387	$ 25,544,996	$ 3,351,380	$ 59,598,763	$ (449)
Cash Payments to Employees for Services	(7,530,940)	(6,639,829)	(1,704,260)	(15,875,029)	46,856
Cash Payments for Other Operating Activities	(1,859,072)	-	(2,707,841)	(4,566,913)	-
Cash Payments to Other Suppliers for Goods and Services	(8,858,196)	(8,900,794)	-	(17,758,990)	-
Net Cash Provided (Used) by Operating Activities	12,454,179	10,004,373	(1,060,721)	21,397,831	46,457
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating Grants	-	-	3,158,075	3,158,075	-
Transfers From Other Funds	2,282,941	9,000,000	1,637,660	12,920,601	-
Transfers To Other Funds	(2,282,941)	(17,132,946)	-	(19,415,887)	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	(8,132,946)	4,795,735	(3,337,211)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Paid on Long-Term Debt	(5,015,111)	(2,925,651)	(511,231)	(8,451,993)	-
Proceeds from Capital Debt	-	12,243,750	265,708	12,509,458	-
Interest Paid on Long-Term Debt	(1,415,402)	(520,568)	(12,223)	(1,948,193)	-
Other Capital Payments	-	(875,877)	-	(875,877)	-
Other Capital Receipts	-	1,372,443	-	1,372,443	-
Acquisition or Construction of Capital Assets	(18,658,257)	(9,288,952)	(3,377,491)	(31,324,700)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(25,088,770)	5,145	(3,635,237)	(28,718,862)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest from Investments	1,186,518	1,087,331	44,799	2,318,648	-
Net Cash Provided (Used) by Investing Activities	1,188,018	1,087,331	44,799	2,320,148	-
Net Increase/(Decrease) in Cash	(11,446,573)	2,963,903 #	144,576	(8,338,094)	46,457
Cash and Cash Equivalents at Beginning of Year	53,135,603	24,609,300	1,865,958	79,610,861	725,774
Cash and Cash Equivalents at End of Year	$ 41,689,030	$ 27,573,203	$ 2,010,534	$ 71,272,767	$ 772,231
Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:					
Operating Income (Loss)	$ 3,561,151	$ 3,716,218	$ (1,999,324)	$ 5,278,045	$ 50
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	5,002,832	3,775,210	798,158	9,576,200	-
Changes in Assets and Liabilities					
Decrease (Increase) in Accounts Receivable	2,849,498	(96,381)	(23,501)	2,729,616	(449)
Decrease (Increase) in Prepaid Items	(1,577)	7	(354,315)	(355,885)	-
Decrease (Increase) in Inventories	89,986	(2,745)	(29,176)	58,065	-
Decrease (Increase) in Deferred Outflows	633,037	558,362	182,266	1,373,665	-
Increase (Decrease) in Accounts Payable	(24,295)	2,295,146	(59,900)	2,210,951	-
Increase (Decrease) in Compensated Balances	34,148	13,262	(2,655)	44,755	-
Increase (Decrease) in Accrued Liabilities	17,792	(72,518)	4,489	(50,237)	46,856
Increase (Decrease) in Retainage Payable	618,170	192,255	-	810,425	-
Increase (Decrease) in Deposits	(91,587)	(28,734)	-	(120,321)	-
Increase (Decrease) in Deferred Inflows	382,392	202,392	591,451	1,176,235	-
Increase (Decrease) in Pensions	(617,368)	(548,101)	(168,214)	(1,333,683)	-
Total Adjustments	8,893,028	6,288,155	938,603	16,119,786	46,407
Net Cash Provided (Used) by Operating Activities	$ 12,454,179	$ 10,004,373	$ (1,060,721)	$ 21,397,831	$ 46,457

See Accompanying Notes to the Financial Statements.

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CITY OF EDINBURG, TEXAS

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

EXHIBIT 4-A

SEPTEMBER 30, 2025	Developer's Escrow Fund	Custodial Funds
Assets		
Cash and Cash Equivalents	$ -	$ -
Restricted Assets:		
Cash and Cash Equivalents	8,386,736	8,386,736
Total Assets	8,386,736	8,386,736
Liabilities		
Accounts Payable	5,749	5,749
Total Liabilities	5,749	5,749
Fund Balances		
Restricted For:		
Developers Escrow Deposits	8,380,987	8,380,987
Total Fund Balances	8,380,987	8,380,987
Total Liabilities and Fund Balances	$ 8,386,736	$ 8,386,736

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See Accompanying Notes to the Financial Statements.

CITY OF EDINBURG, TEXAS

STATEMENT OF NET CHANGES

FIDUCIARY FUNDS

EXHIBIT 4-B

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Developer's Escrow Fund	Custodial Funds
Additions		
Developer Deposits	$ 911,235	$ 911,235
Other	110,134	110,134
Total Additions	1,021,369	1,021,369
Deductions		
Material Testing Fees	25,803	25,803
Release of Developer Escrow Deposits	14,825	14,825
Other	5,431	5,431
Total Deductions	46,059	46,059
Net Change	975,310	975,310
Fund Balance - Beginning of Year	7,405,677	7,405,677
Fund Balance - End of Year	$ 8,380,987	$ 8,380,987

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See Accompanying Notes to the Financial Statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Edinburg, Texas (the "City"), 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 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 (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 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

Blended Component Unit

City of Edinburg, Texas Local Government Finance Corporation (LGFC) was created on January 16, 2007 by the City 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.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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 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, 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.

Reinvestment Zone Number Three, City of Edinburg, Texas (TIRZ #3) is a reinvestment zone created by the City 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 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 and Hidalgo County, no other taxing jurisdictions are participating in TIRZ # 4.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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.

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. 101, Compensated Absences

GASB Statement No. 101, Compensated Absences' requires governments to recognize liabilities for compensated absences in two situations: (1) leave that employees have already used but has not yet been paid or settled, and (2) unused leave if it was earned from services already performed, accumulates for future use, and is more likely than not to be taken as time off or paid out. Governments should estimate the likelihood of leave being used or paid by considering employment policies and past patterns of leave usage but leave expected to be converted to defined benefit postemployment benefits should not be included in the liability.

Certain types of leave, such as parental leave, military leave, and jury duty leave, are not recognized as liabilities until the leave begins. The statement also specifies that some compensated absences should only be recognized as liabilities when the leave is used.

For measurement, unused leave liabilities should generally be calculated using the employee's pay rate as of the financial statement date, while leave that has already been used but not yet paid should be measured at the amount expected to be paid or settled. Any salary-related costs that are directly associated with leave payments should also be included. In governmental funds using the current financial resources measurement focus, expenditures are recognized only for amounts expected to be paid using available financial resources. GASB 101 was implemented by the City during the 2025 fiscal year.

GASB Statement No. 102, Certain Risk Disclosures

GASB Statement No. 102, Certain Risk Disclosures' objective is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. GASB 102 was implemented by the City during the 2025 fiscal year, however, there were none noted.

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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. 103, Financial Reporting Model Improvements

GASB Statement No. 103, Financial Reporting Model Improvements' objective is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 104, Disclosure of Certain Capital Assets

GASB Statement No. 104, Disclosure of Certain Capital Assets' objective is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying assets in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 105, Subsequent Events

GASB Statement No. 105, Subsequent Events' objective is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

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.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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.

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-C.

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.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

The government reports the following major governmental funds:

- The G*eneral 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 *Grants 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.

- *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.

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.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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.

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.

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, 2025, were 99.08% 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, 2025, property tax rates were $.5156 and $.1144 for the general fund and the debt service fund, respectively, per $100 of assessed value.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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

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), right-to-use-leases, and subscription-based-information technology arrangements, 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, 2025, there were no donated capital assets.

The term of the lease must be the non-cancelable period during which the City has the right to use the tangible assets of another entity plus any periods in which either the lessee or the lessor has the sole option to extend the lease if it is reasonably certain the option will be exercised plus any periods in which either the lessee or the lessor has the sole option to terminate the lease if it is reasonably certain the option will not be exercised by that party and must not meet the definition of a short-term lease under GASB 87.

The City implemented GASB 96 for reporting Subscription-Based-Information Technology Arrangements (SBITAs) in the 2023 fiscal year. GASB 96 requires recognition of certain right-to-use subscription assets and liabilities for SBITAs in the financial statements.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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.

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.

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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 11 for additional details. At September 30, 2025, the City's total OPEB liability for these retiree benefits was approximately $28.6 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 11).

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.

- *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.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

- *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.

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.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

- *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.

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.

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NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. 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 and the debt service fund. 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.

2. Excess of Expenditures Over Appropriations

Fund, Department, and Budget Item		Amount
General Fund		
City Council		
Supplies	$	2
Miscellaneous Services		57
Engineering		
Supplies		1,038
Non-Department		
General Insurance		6,076
Property Tax Collection Fee		615
Capital Lease and Notes Payable Debt Service		37,233
Other		50,904
Building Maintenance		
Supplies		2,849
Miscellaneous Services		91,487
Health and Code Department		
Supplies		1,537
Parks and Recreation		
Supplies		1,168
Total	$	192,966

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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, 2025.

At year-end, the City's deposits with financial institutions balance was $140,927,096 and the carrying balance was $135,697,533. The Federal Depository 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 $13,474.

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, 2025, are:

Investments	Amortized Cost	Weighted Average Maturity (Days)	Standard & Poor's Rating
Public Fund Investment Pools			
TexPool	$ 119,800,407	44	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, 2025, 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.

NOTE 3 – DEPOSITS AND INVESTMENTS - (CONTINUED)

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.

Credit Risk

In compliance with the City's investment policy, as of September 30, 2025, 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, 2025, 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, 2025, 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, 2025, 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, 2025, the carrying amount for the EEDC was $21,881,095 and the bank balance was $22,286,254. At September 30, 2025, 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.

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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:

	Primary Government	Component Unit E.E.D.C.
Cash on hand	$ 13,474	$ -
Carrying amounts of deposits	15,883,652	12,181,329
TexPool	119,800,407	-
TexStar	-	9,699,766
Cash and Cash Equivalents	**$ 135,697,533**	**$ 21,881,095**
Cash and cash equivalents	$ 43,032,328	$ 11,389,405
Cash and cash equivalents - restricted	92,665,205	10,491,690
Cash and Cash Equivalents Statement of Net Position	**$ 135,697,533**	**$ 21,881,095**

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 Fund	Grants Fund	Capital Projects Fund	Water and Sewer Fund	Solid Waste Management Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Internal Service Fund	Total
Receivables									
Property Taxes	$ 3,047,107	$ -	$ -	$ -	$ -	$ 687,862	$ -	$ -	$ 3,734,969
Sales Taxes	6,863,053	-	-	-	-	-	-	-	6,863,053
Other Taxes	15,850	-	-	-	-	-	-	-	15,850
Accounts	1,175,178	-	-	5,363,164	4,799,090	124,127	83,327	802	11,545,688
Notes	-	-	-	-	-	1,366,470	-	-	1,366,470
Due From Other Governments	-	1,429,432	119,233	-	-	1,074,985	-	-	2,623,650
Gross receivables	11,101,188	1,429,432	119,233	5,363,164	4,799,090	3,253,444	83,327	802	26,149,680
Less: Allowance for uncollectible-taxes	(427,715)	-	-	-	-	(109,300)	-	-	(537,015)
Less: Allowance for uncollectible-accounts	(445,377)	-	-	(192,282)	(1,329,781)	-	-	-	(1,967,440)
Net Total Receivables	**$10,228,096**	**$ 1,429,432**	**$119,233**	**$ 5,170,882**	**$ 3,469,309**	**$ 3,144,144**	**$ 83,327**	**$ 802**	**$ 23,645,225**

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	$ 29,298
Uncollectible related to landfill and garbage charges	252,362
Total Uncollectible Amounts Related to Receivables	**$ 281,660**

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NOTE 4 – RECEIVABLES - (CONTINUED)

Notes receivable of $1,366,470 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, 2025, the Edinburg Economic Development Corporation made certain loans to various entities to promote economic development in the City. At September 30, 2025, the Corporation had outstanding industrial development loans other net receivables totaling $13,367,203.

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 renegotiated an extension which was approved by the Board of Directors on November 15, 2023 and by City Council on December 5, 2023. However, to this date, Santana Textiles has failed to execute the agreements and also to pay the amount due to bring the notes current. Other options to collect are being explored and pursued.

The $5,000,000 note receivable from Santana Textiles, LLC requires payments of $26,778 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 $59,971 monthly, including principal and interest (4.25%) beginning November 21, 2017, and ending upon maturity on October 21, 2022.

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 $13,640,003. 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 notes allowance for uncollectible balance is $272,800 which brings the notes receivable, net balance to $13,367,203. 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.

The Edinburg Economic Development Corporation (EEDC) has a loan agreement with the City of Edinburg to support an economic development incentive for the purchase of the H-E-B Park. As of September 30, 2025, the outstanding balance is $6,907,022.

Leases Receivable

On October 01, 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, 2025, the value of the lease receivable is $0 and the value of the short-term lease receivable is $0. The lessee is required to make monthly fixed payments of $125. The lease has an interest rate of 0.4753%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $0, 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.

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NOTE 4 – RECEIVABLES - (CONTINUED)

On October 01, 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, 2025, the value of the lease receivable is $0 and the value of the short-term lease receivable is $0. The lessee is required to make monthly fixed payments of $500. The lease has an interest rate of 0.4753%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $0, and the City recognized lease revenue of $3,268 during the fiscal year.

On October 01, 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, 2025, the value of the lease receivable is $0 and the value of the short-term lease receivable is $0. The lessee is required to make monthly fixed payments of $500. The lease has an interest rate of 0.4753%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $0, and the City recognized lease revenue of $2,328 during the fiscal year.

On May 01, 2025, the City entered into a 12 month lease as Lessor for the use of Hangar E-2 Lease -Bobby Garcia & Terry Canales. An initial lease receivable was recorded in the amount of $5,447. As of September 30, 2025, the value of the lease receivable is $0 and the value of the short-term lease receivable is $0. The lessee is required to make monthly fixed payments of $461. The lease has an interest rate of 3.2950%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $0, and the City recognized lease revenue of $3,177 during the fiscal year. The lessee has 1 extension option(s), each for 12 months.

On September 01, 2025, the City entered into a 12 month lease as Lessor for the use of Hangar B-3 - Alejandro Urias. An initial lease receivable was recorded in the amount of $2,838. As of September 30, 2025, the value of the lease receivable is $0 and the value of the short-term lease receivable is $0. The lessee is required to make monthly fixed payments of $240. The lease has an interest rate of 3.2410%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $0, and the City recognized lease revenue of $1,486 during the fiscal year. The lessee has 1 extension option(s), each for 12 months.

On July 01, 2025, the City entered into a 32 month lease as Lessor for the use of RICOH USA C-361-24. An initial lease receivable was recorded in the amount of $10,922. As of September 30, 2025, the value of the lease receivable is $0 and the value of the short-term lease receivable is $0. The lessee is required to make monthly fixed payments of $355. The lease has an interest rate of 3.0670%. The equipment estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of September 30, 2025 was $0, and the City recognized lease revenue of $6,017 during the fiscal year.

Governmental Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Lease Receivable				
Buildings				
Fire Department Station No. 3	$ 1,496	$ -	$ 1,496	$ -
Youth Sports Facility - Pad Site	2,996	-	2,996	-
Youth Sports Facility - Concession Area	2,996	-	2,996	-
Total Building Lease Receivable	7,488	-	7,488	-
Equipment				
RICOH USA C-361-24	9,910	-	9,910	-
Total Equipment Lease Receivable	9,910	-	9,910	-
Total Lease Receivable	$ 17,398	$ -	$ 17,398	$ -

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NOTE 4 – RECEIVABLES - (CONTINUED)

Business-type Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Lease Receivable				
Buildings				
Hangar B-3 - Alejandro Urias	$ 2,598	$ -	$ 2,598	$ -
Hangar E-2 - Lease - Bobby Garcia & Terry Canales	3,190	-	3,190	-
Total Building Lease Receivable	5,788	-	5,788	-
Total Lease Receivable	$ 5,788	$ -	$ 5,788	$ -

Governmental Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Deferred Inflow of Resources				
Buildings				
Fire Department Station No. 3	$ 1,486	$ -	$ 1,486	$ -
Youth Sports Facility - Pad Site	2,329	-	2,329	-
Youth Sports Facility - Concession Area	3,267	-	3,267	-
Total Building Deferred Inflow of Resources	7,082	-	7,082	-
Equipment				
RICOH USA C-361-24	9,898	-	9,898	-
Total Equipment Deferred Inflow of Resources	9,898	-	9,898	-
Total Deferred Inflow of Resources	$ 16,980	$ -	$ 16,980	$ -

Business-type Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Deferred Inflow of Resources				
Buildings				
Hangar B-3 - Alejandro Urias	$ 2,602	$ -	$ 2,602	$ -
Hangar E-2 - Lease - Bobby Garcia & Terry Canales	3,176	-	3,176	-
Total Building Deferred Inflow of Resources	5,778	-	5,778	-
Total Deferred Inflow of Resources	$ 5,778	$ -	$ 5,778	$ -

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
Delinquent property taxes (General Fund)	$ 2,476,293	$ -	$ -	$ -
Delinquent cleaning/mowing (General Fund)	-	11,315	-	-
Grants (Grant Fund)	-	1,069,593	-	-
Grants (Nonmajor Funds)		1,074,985		
Delinquent property taxes (Nonmajor Funds)	545,991	-	-	-
Loans receivable (Nonmajor Funds)	1,373,883	-	-	-
Parkland dedication (Capital Projects Fund)	-	603,279	-	-
Landfill closure costs (Solid Waste Management Fund)	-	-	3,414,581	5,595,217
Debt refunding (Water and Sewer Fund)	-	-	443,765	-
Debt refunding (Nonmajor Enterprise Funds)	-	-	152,959	-
Deferred revenue (Water and Sewer Fund)	-	-	-	90,000
Deferred revenue (Solid Waste Management Fund)	-	-	-	13,645
Deferred revenue (Nonmajor Funds)	-	-	-	506,036
Total	$ 4,396,167	$ 2,759,172	$ 4,011,305	$ 6,204,898

Information regarding deferred inflows and outflows for pensions and other OPEB obligations are contained in Note 11.

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NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Primary Government

Interfund receivable and payable balances at September 30, 2025 were as follows:

Governmental Funds

Receivable Fund	Payable Fund	Amount
General Fund	Grant Fund	$ 555,297
General Fund	Water and Sewer Fund	4,600
General Fund	Solid Waste Management Fund	8,900
General Fund	Nonmajor Enterprise Funds	191,400
Nonmajor Governmental Funds	Grant Fund	51,061
Total		$ 811,258

Proprietary Funds

Receivable Fund	Payable Fund	Amount
Water and Sewer Fund	General Fund	$ 250
Solid Waste Management Fund	Nonmajor Enterprise Funds	14,848
Total		$ 14,848

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, 2025 were as follows:

Edinburg Economic Development Corporation

Receivable Entity	Payable Entity	Amount
Component Unit - E.E.D.C	Primary Government- General Fund	$ 1,715,763
Primary Government- General Fund	Component Unit - E.E.D.C	10,878
Total		$ 1,726,641

Interfund transfers during the year were as follows:

	Transfers In:						
Transfers Out:	General Fund	Capital Projects Fund	Water & Sewer Fund	Solid Waste Management	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Total
General Fund	$ -	$ -	$ -	$ -	$ 1,111,539	$ -	$ 1,111,539
Grants Fund	600,000	51,352	-	-	-	-	651,352
Capital Projects Fund	-	110,155	-	-	-	-	110,155
Nonmajor Governmental Funds	-	-	-	-	3,344,149	-	3,344,149
Water & Sewer Fund	-	-	2,282,941	-	-	-	2,282,941
Solid Waste Management Fund	6,495,286	-	-	9,000,000	-	1,637,660	17,132,946
Total	$ 7,095,286	$ 161,507	$ 2,282,941	$ 9,000,000	$ 4,455,688	$ 1,637,660	$ 24,633,082

Transfers out of the Solid Waste Management Fund ($6,495,285) to the General Fund are for operations.

Transfers out of the General Fund ($1,111,539) to the Nonmajor Governmental Funds (TIRZ # 1 and TIRZ #4). were dedicated sales tax revenues collected within the zones.

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NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - (CONTINUED)

Transfers out of the Nonmajor Governmental Funds ($3,344,149) to the Nonmajor Governmental Funds (TIRZ # 1 and TIRZ #4). Transfer out to TIRZ #1 and TIRZ #4 was for the payments of bonds issued by the Local Government Finance Corporation for the construction of a multi-purpose entertainment center in the City of Edinburg. Transfer out to TIRZ#3 for reimbursement to developer for the construction of public roads, utilities, and amenities related to La Sienna Project.

Transfers out of the Solid Waste Management Fund ($1,637,660) to the Nonmajor Enterprise Funds are for debt service and operations.

Transfer out of the Water & Sewer Fund ($2,282,941) to the Utility System Revenue Improvement Bond, Series 2023 Fund for bond proceeds.

Transfer out of the Solid Waste Management Fund ($9,000,000) to the Solid Waste Management Series 2025 Fund for bond proceeds.

Transfer out of several Capital Project Funds ($110,155) to other Capital Project Funds for the Municipal Water Park Renovations Project, Northside Drainage Project, and the Hike and Bike Walking Trail.

Transfer out of the Grants Fund ($600,000) to the General Fund for operations.

Transfer out of the Grants Fund ($51,352) to the Capital Project Funds for Edinburg Transit Terminal Project.

NOTE 7 – CAPITAL ASSETS

Primary Government

Capital asset activity for the year ended September 30, 2025 was as follows:

Governmental Activities	Balance at October 1, 2024	Additions	Deletions	Reclassifications /Adjustments	Balance at September 30, 2025
Capital assets, not being depreciated:					
Land	$ 24,844,261	$ -	$ -	$ -	$ 24,844,261
Construction in progress	34,838,167	9,963,889	-	-	44,802,056
Total capital assets, not being depreciated	59,682,428	9,963,889	-	-	69,646,317
Capital assets, being depreciated:					
Buildings	96,415,499	-	-	-	96,415,499
Improvements other than buildings	185,746,695	486,046	-	-	186,232,741
Furniture and equipment	51,871,236	788,308	(647,936)	80,333	52,091,941
Right-to-use lease assets	-	9,130	-	10,922	20,052
Software subscription assets	851,962	116,731	(91,650)	(2)	877,041
Total capital assets, being depreciated	334,885,392	1,400,215	(739,586)	91,253	335,637,274
Less accumulated depreciation for:					
Buildings	(18,849,636)	(2,008,772)	-	-	(20,858,408)
Improvements other than buildings	(137,979,590)	(5,944,550)	-	-	(143,924,140)
Furniture and equipment	(37,839,989)	(4,825,944)	647,936	-	(42,017,997)
Right-to-use lease assets	-	(7,436)	-	(1,024)	(8,460)
Software subscription assets	(216,233)	(220,399)	91,650	-	(344,982)
Total accumulated depreciation	(194,885,448)	(13,007,101)	739,586	(1,024)	(207,153,987)
Total capital assets, being depreciated, net	139,999,944	(11,606,886)	-	90,229	128,483,287
Governmental activities capital assets, net	$ 199,682,372	$ (1,642,997)	$ -	$ 90,229	$ 198,129,604

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NOTE 7 – CAPITAL ASSETS - (CONTINUED)

Business-type Activities	Balance at October 1, 2024	Additions	Deletions	Reclassifications/ Adjustments	Balance at September 30, 2025
Capital assets, not being depreciated:					
Land/Other	$ 27,283,298	$ 2,092,353	$ -	$ -	$ 29,375,651
Construction in progress	8,819,712	24,946,374	(207,753)	7,581,697	41,140,030
Total capital assets, not being depreciated	36,103,010	27,038,727	(207,753)	7,581,697	70,515,681
Capital assets, being depreciated:					
Buildings	186,923,898	31,541	-	-	186,955,439
Improvements other than buildings	38,925,357	15,980	-	814,184	39,755,521
Furniture and equipment	49,708,969	3,972,743	(290,399)	(1)	53,391,312
Right-to-use lease assets	1,020,388	258,078	-	-	1,278,466
Software subscription assets	4,075	7,630	(4,075)	-	7,630
Total capital assets, being depreciated	276,582,687	4,285,972	(294,474)	814,183	281,388,368
Less accumulated depreciation for:					
Buildings	(94,702,871)	(3,983,525)	-	-	(98,686,396)
Improvements other than buildings	(26,936,592)	(1,031,871)	-	-	(27,968,463)
Furniture and equipment	(35,263,198)	(4,221,098)	290,399	(1)	(39,193,898)
Right-to-use lease assets	(105,077)	(338,182)	-	-	(443,259)
Software subscription assets	(3,865)	(1,524)	4,075	-	(1,314)
Total accumulated depreciation	(157,011,603)	(9,576,200)	294,474	(1)	(166,293,330)
Total capital assets, being depreciated, net	119,571,084	(5,290,228)	-	814,182	115,095,038
Business-type activities capital assets, net	$ 155,674,094	$ 21,748,499	$ (207,753)	$ 8,395,879	$ 185,610,719

As further discussed in Note 12, at September 30, 2025, the City had remaining construction and improvement commitments amounting to $28,557,510.

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

Governmental Activities	
General Government	$ 778,422
Public Safety	2,870,694
Highway and Streets	5,641,510
Health and Welfare	159,192
Culture and Recreation	1,952,415
Economic Development	1,604,868
Total Depreciation Expense - Governmental Activities	$ 13,007,101

Business-Type Activities	
Water and Sewer	$ 5,002,832
Solid Waste Management	3,775,210
Nonmajor Enterprise Funds	798,158
Total Depreciation Expense - Business-Type Activities	$ 9,576,200

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NOTE 7 – CAPITAL ASSETS - (CONTINUED)

Component Units

Edinburg Economic Development Corporation

	Balance at October 1, 2024	Additions	Deletions	Reclassifications/ Adjustments	Balance at September 30, 2025
Capital assets, not being depreciated:					
Land	$ 6,041,510	$ -	$ -	$ -	$ 6,041,510
Total capital assets, not being depreciated	6,041,510	-	-	-	6,041,510
Capital assets, being depreciated:					
Buildings	789,020	-	(321,580)	-	467,440
Furniture and equipment	724	-	(724)	-	-
Right-to-use assets	85,425	-	(70,233)	-	15,192
Software subscription assets	6,500	-	-	(6,500)	-
Total capital assets, being depreciated	881,669	-	(392,537)	(6,500)	482,632
Less accumulated depreciation for:					
Buildings	(148,011)	(11,686)	114,820	-	(44,877)
Furniture and equipment	(724)	-	724	-	-
Right-to-use assets	(46,174)	(30,101)	70,233	-	(6,042)
Software subscription assets	(6,500)	-	-	6,500	-
Total accumulated depreciation	(201,409)	(41,787)	185,777	6,500	(50,919)
Total capital assets, being depreciated, net	680,260	(41,787)	(206,760)	-	431,713
Governmental activities capital assets, net	$ 6,721,770	$ (41,787)	$ (206,760)	$ -	$ 6,473,223

Depreciation expense totaling $41,787 was charged to economic development and assistance on the Statement of Activities under component units for the year ended September 30, 2025. 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 $85,535,004.

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.

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

General obligation bonds, certificates of obligation, and combination tax and revenue bonds currently outstanding at September 30, 2025 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%.	$ 0
$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%.	5,300,000
$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%.	1,255,000
$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%.	4,020,004
$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%.	2,645,000
$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%.	8,535,000
$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%.	22,350,000
$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%.	17,565,000
$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%.	2,830,000
$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%.	21,035,000
Total General Obligation Bonds and Certificates of Obligation	85,535,004
Less: Current Portion of Bonds Payable	(5,005,000)
Add: Unamortized Premiums on Bond Issuance	6,129,062
General Obligation Bonds and Certificates of Obligation Payable, Net of Current Portion, Discounts and Premiums	$ 86,659,066

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

Debt service requirements to maturity are as follows:

	Governmental Activities	
Year Ending September 30,	**Principal**	**Interest**
2026	$ 5,005,000	$ 2,771,375
2027	5,230,000	2,548,100
2028	5,475,000	2,304,472
2029	5,730,000	2,050,769
2030	5,990,000	1,789,878
2031-2035	29,725,000	5,380,950
2036-2040	26,650,000	1,784,338
2041-2045	1,730,004	18,381
Total	**$ 85,535,004**	**$ 18,648,263**

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 $82,535,000. Included within business-type activities are 2012 and 2016 general obligation refunding bonds that were issued to refund bonds across several funds, a 2021 certificate of obligations for landfill cell constructions. The outstanding issued amount of these bonds allocated to business-type activities is $8,120,000. Additionally, two bonds were issued during the year ending September 30, 2024. On March 16, 2023, a Texas Water Development Board Texas Utility System Revenue Improvement Bonds for $29,585,000 and a $75,000 principal forgiveness were issued for the construction of various public improvements. On July 6, 2023 the Texas Transportation Commission issued a $14,500,000, Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2023 bond, for street improvements, improvements to the City's municipal water and wastewater utility system, and related purchases of land. On July 16, 2025, the City issued a $8,795,000 Combination Tax and Limited Pledge Revenue Certificates of Obligation , Series 2025 to fund the construction, acquisition, purchase, renovation, expansion, and improvement of the City's Solid Waste Management facilities. This included development of the landfill site, as well as associated utility repairs, replacements, relocations, and related professional services.

Revenue and General Obligation bonds outstanding at September 30, 2025 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%.	$ 5,065,000
$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%.	2,505,000
$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%.	3,055,000
$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%.	6,470,000
$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%.	11,200,000

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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%.	7,750,000
$14,500,000, 2023 Combination Tax and Limited Pledge Revenue Certificates of Obligations, due in annual installments of $258,390 to $853,296 through March 01, 2053; interest at 2.64%	14,500,000
$29,585,000, 2023 Utility System Revenue Improvement Bonds, due in annual installments of $1,396,059 to $1,410,200 through March 15, 2052; interest at 1.28% to 2.56%.	27,985,000
$8,795,000, 2025 Combination Tax and Limited Pledge Revenue Certificates of Obligations, due in annual installments of $697,500 to $702,250 through March 01, 2045; interest at 5.00%.	8,795,000
Revenue/General Obligation/Certificate of Obligations Bonds	87,325,000
Less: Current Portion of Bonds Payable	(4,335,000)
Add: Unamortized Premiums on Bond Issuance	2,870,854
Revenue Bonds Payable, Net of Current Portion and Premiums	$ 85,860,854

Water and Sewer Fund	$ 68,569,647
Solid Waste Management Fund	17,158,703
Los Lagos Golf Club Fund	132,504
	$ 85,860,854

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

	Business-Type Activities	
Year Ending September 30,	**Principal**	**Interest**
2026	$ 4,335,000	$ 2,452,594
2027	4,525,000	2,263,514
2028	4,665,000	2,120,162
2029	4,550,000	1,970,823
2030	4,415,000	1,821,705
2031-2035	20,380,000	7,222,347
2036-2040	17,685,000	4,924,492
2041-2045	11,785,000	2,881,879
2046-2050	9,845,000	1,312,545
2051-2055	5,140,000	167,170
Total	**$ 87,325,000**	**$ 27,137,231**

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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, 2025 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%.	$ 31,075,000
$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%.	2,910,000
Total Contract Revenue Bonds	33,985,000
Less: Current Portion of Bonds Payable	(1,045,000)
Less: Unamortized Discounts on Bond Issuance	(93,882)
Add: Unamortized Premiums on Bond Issuance	1,417,151
Tax Increment Contract Revenue Bonds Payable, Net of Current Portion, Discounts and Premiums	$ 34,263,269

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.

Debt service requirements to maturity are as follows:

	Governmental Activities	
Year Ending September 30,	**Principal**	**Interest**
2026	$ 1,045,000	$ 1,628,225
2027	1,100,000	1,574,600
2028	1,150,000	1,523,625
2029	1,200,000	1,475,650
2030	1,250,000	1,425,625
2031-2035	7,185,000	6,191,425
2036-2040	9,220,000	4,156,250
2041-2045	11,835,000	1,538,875
Total	**$ 33,985,000**	**$ 19,514,275**

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

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, 2025, the developer has incurred costs and interest in the amount of $11,634,132. The balance on the obligation as of September 30, 2025 is $5,339,020.

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.

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.

Utility Revenues Pledged

The City has pledged future water customer revenues, net of specified operating expenses, to repay the original amount of $89,040,000 in Utility System Revenue Bonds issued in 2014, 2015, 2016, 2017, 2021 and 2023, plus a Combined Tax and Limited Pledge Revenue Certificate of Obligation Bond also in 2023. Proceeds from the bonds provided financing for the purchase of land, improvement, construction 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 2053. Average annual principal and interest payments on the bonds are expected to require a 125% coverage ratio from operating income (excluding depreciation expense). The total principal and interest remaining to be paid on the bonds is $70,780,000. Principal and interest paid for the current year were $5,464,786.

Prior Year Defeasance of Debt

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, 2025, $570,000 of defeased bonds remains outstanding. In addition, in 2015, the City refunded debt of $7,645,000 of Utility System Revenue Bonds Series 2006. At September 30, 2025, $2,585,000

In 2016, the City refunded $385,000 of Certificates of Obligation Series 2006, $7,375,0000 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, 2025, $3,995,000 of defeased bonds remains outstanding.

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

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, 2025, $6,890,000 of defeased bonds remains outstanding.

In 2021, the City refunded $1,950,000 of the 2008 Utility Revenue Bond. At September 30, 2025, $1,055,000 of defeased bonds remains outstanding.

Notes Payable

On January 16, 2024, the City, a Texas municipal corporation (the "Borrower"), entered into a Loan Agreement with the EEDC (the "Lender", a non-profit development corporation established under the Texas Development Corporation Act, Texas Local Government Code Section 501 et seq., as amended. The loan was executed for the purchase of certain improvements on the real property know as Toros Stadium, located at 1616 S. Raul Longoria Rd. #9169, Edinburg, TX 78542 as an economic development. The principal amount is $7,257,022 and will not bear interest for the duration of the agreement. For any year during the term of the agreement in which the EEDC does not owe an amount to the City, the City shall provide the EEDC with either a cash payment or an equivalent asset payment of at least $500,000. If an asset payment is made, its value shall be determined by either: 1. The then-current market value assessed by a third party agreed upon by both parties, or 2. A value mutually agreed upon by the parties. The balance of the notes payables as of September 30, 2025 is $6,907,022.

On June 17, 2025, the City of Edinburg entered into an agreement to acquire 92.65 acres of land for the future expansion of the City's Landfill for a total purchase price of $1,000,000. As part of the transaction, the Borrower assumed a note that will not bear interest for the duration of the agreement and provided $250,000 in cash. The balance of the notes payable as of September 30, 2025 is $750,000.

On August 9, 2025, the City of Edinburg entered into an agreement to acquire 125.70 acres of land for the future expansion of the City's Landfill for a total purchase price of $1,100,000. As part of the transaction, the Borrower assumed a note that will bear a 6% interest rate compounded quarterly for three years and provided $275,000 in cash. The balance of the notes payable as of September 30, 2025 is $825,000.

Financing Leases

Financing Leases outstanding at September 30, 2025 are as follows:

$19,758,511, Combined Bank of America Funding purchase agreement for the purchase of major equipment and vehicles.	$ 2,875,068
$30,001,432, Signature Public Funding purchase agreement for the purchase of major equipment and vehicles.	15,532,397
Total financing leases	18,407,465
Less: Current Portion of Financing Leases	(5,040,751)
Financing Leases, Net of Current Portion	$ 13,366,714

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

	Financing Lease Payments	
Year Ending September 30,	Principal	Interest
2026	$ 5,040,751	$ 251,659
2027	3,698,714	177,016
2028	2,939,568	126,543
2029	2,366,199	84,444
2030	1,997,400	51,035
2031-2035	2,364,833	23,600
Total	**$ 18,407,465**	**$ 714,297**

	Financing Lease Payments	
Year Ending September 30, 2025	Principal	Interest
Governmental Activities	$ 6,287,868	$ 209,111
Business-Type Activities	12,119,597	505,186
Total	**$ 18,407,465**	**$ 714,297**

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 $6,424,084 as of September 30, 2025, which is based on 22.20% usage (filled). Permit 2302 has a balance of $840,167 as of September 30, 2025, which is based on 38.03% usage (filled). It is estimated that an additional $23,877,009 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 ($31,141,260) 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, 2025. 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, 2025 was follows:

Governmental Activities	Balance at September 30, 2024	Additional Obligations and Net Increases	Retirement and Net Decreases	Balances at September 30, 2025	Amounts Due within One Year
General obligation bonds	$ 90,330,004	$ -	$ 4,795,000	$ 85,535,004	$ 5,005,000
Add: issuance premium	6,697,462	-	568,400	6,129,062	-
General obligation bonds payable	97,027,466	-	5,363,400	91,664,066	5,005,000
Tax increment contract revenue bonds	34,980,000	-	995,000	33,985,000	1,045,000
Add: issuance premium	1,488,009	-	70,858	1,417,151	-
Less: issuance discount	(98,576)	-	(4,694)	(93,882)	-
Tax increment contract revenue bonds payable	36,369,433	-	1,061,164	35,308,269	1,045,000
Notes payable	7,257,022	-	350,000	6,907,022	-
Financing Lease Obligations	8,735,777	-	2,447,909	6,287,868	2,308,957
Reimbursement obligation - developer	6,748,753	-	1,409,733	5,339,020	-
Compensated absences	6,346,490	647,725	571,943	6,422,272	1,965,311
Governmental activities long-term liabilities	$ 162,484,941	$ 647,725	$ 11,204,149	$ 151,928,517	$ 10,324,268

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

Business-type Activities	Balance at September 30, 2024	Additional Obligations and Net Increases	Retirement and Net Decreases	Balances at September 30, 2025	Amounts Due within One Year
Revenue bonds	$ 74,415,000	$ -	$ 3,635,000	$ 70,780,000	$ 3,735,000
Add: issuance premium	1,710,335	-	185,688	1,524,647	-
Revenue bonds payable	76,125,335	-	3,820,688	72,304,647	3,735,000
General obligation bonds	8,120,000	8,795,000	370,000	16,545,000	600,000
Add: issuance premium	1,026,215	406,373	86,381	1,346,207	-
General obligation bonds payable	9,146,215	9,201,373	456,381	17,891,207	600,000
Notes payable	-	2,100,000	525,000	1,575,000	-
Financing Lease Obligations	15,053,491	-	2,933,894	12,119,597	2,731,794
Landfill closure and postclosure	6,699,273	942,377	377,400	7,264,250	-
Compensated absences	787,723	134,855	90,100	832,478	379,553
Business-type activities long-term liabilities	$ 107,812,037	$ 12,378,605	$ 8,203,463	$ 111,987,179	$ 7,446,347

Balance as September 30, 2025	Governmental Activities	Business-Type Activities
Long-term liabilities	$ 152,078,324	$112,315,533
Less: amounts due within one year	(10,474,075)	(7,774,701)
Total liabilities due in more than one year (Exhibit 1-A)	$ 141,604,249	$104,540,832

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, 2025 consist of the following:

$10,840,000 Bond Issue Series 2019; payable in semi-annual installments plus interest maturing August 15, 2044.	$ 9,280,000
$7,730,000 2021A Sales Tax Revenue Bonds; payable in semi-annual installments plus interest of 2.00%-3.375% maturing in August 15, 2046, collateralized by sales and use tax receipts.	6,820,000
$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.	2,035,000
$13,610,000 2021 Sales Tax Revenue Refunding Bonds; payable in semi-annual installments plus interest of .335%-2.340% maturing in February 15, 2035, collateralized by sales and use tax receipts.	11,730,000
Total Bonds Payable	29,865,000
Less: Current Portion of Bonds Payable	(1,695,000)
Total Bonds Payable, Net of Current Portion	$ 28,170,000

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

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

	EEDC	
Year Ending September 30,	**Principal**	**Interest**
2026	$ 1,695,000	$ 977,766
2027	1,735,000	941,187
2028	1,775,000	900,010
2029	1,815,000	856,043
2030	1,865,000	809,774
2031-2035	10,155,000	3,224,941
2036-2040	4,900,000	1,959,981
2041-2045	5,335,000	770,313
2046-2050	590,000	22,725
Total	**$ 29,865,000**	**$ 10,462,740**

The following is a summary of changes in long-term debt obligations for the EEDC for the year ended September 30, 2025:

	Balance at September 30, 2024	Additions	Reductions	Balance at September 30, 2025	Amounts Due Within One Year
Bonds payable	$31,530,000	$ -	$ (1,665,000)	$ 29,865,000	$ 1,695,000
Total Bonds Payable	$31,530,000	$ -	$ (1,665,000)	$ 29,865,000	$ 1,695,000

Right-to-Use Leases Payable

On October 01, 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, 2025, the value of the lease liability is $5,757, and the value of the short-term lease liability is $5,757. 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 0 months as of the contract commencement. The value of the right to use asset as of September 30, 2025 of $51,164 with accumulated amortization of $43,855 is included with Equipment on the Lease Class activities table found below.

On October 01, 2024 the City entered into a 24 month lease as Lessee for the use of South Texas International Airport. An initial lease liability was recorded in the amount of $258,078. As of September 30, 2025, the value of the lease liability is $129,155, and the value of the short-term lease liability is $129,155. The City is required to make monthly fixed payments of $10,775. The lease has an interest rate of 0.2133%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of September 30, 2025 of $258,078 with accumulated amortization of $129,039 is included with Buildings on the Lease Class activities table found below.

On May 21, 2025, the City entered into a 60 month lease as Lessee for the use of PNC Equipment EZ Go Golfcarts Lease . An initial lease liability was recorded in the amount of $955,860. As of September 30, 2025, the value of the lease liability is $685,048, and the value of the short-term lease liability is $191,168. The City is required to make monthly fixed payments of $15,932. The lease has an interest rate of 0.0035%. The Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of September 30, 2025 of $955,860 with accumulated amortization of $263,130 is included with Vehicles on the Lease Class activities table found below.

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

On April 05, 2025, the City entered into a 33 month lease as Lessee for the use of RICOH USA C-265-24. An initial lease liability was recorded in the amount of $13,364. As of September 30, 2025, the value of the lease liability is $6,844, and the value of the short-term lease liability is $5,456. The City is required to make monthly fixed payments of $415. Additionally, there are monthly other reasonably certain payments of $50. The lease has an interest rate of 2.8510%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of September 30, 2025 of $13,364 with accumulated amortization of $7,235 is included with Equipment on the Lease Class activities table found below.

On December 01, 2024 the City entered into a 27 month lease as Lessee for the use of C-16-25 Ricoh IMC6010 -ACE Bldg. An initial lease liability was recorded in the amount of $9,130. As of September 30, 2025, the value of the lease liability is $5,919, and the value of the short-term lease liability is $3,922. The City is required to make monthly fixed payments of $335. The lease has an interest rate of 2.3630%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of September 30, 2025 of $9,130 with accumulated amortization of $3,340 is included with Equipment on the Lease Class activities table found below.

On July 01, 2024, the City entered into a 32 month lease as Lessee for the use of RICOH USA C-361-24 Copy. An initial lease liability was recorded in the amount of $10,922. As of September 30, 2025, the value of the lease liability is $5,899, and the value of the short-term lease liability is $4,137. The City is required to make monthly fixed payments of $355. The lease has an interest rate of 3.0670%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of September 30, 2025 of $10,922 with accumulated amortization of $5,120 is included with Equipment on the Lease Class activities table found below.

Governmental Activities	Balance as of October 1, 2024	Additions	Reductions	Adjustments	Balance as of September 30, 2025
Lease Liability					
Equipment					
C-16-25 Ricoh IMC6010 -ACE Bldg	$ -	$ 9,130	$ 3,211	$ -	$ 5,919
RICOH USA C-361-24 Copy	-	-	4,012	9,911	5,899
Total Equipment Lease Liability	-	9,130	7,223	9,911	11,818
Total Lease Liability	$ -	$ 9,130	$ 7,223	$ 9,911	$ 11,818

Business-Type Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Lease Liability				
Buildings				
South Texas International Airport	$ -	$ 258,078	$ 128,923	$ 129,155
Total Building Lease Liability	-	258,078	128,923	129,155
Equipment				
Pitney bowes - Finance department	17,216	-	11,459	5,757
RICOH USA C-265-24	12,147	-	5,303	6,844
Total Equipment Lease Liability	29,363	-	16,762	12,601
Vehicles				
PNC Equipment -EZ Go Golfcarts Lease	876,209	-	191,161	685,048
Total Vehicle Lease Liability	876,209	-	191,161	685,048
Total Lease Liability	$ 905,572	$ 258,078	$ 336,846	$ 826,804

Principal and Interest Requirements to Maturity

Governmental Activities	Right-to-Use Leases	
Year Ending September 30,	Principal	Interest
2026	$ 8,059	$ 221
2027	3,759	27
Total	$ 11,818	$ 248

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

Business-Type Activities	Right-to-Use Leases	
Year Ending September 30,	Principal	Interest
2026	$ 331,536	$ 387
2027	192,563	159
2028	191,181	21
2028	111,524	8
Total	$ 826,804	$ 575

Governmental Activities	Balance as of October 1, 2024	Additions	Reductions	Adjustments	Balance as of September 30, 2025
Lease Assets					
Equipment					
C-16-25 Ricoh IMC6010 -ACE Bldg	$ -	$ 9,130	$ -	$ -	$ 9,130
RICOH USA C-361-24 Copy	-	-	-	10,922	10,922
Total Equipment Lease Assets	-	9,130	-	10,922	20,052
Total Lease Assets	-	9,130	-	10,922	20,052
Lease Accumulated Amortization					
Equipment					
C-16-25 Ricoh IMC6010 -ACE Bldg	-	3,340	-	-	3,340
RICOH USA C-361-24 Copy	-	4,096	-	1,024	-
Total Equipment Lease Accumulated Amortization	-	7,436	-	1,024	3,340
Total Lease Accumulated Amortization	-	7,436	-	1,024	3,340
Total Governmental Lease Assets, Net	$ -	$ 1,694	$ -	$ 9,898	$ 16,712

Business-Type Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Lease Assets				
Buildings				
South Texas International Airport	$ -	$ 258,078	$ -	$ 258,078
Total Building Lease Assets	-	258,078	-	258,078
Equipment				
Pitney bowes - Finance department	51,164	-	-	51,164
RICOH USA C-265-24	13,364	-	-	13,364
Total Equipment Lease Assets	64,528	-	-	64,528
Vehicles				
PNC Equipment - EZ Go Golfcarts Lease	955,860	-	-	955,860
Total Vehicle Lease Assets	955,860	-	-	955,860
Total Lease Assets	1,020,388	258,078	-	1,278,466
Lease Accumulated Amortization				
Buildings				
South Texas International Airport	-	129,039	-	129,039
Total Building Lease Accumulated Amortization	-	129,039	-	129,039
Equipment				
Pitney bowes - Finance department	32,891	10,964	-	43,855
RICOH USA C-265-24	2,376	4,859	-	7,235
Total Equipment Lease Accumulated Amortization	35,267	15,823	-	51,090
Vehicles				
PNC Equipment - EZ Go Golfcarts Lease	69,810	193,320	-	263,130
Total Vehicle Lease Accumulated Amortization	69,810	193,320	-	263,130
Total Lease Accumulated Amortization	105,077	338,182	-	443,259
Total Business-Type Lease Assets, Net	$ 915,311	$ (80,104)	$ -	$ 835,207

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

Subscription-Based Information Technology Arrangements

On October 1, 2022, the City entered into a 25 month subscription for the use of Toro NSN. An initial subscription liability was recorded in the amount of $4,075. As of September 30, 2025, the value of the subscription liability is $0. The City is required to make monthly fixed payments of $285. The subscription has an interest rate of 3.2067%. The value of the right to use asset as of September 30, 2025, of $0 with accumulated amortization of $0 is included with Software on the Subscription Class activities table found below.

On February 13, 2023, the City entered into a 36 month subscription for the use of ESRI Software. An initial subscription liability was recorded in the amount of $160,768. As of September 30, 2025, the value of the subscription liability is $0. The City is required to make annual fixed payments of $55,000. The subscription has an interest rate of 2.6560%. The value of the right to use asset as of September 30, 2025 of $160,768 with accumulated amortization of $141,118 is included with Software on the Subscription Class activities table found below. The City had a termination period of 1 month as of the subscription commencement.

On October 1, 2022, the City entered into a 28 month subscription for the use of Vmware Software. An initial subscription liability was recorded in the amount of $75,011. As of September 30, 2025, the value of the subscription liability is $0. The City is required to make annual fixed payments of $38,586. The subscription has an interest rate of 3.2067%. The value of the right to use asset as of September 30, 2025, of $0 with accumulated amortization of $0 is included with Software on the Subscription Class activities table found below.

On May 16, 2023, the City entered into a 24 month subscription for the use of DVMS Solution. An initial subscription liability was recorded in the amount of $1,442. As of September 30, 2025, the value of the subscription liability is $0. The City is required to make annual fixed payments of $1,100. The subscription has an interest rate of 2.4700%. The value of the right to use asset as of September 30, 2025 of $0 with accumulated amortization of $0 is included with Software on the Subscription Class activities table found below.

On June 28, 2023, the City entered into a 24 month subscription for the use of CivicClerk City's Agenda Software C-377-23. An initial subscription liability was recorded in the amount of $15,197. As of September 30, 2025, the value of the subscription liability is $0. The City is required to make annual fixed payments of $9,354. The subscription has an interest rate of 2.4700%. The value of the right to use asset as of September 30, 2025 of $0 with accumulated amortization of $0 is included with Software on the Subscription Class activities table found below.

On October 1, 2022, the City entered into a 36 month subscription for the use of OpenGov. An initial subscription liability was recorded in the amount of $64,777. As of September 30, 2025, the value of the subscription liability is $65,827, and the value of the short-term subscription liability is $22,053. The City is required to make annual fixed payments of $22,059. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of September 30, 2025 of $130,603 with accumulated amortization of $64,838 is included with Software on the Subscription Class activities table found below. The City has 1 extension option, each for 36 months.

On September 17, 2025, the City entered into a 60 month subscription for the use of Safe Fleet Nexus Project C-563-24. An initial subscription liability was recorded in the amount of $482,797. As of September 30, 2025, the value of the subscription liability is $278,997, and the value of the short-term subscription liability is $90,240. Edinburg, TX is required to make annual fixed payments of $116,740. The subscription has an interest rate of 3.0270%. The value of the right to use asset as of September 30, 2025 of $482,797 with accumulated amortization of $100,315 is included with Software on the Subscription Class activities table found below.

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

On April 01, 2025, the City entered into a 36 month subscription for the use of CLEAR C-243-24 - West Publishing Corporation. An initial subscription liability was recorded in the amount of $51,969. As of September 30, 2025, the value of the subscription liability is $27,467, and the value of the short-term subscription liability is $18,000. The City is required to make monthly fixed payments of $1,446. The subscription has an interest rate of 3.4500%. The value of the right to use asset as of September 30, 2025 of $51,969 with accumulated amortization of $25,984 is included with Software on the Subscription Class activities table found below.

On March 31, 2025, the City entered into a 36 month subscription for the use of C-213-25 TORO NSN. An initial subscription liability was recorded in the amount of $7,630. As of September 30, 2025, the value of the subscription liability is $6,168, and the value of the short-term subscription liability is $2,503. The City is required to make monthly fixed payments of $220. Additionally, there are one-time other reasonably certain payments of $220. The subscription has an interest rate of 2.7230%. The value of the right to use asset as of September 30, 2025 of $7,630 with accumulated amortization of $1,314 is included with Software on the Subscription Class activities table found below.

On October 01, 2024, the City entered into a 48 month subscription for the use of C-155-25 Revize Software Systems. An initial subscription liability was recorded in the amount of $50,904. As of September 30, 2025, the value of the subscription liability is $34,451, and the value of the short-term subscription liability is $11,455. The City is required to make annual fixed payments of $11,900. Additionally, there are one-time other reasonably certain payments of $5,050. The subscription has an interest rate of 2.3230%. The value of the right to use asset as of September 30, 2025 of $50,904 with accumulated amortization of $12,726 is included with Software on the Subscription Class activities table found below.

Governmental Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Subscription Liability				
Software				
ESRI Software	$ 53,577	$ -	$ 53,577	$ -
OpenGov	21,589	65,827	21,589	65,827
Clear Proflex	43,985	-	16,518	27,467
DVMS Solution	366,585	-	87,588	278,997
C-155-25 Revize Software Systems	-	50,904	16,453	34,451
Total Software Subscription Liability	485,736	116,731	195,725	406,742
Total Subscription Liability	$ 485,736	$ 116,731	$ 195,725	$ 406,742

Business-Type Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Subscription Liability				
Software				
Toro NSN	$ 323	$ -	$ 323	$ -
C-213-25 Toro NSN	-	7,630	1,462	6,168
Total Software Subscription Liability	323	7,630	1,785	6,168
Total Subscription Liability	$ 323	$ 7,630	$ 1,785	$ 6,168

Principal and Interest Requirements to Maturity

Governmental Activities	SBITA's	
Year Ending September 30,	Principal	Interest
2026	141,748	9,566
2027	134,909	7,299
2028	130,085	3,665
Total	$ 406,742	$ 20,530

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

Business-Type Activities	SBITA's	
Year Ending September 30,	Principal	Interest
2026	2,503	137
2027	2,572	68
2028	1,093	7
Total	$ 6,168	$ 212

Govermental Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Subscription Assets				
Software				
CivicClerk City's Agenda Software C-377-23	$ 15,197	$ -	$ 15,197	$ -
DVMS Solution	1,442	-	1,442	-
ESRI Software	160,768	-	-	160,768
OpenGov	64,777	65,827	-	130,604
Vmware Software	75,012	-	75,012	-
CLEAR C-243-24 - West Publishing Corporation	51,969	-	-	51,969
Safe Fleet Nexus Project C-563-24	482,797	-	1	482,796
C-155-25 Revize Software Systems	-	50,904	-	50,904
Total Software Subscription Assets	851,962	116,731	91,652	877,041
Total Subscription Assets	851,962	116,731	91,652	877,041
Subscription Accumulated Amortization				
Software				
CivicClerk City's Agenda Software C-377-23	9,562	5,635	15,197	-
DVMS Solution	991	451	1,442	-
ESRI Software	87,529	53,589	-	141,118
OpenGov	43,224	21,614	-	64,838
Vmware Software	62,511	12,503	75,014	-
CLEAR C-243-24 - West Publishing Corporation	8,661	17,323	-	25,984
Safe Fleet Nexus Project C-563-24	3,755	96,559	(2)	100,316
C-155-25 Revize Software Systems	-	12,726	-	12,726
Total Software Subscription Accumulated Amortization	216,233	220,400	91,651	344,982
Total Subscription Accumulated Amortization	216,233	220,400	91,651	344,982
Total Governmental Subscription Assets, Net	$ 635,729	$ (103,669)	$ 1	$ 532,059

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NOTE 8 – LONG TERM DEBT - (CONTINUED)

Business-Type Activities	Balance as of October 1, 2024	Additions	Reductions	Balance as of September 30, 2025
Subscription Assets				
Software				
Toro NSN	$ 4,075	$ -	$ 4,075	$ -
C-213-25 TORO NSN	-	7,630	-	7,630
Total Software Subscription Assets	4,075	7,630	4,075	7,630
Total Subscription Assets	4,075	7,630	4,075	7,630
Subscription Accumulated Amortization				
Software				
Toro NSN	3,865	210	4,075	-
C-213-25 TORO NSN	-	1,314	-	1,314
Total Software Subscription Accumulated Amortization	3,865	1,524	4,075	1,314
Total Subscription Accumulated Amortization	3,865	1,524	4,075	1,314
Total Business-Type Subscription Assets, Net	$ 210	$ 6,106	$ -	$ 6,316

NOTE 9 – RESTRICTED ASSETS AND PAYABLES

Restricted Assets and payables

Restricted assets included in the governmental activities as of September 30, 2025 consist of $3,529,698 of cash with fiscal agent reported in the General Fund ($491,143) and the LGFC Fund ($3,038,555), 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, 2025 consists of:

Type	Description	Fund	Amount
Cash with Fiscal Agent	Unspent Capital Lease Proceeds	Water and Sewer Fund	$ 728,992
Cash with Fiscal Agent	Unspent Capital Lease Proceeds	Solid Waste Management Fund	818,995
Cash with Fiscal Agent	Unspent Capital Lease Proceeds	Nonmajor Enterprise Funds	182,109
Cash with Fiscal Agent	Unspent Bond Proceeds	Water and Sewer Fund	15,386,825
TexPool Restricted	Unspent Bond Proceeds	Water and Sewer Fund	15,399,783
TexPool Restricted	Unspent Bond Proceeds	Solid Waste Management Fund	18,924,701
TexPool Restricted	Related to Debt Service	Water and Sewer Fund	5,743,009
Total			$ 57,184,414

Liabilities payable from restricted assets included in business-type activities as of September 30, 2025 consist of accrued interest payable in the amount of $134,219 in the Water and Sewer Fund, Solid Waste Management Fund and Nonmajor Enterprise Funds.

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NOTE 10 – NET POSITION RESTRICTED BY ENABLING LEGISLATION

The Government-Wide Statement of Net Position includes $2,025,611 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, $765,943 for municipal court purposes, $880,984 from hotel occupancy tax for tourism and $378,684 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 – EMPLOYEE RETIREMENT BENEFIT PLANS

Texas Municipal Retirement System

Summary of Significant Accounting Policies

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 Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value

Plan Description

The City participates as one of 926 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency 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 municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmrs.org.

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 benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24 or 36 monthly payments which cannot exceed 75% of the member's deposits and interest.

Employees Covered by Benefit Terms

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	378
Inactive employees entitled to but not yet receiving benefits	754
Active employees	1,064
Total	2,196

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NOTE 11 – 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 actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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 14.86% and 15.37% in the calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the year ended September 30, 2025 were $8,950,221 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2024, for TMRS 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, 2024 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 110% of the Public Safety table used for males and 100% of 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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 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 the most recent Scale MP2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, 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 to satisfy the short-term and long-term funding needs of TMRS.

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class (Arithmetic)	Target Allocation	Long-Term Expected Net Real Rate of Return
Global Equity	35.0%	7.10%
Core Fixed Income	6.0%	5.00%
Non-Core Fixed Income	6.0%	6.80%
Real estate	12.0%	6.70%
Other Public and Private Markets	4.0%	7.30%
Hedge Funds	5.0%	6.40%
Private equity	13.0%	8.20%
Infrastructure	6.0%	6.00%
Private Debt	13.0%	8.20%
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.

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	$ 221,165,276	$ 180,454,642	$ 40,710,634
Changes for the year:			
Service Cost	9,561,628	-	9,561,628
Interest (on the Total Pension Liability)	14,954,477	-	14,954,477
Change in benefit terms	-	-	-
Difference between expected and actual experience	1,414,326	-	1,414,326
Changes of assumptions	-	-	-
Contributuions - employer	-	8,463,720	(8,463,720)
Contributuions - employee	-	3,986,903	(3,986,903)
Net investment income	-	18,787,670	(18,787,670)
Benefit payments, including refunds of employee contributions	(8,796,565)	(8,796,565)	-
Administrative expense	-	(120,251)	120,251
Other changes	-	(2,813)	2,813
Net Changes	17,133,866	22,318,664	(5,184,798)
Net Pension Liability - Ending	**$ 238,299,142**	**$ 202,773,306**	**$ 35,525,836**

The amount presented above includes pension liabilities for the City's discretely presented component units. At September 30, 2025, the City's Governmental Activities portion of the net pension obligation was $26,347,230, and the Business-Type Activities was $8,398,196, the Boys & Girls Club portion was $607,066, and the EEDC's portion was $173,344. The total net pension liability for the Primary Government was $35,525,836.

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NOTE 11 – 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 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	$ 56,769,269	$ 26,347,230	$ 3,823,480
Business Type Activities	14,802,996	8,398,196	997,000
Boys & Girls Club	1,078,315	607,066	72,626
EEDC	704,206	173,344	47,429
Total net pension liability	**$ 73,354,786**	**$ 35,525,836**	**$ 4,940,535**

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.tmrs.com.

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

For the year ended September 30, 2025, the City recognized pension expense of $10,202,088. At September 30, 2025, 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
Difference between expected and actual experience	$ 3,549,011	$ -
Changes in actuarial assumptions	-	607,553
Difference between projected and actual investment earnings	-	2,348,996
Contributions subsequent to measurement period	6,634,807	
Total	**$ 10,183,818**	**$ 2,956,549**

Of the total deferred outflows relating to the pension plan, $7,366,682 is reported in Governmental Activities and $2,604,637 is reported in Business-Type Activities. The Boys and Girls Club of Edinburg' s portion is $186,606 and the EEDC's portion is $25,893.

Of the total deferred inflows relating to the pension plan, $2,282,136 is reported in Governmental Activities, and $603,372 is reported in Business-Type Activities. The Boys and Girls Club of Edinburg's portion is $44,099 and the EEDC's portion is $26,942.

The city includes contributions made subsequence to the measurement date December 31, 2024 through the City's fiscal year end September 30, 2025 as deferred outflows resources.

$6,634,807 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, 2026. Other amounts reported as deferred outflows and the inflows of resources related to pensions will be recognized in pension expense as follows:

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

Year Ending September 30,		Net Deferred Outflows (Inflows) of Resources
2026	$	1,636,138
2027		2,701,431
2028		(2,586,419)
2029		(1,158,688)
Total	**$**	**592,462**

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. 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.

Of the nine member state board of trustees, at least five trustees must be active members of the pension system, one of whom must represent emergency medical services personnel. One trustee may be a retiree of the pension system, and three trustees must be persons who have experience in the fields of finance, securities investment, or pension administration. On August 31, 2025, there were 244 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.

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.

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 Policy

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.

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

According to the state law governing the System through August 31, 2025, the state was required to contribute an amount necessary to make the System "actuarially sound" each year, which could not exceed one-third of the total of all contributions made by participating governing bodies in a particular year.

During the regular 2025 session of the Texas Legislature SB 2065 by Huffman was passed and signed into law. It removed the statutory limit on the annual state contributions to the System, previously one-third of all contributions to the System by governing bodies of participating departments in a year. The state, beginning September 1, 2025, is required to contribute an actuarially determined amount. The amended state law provides for amortization of the August 31, 2024 unfunded actuarial accrued liability by August 31, 2055, a 30-year period. Actuarial gains and losses recognized in subsequent actuarial valuations are to be amortized over 15 years or the remainder of the initial 30-year period, whichever is the longer period.

Additional contributions may be made by governing bodies within two years of joining the System, to grant up to 15 years of credit for service per member. Prior service purchased must have occurred before the department began participation in the System.

A small subset of participating departments have a different contribution arrangement which is being phased out over time. In this arrangement, contributions made in addition to the monthly contributions for active members, are made by local governing bodies on a pay-as-you-go basis for members who were pensioners when their respective departments merged into the System. There is no actuarial impact associated with this arrangement as the pay-as-you-go contributions made by these governing bodies are always equal to benefit payments paid by the System.

Ultimately, the contribution policy also depends upon the total return of the System's assets, which varies from year to year. Investment policy decisions are established and maintained by the board of trustees. For the year ending August 31, 2025, the money-weighted rate of return on pension plan investments was 13.25%. This measurement of the investment performance is net of investment-related expenses, reflecting the effect of the timing of the contributions received and the benefits paid during the year.

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 ending August 31, 2025, total contributions of $38,570 were paid into TESRS by the City.

The purpose of the biennial actuarial valuation beginning August 31, 2025 is to determine the state's actuarially determined contribution for the biennium beginning two years later. Actuarial assumptions are disclosed in Section I(B)(1).

The most recently completed biennial actuarial valuation as of August 31, 2025 stated that TESRS has an adequate contribution arrangement for the benefit provisions recognized in the valuation. The contributions by the governing bodies of participating departments plus the annual actuarially determined contribution by the state will be adequate to pay the normal cost and to amortize the unfunded actuarial accrued liability by August 31, 2055, the end of the initial 30-year amortization period in the state law governing the System. The expected contributions from the state are state appropriations equal to (1) the actuarially determined contribution in accordance with state law governing TESRS and (2) approximately $2 million each year to pay for part of the System's administrative expenses.

Net Pension Liability

Total Pension Liability	$	1,408,180
Plan Fiduciary Net Position		1,067,341
City's Net Pension Liability	$	340,839
Plan fiduciary net position as a percentage of the total pension liability		75.8%

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

Actuarial Assumptions

The total pension liability in the August 31, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	N/A
Investment of rate of return	7.00 % net of pension plan investment expense, including inflation

Mortality rates were based on the PubS-2016 (public safety) total dataset mortality tables for employees and for retirees, projected for mortality improvement generationally using projection scale MP-2021.

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 4.58%) and by adding expected inflation (2.5%). In addition, the final 7% 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%	5.73%
Small/mid cap domestic	10.0%	6.32%
Developed international	15.0%	6.77%
Emerging markets	5.0%	6.85%
Multi asset income	5.0%	3.50%
Real estate	10.0%	4.00%
Fixed income	30.0%	1.80%
Global infrastructure	5.0%	6.63%
Total	100.0%	
Weighted average		4.58%

Discount rate

The discount rate used to measure the total pension liability was 7.00%. No projection of cash flows was used to determine the discount rate because the August 31, 2025 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 28 years. Because of the 28- year amortization period of the UAAL, the System's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments as the discount rate to determine the total pension liability.

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

The following presents the net pension liability for the Firemen's Relief pension, calculated using the discount rate of 7.00%, 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 or 1-percentage-point higher than the current rate:

1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
$ 540,859	$ 340,839	$ 179,025

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

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

For the year ended September 30, 2025, the City recognized pension expense of $28,068.

At September 30, 2025 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 Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	$ -	$ 9,646
Difference between projected and actual investment earnings	20,281	-
Change of assumptions	207,579	102,616
Difference	22,295	-
Total	**$ 250,155**	**$ 112,262**

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

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
2026	(6,142)
2027	(101,348)
2028	(19,002)
2029	(11,400)
Total	**$ (137,892)**

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 2025 were $1,082,476 for retirees (net of retiree contributions).

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

Employees Covered by Benefit Terms

Inactive employees or beneficiaries currently receiving benefits	91
Inactive employees entitled to but not yet receiving benefits	0
Active employees	1,073
	1,164

Actuarial Assumptions

The total OPEB liability in the September 30, 2025 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.60% per year
Salary Increases	Varies from 11.85% to 3.60%
Discount Rate:	
Prior Measurement Date	4.06% per year
Measurement Date	4.50% 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	Known premium rate increases from 2024 to 2025, followed by 6.50% from 2025 to 2026, decreasing gradually to an ultimate rate of 4.04% by 2075

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

The demographic assumptions include the rates of mortality, withdrawal, and retirement. They are based on the TMRS assumptions first adopted in the December 31, 2023 actuarial valuation, except for the mortality rates. The mortality rates are based on recent mortality tables published by the Society of Actuaries (Pub-2010), which were based on the public pension plans mortality experience from calendar years 2008 to 2013. Payroll growth assumption used in this valuation is based on the same assumptions used in the TMRS actuarial valuation as of December 31, 2023.

The actuarial cost method used in this report is the Entry Age Normal Level Percentage of Pay Cost Method (EAN). For employees who have not yet retired, the accrued benefit is defined to be the pro-rata portion of the benefit projected to be payable upon retirement. For each active employee, the valuation considers the future OPEB benefit and determines the annual cost based on a constant percentage of pay for each individual.

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 4.06%.

Total OPEB Liability

The City's total OPEB liability was measured as of September 30, 2025, and was determined by an actuarial valuation as of that date.

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NOTE 11 – 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	$ 29,722,812	$ -	$ 29,722,812
Changes for the year:			
Service Cost	1,890,990	-	1,890,990
Interest (on the Total Pension Liability)	1,261,765	-	1,261,765
Difference between expected and actual experience	(1,992,007)	-	(1,992,007)
Changes of assumptions	(1,246,948)	-	(1,246,948)
Contributuions - employer	-	1,082,476	(1,082,476)
Benefit payments, including refunds of employee contributions	(1,082,476)	(1,082,476)	-
Net Changes	(1,168,676)	-	(1,168,676)
Net Pension Liability - Ending	**$ 28,554,136**	**$ -**	**$ 28,554,136**

The amount presented above includes OPEB liabilities for the City's discretely presented component unit. At September 30, 2025, the Boys' and Girls' Club of Edinburg's and EEDC's portion of the OPEB liability was $340,765 and $73,090, respectively. The total OPEB liability for the primary government is $28,140,281 which is allocated between governmental activities and business-type activities in the amounts of $20,825,318 and $7,314,963, 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 4.50%, 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 (3.50%) or 1 percentage point higher (5.50%) 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.

Health Insurance Program – Current Discount

Healthcare Cost Trend	Discount Rate		
	1% Increase (5.50%)	Current (4.50%)	1% Decrease (3.50%)
1% Decrease		$ 24,886,042	
Current	$ 25,926,540	$ 28,554,136	$ 31,470,911
1% Increase		$ 32,975,121	

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2025 the City recognized combined OPEB expense in the amount of $2,755,519.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 615,603	$ 2,885,108
Changes in assumptions and other inputs	2,958,935	4,235,470
Total	**$ 3,574,538**	**$ 7,120,578**

Of the total deferred inflows relating to the OPEB plan, $5,203,540 is reported is reported in governmental activities and $1,813,307 is reported in business-type activities. The EEDC reports $11,003 and the Boys' and Girls' Club of Edinburg reports $92,728.

Of the total deferred outflows relating to the OPEB plan, $2,601,196 is reported is reported in governmental activities and $922,044 is reported in business-type activities. The EEDC reports $8,193 and the Boys' and Girls' Club of Edinburg reports $43,105.

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
2026	$ (267,094)
2027	(671,472)
2028	(1,086,757)
2029	(1,025,571)
2030	(54,756)
Thereafter	(440,390)
Total	**$ (3,546,040)**

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

Plan Description

The City voluntarily participates in the defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The SDBF is considered to be a single-employer plan. 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).

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

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, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	290
Inactive employees entitled to but not yet receiving benefits	39
Active employees	1064
Total	1,393

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 0.07% of their annual gross earnings during the fiscal years ending in 2024 and 2025. The contribution rates for the City of Edinburg were 0.26% and 0.22% in calendar year 2024 and 2025, respectively. The City's contributions to the SDBF for the year ended September 30, 2025 were $135,480 and were equal to the required contributions.

Accounting Policy

GASB 75 requires employers to recognize the total OPEB liability and the OPEB expense on their financial statements. The OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability. An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statements No.75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

Funding Policy

The benefits levels and contribution rate are approved annually by the City management and the Commission as part of the budget process. By the City not contributing anything toward this plan in advance, the City employs a pay-as-you-go method through ensuring the annual retiree contribution are equal to the benefits that are paid on behalf of the retirees. OPEB expenses as actuarially determined for the City was $105,838.

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

Actuarial assumptions:

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.60% to 11.85%, including inflation
Discount rate*	4.08%
Retirees' share of benefit-related costs	$0
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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

*The discount rate was based on the Bond Buyer "20-Bond GO Index" rate closest to, but not later than December 31, 2024.

Note: The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation. The actuarial valuation report determines, as of the actuarial valuations date, the service cost, total OPEB liability, and related actuarial present value of projected benefits.

Total OPEB Liability

The City's Total OPEB Liability was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

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

Total OPEB Liability - beginning of the year	$ 1,757,899
Changes for the Year	
Service Cost	91,063
Interest on Total OPEB Liability	67,024
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	11,413
Changes in Assumptions of Other Inputs	(102,118)
Benefit Payments **	(51,223)
Net Changes	16,159
Total OPEB Liability – End of Year	$ 1,774,058

The amount presented above includes OPEB liabilities for the City's discretely presented component unit. At September 30, 2025, the Boys' and Girls' Club of Edinburg's portion of the OPEB liability was $29,074 and the Edinburg Economic Development Corporation's portion was $11,003. The total OPEB liability for the primary government is $1,733,981 which is allocated between governmental activities and business-type activities in the amounts of $1,334,079 and $399,902.

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 3.77%, 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 (2.77%) or 1 percentage point higher (4.77%) than the current rate.

SDBF Program – Current Discount

1% Decrease 2.77%	Current Discount Rate 3.77%	1% Increase 4.77%
$2,135,804	$1,774,058	$1,495,003

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

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2021	0.17%	0.09%
2022	0.17%	0.09%
2023	0.25%	0.09%
2024	0.26%	0.09%
2025	0.22%	0.09%

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NOTE 11 – EMPLOYEE RETIREMENT BENEFIT PLANS - (CONTINUED)

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2025 the City recognized combined OPEB expense in the amount of $105,838.

OPEB Expense:	
Service cost	$ 91,063
Interest on total OPEB liability	67,024
Recognition of deferred outflows/inflows of resources:	
Differences between expected and actual experience	(11,523)
Changes in assumptions or other inputs [1]	(40,726)
Total OPEB expense	$ 105,838

1. Generally, this will only be the annual change in the municipal bond

At September 30, 2025 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 29,644	$ 48,233
Changes in actuarial assumptions	235,068	605,127
Contributions subsequent to measurement period	94,967	-
Total	**$ 359,679**	**$ 653,360**

Of the total deferred outflows relating to the OPEB plan, $265,589 is reported is reported in governmental activities and $86,297 is reported in business-type activities. The EEDC reports $1,549 and the Boys' and Girls' Club of Edinburg reports $6,244.

Of the total deferred inflows relating to the OPEB plan, $484,639 is reported is reported in governmental activities and $154,356 is reported in business-type activities. The EEDC reports $3,209 and the Boys' and Girls' Club of Edinburg reports $11,156.

$94,967 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, 2025. 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,	
2026	$ (47,394)
2027	(84,536)
2028	(125,234)
2029	(114,668)
2030	(3,967)
Thereafter	(12,849)
Total	**$ (388,648)**

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NOTE 12 – CONSTRUCTION AND IMPROVEMENT COMMITMENTS

Construction and Improvement Commitments

At September 30, 2025, the City had the following significant remaining contractual commitments for construction and improvement projects:

Project	Financing Sources	Remaining
Ebony Hills Detention Pond	Certificate of Obligation, Series 2021	$ 37,825
Parking Garage	Certificate of Obligation, Series 2021A	6,154,178
Right of Way Acquisition	Certificate of Obligation, Series 2021A	1,256,698
Chapin Pump Rehab Drainage Imp. Project	Certificate of Obligation, Series 2021A	260,525
Replacement Los Venados Standpipe	Utility System Improvement & Refunding Bonds, Series 2021	39,200
West Water Treatment Plant Generator - TDEM	Utility System Improvement & Refunding Bonds, Series 2021	34,346
WWTP #4 Rehab East & West Clarifier	Utility System Improvement & Refunding Bonds, Series 2021	1,246,204
Additional WWTP Material Testing	Utility System Improvement & Refunding Bonds, Series 2021	29,511
U.S. Highway N. 281 Water Distribution System Imp.	Utility System Improvement & Refunding Bonds, Series 2021	70,100
North 281 Waterline Adjustement Phase 2	Utility System Improvement & Refunding Bonds, Series 2021	105,000
TWDB WWTP Engineering	Utility System Revenue Improvement Bonds, Series 2023	1,648,988
TWDB WWTP Construction Phase I	Utility System Revenue Improvement Bonds, Series 2023	5,857,663
Cell Construction - 2302 Module 5	Certificate of Obligation, Series 2021	162,326
Landfill Expansion Project 956-C	Certificate of Obligation, Series 2021	3,905,845
Alberta Road Reconstruction	General Obligation Bonds, Series 2019	1,687,443
Doolittle Drainage Detention Pond	General Obligation Bonds, Series 2019	1,059,278
Sugar Drainage Detention Pond	General Obligation Bonds, Series 2019	104,118
Total		**$ 23,659,248**

NOTE 13 – 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	$ 800,199
Government Grant Fund	82,500
Capital Projects Fund	25,189,571
Nonmajor Governmental Fund	
Special Revenue Fund	11,058
Water and Sewer Fund	896,077
Solid Waste Management Fund	426,958
Nonmajor Enterprise Fund	
Airport Fund	1,111,112
State of Emergency Fund	40,035
Total	**$ 28,557,510**

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NOTE 14 – 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 $264,166,612 as well as insurance covering mobile equipment and boiler and machinery in an aggregate amount of $31,502,765; 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. In addition to this, the City has a cyber liability and breach response coverage with limits of $2,000,000 and a pollution liability with a limit of insurance for $1,000,000.

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, 2025, 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, 2025. No new claims will be incurred since the city no longer is self-insured.

NOTE 15 – 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, 2025, 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.

NOTE 16 – RELATED PARTY TRANSACTIONS

For the year ended September 30, 2025, 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 $1,715,763 and a receivable balance of $10,878, net payable of $1,704,885.

Other – The City of Edinburg provides administrative services to EEDC. Administrative fees for the year ended September 30, 2025 totaled $350,000. Additionally, the EEDC committed proceeds from its 2018, 2021A and 2021B bonds for projects that will be contributed to the City as incentives. During the year ended September 30, 2025, EEDC had paid $2,000,000 for the construction of the Downtown Parking Garage.

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NOTE 17 – ERROR CORRECTIONS

During fiscal year 2025, the City identified various overstatements and understatements of fiscal year ending 2024 account balances within governmental activities, business-type activities, and the capital project funds. The effect of the correction of these errors are shown in the table below.

	Capital Project Funds	Total
Fund balance 9/30/2024, as previously reported:	$ 29,029,072	$ 29,029,072
Error corrections:		
Overstatement of unearned revenues	1,436,434	1,436,434
Fund balance 9/30/2024, as Restated:	$ 30,465,506	$ 30,465,506

	Governmental Activities	Business-Type Activities	Total
Net position 9/30/2024, as previously reported:	$ 64,854,158	$ 125,242,747	$ 190,096,905
Error corrections:			
Overstatement of retainage payable	-	12,800	12,800
Overstatement of unearned revenues	1,436,434	-	1,436,434
Understatement of capital assets	-	8,395,880	8,395,880
Understatement of right to use lease assets	90,229	-	90,229
Understatement of right to use lease liabilities	(9,911)	-	(9,911)
Net position 9/30/2024, as Restated:	$ 66,370,910	$ 133,651,427	$ 200,022,337

NOTE 18 – SUBSEQUENT EVENTS

Primary Government

Management has evaluated subsequent events through March 17, 2026, the date the financials were available to be issued.

End of Notes.

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes				
Property Taxes	$ 36,993,460	$ 36,993,460	$ 36,968,102	$ (25,358)
Sales	30,805,560	30,805,560	32,302,340	1,496,780
Franchise and Other	4,690,951	4,690,951	4,773,631	82,680
Total Taxes	72,489,971	72,489,971	74,044,073	1,554,102
Licenses and Permits				
Business Licenses and Permits	125,303	125,303	131,692	6,389
Non-Business Licenses and Permits	1,188,765	1,188,765	1,281,905	93,140
Total Licenses and Permits	1,314,068	1,314,068	1,413,597	99,529
Charges for Services				
General Government	216,555	216,555	323,203	106,648
Culture and Recreation	780,945	780,945	821,415	40,470
Health and Welfare	3,475,805	3,475,805	2,752,970	(722,835)
Public Safety	537,079	537,079	585,405	48,326
Total Charges for Services	5,010,384	5,010,384	4,482,993	(527,391)
Fines and Forfeitures				
Municipal Court	836,260	836,260	1,006,633	170,373
Other Fines	8,524	8,524	8,685	161
Total Fines and Forfeitures	844,784	844,784	1,015,318	170,534
Intergovernmental Revenues	544,372	544,372	371,463	(172,909)
Interest	2,458,746	1,858,746	1,684,127	(174,619)
Other	214,016	214,016	298,744	84,728
Total Revenues	82,876,341	82,276,341	83,310,315	1,033,974
Expenditures				
General Government				
City Council				
Personnel Services	28,690	32,635	32,630	5
Supplies	6,000	10,020	10,022	(2)
Miscellaneous Services	110,000	113,570	113,627	(57)
Total City Council	144,690	156,225	156,279	(54)
City Manager				
Personnel Services	1,474,107	1,474,107	1,458,361	15,746
Supplies	8,025	16,150	14,144	2,006
Miscellaneous Services	178,500	122,995	122,413	582
Total City Manager	1,660,632	1,613,252	1,594,918	18,334

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FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
City Secretary				
Personnel Services	563,307	562,307	501,795	60,512
Supplies	8,900	8,900	7,919	981
Miscellaneous Services	30,500	30,500	22,495	8,005
Total City Secretary	602,707	601,707	532,209	69,498
Municipal Court				
Personnel Services	1,136,467	1,084,967	1,052,456	32,511
Supplies	13,000	17,300	16,887	413
Miscellaneous Services	95,000	112,200	109,416	2,784
Total Municipal Court	1,244,467	1,214,467	1,178,759	35,708
Legal				
Personnel Services	570,298	586,998	583,949	3,049
Supplies	3,000	4,700	3,531	1,169
Miscellaneous Services	166,192	230,307	222,111	8,196
Total Legal	739,490	822,005	809,591	12,414
Finance				
Personnel Services	1,537,002	1,487,002	1,407,471	79,531
Supplies	13,200	13,200	12,561	639
Miscellaneous Services	209,810	225,133	160,155	64,978
Total Finance	1,760,012	1,725,335	1,580,187	145,148
Human Resources				
Personnel Services	1,012,541	1,012,541	1,008,748	3,793
Supplies	20,800	20,800	18,781	2,019
Miscellaneous Services	301,956	301,956	266,972	34,984
Capital Outlay	-	188,387	188,386	1
Total Human Resources	1,335,297	1,523,684	1,482,887	40,797
Engineering				
Personnel Services	1,376,865	1,238,865	1,180,356	58,509
Supplies	41,900	45,150	46,188	(1,038)
Miscellaneous Services	212,360	285,059	97,832	187,227
Total Engineering	1,631,125	1,569,074	1,324,376	244,698
Planning and Zoning				
Personnel Services	964,679	928,779	922,864	5,915
Supplies	9,500	13,500	12,882	618
Miscellaneous Services	60,500	56,500	43,702	12,798
Total Planning	1,034,679	998,779	979,448	19,331
Information Technology				
Personnel Services	1,326,637	1,262,862	1,215,779	47,083
Supplies	72,750	74,250	72,704	1,546
Miscellaneous Services	1,091,568	1,135,108	996,774	138,334
Capital Outlay	313,000	293,000	292,405	595
Total Information Technology	2,803,955	2,765,220	2,577,662	187,558

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes				
Property Taxes	$ 36,993,460	$ 36,993,460	$ 36,968,102	$ (25,358)
Sales	30,805,560	30,805,560	32,302,340	1,496,780
Franchise and Other	4,690,951	4,690,951	4,773,631	82,680
Total Taxes	72,489,971	72,489,971	74,044,073	1,554,102
Licenses and Permits				
Business Licenses and Permits	125,303	125,303	131,692	6,389
Non-Business Licenses and Permits	1,188,765	1,188,765	1,281,905	93,140
Total Licenses and Permits	1,314,068	1,314,068	1,413,597	99,529
Charges for Services				
General Government	216,555	216,555	323,203	106,648
Culture and Recreation	780,945	780,945	821,415	40,470
Health and Welfare	3,475,805	3,475,805	2,752,970	(722,835)
Public Safety	537,079	537,079	585,405	48,326
Total Charges for Services	5,010,384	5,010,384	4,482,993	(527,391)
Fines and Forfeitures				
Municipal Court	836,260	836,260	1,006,633	170,373
Other Fines	8,524	8,524	8,685	161
Total Fines and Forfeitures	844,784	844,784	1,015,318	170,534
Intergovernmental Revenues	544,372	544,372	371,463	(172,909)
Interest	2,458,746	1,858,746	1,684,127	(174,619)
Other	214,016	214,016	298,744	84,728
Total Revenues	82,876,341	82,276,341	83,310,315	1,033,974
Expenditures				
General Government				
City Council				
Personnel Services	28,690	32,635	32,630	5
Supplies	6,000	10,020	10,022	(2)
Miscellaneous Services	110,000	113,570	113,627	(57)
Total City Council	144,690	156,225	156,279	(54)
City Manager				
Personnel Services	1,474,107	1,474,107	1,458,361	15,746
Supplies	8,025	16,150	14,144	2,006
Miscellaneous Services	178,500	122,995	122,413	582
Total City Manager	1,660,632	1,613,252	1,594,918	18,334

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FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
City Secretary				
Personnel Services	563,307	562,307	501,795	60,512
Supplies	8,900	8,900	7,919	981
Miscellaneous Services	30,500	30,500	22,495	8,005
Total City Secretary	602,707	601,707	532,209	69,498
Municipal Court				
Personnel Services	1,136,467	1,084,967	1,052,456	32,511
Supplies	13,000	17,300	16,887	413
Miscellaneous Services	95,000	112,200	109,416	2,784
Total Municipal Court	1,244,467	1,214,467	1,178,759	35,708
Legal				
Personnel Services	570,298	586,998	583,949	3,049
Supplies	3,000	4,700	3,531	1,169
Miscellaneous Services	166,192	230,307	222,111	8,196
Total Legal	739,490	822,005	809,591	12,414
Finance				
Personnel Services	1,537,002	1,487,002	1,407,471	79,531
Supplies	13,200	13,200	12,561	639
Miscellaneous Services	209,810	225,133	160,155	64,978
Total Finance	1,760,012	1,725,335	1,580,187	145,148
Human Resources				
Personnel Services	1,012,541	1,012,541	1,008,748	3,793
Supplies	20,800	20,800	18,781	2,019
Miscellaneous Services	301,956	301,956	266,972	34,984
Capital Outlay	-	188,387	188,386	1
Total Human Resources	1,335,297	1,523,684	1,482,887	40,797
Engineering				
Personnel Services	1,376,865	1,238,865	1,180,356	58,509
Supplies	41,900	45,150	46,188	(1,038)
Miscellaneous Services	212,360	285,059	97,832	187,227
Total Engineering	1,631,125	1,569,074	1,324,376	244,698
Planning and Zoning				
Personnel Services	964,679	928,779	922,864	5,915
Supplies	9,500	13,500	12,882	618
Miscellaneous Services	60,500	56,500	43,702	12,798
Total Planning	1,034,679	998,779	979,448	19,331
Information Technology				
Personnel Services	1,326,637	1,262,862	1,215,779	47,083
Supplies	72,750	74,250	72,704	1,546
Miscellaneous Services	1,091,568	1,135,108	996,774	138,334
Capital Outlay	313,000	293,000	292,405	595
Total Information Technology	2,803,955	2,765,220	2,577,662	187,558

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FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Communications and Media				
Personnel Services	931,942	985,682	983,795	1,887
Supplies	109,500	109,500	109,035	465
Miscellaneous Services	102,500	104,609	96,677	7,932
Total Communications and Media	1,143,942	1,199,791	1,189,507	10,284
City Hall				
Supplies	7,000	7,000	4,716	2,284
Miscellaneous Services	184,150	193,180	186,637	6,543
Total City Hall	191,150	200,180	191,353	8,827
Non-Department				
Audit	26,800	26,800	23,570	3,230
Flat Rate Assessment	7,100	7,100	7,062	38
General Insurance	1,100,000	1,417,300	1,423,376	(6,076)
County Appraisal Service	526,500	585,701	585,700	1
Property Tax Collection Fee	83,000	83,000	83,615	(615)
Capital Lease and Notes Payable Debt Service	2,780,000	2,780,000	2,817,233	(37,233)
Capital Outlay	-	-	116,731	(116,731)
Other	2,591,000	3,060,435	2,941,096	119,339
Total Non-Department	7,114,400	7,960,336	8,348,383	(388,047)
Total General Government	21,406,546	22,350,055	21,945,559	404,496
Public Safety				
Police				
Personnel Services	26,345,868	25,845,868	25,275,366	570,502
Supplies	1,149,330	1,131,330	1,042,133	89,197
Miscellaneous Services	1,304,878	1,324,786	1,248,975	75,811
Total Police	28,800,076	28,301,984	27,566,474	735,510
Fire				
Personnel Services	9,839,135	9,631,569	9,381,807	249,762
Supplies	606,600	764,205	659,828	104,377
Miscellaneous Services	605,242	835,431	833,190	2,241
Capital Outlay	-	48,929	48,929	-
Total Fire	11,050,977	11,280,134	10,923,754	356,380
Total Public Safety	39,851,053	39,582,118	38,490,228	1,091,890

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FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Communications and Media				
Personnel Services	931,942	985,682	983,795	1,887
Supplies	109,500	109,500	109,035	465
Miscellaneous Services	102,500	104,609	96,677	7,932
Total Communications and Media	1,143,942	1,199,791	1,189,507	10,284
City Hall				
Supplies	7,000	7,000	4,716	2,284
Miscellaneous Services	184,150	193,180	186,637	6,543
Total City Hall	191,150	200,180	191,353	8,827
Non-Department				
Audit	26,800	26,800	23,570	3,230
Flat Rate Assessment	7,100	7,100	7,062	38
General Insurance	1,100,000	1,417,300	1,423,376	(6,076)
County Appraisal Service	526,500	585,701	585,700	1
Property Tax Collection Fee	83,000	83,000	83,615	(615)
Capital Lease and Notes Payable Debt Service	2,780,000	2,780,000	2,817,233	(37,233)
Capital Outlay	-	-	116,731	(116,731)
Other	2,591,000	3,060,435	2,941,096	119,339
Total Non-Department	7,114,400	7,960,336	8,348,383	(388,047)
Total General Government	21,406,546	22,350,055	21,945,559	404,496
Public Safety				
Police				
Personnel Services	26,345,868	25,845,868	25,275,366	570,502
Supplies	1,149,330	1,131,330	1,042,133	89,197
Miscellaneous Services	1,304,878	1,324,786	1,248,975	75,811
Total Police	28,800,076	28,301,984	27,566,474	735,510
Fire				
Personnel Services	9,839,135	9,631,569	9,381,807	249,762
Supplies	606,600	764,205	659,828	104,377
Miscellaneous Services	605,242	835,431	833,190	2,241
Capital Outlay	-	48,929	48,929	-
Total Fire	11,050,977	11,280,134	10,923,754	356,380
Total Public Safety	39,851,053	39,582,118	38,490,228	1,091,890

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FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Highways and Streets				
Public Works				
Personnel Services	5,359,503	5,001,858	4,775,305	226,553
Supplies	676,400	633,945	583,859	50,086
Miscellaneous Services	2,254,650	2,426,650	2,217,579	209,071
Capital Outlay	-	427,741	424,005	3,736
Total Public Works	8,290,553	8,490,194	8,000,748	489,446
Total Highways and Streets	8,290,553	8,490,194	8,000,748	489,446
Health and Welfare				
Building Maintenance				
Personnel Services	1,939,682	1,939,682	1,810,587	129,095
Supplies	173,700	202,305	205,154	(2,849)
Miscellaneous Services	1,179,750	1,381,490	1,472,977	(91,487)
Capital Outlay	-	139,500	139,500	-
Total Building Maintenance	3,293,132	3,662,977	3,628,218	34,759
Code Enforcement				
Personnel Services	1,508,001	1,508,001	1,471,724	36,277
Supplies	50,500	50,500	41,017	9,483
Miscellaneous Services	230,593	230,593	225,292	5,301
Capital Outlay	-	-	-	-
Total Code Enforcement	1,789,094	1,789,094	1,738,033	51,061
Community Development and Grants Management				
Personnel Services	429,494	429,494	417,705	11,789
Supplies	4,700	4,700	2,831	1,869
Miscellaneous Services	23,845	23,845	15,392	8,453
Total Community Development and Grants Management	458,039	458,039	435,928	22,111
Health and Code Department				
Personnel Services	1,320,980	1,320,980	1,287,223	33,757
Supplies	60,200	72,901	74,438	(1,537)
Miscellaneous Services	112,494	142,494	124,882	17,612
Capital Outlay	-	563,289	130,950	432,339
Total Health and Code Department	1,493,674	2,099,664	1,617,493	482,171
Total Health and Welfare	7,033,939	8,009,774	7,419,672	590,102

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FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Culture and Recreation				
Library and Cultural Arts				
Personnel Services	2,257,786	2,054,598	1,997,808	56,790
Supplies	252,000	268,710	246,480	22,230
Miscellaneous Services	135,030	144,678	116,714	27,964
Capital Outlay	153,000	153,000	91,364	61,636
Total Library and Cultural Arts	2,797,816	2,620,986	2,452,366	168,620
Parks and Recreation				
Personnel Services	7,008,124	6,717,229	6,026,502	690,727
Supplies	950,500	1,060,765	1,061,933	(1,168)
Miscellaneous Services	515,300	658,485	649,575	8,910
Capital Outlay	-	1,876,259	1,864,708	11,551
Total Parks and Recreation	8,473,924	10,312,738	9,602,718	710,020
Total Culture and Recreation	11,271,740	12,933,724	12,055,084	878,640
Total Expenditures	87,853,831	91,365,865	87,911,291	3,454,574
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,977,490)	(9,089,524)	(4,600,976)	4,488,548
Other Financing Sources (Uses):				
Debt Proceeds	-	-	137,245	137,245
Sale of Real and Personal Property	77,204	77,204	249,265	172,061
Transfers In	6,495,286	7,095,286	7,095,286	-
Transfers Out	(1,595,000)	(1,195,000)	(1,111,539)	83,461
Total Other Financing Sources (Uses)	4,977,490	5,977,490	6,370,257	392,767
Net Change in Fund Balances	-	(3,112,034)	1,769,281	4,881,315
Fund Balances - Beginning of Year	27,601,138	27,601,138	27,601,138	-
Fund Balances - End of Year	$ 27,601,138	$ 24,489,104	$ 29,370,419	$ 4,881,315

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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,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Service Cost	$ 4,465,697	$ 4,897,533	$ 5,271,339	$ 5,451,177	$ 6,001,648	$ 6,569,509	$ 7,055,662	$ 7,924,131	$ 8,482,180	$ 9,561,628
Interest (on the Total Pension Liability)	7,952,761	8,221,195	8,778,659	9,496,321	10,025,754	10,828,811	11,698,505	12,787,769	13,986,166	14,954,477
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(237,828)	(1,032,455)	1,028,193	(1,994,144)	588,622	960,974	3,130,005	3,988,085	754,754	1,414,326
Change of assumptions	(377,240)	-	-	-	674,533	-	-	-	(1,080,357)	-
Benefit payments, including refunds of employee contributions	(3,651,078)	(4,018,322)	(4,010,576)	(5,061,598)	(5,708,662)	(5,646,042)	(5,789,996)	(6,572,314)	(7,877,664)	(8,796,565)
Net Change in Total Pension Liability	8,152,312	8,067,951	11,067,615	7,891,756	11,581,895	12,713,252	16,094,176	18,127,671	14,265,079	17,133,866
Total Pension Liability - Beginning	113,203,569	121,355,881	129,423,832	140,491,447	148,383,203	159,965,098	172,678,350	188,772,526	206,900,197	221,165,276
Total Pension Liability - Ending (a)	$ 121,355,881	$ 129,423,832	$ 140,491,447	$ 148,383,203	$ 159,965,098	$ 172,678,350	$ 188,772,526	$ 206,900,197	$ 221,165,276	$ 238,299,142
Plan Fiduciary Net Position										
Contributions - employer	$ 4,444,421	$ 4,621,389	$ 5,094,161	$ 5,075,953	$ 5,499,792	$ 6,003,536	$ 6,466,214	$ 7,256,687	$ 7,780,692	$ 8,463,720
Contributions - employee	2,127,970	2,222,723	2,401,271	2,477,808	2,681,017	2,934,688	3,125,926	3,512,914	3,748,438	3,986,903
Net investment income	123,828	5,874,570	13,244,540	(3,362,715)	17,217,376	9,938,942	18,793,124	(12,170,826)	18,387,560	18,787,670
Benefit payments, including refunds of employee contributions	(3,651,078)	(4,018,322)	(4,010,576)	(5,061,598)	(5,708,662)	(5,646,042)	(5,789,996)	(6,572,314)	(7,877,664)	(8,796,565)
Administrative expense	(75,414)	(66,307)	(68,598)	(64,934)	(97,159)	(64,251)	(86,846)	(105,164)	(116,728)	(120,251)
Other	(3,725)	(3,572)	(3,476)	(3,393)	(2,919)	(2,507)	595	125,492	(815)	(2,812)
Net Change in Plan Fiduciary Net Position	2,966,002	8,630,481	16,657,322	(938,879)	19,589,445	13,164,366	22,509,017	(7,953,211)	21,921,483	22,318,665
Plan Fiduciary Net Position - Beginning	83,908,615	86,874,617	95,505,098	112,162,420	111,223,541	130,812,986	143,977,352	166,486,369	158,533,158	180,454,641
Plan Fiduciary Net Position - Ending (b)	$ 86,874,617	$ 95,505,098	$ 112,162,420	$ 111,223,541	$ 130,812,986	$ 143,977,352	$ 166,486,369	$ 158,533,158	$ 180,454,641	$ 202,773,306
Net Pension Liability - Ending (a)-(b)	$ 34,481,264	$ 33,918,734	$ 28,329,027	$ 37,159,662	$ 29,152,112	$ 28,700,998	$ 22,286,157	$ 48,367,039	$ 40,710,635	$ 35,525,836
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.59%	73.79%	79.84%	74.96%	81.78%	83.38%	88.19%	76.62%	81.59%	85.09%
Covered Payroll	$ 30,399,572	$ 31,740,329	$ 34,296,282	$ 35,397,255	$ 38,300,244	$ 41,924,117	$ 44,656,087	$ 50,184,488	$ 53,549,119	$ 56,914,450
City's Net Pension Liability as a Percentage of Covered Payroll	113.43%	106.86%	82.60%	104.98%	76.11%	68.46%	49.91%	96.38%	76.02%	62.42%

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 presents 10 years of information.

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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

SEPTEMBER 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City's proportion of the net pension liability	1.29%	1.34%	2.43%	0.97%	1.14%	0.50%	0.94%	0.86%	0.85%	0.70%
City's proportionate share of the net pension liability	$ 346,906	$ 389,151	$ 526,106	$ 274,669	$ 253,117	$ 111,320	$ 386,503	$ 370,105	$ 910,538	$ 340,839
City's number of active members	58	58	39	21	26	24	25	29	29	23
City's net pension liability per active member	$ 5,981	$ 6,710	$ 13,490	$ 13,079	$ 9,735	$ 4,638	$ 15,460	$ 12,949	$ 31,856	$ 14,729
Plan fiduciary net position as a percentage of the total pension liability	76.70%	76.30%	84.30%	80.20%	83.20%	93.10%	75.20%	74.60%	56.30%	75.80%

Note: GASB 68 requires 10 fiscal years of data to be provided in this schedule.

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

SEPTEMBER 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 4,586,475	$ 4,621,389	$ 5,094,161	$ 5,075,953	$ 5,499,792	$ 6,003,536	$ 6,466,214	$ 7,551,647	$ 8,335,170	$ 8,950,221
Contributions in relation to the actuarially determined contribution	4,586,475	4,621,389	5,094,161	5,075,953	5,499,792	6,003,536	6,466,214	7,551,647	8,335,170	8,950,221
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 30,399,572	$ 31,740,329	$ 34,296,282	$ 35,397,255	$ 40,178,654	$ 41,924,117	$ 44,656,087	$ 52,038,413	$ 56,427,275	$ 58,748,773
Contributions as a percentage of covered payroll	15.09%	14.56%	14.85%	14.34%	13.69%	14.32%	14.48%	14.51%	14.77%	15.23%

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	21 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortalit tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
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.

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

SEPTEMBER 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Texas Emergency Services Retirement System (TESRS)										
Contractually required contributions	$ 46,400	$ 40,310	$ 36,169	$ 43,428	$ 46,835	$ 49,880	$ 45,820	$ 40,745	$ 43,790	$ 38,570
Contributions in relation to the contractually required contribution	46,400	40,310	36,169	43,428	46,835	49,880	45,820	40,745	43,790	38,570
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Number of active members	58	58	39	21	26	24	25	29	29	23
Contributions per active member	$ 800	$ 695	$ 927	$ 2,068	$ 1,801	$ 2,078	$ 1,833	$ 1,405	$ 1,510	$ 1,677

Note: GASB 68 requires 10 fiscal years of data to be provided in this schedule.

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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	2023	2024	2025
Total OPEB Liability								
Service cost	$ 1,149,843	$ 1,069,819	$ 1,500,352	$ 2,023,214	$ 2,086,690	$ 1,368,317	$ 1,396,246	$ 1,890,990
Interest	715,606	826,562	654,448	659,614	672,095	1,174,953	1,268,358	1,261,765
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	56,192	1,079,257	(663,288)	(1,786,737)	93,316	373,925	(1,992,007)
Changes of assumptions	(1,041,173)	3,178,838	2,243,038	173,777	(5,979,817)	(247,170)	2,580,877	(1,246,948)
Benefit payments, including refunds of employee contributions	(607,647)	(762,157)	(700,345)	(812,433)	(874,443)	(935,717)	(1,076,532)	(1,082,476)
Net Change in Total OPEB Liability	216,629	4,369,254	4,776,750	1,380,884	(5,882,212)	1,453,699	4,542,874	(1,168,676)
Total OPEB Liability - Beginning	18,864,934	19,081,563	23,450,817	28,227,567	29,608,451	23,726,239	25,179,938	29,722,812
Total OPEB Liability - Ending (a)	$ 19,081,563	$ 23,450,817	$ 28,227,567	$ 29,608,451	$ 23,726,239	$ 25,179,938	$ 29,722,812	$ 28,554,136
Plan Fiduciary Net Position								
Contributions - employer	$ 607,647	$ 762,157	$ 700,345	$ 812,433	$ 874,443	$ 935,717	$ 1,076,532	$ 1,082,476
Contributions - employee	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(607,647)	(762,157)	(700,345)	(812,433)	(874,443)	(935,717)	(1,076,532)	(1,082,476)
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	$ 29,608,451	$ 23,726,239	$ 25,179,938	$ 29,722,812	$ 28,554,136
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	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	$ 46,069,139	$ 50,685,621	$ 45,389,900
City's Net OPEB Liability as a Percentage of Covered - Employee Payroll	64.3%	79.0%	79.8%	77.8%	55.0%	54.7%	58.6%	62.9%

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

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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	2023	2024	2025
Total OPEB Liability								
Service cost	$ 51,444	$ 63,715	$ 57,450	$ 96,425	$ 107,175	$ 125,461	$ 69,614	$ 91,063
Interest	45,625	47,160	53,368	49,704	44,760	44,021	65,181	67,024
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	29,186	(64,335)	(26,207)	(43,731)	33,577	(18,907)	11,413
Changes of assumptions	125,031	(112,151)	314,963	331,664	79,821	(911,515)	91,504	(102,118)
Benefit payments, including refunds of employee contributions*	(10,289)	(10,619)	(11,490)	(12,577)	(40,190)	(45,166)	(48,194)	(51,223)
Net Change in Total OPEB Liability	211,811	17,291	349,956	439,009	147,835	(753,622)	159,198	16,159
Total OPEB Liability - Beginning	1,186,421	1,398,232	1,415,523	1,765,479	2,204,488	2,352,323	1,598,701	1,757,899
Total OPEB Liability - Ending (a)	$ 1,398,232	$ 1,415,523	$ 1,765,479	$ 2,204,488	$ 2,352,323	$ 1,598,701	$ 1,757,899	$ 1,774,058
Covered - Employee Payroll	$ 34,296,282	$ 34,296,282	$ 35,397,255	$ 38,300,244	$ 41,924,117	$ 44,656,087	$ 50,184,488	$ 56,914,450
City's Net OPEB Liability as a Percentage of Covered - Employee Payroll	4.08%	4.13%	4.00%	5.76%	5.61%	3.58%	3.50%	3.12%

*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.

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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, 2025, 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
City Council	$ 54
Non-Department	388,047

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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 Program 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 (PEG) 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 "Bert 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.

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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.

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

SEPTEMBER 30, 2025	Debt Service Fund	Special Revenue Funds	Total Nonmajor Governmental Funds
Assets			
Cash and Cash Equivalents	$ 142,342	$ 1,992,515	$ 2,134,857
Taxes Receivables	687,862	-	687,862
Allowance for Uncollectible Taxes	(109,300)	-	(109,300)
Accounts Receivables, Net	-	124,127	124,127
Note Receivable	-	1,366,470	1,366,470
Due from Other Governments	-	1,074,985	1,074,985
Due from Other Funds	-	51,061	51,061
Prepaid Items	-	2,145	2,145
Restricted Assets:			
Cash and Cash Equivalents	1,016,960	4,056,687	5,073,647
Cash with Fiscal Agent	-	3,038,555	3,038,555
Total Assets	$ 1,737,864	$ 11,706,545	$ 13,444,409
Liabilities			
Accounts Payable	$ 6,525	$ 362,559	$ 369,084
Accrued Liabilities	-	7,617	7,617
Unearned Revenue	-	1,074,985	1,074,985
Total Liabilities	6,525	1,445,161	1,451,686
Deferred Inflows of Resources			
Deferred Inflows from Loans Receivable	-	1,373,883	1,373,883
Deferred Inflows from Taxes	545,991	-	545,991
Total Deferred Inflows of Resources	545,991	1,373,883	1,919,874
Fund Balances			
Nonspendable:			
Prepaids	-	2,145	2,145
Restricted for:			
Debt Service	1,185,348	3,026,946	4,212,294
Capital Projects	-	244,578	244,578
Other Purposes	-	5,613,832	5,613,832
Total Fund Balances	1,185,348	8,887,501	10,072,849
Total Liabilities and Fund Balances	$ 1,737,864	$ 11,706,545	$ 13,444,409

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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, 2025	Debt Service Fund	Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes:			
Property Taxes	$ 8,373,308	$ 1,171,879	$ 9,545,187
Franchise Tax	-	63,585	63,585
Other Tax	-	878,397	878,397
Intergovernmental Revenue and Grants	-	768,526	768,526
Charges for Services	-	391,343	391,343
Fines and Forfeits	-	152,436	152,436
Investment Earnings	104,490	309,839	414,329
Contributions	-	1,060,731	1,060,731
Total Revenues	8,477,798	4,796,736	13,274,534
Expenditures			
Current:			
General Government	-	178,312	178,312
Public Safety	-	590,754	590,754
Health and Welfare	-	472,951	472,951
Culture and Recreation	-	1,534,954	1,534,954
Economic Redevelopment	-	1,409,733	1,409,733
Debt Service:			
Principal Retirements	4,795,000	995,000	5,790,000
Interest and Other Charges	3,373,362	1,691,225	5,064,587
Total Expenditures	8,168,362	6,887,029	15,055,391
Excess (Deficiency) of Revenues Over (Under) Expenditures	309,436	(2,090,293)	(1,780,857)
Other Financing Sources (Uses)			
Proceeds from Right-to-Use Leases	-	5,596	5,596
Transfers In	-	4,455,688	4,455,688
Transfers Out	-	(3,344,149)	(3,344,149)
Total Other Financing Sources (Uses)	-	1,117,135	1,117,135
Net Change In Fund Balances	309,436	(973,158)	(663,722)
Fund Balances - Beginning of Year	875,912	9,860,659	10,736,571
Fund Balances - End of Year	$ 1,185,348	$ 8,887,501	$ 10,072,849

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

SEPTEMBER 30, 2025	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	$ 62,173	$ 44,314	$ 25,756	$ 2,190	$ 3,614	$ 2,198	$ -	$ -	$ -	$ -	$ 1,852,270	$ 1,992,515
Accounts Receivables, Net	18,152	-	-	77	-	-	18,398	-	-	-	87,500	124,127
Note Receivable	1,361,959	4,511	-	-	-	-	-	-	-	-	-	1,366,470
Due from Other Governments	1,074,985	-	-	-	-	-	-	-	-	-	-	1,074,985
Due from Other Funds	-	-	51,061	-	-	-	-	-	-	-	-	51,061
Prepaid Items	-	-	2,145	-	-	-	-	-	-	-	-	2,145
Cash and Cash Equivalents	-	-	1,747,678	896,691	762,701	289,244	360,373	-	-	-	-	4,056,687
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-	3,038,555	3,038,555
Total Assets	$ 2,517,269	$ 48,825	$ 1,826,640	$ 898,958	$ 766,315	$ 291,442	$ 378,771	$ -	$ -	$ -	$ 4,978,325	$ 11,706,545
Liabilities												
Accounts Payable	$ 3,251	$ -	$ 273,608	$ 17,974	$ 372	$ 9,059	$ 87	$ -	$ -	$ -	$ 58,208	$ 362,559
Accrued Liabilities	7,617	-	-	-	-	-	-	-	-	-	-	7,617
Unearned Revenue	1,074,985	-	-	-	-	-	-	-	-	-	-	1,074,985
Total Liabilities	1,085,853	-	273,608	17,974	372	9,059	87	-	-	-	58,208	1,445,161
Deferred Inflows of Resources												
Deferred Inflows from Loans Receivable	1,369,372	4,511	-	-	-	-	-	-	-	-	-	1,373,883
Total Deferred Inflows of Resources	1,369,372	4,511	-	-	-	-	-	-	-	-	-	1,373,883
Fund Balances												
Nonspendable:												
Prepaids	-	-	2,145	-	-	-	-	-	-	-	-	2,145
Restricted for:												
Debt Service	-	-	-	-	-	-	-	-	-	-	3,026,946	3,026,946
Capital Projects	-	-	-	-	-	-	-	-	-	-	244,578	244,578
Other Purposes	62,044	44,314	1,550,887	880,984	765,943	282,383	378,684	-	-	-	1,648,593	5,613,832
Total Fund Balances	62,044	44,314	1,553,032	880,984	765,943	282,383	378,684	-	-	-	4,920,117	8,887,501
Total Liabilities and Fund Balances	$ 2,517,269	$ 48,825	$ 1,826,640	$ 898,958	$ 766,315	$ 291,442	$ 378,771	$ -	$ -	$ -	$ 4,978,325	$ 11,706,545

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	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	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 308,801	$ 156,184	$ 706,894	$ -	$ 1,171,879
Franchise Tax	-	-	-	-	-	-	63,585	-	-	-	-	63,585
Other Tax	-	-	-	878,397	-	-	-	-	-	-	-	878,397
Intergovernmental Revenue and Grants	486,726	-	281,800	-	-	-	-	-	-	-	-	768,526
Charges for Services	-	-	-	-	-	47,343	-	-	-	-	344,000	391,343
Fines and Forfeits	-	-	-	-	152,436	-	-	-	-	-	-	152,436
Investment Earnings	-	-	64,908	52,816	29,489	11,705	16,996	-	-	-	133,925	309,839
Contributions	-	-	-	-	-	-	-	247,675	110,217	702,839	-	1,060,731
Total Revenues	486,726	-	346,708	931,213	181,925	59,048	80,581	556,476	266,401	1,409,733	477,925	4,796,736
Expenditures												
Current:												
General Government	-	-	-	-	26,730	28,544	123,038	-	-	-	-	178,312
Public Safety	-	-	590,754	-	-	-	-	-	-	-	-	590,754
Highways and Streets	14,100	-	-	-	-	-	-	-	-	-	-	14,100
Health and Welfare	472,626	325	-	-	-	-	-	-	-	-	-	472,951
Culture and Recreation	-	-	-	1,534,954	-	-	-	-	-	-	-	1,534,954
Economic Development	-	-	-	-	-	-	-	-	-	-	1,409,733	1,409,733
Debt Service:												
Principal Retirements	-	-	-	-	-	-	-	-	-	-	995,000	995,000
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-	1,691,225	1,691,225
Total Expenditures	486,726	325	590,754	1,534,954	26,730	28,544	123,038	-	-	-	4,095,958	6,887,029
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(325)	(244,046)	(603,741)	155,195	30,504	(42,457)	556,476	266,401	1,409,733	(3,618,033)	(2,090,293)
Other Financing Sources (Uses)												
Proceeds from Right-to-Use Leases	-	-	-	-	-	-	-	-	-	-	5,596	5,596
Transfers In	-	-	-	-	-	-	-	802,338	309,201	-	3,344,149	4,455,688
Transfers Out	-	-	-	-	-	-	-	(1,358,814)	(575,602)	(1,409,733)	-	(3,344,149)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	(556,476)	(266,401)	(1,409,733)	3,349,745	1,117,135
Net Change in Fund Balances	-	(325)	(244,046)	(603,741)	155,195	30,504	(42,457)	-	-	-	(268,288)	(973,158)
Fund Balances - Beginning of Year	62,044	44,639	1,797,078	1,484,725	610,748	251,879	421,141	-	-	-	5,188,405	9,860,659
Fund Balances - End of Year	$ 62,044	$ 44,314	$ 1,553,032	$ 880,984	$ 765,943	$ 282,383	$ 378,684	$ -	$ -	$ -	$ 4,920,117	$ 8,887,501

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes				
Property Taxes	$ 8,190,000	$ 8,190,000	$ 8,373,308	$ 183,308
Investment Earnings	45,000	45,000	104,490	59,490
Total Revenues	8,235,000	8,235,000	8,477,798	242,798
Expenditures				
Debt Service				
Principal Retirements	4,795,000	4,795,000	4,795,000	-
Interest and Other Charges	3,380,200	3,380,200	3,373,362	6,838
Total Expenditures	8,175,200	8,175,200	8,168,362	6,838
Excess (Deficiency) of Revenues Over (Under) Expenditures	59,800	59,800	309,436	249,636
Net Change In Fund Balance	59,800	59,800	309,436	249,636
Fund Balance - Beginning of Year	875,912	875,912	875,912	-
Fund Balance - End of Year	$ 935,712	$ 935,712	$ 1,185,348	$ 249,636

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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.

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

SEPTEMBER 30, 2025	Edinburg International Airport	City Ebony Golf Course	Los Lagos Golf Course	Total Nonmajor Enterprise Funds
Assets				
Current Assets:				
Cash and Cash Equivalents	$ 79,761	$ 14,762	$ 47,306	$ 141,829
Accounts Receivable, Net	56,865	-	26,462	83,327
Inventories	53,919	5,801	69,179	128,899
Prepaid Items	354,315	-	-	354,315
Restricted Assets:				
Cash and Cash Equivalents	1,498,672	310,502	85,170	1,894,344
Cash with Fiscal Agent	100,000	82,114	-	182,114
Total Current Assets	2,143,532	413,179	228,117	2,784,828
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	8,408,391	-	5,795,440	14,203,831
Furniture and Equipment	782,530	224,396	1,530,303	2,537,229
Accumulated Depreciation	(7,798,540)	(384,823)	(7,683,444)	(15,866,807)
Right-to-Use Lease Assets	258,078	-	955,860	1,213,938
Accumulated Amortization- Right-to-Use-Leases	(129,039)	-	(263,130)	(392,169)
Subscription-Based Information Technology Arrangements	-	-	7,630	7,630
Accumulated Amortization- Subscription-Based Information Technology Arrangements	-	-	(1,314)	(1,314)
Construction in Progress	10,795,226	-	-	10,795,226
Total Capital Assets	21,622,227	79,561	2,107,778	23,809,566
Total Noncurrent Assets	21,622,227	79,561	2,107,778	23,809,566
Total Assets	23,765,759	492,740	2,335,895	26,594,394
Deferred Outflows of Resources				
Deferred Outflow Related to Debt Refundings	-	-	152,959	152,959
Deferred Outflow Related to Pension	89,726	51,065	189,660	330,451
Deferred Outflow Related to OPEB Obligation	3,117	1,667	6,173	10,957
Deferred Outflow Related to MED OPEB Obligation	34,610	21,546	60,020	116,176
Total Deferred Outflows of Resources	127,453	74,278	408,812	610,543
Liabilities				
Current Liabilities:				
Accounts Payable	58,034	5,732	4,306	68,072
Accrued Liabilities	26,347	17,416	52,186	95,949
Accrued Interest	76	1	57	134
Due to Other Funds	191,400	-	14,848	206,248
Deposits	3,075	225	1,000	4,300
Current Portion of Compensated Absences	17,455	11,607	27,146	56,208
Current Portion of Financing Leases Payable	74,651	20,935	47,919	143,505
Current Portion of Right-to-Use Lease Liabilities	129,155	-	191,168	320,323
Current Portion of Subscription-Based Information Technology Arrangement Liabilities	-	-	2,503	2,503
Total Current Liabilities	500,193	55,916	341,133	897,242

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SEPTEMBER 30, 2024	Edinburg International Airport	City Ebony Golf Course	Los Lagos Golf Course	Total Nonmajor Enterprise Funds
Noncurrent Liabilities				
Compensated Absences	-	13,245	45,926	59,171
General Obligation Bonds, Net of Unamortized				
Discounts and Premiums	-	-	132,504	132,504
Financing Leases Payable	177,611	5,280	130,780	313,671
Right-to-Use Lease Liabilities	-	-	493,880	493,880
Subscription-Based Information				
Technology Arrangement Liabilities	-	-	3,665	3,665
Net Pension Liability	305,217	162,804	596,028	1,064,049
Net OPEB Obligation	15,022	7,695	27,908	50,625
MED Plan OPEB Obligation	258,492	176,310	495,476	930,278
Total Noncurrent Liabilities	756,342	365,334	1,926,167	3,047,843
Total Liabilities	1,256,535	421,250	2,267,300	3,945,085
Deferred Inflows of Resources				
Deferred Inflows Related to Pension	24,088	11,606	40,168	75,862
Deferred Inflows Related to OPEB Obligation	5,610	2,994	10,948	19,552
Deferred Inflows Related to MED OPEB Obligation	60,141	44,969	127,587	232,697
Deferred Inflows Related to Other	500,000	6,036	-	506,036
Total Deferred Inflows of Resources	589,839	65,605	178,703	834,147
Net Position				
Net Investment in Capital Assets and Lease Assets	21,240,810	53,346	1,264,486	22,558,642
Unrestricted	806,028	26,817	(965,782)	(132,937)
Total Net Position	$ 22,046,838	$ 80,163	$ 298,704	$ 22,425,705

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CITY OF EDINBURG, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION-NONMAJOR ENTERPRISE FUNDS

EXHIBIT 8-B

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Edinburg International Airport	City Ebony Golf Course	Los Lagos Golf Course	Total Nonmajor Enterprise Funds
Operating Revenues				
Fuel Flow Fees	$ 1,288,000	$ -	$ -	$ 1,288,000
Golf Course Fees and Memberships	-	394,973	1,338,118	1,733,091
Other Revenue	-	88,119	265,671	353,790
Total Operating Revenues	1,288,000	483,092	1,603,789	3,374,881
Operating Expenses				
Salaries, Wages, and Employee Benefits	602,951	418,945	1,289,701	2,311,597
Supplies and Materials	37,267	40,039	210,291	287,597
Contractual and Other Services	356,601	65,628	262,800	685,029
Repairs and Maintenance	53,372	244	255,378	308,994
Other Operating Costs	666,025	54,998	261,807	982,830
Depreciation and Amortization	457,187	20,298	320,673	798,158
Total Operating Expenses	2,173,403	600,152	2,600,650	5,374,205
Operating Income (Loss)	(885,403)	(117,060)	(996,861)	(1,999,324)
Non-Operating Revenues (Expenses)				
Investment Earnings	36,455	6,316	2,028	44,799
Interest Expense	(4,622)	(527)	(7,521)	(12,670)
Intergovernmental Revenues	3,158,075	-	-	3,158,075
Other	-	-	454	454
Total Non-Operating Revenues (Expenses)	3,189,908	5,789	(5,039)	3,190,658
Income (Loss) Before Transfers	2,304,505	(111,271)	(1,001,900)	1,191,334
Transfers In (Out)				
Transfers In	509,527	253,395	874,738	1,637,660
Total Transfers In (Out)	509,527	253,395	874,738	1,637,660
Change In Net Position	2,814,032	142,124	(127,162)	2,828,994
Net Position - Beginning of Year, as Previously Reported	10,836,926	(61,961)	425,866	11,200,831
Error Corrections	8,395,880	-	-	8,395,880
Net Position - Beginning of Year, as Restated	19,232,806	(61,961)	425,866	19,596,711
Net Position - End of Year	$ 22,046,838	$ 80,163	$ 298,704	$ 22,425,705

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025	Edinburg International Airport	Ebony Golf Course	Los Lagos Golf Course	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 1,264,499	$ 483,092	$ 1,603,789	$ 3,351,380
Cash Payments to Employees for Services	(80,217)	(393,279)	(1,230,764)	(1,704,260)
Cash Payments to Other Suppliers for Goods and Services	(1,488,308)	(164,202)	(1,055,331)	(2,707,841)
Net Cash Provided (Used) by Operating Activities	(304,026)	(74,389)	(682,306)	(1,060,721)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating Grants	3,158,075	-	-	3,158,075
Transfers from Other Funds	509,527	253,395	874,738	1,637,660
Net Cash Provided (Used) by Noncapital Financing Activities	3,667,602	253,395	874,738	4,795,735
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal Paid on Long-Term Debt	(209,703)	(22,738)	(278,790)	(511,231)
Proceeds from Capital Debt	258,078	-	7,630	265,708
Interest Paid on Long-Term Debt	(4,628)	(528)	(7,067)	(12,223)
Acquisition or Construction of Capital Assets	(3,369,861)	-	(7,630)	(3,377,491)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(3,326,114)	(23,266)	(285,857)	(3,635,237)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest from Investments	36,455	6,316	2,028	44,799
Net Cash Provided/(Used) By Investing Activities	36,455	6,316	2,028	44,799
Net Increase/(Decrease) in Cash	73,917	162,056 #	(91,397)	144,576
Cash and Cash Equivalents at Beginning of Year	1,396,763	245,322	223,873	1,865,958
Cash and Cash Equivalents at End of Year	$ 1,470,680	$ 407,378	$ 132,476	$ 2,010,534
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	$ (885,403)	$ (117,060)	$ (996,861)	$ (1,999,324)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization	457,187	20,298	320,673	798,158
Changes in Assets and Liabilities				
Decrease (Increase) in Accounts Receivable	(23,501)	-	-	(23,501)
Decrease (Increase) in Prepaid Items	(354,315)	-	-	(354,315)
Decrease (Increase) in Inventories	(2,068)	(254)	(26,854)	(29,176)
Decrease (Increase) in Deferred Outflows	45,649	25,281	111,336	182,266
Increase (Decrease) in Accounts Payable	(18,660)	(3,039)	(38,201)	(59,900)
Increase (Decrease) in Compensated Balances	1,527	4,592	(8,774)	(2,655)
Increase (Decrease) in Accrued Liabilities	3,073	4,037	(2,621)	4,489
Increase (Decrease) in Deferred Inflow	523,535	19,519	48,397	591,451
Increase (Decrease) in Pension Liabilities	(51,050)	(27,763)	(89,401)	(168,214)
Total Adjustments	581,377	42,671	314,555	938,603
Net Cash Provided (Used) by Operating Activities	$ (304,026)	$ (74,389)	$ (682,306)	$ (1,060,721)

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	$ 65,369,344	$ 61,875,757	$ 81,384,257	$ 79,362,475	$ 78,042,830	$ 80,905,001	$ 89,470,643	$ 38,570,514	$ 43,304,576	$ 52,358,551
Restricted	4,478,473	6,066,707	7,543,470	26,556,986	11,096,592	7,956,587	76,612,604	49,170,963	47,764,184	37,690,357
Unrestricted	(8,323,840)	(8,853,893)	(17,975,790)	(38,582,298)	(21,720,725)	(21,160,691)	(98,796,406)	(21,018,144)	(26,197,622)	(22,069,219)
Total governmental activities net position	$ 61,523,977	$ 59,088,571	$ 70,951,937	$ 67,337,163	$ 67,418,697	$ 67,700,898	$ 67,286,841	$ 66,723,333	$ 64,871,138	$ 67,979,689
Business-Type Activities										
Net investment in capital assets	$ 106,077,748	$ 110,505,512	$ 114,719,222	$ 108,982,474	$ 107,596,067	$ 110,310,189	$ 130,703,235	$ 48,346,710	$ 55,832,091	$ 81,490,188
Restricted	3,415,118	3,516,475	3,153,907	3,142,522	6,938,270	5,244,568	4,607,337	5,634,979	5,634,979	5,634,979
Unrestricted	8,038,827	10,939,784	7,512,316	11,652,025	10,203,791	8,823,580	(14,080,842)	65,364,547	63,775,677	49,342,469
Total business-type activities net position	$ 117,531,693	$ 124,961,771	$ 125,385,445	$ 123,777,021	$ 124,738,128	$ 124,378,336	$ 121,229,730	$ 119,346,236	$ 125,242,747	$ 136,467,636
Primary Government										
Net investment in capital assets	$ 171,447,092	$ 172,381,269	$ 196,103,479	$ 188,344,949	$ 185,638,897	$ 191,215,190	$ 220,173,878	$ 86,917,224	$ 99,136,667	$ 133,848,739
Restricted	7,893,591	9,583,182	10,697,377	29,699,508	18,034,862	13,201,155	81,219,941	54,805,942	53,399,163	43,325,336
Unrestricted	(285,013)	2,085,891	(10,463,474)	(26,930,273)	(11,516,935)	(12,337,111)	(112,877,248)	44,346,403	37,578,055	27,273,250
Total primary government net position	$ 179,055,670	$ 184,050,342	$ 196,337,382	$ 191,114,184	$ 192,156,825	$ 192,079,234	$ 188,516,571	$ 186,069,569	$ 190,113,885	$ 204,447,325

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
General government	$ 9,614,288	$ 16,043,093	$ 12,976,468	$ 13,511,053	$ 13,516,587	$ 13,462,924	$ 20,926,720	$ 22,946,455	$ 30,005,563	$ 29,371,313
Public safety	23,393,747	25,111,830	28,190,073	29,594,744	38,734,704	33,877,955	37,430,277	39,002,410	43,190,614	43,948,262
Highways and streets	9,598,627	11,334,330	11,803,668	16,038,229	9,006,283	14,922,951	11,174,354	13,008,517	14,195,853	14,086,664
Health and welfare	3,679,385	3,572,179	3,582,346	4,036,587	6,401,576	5,785,543	5,660,161	6,708,631	7,999,187	8,606,469
Culture and recreation	8,872,920	8,398,294	9,516,000	11,913,650	7,696,153	9,814,577	10,998,228	12,089,329	12,960,143	14,080,792
Urban redevelopment and housing	699,828	658,896	569,586	506,127	2,018,407	2,219,410	643,676	-	-	-
Economic development	-	-	1,493,526	706,143	2,473,706	3,098,008	3,084,239	2,579,526	3,229,292	3,014,601
Interest on long-term debt	3,748,860	3,424,033	3,550,141	4,933,580	5,691,962	4,971,648	5,390,433	4,903,288	5,276,641	4,654,049
Total governmental activities expenses	59,607,654	68,542,655	71,681,808	81,240,112	85,539,377	88,153,017	95,308,088	101,238,156	116,857,293	117,762,150
Business-type Activities										
Water and sewer operations	16,432,173	17,074,304	16,326,190	17,202,578	19,648,894	20,866,627	21,824,936	24,086,632	22,950,360	25,711,914
Solid waste operations	12,942,541	10,816,921	13,478,459	12,727,623	16,098,186	16,506,457	19,677,970	18,579,086	20,911,991	22,271,208
Golf course operations	1,905,629	1,739,829	1,771,420	1,655,436	1,677,375	2,151,567	2,419,592	2,709,970	2,798,754	3,208,850
Airport services	997,790	1,423,122	1,430,654	1,362,844	1,471,894	1,979,681	3,213,471	2,894,168	2,692,342	2,178,025
Total business-type activities expenses	32,278,133	31,054,176	33,006,723	32,948,481	38,896,349	41,504,332	47,135,969	48,269,856	49,353,447	53,369,997
Total primary government expenses	$ 91,885,787	$ 99,596,831	$ 104,688,531	$ 114,188,593	$ 124,435,727	$ 129,657,349	$ 142,444,057	$ 149,508,012	$ 166,210,740	$ 171,132,147
Program Revenues										
Governmental Activities										
Charges for services										
General government	$ 2,098,774	$ 4,170,721	$ 1,873,910	$ 2,232,051	$ 3,439,894	$ 5,277,797	$ 5,551,144	$ 8,345,365	$ 7,798,967	$ 7,455,687
Public Safety	2,042,400	1,515,084	311,440	391,765	521,622	602,879	697,619	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-	-
Health and welfare	954,379	897,848	623,970	796,231	682,278	851,693	1,073,460	-	-	-
Culture and recreation	870,188	1,038,483	771,247	1,005,904	600,053	663,442	980,396	-	-	-
Operating grants and contributions	2,615,048	2,704,397	3,090,280	5,757,781	14,706,673	11,334,859	10,116,925	8,657,137	14,026,470	12,337,540
Capital grants and contributions	7,316,885	6,397,795	27,840,216	2,016,245	1,678,475	1,407,273	885,840	913,367	11,156,238	3,805,564
Total governmental activities program revenues	15,897,674	16,724,328	34,511,063	12,199,977	21,628,995	20,137,944	19,305,384	17,915,869	32,981,675	23,598,791
Business-type Activities										
Charges for services										
Water and sewer operations	18,228,648	19,071,019	18,819,247	18,696,770	19,520,480	20,889,041	20,729,234	21,832,089	23,400,053	27,944,476
Solid waste operations	18,069,876	18,688,554	21,001,992	19,642,355	21,042,726	22,471,795	22,067,707	23,952,955	25,619,921	25,670,111
Golf course operations	1,103,771	1,086,456	802,436	940,542	997,520	1,477,592	1,679,586	1,873,482	1,953,697	2,086,881
Airport services	479,976	374,932	359,545	492,772	396,451	377,478	1,577,569	1,687,084	1,593,538	1,288,000
Operating grants and contributions	223,106	-	41,209	28,175	916,661	104,391	81,221	-	-	-
Capital grants and contributions	3,362,834	2,756,589	1,370,828	-	-	-	-	-	-	-
Total business-type activities program revenues	41,468,211	41,977,550	42,395,257	39,800,614	42,873,838	45,320,297	46,135,317	49,345,610	52,567,209	56,989,468
Total primary government program revenues	$ 57,365,885	$ 58,701,878	$ 76,906,320	$ 52,000,591	$ 64,502,833	$ 65,458,240	$ 65,440,701	$ 67,261,479	$ 85,548,884	$ 80,588,259
Net (expense)/revenue										
Governmental activities	$ (43,709,981)	$ (51,818,327)	$ (37,170,745)	$ (69,040,136)	$ (63,910,383)	$ (68,015,073)	$ (76,002,705)	$ (83,322,287)	$ (83,875,618)	$ (94,163,359)
Business-type activities	9,190,079	10,923,374	9,388,534	6,852,134	3,977,489	3,815,964	(1,000,652)	1,075,754	3,213,762	3,619,471
Total primary government net expense	$ (34,519,902)	$ (40,894,953)	$ (27,782,211)	$ (62,188,002)	$ (59,932,894)	$ (64,199,108)	$ (77,003,357)	$ (82,246,533)	$ (80,661,856)	$ (90,543,888)

(Continued)

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenue and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property taxes and tax increments	$ 25,926,854	$ 28,240,717	$ 29,501,678	$ 30,067,499	$ 32,283,712	$ 35,077,865	$ 38,119,120	$ 39,549,563	$ 43,976,660	$ 46,974,981
Sales taxes	15,935,921	15,839,175	16,899,713	19,066,916	19,770,923	22,868,646	25,802,830	27,552,576	28,448,597	32,302,340
Franchise/other taxes	3,702,263	4,023,704	4,190,296	4,184,935	4,166,222	4,433,311	4,744,026	4,750,536	4,544,149	4,627,931
Hotel/motel taxes	477,359	404,508	539,329	623,426	493,690	759,873	959,928	947,017	1,094,213	878,397
Investment earnings	198,180	393,703	809,414	1,365,041	737,089	70,595	829,944	3,849,396	4,657,521	3,586,848
Insurance Proceeds	1,155,768	-	1,157,171	1,022,297	169,563	308,492	-	-	-	-
Miscellaneous	142,955	561,631	872,492	308,027	887,477	283,730	371,315	644,144	(6,447,717)	906,355
Transfers	4,342,710	3,737,342	6,564,960	9,713,295	6,222,215	5,000,000	4,600,000	5,350,000	5,750,000	6,495,286
Total governmental activities	51,882,010	53,200,780	60,535,053	66,351,436	64,730,891	68,802,512	75,427,163	82,643,232	82,023,423	95,772,138
Business-type Activities										
Investment earnings	64,629	181,134	427,724	751,527	246,510	13,711	276,793	1,885,526	2,643,466	2,318,648
Intergovernmental	-	-	-	-	-	-	-	-	-	3,158,075
Contributions	-	-	-	-	-	-	-	-	3,850,000	-
Miscellaneous	91,716	62,912	44,123	501,212	637,719	979,763	2,570,134	905,226	1,939,283	215,301
Insurance Proceeds	1,155,768	-	-	-	-	-	-	-	-	-
Transfers	(4,342,710)	(3,737,342)	(6,564,960)	(9,713,295)	(6,222,215)	(5,000,000)	(5,000,000)	(5,750,000)	(5,750,000)	(6,495,286)
Total business-type activities	(3,030,597)	(3,493,296)	(6,093,113)	(8,460,557)	(5,337,986)	(4,006,526)	(2,153,073)	(2,959,248)	2,682,749	(803,262)
Total primary government	$ 48,851,413	$ 49,707,484	$ 54,441,940	$ 57,890,879	$ 59,392,905	$ 64,795,986	$ 73,274,090	$ 79,683,984	$ 84,706,172	$ 94,968,876
Change in Net Position										
Governmental activities	$ 7,016,263	$ 1,382,453	$ 23,364,308	$ (2,688,700)	$ 820,508	$ 787,439	$ (575,542)	$ (679,055)	$ (1,852,195)	$ 1,608,779
Business-type activities	6,159,482	7,430,078	3,295,421	(1,608,423)	(1,360,497)	(190,562)	(3,153,725)	(1,883,494)	5,896,511	2,816,209
Total primary government	$ 13,175,745	$ 8,812,531	$ 26,659,729	$ (4,297,123)	$ (539,989)	$ 596,877	$ (3,729,267)	$ (2,562,549)	$ 4,044,316	$ 4,424,988

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	$ 112,481	$ 73,044	$ 101,001	$ 114,384	$ 82,543	$ 100,272	$ 108,092	$ 201,419	$ 204,547	$ 82,961
Assigned	1,713,740	629,257	15,931,686	15,046,900	18,173,265	22,005,551	24,755,976	6,925,008	2,874,714	800,199
Unassigned	16,479,550	18,492,971	3,812,237	5,693,739	6,918,157	5,169,852	7,557,129	24,141,246	24,521,877	28,487,259
Total general fund	$ 18,305,771	$ 19,195,272	$ 19,844,924	$ 20,855,023	$ 25,173,965	$ 27,275,676	$ 32,421,197	$ 31,267,673	$ 27,601,138	$ 29,370,419
All other governmental funds										
Restricted, reported in special revenue funds, capital projects funds and debt service funds	$ 30,183,727	$ 20,214,022	$ 20,214,022	$ 45,572,153	$ 41,778,404	$ 80,074,200	$ 67,174,038	$ 42,248,215	$ 40,841,326	$ 34,817,788
Committed, reported in capital projects and special revenue funds	103,725	1,400,258	1,400,258	3,122,712	2,575,262	-	-	-	-	-
Unassigned	-	(33,171)	(33,171)	(15,506)	-	-	-	-	-	-
Total all other governmental funds	$ 30,287,452	$ 21,581,109	$ 21,581,109	$ 48,679,360	$ 44,353,666	$ 80,074,200	$ 67,174,038	$ 42,248,215	$ 40,841,326	$ 34,817,788

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.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 45,953,279	$ 48,402,426	$ 50,085,433	$ 53,941,473	$ 57,483,240	$ 63,432,374	$ 60,246,384	$ 62,723,502	$ 67,525,155	$ 74,044,073
Licenses and permits	835,640	836,604	699,863	1,033,451	953,364	1,302,788	1,245,283	1,409,954	1,349,881	1,413,597
Intergovernmental	5,019,509	7,347,173	5,469,932	5,249,150	14,237,396	10,293,397	1,094,576	526,870	529,372	371,463
Charges for services	1,750,223	1,852,117	1,762,527	2,292,457	3,703,673	5,538,088	4,591,214	5,582,612	5,066,133	4,482,993
Fines	1,587,626	1,344,734	1,118,178	1,100,043	586,810	554,936	841,734	848,211	869,599	1,015,318
Increment revenue		-	1,908,242	-	-	-	-	-	-	-
Interest	111,246	389,473	801,170	1,352,678	732,344	70,595	263,858	1,271,890	1,700,678	1,684,127
Contributions	-	100,000	100,000	2,192,646	2,147,752	2,448,736	-	-	2,000,000	-
Other	670,271	1,161,122	899,014	697,619	455,390	255,016	343,046	391,488	243,464	298,744
Total revenues	55,927,795	61,433,649	62,844,358	67,859,517	80,299,968	83,895,929	68,626,095	72,754,527	79,284,282	83,310,315
Expenditures										
General government	12,139,296	14,382,681	14,040,233	13,053,297	14,291,633	13,069,694	14,899,545	16,091,513	19,791,543	18,778,326
Public safety	21,964,688	25,060,989	27,984,921	29,080,688	40,011,073	37,835,135	36,351,593	36,199,473	38,012,579	38,490,228
Highways and streets	3,409,577	5,108,287	5,513,820	14,074,292	9,323,113	11,506,878	8,271,391	7,316,935	8,847,605	8,000,748
Health and welfare	3,370,645	3,571,225	3,564,581	3,903,856	6,178,674	5,925,073	5,667,544	5,915,809	6,789,228	7,419,672
Culture and recreation	8,319,542	7,385,292	8,603,141	8,992,754	9,733,828	10,624,454	9,297,972	10,009,372	11,505,224	12,055,084
Urban redevelopment and housing	879,376	860,625	595,416	506,127	374,539	575,542	-	-	-	-
Economic development	-	-	1,868,336	1,088,601	2,471,975	3,728,139	1,440,371	-	46,337,022	-
Other	-	-	15,369,424	-	-	-	-	-	-	-
Capital outlay	11,306,731	11,465,855	-	-	-	-	-	-	-	-
Debt service										
Principal	3,025,172	2,167,270	2,947,780	3,201,913	5,196,121	6,294,587	2,793,675	3,189,971	42,323,543	3,021,922
Interest	3,793,199	3,794,595	3,420,284	4,087,302	5,213,395	5,207,765	226,344	227,199	180,546	145,311
Bond issuance costs	320,678	-	-	-	-	-	-	-	-	-
Total expenditures	68,528,904	73,796,819	83,907,936	77,988,830	92,794,351	94,767,268	78,948,435	78,950,272	173,787,290	87,911,291
Excess of revenues over (under) expenditures	(12,601,109)	(12,363,170)	(21,063,578)	(10,129,313)	(12,494,383)	(10,871,340)	(10,322,340)	(6,195,745)	(94,503,008)	(4,600,976)
Other financing sources (uses)										
Transfers in	5,235,785	5,431,967	7,178,630	17,189,766	10,734,734	9,974,391	11,095,854	9,406,430	11,913,029	11,712,481
Transfers out	(893,075)	(1,860,259)	(613,670)	(7,476,471)	(4,512,519)	(4,974,391)	(6,495,854)	(4,056,430)	(6,163,029)	(5,217,195)
Insurance recoveries / sale of property	-	-	1,157,171	1,066,897	278,380	427,637	76,069	426,119	39,295,047	249,265
Issuance of Notes Payable	-	-	-	-	-	-	-	-	46,337,022	-
Bonds issued	4,145,000	-	9,705,000	27,875,000	-	39,150,000	-	-	-	-
Refunding bonds issued	13,513,328	-	-	-	-	-	-	-	-	-
Premium on bonds issued	360,973	-	158,994	2,505,779	-	4,031,899	-	-	-	-
Premium on refunding bonds issued	2,005,777	-	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	(15,315,014)	-	-	-	-	-	-	-	-	-
Proceeds from Capital Leases	-	-	-	2,146,000	5,987,036	-	-	-	-	-
Proceeds from Right-to-Use Leases	-	-	-	-	-	-	11,715,984	11,509	12,534	26,110
Proceeds from Subscription-Based Information Tech Arrangements	-	-	-	-	-	-	-	591,115	534,766	116,731
Total other financing sources (uses)	9,052,774	3,571,708	17,586,125	43,306,971	12,487,631	48,609,537	16,392,053	6,378,743	91,929,369	6,887,392
Net change in fund balances	$ (3,548,335)	$ (8,791,462)	$ (3,477,453)	$ 33,177,658	$ (6,752)	$ 37,738,197	$ 6,069,713	$ 182,998	$ (2,573,639)	$ 2,286,416
Debt service as a percentage of noncapital expenditures **(1)**	12.91%	9.81%	9.46%	10.37%	13.53%	13.79%	5.39%	7.42%	26.99%	4.14%

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

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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
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%
2023	8,181,973,399	679,210,009	572,865	1,784,088,624	7,077,667,649	0.63000	8,861,756,273	80%
2024	8,702,534,213	683,561,108	1,123,644	1,846,568,006	7,540,650,959	0.63000	9,387,218,965	80%
2025	9,717,892,001	758,528,064	1,809,100	2,257,543,549	8,220,685,616	0.63000	10,478,229,165	78%

(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.

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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	
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
2023	0.50890	0.12110	0.63000	0.57500	0.87500	0.15620	2.23620
2024	0.51560	0.11440	0.63000	0.57500	0.87270	0.16200	2.23970
2025	0.51960	0.11040	0.63000	0.57500	0.86170	0.16200	2.22870

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).

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CITY OF EDINBURG, TEXAS
PRINCIPAL TAXPAYERS
(Unaudited)

Taxpayer	2025 Taxable Value	2025 Rank	2025 Percentage of Total Taxable Value	2016 Taxable Value	2016 Rank	2016 Percentage of Total Taxable Value
Day Surgery at Renaissance LLC	$ 168,577,625	1	2.05%	$ 49,580,969	2	1.16%
Trenton Street Corporation	104,000	2	0.00%	35,703,512	4	0.83%
AEP Texas Inc-27H	48,755,340	3	0.59%			
Shoppes at Rio Grande Valley, LP	42,133,709	4	0.51%	33,974,973	5	0.79%
Calpine Central, LP (Hidalgo Energy)	28,141,010	5	0.34%	17,849,930	8	0.42%
Edinburg Regional Medical Center	25,631,151	6	0.31%	15,446,657	9	0.36%
Magic Valley Energy Center	23,864,460	7	0.29%			
30 West Pershing LLC	23,375,042	8	0.28%			
Doctors Hospital at Renaissance LTD	22,117,782	9	0.27%			
Azteca Milling LP	21,332,279	10	0.26%			
Calpine Central, LP (Magic Valley Power)				54,720,720	1	1.28%
Day Surrgery at Renaissance				44,397,061	3	1.04%
Santana Textiles				23,821,980	6	0.56%
AEP Texas Central Co.				19,492,000	7	0.46%
Schlumberger Well Service				12,521,720	10	0.29%
Totals	$ 404,032,398		4.91%	$ 307,509,522		7.18%

Source: Hidalgo County Tax Assessor

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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
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%
2023	38,913,342	37,913,534	97.43%	840,445	38,753,979	99.59%
2024	43,551,391	42,392,807	97.34%	721,722	43,114,529	99.00%
2025	46,358,197	45,098,220	97.28%	835,901	45,934,121	99.09%

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

	Governmental Activities					Business-Type Activities						
Fiscal Year	General Obligation Bonds	Tax Increment Bonds	Notes Payable	Other (2)	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases	General Obligation Bonds	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
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	9.99%	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	8.12%	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	10.51%	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	10.38%	2,194
2023	94,921,037	35,925,000	-	7,675,436	11,629,909	77,955,000	-	18,628,461	8,853,967	255,588,810	8.88%	2,422
2024	90,330,004	34,980,000	7,257,022	6,748,753	8,735,777	74,415,000	-	15,053,491	8,120,000	245,640,047	8.13%	2,303
2025	85,535,004	33,985,000	6,907,022	5,339,020	6,287,868	70,780,000	1,575,000	12,119,597	16,545,000	239,073,511	7.66%	2,222

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.

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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)
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
2023	94,921,037	704,819	94,216,218	1.33%	893
2024	90,330,004	875,912	89,454,092	1.19%	839
2025	85,535,004	1,185,348	84,349,656	1.03%	784

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.

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

Assessed valuation 2024 tax roll for fiscal year 2025	$	9,387,218,965
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.		5%
		469,360,948
Total bonded debt		94,921,037
Deduct amount available in debt service fund		875,912
Applicable debt		94,045,125
Economic debt margin	$	375,315,823

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

	Revenue Bonds					
Fiscal Year	Charges and Other (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
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	15,417,878	5,450,932	2,485,000	1,189,840	1.48
2023	22,837,966	17,320,729	5,517,237	2,660,000	1,030,140	1.50
2024	24,798,073	16,347,000	8,451,073	3,540,000	1,543,995	1.66
2025	29,130,994	19,380,493	9,750,501	3,635,000	1,541,301	1.88

(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.

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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)
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%
2023	105,543	27,278	29.90	4.70%
2024	106,667	28,336	31.30	4.80%
2025	107,598	29,005	31.60	5.00%

(1) Estimated (information was received from the 2020 US Census)
(2) **Source**: Texas LMI Tracer-Labor Market

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CITY OF EDINBURG, TEXAS
PRINCIPAL EMPLOYERS
(Unaudited)

	2025(1)		2015(1)	
Employer	**Employees**	**Rank**	**Employees**	**Rank**
Doctor's Hospital at Renaissance	6,264	1	3,400	3
University of Texas Rio Grande Valley-UTRGV	5,200	2	4,000	2
Edinburg CISD	5,030	3	4,682	1
South Texas Health System	3,850	4		
U.S. Customs & Border Patrol	3,700	5	1,609	6
Hidalgo County	3,500	6	3,030	4
City of Edinburg	1,497	7	800	9
Region One	1,496	8		
Maximus	1,400	9		
Tropical Texas MHMR	1,000	10	586	10
Edinburg Regional Medical Center			2,000	5
Wal-Mart (University Dr/Sugar/Canton)			880	7
Teleperformance			860	8
Total	32,937		21,847	

(1) Source: Edinburg Economic Development Corporation

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CITY OF EDINBURG, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION
Last Three Fiscal Years
(Unaudited)

	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
General Government			
Mayor and City Council	5	5	5
City Manager	9	9	9
Municipal Court	17.5	17.5	18
Legal	1	1	3
City Secretary	9	9	10
Communications and Media	12	12	12
Information Technology	20	20	20
Public Works	6	6	6
Finance	29	29	28
Human Resources	13	13	13
Grants Administration	6	6	6
Planning and Zoning	12	12	12
Public Safety			
Police	269	269	263
Fire	78	78	83
Fire Prevention	9	9	9
Highway and Streets			
Engineering	18	17.5	18
Streets	47	47	51
Health and Welfare			
Building Maintenance	38	37.5	39.5
Building Safety	21	37	21
Health and Code	17	0	22
Culture and Recreation			
R.O.W.	41	41	41
Library	36	36	39
Recreation	179	179	220.5
World Birding Center	13.5	13.5	13.5
Parks	59	59	59
GENERAL FUND TOTAL	**965**	**963**	**1021.5**
Utilities/Admin.	5	5	5
Water Plant	22	22	22
Wastewater Plant	38	38	37
Systems	51	51	52
UTILITY FUND TOTAL	**116**	**116**	**116**
C.D.B.G.	1	1	0
C.D.B.G. TOTAL	**1**	**1**	**0**
Aviation	10	10	10
Ebony Golf Course	7.5	7.5	8
Solid Waste Management	124	124	124
Los Lagos Golf Course	29	29	29
Boys and Girls Club Fund	29	29	29
OTHER FUNDS TOTAL	**199.5**	**199.5**	**200**
GRAND TOTAL	**1281.5**	**1279.5**	**1337.5**

Source: City of Edinburg Finance Department

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CITY OF EDINBURG, TEXAS
OPERATING INDICATORS BY FUNCTION
(Unaudited)

Function	2024	2025
Public Safety- Police		
Physical Arrests	3,328	3,154
Parking Violations	198	309
Traffic Violations	33,657	38,892
Public Safety- Fire		
Number of Calls Answered	2,941	3,136
Inspections	2,569	1,740
Highways and Streets		
Streets Resurfacing (miles)	19.3	12.0
Traffic Signs Repaired	1,279	1,240
Solid Waste Services		
Refuse Collected-Residential Accts/Weekly	23,764	23,534
Refuse Collected-Commercial Accts/Weekly	4,078	4,552
Material Recycled - Tons	1,024	1,034
Golf Course Services		
Golf Course		
Rounds-9 Hole	13,821	7,484
Rounds-18-Hole	34,049	42,974
Culture and Recreation		
Programs	141	141
Parks Maintained	26	26
Water		
New Connections	940	592
Water Mains Breaks	265	229
Average Daily Consumption (millions of gallons)	13.443	13.450
Wastewater		
Average Daily Sewage Treatment (millions of gallons)	9.440	9.990

Sources: Various City Departments
Note: Indicators are not available for the general government function and airport services.

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CITY OF EDINBURG, TEXAS
CAPITAL ASSETS STATISTICS BY FUNCTION
(Unaudited)

Miles of Streets:	
Paved	463.78
Graded	0.7
State Highways	12.79
Miles of Sewers:	
Storm	177.46
Storm Drainage Ditches	21.70
Building Permits:	
Permits Issued	1,928
Estimated Value	$ 407,591,527
Fire Protection:	
Number of Stations	5
Number of Firemen (Volunteers)	20
Fire Training Filed	1
Police Protection:	
Number of Stations	1
Number of Policemen	195

	Number	Acres
Recreation:		
Parks	26	428
Number of Picnic Areas	170	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

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Cascos & Associates, PC
Certified Public Accountants
Audit/Accounting/Tax/Consulting

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 Members
Of the City Commission
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 the City of Edinburg, Texas (the "City"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 17, 2026.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

DRAFT

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Email: alfred.vera@cascoscpa.com
AICPA Members
TXCPA RIO GRANDE VALLEY

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.

Cascos & Associates, PC
Brownsville, Texas
March 17, 2026

DRAFT

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members
of the City Commission
City of Edinburg, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Edinburg, Texas (the "City")'s, 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 programs for the year ended September 30, 2025. The City's major federal 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal 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). Our responsibilities under those standards and the Uniform Guidance 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 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 programs.

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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*, and the Uniform Guidance 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 program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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, 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.

Report on Internal Control over Compliance

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 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 program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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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. Accordingly, this report is not suitable for any other purpose.

Cascos & Associates, PC
Brownsville, Texas
March 17, 2026

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City of Edinburg, Texas
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

(1) Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	(2) Federal Assistance Listing Number	(3) Pass-Through Entity Identifying Number	(4) Provided to Subrecipients	(5) Federal Expenditures
U.S. Department of Housing and Urban Development				
Direct Programs				
CDBG-Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grant	14.218	B21MC480503	$ 42,942	$ 42,942
Community Development Block Grants/Entitlement Grant	14.218	B22MC480503	73,860	87,960
Community Development Block Grants/Entitlement Grant	14.218	B23MC480503	-	106,005
Community Development Block Grants/Entitlement Grant	14.218	B24MC480503	24,483	174,285
Program Revenue	14.218	N/A	962	75,534
Total			142,247	486,726
Total U.S. Department of Housing and Urban Development			142,247	486,726
U.S. Department of the Interior				
Direct Programs				
WaterSMART (Sustain and Manage America's Resources for Tomorrow	15.507	R23AP00227-00	-	100,000
Total			-	100,000
Total U.S. Department of the Interior			-	100,000
U.S. Department of Justice				
Direct Programs				
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-03411-UHPX	-	349,702
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-22-GG-03453-UHPX	-	379,700
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-24-GG-03516-UHPX	-	36,363
Equitable Sharing Program	16.922	N/A		5,692
Total			-	771,457
Passed Through Texas Office of the Governor – Criminal Justice Divisio				
Victims of Crime Act Formula Grant Program	16.575	15POVC-23-GG-00468-ASSI		33,955
Victims of Crime Act Formula Grant Program	16.575	15POVC-23-GG-00468-ASSI		9,943
Violence Against Women Formula Grants	16.588	15JOVW-24-GG-00542-MUMU		16,779
Edward Byrne Memorial Justice Assistance Grant Progran	16.738	15PBJA-24-GG-04679-JAGX		23,655
Total Passed Through Texas Office of the Governor – Criminal Justice Divisio			-	84,332
Total U.S. Department of Justice			-	855,789
U.S. Department of Transportation				
Passed Through Texas Department of Transportatior				
State and Community Highway Safety Grant Prograr	20.600	2025-EdinbuPD-S-1YG-00126	-	36,742
State and Community Highway Safety Grant Prograr	20.600	2025-EdinbuPD-S-CMV-00043	-	11,876
State and Community Highway Safety Grant Prograr	20.616	2025-EdinbuPD-IDM-00033	-	66,344
Total Passed Through Texas Department of Transportatior			-	114,962
Total U.S. Department of Transportation			-	114,962
United States Department of the Treasury				
Direct Programs				
Equitable Sharing	21.016	N/A	-	533,475
COVID 19 - American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Prograı	21.027	N/A	-	7,944,350
Total			-	8,477,825
Total United States Department of the Treasury			-	8,477,825
U.S. Department of Homeland Security				
Direct Programs				
Staffing for Adequate Fire and Emergency Response (SAFER) Grar	97.083	EMW-2022-FF-01945	-	327,538
Total			-	327,538
Passed Through the Texas Division of Emergency Management (TDEM				
Hazard Mitigation Grant Program	97.039	DR-4586-0053	-	672,901
Total Passed Through the Texas Division of Emergency Management (TDEM			-	672,901
Total Passed Through Texas Division of Emergency Management (TDEM			-	672,901
Passed Through the Texas Office of the Governo				
Homeland Security Grant Program	97.067	EMW-2023-SS-00025	-	222,254
Homeland Security Grant Program	97.067	EMW-2024-SS-05096	-	25,739
Total Passed Through the Texas Office of the Governo			-	247,993
Total U.S. Department of Homeland Security			-	1,248,432
Total Expenditures of Federal Awards			**$ 142,247**	**$ 11,283,734**

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See accompanying notes to the schedule of expenditures of federal awards.

CITY OF EDINBURG, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

1. BASIS OF ACCOUNTING AND PRESENTATION

The Schedule of Expenditures of Federal Awards presents the activity of all applicable federal award programs of the City of Edinburg, Texas (the "City") for the year ended September 30, 2025. The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. 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.

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, 2025 were provided for reimbursement of indirect costs.

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.

4. FEDERAL LOANS AND LOAN GUARANTEES

During the year ended September 30, 2025, the City had no outstanding federal loans payable or loan guarantees.

5. NONCASH AWARDS

During the year ended September 30, 2025, the City received 200 5-gallon trees, a noncash assistance, with an estimated cash value of $4,000, from the Apache Corporation Tree Grant Program.

6. FEDERALLY FUNDED INSURANCE

During the year ended September 30, 2025, the City did not have insurance that was federally funded.

7. PROGRAM INCOME

Community Development Block Grants, ALN 14.218, reported program income in the amount of $75,534 for the year ended September 30, 2025.

8. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Grant expenditure reports which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a different date and often reflect refined estimates of year-end accruals. The reports will agree at termination of the grant as the discrepancies noted are timing differences.

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CITY OF EDINBURG, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

I. Summary of the Auditors' Results

Financial Statements

Type of auditors' report issued in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None
Type of auditors' report on compliance with major programs:	Unmodified
Any audit findings which are required to be reported in accordance with 2 CFR 200.516(a)?	No
Major programs are as follows:	

Assistance Listing Number:	Name of Federal Program or Cluster:
16.710	Public Safety Partnership and Community Policing Grant
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as a low-risk auditee:	Yes

II. Financial Statement Findings

None reported.

III. Federal Award Findings and Questioned Costs

None reported.

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CITY OF EDINBURG, TEXAS
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

I. Reference Number **Financial Statement Findings**

Finding 2024-001 ***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 February 14, 2025, or approximately 4 months after the entity's fiscal year end. Additionally, the trial balance required a significant number of adjustments. A total of 105 adjustments were posted by management to the initial trial balance provided for audit. With the latest adjustment being provided on March 21, 2025. Finally, the City does not have a formal policy for financial closing.

Current Year Status: Item was corrected.

Finding 2024-002 ***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 434 checks in the Pooled Cash Operating Account totaling $27,106 that have remained outstanding for more than three years.

Current Year Status: Item was corrected.

II. Reference Number **Federal Award Findings**

Finding 2024-003 ***Performance Reporting***

Federal Program: American Relief Plan Act (ARPA) ALN 21.027
Federal Agency: U.S. Department of Treasury
Federal Award Year: 2021
Type of Finding: Significant Deficiency in Internal Control over Compliance and Noncompliance

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.

Current Years Status: Item was corrected.

DRAFT

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
PUBLIC HEARINGS
Agenda Item No: 8.A.
Comprehensive Plan Amendment and Rezoning Request - Benjamin Yip, Pon

1. **Agenda Item:**
Hold Public Hearing and Consider the Ordinances Providing for the Comprehensive Plan Amendment from Neighborhood Commercial Uses to General Commercial Uses and the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District, Being the South 0.260-Acre Tract of Land, More or Less, Out of the South 0.6981 Acres of the West One (1) Acre of Lot 6, Block "B", Original Townsite of Edinburg, Located at 223 W. Schunior Street, as Requested by Benjamin Yip, Pon. [Jaime Acevedo, Director of Planning and Zoning]

2. **Description:**
This property is located at the northeast corner of W. Schunior Street and N. 9th Avenue. The property is currently zoned Commercial, Neighborhood (CN) District. This district provides small neighborhood shopping opportunities and services in areas that are largely residential in use. The requested zoning is Commercial, General (CG) District. This is the primary commercial district, meant to accommodate a wide range of commercial uses, including highway service uses and community or regional commercial, office, and service uses. The property has a total frontage of 66 feet along W. Schunior Street and a lot depth of 171 feet along N. 9th Avenue, for a total area of 11,286 square feet. Currently a single family residential building sits vacant at the property. The applicant is wanting to utilize the property for commercial uses.

Adjacent zoning is Commercial, General (CG) District to the north, Commercial, Neighborhood (CN) District to the east and west, and Residential, Primary (RP) District to the south. Surrounding land uses consists of single-family residential uses and commercial uses. The Future Land Use designation for this property is for Neighborhood Commercial Uses.

Staff mailed a notice of the public hearing to 35 neighboring property owners on Friday, February 13, 2026, and 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 February 25, 2026.

On February 18, 2026, Planning staff met with City of Edinburg development departments to discuss the proposed rezoning. It was determined infrastructure in this area will support the proposed development.

On February 26, 2026, the Planning and Zoning Commission issued a 2–2 split vote, resulting in a recommendation of denial.

3. **Staff's Recommendation:**
Staff recommends denial of the Comprehensive Plan Amendment from Neighborhood Commercial Uses to General Commercial Uses and the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District, based on the surrounding land uses and the future land use. 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:		**Prepared by:**
Jaime Acevedo, Director of Planning and Zoning	Approved - 3/13/2026	Rita Guerrero, Assistant Director of Planning and Zoning
Jesus Saenz, Assistant City Manager	Final Approval - 3/13/2026	

Attachments:

A. City Council Agenda Packet Attachments
B. Ordinance

MEETING DATES:
PLANNING & ZONING COMMISSION – 02/26/2026
CITY COUNCIL – 03/17/2026
DATE PREPARED – 02/18/2026

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Consider the Comprehensive Plan Amendment from Neighborhood Commercial Uses to General Commercial Uses and the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District

APPLICANT: Sobia Nasir

AGENT: Benjamin Yip, Pon.

LEGAL: Being the South 0.260-Acre Tract of Land, More or Less, Out of the South 0.6981 Acres of the West One (1) Acre of Lot 6, Block "B", Original Townsite of Edinburg

LOCATION: Located at 223 W. Schunior Street

LOT/TRACT SIZE: 11,286 square feet

CURRENT USE: Vacant Single Family Residential Building

PROPOSED USE: Commercial, General (CG) District

EXISTING ZONING: Commercial, Neighborhood (CN) District

ADJACENT ZONING:
North – Commercial, General (CG) District
South – Residential, Primary (RP) District
East – Commercial, Neighborhood (CN) District
West – Commercial, Neighborhood (CN) District

LAND USE PLAN: Neighborhood Commercial Uses

PUBLIC SERVICES: City of Edinburg Sewer and Water CCN Service Area

RECOMMENDATION: Staff recommends denial of the Comprehensive Plan Amendment from Neighborhood Commercial Uses to General Commercial Uses and the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District

COMPREHENSIVE PLAN AMENDMENT
REZONING REQUEST
BENJAMIN YIP, PON.

EVALUATION

The following is the staff's evaluation of the request:

1. The property currently has a vacant single family residential building on the property.

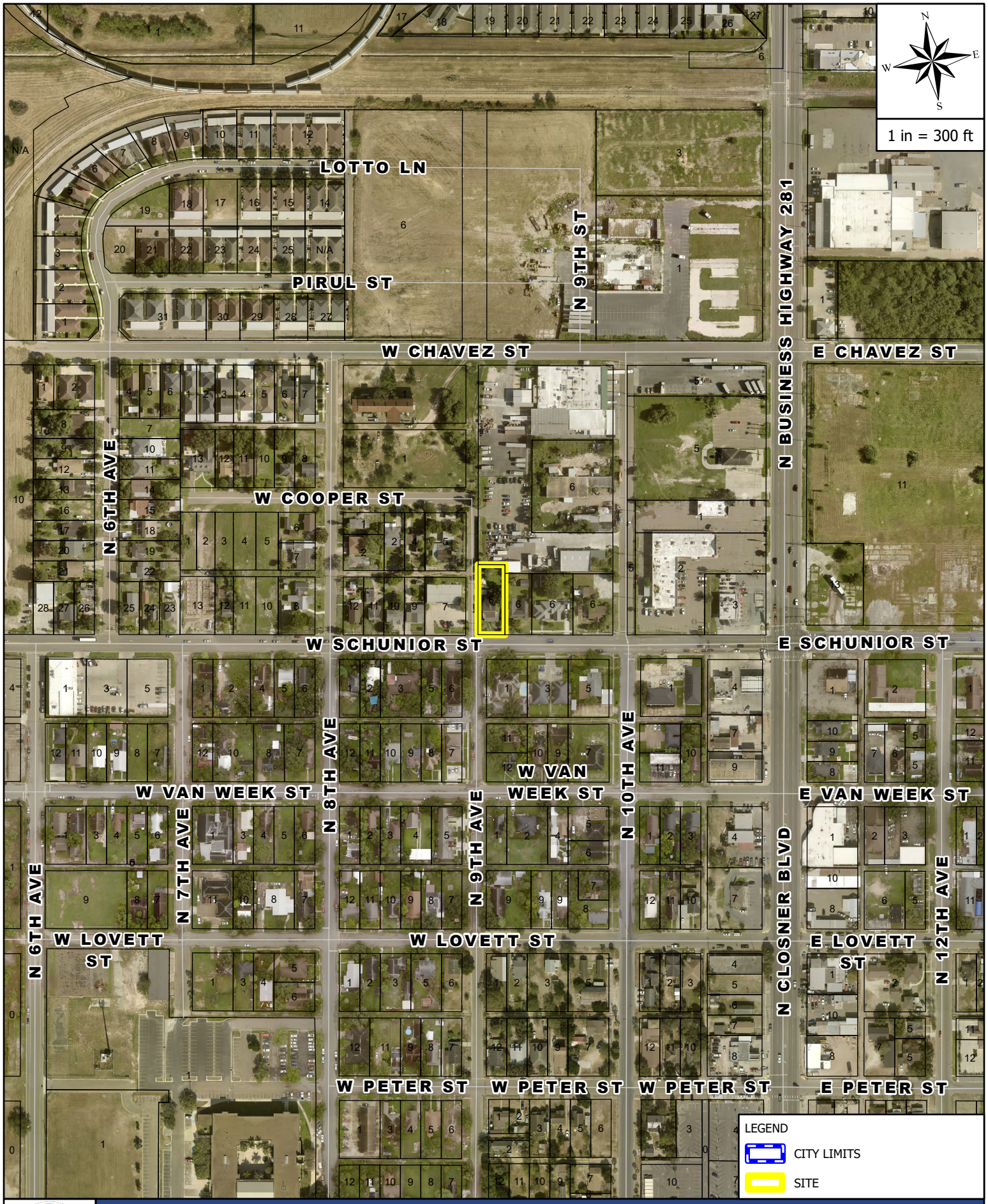
2. Surrounding land consists of single-family residential uses and commercial uses.

3. This property is located along W. Schunior Road which is classified as a 4 lane 80 foot collector street.

4. The proposed zoning is not consistent with the Future Land Use Plan.

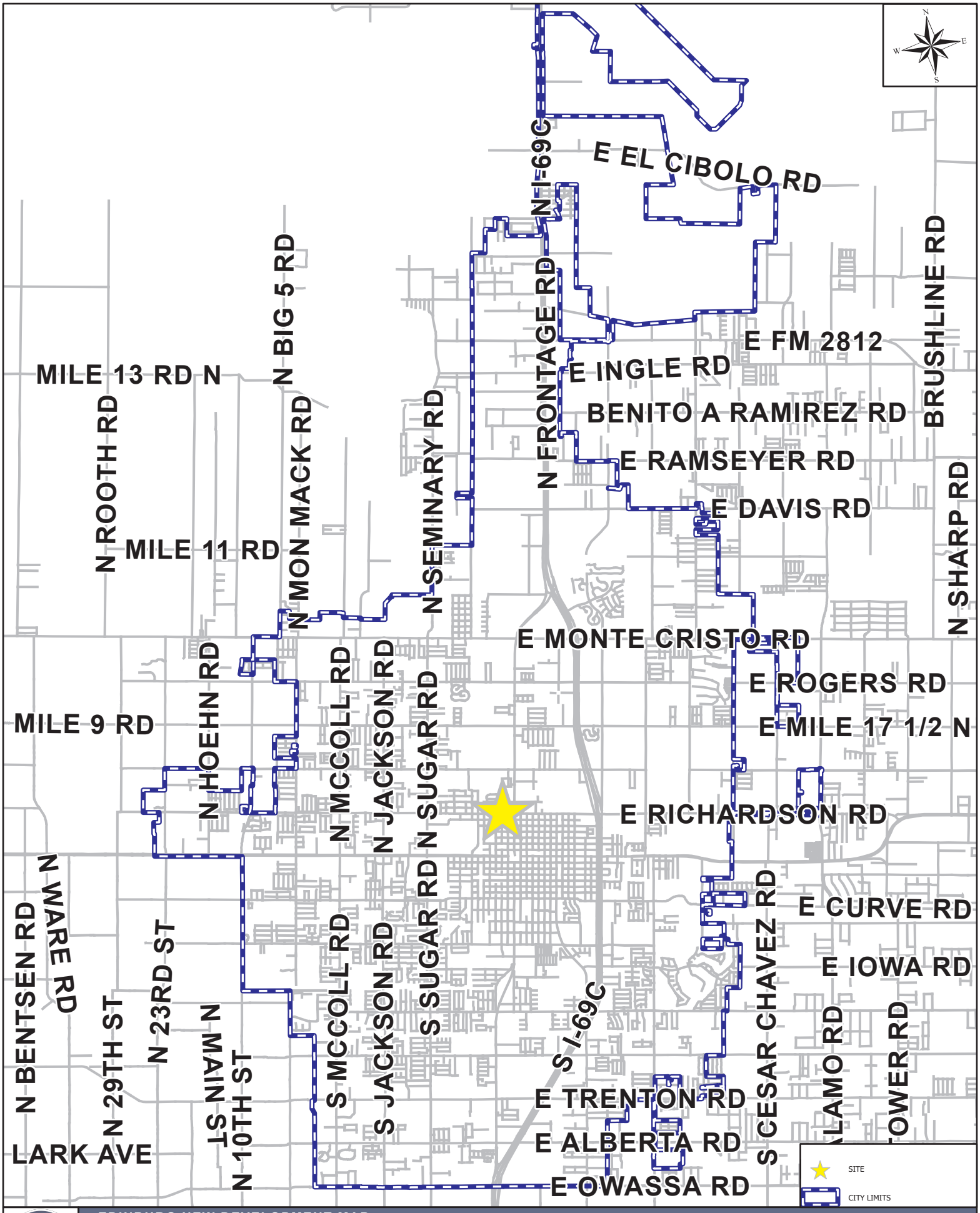
Staff recommends denial of the Comprehensive Plan Amendment from Neighborhood Commercial Uses to General Commercial Uses and the Rezoning Request from Commercial, Neighborhood (CN) District to Commercial, General (CG) District, based on the surrounding land uses and the future land use. If approved, 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 35 neighboring property owners on Friday, February 13, 2026, and 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 February 25, 2026.



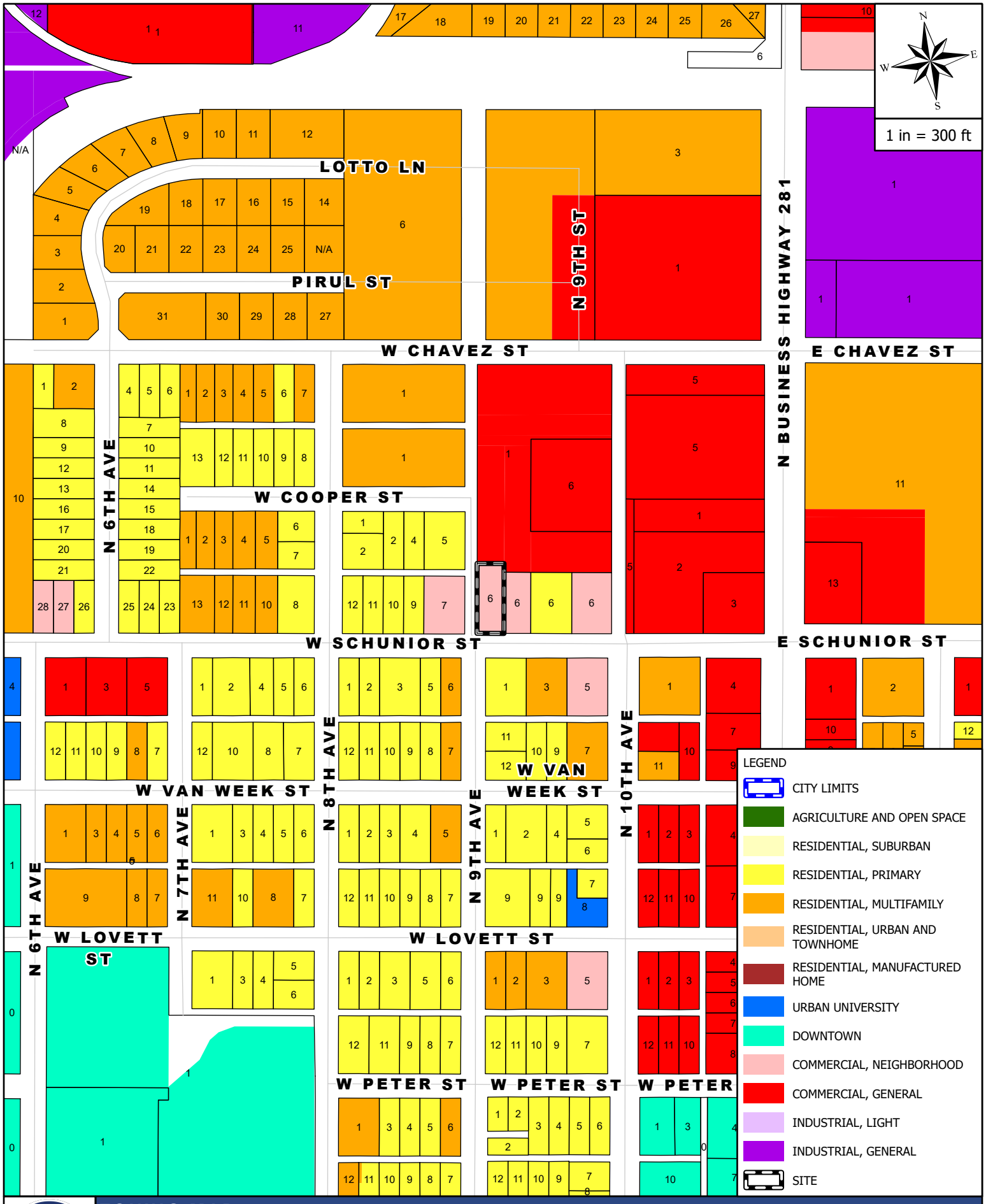
AERIAL MAP

223 W SCHUNIOR ST



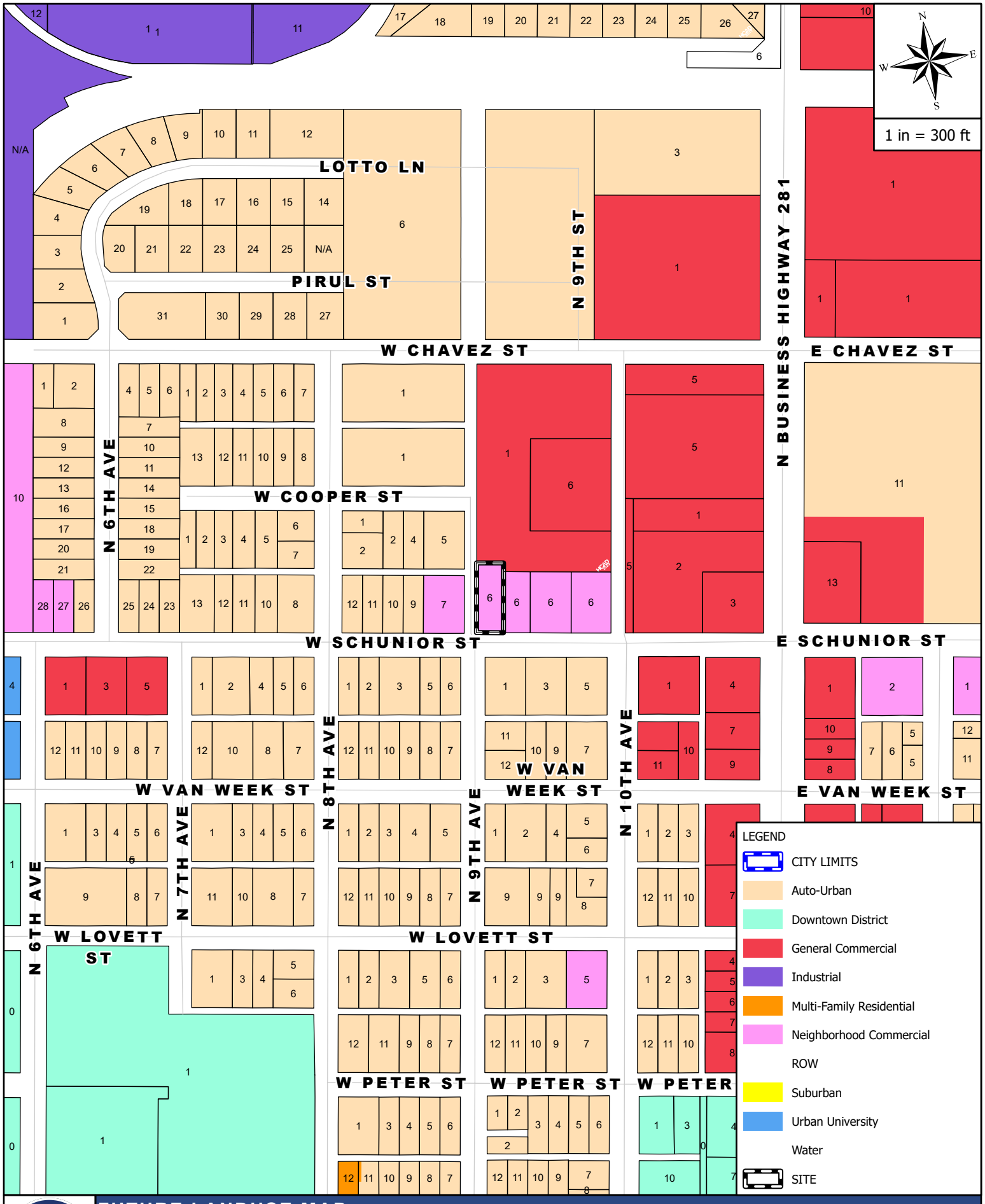
EDINBURG NEW DEVELOPMENT MAP

223 W SCHUNIOR ST



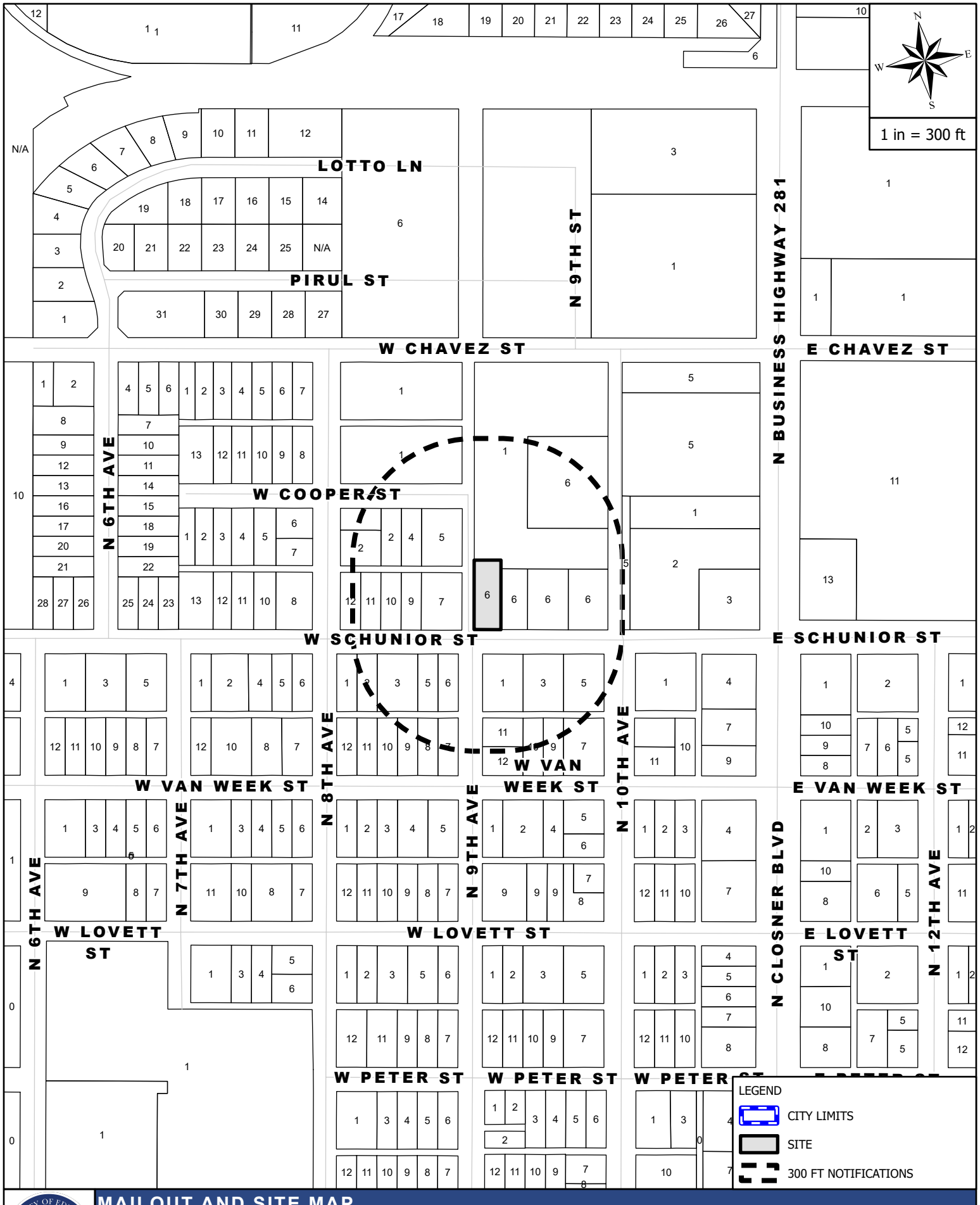
ZONING MAP

223 W SCHUNIOR ST



FUTURE LANDUSE MAP

223 W SCHUNIOR ST



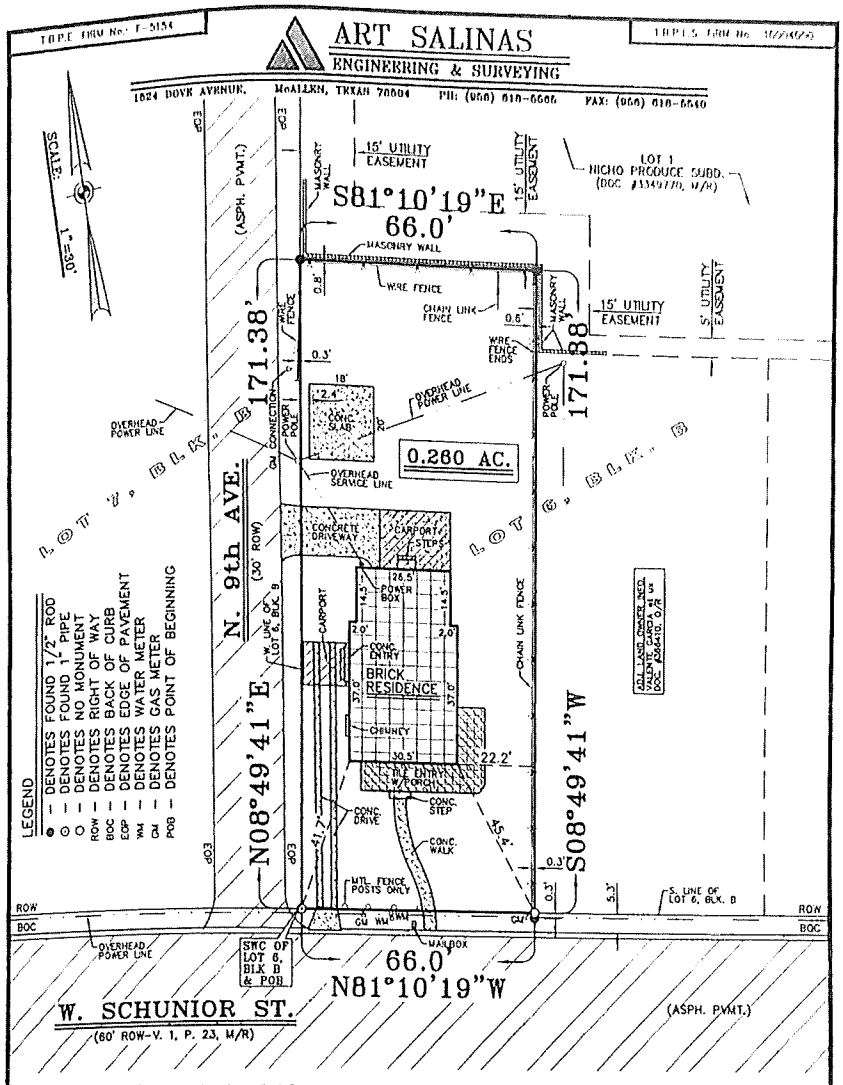
MAILOUT AND SITE MAP

223 W SCHUNIOR ST

Rezoning Request Site Photo

Bejamin Yip,Pon
223 W. Schunior





FLOOD ZONE DESIGNATION: The property shown hereon lies in Zone "X". Zone "X" areas are areas of 500-year flood; areas of 100-year flood with average depths of less than 1 foot or with drainage areas of less than 1 square mile; and areas protected by levees from 100-year flood as per F.E.M.A. Flood Insurance Rate Map No. 480338-C-0015-E dated 05-05-00 and amended on 05-14-01.

PLAT NOTES:

1. There are no discrepancies, conflicts, shortages in area or boundary lines, encroachments, overlapping of improvements or visible or apparent easements except as shown on this plat.
2. This survey plat is prepared in connection with Title Policy G.F. # 22-223936-EO and does not guarantee title. This survey is for the exclusive use of the client named hereon and may not be copied or transferred to another party without the express written consent of the surveyor.
3. This survey must contain an embossed seal and an original signature to be valid as per Section 681.45 and Section 663.19 of the "The Professional Land Surveying Practices Act".
4. This is a standard survey and does not include the location or subsurface investigation of underground utility, irrigation and/or gas lines.
5. Subdivision regulations of the County of Hidalgo and/or ordinances or regulations of the city holding extra-territorial jurisdiction of said property.
6. Statutory rights, rules and regulations in favor of Hidalgo County Irrigation District No. 1 pursuant to applicable sections of the Texas Water Code. (Blanket)
7. Subject property lies within the boundaries of Hidalgo County Drainage District No. 1.
8. Subject to any part of the herein described property lying within canal right of way claimed in fee simple by water district.
9. Zoning and building ordinances in favor of the City of Edinburg.
10. Building setback lines as per City zoning ordinance.
11. Subject to any oil, gas and mineral lease of record.
12. Bearing Basis: "Texas State Plane Coord. System – South Zone (4205)"

Benefeciti: Sobia Nasir

THIS IS TO CERTIFY THAT I HAVE, THIS DATE, PREPARED A SURVEY ON THE GROUND WHICH IS LOCATED AT 223 W. SCHUNIOR ST., In EDINBURG, TEXAS, DESCRIBED AS FOLLOWS:
THE SOUTH 0.260 ACRE TRACT OF LAND, MORE OR LESS, OUT OF THE SOUTH 0.6981 ACRES OF THE WEST ONE (1) ACRE OF LOT 6, BLOCK "B", ORIGINAL TOWNSITE OF EDINBURG, AN ADDITION IN HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT RECORDED IN VOLUME 1, PAGE 23, MAP RECORDS OF HIDALGO COUNTY, TEXAS.
(SEE METES AND BOUNDS DESCRIPTION)

23-64663 Job No.

02-16-23 Date

©COPYRIGHT 2023 ART SALINAS ENGINEERING INC. THIS SURVEY WAS PROVIDED IN MULTIPLE ORIGINALS SOLELY FOR THE USE OF THE BORROWER NAMED HEREON. NO LICENSE HAS BEEN CREATED, EXPRESSED OR IMPLIED TO COPY THIS SURVEY.

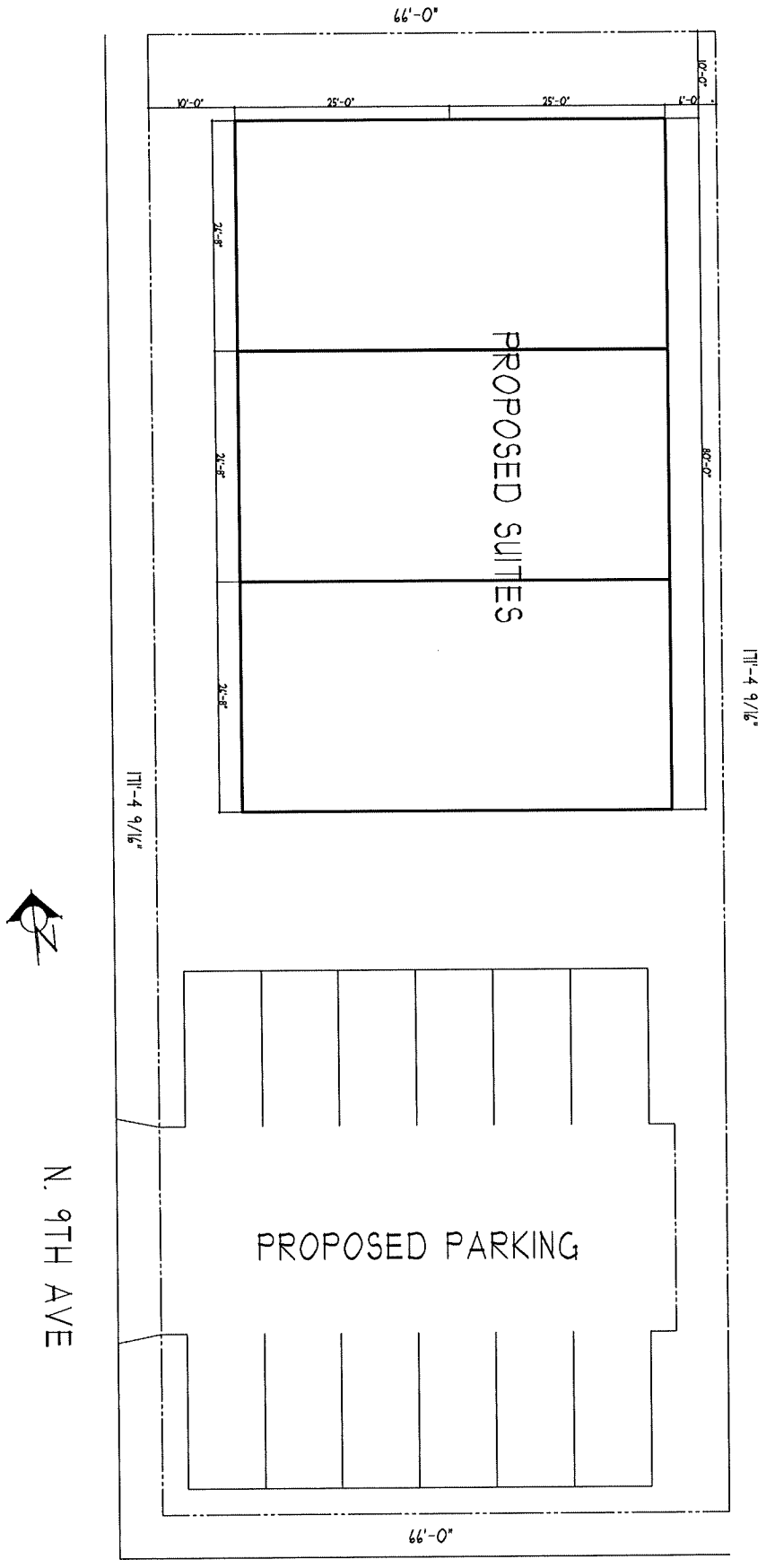
Registered Professional Land Surveyor No. 4802

PELIMINARY SITE PLAN | N.T.S.

223 W SHUNIOR ST

PELIMINARY SITE PLAN 2 N.T.S.

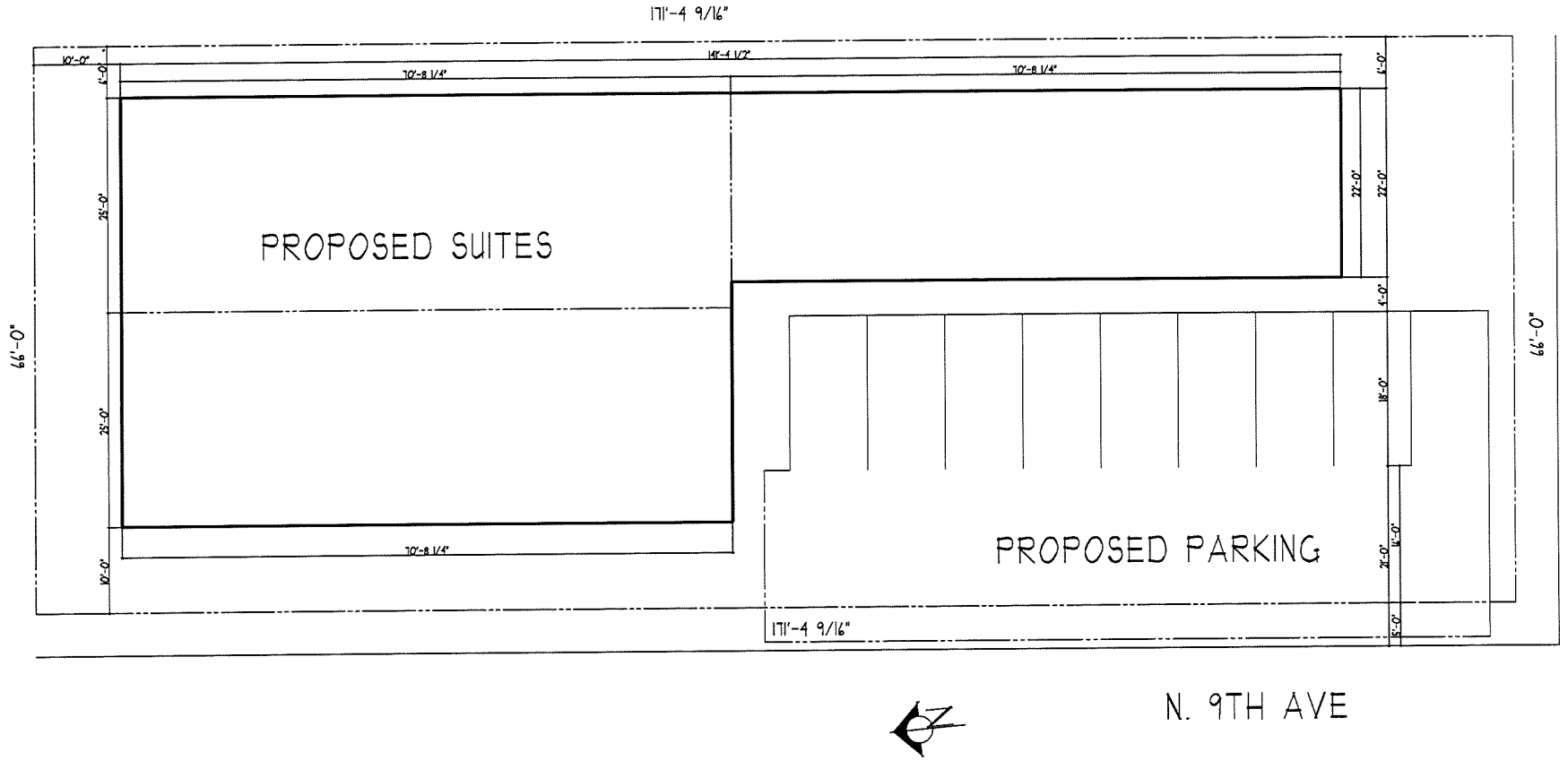
223 W SHUNIOR ST



PELIMINARY SITE PLAN 3 N.T.S.

N. 9TH AVE

223 W SHUNIOR ST



PELIMINARY SITE PLAN 4 N.T.S.

THE CITY OF Edinburg

NOTIFICATION

Dear Property Owner:

A public hearing will be held on **Thursday, February 26, 2026, at 5:30 P.M.** in the Edinburg City Hall, City Council Chambers, located at 415 W. University Drive, at which time the Planning and Zoning Commission will address the following:

CONSIDER THE COMPREHENSIVE PLAN AMENDMENT FROM NEIGHBORHOOD COMMERCIAL USES TO GENERAL COMMERCIAL USES AND THE REZONING REQUEST FROM COMMERCIAL, NEIGHBORHOOD (CN) DISTRICT TO COMMERCIAL, GENERAL (CG) DISTRICT, BEING THE SOUTH 0.260-ACRE TRACT OF LAND, MORE OR LESS, OUT OF THE SOUTH 06981 ACRES OF THE WEST ONE (1) ACRE OF LOT 6, BLOCK "B", ORIGINAL TOWNSITE OF EDINBURG, LOCATED AT 223 W. SCHUNIOR STREET, AS REQUESTED BY BENJAMIN YIP, PON

This is the primary commercial district, meant to accommodate a wide range of commercial uses, including highway service uses and community or regional commercial, office, and service uses.

This request is scheduled to be heard by the **City Council on Tuesday, March 17, 2026, 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 Wednesday, February 25, 2026
EMAIL: planning@cityofedinburg.com by Wednesday, February 25, 2026

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: High traffic area w/ potential for commercial development.

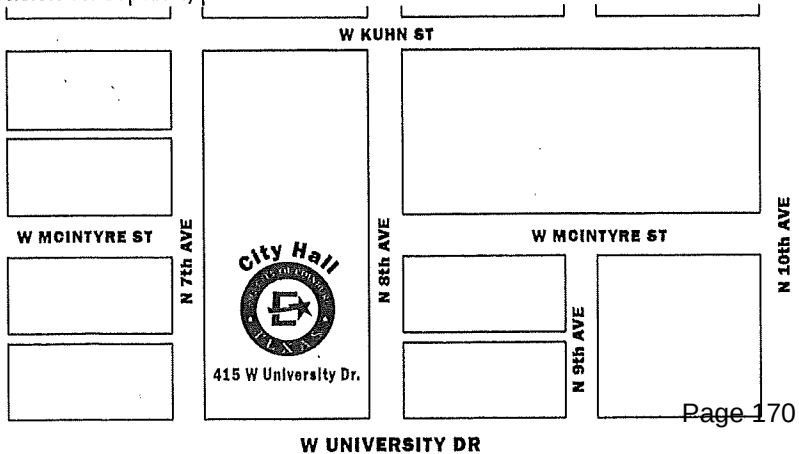
Print Name: Alejo Salinas Jr Phone No. [redacted]

Address: [redacted] State: _____ 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



ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES FROM COMMERCIAL, NEIGHBORHOOD (CN) DISTRICT TO COMMERCIAL, GENERAL (CG) DISTRICT, BEING THE SOUTH 0.260-ACRE TRACT OF LAND, MORE OR LESS, OUT OF THE SOUTH 0.6981 ACRES OF THE WEST ONE (1) ACRE OF LOT 6, BLOCK "B", ORIGINAL TOWNSITE OF EDINBURG, LOCATED AT 223 W. SCHUNIOR STREET, 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 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 all of Being The South 0.260-Acre Tract of Land, More or Less, Out of the South 0.6981 Acres of the West One (1) Acre of Lot 6, Block "B", Original Townsite of Edinburg, Located at 223 W. Schunior Street 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 February 26, 2026, 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 denied 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 March 17, 2026, 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, and Commercial, General (CG) District and the boundaries of said Districts are hereby amended, supplemented and changed so as to delete the said area from the said Commercial, Neighborhood (CN) District and added to the 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 17th day of March 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

By: _____
Josephine Ramirez-Solis, City Attorney

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CITY OF EDINBURG COMPREHENSIVE PLAN BY DETERMINING THAT THE DEVELOPMENT FACTORS WITHIN THE CITY HAVE ADJUSTED SUCH THAT THE PROPOSED USE, BEING THE SOUTH 0.260-ACRE TRACT OF LAND, MORE OR LESS, OUT OF THE SOUTH 0.6981 ACRES OF THE WEST ONE (1) ACRE OF LOT 6, BLOCK "B", ORIGINAL TOWNSITE OF EDINBURG, LOCATED AT 223 W. SCHUNIOR STREET, SHOULD BE FOR GENERAL COMMERCIAL USES; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE, PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; PROVIDING A WAIVER OF THREE (3) SEPARATE READINGS; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER THEREOF.

WHEREAS, the Comprehensive Plan designation of the property herein described needs to be amended to provide a transition from Neighborhood Commercial Uses to General Commercial and,

WHEREAS, it appears that the development will proceed, if allowed; and,

WHEREAS, such development is not detrimental to the Neighborhood Commercial Uses in the surrounding area; and

WHEREAS, in order to avoid exceptions to the Comprehensive Plan, it is appropriate that the Plan be changed to reflect conditions as they actually exist in Edinburg.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION I. AUTHORITY OF LAW: All Requirements To The Law Have Been Met In The Passing Of This Ordinance.

SECTION II. The Comprehensive Plan for the development of Edinburg adopted by Ordinance No. 2024-5022 on October 15, 2024 is hereby amended to provide that the property in question, would best be used and developed, because of changing conditions for General Commercial Uses. The conditions that exist are:

(1) Population growth requiring more General Commercial Uses;

(2) Expansion and development of General Commercial Uses.

This area, because of Edinburg's growth, should be included in those portions of the city providing support to and being compatible with other similar uses, all of which are in close proximity to one another.

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 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: 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.

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 17th day of March 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____

Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

By: _____
Josephine Ramirez-Solis, City Attorney

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
PUBLIC HEARINGS
Agenda Item No: 8.B.
Public Hearing / Renaming of Real Property - Edinburg Municipal Park Baseball Field #7

1. **Agenda Item:**
Hold Public Hearing and Consider the Resolution Proposing the Renaming of the Real Property Currently Identified as Edinburg Municipal Park Baseball Field #7, Located at 714 S. Raul Longoria Road, Edinburg, Texas, to Honor Fernando "Fernie" De La Garza, as Requested by the City of Edinburg Little League Board. [Jaime Acevedo, Director of Planning and Zoning]

2. **Description:**
City of Edinburg honors the achievements of local residents and promotes the heritage of the City through the naming, renaming, or commemorative designation of City Facilities. Edinburg Municipal Park, as the largest park in the park system, sees daily usage for ballgames, tournaments, family activities, and city events. There are nine baseball/softball fields with bleachers. The City of Edinburg Little League Board has submitted a request to rename the real property identified as Edinburg Municipal Park Baseball Field #7 to honor Fernando "Fernie" De La Garza. A letter of request has been provided for the City Council's consideration.

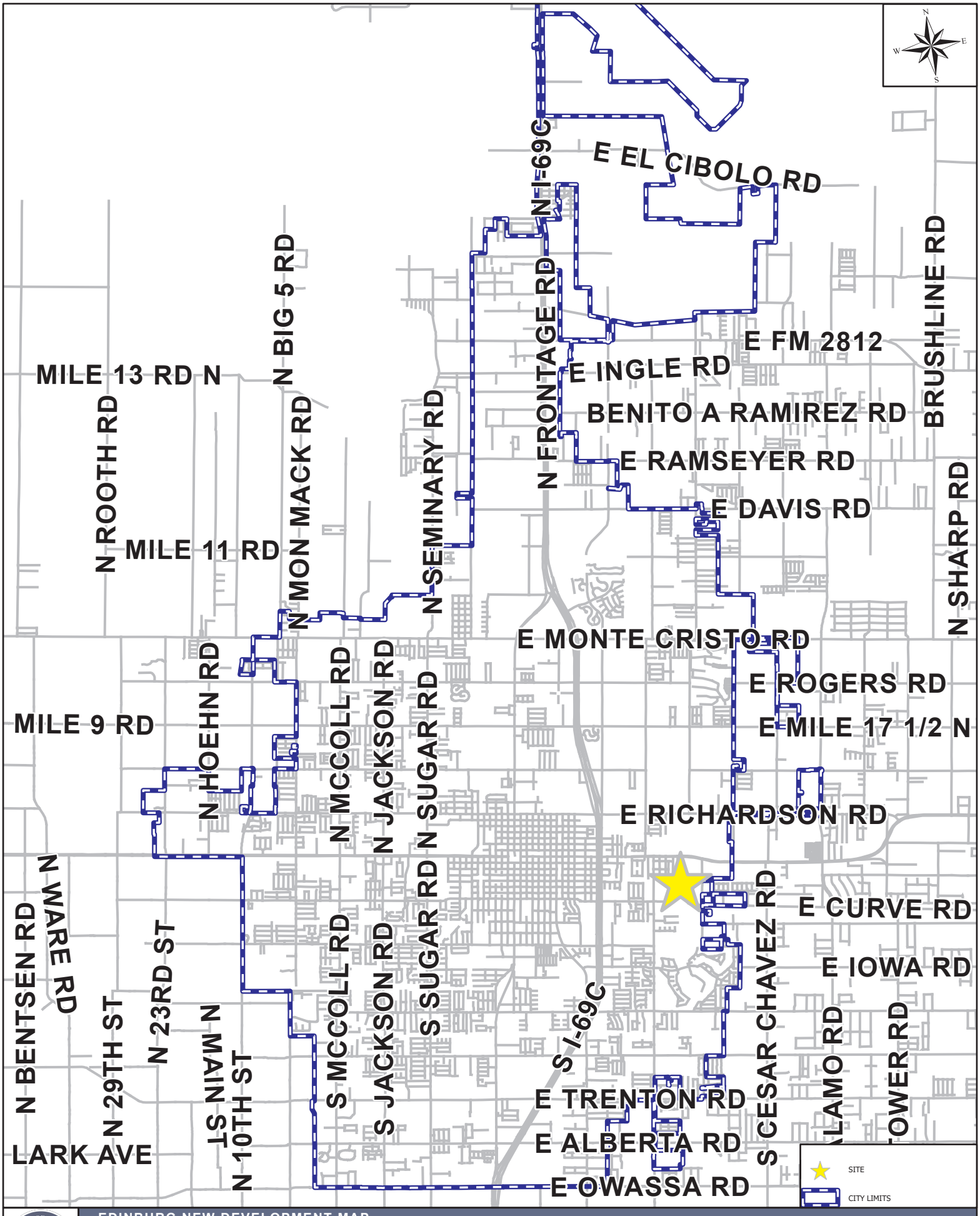
Staff mailed a notice of the public hearing before the City Council to 10 neighboring property owners and received no comments in favor or against this request at the time of the report.

Mail out notification sent out: February 19, 2026
Publication in the newspaper: February 25, 2026
Publication on the City website: March 13, 2026

3. **Staff's Recommendation:**
The resolution is being presented as requested.

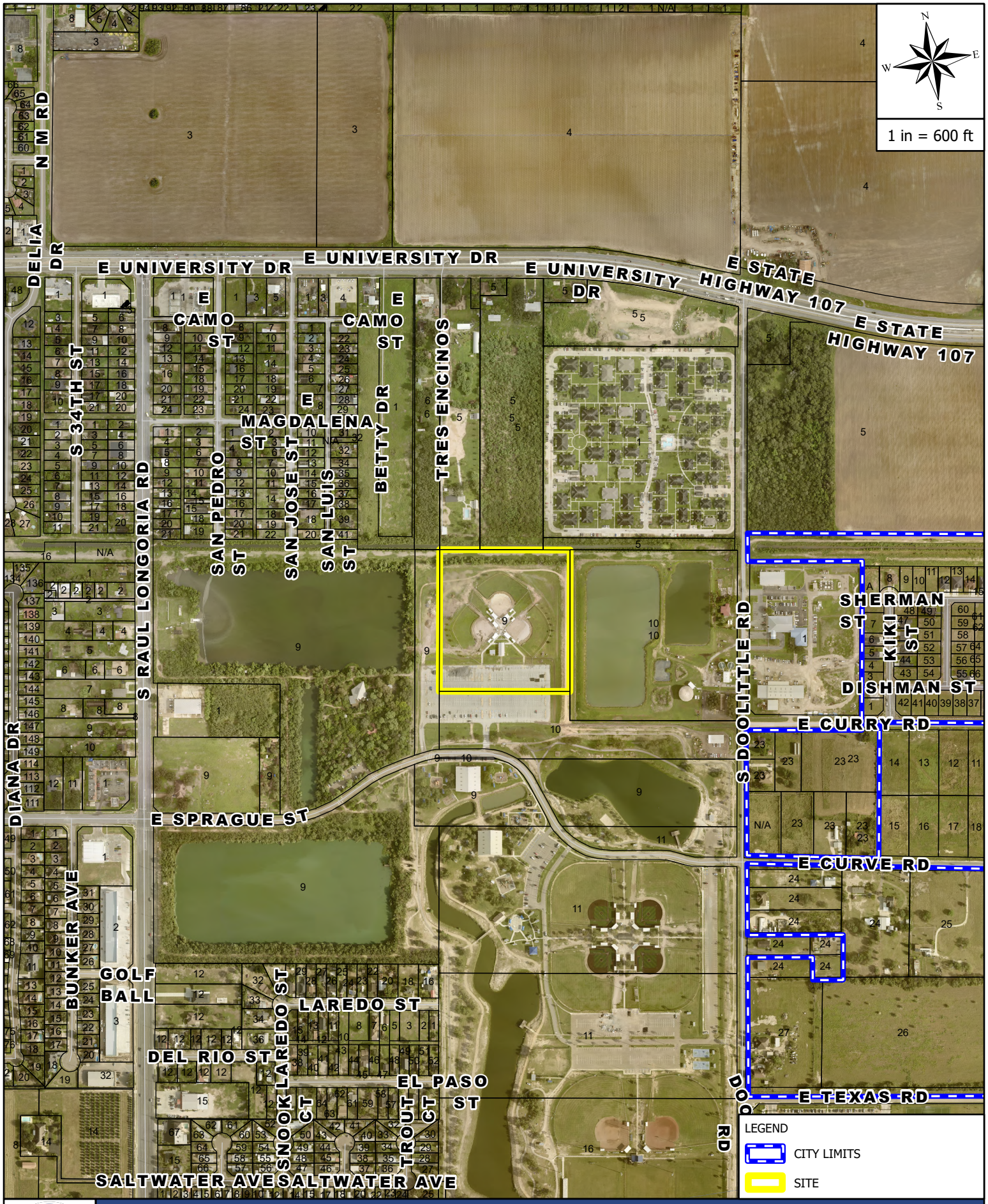
Reviewed by:		**Prepared by:**
Jaime Acevedo, Director of Planning and Zoning	Approved - 3/13/2026	Rita Guerrero, Assistant Director of Planning and Zoning
Jesus Saenz, Assistant City Manager	Final Approval - 3/13/2026	

Attachments:
A. City Council Agenda Packet Attachments
B. Resolution



EDINBURG NEW DEVELOPMENT MAP

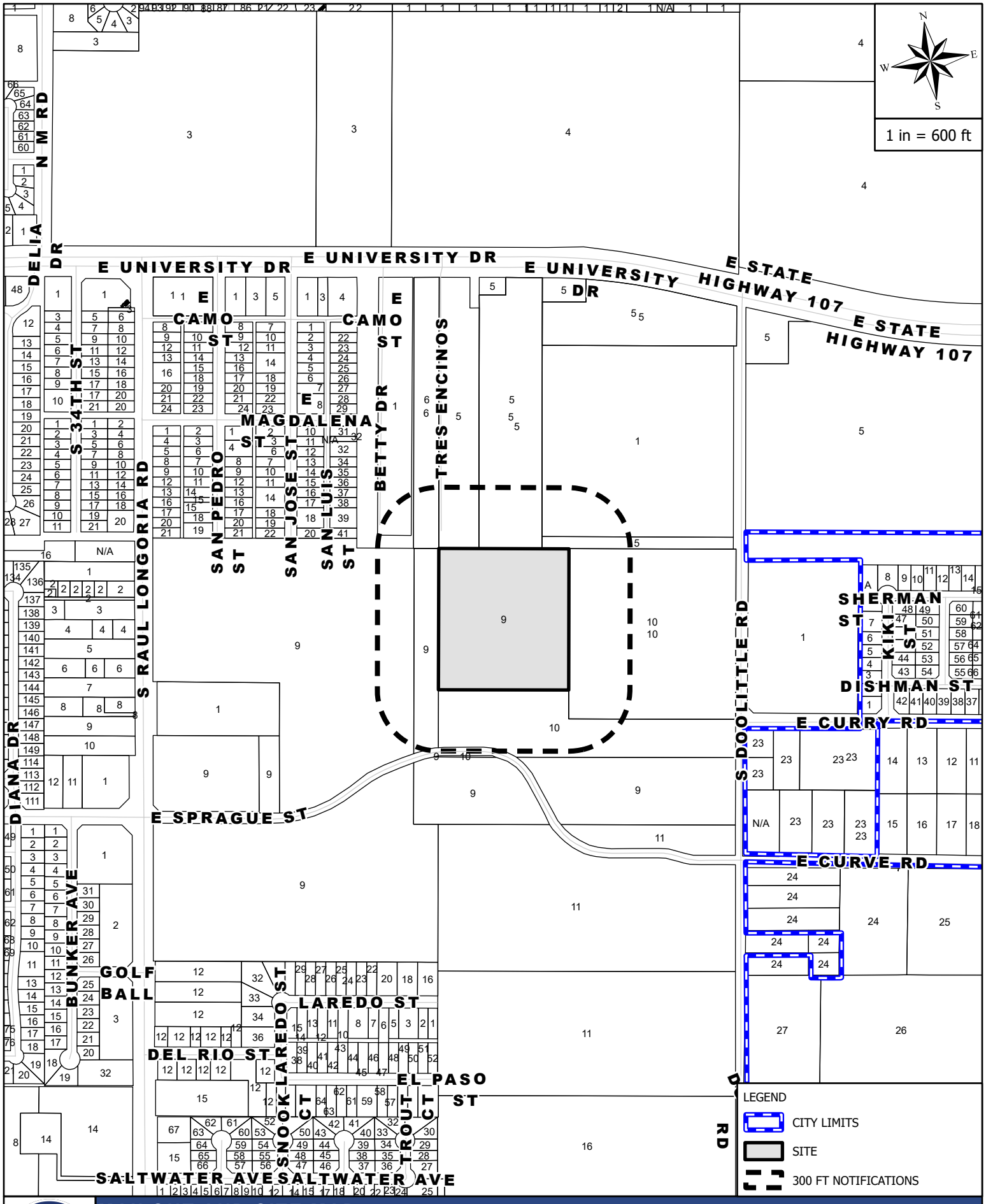
714 S RAUL LONGORIA



THE CITY OF EDINBURG TEXAS

AERIAL MAP

714 S RAUL LONGORIA



MAILOUT AND SITE MAP

714 S RAUL LONGORIA

To Whom it May Concern,

I am writing this letter in reference to naming a baseball field in the City of Edinburg in honor of Fernando "Fernie" De La Garza. Mr. De La Garza is the founder of the Little League Program that started in the City of Edinburg many years ago. Mr. De La Garza has shown dedication to the youth baseball and softball program.

Mr. De La Garza has been a coach for the Edinburg Consolidated Independent School District and a former employee with the City of Edinburg. Mr. Garza has given countless children the knowledge of baseball and softball and helped develop them into young adults.

Naming a baseball field in his honor would serve as a long-lasting tribute to his contributions and dedication to the sport. The City of Edinburg has name fields of individuals who have made an exceptional contribution to our community. I believe in honoring Mr. De La Garza will reflect his values of service, mentorship and community pride.

Thank You for your time and consideration.

Sincerely,

Armando Celedon

President of City of Edinburg Little League

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF EDINBURG, TEXAS RENAMING THE REAL PROPERTY CURRENTLY IDENTIFIED AS EDINBURG MUNICIPAL PARK BASEBALL FIELD #7, LOCATED AT 714 S. RAUL LONGORIA ROAD, TO FERNANDO "FERNIE" DE LA GARZA, EDINBURG, TEXAS AND HIS VALUABLE CONTRIBUTION TO THE COMMUNITY AND THE CITY OF EDINBURG.

WHEREAS, pursuant to City of Edinburg City Ordinance Section 37.40(B)(4)(a), the City Council for the City of Edinburg may consider renaming a City facility in recognition of an exceptional community member or leader that is a dedicated supporter of the community; and

WHEREAS, Fernando "Fernie" De La Garza founded the City of Edinburg Little League program, devoted many years to serving the community, proudly worked as a coach for the Edinburg Consolidated Independent School District for 27 years, and served as an employee of the City of Edinburg for 10 years. Through his dedication and leadership, Mr. De La Garza made a lasting and significant contribution to the City of Edinburg and a substantial contribution to the baseball and softball community in the City of Edinburg; and

WHEREAS, the City Council for the City of Edinburg are of the opinion that Edinburg Municipal Park Baseball Field #7 should be renamed to recognize Fernando "Fernie" De La Garza and his valuable contribution to the community; and

WHEREAS, public notice of this renaming in recognition of Fernando "Fernie" De La Garza and his contributions to the community has been provided.

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. That the City Council for the City of Edinburg renames Municipal Park Baseball Field #7 in recognition of Fernando "Fernie" De La Garza for his commitment, contributions and impact in the community of the City of Edinburg.

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 BY THE CITY COUNCIL OF EDINBURG, TEXAS, 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 March 17, 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: _____
Josephine Ramirez-Solis, City Attorney

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
PUBLIC HEARINGS - ROUTINE ITEMS
Agenda Item No: 9.A.
Rezoning Request- Benjamin Yip, Pon

1. **Agenda Item:**
Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Residential Multifamily (RM) District to Commercial, General (CG) District, Being Lots 7&8, Block 260, Original Townsite of Edinburg, Located at 703 W. Cano Street, as Requested by Benjamin Yip, Pon. [Jaime Acevedo, Director of Planning and Zoning]

2. **Description:**
This property is located at the northwest corner of W. Cano Street and S. 5th Avenue. The property is currently zoned Residential Multifamily (RM) District. This district is a high intensity residential district intended to accommodate various multifamily residential uses (2 or more dwelling units on a single lot). The requested zoning is Commercial, General (CG) District. This is the primary commercial district, meant to accommodate a wide range of commercial uses, including highway service uses and community or regional commercial, office, and service uses. The property has a total frontage of 100 feet along W. Cano Street and a lot depth of 142 feet along S. 5th Avenue, for a total area of 14,200 square feet. Currently the property sits vacant. The applicant is wanting to utilize the property for commercial uses.

Adjacent zoning is Downtown (DT) District to the north and west, Commercial, General (CG) District to the east, and Residential, Primary (RP) District to the south. Surrounding land uses consists of commercial uses single-family residential uses. The Future Land Use designation for this property is for General Commercial Uses.

Staff mailed a notice of the public hearing to 27 neighboring property owners on Friday, February 13, 2026, and 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 February 25, 2026.

On February 18, 2026, Planning staff met with City of Edinburg development departments to discuss the proposed rezoning. It was determined infrastructure in this area will support the proposed development.

On February 26, 2026, the Planning and Zoning Commission recommended with a unanimous vote of 4-0 to approve the Rezoning Request.

3. **Staff's Recommendation:**
Staff recommends approval of the Rezoning Request from Residential Multifamily (RM) District to Commercial, General (CG) District, based on the surrounding land uses and the future land use. 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:
Jaime Acevedo, Director of Planning and — Approved - 3/13/2026

Prepared by:
Rita Guerrero, Assistant

Zoning Jesus Saenz, Assistant City Manager	Final Approval - 3/13/2026	Director of Planning and Zoning

Attachments:

A. City Council Agenda Packet Attachments
B. Ordinance

MEETING DATES:
PLANNING & ZONING COMMISSION – 02/26/2026
CITY COUNCIL – 03/17/2026
DATE PREPARED – 02/18/2026

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Consider the Rezoning Request from Residential Multifamily (RM) District to Commercial, General (CG) District

APPLICANT: Sobia Nasir

AGENT: Benjamin Yip, Pon.

LEGAL: Being Lots 7&8, Block 260, Original Townsite of Edinburg Located

LOCATION: at 703 W. Cano Street

LOT/TRACT SIZE: 14,200 square feet

CURRENT USE: Vacant

PROPOSED USE: Commercial, General (CG) District

EXISTING ZONING: Residential Multifamily (RM) District

ADJACENT ZONING:
North – Downtown (DT) District
South – Residential, Primary (RP) District
East – Commercial, General (CG) District
West – Downtown (DT) District

LAND USE PLAN: General Commercial Uses

PUBLIC SERVICES: City of Edinburg Sewer and Water CCN Service Area

RECOMMENDATION: Staff recommends approval of the Rezoning Request from Residential Multifamily (RM) District to Commercial, General (CG) District

REZONING REQUEST
BENJAMIN YIP, PON.

EVALUATION

The following is the staff's evaluation of the request:

1. The property is currently vacant.

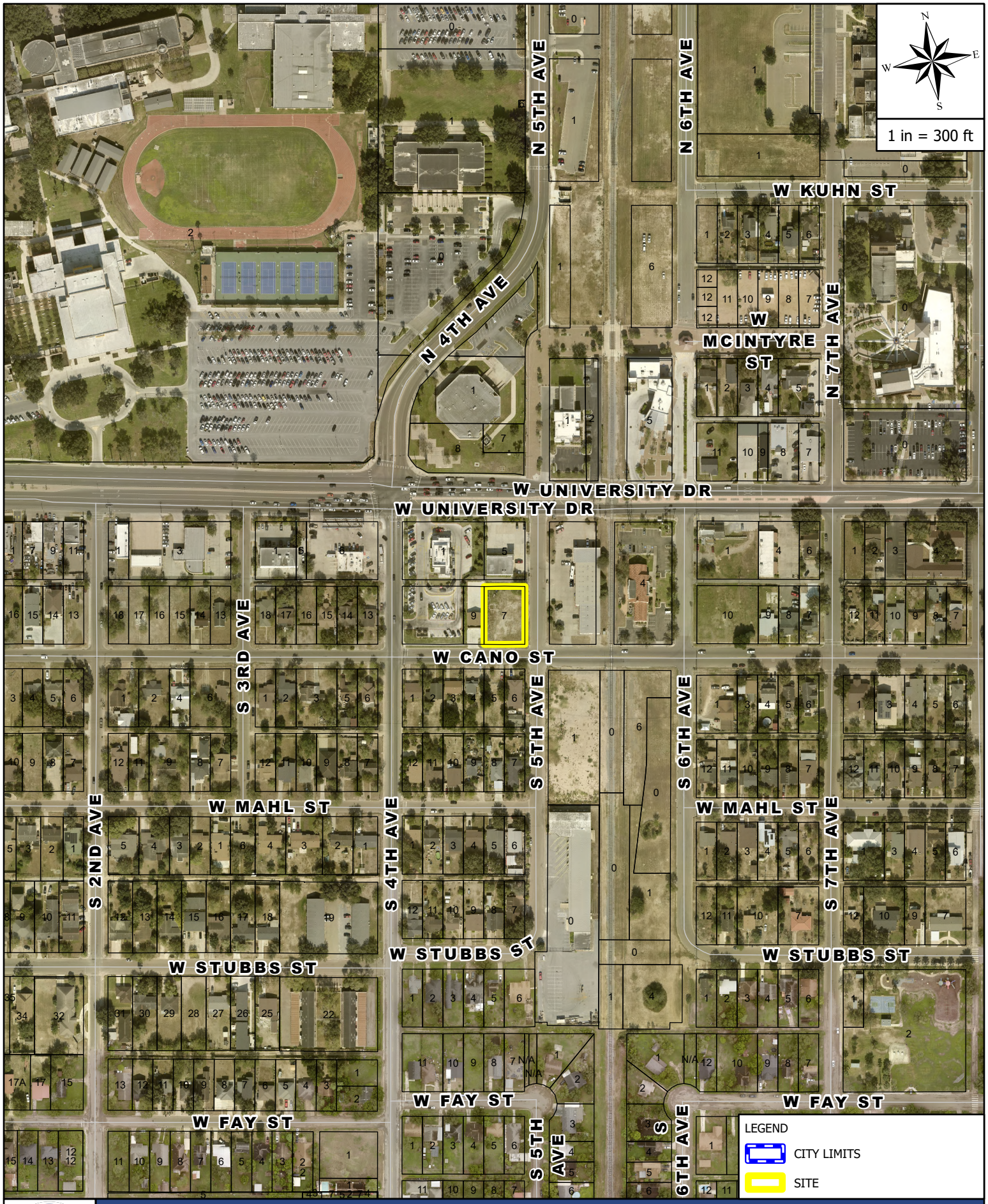
2. Surrounding land uses consists of commercial uses single-family residential uses

3. This property is located approximately 300 feet south of W. University Drive which is classified as a 4 lane 120 principal arterial street with a median.

4. The proposed zoning is consistent with the Future Land Use Plan.

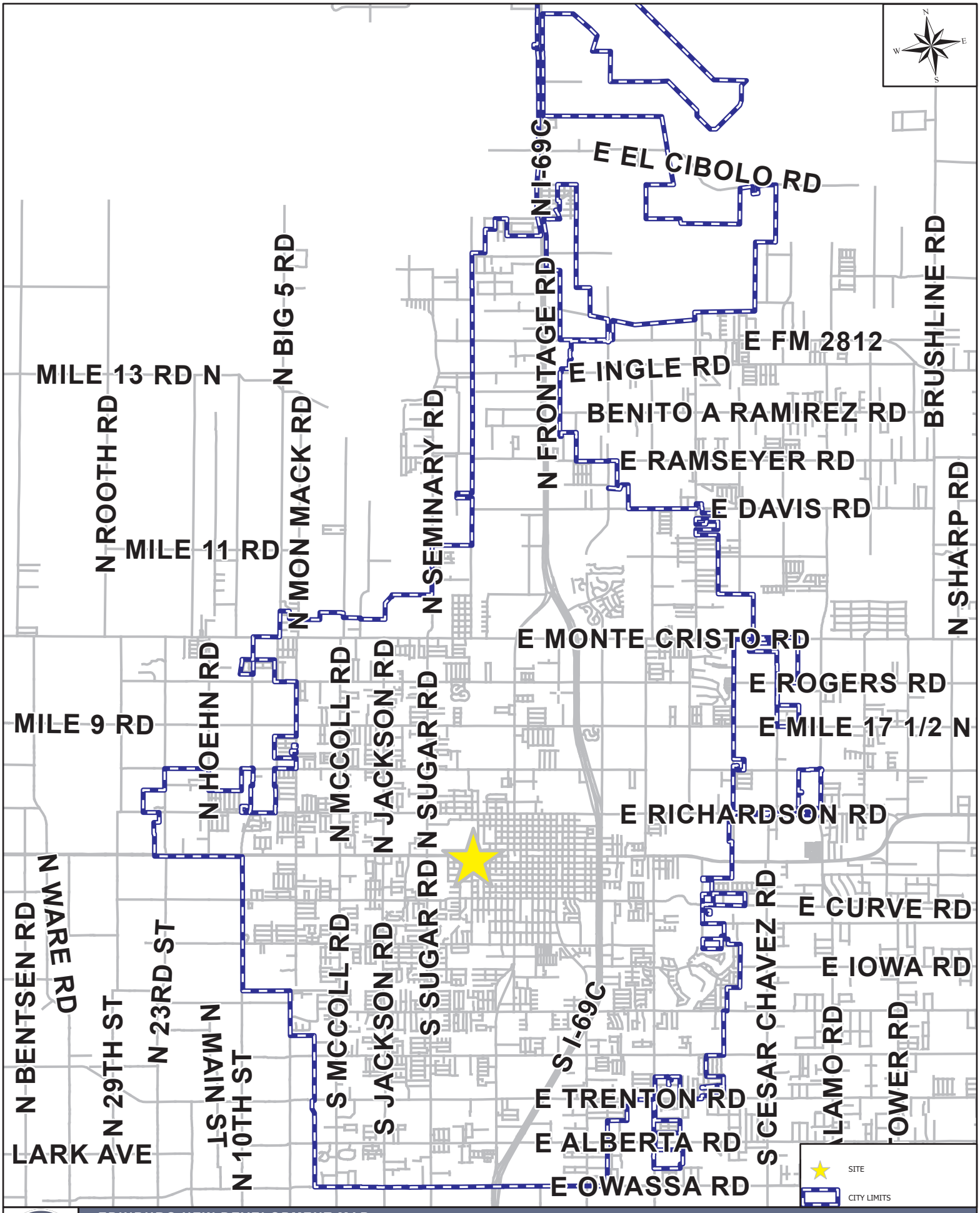
Staff recommends approval of the Rezoning Request from Residential Multifamily (RM) District to Commercial, General (CG) District, based on the surrounding land uses and the future land use. If approved, the applicant will need to comply with all requirements during the permitting process including compliance with subdivision regulations, building/fire codes, fire protection, parking, landscape buffer-yards, solid waste services, utility, and other City requirements, as applicable.

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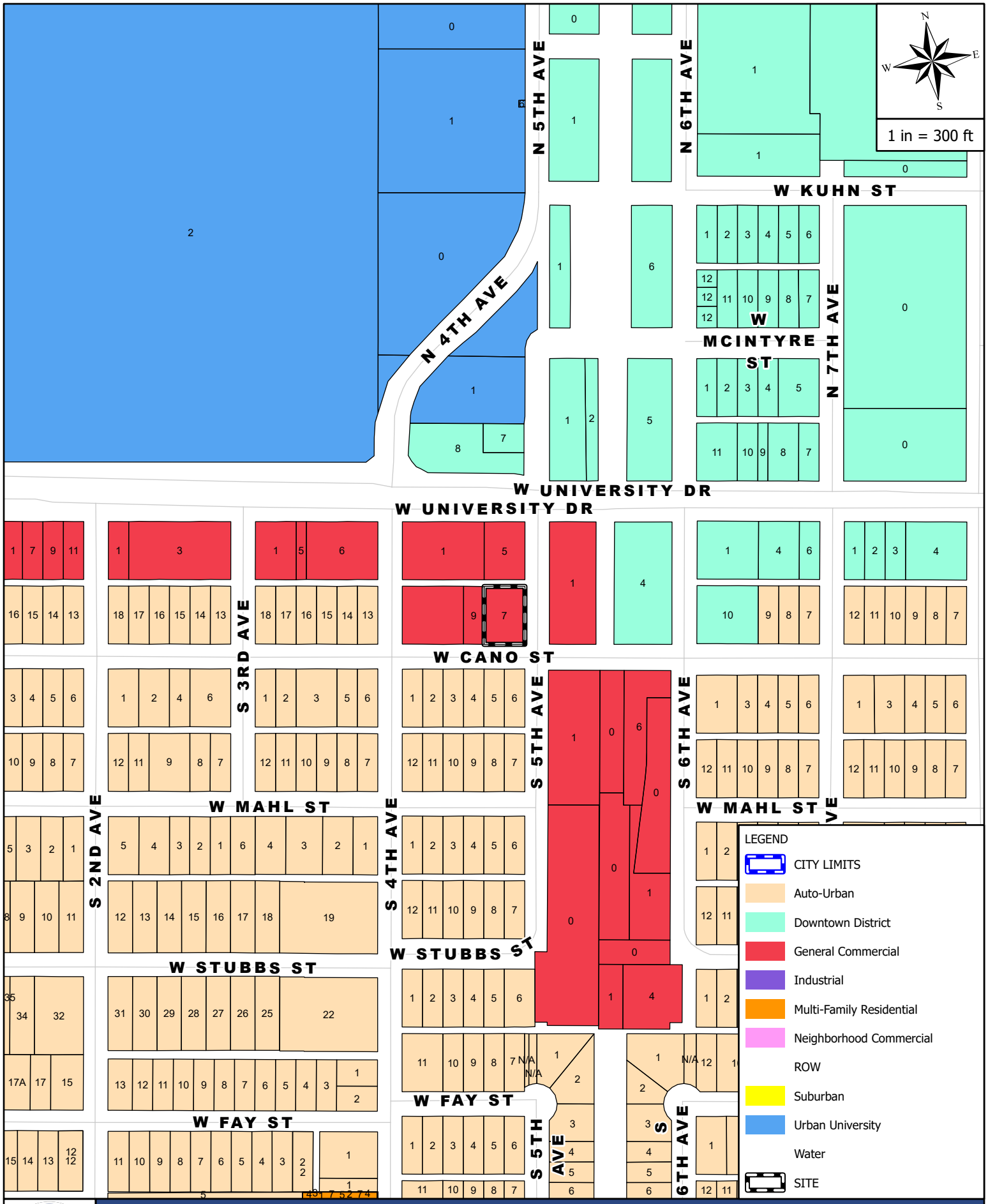
AERIAL MAP

703 W CANO ST



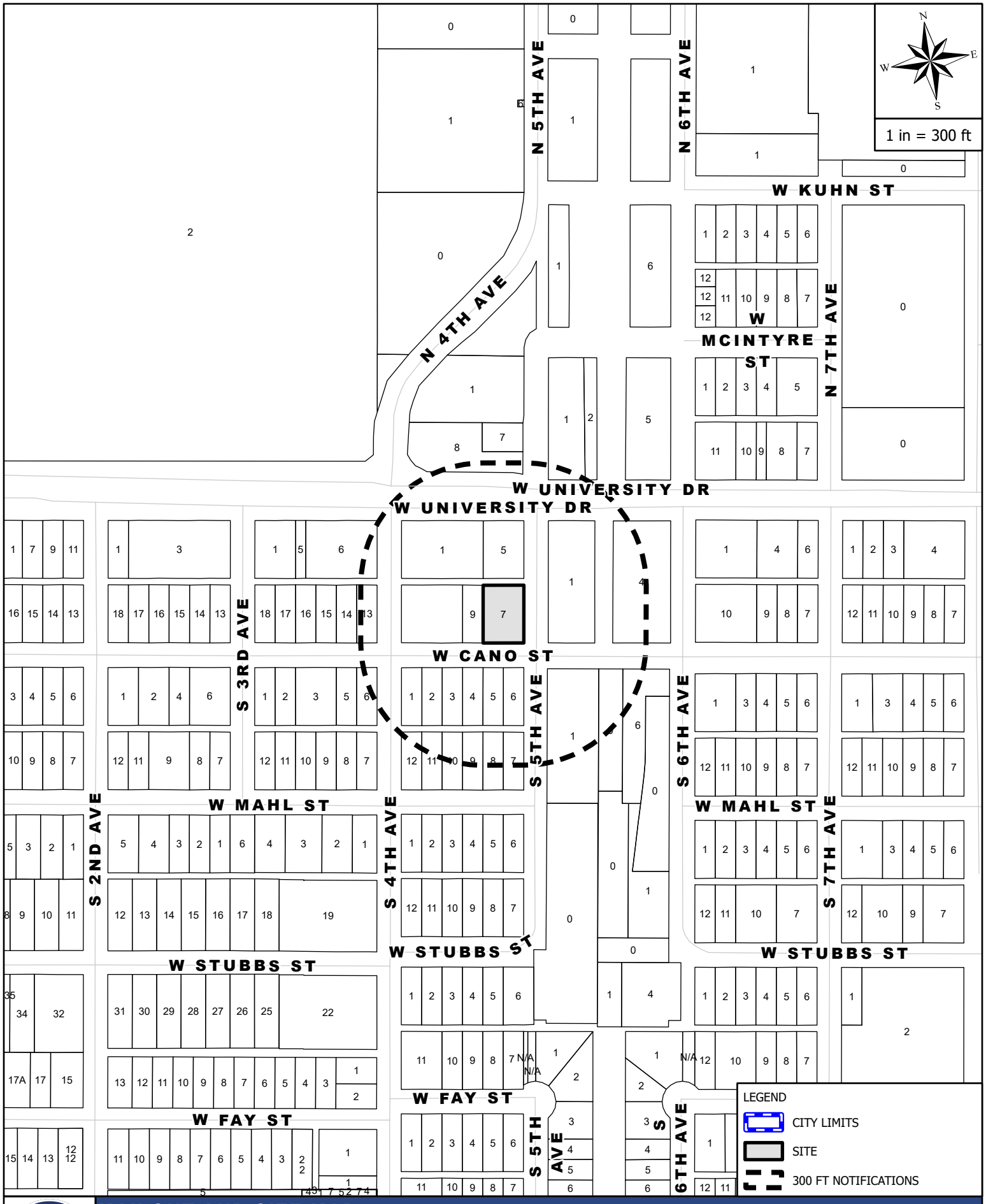
EDINBURG NEW DEVELOPMENT MAP

703 W CANO ST



FUTURE LANDUSE MAP

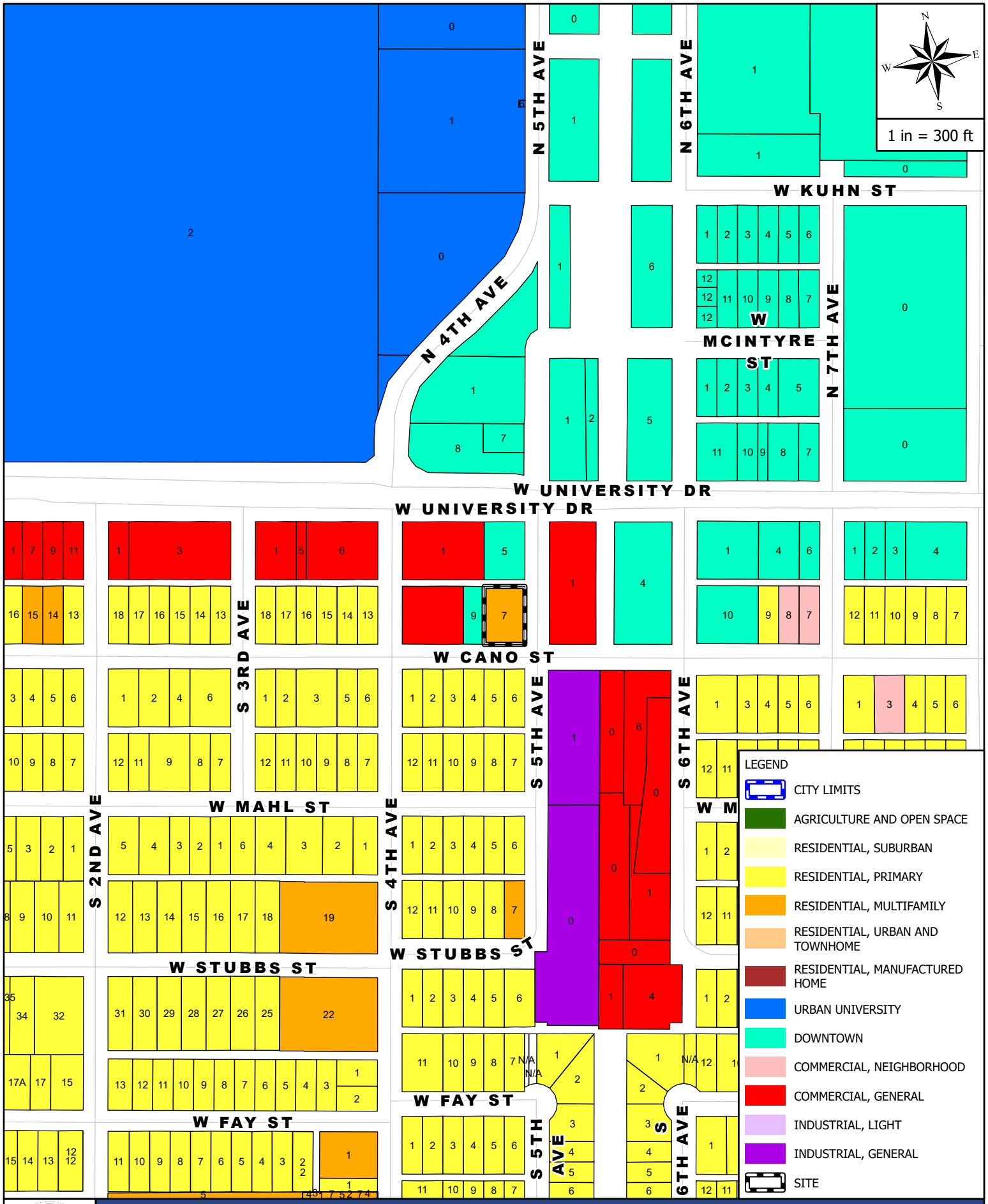
703 W CANO ST



THE CITY OF EDINBURG TEXAS

MAILOUT AND SITE MAP

703 W CANO ST



ZONING MAP

703 W CANO ST

Rezoning Request Site Photo

Bejamin Yip,Pon
703 W. Cano



PEÑA ENGINEERING

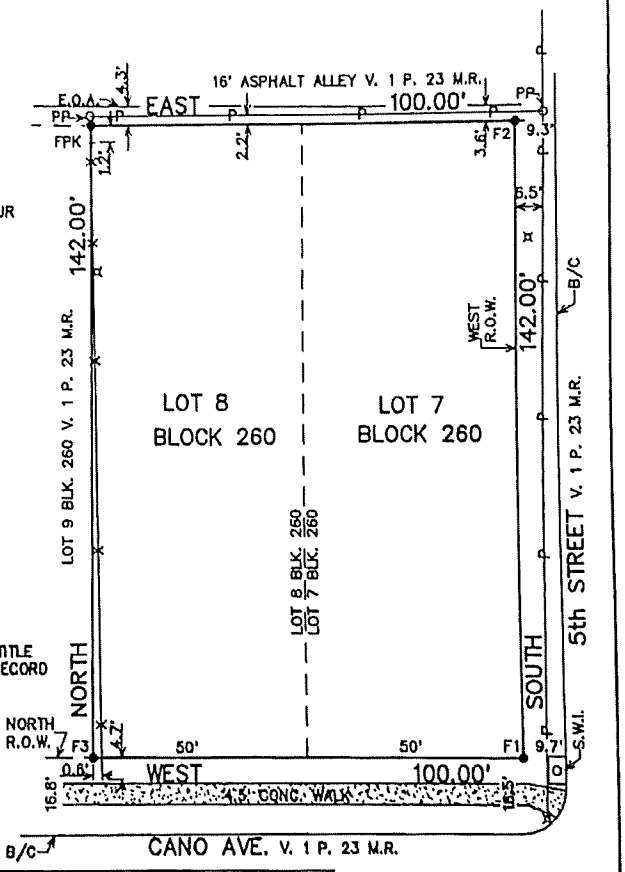
FIRM #10087200 · 1001 WHITEWING · P.O. BOX 4320
(956) 682-8812 · McALLEN, TEXAS 78502 · FAX (956) 631-PENA

NORTH

SCALE: 1"=30'
CAD: EDINBURGOT-78-260SM
JOB: #91040

BASIS OF BEARING IS THE EAST LINE OF LOT 7, BLK. 260, ORIGINAL TOWNSITE OF EDINBURG, V. 1 P. 23 M.R. HIDALGO COUNTY TEXAS.

LEGEND
FPK – FOUND PK NAIL IN CONCRETE OVER POUR
F1 – FOUND 1/2" DIAMETER IRON ROD
F2 – FOUND 5/8" DIAMETER IRON ROD
F3 – FOUND 1" DIAMETER IRON PIPE
R.O.W. – RIGHT-OF-WAY
B/C – BACK OF CONCRETE CURB & GUTTER
E.O.A. – EDGE OF ASPHALT
S.W.I – STORM WATER INLET
PP – POWER POLE
CONC. – CONCRETE
M.R. – MAP RECORDS
-x-x- – 6' CHAINLINK FENCE
-P-P- – POWER POLE LINE
¤ – LIGHT POLE



NOTE:
SURVEY PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT WHICH MAY SHOW EASEMENTS OF RECORD THAT MAY AFFECT THE PROPERTY.

BUYER'S NAME: SOBIA NASIR

FLOOD ZONE: By GRAPHICAL PLOTTING COMMUNITY PANEL NO. 480338 0015 E
MAP REVISED: JUNE 08, 2000 (LOMR: MAY 14, 2001)

☐ Zone "A" – This is to certify that this property is in a flood prone area.
☒ Zone "X" (SHADED) – This is to certify that this property is not in a flood prone area. However limits between the 100 year and 500 year flood are subject to flooding with average depths less than one foot.
☐ Zone "C" – This is to certify that this property is not in a flood prone area.

I certify that this plat represents the facts found on the ground at the time of survey and that there are no visible or apparent easements, discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or overlapping of improvements or visible easements except as shown on this plat. No subsurface utilities or service connections are shown, © copyright 2026 PENA ENGINEERING this survey was provided in multiple originals solely for the borrower named hereon, in conjunction with the original transaction which shall take place within 6 months after the survey was provided. No license has been created or implied to copy this Survey. Survey valid only if print has original seal and signature.

ADDRESS: _____

LEGAL DESCRIPTION: LOTS 7 & 8, BLOCK 260, ORIGINAL TOWNSITE OF EDINBURG, AN ADDITION TO THE CITY OF EDINBURG, HIDALGO COUNTY, TEXAS,
ACCORDING TO THE MAP RECORDED IN VOLUME 1 PAGE 23
OF THE MAP RECORDS OF HIDALGO COUNTY, TEXAS.

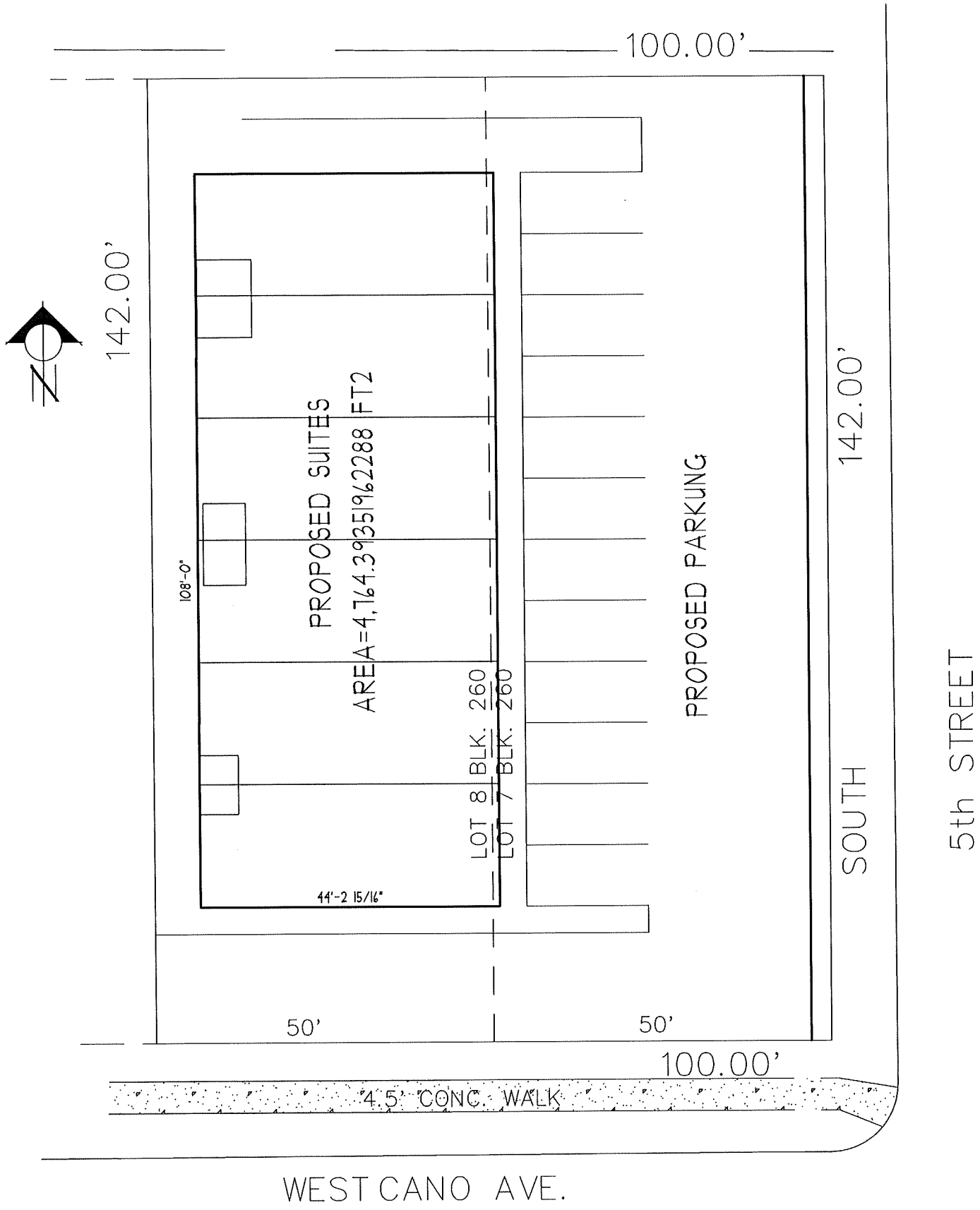
STATE OF TEXAS
REGISTERED
PABLO PEÑA III
5242
SURVEYOR

Pablo Peña III

01/08/2026
DATE

PABLO PEÑA III
REG. PROFESSIONAL LAND SURVEYOR No. 5242

Scanned with CamScanner



PROPOSED PRELIMINARY SITE PLAN N.T.S.

THE CITY OF Edinburg

NOTIFICATION

Dear Property Owner:

A public hearing will be held on **Thursday, February 26, 2026, at 5:30 P.M.** in the Edinburg City Hall, City Council Chambers, located at 415 W. University Drive, at which time the Planning and Zoning Commission will address the following:

CONSIDER THE REZONING REQUEST FROM RESIDENTIAL MULTI-FAMILY (RM) DISTRICT TO COMMERCIAL, GENERAL (CG) DISTRICT, BEING LOTS 7&8, BLOCK 260, ORIGINAL TOWNSITE OF EDINBURG, LOCATED AT 703 W. CANO STREET, AS REQUESTED BY BENJAMIN YIP, PON

This is the primary commercial district, meant to accommodate a wide range of commercial uses, including highway service uses and community or regional commercial, office, and service uses.

This request is scheduled to be heard by the **City Council on Tuesday, March 17, 2026, 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 Wednesday, February 25, 2026
EMAIL: planning@cityofedinburg.com by Wednesday, February 25, 2026

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: This area is perfect for more business-friendly developments.

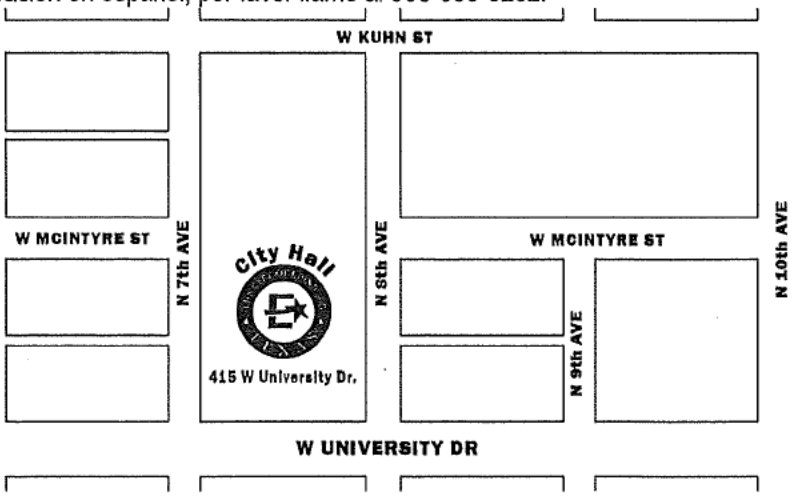
Print Name: AHMAD GORABI & LEYLA FEIZE Phone No. 801 243 8486

Address: [redacted] City: [redacted] State [redacted] Zip: [redacted]

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



ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES FROM RESIDENTIAL MULTIFAMILY (RM) DISTRICT TO COMMERCIAL, GENERAL (CG) DISTRICT, BEING LOTS 7&8, BLOCK 260, ORIGINAL TOWNSITE OF EDINBURG, LOCATED AT 703 W. CANO STREET, 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 Multifamily (RM) District, and 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 all of Being Lots 7&8, Block 260, Original Townsite of Edinburg, Located at 703 W. Cano Street from Residential Multifamily (RM) 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 February 26, 2026, 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 March 17, 2026, 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 Multifamily (RM) District, and Commercial, General (CG) District and the boundaries of said Districts are hereby amended, supplemented and changed so as to delete the said area from the said Residential Multifamily (RM) District and added to the 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 17th day of March 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

By: _____
Josephine Ramirez-Solis, City Attorney

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
PUBLIC HEARINGS - ROUTINE ITEMS
Agenda Item No: 9.B.
Rezoning Request- RK Development & Construction LLC

1. **Agenda Item:**
Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District, Being a 16.277 Acre Tract of Land Out of Blocks 37 and 38, Santa Cruz Ranch Subdivision, as Recorded in Volume Z and Page 161, Deed Records, Hidalgo County, Texas, Located at 5161 N. I-69C, as Requested by RK Development & Construction LLC. [Jaime Acevedo, Director of Planning and Zoning]

2. **Description:**
This property is located on the northwest intersection of N. Denkhaus Boulevard and Phillips Way. The portion of the property that is being considered for the zone change is currently Agriculture and Open Space (AO) District, which is intended to support agriculture and agriculture-supported uses as the primary use of land. The requested zoning designation is the Residential, Primary (RP) District. This district has a predominantly auto-urban character. It is the primary residential district, intended to permit a wide range of single-family residential uses. The applicant is requesting the zone change to establish a new residential subdivision at this location. The proposed subdivision consists of 33 half-acre lots.

Adjacent zoning is Residential, Suburban (RS) District to the north and east, Agriculture and Open Space (AO) District to the south, with property to the west outside of the city limits of Edinburg. Surrounding land consists of single-family residential uses, commercial uses, and vacant land. The future land use designation for this property is for Auto-Urban Uses.

Staff mailed a notice of the public hearing to 39 neighboring property owners on Friday, February 13, 2026, and 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 February 25, 2026.

On February 18, 2026, Planning staff met with City of Edinburg development departments to discuss the proposed rezoning. It was determined infrastructure in this area will support the proposed development.

On February 26, 2026, the Planning and Zoning Commission recommended with a unanimous vote of 4-0 to approve the Rezoning Request.

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 the surrounding land uses and the future land use. 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:		**Prepared by:**
Jaime Acevedo, Director of Planning and Zoning	Approved - 3/13/2026	Rita Guerrero, Assistant Director of Planning and Zoning
Jesus Saenz, Assistant City Manager	Final Approval - 3/13/2026	

Attachments:

A. City Council Agenda Packet Attachments
B. Ordinance

MEETING DATES:
PLANNING & ZONING COMMISSION – 02/26/2026
CITY COUNCIL – 03/17/2026
DATE PREPARED – 02/18/2026

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Consider the Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District

APPLICANT: RK Development & Construction LLC.

AGENT: Not Applicable.

LEGAL: a 16.277 acre tract of land out of Blocks 37 and 38, Santa Cruz Ranch Subdivision, as recorded in Volume Z and Page 161, Deed Records, Hidalgo County, Texas

LOCATION: 5161 N I-69C

LOT/TRACT SIZE: 16.277 acres

CURRENT USE: Vacant

PROPOSED USE: Residential, Primary (RP) District

EXISTING ZONING: Agriculture and Open Space (AO) District

ADJACENT ZONING:
North – Residential, Suburban (RS) District
South – Agriculture and Open Space (AO) District
East – Residential, Suburban (RS) District
West – Outside of the City Limits of Edinburg

LAND USE PLAN: Auto-Urban Uses

PUBLIC SERVICES: City of Edinburg Sewer and Water CCN Service Area

RECOMMENDATION: Staff recommends approval of the Rezoning Request from Agriculture and Open Space (AO) District to Residential, Primary (RP) District

REZONING REQUEST
RK DEVELOPMENT & CONSTRUCTION LLC.

EVALUATION

The following is the staff's evaluation of the request:

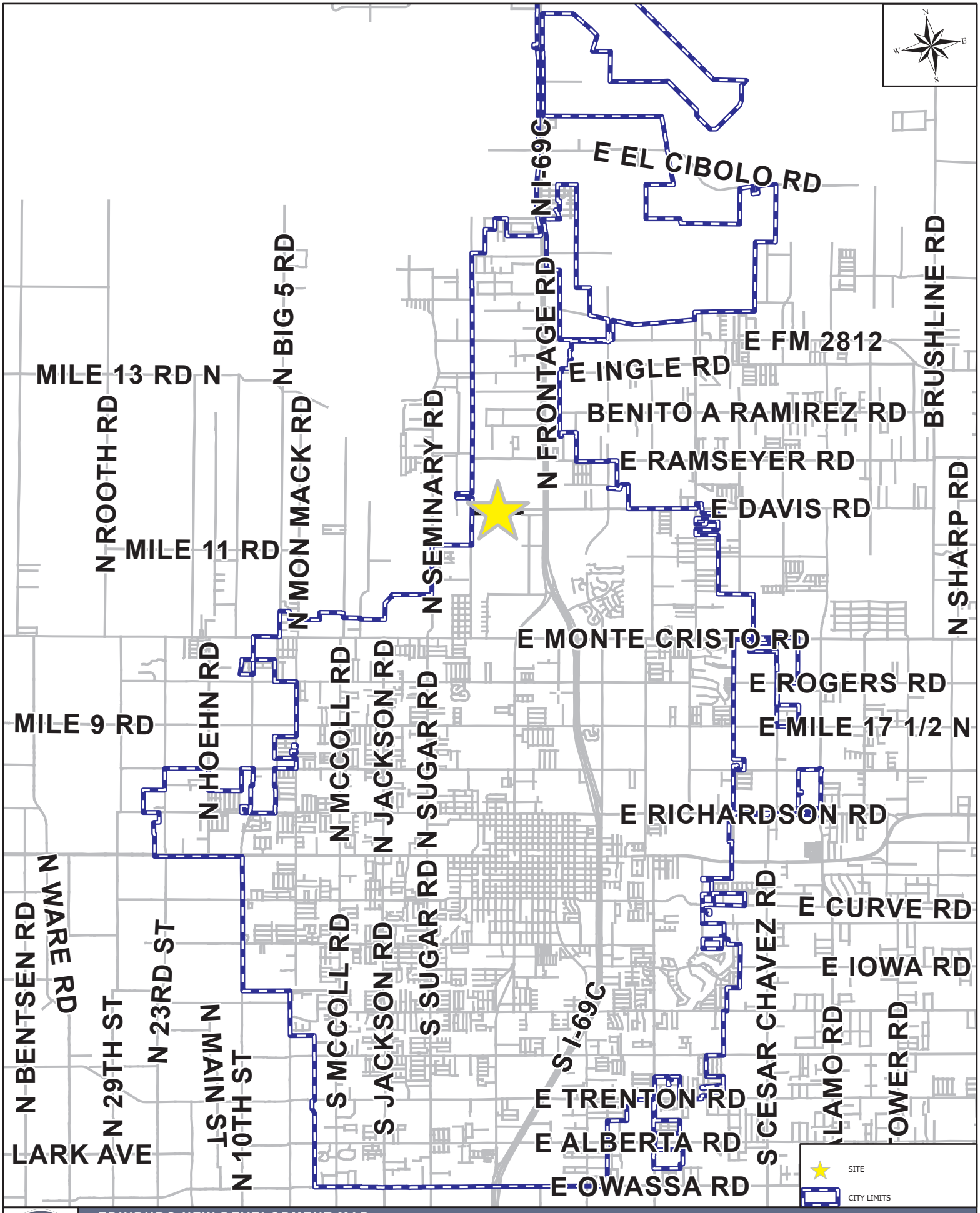
1. The applicant is requesting the zone change to establish a new residential subdivision at this location.

2. The requested zoning designation is the Residential, Primary (RP) District. This district has a predominantly auto-urban character. It is the primary residential district, intended to permit a wide range of single-family residential uses.

3. The proposed zoning is consistent with the Future Land Use Plan.

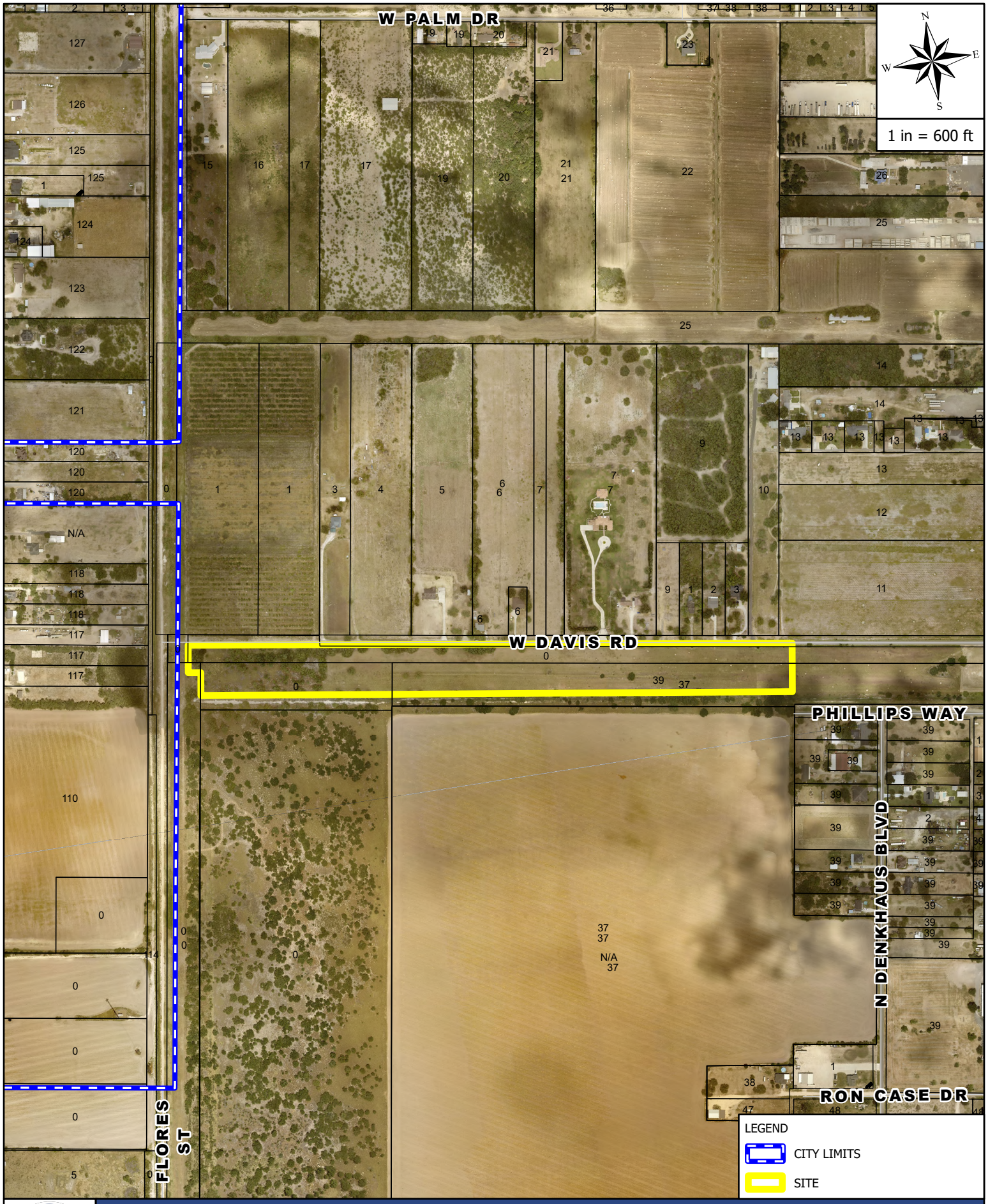
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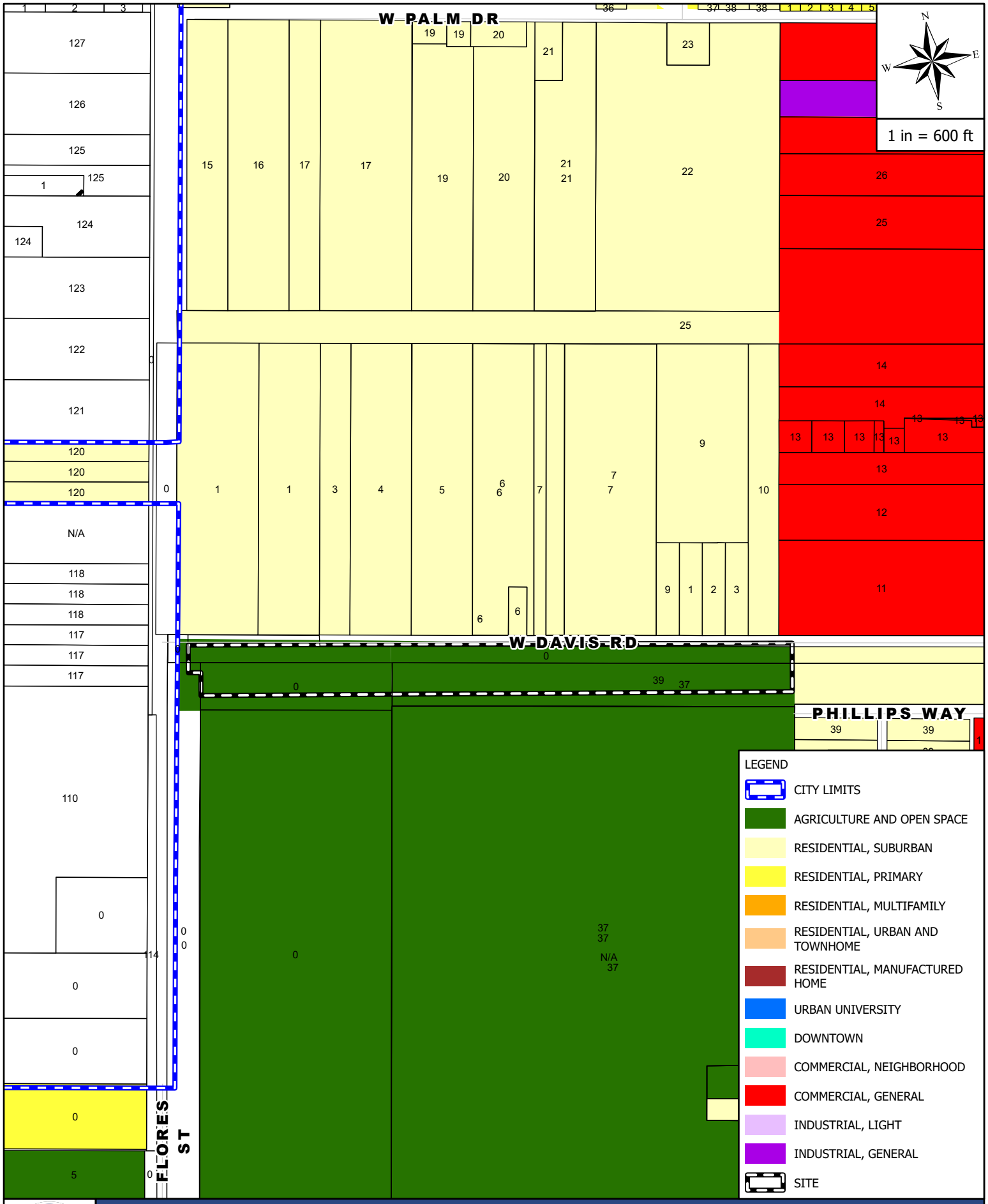
EDINBURG NEW DEVELOPMENT MAP

5161 N I-69C



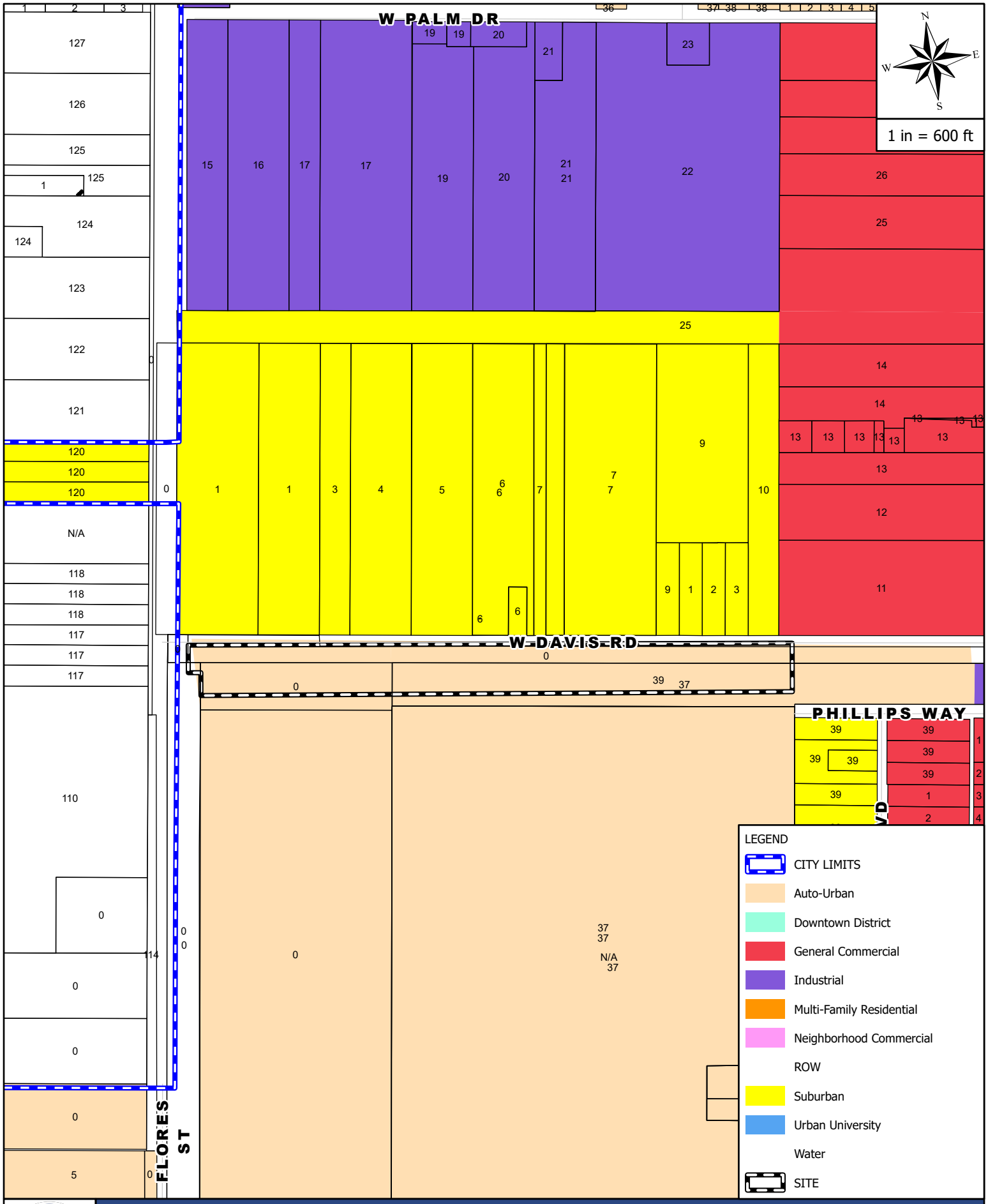
AERIAL MAP

5161 N I-69C



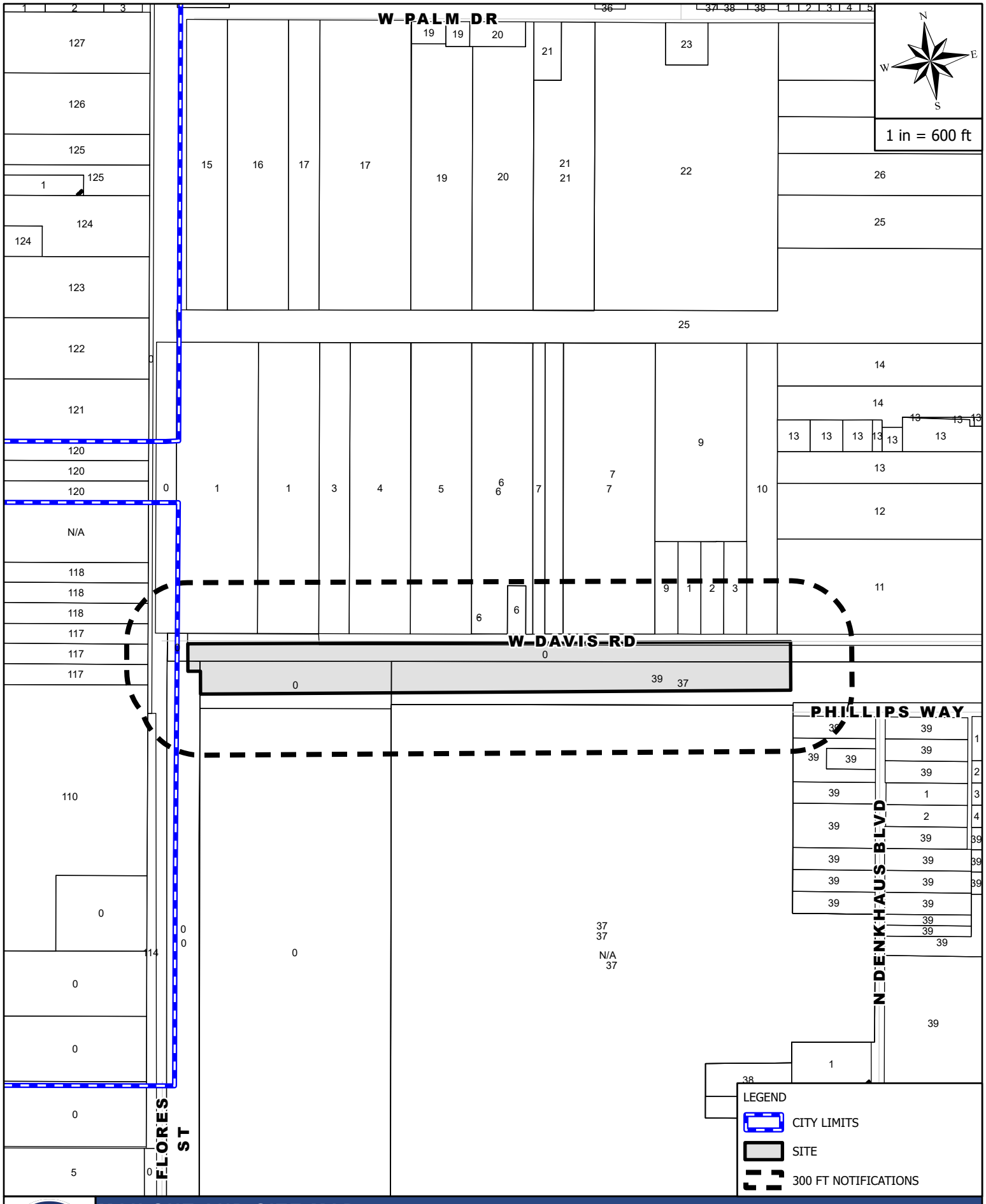
ZONING MAP

5161 N I-69C



FUTURE LANDUSE MAP

5161 N I-69C



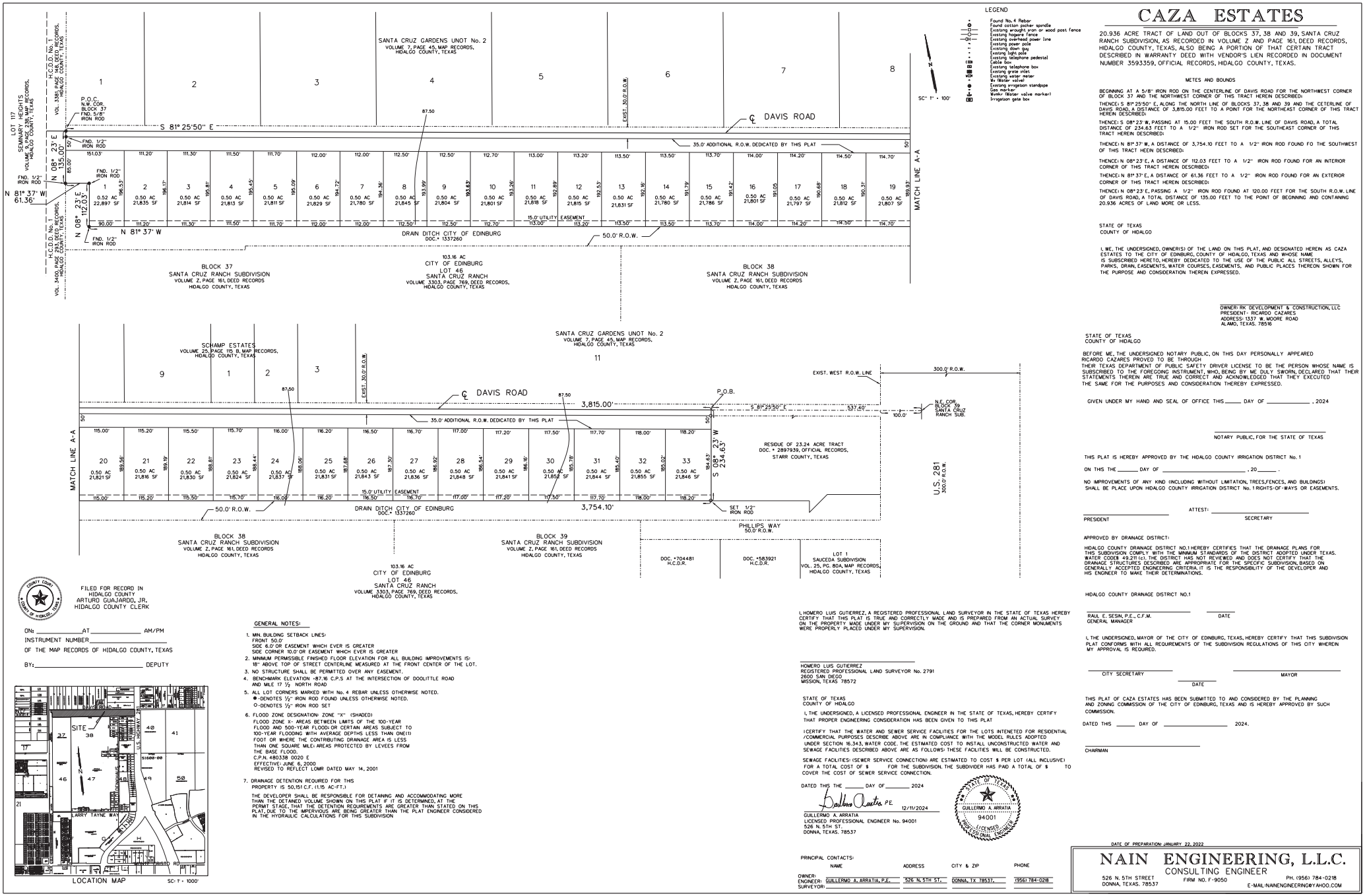
MAILOUT AND SITE MAP

5161 N I-69C

Rezoning Request Site Photo

RK Development and Construction LLC.
5161 N. I-69C





CAZA ESTATES

20.936 ACRE TRACT OF LAND OUT OF BLOCKS 37, 38 AND 39, SANTA CRUZ RANCH SUBDIVISION, AS RECORDED IN VOLUME Z AND PAGE 161, DEED RECORDS, HIDALGO COUNTY, TEXAS, ALSO BEING A PORTION OF THAT CERTAIN TRACT DESCRIBED IN WARRANTY DEED WITH VENDOR'S LIEN RECORDED IN DOCUMENT NUMBER 3593359, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS.

METES AND BOUNDS

BEGINNING AT A 5/8" IRON ROD ON THE CENTERLINE OF DAVIS ROAD FOR THE NORTHWEST CORNER OF BLOCK 37 AND THE NORTHWEST CORNER OF THIS TRACT HEREIN DESCRIBED:

THENCE: S 81° 25'50" E, ALONG THE NORTH LINE OF BLOCKS 37, 38 AND 39 AND THE CETERLINE OF DAVIS ROAD, A DISTANCE OF 3,815.00 FEET TO A POINT FOR THE NORTHEAST CORNER OF THIS TRACT HEREIN DESCRIBED:

THENCE: S 08° 23' W, PASSING AT 15.00 FEET THE SOUTH R.O.W. LINE OF DAVIS ROAD, A TOTAL DISTANCE OF 2,34.63 FEET TO A 1/2" IRON ROD SET FOR THE SOUTHEAST CORNER OF THIS TRACT HEREIN DESCRIBED:

THENCE: N 81° 37' W, A DISTANCE OF 3,754.10 FEET TO A 1/2" IRON ROD FOUND FO THE SOUTHWEST OF THIS TRACT HEEIN DESCRIBED:

THENCE: N 08° 23' E, A DISTANCE OF 112.03 FEET TO A 1/2" IRON ROD FOUND FOR AN INTERIOR CORNER OF THIS TRACT HEREIN DESCRIBED:

THENCE: N 81° 37' E, A DISTANCE OF 61.36 FEET TO A 1/2" IRON ROD FOUND FOR AN EXTERIOR CORNER OF THIS TRACT HEREIN DESCRIBED:

THENCE: N 08° 23' E, PASSING A 1/2" IRON ROD FOUND AT 120.00 FEET FOR THE SOUTH R.O.W. LINE OF DAVIS ROAD, A TOTAL DISTANCE OF 135.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 20.936 ACRES OF LAND MORE OR LESS.

STATE OF TEXAS
COUNTY OF HIDALGO

I, WE, THE UNDERSIGNED, OWNER(S) OF THE LAND ON THIS PLAT, AND DESIGNATED HEREIN AS CAZA ESTATES TO THE CITY OF EDINBURG, COUNTY OF HIDALGO, TEXAS AND WHOSE NAME IS SUBSCRIBED HERETO, HEREBY DEDICATED TO THE USE OF THE PUBLIC ALL STREETS, ALLEYS, PARKS, DRAIN, EASEMENTS, WATER COURSES, EASEMENTS, AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED.

OWNER: RK DEVELOPMENT & CONSTRUCTION, LLC
PRESIDENT- RICARDO CAZARES
ADDRESS: 1337 W. MOORE ROAD
ALAMO, TEXAS. 78516

STATE OF TEXAS
COUNTY OF HIDALGO

BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, ON THIS DAY PERSONALLY APPEARED RICARDO CAZARES PROVED TO BE THROUGH THEIR TEXAS DEPARTMENT OF PUBLIC SAFETY DRIVER LICENSE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, WHO, BEING BY ME DULY SWORN, DECLARED THAT THEIR STATEMENTS THEREIN ARE TRUE AND CORRECT AND ACKNOWLEDGED THAT THEY EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREBY EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____, 2024

_____
NOTARY PUBLIC, FOR THE STATE OF TEXAS

THIS PLAT IS HEREBY APPROVED BY THE HIDALGO COUNTY IRRIGATION DISTRICT No. 1

ON THIS THE _____ DAY OF _____, 20_____.

NO IMPROVEMENTS OF ANY KIND (INCLUDING WITHOUT LIMITATION, TREES, FENCES, AND BUILDINGS) SHALL BE PLACE UPON HIDALGO COUNTY IRRIGATION DISTRICT No. 1 RIGHTS-OF-WAYS OR EASEMENTS.

_____ ATTEST: _____
PRESIDENT SECRETARY

APPROVED BY DRAINAGE DISTRICT:

HIDALGO COUNTY DRAINAGE DISTRICT NO.1 HEREBY CERTIFIES THAT THE DRAINAGE PLANS FOR THIS SUBDIVISION COMPLY WITH THE MINIMUM STANDARDS OF THE DISTRICT ADOPTED UNDER TEXAS. WATER CODER 49.211 (c), THE DISTRICT HAS NOT REVIEWED AND DOES NOT CERTIFY THAT THE DRAINAGE STRUCTURES DESCRIBED ARE APPROPRIATE FOR THE SPECIFIC SUBDIVISION, BASED ON GENERALLY ACCEPTED ENGINEERING CRITERIA. IT IS THE RESPONSIBILITY OF THE DEVELOPER AND HIS ENGINEER TO MAKE THEIR DETERMINATIONS.

HIDALGO COUNTY DRAINAGE DISTRICT NO.1

_____ _____
RAUL E. SESIN, P.E., C.F.M. DATE
GENERAL MANAGER

I, THE UNDERSIGNEO, MAYOR OF THE CITY OF EDINBURG, TEXAS, HEREBY CERTIFY THAT THIS SUBDIVISION PLAT CONFORMS WITH ALL REQUIREMENTS OF THE SUBDIVISION REGULATIONS OF THIS CITY WHEREIN MY APPROVAL IS REQUIRED.

_____ _____ _____
CITY SECRETARY DATE MAYOR

THIS PLAT OF CAZA ESTATES HAS BEEN SUBMITTED TO AND CONSIDERED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF EDINBURG, TEXAS AND IS HEREBY APPROVED BY SUCH COMMISSION.

DATED THIS _____ DAY OF _____ 2024.

_____
CHAIRMAN

FILED FOR RECORD IN
HIDALGO COUNTY
ARTURO GUAJARDO, JR.
HIDALGO COUNTY CLERK

ON: _____ AT _____ AM/PM
INSTRUMENT NUMBER _____
OF THE MAP RECORDS OF HIDALGO COUNTY, TEXAS
BY: _____ DEPUTY

LOCATION MAP SC= 1" = 1000'

GENERAL NOTES:

1. MIN. BUILDING SETBACK LINES:
   FRONT 50.0'
   SIDE 6.0' OR EASEMENT WHICH EVER IS GREATER
   SIDE CORNER 10.0' OR EASEMENT WHICH EVER IS GREATER
2. MINIMUM PERMISSIBLE FINISHED FLOOR ELEVATION FOR ALL BUILDING IMPROVEMENTS IS: 18" ABOVE TOP OF STREET CENTERLINE MEASURED AT THE FRONT CENTER OF THE LOT.
3. NO STRUCTURE SHALL BE PERMITTED OVER ANY EASEMENT.
4. BENCHMARK ELEVATION =87.16 C.P.S AT THE INTERSECTION OF DOOLITTLE ROAD AND MILE 17 ½ NORTH ROAD
5. ALL LOT CORNERS MARKED WITH No. 4 REBAR UNLESS OTHERWISE NOTED.
   ●-DENOTES ½" IRON ROD FOUND UNLESS OTHERWISE NOTED.
   O-DENOTES ½" IRON ROD SET
6. FLOOD ZONE DESIGNATION: ZONE "X" (SHADED)
   FLOOD ZONE X- 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(1) FOOT OR WHERE THE CONTRIBUTING DRAINAGE AREA IS LESS THAN ONE SQUARE MILE; AREAS PROTECTED BY LEVEES FROM THE BASE FLOOD.
   C.P.N. 480338 0020 E
   EFFECTIVE: JUNE 6, 2000
   REVISED TO REFLECT LOMR DATED MAY 14, 2001
7. DRAINAGE DETENTION REQUIRED FOR THIS PROPERTY IS 50,151 C.F. (1.15 AC-FT.)

   THE DEVELOPER SHALL BE RESPONSIBLE FOR DETAINING AND ACCOMMODATING MORE THAN THE DETAINED VOLUME SHOWN ON THIS PLAT IF IT IS DETERMINED, AT THE PERMIT STAGE, THAT THE DETENTION REQUIREMENTS ARE GREATER THAN STATED ON THIS PLAT, DUE TO THE IMPERVIOUS ARE BEING GREATER THAN THE PLAT ENGINEER CONSIDERED IN THE HYDRAULIC CALCULATIONS FOR THIS SUBDIVISION

I, HOMERO LUIS GUTIERREZ, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECTLY MADE AND IS PREPARED FROM AN ACTUAL SURVEY ON THE PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND AND THAT THE CORNER MONUMENTS WERE PROPERLY PLACED UNDER MY SUPERVISION.

HOMERO LUIS GUTIERREZ
REGISTERED PROFESSIONAL LAND SURVEYOR No. 2791
2600 SAN DIEGO
MISSION, TEXAS 78572

STATE OF TEXAS
COUNTY OF HIDALGO

I, THE UNDERSIGNED, A LICENSED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, HEREBY CERTIFY THAT PROPER ENGINEERING CONSIDERATION HAS BEEN GIVEN TO THIS PLAT

ICERTIFY THAT THE WATER AND SEWER SERVICE FACILITIES FOR THE LOTS INTENETED FOR RESIDENTIAL /COMMERCIAL PURPOSES DESCRIBE ABOVE ARE IN COMPLIANCE WITH THE MODEL RULES ADOPTED UNDER SECTION 16.343, WATER CODE. THE ESTIMATED COST TO INSTALL UNCONSTRUCTED WATER AND SEWAGE FACILITIES DESCRIBED ABOVE ARE AS FOLLOWS: THESE FACILITIES WILL BE CONSTRUCTED.

SEWAGE FACILITIES (SEWER SERVICE CONNECTION) ARE ESTIMATED TO COST $ PER LOT (ALL INCLUSIVE) FOR A TOTAL COST OF $ FOR THE SUBDIVISION. THE SUBDIVIDER HAS PAID A TOTAL OF $ TO COVER THE COST OF SEWER SERVICE CONNECTION.

DATED THIS THE _____ DAY OF _____ 2024

Guillermo Arratia P.E. 12/11/2024

GUILLERMO A. ARRATIA
LICENSED PROFESSIONAL ENGINEER No. 94001
526 N. 5TH ST.
DONNA, TEXAS. 78537

STATE OF TEXAS
GUILLERMO A. ARRATIA
94001
LICENSED
PROFESSIONAL ENGINEER

DATE OF PREPARATION: JANUARY 22, 2022

PRINCIPAL CONTACTS:

	NAME	ADDRESS	CITY & ZIP	PHONE
OWNER:				
ENGINEER:	GUILLERMO A. ARRATIA, P.E.	526 N. 5TH ST.	DONNA, TX 78537,	(956) 784-0218
SURVEYOR:				

NAIN ENGINEERING, L.L.C.
CONSULTING ENGINEER
526 N. 5TH STREET
DONNA, TEXAS. 78537
FIRM NO. F-9050
PH. (956) 784-0218
E-MAIL:NAINENGINEERING@YAHOO.COM

ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES FROM AGRICULTURE AND OPEN SPACE (AO) DISTRICT TO RESIDENTIAL, PRIMARY (RP) DISTRICT, BEING A 16.277 ACRE TRACT OF LAND OUT OF BLOCKS 37 AND 38, SANTA CRUZ RANCH SUBDIVISION, AS RECORDED IN VOLUME Z AND PAGE 161, DEED RECORDS, HIDALGO COUNTY, TEXAS, LOCATED AT 5161 N. I-69C, 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 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 all of Being A 16.277 Acre Tract of Land out of Blocks 37 and 38, Santa Cruz Ranch Subdivision, as Recorded in Volume Z and Page 161, Deed Records, Hidalgo County, Texas, Located at 5161 N. I-69C from Agriculture and Open Space (AO) District and Residential, Suburban (RS) 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 February 26, 2026, 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 March 17, 2026, 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 Agricultural and Open Space (AO) District, and Residential, Primary (RP) District 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 the 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 17th day of March 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

By: _____
Josephine Ramirez-Solis, City Attorney

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
PUBLIC HEARINGS - ROUTINE ITEMS
Agenda Item No: 9.C.
Rezoning Request- Rio Delta Engineering

1. **Agenda Item:**
Hold Public Hearing and Consider the Ordinance Providing for the Rezoning Request from Residential, Primary (RP) District to Residential, Urban and Townhome (RU) District, Being 22.63 Acres Out of Lots 5,6,7,8 and 9, Block 8, Santa Cruz Gardens Unit No. 3 Subdivision, Located at 2812 E. Davis Road, as Requested by Rio Delta Engineering. [Jaime Acevedo, Director of Planning and Zoning]

2. **Description:**
This property is located on the southside of E. Davis Road approximately 1,200 feet west of N. Doolittle Road. The property is currently zoned Residential, Primary (RP) District. This district has a predominantly auto-urban character. It is the primary residential district, intended to permit a wide range of single-family residential uses. The requested zoning is Residential, Urban and Townhome (RU) District. This district is the highest intensity single-family residential district. The district includes auto-urban and higher densities meant to meet the community's need for more compact developments, walkable areas, and affordable housing. The property has a total frontage of 174 feet along E. Davis Road and a lot depth of 1,625.01 feet, for a total area of 22.63 acres. Currently the property sits vacant. The applicant is wanting to utilize the property for single family residential uses.

Adjacent zoning is Residential, Primary (RP) District to the east, west and south with lots averging 6,500 square feet. Property to the north fall outside the City Limits of Edinburg. Surrounding land uses consists of single-family residential uses. The Future Land Use designation for this property is for Auto Urban Uses.

Staff mailed a notice of the public hearing to 78 neighboring property owners on Friday, February 13, 2026, and 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 February 25, 2026.

On February 18, 2026, Planning staff met with City of Edinburg development departments to discuss the proposed rezoning. It was determined infrastructure will need to be upgraded in this area to support the proposed development.

On February 26, 2026, the Planning and Zoning Commission recommended with a unanimous vote of 4-0 to approve the Rezoning Request.

3. **Staff's Recommendation:**
Staff recommends approval of the Rezoning Request from Residential, Primary (RP) District to Residential, Urban and Townhome (RU) District, based on the surrounding land uses and the future land use. 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:		**Prepared by:**
Jaime Acevedo, Director of Planning and Zoning	Approved - 3/13/2026	Rita Guerrero, Assistant Director of Planning and Zoning
Jesus Saenz, Assistant City Manager	Final Approval - 3/13/2026	

Attachments:

A. City Council Agenda Packet Attachments
B. Ordinance

MEETING DATES:
PLANNING & ZONING COMMISSION – 02/26/2026
CITY COUNCIL – 03/17/2026
DATE PREPARED – 02/18/2026

STAFF REPORT
GENERAL INFORMATION

APPLICATION: Consider the Rezoning Request from Residential, Primary (RP) District to Residential, Urban and Townhome (RU) District

APPLICANT: Fortis Lands Company LLC

AGENT: Rio Delta Engineering

LEGAL: Being 22.63 Acres Out of Lots 5,6,7,8 and 9, Block 8, Santa Cruz Gardens Unit No.3 Subdivision

LOCATION: Located at 2812 E. Davis Road

LOT/TRACT SIZE: 22.63 Acres

CURRENT USE: Vacant

PROPOSED USE: Residential, Urban and Townhome (RU) District

EXISTING ZONING: Residential, Primary (RP) District

ADJACENT ZONING:
North – Outside City Limits of Edinburg
South – Residential, Primary (RP) District
East – Residential, Primary (RP) District
West – Residential, Primary (RP) District

LAND USE PLAN: Auto Urban Uses

PUBLIC SERVICES: City of Edinburg Sewer and North Alamo Water CCN Service Area

RECOMMENDATION: Staff recommends approval of the Rezoning Request from Residential, Primary (RP) District to Residential, Urban and Townhome (RU) District

REZONING REQUEST
RIO DELTA ENGINEERING

EVALUATION

The following is the staff's evaluation of the request:

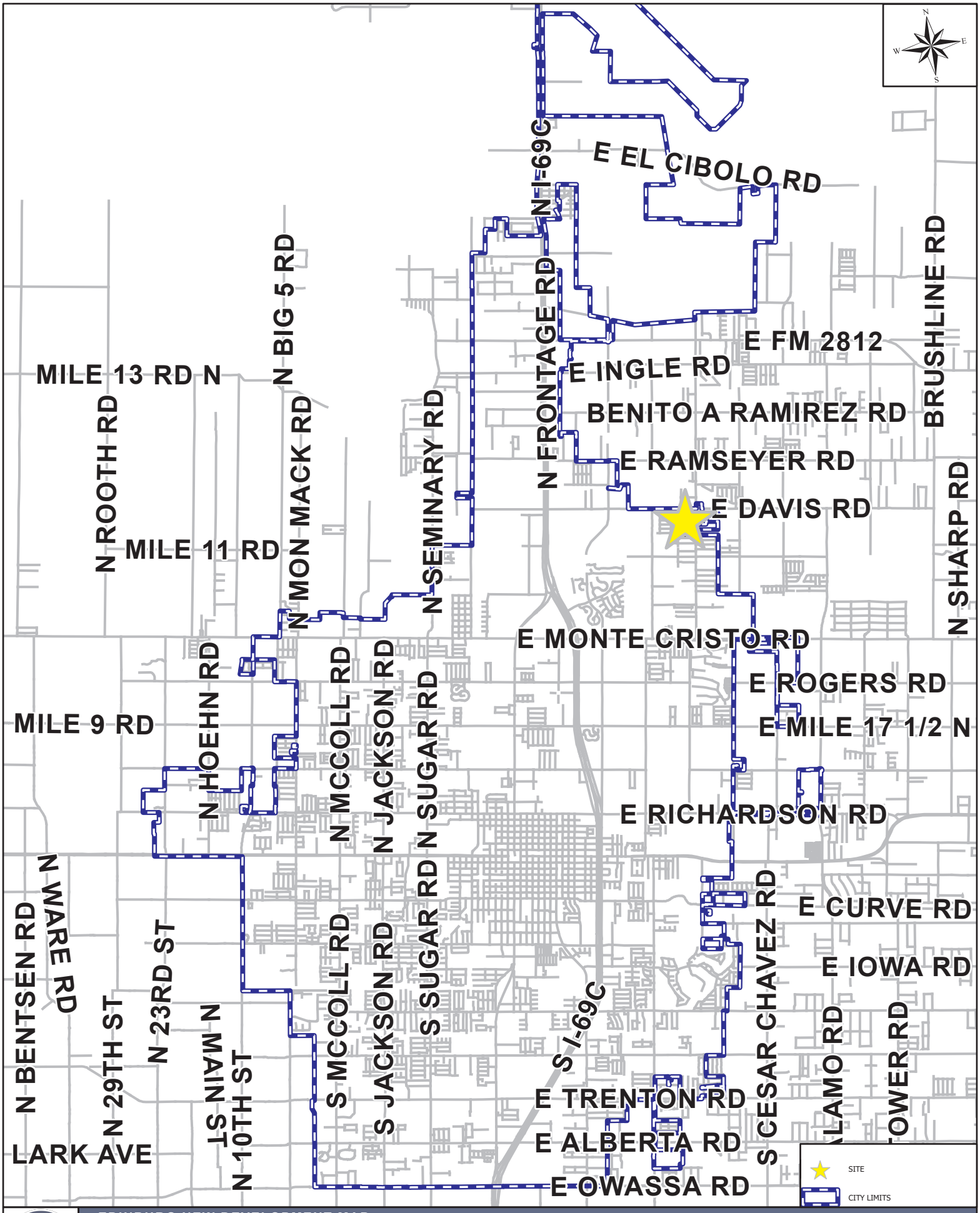
1. The property is currently vacant.

2. Surrounding land uses consists of single-family residential uses

3. The proposed zoning is consistent with the Future Land Use Plan.

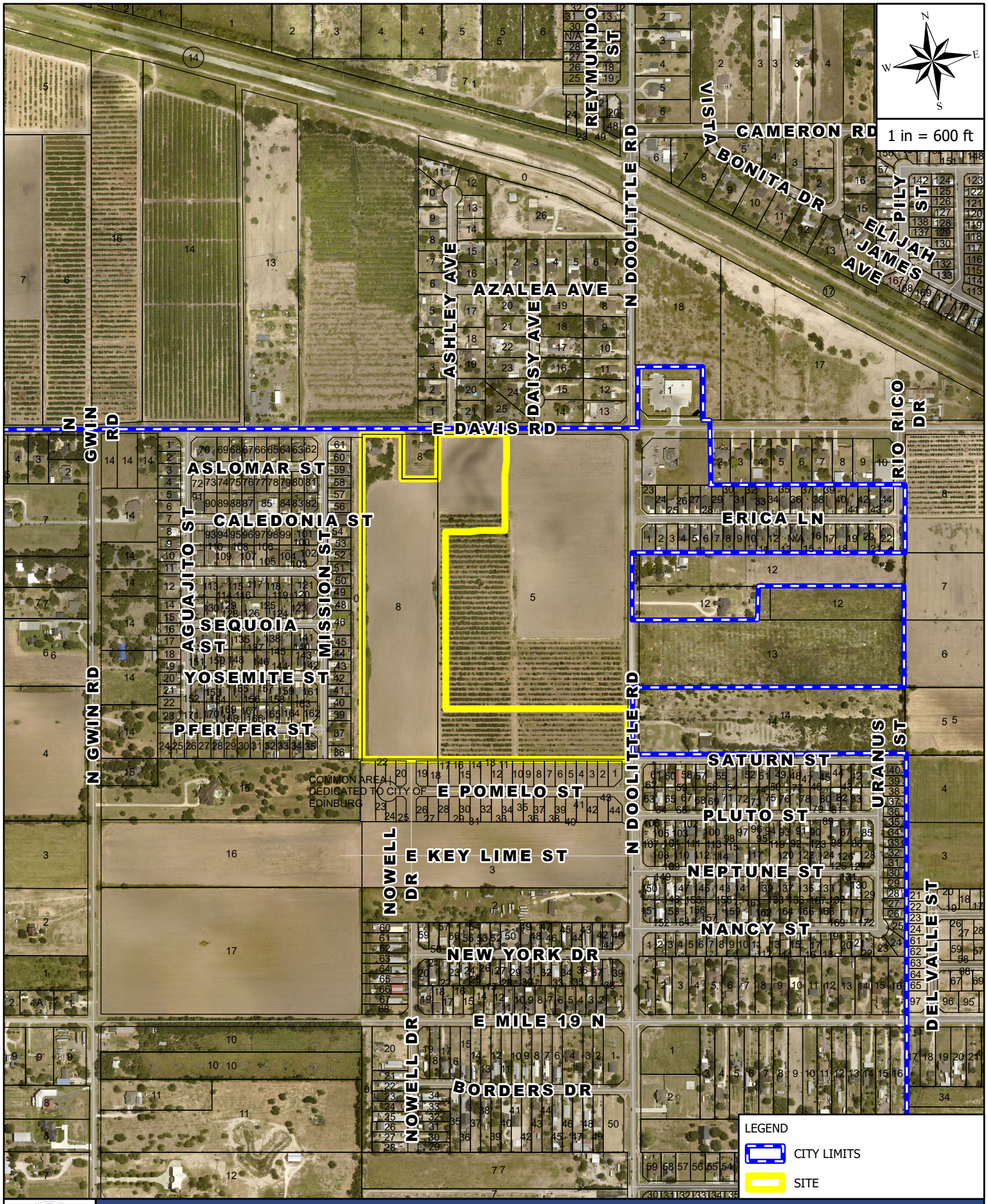
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Staff mailed a notice of the public hearing to 78 neighboring property owners on Friday, February 13, 2026, and received no comments in favor or against this request at the time this report was prepared. Notice of this public hearing was published in the newspaper on February 25, 2026.



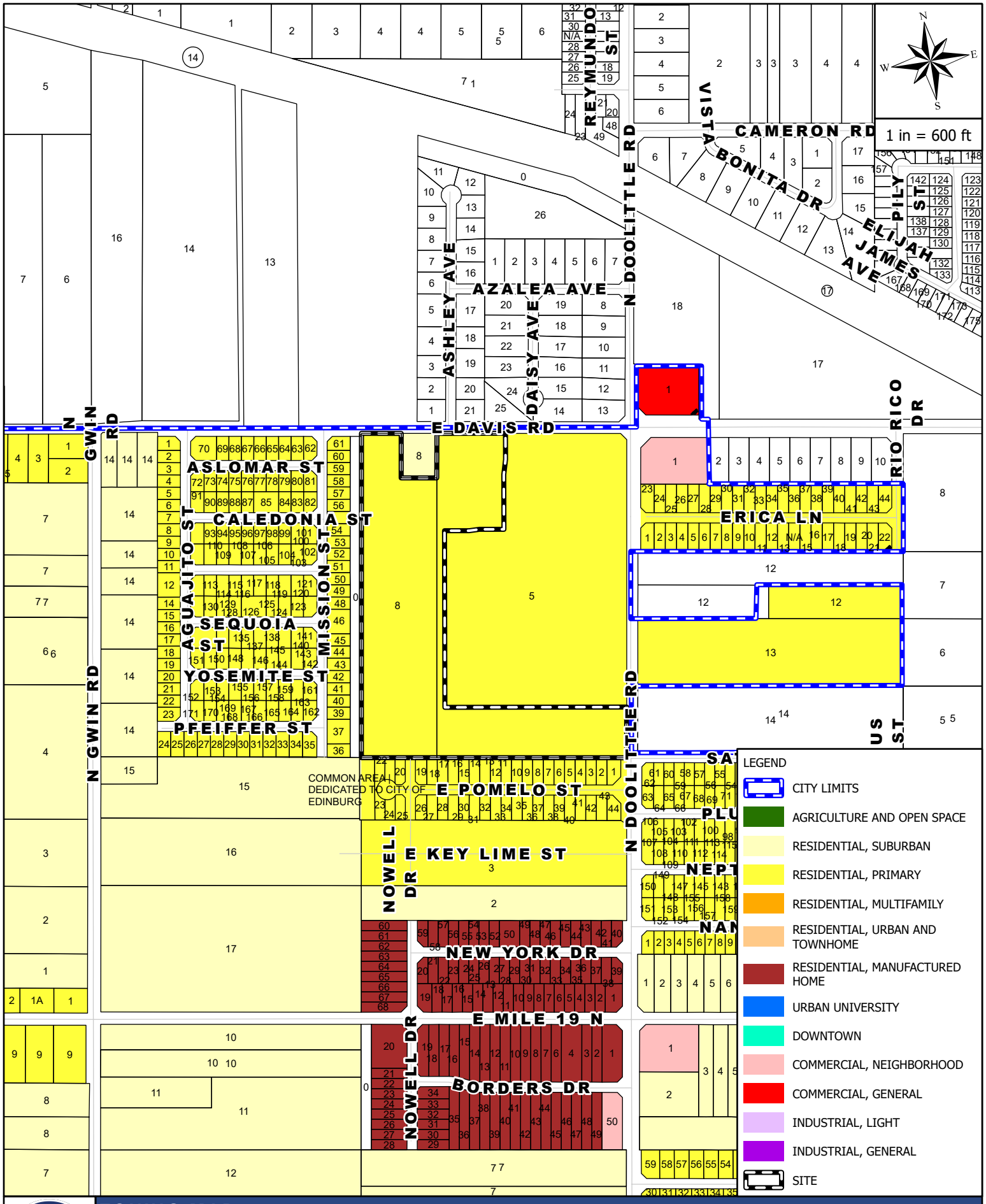
EDINBURG NEW DEVELOPMENT MAP

2812 E DAVIS RD



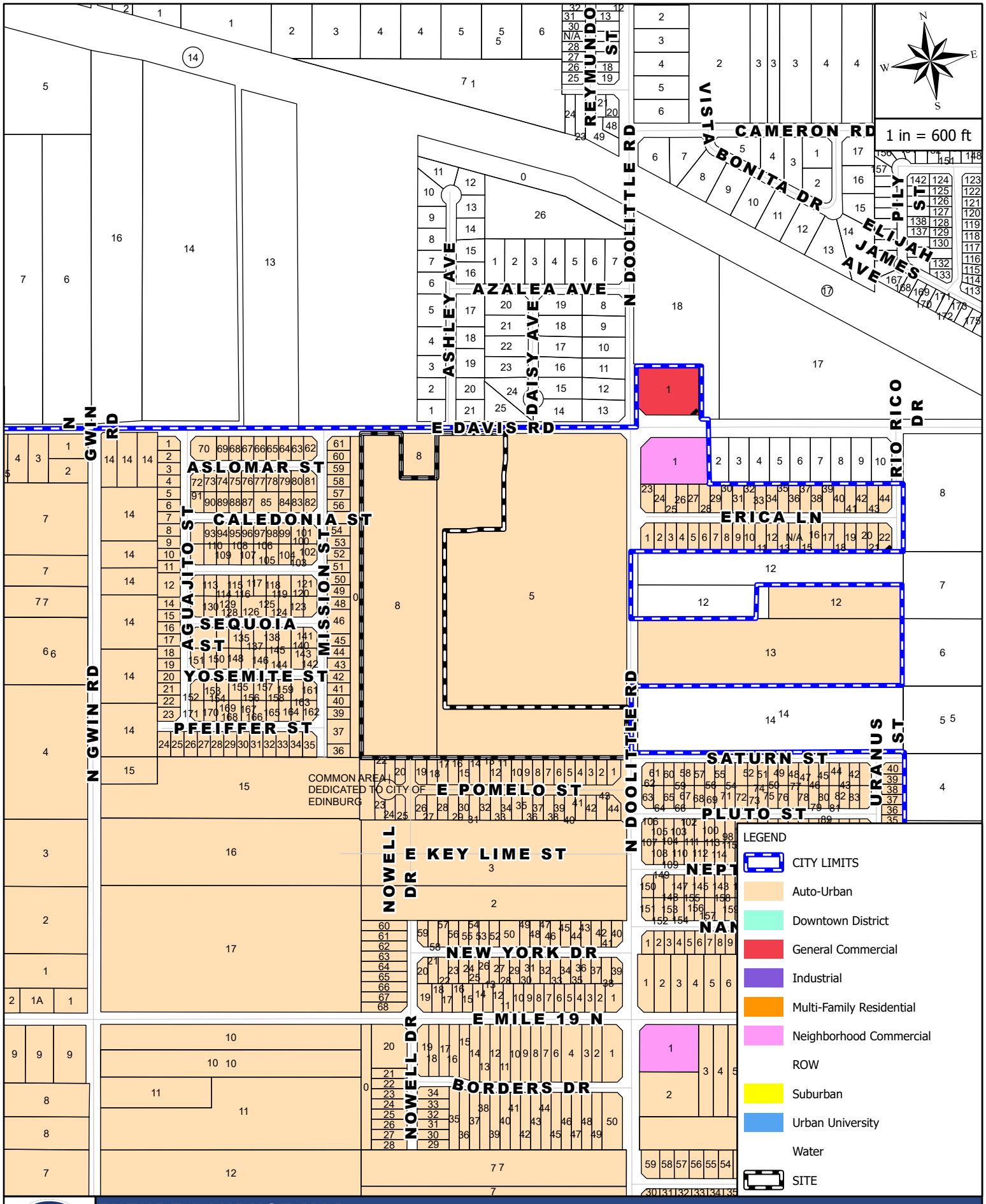
AERIAL MAP

2812 E DAVIS RD



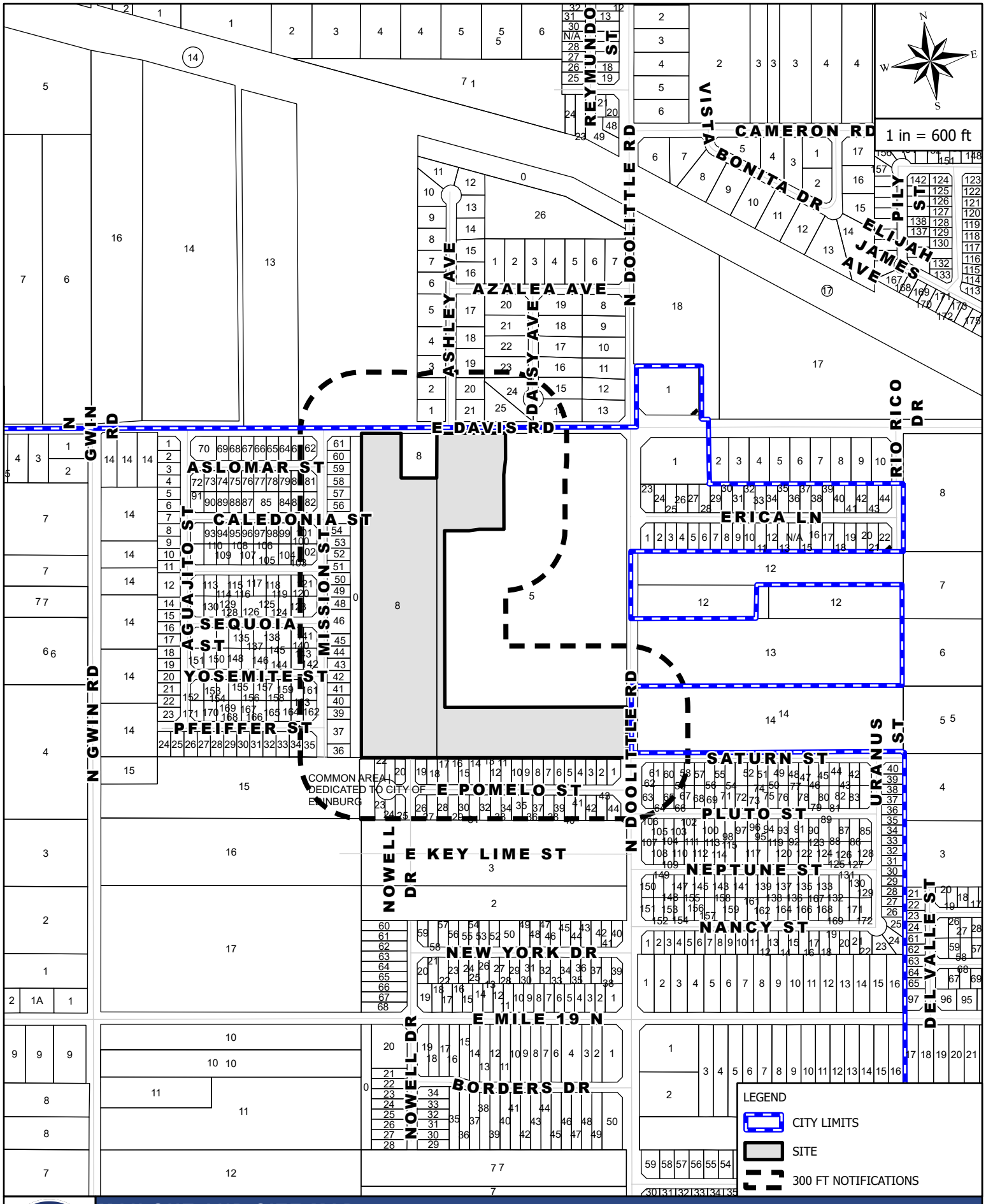
ZONING MAP

2812 E DAVIS RD



FUTURE LANDUSE MAP

2812 E DAVIS RD



MAILOUT AND SITE MAP

2812 E DAVIS RD

Rezoning Request Site Photo

Rio Delta Engineering
2812 E. Davis Road



EXHIBIT B
BOUNDARY SURVEY
TRACT 1 - 22.63 ACRES
OUT OF LOTS 5, 6, 7,8, AND 9, BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 3
VOLUME 9, PAGE 3,
MAP RECORDS OF HIDALGO COUNTY, TEXAS
TO ACCOMPANY FIELD NOTES

SCALE: 1" = 200'
BEARING BASIS
TX STATE PLANE
COORDINATES NAD 83
TEXAS SOUTH ZONE (4205)
WESTERN DATA
SYSTEMS NETWORK

LEGEND
- ○ 1/2" IRON ROD SET
- ● 1/2" IRON ROD FOUND
- X FENCE CORNER FOUND
- ◎ – RIGHT-OF-WAY POST FOUND
- ◉ 5/8" IRON ROD FOUND
- ⊛ COTTON PICKER SPINDLE FOUND
- △ CALCULATED POINT
- ◬ COTTON PICKER SPINDLE SET
- (XXXX) – RECORD CALL (VOL,9,PG 3 M.R.H.C.)
- [XXXX] – RECORD CALL(DOC.#1781239 O.R.H.C.)
- {XXXX} – RECORD CALL(VOL,55,PG 155 M.R.H.C.)
- XXXX – MEASURED
- P.O.B. – POINT OF BEGINNING

VILLANUEVA PROPERTIES AND INVESTMENTS, LLC
19.36 ACRES
OUT OF LOTS 11 AND 12, BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 2, VOL 8, PAGE 28, M.R.H.C.
DOC# 3413320, O.R.H.C.

SEE DETAIL "B"

NW CORNER BLOCK 8, LOT 5 SANTA CRUZ GARDENS UNIT NO.3 COTTON-PICKER-SPINDLE SET

TWIN LAKE
VOL 25, PAGE 50A, M.R.H.C.

23.24' E-E EXIST. PAVED ROAD

VISTA BONITA NO. 3
VOL 29, PAGE 133A, M.R.H.C.

P.O.B.
NORTHEAST CORNER OF OUR TRACT
N:16654214.0725
E:1108261.4740

30.00' EXIST. 60.00' R.O.W. VOL,9 ,PG 3 M.R.H.C.

NORTH RIGHT-OF-WAY LINE

P.O.C.
NE CORNER BLOCK 8, LOT 5 SANTA CRUZ GARDENS UNIT NO.3 COTTON-PICKER-SPINDLE FOUND
N:16654120.3000
E:1108879.6130

AMI W.KELLEN, TRUSTEE OF THE KELEN FAMILY TRUST
DOOLITTLE DG LOT 1
3120095, M.R.H.C.

50.00' EXIST R.O.W DOC.#3120095 M.R.H.C.

S81° 21' 23"E 174.00'
(S81°37'00"E 174.00')
N81° 21' 23"W 625.24'
(N81°37'00"W)
S81° 21' 23"E 336.76'
N81° 21' 23"W 175.00'
N57° 27' 19"W 0.47'

1350
84.21
FND CPS

℄ DAVIS ROAD

VILLAS DE SANTA CRUZ
VOL 40, PAGE 1, M.R.H.C.

50.00'EXIST. R.O.W. VOL,40,PG1 M.R.H.C.

MORENO HERLINDA
1.00 ACRES
OUT OF LOTS 8 AND 9, BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 3, VOL 9, PAGE 3, M.R.H.C.
DOC# 1781239, O.R.H.C.

S8° 38' 37"W 248.90'
[S08°23'00"W 248.90']
N8° 38' 37"E 248.90'
[N08°23'00"E 248.90']
S81° 21' 23"E 175.00'
[S81°37'00"E 175.00']

S8° 38' 37"W 128.32'
30.00'
SOUTH RIGHT-OF-WAY LINE
S15° 18' 19"W 75.51'
S8° 38' 37"W 268.00'

15.00' R.O.W. EASEMENT N.A.S.W.C. VOL,2594,PG 421 O.R.H.C.

ABRAHAM JOHN P
REMAINDER OF 34.16 ACRES
OUT OF LOTS 5, 6, 7
BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 3,
VOL 9, PAGE 3, M.R.H.C.
VOL. 2942 PG.283, O.R.H.C.

FIRE HYDRANT
WEST RIGHT-OF-WAY LINE

VILLAS DE SANTA CRUZ
UT NO. 2
DOC# 3016916, M.R.H.C.

50.00' EXIST. R.O.W. RECORD VOL,40,PG1

24.87' E-E EXIST. PAVE ROAD

CITY OF EDINBURG
55.00' DRAIN DITCH R.O.W. DEDICATED BY VOL 55, PG 155 M.R.H.C.

DAVIS PALM SUBDIVISION
VOL 55, PG 155
M.R.H.C.

N8° 38' 37"E 1625.01'
{N08°23'00"E1625.45'}
(N08°23'00"E1625.40')

N81° 21' 54"W 120.50'
N88° 53' 04"W 50.43'
N81° 21' 54"W 120.50'

IRRIGATION STAND PIPE
36.84'
IRRIGATION VALVE
IRR
EXIST. SANTA CRUZ IRRIGATION DISTRICT #15 IRRIGATION LINE (NO RECORD DOCUMENT FOUND)

30.00'
EXIST. 60.00' R.O.W.

SALOME M. BARRIENTOS, BLANCA ESTELLA BARRIENTOS
5.00 ACRES, OUT OF LOT 12, BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 3, VOL 9, PAGE 3, M.R.H.C.
DOC# 386212, O.R.H.C.

MARIVEL CORREA,
5.00 ACRES, OUT OF LOT 12, BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 3, VOL 9, PAGE 3, M.R.H.C.

EAST RIGHT-OF-WAY LINE

POWER POLES

EXIST. 60.00' R.O.W.

REBEKAH JANELLE VALDEZ,
10.09 ACRES, OUT OF LOT 13, BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 3,
VOL 9, PAGE 3, M.R.H.C.
3184217 O.R.H.C.

OVERHEAD POWER LINE

℄ DOOLITTLE ROAD

TRACT 1
22.63 ACRES
0.35 ACRES IN DAVIS RD. R.O.W.
0.19 IN DOOLITTLE ROAD R.O.W.
22.09 ACRES NET

S8° 38' 37"W 866.33'
566.33'
417.53'
LOT 9 LOT 8
LOT 8 LOT 7
LOT 7 LOT 6
LOT 6 LOT 5
S81° 21' 52"E 925.01'

FIRE HYDRANT

S8° 38' 37"W 285.36'
(S08°23'00"W)

NAPOLEON VILLARREAL & SOYLA,
10.09 ACRES, OUT OF LOT 14,
BLOCK 8, SANTA CRUZ GARDENS UNIT NO. 3,
VOL 9, PAGE 3, M.R.H.C.
VOL 2018, PAGE 717 O.R.H.C.

SEE DETAIL "A"

N5° 44' 54"W 2.59'

N81° 09' 28"W 1311.01'
(S81°25'00"E)

CITY OF EDINBURG
55.00' DRAIN DITCH R.O.W. DEDICATED BY VOL 55, PG 155 M.R.H.C.

5/8-INCH IRON ROD FOUND
SOUTHWEST CORNER OF LOT 9
TRACT 1
N5° 44' 54"W 2.59'

DETAIL "A"
N.T.S.

RG ENTERPRISES LLC
18.79 A.C
DOC.#3462120
O.R.H.C.

WEST LINE OF LOT 9 BLOCK 8
N57° 27' 19"W 0.47'
SOUTH RIGHT-OF-WAY LINE
TRACT 1
5/8-INCH IRON ROD FOUND

DETAIL "B"
N.T.S.

TITLE COMMITMENT NOTES:

PROPERTY SUBJECT TO:

b. RIGHT OF WAY EASEMENT GRANTED TO TEXAS EASTERN TRANSMISSION CORPORATION DATED NOV 5, 1957, RECORDED IN VOL 903, PG 281, DEED RECORDS HIDALGO COUNTY,TEXAS. (AFFECTS SUBJECT PROPERTY,BLANKET IN NATURE NOT PLOTTABLE)

c. RIGHT OF WAY EASEMENT GRANTED TO TEXAS EASTERN TRANSMISSION CORPORATION DATED OCT 25,1957, RECORDED IN VOL 903, PG 284, DEED RECORDS HIDALGO COUNTY TEXAS.(AFFECTS SUBJECT PROPERTY,BLANKET IN NATURE NOT PLOTTABLE)

d. RIGHT OF WAY EASEMENT GRANTED TO NORTH ALAMO WATER SUPPLY CORPORATION DATED APRIL 22,1988 RECORDED IN VOL 2594,PG 421(AFFECTS SUBJECT PROPERTY,PLOTTED)

e. EASEMENTS AND CONDITIONS AS SHOWN ON THE MAP OR PLAT THEREOF, FILED FOR RECORD IN VOL 9, PG 3, MAP RECORDS HIDALGO COUNTY,TEXAS, AND DEDICATION DATED JAN 31,1947, FILLED FOR RECORD ON FEBRUARY 25, 1947 IN THE OFFICE OF THE COUNTY CLERK OF HIDALGO COUNTY, TEXAS IN VOL 602, PG 460, DEED RECORDS HIDALGO COUNTY, TEXAS. (AFFECTS SUBJECT PROPERTY,BLANKET IN NATURE NOT PLOTTABLE)

f. EASEMENTS, RIGHTS, RULES AND REGULATIONS IN FAVOR OF SANTA CRUZ WATER DISTRICT No.15. (AFFECTS SUBJECT PROPERTY,BLANKET IN NATURE NOT PLOTTABLE)

g. EASEMENTS OR CLAIMS OF EASEMENTS WHICH ARE NOT PART OF THE PUBLIC RECORD.(AFFECTS SUBJECT PROPERTY,BLANKET IN NATURE NOT PLOTTABLE)

RIGHTS OF WAY, EASEMENTS, TERMS AND CONDITIONS AS MORE FULLY DESCRIBED AND AS REFLECTED BY COMMITMENT FOR TITLE INSURANCE WITH GF No. 106778, ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, ISSUED DECEMBER 12, 2024.

SURVEYOR'S NOTES:

1) NO ADDITIONAL RESEARCH WAS PERFORMED BY RIO DELTA ENGINEERING FOR ANY ADDITIONAL EASEMENT(S) OR BUILDINGS LINES WHICH MAY OR MAY NOT AFFECT THE SUBJECT TRACT.

2) THE PROPERTY SHOWN IS IN ZONE X AND ZONE AE, AREAS OF MINIMAL FLOODING, AS DETERMINED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY AND IDENTIFIED ON FIRM MAP NO. 480334 0325D, DATED JUNE 6, 2000.

I, IVAN GARCIA, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY STATE, THAT THIS SURVEY WAS MADE ON THE GROUND OF THE PROPERTY SHOWN HEREON DURING JANUARY 2025, UNDER MY DIRECTION AND SUPERVISION; THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE; THAT THE PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH "MINIMUM STANDARD DETAIL REQUIREMENTS FOR LAND TITLE SURVEYS".

STATE OF TEXAS REGISTERED IVAN GARCIA 6496 PROFESSIONAL LAND SURVEYOR

RIO DELTA ENGINEERING
FIRM REGISTRATION No. F-7628
SURVEY FIRM NO. 10194027
921 S. 10TH AVENUE, EDINBURG TEXAS 78539
(TEL) 956-380-5152 (FAX) 956-380-5083

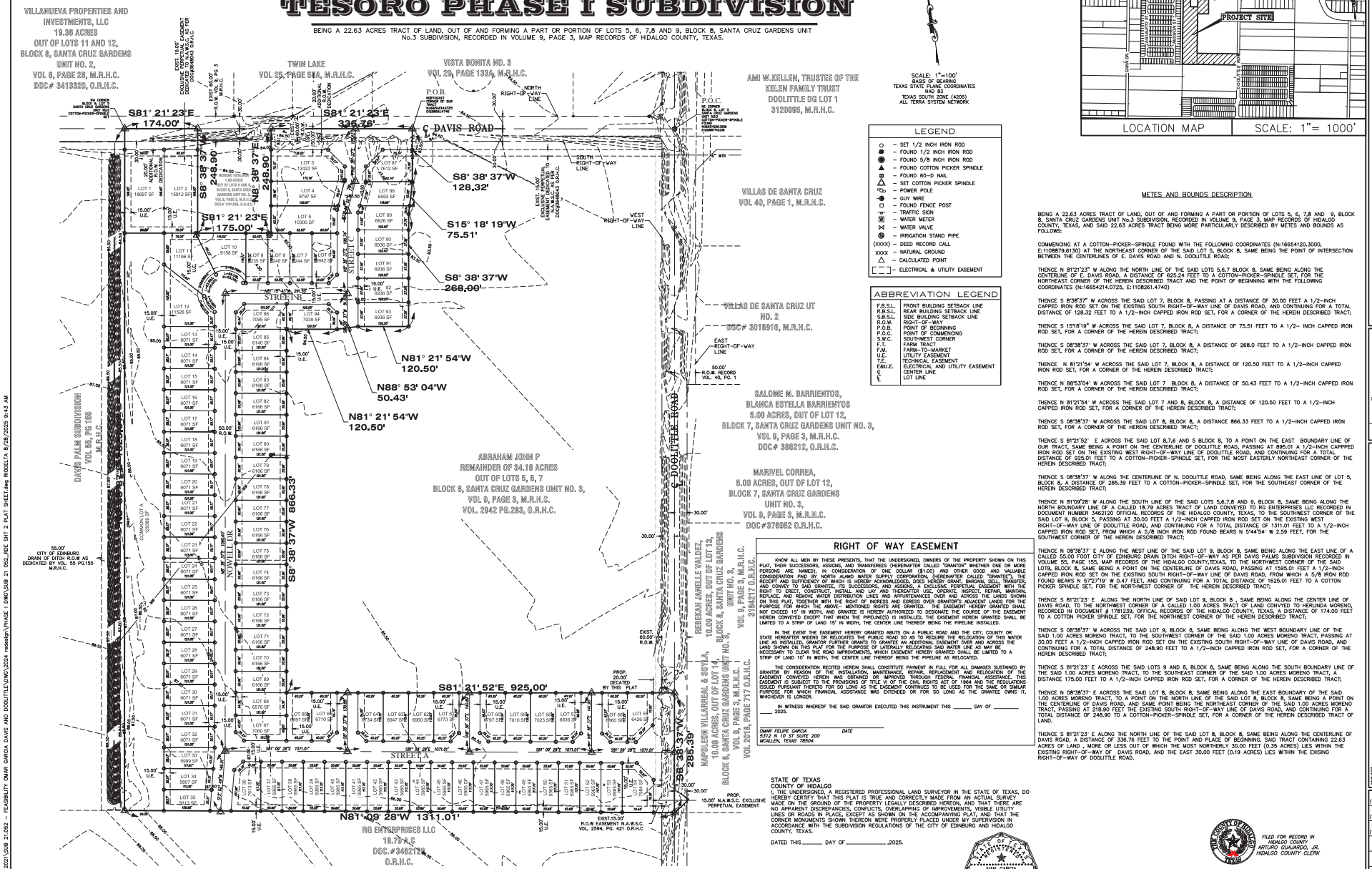
DATE: JAN 2025
PROJECT: SUB 21 052
PAGE: 1 OF 1

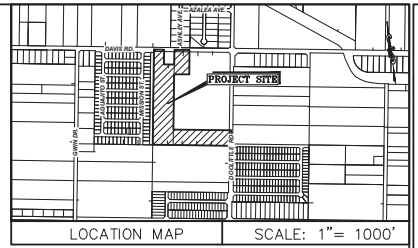
IVAN GARCIA DATE
REG. PROFESSIONAL LAND SURVEYOR NO. 6496

DATE OF PREPARATION: JULY 18, 2025

TESORO PHASE I SUBDIVISION

BEING A 22.63 ACRES TRACT OF LAND, OUT OF AND FORMING A PART OR PORTION OF LOTS 5, 6, 7,8 AND 9, BLOCK 8, SANTA CRUZ GARDENS UNIT No.3 SUBDIVISION, RECORDED IN VOLUME 9, PAGE 3, MAP RECORDS OF HIDALGO COUNTY, TEXAS.





LEGEND

- ○ – SET 1/2 INCH IRON ROD
- ● – FOUND 1/2 INCH IRON ROD
- ◉ – FOUND 5/8 INCH IRON ROD
- ▲ – FOUND COTTON PICKER SPINDLE
- ⊠ – FOUND 60-D NAIL
- △ – SET COTTON PICKER SPINDLE
- ○ – POWER POLE
- ⊸ – GUY WIRE
- □ – FOUND FENCE POST
- ⊤ – TRAFFIC SIGN
- Ⓦ – WATER METER
- ⋈ – WATER VALVE
- ⊗ – IRRIGATION STAND PIPE
- (XXXX) – DEED RECORD CALL
- XXXX – NATURAL GROUND
- △ – CALCULATED POINT
- [ ] – ELECTRICAL & UTILITY EASEMENT

ABBREVIATION LEGEND

F.B.S.L.	FRONT BUILDING SETBACK LINE
R.B.S.L.	REAR BUILDING SETBACK LINE
S.B.S.L.	SIDE BUILDING SETBACK LINE
R.O.W.	RIGHT-OF-WAY
P.O.B.	POINT OF BEGINNING
P.O.C.	POINT OF COMMENCING
S.W.C.	SOUTHWEST CORNER
F.T.	FARM TRACT
F.M.	FARM-TO-MARKET
U.E.	UTILITY EASEMENT
T.E.	TECHNICAL EASEMENT
E&U.E.	ELECTRICAL AND UTILITY EASEMENT
℄	CENTER LINE
L	LOT LINE

METES AND BOUNDS DESCRIPTION

BEING A 22.63 ACRES TRACT OF LAND, OUT OF AND FORMING A PART OR PORTION OF LOTS 5, 6, 7,8 AND 9, BLOCK 8, SANTA CRUZ GARDENS UNIT No.3 SUBDIVISION, RECORDED IN VOLUME 9, PAGE 3, MAP RECORDS OF HIDALGO COUNTY, TEXAS, AND SAID 22.63 ACRES TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A COTTON-PICKER-SPINDLE FOUND WITH THE FOLLOWING COORDINATES (N:16654120.3000, E:1108879.61.30) AT THE NORTHEAST CORNER OF THE SAID LOT 5, BLOCK 8, SAME BEING THE POINT OF INTERSECTION BETWEEN THE CENTERLINES OF E. DAVIS ROAD AND N. DOOLITTLE ROAD;

THENCE N 81°21'23" W ALONG THE NORTH LINE OF THE SAID LOTS 5,6,7 BLOCK 8, SAME BEING ALONG THE CENTERLINE OF E. DAVIS ROAD, A DISTANCE OF 625.24 FEET TO A COTTON-PICKER-SPINDLE SET, FOR THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT AND THE POINT OF BEGINNING WITH THE FOLLOWING COORDINATES (N:16654214.0725, E:1108261.4740)

THENCE S 8°38'37" W ACROSS THE SAID LOT 7, BLOCK 8, PASSING AT A DISTANCE OF 30.00 FEET A 1/2-INCH CAPPED IRON ROD SET ON THE EXISTING SOUTH RIGHT-OF-WAY LINE OF DAVIS ROAD, AND CONTINUING FOR A TOTAL DISTANCE OF 128.32 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 15°18'19" W ACROSS THE SAID LOT 7, BLOCK 8, A DISTANCE OF 75.51 FEET TO A 1/2- INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 08°38'37" W ACROSS THE SAID LOT 7, BLOCK 8, A DISTANCE OF 268.0 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE N 81°21'54" W ACROSS THE SAID LOT 7, BLOCK 8, A DISTANCE OF 120.50 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE N 88°53'04" W ACROSS THE SAID LOT 7 BLOCK 8, A DISTANCE OF 50.43 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE N 81°21'54" W ACROSS THE SAID LOT 7 AND 8, BLOCK 8, A DISTANCE OF 120.50 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 08°38'37" W ACROSS THE SAID LOT 8, BLOCK 8, A DISTANCE 866.33 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 81°21'52" E ACROSS THE SAID LOT 8,7,6 AND 5 BLOCK 8, TO A POINT ON THE EAST BOUNDARY LINE OF OUR TRACT, SAME BEING A POINT ON THE CENTERLINE OF DOOLITTLE ROAD, PASSING AT 895.01 A 1/2-INCH CAPPPED IRON ROD SET ON THE EXISTING WEST RIGHT-OF-WAY LINE OF DOOLITTLE ROAD, AND CONTINUING FOR A TOTAL DISTANCE OF 925.01 FEET TO A COTTON-PICKER-SPINDLE SET, FOR THE MOST EASTERLY NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 08°38'37" W ALONG THE CENTERLINE OF N. DOOLITTLE ROAD, SAME BEING ALONG THE EAST LINE OF LOT 5, BLOCK 8, A DISTANCE OF 285.39 FEET TO A COTTON-PICKER-SPINDLE SET, FOR THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE N 81°09'28" W ALONG THE SOUTH LINE OF THE SAID LOTS 5,6,7,8 AND 9, BLOCK 8, SAME BEING ALONG THE NORTH BOUNDARY LINE OF A CALLED 18.79 ACRES TRACT OF LAND CONVEYED TO RG ENTERPRISES LLC RECORDED IN DOCUMENT NUMBER 3462120 OFFICIAL RECORDS OF THE HIDALGO COUNTY, TEXAS, TO THE SOUTHWEST CORNER OF THE SAID LOT 9, BLOCK 5, PASSING AT 30.00 FEET A 1/2-INCH CAPPED IRON ROD SET ON THE EXISTING WEST RIGHT-OF-WAY LINE OF DOOLITTLE ROAD, AND CONTINUING FOR A TOTAL DISTANCE OF 1311.01 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FROM WHICH A 5/8 INCH IRON ROD FOUND BEARS N 5°44'54" W 2.59 FEET, FOR THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE N 08°38'37" E ALONG THE WEST LINE OF THE SAID LOT 9, BLOCK 8, SAME BEING ALONG THE EAST LINE OF A CALLED 55.00 FOOT CITY OF EDINBURG DRAIN DITCH RIGHT-OF-WAY AS PER DAVIS PALMS SUBDIVISION RECORDED IN VOLUME 55, PAGE 155, MAP RECORDS OF THE HIDALGO COUNTY,TEXAS, TO THE NORTHWEST CORNER OF THE SAID LOT9, BLOCK 8, SAME BEING A POINT ON THE CENTERLINE OF DAVIS ROAD, PASSING AT 1595.01 FEET A 1/2-INCH CAPPED IRON ROD SET ON THE EXISTING SOUTH RIGHT-OF-WAY LINE OF DAVIS ROAD, FROM WHICH A 5/8 IRON ROD FOUND BEARS N 57°27'19" W 0.47 FEET, AND CONTINUING FOR A TOTAL DISTANCE OF 1625.01 FEET TO A COTTON PICKER SPINDLE SET, FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 81°21'23" E ALONG THE NORTH LINE OF SAID LOT 9, BLOCK 8 , SAME BEING ALONG THE CENTER LINE OF DAVIS ROAD, TO THE NORTHWEST CORNER OF A CALLED 1.00 ACRES TRACT OF LAND CONVYED TO HERLINDA MORENO, RECORDED IN DOCUMENT # 1781239, OFFICAL RECORDS OF THE HIDALGO COUNTY, TEXAS, A DISTANCE OF 174.00 FEET TO A COTTON PICKER SPINDLE SET, FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 08°38'37" W ACROSS THE SAID LOT 9, BLOCK 8, SAME BEING ALONG THE WEST BOUNDARY LINE OF THE SAID 1.00 ACRES MORENO TRACT, TO THE SOUTHWEST CORNER OF THE SAID 1.00 ACRES MORENO TRACT, PASSING AT 30.00 FEET A 1/2-INCH CAPPED IRON ROD SET ON THE EXISTING SOUTH RIGHT-OF-WAY LINE OF DAVIS ROAD, AND CONTINUING FOR A TOTAL DISTANCE OF 248.90 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 81°21'23 E ACROSS THE SAID LOTS 9 AND 8, BLOCK 8, SAME BEING ALONG THE SOUTH BOUNDARY LINE OF THE SAID 1.00 ACRES MORENO TRACT, TO THE SOUTHEAST CORNER OF THE SAID 1.00 ACRES MORENO TRACT, A DISTANCE 175.00 FEET TO A 1/2-INCH CAPPED IRON ROD SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE N 08°38'37" E ACROSS THE SAID LOT 8, BLOCK 8, SAME BEING ALONG THE EAST BOUNDARY OF THE SAID 1.00 ACRES MORENO TRACT, TO A POINT ON THE NORTH LINE OF THE SAID LOT 8, BLOCK 8, SAME BEING A POINT ON THE CENTERLINE OF DAVIS ROAD, AND SAME POINT BEING THE NORTHEAST CORNER OF THE SAID 1.00 ACRES MORENO TRACT, PASSING AT 218.90 FEET THE EXISTING SOUTH RIGHT-OF-WAY LINE OF DAVIS ROAD, AND CONTINUING FOR A TOTAL DISTANCE OF 248.90 TO A COTTON-PICKER-SPINDLE SET, FOR A CORNER OF THE HEREIN DESCRIBED TRACT OF LAND.

THENCE S 81°21'23" E ALONG THE NORTH LINE OF THE SAID LOT 8, BLOCK 8, SAME BEING ALONG THE CENTERLINE OF DAVIS ROAD, A DISTANCE OF 336.76 FEET TO THE POINT AND PLACE OF BEGINNING, SAID TRACT CONTAINING 22.63 ACRES OF LAND , MORE OR LESS OUT OF WHICH THE MOST NORTHERLY 30.00 FEET (0.35 ACRES) LIES WITHIN THE EXISTING RIGHT-OF-WAY OF DAVIS ROAD, AND THE EAST 30.00 FEET (0.19 ACRES) LIES WITHIN THE EXISTING RIGHT-OF-WAY OF DOOLITTLE ROAD.

RIGHT OF WAY EASEMENT

KNOW ALL MEN BY THESE PRESENTS, THAT THE UNDERSIGNED, OWNERS OF THE PROPERTY SHOWN ON THIS PLAT, THEIR SUCCESSORS, ASSIGNS, AND TRANSFEREES (HEREINAFTER CALLED "GRANTOR" WHETHER ONE OR MORE PERSONS ARE NAMED), IN CONSIDERATION OF ONE DOLLAR ($1.00) AND OTHER GOOD AND VALUABLE CONSIDERATION PAID BY NORTH ALAMO WATER SUPPLY CORPORATION, (HEREINAFTER CALLED "GRANTEE"), THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, DOES HEREBY GRANT, BARGAIN, SELL, TRANSFER, AND CONVEY TO SAID GRANTEE, ITS SUCCESSORS, AND ASSIGNS, A EXCLUSIVE PERPETUAL EASEMENT WITH THE RIGHT TO ERECT, CONSTRUCT, INSTALL AND LAY AND THEREAFTER USE, OPERATE, INSPECT, REPAIR, MAINTAIN, REPLACE, AND REMOVE WATER DISTRIBUTION LINES AND APPURTENANCES OVER AND ACROSS THE LANDS SHOWN ON THIS PLAT, TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER GRANTOR'S ADJACENT LANDS FOR THE PURPOSE FOR WHICH THE ABOVE- MENTIONED RIGHTS ARE GRANTED. THE EASEMENT HEREBY GRANTED SHALL NOT EXCEED 15' IN WIDTH, AND GRANTEE IS HEREBY AUTHORIZED TO DESIGNATE THE COURSE OF THE EASEMENT HEREIN CONVEYED EXCEPT THAT WHEN THE PIPELINE(S) IS INSTALLED, THE EASEMENT HEREIN GRANTED SHALL BE LIMITED TO A STRIP OF LAND 15' IN WIDTH, THE CENTER LINE THEREOF BEING THE PIPELINE INSTALLED.

IN THE EVENT THE EASEMENT HEREBY GRANTED ABUTS ON A PUBLIC ROAD AND THE CITY, COUNTY OR STATE HEREAFTER WIDENS OR RELOCATES THE PUBLIC ROAD SO AS TO REQUIRE THE RELOCATION OF THIS WATER LINE AS INSTALLED, GRANTOR FURTHER GRANTS TO GRANTEE AN ADDITIONAL EASEMENT OVER AND ACROSS THE LAND SHOWN ON THIS PLAT FOR THE PURPOSE OF LATERALLY RELOCATING SAID WATER LINE AS MAY BE NECESSARY TO CLEAR THE ROAD IMPROVEMENTS, WHICH EASEMENT HEREBY GRANTED SHALL BE LIMITED TO A STRIP OF LAND 10' IN WIDTH, THE CENTER LINE THEREOF BEING THE PIPELINE AS RELOCATED.

THE CONSIDERATION RECITED HEREIN SHALL CONSTITUTE PAYMENT IN FULL FOR ALL DAMAGES SUSTAINED BY GRANTOR BY REASON OF THE INSTALLATION, MAINTENANCE, REPAIR, REPLACEMENT AND RELOCATION OF THE EASEMENT CONVEYED HEREIN WAS OBTAINED OR IMPROVED THROUGH FEDERAL FINANCIAL ASSISTANCE. THIS EASEMENT IS SUBJECT TO THE PROVISIONS OF TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 AND THE REGULATIONS ISSUED PURSUANT THERETO FOR SO LONG AS THE EASEMENT CONTINUES TO BE USED FOR THE SAME OR SIMILAR PURPOSE FOR WHICH FINANCIAL ASSISTANCE WAS EXTENDED OR FOR SO LONG AS THE GRANTEE OWNS IT. WHICHEVER IS LONGER.

IN WITNESS WHEREOF THE SAID GRANTOR EXECUTED THIS INSTRUMENT THIS _____ DAY OF _____ ____ 2025.

_____ _____
OMAR FELIPE GARCIA DATE
5312 N 10 ST SUITE 200
MCALLEN, TEXAS 78504

STATE OF TEXAS
COUNTY OF HIDALGO

I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECTLY MADE FROM AN ACTUAL SURVEY MADE ON THE GROUND OF THE PROPERTY LEGALLY DESCRIBED HEREON, AND THAT THERE ARE NO APPARENT DISCREPANCIES, CONFLICTS, OVERLAPPING OF IMPROVEMENTS, VISIBLE UTILITY LINES OR ROADS IN PLACE, EXCEPT AS SHOWN ON THE ACCOMPANYING PLAT, AND THAT THE CORNER MONUMENTS SHOWN THEREON WERE PROPERLY PLACED UNDER MY SUPERVISION IN ACCORDANCE WITH THE SUBDIVISION REGULATIONS OF THE CITY OF EDINBURG AND HIDALGO COUNTY, TEXAS.

DATED THIS _____ DAY OF _____ ,2025.

_____ _____
IVAN GARCIA DATE
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6496
SURVEY FIRM # 10194027

STATE OF TEXAS
IVAN GARCIA
6496
REGISTERED PROFESSIONAL LAND SURVEYOR

THE COUNTY OF HIDALGO TEXAS

FILED FOR RECORD IN HIDALGO COUNTY ARTURO CUAJARDO, JR. HIDALGO COUNTY CLERK

ON: _____ AT _____ AM/PM

INSTRUMENT NUMBER _____
OF THE MAP RECORDS OF HIDALGO COUNTY, TEXAS

BY: _____ DEPUTY

PRINCIPAL CONTACTS:

NAME	ADDRESS	PHONE & FAX
OWNER: FORTIS LAND COMPANY, LLC	5312 N 10 ST SUITE 200 MCALLEN, TX 78504	(956) 292-0008 (956) 292-0896
ENGINEER: IVAN GARCIA, P.E., R.P.L.S.	921 SOUTH 10th AVE. EDINBURG, TX 78539	(956) 380-5152 (956) 380-5083
SURVEYOR: IVAN GARCIA, P.E., R.P.L.S.	921 SOUTH 10th AVE. EDINBURG, TX 78539	(956) 380-5152 (956) 380-5083

RIO DELTA ENGINEERING
FIRM REGISTRATION No. F-7628
SURVEY FIRM No. 10194027
921 S. 10TH AVENUE EDINBURG, TEXAS 78539
(TEL) 956-380-5152 (FAX) 956-380-5083

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF IVAN GARCIA, P.E. 115662 ON AUGUST 28, 2025 IT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING OR PERMIT PURPOSES.

ISSUED FOR: PRELIMINARY

PLAT SHEET
TESORO SUBDIVISION PHASE I
CITY OF EDINBURG
HIDALGO COUNTY

PROJECT:

ENGINEER: IVAN GARCIA P.E. R.P.L.S.
SURVEYOR: IVAN GARCIA P.E. R.P.L.S.
CHECKED: IVAN GARCIA P.E. R.P.L.S.
DRAWN: H.G
SCALE: 1"=100'
DATE: AUGUST 28, 2025
PROJECT: SUB 21 052
REVISIONS:
PAGE NO. SHT 02

N:\RDE SUBDIVISIONS 2021\SUB 21.052 – FEASIBILITY OMAR GARCIA DAVIS AND DOOLITTLE\DWG\2024 redesign\PHASE I DWG\SUB 21 052_RDE SHT 2 PLAT SHEET.dwg RODELTA 8/28/2025 9:43 AM

8/28/2025 9:43:17 AM IVAN\Ivan Rubin Consult\Library

ORDINANCE NO. _____

AN ORDINANCE AMENDING, SUPPLEMENTING, AND CHANGING THE BOUNDARIES FROM RESIDENTIAL, PRIMARY (RP) DISTRICT TO RESIDENTIAL, URBAN AND TOWNHOME (RU) DISTRICT, BEING 22.63 ACRES OUT OF LOTS 5,6,7,8 AND 9, BLOCK 8, SANTA CRUZ GARDENS UNIT NO.3 SUBDIVISION, LOCATED AT 2812 E. DAVIS ROAD, 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 Residential, Urban and Townhome (RU) 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 all of Being 22.63 Acres out of Lots 5,6,7,8 and 9, Block 8, Santa Cruz Gardens Unit No.3 Subdivision, Located at 2812 E. Davis Road from Residential, Primary (RP) District to Residential, Urban and Townhome (RU) 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 February 26, 2026, 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 March 17, 2026, 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, and Residential, Urban and Townhome (RU) 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 the Residential, Urban and Townhome (RU) 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 17th day of March 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

By: _____
Josephine Ramirez-Solis, City Attorney

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
ORDINANCE
Agenda Item No: 10.A.
Special Use Permit - "Special Olympics Texas Spring Games"

1. **Agenda Item:**
Consider Ordinance Providing for a Temporary Special Use Permit for the "Special Olympics Texas Spring Games" Event to be Held Wednesday, April 8, 2026, Through Friday, April 10, 2026, at the Edinburg Parks and Recreation Facility and Temporary Road Closure of Mark S. Pena Drive, as Requested by Lauro Garza. [Jaime Acevedo, Director of Planning and Zoning]

2. **Description:**
The applicant is requesting a Temporary Special Use Permit for the "Special Olympics Texas Spring Games" event to be held Wednesday, April 8, 2026, through Friday, April 10, 2026, at the Edinburg Parks and Recreation Facility and the temporary road closure of Mark S. Pena Drive. This request is being coordinated through the Police, Fire, Solid Waste, Public Works, Code Enforcement Department, and Edinburg Consolidated School District.

3. **Staff's Recommendation:**
After discussion with City Departments, City services are available for utilization if approved by the City Council for the "Special Olympics Texas Spring Games" event to be held Wednesday, April 8, 2026, through Friday, April 10, 2026, at the Edinburg Parks and Recreation Facility and the temporary road closure of Mark S. Pena Drive.

Reviewed by:		**Prepared by:**
Jaime Acevedo, Director of Planning and Zoning	Approved - 3/13/2026	Rita Guerrero, Assistant Director of Planning and Zoning
Jesus Saenz, Assistant City Manager	Final Approval - 3/13/2026	

Attachments:
A. City Council Agenda Packet Attachments
B. Hold Harmless Agreement
C. Ordinance

MEETING DATES:
CITY COUNCIL – 03/17/2026
DATE PREPARED – 03/06/2026

STAFF REPORT
GENERAL INFORMATION

APPLICATION:	Temporary Special Use Permit for the "Special Olympics Texas Spring Games"
APPLICANT:	Lauro Garza
AGENT:	Not Applicable
LEGAL:	Not Applicable
LOCATION:	Edinburg Parks and Recreation Facility, Mark S. Pena Drive
LOT/TRACT SIZE:	N/A
CURRENT USE OF PROPERTY:	Edinburg Parks and Recreation Facility, Mark S. Pena Drive
PROPOSED USE OF PROPERTY:	"Special Olympics Texas Spring Games"
EXISTING LAND USE/ ADJACENT ZONING:	North – Residential, Suburban (RS) District South – Commercial, General (CG) District East – Residential, Suburban (RS) District West – Residential, Suburban (RS) District
LAND USE PLAN DESIGNATION:	Recreation
ACCESS AND CIRCULATION:	The main headquarters for this event has access to Mark S. Pena Drive.
PUBLIC SERVICES:	Public utilities are readily available to serve the site.
RECOMMENDATION:	After discussion with City Departments, City services are available for utilization if approved by the City Council A comprehensive evaluation follows.

EVALUATION AND CONDITIONS FOR APPROVAL

The following is the staff's evaluation and list of conditions for approval:

1. **Duration:** The proposed days requested by the applicant are Wednesday, April 8, 2026, through Friday, April 10, 2026. 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 headquarters for this event has access to Mark S. Pena Drive.

3. **Sanitation:** The applicant must make arrangements for disposal of waste from the events with the Solid Waste Department for this event.

4. **Electric and Lighting:** Outdoor events will be provided with electrical service.

5. **Site Restoration:** The applicant must make arrangements to restore the property to its original condition.

6. **Liability Insurance:** The City is provided with and is included as an added insured in the liability insurance carried by the applicant.

7. **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.

8. **Health Permit:** A temporary health permit for any food vendors and food vending booths must be obtained through the Code Enforcement and Health Department.


DHR Health Sports
& Wellness Center
Pirate's Cove
Edinburg Activity Center
A
Parks & Rec
City of Edinburg Parks
& Recreation Department
Healthy Athletes
Stadium Dr
Closed
Mark S. Peña Dr
Closed
B
Food Truck Park
Games Vendors
Stadium Dr
Drop off
entrance
Dustin Michael Sekula
Memorial Library
Drop Off
C
Stage/
Dance
Google

Special Olympics Texas

February 11, 2026

Dear Planning and Zoning Officials,

This letter serves as a formal Letter of Intent to notify the City of Edinburg Planning and Zoning Department of our plan to host our Annual Spring Games and Athlete Celebration on April 8, 9, and 10 at the Richard R. Flores Stadium. This event is held each year to celebrate athletes and provide organized, inclusive athletic competition and recognition for participants and their families.

The Spring Games and Athlete Celebration is a community-focused event that includes athletic competitions, and family-friendly activities. We anticipate a positive impact on the community and are committed to working closely with the City of Edinburg to ensure the event is conducted safely, responsibly, and in compliance with all applicable city ordinances and permitting requirements.

We respectfully submit this letter as part of the planning and approval process and welcome the opportunity to provide any additional information, documentation, or coordination needed to support this request.

Thank you for your time and consideration. We appreciate the City of Edinburg's continued support of community events and look forward to working together to make this year's Spring Games a success.

Sincerely,

Lauro Garza

Area Director

Special Olympics Texas RGV/Laredo

[redacted]

EDINBURG CISD

[redacted]

XAVIER SALINAS, President
CARMEN GONZÁLEZ, Vice-President
LETTY FLORES, Secretary
LUIS G. ALAMIA, Member
LETICIA "LETTY" GARCIA, Member
DAVID TORRES, Member
DOMINGA "MINGA" VELA, Member
Dr. Mario H. Salinas, Superintendent

January 12, 2026

To: Dr. Mario H. Salinas, Superintendent of Schools

Fm: Alida Suarez, Director of Special Education
Oscar Salinas, Athletic Director

Re: Special Olympics Texas – Rio Grande Valley

Event Proposal

Cost: Use of Edinburg CISD facility (Richard R. Flores Stadium), Stadium Custodial Staff, and ECISD Police Coverage

Purpose: Edinburg CISD Special Education & Athletic Department would like to join Special Olympics Texas – Rio Grande Valley & the City of Edinburg to host the 2026 Special Olympics Spring Games (Track & Field Meet) at Richard R. Flores Stadium.

ECISD would provide the use of the stadium and all its amenities, custodial staff the day of the event, and police coverage for the event and possible police participation in the Torch Run to open the games.

Special Olympics Texas – Rio Grande Valley will provide all the volunteers to run the event as well as equipment needed for all track and field events.

Special Olympics Texas – Rio Grande Valley Spring Games attracts over 1,000 student athletes over three days.

We respectfully request to host the 2026 Special Olympics Spring Games.

3-day event:

Event Day 1: April 8, 2026
Opening Ceremonies – Athlete Celebration (Community Event)
Time: 5:00 PM-8:00 PM

Event Day 2 & 3: April 9 & 10 2026
Track & Field Meet
Time: 7:00 AM– 3:00 PM
Purposed location: Richard R. Flores Stadium

Contact: Yvonne R. Salinas, Supervisor ECISD Special Education Department

01226

Edinburg CISD does not discriminate on the basis of race, color, national origin, sex, disability or age in its programs or activities and provides equal access to the Boy Scouts and other designated youth groups. The following persons have been designated to handle inquiries regarding the nondiscrimination policies: Title IX issues: Mark S. Micallef, m.micallef@ecisd.us , Director of Personnel/Legal Issues, ADA/504 issues: Sofia Hinojosa, sofia.hinojosa@ecisd.us, Director of Student & Social Services, 411 N. 8th Avenue, Edinburg, TX 78539, (956) 289-2300

Edinburg CISD no discrimina por motivos de raza, color, origen nacional, sexo, discapacidad o edad en sus programas o actividades y brinda igualdad de acceso a los Boy Scouts y otros grupos juveniles designados. La siguiente persona ha sido designada para manejar consultas sobre las políticas de no discriminación : Title IX issues: Mark S. Micallef, m.micallef@ecisd.us , Director of Personnel/Legal Issues, ADA/504 issues: Sofia Hinojosa, sofia.hinojosa@ecisd.us, Director of Student & Social Services, 411 N. 8th Avenue, Edinburg, TX 78539, (956) 289-2300

STATE OF TEXAS §

HOLD HARMLESS AGREEMENT

COUNTY OF HIDALGO §

CITY OF EDINBURG

This agreement is entered into this 17th day of March, 2026, by and between CITY OF EDINBURG, Hidalgo County, Texas, hereinafter called City, and Lauro Garza, Edinburg, Hidalgo County, Texas, hereinafter called Indemnitor.

WITNESSETH:

I.

INDEMNITY

Lauro Garza, shall indemnify, hold harmless and defend City, its agents and employees, from and against any and all claims, demands, actions, suits or proceedings for damages resulting from the temporary special use permit granted on March 17, 2026, for the "Special Olympics Texas Spring Games" event to be held Wednesday, April 8, 2026, through Friday, April 10, 2026, at the Edinburg Parks and Recreation Facility and Temporary Road Closure of Mark S. Pena Drive, Edinburg, Hidalgo County, Texas. Lauro Garza, shall indemnify, hold harmless and defend City, from liability or costs, including court costs and attorney's fees resulting from any and all claims, demands, suits, actions or proceedings of any kind or nature, in any way resulting form or arising out of the granting of a temporary special use permit on March 17, 2026, for the "Special Olympics Texas Spring Games" event to be held Wednesday, April 8, 2026, through Friday, April 10, 2026, at the Edinburg Parks and Recreation Facility and Temporary Road Closure of Mark S. Pena Drive, Edinburg, Hidalgo County, Texas.

EXECUTED this the 17th day of March, 2026.

CITY OF EDINBURG

BY: _____

: Myra L. Ayala, City Manager

APPROVED AS TO FORM

"Special Olympics Texas Spring Games"

By: _____
Josephine Ramirez-Solis

BY: _____
Lauro Garza

ORDINANCE NO. _____

AN ORDINANCE GRANTING A TEMPORARY SPECIAL USE PERMIT FOR A SPECIAL EVENT, "SPECIAL OLYMPICS TEXAS SPRING GAMES" EVENT TO BE HELD WEDNESDAY, APRIL 8, 2026, THROUGH FRIDAY, APRIL 10, 2026, AT THE EDINBURG PARKS AND RECREATION FACILITY AND TEMPORARY ROAD CLOSURE OF MARK S. PENA DRIVE, AS PROVIDED IN ARTICLE 2.205 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, Lauro Garza, has applied for a Temporary Special Use Permit under Article 2.205 of the Unified Development Code of the City of Edinburg, Texas, for the "Special Olympics Texas Spring Games" event to be held Wednesday, April 8, 2026, through Friday, April 10, 2026,; and,

WHEREAS, this type of activity is prohibited by said Unified Development Code 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.

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. That a Temporary Special Use Permit under Article 2.205 of the Unified Development Code of the City of Edinburg, Texas, be granted to Lauro Garza for the "Special Olympics Texas Spring Games" event to be held Wednesday, April 8, 2026, through Friday, April 10, 2026, with the following conditions:

1. **Duration:** The proposed days requested by the applicant are Wednesday, April 8, 2026, through Friday, April 10, 2026. 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 headquarters for this event has access to Mark S. Pena Drive.

3. **Sanitation:** The applicant must make arrangements for disposal of waste from the events with the Solid Waste Department for this event.

4. **Electric and Lighting:** Outdoor events will be provided with electrical service.

5. **Site Restoration:** The applicant must make arrangements to restore the property to its original condition.

6. **Liability Insurance:** The City is provided with and is included as an added insured in the liability insurance carried by the applicant.

7. **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.

8. **Health Permit:** A temporary health permit for any food vendors and food vending booths must be obtained through the Code Enforcement and Health Department.

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 17th day of March, 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

By: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

By: _____
Josephine Ramirez-Solis City Attorney

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
CONTRACTUAL
Agenda Item No: 11.A.
ILA between City of Edinburg and ECISD Fountain Park

1. **Agenda Item:**
Consider Executing an Interlocal Agreement Between the City of Edinburg and the Edinburg Consolidated Independent School District for the Joint Use and Development of Fountain Park, and Execute All Documents Related Thereto. [Tomas D. Reyna, Assistant City Manager]

2. **Description:**
The Interlocal Agreement between the City of Edinburg ("City") and the Edinburg Consolidated Independent School District ("District") is founded on the mutual understanding that the constituents of both entities will benefit from the shared use and development of the park facilities contemplated herein. The shared use of the park serves a legitimate public purpose by promoting the health, safety, welfare, and continuing education of the community. Access to the City's park and playground areas will allow the City to host both City and District sponsored activities in a safe and secure environment for the children of the community.

The City and the District agree that the designated areas will be jointly utilized as playground facilities, with hours of operation and permitted uses established by the City. The City shall allow the District, at its sole cost and expense, to construct and maintain fencing and gated entrances between the school buildings and the playground areas at Fountain Park. All proposed fencing and gate improvements shall be subject to the City's prior written approval.

The fencing and gates shall be designed to allow the City to establish and enforce appropriate park opening and closing times. The City will coordinate with the District to designate a sufficient number of gates and access points to ensure safe and appropriate access between the school and park areas for students, school personnel, park users, and other authorized individuals during approved hours.

The interlocal agreement was approved by the Edinburg Consolidated Independent School District Board of Trustees on Tuesday, March 10, 2026.

3. **Staff's Recommendation:**
Approve Executing an Interlocal Agreement Between the City of Edinburg and the Edinburg Consolidated Independent School District for the Joint Use and Development of Fountain Park, and Execute All Documents Related Thereto.

Reviewed by:		**Prepared by:**
Benito Alonzo, Deputy City Attorney	Final Approval - 3/13/2026	Tomas Reyna, Assistant City Manager

Attachments:
A. Fountain Park Timeline
B. Interlocal Agreement City of Edinburg - ECISD Fountain Park 2.26.26
C. City of Edinburg Mail - MOU for Fountain Park

D. Interlocal Agreement signed by ECISD

Fountain Park

PROJECT TIMELINE

ECISD & COE

Approve Interlocal Agreement

03/10/26 & 03/17/26

Planning

ECISD - Submit Plans for Approval
COE - Two Week Public Notice of hours of operations change for Founatian Park

03/23/26 TO 04/24/26

Execution

ECISD - Construct Fence and Gates at Fountain Park

04/20/26 TO 05/15/26

Project Closure

All the Fence and Gates Installed

05/15/26

1st Day of Operation

1st Day of Operations of the New Park Hours

05/18/206

STATE OF TEXAS §

COUNTY OF HIDALGO §

INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE EDINBURG CONSOLIDATED INDEPENDENT SCHOOL DISTRICT AND
THE CITY OF EDINBURG FOR FOUNTAIN PARK

This Agreement is made on this the _____ day of _____, 2026, by and between the EDINBURG CONSOLIDATED INDEPENDENT SCHOOL DISTRICT hereinafter referred to as "**DISTRICT** or **ECISD**" and the CITY OF EDINBURG, TEXAS, hereinafter referred to as "**CITY**," pursuant to the provisions of the Texas Interlocal Cooperation Act, for the purpose of joint use and development of parks and playgrounds owned and operated by the City of Edinburg:

RECITALS:

WHEREAS, the City owns Fountain Park, located at 1210 E. Kuhn St., in Edinburg, Texas, to include playground areas located within the City of Edinburg and which is adjacent to Steven F. Austin Elementary, owned by ECISD and located at 1023 E. Kuhn St.;

WHEREAS, Fountain Park (Park) has been dedicated as a park for the use and benefit of the citizens of the City of Edinburg; and

WHEREAS, the joint use and development of playground areas by the City and the District better utilizes the taxpayers' facilities by decreasing the cost of services, ensure security and safety for students and by increasing the quality of life for both the citizens of the City and the District; and

WHEREAS, the District is organized as a Consolidated Independent School District under the laws of the State of Texas for the purpose of educating and providing other activities which assist and benefit the youth and general community within its district boundary; and

WHEREAS, an Interlocal Agreement may be entered into by any local government which includes a political subdivision, and which is defined in Section 791.003(4) and (5) of the Local Government Code, as any corporate and political entity organized under state law; and

WHEREAS, City and District believe that the constituents of each will benefit from the mutual use and development of the park herein contemplated and that the shared use will serve a public purpose by continuing to provide for the health, safety and welfare of the community; and

WHEREAS, City and District agree that access to the City's Park/playground area will enable the City to provide both the City and District-sponsored activities for the children of the community by providing a safe and secure location and provide continuing education; and

WHEREAS, District and City acknowledge that this exchange of governmental functions or services results in an exchange that fairly compensates the performing parties for the services or functions performed under this Agreement.

NOW, THEREFORE, CITY and DISTRICT, in consideration of the mutual covenants expressed hereinafter, agree as follows:

CONSIDERATIONS

A. Definitions

1. "Park" means Fountain Park located at 1210 E. Kuhn St., Edinburg, Texas.

2. "Playground Area(s)" means the specific portion(s) of the Park identified in Exhibit "A".

3. "District Activities" means District-sponsored instructional, extracurricular, after-school, athletic, or community events under District supervision.

4. "City Activities" means City-sponsored programs and events.

5. "District Use Hours" means the period beginning thirty (30) minutes before the start of the instructional day and ending thirty (30) minutes after the end of the instructional day, and includes any other times students are present pursuant to the District's calendar (early release, summer school, etc.), as applicable.

B. Mutual Promises

1. The City appoints the City Manager or his/her designee to implement the provisions of this Agreement.

2. The District appoints the Superintendent or his/her designee to implement the provisions of this Agreement.

3. The areas designated in Exhibit "A" to this Agreement are those areas which the Parties agree will be jointly utilized as playground areas by the District and the City with appropriate hours of operation and use to be set by the City as more fully described below. Exhibit "A" is incorporated herein and shall be completed and attached prior to execution. If Exhibit "A" is not attached, this Agreement is not effective and creates no obligations for either party.

4. The City shall permit the District, at its sole cost and expense, to construct and maintain fencing and gated entrances between the school buildings and the playground areas as generally depicted in the attached Exhibit "A" with final approval of the proposed fencing and gates to be made by City, which approval shall not be unreasonably withheld or delayed. Such fencing and gates shall allow the City to establish and

enforce appropriate opening and closing times for the park/playground. The City shall coordinate with the District to designate a sufficient number of gates and access points to ensure appropriate access between the school and park areas for students, park users, school personnel, and other authorized parties during approved hours by CITY. City approval of proposed fencing and gates shall not be unreasonably withheld or delayed and shall be provided in writing within fifteen (15) business days after receipt of District's submittal.

5. Notwithstanding the foregoing, during District Use Hours the DISTRICT shall control access between the school campus and the Playground Area(s) and may close and lock gates/access points as necessary for student safety, campus security, testing, emergencies, or other District operations.

6. Public access from the Park to District property is prohibited at all times. City and District will coordinate signage and operational practices to prevent the general public from entering District property through any gate/access point.

7. Each party agrees to conform to its own applicable purchasing laws, regulations, policies, and procedures with respect to the portion of the work under this Agreement performed by each party.

8. Routine, ongoing landscaping, lawn care and maintenance costs and responsibilities shall be shared only as set forth in a written maintenance schedule and budget approved in writing by both Parties (which may be updated from time to time). Absent a written schedule/budget, CITY remains responsible for routine Park maintenance.

9. The Parties shall share costs for maintenance of playground equipment located within the Playground Area(s) as follows: (i) routine inspections and routine maintenance performed by CITY; (ii) any non-routine repair or replacement with an expected cost greater than $25,000.00 requires advance written approval by both Parties; and (iii) unless otherwise agreed in writing, approved non-routine repair/replacement costs shall be split 50/50.

10. CITY shall be responsible for maintaining Park restrooms in a clean, sanitary, and operable condition, including supplies, repairs, and vandalism remediation. During District Use Hours, DISTRICT will report issues promptly to CITY and may restrict student access if conditions are unsafe. If either Party requests additional custodial staffing for its own special events, that Party bears the cost.

C. Hours of Operation and Use.

1. The City will regulate the dates and hours of usage of the Park.

2. During regular school hours, as approved by the City, the District shall have use of the playground areas. School hours are 30 minutes before regular classes to 30 minutes after regular classes.

3. During District Use Hours, CITY shall close the Playground Area(s) identified in Exhibit "A" to the general public and shall not schedule City Activities within the Playground Area(s). CITY may access the Playground Area(s) during District Use Hours only for emergencies or pre-coordinated maintenance approved by the DISTRICT.

4. Except during District Use Hours (when DISTRICT shall control access and on-site operational supervision within the Playground Area(s) for student safety), CITY retains control over the Park and Playground Area(s) at all times, City shall retain control over use of the park and playground areas.

5. District requests for additional dates/times shall be submitted in writing at least ten (10) business days in advance (or such shorter period as the Parties may agree). CITY shall approve or deny the request in writing within five (5) business days after receipt, and approval shall not be unreasonably withheld.

D. Security and Operational Expense.

1. Each Party is responsible for supervision and security staffing for its own Activities. CITY is responsible for general Park security and operations when the Park is open to the public. DISTRICT is responsible for student supervision during District Activities.

2. Shared expenses (if any) for Playground Area(s) maintenance, restroom servicing during District Use Hours, and playground equipment repairs/replacement shall be incurred only pursuant to advance written approval by both Parties and shall be allocated as set forth in a written budget or schedule approved by both Parties.

3. Maintenance and repair of the fence, gates and access points shall be the sole responsibility of the DISTRICT.

E. Liability Insurance.

1. Each Party shall be responsible for the acts and omissions of its officers, employees, agents, and representatives as provided by Texas law, including the Texas Tort Claims Act. Each Party shall maintain coverage through insurance, self-insurance, or risk pool participation consistent with its governmental operations. Upon written request, each Party shall provide reasonable evidence of such coverage.

2. The liable entity may be found negligent only as is provided by the Texas Tort Claims Act.

MISCELLANEOUS

A. **Conflict of Applicable Law:** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance, or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the

parties have no legal right to contract, the latter shall prevail, but in such event the affected provision(s) of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

B. **No Waiver:** No waiver by any party hereto of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

C. **Indemnification:** To the extent permitted by Texas law and without waiving governmental immunity, each Party ("Indemnifying Party") shall be responsible for, and shall indemnify and hold harmless the other Party from, claims, damages, liabilities, costs, and expenses (including reasonable attorney's fees) to the extent caused by the negligent acts or omissions or willful misconduct of the Indemnifying Party, its officers, employees, agents, contractors, or invitees in connection with this Agreement. No Party shall be required to indemnify the other Party for that other Party's negligence, willful misconduct, or for dangerous conditions of real property or equipment owned/controlled by that other Party, except to the extent caused by the Indemnifying Party.

D. **Superseding Agreement:** This Agreement supersedes all previous agreements related to the joint use and development of playground areas between the City and District.

E. **Entire Agreement:** This Agreement contains the entire contract between the parties hereto. Each party acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by DISTRICT and CITY, and not otherwise.

F. **TEXAS LAW TO APPLY. THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN HIDALGO COUNTY, TEXAS. THE PARTIES HEREBY CONSENT TO PERSONAL JURISDICTION IN HIDALGO COUNTY, TEXAS.**

G. Dispute Resolution: 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. 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 the DISTRICT and the CITY. 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, either party may initiate litigation to resolve the dispute. Venue is mandatory in in State courts located in Hidalgo County, Texas. The parties shall bear their own costs of litigation, including attorney's fees and expenses. Nothing in this section prevents either Party from seeking temporary injunctive relief or other emergency court relief to protect public safety, student safety, or security.

H. **Term.** This Agreement shall be in full force and effect beginning on the date it is approved by both governing bodies and executed by the Parties (the "Effective Date"), and shall be automatically renewed on the anniversary of the Effective Date of each succeeding year.

I. **Termination.** This Agreement may be terminated by either party by giving one (1) year' s notice of termination to the other party. Termination shall not prejudice any remedy that the terminating party may have at law or in equity. Upon termination, each Party may remove its own movable personal property, equipment, and appurtenances within sixty (60) days. Improvements affixed to real property (including fencing and gates installed by DISTRICT) shall be addressed as follows:

   a. DISTRICT may remove such improvements, at DISTRICT's expense, and restore the area to substantially its prior condition; or
   b. If removal is not feasible without unreasonable damage, such improvements may remain and will become property of CITY without compensation, unless the Parties agree otherwise in writing.

J. **Notwithstanding the foregoing.** DISTRICT may immediately suspend student access to the Playground Area(s) (and/or terminate this Agreement upon written notice) if DISTRICT determines in good faith that conditions present a safety or security risk to students or staff, including but not limited to criminal activity, unsafe equipment conditions, hazardous conditions, or inability to secure access points during District Use Hours.

K. **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communication required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to City:	City of Edinburg Attention: City Manager P.O. Box 1079 – 415 W. University Dr. Edinburg, Texas 78540
If to School District:	Edinburg Consolidated Independent School District Attention: Superintendent of Schools 411 N. 8th Ave.

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

L. **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

M. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

N. **Assignment.** This Agreement shall not be assignable.

O. **Headings.** The headings and captions contained in this Agreement are solely for convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.

P. **Gender and Number**. All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and singular shall include the plural whenever and as often as may be appropriate.

Q. **Authority to Execute.** The execution and performance of this Agreement by DISTRICT and CITY have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of DISTRICT and CITY in accordance with its terms.

R. **Governmental Purpose**. Each party hereto is entering into this agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.

S. **No Waiver of Immunity.** Nothing in this Agreement shall be construed as a waiver of any immunity or limitation of liability available to a Party under Texas law.

T. **Commitment of Current Revenues Only.** In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Agreement upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. §271.903.

EDINBURG CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

_____
Xavier Salinas, President, Board of Trustees

ATTEST:

_____
Secretary, Board of Trustees

APPROVED AS TO FORM:
O'Hanlon, Demerath, & Castillo Attorneys at Law

_____
Kevin O'Hanlon
District General Counsel

CITY OF EDINBURG

_____
Omar Ochoa, Mayor

ATTEST:

_____
Clarice Balderas, City Secretary

APPROVED TO FORM:

_____
Josephine Ramirez-Solis
City Attorney

EXHIBIT "A"
TO THE INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE EDINBURG CONSOLIDATED INDEPENDENT SCHOOL DISTRICT AND
THE CITY OF EDINBURG FOR FOUNTAIN PARK

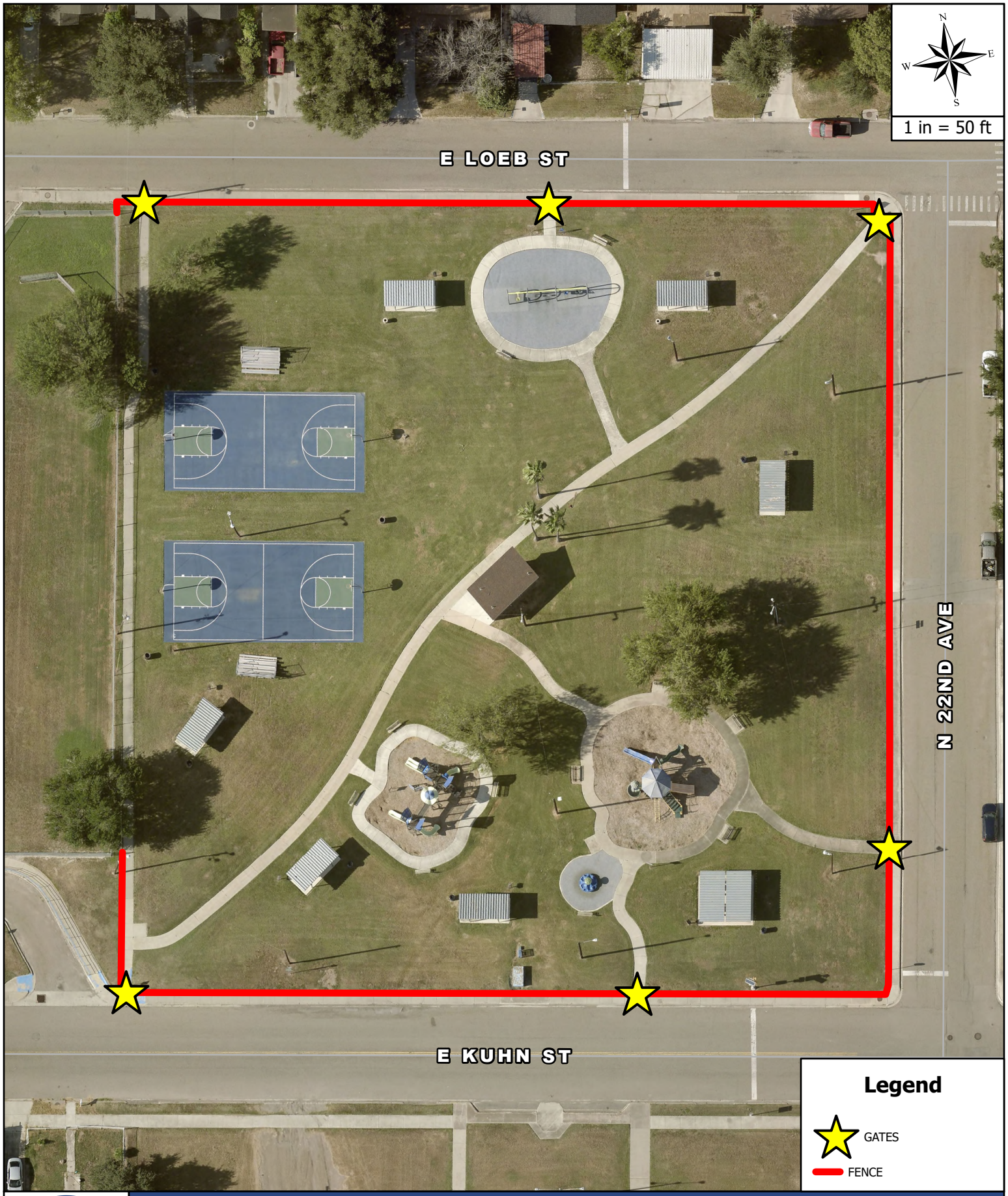


Exhibit A - FOUNTAIN PARK FENCE PROJECT
at 1210 E Kuhn St - ECISD Interlocal Agreement

REQUESTED BY:	CITY MANAGER'S OFFICE	**CREATED BY:**	ENGINEERING DEPT - GIS DIVISION	**DATE:**	FEBRUARY 27, 2026

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Tomas D. Reyna <treyna@cityofedinburg.com>

MOU for Fountain Park

1 message

Dr. Anthony Garza - EXECUTIVE DIRECTOR <ay.garza@ecisd.us> Wed, Sep 24, 2025 at 10:36 AM
To: Myra L Ayala <mayala@cityofedinburg.com>
Cc: "Tomas D. Reyna" <treyna@cityofedinburg.com>, "Salinas, Mario - SUPERINTENDENT" <m.salinas@ecisd.us>, "Felix, Adel - CFO" <adel.felix@ecisd.us>, "Perez, Julie C" <julie.perez@ecisd.us>, "Villarreal, Jose" <jose.villarreal2@ecisd.us>

Ms. Ayala,

Good morning. This email is to express the ECISD's interest in entering into a Memorandum of Understanding with the City of Edinburg regarding Fountain Park. Currently, Fountain Park is open daily to the public with no fence and is located right next to Austin Elementary. We have received many concerns from the Austin Principal, Mrs. Lopez, regarding disturbing behavior happening at the park and visible to her students outside during PE class. I believe an MOU similar to those at NL Trevino and De Zavala would be a positive solution for both the City and ECISD. The Superintendent, Dr. Mario Salinas, is interested in this MOU at Austin Elementary/Fountain Park. If approved by the City of Edinburg, let me know what the next step is to initiate this process. Thank you for your attention.

Dr. Anthony Garza

Executive Director of Support Services

Edinburg Consolidated Independent School District

411 North 8th Street

Edinburg, TX 78541

(956)289-2300

Edinburg CISD does not discriminate on the basis of race, color, national origin, sex, disability or age in its programs or activities and provides equal access to the Boy Scouts and other designated youth groups. The following person has been designated to handle inquiries regarding the nondiscrimination policies: Title IX issues: Mark S. Micallef, m.micallef@ecisd.us, Director of Personnel/Legal Issues, ADA/504 issues: Sofia Hinojosa, sofia.hinojosa@ecisd.us , Director of Student & Social Services, 411 N. 8thAvenue, Edinburg, TX 78539, (956) 289-2300.

Edinburg CISD no discrimina por motivos de raza, color, origen nacional, sexo, discapacidad o edad en sus programas o actividades y brinda igualdad de acceso a los Boy Scouts y otros grupos juveniles designados. La siguiente persona ha sido designada para manejar consultas sobre las políticas de no discriminación: Title IX issues: Mark S. Micallef, m.micallef@ecisd.us, Director of Personnel/Legal Issues, ADA/504 issues: Sofia Hinojosa, sofia.hinojosa@ecisd.us , Director of Student & Social Services, 411 N. 8th Avenue, Edinburg, TX 78539, (956) 289-2300.

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STATE OF TEXAS §

COUNTY OF HIDALGO §

INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE EDINBURG CONSOLIDATED INDEPENDENT SCHOOL DISTRICT AND
THE CITY OF EDINBURG FOR FOUNTAIN PARK

This Agreement is made on this the _____ day of _____, 2026, by and between the EDINBURG CONSOLIDATED INDEPENDENT SCHOOL DISTRICT hereinafter referred to as "**DISTRICT** or **ECISD**" and the CITY OF EDINBURG, TEXAS, hereinafter referred to as "**CITY**," pursuant to the provisions of the Texas Interlocal Cooperation Act, for the purpose of joint use and development of parks and playgrounds owned and operated by the City of Edinburg:

RECITALS:

WHEREAS, the City owns Fountain Park, located at 1210 E. Kuhn St., in Edinburg, Texas, to include playground areas located within the City of Edinburg and which is adjacent to Steven F. Austin Elementary, owned by ECISD and located at 1023 E. Kuhn St.;

WHEREAS, Fountain Park (Park) has been dedicated as a park for the use and benefit of the citizens of the City of Edinburg; and

WHEREAS, the joint use and development of playground areas by the City and the District better utilizes the taxpayers' facilities by decreasing the cost of services, ensure security and safety for students and by increasing the quality of life for both the citizens of the City and the District; and

WHEREAS, the District is organized as a Consolidated Independent School District under the laws of the State of Texas for the purpose of educating and providing other activities which assist and benefit the youth and general community within its district boundary; and

WHEREAS, an Interlocal Agreement may be entered into by any local government which includes a political subdivision, and which is defined in Section 791.003(4) and (5) of the Local Government Code, as any corporate and political entity organized under state law; and

WHEREAS, City and District believe that the constituents of each will benefit from the mutual use and development of the park herein contemplated and that the shared use will serve a public purpose by continuing to provide for the health, safety and welfare of the community; and

WHEREAS, City and District agree that access to the City's Park/playground area will enable the City to provide both the City and District-sponsored activities for the children of the community by providing a safe and secure location and provide continuing education; and

WHEREAS, District and City acknowledge that this exchange of governmental functions or services results in an exchange that fairly compensates the performing parties for the services or functions performed under this Agreement.

NOW, THEREFORE, CITY and DISTRICT, in consideration of the mutual covenants expressed hereinafter, agree as follows:

CONSIDERATIONS

A. Definitions

1. "Park" means Fountain Park located at 1210 E. Kuhn St., Edinburg, Texas.

2. "Playground Area(s)" means the specific portion(s) of the Park identified in Exhibit "A".

3. "District Activities" means District-sponsored instructional, extracurricular, after-school, athletic, or community events under District supervision.

4. "City Activities" means City-sponsored programs and events.

5. "District Use Hours" means the period beginning thirty (30) minutes before the start of the instructional day and ending thirty (30) minutes after the end of the instructional day, and includes any other times students are present pursuant to the District's calendar (early release, summer school, etc.), as applicable.

B. Mutual Promises

1. The City appoints the City Manager or his/her designee to implement the provisions of this Agreement.

2. The District appoints the Superintendent or his/her designee to implement the provisions of this Agreement.

3. The areas designated in Exhibit "A" to this Agreement are those areas which the Parties agree will be jointly utilized as playground areas by the District and the City with appropriate hours of operation and use to be set by the City as more fully described below. Exhibit "A" is incorporated herein and shall be completed and attached prior to execution. If Exhibit "A" is not attached, this Agreement is not effective and creates no obligations for either party.

4. The City shall permit the District, at its sole cost and expense, to construct and maintain fencing and gated entrances between the school buildings and the playground areas as generally depicted in the attached Exhibit "A" with final approval of the proposed fencing and gates to be made by City, which approval shall not be unreasonably withheld or delayed. Such fencing and gates shall allow the City to establish and

enforce appropriate opening and closing times for the park/playground. The City shall coordinate with the District to designate a sufficient number of gates and access points to ensure appropriate access between the school and park areas for students, park users, school personnel, and other authorized parties during approved hours by CITY. City approval of proposed fencing and gates shall not be unreasonably withheld or delayed and shall be provided in writing within fifteen (15) business days after receipt of District's submittal.

5. Notwithstanding the foregoing, during District Use Hours the DISTRICT shall control access between the school campus and the Playground Area(s) and may close and lock gates/access points as necessary for student safety, campus security, testing, emergencies, or other District operations.

6. Public access from the Park to District property is prohibited at all times. City and District will coordinate signage and operational practices to prevent the general public from entering District property through any gate/access point.

7. Each party agrees to conform to its own applicable purchasing laws, regulations, policies, and procedures with respect to the portion of the work under this Agreement performed by each party.

8. Routine, ongoing landscaping, lawn care and maintenance costs and responsibilities shall be shared only as set forth in a written maintenance schedule and budget approved in writing by both Parties (which may be updated from time to time). Absent a written schedule/budget, CITY remains responsible for routine Park maintenance.

9. The Parties shall share costs for maintenance of playground equipment located within the Playground Area(s) as follows: (i) routine inspections and routine maintenance performed by CITY; (ii) any non-routine repair or replacement with an expected cost greater than $25,000.00 requires advance written approval by both Parties; and (iii) unless otherwise agreed in writing, approved non-routine repair/replacement costs shall be split 50/50.

10. CITY shall be responsible for maintaining Park restrooms in a clean, sanitary, and operable condition, including supplies, repairs, and vandalism remediation. During District Use Hours, DISTRICT will report issues promptly to CITY and may restrict student access if conditions are unsafe. If either Party requests additional custodial staffing for its own special events, that Party bears the cost.

C. Hours of Operation and Use.

1. The City will regulate the dates and hours of usage of the Park.

2. During regular school hours, as approved by the City, the District shall have use of the playground areas. School hours are 30 minutes before regular classes to 30 minutes after regular classes.

3. During District Use Hours, CITY shall close the Playground Area(s) identified in Exhibit "A" to the general public and shall not schedule City Activities within the Playground Area(s). CITY may access the Playground Area(s) during District Use Hours only for emergencies or pre-coordinated maintenance approved by the DISTRICT.

4. Except during District Use Hours (when DISTRICT shall control access and on-site operational supervision within the Playground Area(s) for student safety), CITY retains control over the Park and Playground Area(s) at all times, City shall retain control over use of the park and playground areas.

5. District requests for additional dates/times shall be submitted in writing at least ten (10) business days in advance (or such shorter period as the Parties may agree). CITY shall approve or deny the request in writing within five (5) business days after receipt, and approval shall not be unreasonably withheld.

D. Security and Operational Expense.

1. Each Party is responsible for supervision and security staffing for its own Activities. CITY is responsible for general Park security and operations when the Park is open to the public. DISTRICT is responsible for student supervision during District Activities.

2. Shared expenses (if any) for Playground Area(s) maintenance, restroom servicing during District Use Hours, and playground equipment repairs/replacement shall be incurred only pursuant to advance written approval by both Parties and shall be allocated as set forth in a written budget or schedule approved by both Parties.

3. Maintenance and repair of the fence, gates and access points shall be the sole responsibility of the DISTRICT.

E. Liability Insurance.

1. Each Party shall be responsible for the acts and omissions of its officers, employees, agents, and representatives as provided by Texas law, including the Texas Tort Claims Act. Each Party shall maintain coverage through insurance, self-insurance, or risk pool participation consistent with its governmental operations. Upon written request, each Party shall provide reasonable evidence of such coverage.

2. The liable entity may be found negligent only as is provided by the Texas Tort Claims Act.

MISCELLANEOUS

A. **Conflict of Applicable Law:** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance, or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the

parties have no legal right to contract, the latter shall prevail, but in such event the affected provision(s) of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

B. **No Waiver:** No waiver by any party hereto of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

C. **Indemnification:** To the extent permitted by Texas law and without waiving governmental immunity, each Party ("Indemnifying Party") shall be responsible for, and shall indemnify and hold harmless the other Party from, claims, damages, liabilities, costs, and expenses (including reasonable attorney's fees) to the extent caused by the negligent acts or omissions or willful misconduct of the Indemnifying Party, its officers, employees, agents, contractors, or invitees in connection with this Agreement. No Party shall be required to indemnify the other Party for that other Party's negligence, willful misconduct, or for dangerous conditions of real property or equipment owned/controlled by that other Party, except to the extent caused by the Indemnifying Party.

D. **Superseding Agreement:** This Agreement supersedes all previous agreements related to the joint use and development of playground areas between the City and District.

E. **Entire Agreement:** This Agreement contains the entire contract between the parties hereto. Each party acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by DISTRICT and CITY, and not otherwise.

F. **TEXAS LAW TO APPLY. THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN HIDALGO COUNTY, TEXAS. THE PARTIES HEREBY CONSENT TO PERSONAL JURISDICTION IN HIDALGO COUNTY, TEXAS.**

G. Dispute Resolution: 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. 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 the DISTRICT and the CITY. 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, either party may initiate litigation to resolve the dispute. Venue is mandatory in in State courts located in Hidalgo County, Texas. The parties shall bear their own costs of litigation, including attorney's fees and expenses. Nothing in this section prevents either Party from seeking temporary injunctive relief or other emergency court relief to protect public safety, student safety, or security.

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   a. DISTRICT may remove such improvements, at DISTRICT's expense, and restore the area to substantially its prior condition; or
   b. If removal is not feasible without unreasonable damage, such improvements may remain and will become property of CITY without compensation, unless the Parties agree otherwise in writing.

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If to City:	City of Edinburg Attention: City Manager P.O. Box 1079 – 415 W. University Dr. Edinburg, Texas 78540
If to School District:	Edinburg Consolidated Independent School District Attention: Superintendent of Schools 411 N. 8th Ave.

Edinburg, Texas 78540

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O. **Headings.** The headings and captions contained in this Agreement are solely for convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.

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Q. **Authority to Execute.** The execution and performance of this Agreement by DISTRICT and CITY have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of DISTRICT and CITY in accordance with its terms.

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EDINBURG CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT

Xavier Salinas, President, Board of Trustees

ATTEST:

Secretary, Board of Trustees

APPROVED AS TO FORM:
O'Hanlon, Demerath, & Castillo Attorneys at Law

Kevin O'Hanlon
District General Counsel

CITY OF EDINBURG

Omar Ochoa, Mayor

ATTEST:

Clarice Balderas, City Secretary

APPROVED TO FORM:

Josephine Ramirez-Solis
City Attorney

EXHIBIT "A"
TO THE INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE EDINBURG CONSOLIDATED INDEPENDENT SCHOOL DISTRICT AND
THE CITY OF EDINBURG FOR FOUNTAIN PARK



Exhibit A - FOUNTAIN PARK FENCE PROJECT
at 1210 E Kuhn St - ECISD Interlocal Agreement

REQUESTED BY:	CITY MANAGER'S OFFICE	CREATED BY:	ENGINEERING DEPT - GIS DIVISION	DATE:	FEBRUARY 27, 2026

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CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
CONSENT AGENDA
Agenda Item No: 12.A.
2025-2026 Fiscal Year Carry-Overs

1. **Agenda Item:**
Consider Ordinance Amending the Budget for the 2025-2026 Fiscal Year Carry-Overs Appropriations to the General Fund, Governmental Grant Fund, Parkland Dedication Fund, Utility Fund, Solid Waste Management Fund and Edinburg International Airport at Edinburg Fund. [Ascencion Alonzo, Director of Finance]

2. **Description:**
This Ordinance amends the 2025-2026 Budget Ordinance by providing additional appropriations from Fund Balance for Governmental Funds and from Net Position for Enterprise Funds for carryovers from the previous fiscal year.

Fund	Appropriations
General Fund	$ 800,199
Governmental Grant Fund*	$ 82,500
Parkland Dedication Fund*	$ 11,058
Utility Fund	$ 896,077
Solid Waste Management Fund	$ 426,958
Edinburg Int'l Airport at Edinburg Fund	$1,111,112

*Note-The Governmental Grant Fund and the Parkland Dedication Fund are included herein for appropriation purposes only and are excluded from the Ordinance amendment because these funds were not included in the adopted 2025-2026 Budget Ordinance.

Carry-Overs are budgeted supplies, materials, and services that were approved by City Council and City Staff, and a purchase order was issued with committed funds prior to September 30, 2025. The City's policy states that although appropriations lapse at year-end for annual budgeted funds, the City honors encumbrances outstanding at year-end. These encumbered items were delivered and paid for during the 2025-2026 Fiscal Year. Funds for carry-overs were restricted and were presented in the City's Annual Comprehensive Financial Report (ACFR) as Reserved Encumbrances.

This Ordinance amends the 2025-2026 Budget Ordinance by appropriating expenditures incurred and committed to date. **Approval of these appropriations will have no effect on the unassigned Fund Balances and Net Assets.**

3. **Staff's Recommendation:**
Approve Ordinance Amending the Budget for the 2025-2026 Fiscal Year Carry-Overs Appropriations to the General Fund, Governmental Grant Fund, Parkland Dedication Fund, Utility Fund, Solid Waste Management Fund and Edinburg International Airport at Edinburg Fund.

Reviewed by:
Nelda Ramirez, Assistant City Manager

Prepared by:
Ascencion Alonzo, Director

of Finance

Attachments:

A. Ordinance
B. Carry-Overs From Fiscal Year 2024-2025

ORDINANCE NO.

AN ORDINANCE AMENDING THE BUDGET ORDINANCE FOR THE 2025-2026 FISCAL YEAR BY APPROPRIATING TO THE **GENERAL FUND** ADDITIONAL APPROPRIATIONS IN THE AMOUNT OF **$800,199** FOR ADDITIONAL EXPENDITURES FROM FUND BALANCE, TO THE **UTILITY FUND** ADDITIONAL APPROPRIATIONS IN THE AMOUNT OF **$896,077** FOR ADDITIONAL EXPENSES FROM NET ASSETS, TO THE **SOLID WASTE MANAGEMENT FUND** ADDITIONAL APPROPRIATIONS IN THE AMOUNT OF **$426,958** FOR ADDITIONAL EXPENSES FROM NET ASSETS AND TO THE **EDINBURG INTERNATIONAL AIRPORT AT EDINBURG FUND** ADDITIONAL APPROPRIATIONS IN THE AMOUNT OF **$1,111,112** FOR ADDITIONAL EXPENSES FROM NET ASSETS. CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; PROVIDING A WAIVER OF (3) SEPARATE READINGS; AND PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDINBURG, TEXAS, THAT:

SECTION I. The **GENERAL FUND** Budget estimated revenues and appropriations of the City of Edinburg for the Fiscal Year 2025-2026 is hereby amended in the sum of EIGHT HUNDRED THOUSAND ONE HUNDRED NINETY-NINE AND NO/100 DOLLARS ($800,199.00) in appropriations from fund balance for payment of operating expenditures and capital outlay.

SECTION II. The **UTILITY FUND** Budget of the City of Edinburg for the Fiscal Year 2025-2026 is hereby amended in the sum of EIGHT HUNDRED NINETY-SIX THOUSAND SEVENTY-SEVEN AND NO/100 DOLLARS ($896,077.00) in appropriations for payment of operating expenses and capital outlay from Net Assets.

SECTION III. The **SOLID WASTE MANAGEMENT FUND** Budget of the City of Edinburg for the Fiscal Year 2025-2026 is hereby amended in the sum of FOUR HUNDRED TWENTY-SIX THOUSAND NINE HUNDRED FIFTY-EIGHT AND NO/100 DOLLARS ($426,958.00) in appropriations for payment of operating expenses and capital outlay from Net Assets.

SECTION IV. The **EDINBURG INTERNATIONAL AIRPORT AT EDINBURG FUND** Budget of the City of Edinburg for the Fiscal Year 2025-2026 is hereby amended in the sum of ONE MILLION ONE HUNDRED ELEVEN THOUSAND ONE HUNDRED TWELVE AND NO/100 DOLLARS ($1,111,112.00) in appropriations for payment of operating expenses and capital outlay from Net Assets.

SECTION V. The Director of Finance is hereby instructed to amend the appropriate line items in the budget for Fiscal Year 2025-2026 to take into consideration the expenditures appropriated hereby.

SECTION VI. REPEALER CLAUSE. This Ordinance shall be cumulative of all other ordinances dealing with the same subject any provision of any ordinance in direct conflict with any provision of the 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 VII. SEVERABILITY 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 the 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 VIII. 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 members of the City Council.

SECTION IX. 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 and which was held in accordance with V.T.C.A., Government Code, Section 551.041, on the 17th **day** of **March, 2026**.

CITY OF EDINBURG

BY: _____
Omar Ochoa, Mayor

ATTEST:

BY: _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

BY: _____
Josephine Ramirez Solis, City Attorney

GENERAL FUND

DEPARTMENT	ACCOUNT NUMBER	ACCOUNT TITLE	PURCHASE ORDER	VENDOR NUMBER	VENDOR NAME	TOTAL AMOUNT
CITY MANAGER	100-0200-511200	PROFESSIONAL SERVICES	PD250045	60197	ALVARADO ARCHITECTS & ASSOCIATES INC	3,000
					TOTAL FOR CITY MANAGER	**3,000**
FINANCE	100-0500-512241	RENTS & CONTRACTUALS - IT	PD250031	50185-0	TYLER TECHNOLOGIES INC	4,074
					TOTAL FOR FINANCE	**4,074**
HUMAN RESOURCES	100-0600-511200	PROFESSIONAL SERVICES		65367	WORK SHIELD INC	36,000
					TOTAL FOR HUMAN RESOURCES	**36,000**
ENGINEERING	100-0800-511200	PROFESSIONAL SERVICES	PD250045	60197	ALVARADO ARCHITECTS & ASSOCIATES INC	3,560
ENGINEERING	100-0800-511200	PROFESSIONAL SERVICES	PD250006	62353	LDG ENTERPRISES LLC	16,580
ENGINEERING	100-0800-511200	PROFESSIONAL SERVICES	P251249	48036-0	TEDSI INFRASTRUCTURE GROUP, INC	104,225
ENGINEERING	100-0800-511200	PROFESSIONAL SERVICES	PD250043	51184	UNION PACIFIC RAILROAD CO	7,000
					TOTAL FOR ENGINEERING	**131,365**
POLICE	100-2000-513300	MOTOR VEHICLES - MAINTENANCE	P251252	41006-0	JOSE VILLARREAL	4,011
POLICE	100-2000-522300	WEARING APPAREL	P251237	26075-0	GALLS LLC	12,638
					TOTAL FOR POLICE	**16,649**
VOLUNTEER FIRE	100-2500-511200	PROFESSIONAL SERVICES	P251178	17665-0	CONSOLIDATED FLEET SERVICES INC	4,674
VOLUNTEER FIRE	100-2500-522300	WEARING APPAREL	P250959	36480-0	MUNICIPAL EMERGENCY SERVICES, INC	58,210
VOLUNTEER FIRE	100-2500-523302	MACHINES & EQUIPMENT	P250977	36480-0	MUNICIPAL EMERGENCY SERVICES, INC	20,409
VOLUNTEER FIRE	100-2500-523302	MACHINES & EQUIPMENT	P251070	14321-0	SUB-AQUATICS INC	16,094
					TOTAL FOR VOLUNTEER FIRE	**99,387**
RECREATION	100-4002-605590	OTHER CAPITAL OUTLAY	P260479	48047-0	TELEPRO COMMUNICATIONS	15,674
RECREATION	100-4002-512210	COMMUNICATIONS SERVICE AGREEMENTS	P260479	48047-0	TELEPRO COMMUNICATIONS	561
					TOTAL FOR RECREATION	**16,235**
BUILDING MAINTENANCE	100-4004-511200	PROFESSIONAL SERVICES	P250916	49967-0	TRINITY MEP ENGINEERING, LLC	15,750
					TOTAL FOR BUILDING MAINTENANCE	**15,750**
LIBRARY	100-4100-522308	OFFICE HARDWARE AND RELATED SOFTWARE - IT	P251160	32650-0	THE LIBRARY CORPORATION	11,316
LIBRARY	100-4100-523390	OTHER MATERIALS	P251160	32650-0	THE LIBRARY CORPORATION	1,026
					TOTAL FOR LIBRARY	**12,342**
CULTURAL ARTS	100-4101-603500	BUILDINGS AND STRUCTURES	P251259	65033	LUXAM LIGHTING LLC	22,450
					TOTAL FOR CULTURAL ARTS	**22,450**
HEALTH & CODE	100-5800-603500	BUILDINGS AND STRUCTURES	PD250001	62855	RENE OLIVAREZ	442,947
						442,947
					TOTAL FOR GENERAL FUND	**800,199**

GOVERNMENTAL GRANT FUND

DEPARTMENT	ACCOUNT NUMBER	ACCOUNT TITLE	PURCHASE ORDER	VENDOR NUMBER	VENDOR NAME	TOTAL AMOUNT
VOLUNTEER FIRE	101-2500-581525	2025-BF-BORDER ZONE FIRE DEPT #51727	P251070	14321-0	SUB-AQUATICS INC	82,500
					TOTAL FOR VOLUNTEER FIRE	**82,500**
					TOTAL F0R GOVERNMENTAL GRANT FUND	**82,500**

PARKLAND DEDICATION FUND

DEPARTMENT	ACCOUNT NUMBER	ACCOUNT TITLE	PURCHASE ORDER	VENDOR NUMBER	VENDOR NAME	TOTAL AMOUNT
PARKS	131-4000-604600	PARKLAND DEDICATION PROJECTS	PD250002	48200-0	TERRACON CONSULTANTS INC	11,058
					TOTAL FOR ENGINEERING	**11,058**
					TOTAL FOR PARKLAND DEDICATION FUND	**11,058**

UTILITY FUND

DEPARTMENT	ACCOUNT NUMBER	ACCOUNT TITLE	PURCHASE ORDER	VENDOR NUMBER	VENDOR NAME	TOTAL AMOUNT
UTILITY ADMINISTRATION	200-6000-605590	OTHER CAPITAL OUTLAY	PD250025	60102	CRUZ-HOGAN CONSULTANTS INC	20,000
					TOTAL FOR UTILITY ADMINISTRATION	**20,000**
W.W.T.P.	200-6200-511200	PROFESSIONAL SERVICES	P250309	27093-0	HALFF ASSOCIATES INC	5,115
W.W.T.P.	200-6200-513302	MACHINES & EQUIPMENT	P251316	40029-0	ZONE INDUSTRIES	138,942
W.W.T.P.	200-6200-603500	BUILDING AND STRUCTURES	P251347	62681	SUPREME ENGINEERING PLLC	550,000
W.W.T.P.	200-6200-605500	MACHINES & EQUIPMENT	P251223	37581-0	UNITED FLOW TECHNOLOGIES HOLDCO LLC	45,544
					TOTAL FOR WWTP	**739,601**
SYSTEMS	200-6300-511200	PROFESSIONAL SERVICES	P251124	35530-0	MELDEN & HUNT INC	1,200
SYSTEMS	200-6300-511200	PROFESSIONAL SERVICES	PC240195	27093-0	HALFF ASSOCIATES INC	18,000
SYSTEMS	200-6300-511200	PROFESSIONAL SERVICES	PC240198	29977-0	JAVIER HINOJOSA	27,625
SYSTEMS	200-6300-511200	PROFESSIONAL SERVICES	PD250020	26982-0	GUZMAN & MUNOZ ENGINEERING & SURVEYING INC	18,760
SYSTEMS	200-6300-511200	PROFESSIONAL SERVICES	PD250046	33704-0	M2 ENGINEERING PLLC	11,160
SYSTEMS	200-6300-511200	PROFESSIONAL SERVICES	PC240197	42248-0	R E GARCIA & ASSOCIATES	35,731
SYSTEMS	200-6300-513304	SANITARY SEWER SYSTEM	P250262	45298-0	SOUTHERN TRENCHLESS SOLUTIONS, LLC	24,000
					TOTAL FOR SYSTEMS	**136,476**
					TOTAL FOR UTILITY FUND	**896,077**

SOLID WASTE MANAGEMENT FUND

DEPARTMENT	ACCOUNT NUMBER	ACCOUNT TITLE	PURCHASE ORDER	VENDOR NUMBER	VENDOR NAME	TOTAL AMOUNT
SOLID WASTE MANAGEMENT	210-6500-511200	PROFESSIONAL SERVICES	P251099	60075	HANSON PROFESSIONAL SERVICES INC	150,186
SOLID WASTE MANAGEMENT	210-6500-511200	PROFESSIONAL SERVICES	PD250011	60075	HANSON PROFESSIONAL SERVICES INC	126,111
SOLID WASTE MANAGEMENT	210-6500-511200	PROFESSIONAL SERVICES	P251329	42877-0	GILBERT J GUERRA ENG LLC	5,500
SOLID WASTE MANAGEMENT	210-6500-512240	RENTS & CONTRACTUALS	P250504	59079	ROUTEWARE INC	76,392
SOLID WASTE MANAGEMENT	210-6500-512240	RENTS & CONTRACTUALS	PD250018	59079	ROUTEWARE INC	52,528
SOLID WASTE MANAGEMENT	210-6500-512241	RENTS & CONTRACTUALS - IT	P251260	37577-0	NETSYNC NETWORK SOLUTIONS	4,041
SOLID WASTE MANAGEMENT	210-6500-513300	MOTOR VEHICLES - MAINTENANCE	P251302	60134	RUSH ADMINISTRATIVE SERVICES INC	12,200
					TOTAL FOR SOLID WASTE MANAGEMENT	**426,958**
					TOTAL FOR SOLID WASTE MANAGEMENT FUND	**426,958**

EDINBURG INTERNATIONAL AIRPORT FUND

DEPARTMENT	ACCOUNT NUMBER	ACCOUNT TITLE	PURCHASE ORDER	VENDOR NUMBER	VENDOR NAME	TOTAL AMOUNT
AVIATION	220-7000-605590	OTHER CAPITAL OUTLAY				1,111,112
					TOTAL FOR AVIATION	**1,111,112**
					TOTAL FOR THE EDINBURG INTERNATIONAL AIRPORT	**1,111,112**

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
CONSENT AGENDA
Agenda Item No: 12.B.
American Rescue Plan Act (ARPA) - Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program Budget Amendment

1. **Agenda Item:**
Consider Resolution Approving the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program Budget Amendment. [Claudia L. Farias, Director of Grants Administration]

2. **Description:**
On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses. The City of Edinburg has received a total of $27,132,536 in two separate allocations in September 2021 and August 2022, both in the amount of $13,566,268.

The proposed budget amendment includes reducing unexpended funds from two completed projects, the Downtown Water Treatment Plant High Service Pump Generator and the Elevated Water Tower, and reallocating the funds to the existing and ongoing Street Improvements Project, as indicated below.

PROJECT NAME	ELIGIBILITY	CATEGORY	APPROVED BUDGET AS OF DECEMBER 19, 2025	PROPOSED AMENDMENT	PROPOSED BUDGET
Drinking Water Storage: Elevated Water Tower	Y	5.14	$ 3,294,350.00	$ (10,542.20)	$ 3,283,807.80
Drinking Water: Downtown Water Treatment Plant High Service Pump Generator	Y	5.15	$ 1,101,616.40	$ (80,464.09)	$ 1,021,152.31
Street Improvements	Y	6.1	$ 2,600,000.00	$ 91,006.29	$ 2,691,006.29
		TOTAL	**$6,995,966.40**	$ -	**$ 6,995,966.40**

3. **Staff's Recommendation:**
Approve Resolution of the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program Budget Amendment.

Reviewed by:
Nelda Ramirez, Assistant City Manager

Prepared by:
Claudia Farias, Director of Grants Administration

Attachments:
A. Final ARPA TABLE 03.17.26
B. Final ARPA Budget 03.17.26
C. Final ARPA Resolution 03.17.26

PROPOSED ARPA-SLFRF BUDGET AMENDMENT

March 17, 2026

CURRENT PROJECTS					
PROJECT NAME	**ELIGIBILITY**	**CATEGORY**	**APPROVED BUDGET AS OF DECEMBER 19, 2025**	**PROPOSED AMENDMENT**	**PROPOSED BUDGET**
Improving Community, Health & Resilience Through the Arts	Y	1.12	$ 600,000.00	$ -	$ 600,000.00
New Service Center	Y	1.14	$ 5,398,671.02	$ -	$ 5,398,671.02
Renovations to Emergency Operations Center	Y	1.14	$ 73,475.00	$ -	$ 73,475.00
Renovations to Fountain Center	Y	1.14	$ 650.00	$ -	$ 650.00
Wisconsin Trail	Y	2.22	$ -	$ -	$ -
Small Business Economic Assistance	Y	2.29	$ 2,717,757.39	$ -	$ 2,717,757.39
Supplemental Pay One-Time Premium Pay Adjustment	Y	4.1	$ 1,955,736.38	$ -	$ 1,955,736.38
Clean Water: Wastewater Treatment Plant Belt Press Generator	Y	5.1	$ 644,459.00	$ -	$ 644,459.00
Airport-Cibolo Road Sanitary Sewer Project	Y	5.2	$ 1,736,213.34	$ -	$ 1,736,213.34
Drinking Water Storage: Elevated Water Tower	Y	5.14	$ 3,294,350.00	$ (10,542.20)	$ 3,283,807.80
Drinking Water: Downtown Water Treatment Plant High Service Pump Generator	Y	5.15	$ 1,101,616.40	$ (80,464.09)	$ 1,021,152.31
3% Cost of Living Adjustment	Y	6.1	$ 1,700,000.00	$ -	$ 1,700,000.00
South Texas Health Systems	Y	6.1	$ 416,666.00	$ -	$ 416,666.00
UTRGV-School of Medicine	Y	6.1	$ 1,000,000.00	$ -	$ 1,000,000.00
DHR - Driscoll Hospital	Y	6.1	$ 1,000,000.00	$ -	$ 1,000,000.00
Improvements to City Hall	Y	6.1	$ 233,200.56	$ -	$ 233,200.56
FY 2022 HUD CPF Fire Training Facility	Y	6.1	$ -	$ -	$ -
Emergency Ambulance Service	Y	6.1	$ 2,146,242.06	$ -	$ 2,146,242.06
Utility Rate Study	Y	6.1	$ 38,920.00	$ -	$ 38,920.00
Comprehensive Plan	Y	6.1	$ 205,517.24	$ -	$ 205,517.24
IT Firewall - PD	Y	6.1	$ 98,701.61	$ -	$ 98,701.61
Emergency Portable Trailer/Cameras - PD	Y	6.1	$ 170,360.00	$ -	$ 170,360.00
Street Improvements	Y	6.1	$ 2,600,000.00	$ 91,006.29	$ 2,691,006.29
		TOTAL	**$27,132,536.00**	$ -	**$ 27,132,536.00**

GRANTS ADMINISTRATION DEPARTMENT

AMERICAN RESCUE PLAN ACT (ARPA) - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS (SLFRF) PROGRAM BUDGET

Proposed: March 17, 2026

PROJECT NAME	EXPENDITURE CATEGORY	PROJECT STATUS	ARPA 1 ALLOCATION	ARPA 2 ALLOCATION	APPROVED BUDGET AS OF DEC. 19, 2025	PROPOSED BUDGET AMENDMENT	PROPOSED BUDGET	EXPENDITURES AS OF FEB 23, 2026	BUDGET BALANCE
PUBLIC HEALTH									
Improving Community, Health & Resilience Through the Arts	1.12 Mental Health Services	Ongoing	$ -	$ 600,000.00	$ 600,000.00	$ -	$ 600,000.00	$ 494,418.36	$ 105,581.64
New Service Center	1.14 Other Public Health Services	Complete	$ -	$ 5,000,000.00	$ 5,398,671.02	$ -	$ 5,398,671.02	$ 5,398,671.02	$ -
Renovations to Emergency Operations Center	1.14 Other Public Health Services	Complete	$ 63,675.00	$ -	$ 73,475.00	$ -	$ 73,475.00	$ 73,475.00	$ -
Renovations to Fountain Center	1.14 Other Public Health Services	Complete	$ -	$ 650.00	$ 650.00	$ -	$ 650.00	$ 650.00	$ -
Category Sub-Total			**$ 63,675.00**	**$ 5,600,650.00**	**$ 6,072,796.02**	**$ -**	$ 6,072,796.02	**$ 5,967,214.38**	**$ 105,581.64**
NEGATIVE ECONOMIC IMPACTS									
SPARC Assistance to Families Gift Card Program	2.1 Household Assistance	Complete	$ 1,017,009.37	$ -	$ 1,017,009.37	$ -	$ 1,017,009.37	$ 1,017,009.37	$ -
SPARC Small Business Grant Program	2.29 Small Business Economic Assistance	Complete	$ 930,000.00	$ -	$ 930,000.00	$ -	$ 930,000.00	$ 930,000.00	$ -
SPARC Home-Based Business Program	2.29 Small Business Economic Assistance	Complete	$ 176,000.00	$ -	$ 176,000.00	$ -	$ 176,000.00	$ 176,000.00	$ -
SPARC LiftFund Interest Buy Down Program	2.29 Small Business Economic Assistance	Complete	$ 50,000.00	$ -	$ 50,000.00	$ -	$ 50,000.00	$ 50,000.00	$ -
SPARC Façade Improvement Program	2.31 Rehab/Improvements to Commercial Properties	Complete	$ 544,748.02	$ -	$ 544,748.02	$ -	$ 544,748.02	$ 544,748.02	$ -
Wisconsin Trail	2.22 Strong Healthy Communities	Deleted	$ -	$ 300,000.00	$ -	$ -	$ -	$ -	$ -
Category Sub-Total			**$ 2,717,757.39**	**$ 300,000.00**	**$ 2,717,757.39**	**$ -**	$ 2,717,757.39	**$ 2,717,757.39**	**$ -**
PREMIUM PAY									
One-Time Premium Pay Adjustment (Full-Time Employees, Part-Time Regular, and Part-Time Seasonal)	4.1 Public Sector Employees	Complete	$ -	$ 1,955,736.38	$ 1,955,736.38	$ -	$ 1,955,736.38	$ 1,955,736.38	$ -
Category Sub-Total			**$ -**	**$ 1,955,736.38**	**$ 1,955,736.38**	**$ -**	$ 1,955,736.38	**$ 1,955,736.38**	**$ -**
INFRASTRUCTURE									
Wastewater Treatment Plant Belt Press Generator	5.1 Clear Water: Centralized Wastewater Treatment	Complete	$ 700,000.00	$ -	$ 644,459.00	$ -	$ 644,459.00	$ 644,459.00	$ -
Airport-Cibolo Road Sanitary Sewer Project (Phase I)	5.2 Clean Water: Centralized Wastewater Collection & Conveyance	Complete	$ 1,844,717.23	$ -	$ 1,736,213.34	$ -	$ 1,736,213.34	$ 1,736,213.34	$ -
Elevated Water Tower (Monte Cristo/Bus. 281)	5.14 Drinking Water: Storage	Complete	$ 3,250,000.00	$ -	$ 3,294,350.00	$ (10,542.20)	$ 3,283,807.80	$ 3,283,807.80	$ -
Downtown Water Treatment Plant High Service Pump Generator	5.15 Drinking Water: Other	Complete	$ 800,000.00	$ -	$ 1,101,616.40	$ (80,464.09)	$ 1,021,152.31	$ 1,021,152.31	$ -
Category Sub-Total			**$ 6,594,717.23**	**$ -**	**$ 6,776,638.74**	**$ (91,006.29)**	$ 6,685,632.45	**$ 6,685,632.45**	**$ -**
REVENUE REPLACEMENT									
3% Cost of Living Adjustment	6.1 Provisions of Government Services	Complete	$ -	$ 1,700,000.00	$ 1,700,000.00	$ -	$ 1,700,000.00	$ 1,700,000.00	$ -
UTRGV - School of Medicine	6.1 Provisions of Government Services	Complete	$ -	$ 2,000,000.00	$ 1,000,000.00	$ -	$ 1,000,000.00	$ 1,000,000.00	$ -
South Texas Health Systems - New Medical Tower	6.1 Provisions of Government Services	Complete	$ -	$ 404,640.00	$ 416,666.00	$ -	$ 416,666.00	$ 416,666.00	$ -
DHR - Driscoll Hospital	6.1 Provisions of Government Services	Complete	$ -	$ -	$ 1,000,000.00	$ -	$ 1,000,000.00	$ 1,000,000.00	$ -
Improvements to City Hall	6.1 Provisions of Government Services	Complete	$ -	$ 250,000.00	$ 233,200.56	$ -	$ 233,200.56	$ 233,200.56	$ -
FY 2022 HUD-Economic Development Initiative Community Project Fund-Fire Training Facility	6.1 Provisions of Government Services	Deleted	$ -	$ 1,000,000.00	$ -	$ -	$ -	$ -	$ -
Emergency Ambulance Service	6.1 Provisions of Government Services	Complete	$ -	$ 1,350,000.00	$ 2,146,242.06	$ -	$ 2,146,242.06	$ 2,146,242.06	$ -
Utility Rate and Connection Fee Study	6.1 Provisions of Government Services	Complete	$ -	$ 75,000.00	$ 38,920.00	$ -	$ 38,920.00	$ 38,920.00	$ -
Comprehensive Plan	6.1 Provisions of Government Services	Complete	$ -	$ 250,000.00	$ 205,517.24	$ -	$ 205,517.24	$ 205,517.24	$ -
IT Firewall	6.1 Provisions of Government Services	Complete	$ -	$ 100,000.00	$ 98,701.61	$ -	$ 98,701.61	$ 98,701.61	$ -
Emergency Portable Trailer/Cameras - PD	6.1 Provisions of Government Services	Complete	$ -	$ 170,360.00	$ 170,360.00	$ -	$ 170,360.00	$ 170,360.00	$ -
Street Improvements	6.1 Provisions of Government Services	Ongoing*	$ -	$ 2,600,000.00	$ 2,600,000.00	$ 91,006.29	$ 2,691,006.29	$ 2,347,775.85	$ 343,230.44
Category Sub-Total			**$ -**	**$ 9,900,000.00**	**$ 9,609,607.47**	**$ 91,006.29**	$ 9,700,613.76	**$ 9,357,383.32**	**$ 343,230.44**
			$ 9,376,149.62	**$ 17,756,386.38**	**$ 27,132,536.00**	**$0.00**	**$ 27,132,536.00**	**$ 26,683,723.92**	**$ 448,812.08**
ARPA TOTAL BUDGET	**$27,132,536.00**		***All ARPA Funds are fully committed to all ongoing projects.***						

***Status of Ongoing Construction Projects**

Street Improvements Project - Ongoing; Estimated End Date: Sept. 2026

RESOLUTION NO.

THE STATE OF TEXAS	**§**	**AUTHORIZE THE AMENDMENT OF THE AMERICAN RESCUE PLAN ACT**
COUNTY OF HIDALGO	**§**	**(ARPA) – CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**
CITY OF EDINBURG	**§**	**(SLFRF) PROGRAM BUDGET**

WHEREAS, The U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds Program, under the American Rescue Plan Act of 2021, to provide $350 billion in emergency funding for eligible state, local, territorial, and tribal governments; and,

WHEREAS, ARPA-SLFRF Funds are intended to provide support to state, local, territorial and Tribal governments in responding to the economic and public health of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses; and,

WHEREAS, City revenues, residents, businesses and nonprofits have faced economic impacts due to the COVID Pandemic; and,

WHEREAS, $27,132,536 has been allocated to the City in two separate allocations pursuant to the ARPA-SLFRF Program; and,

WHEREAS, the United States Department of Treasury has released guidance regarding the use of ARPA-SLFRF Program; and,

WHEREAS, the City of Edinburg agrees to comply with applicable grant requirements as required by the funding source; and,

WHEREAS, the City Council has previously approved the ARPA-SLFRF Program Budget to include Allocations 1 and 2; and,

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 amends the ARPA-SLFRF Program budget for Allocations 1 and 2, as follows:

PROPOSED ARPA-SLFRF BUDGET AMENDMENT

March 17, 2026

CURRENT PROJECTS					
PROJECT NAME	ELIGIBILITY	CATEGORY	APPROVED BUDGET AS OF DECEMBER 19, 2025	PROPOSED AMENDMENT	PROPOSED BUDGET
Improving Community, Health & Resilience Through the Arts	Y	1.12	$ 600,000.00	$ -	$ 600,000.00
New Service Center	Y	1.14	$ 5,398,671.02	$ -	$ 5,398,671.02
Renovations to Emergency Operations Center	Y	1.14	$ 73,475.00	$ -	$ 73,475.00
Renovations to Fountain Center	Y	1.14	$ 650.00	$ -	$ 650.00
Wisconsin Trail	Y	2.22	$ -	$ -	$ -
Small Business Economic Assistance	Y	2.29	$ 2,717,757.39	$ -	$ 2,717,757.39
Supplemental Pay One-Time Premium Pay Adjustment	Y	4.1	$ 1,955,736.38	$ -	$ 1,955,736.38
Clean Water: Wastewater Treatment Plant Belt Press Generator	Y	5.1	$ 644,459.00	$ -	$ 644,459.00
Airport-Cibolo Road Sanitary Sewer Project	Y	5.2	$ 1,736,213.34	$ -	$ 1,736,213.34
Drinking Water Storage: Elevated Water Tower	Y	5.14	$ 3,294,350.00	$ (10,542.20)	$ 3,283,807.80
Drinking Water: Downtown Water Treatment Plant High Service Pump Generator	Y	5.15	$ 1,101,616.40	$ (80,464.09)	$ 1,021,152.31
3% Cost of Living Adjustment	Y	6.1	$ 1,700,000.00	$ -	$ 1,700,000.00
South Texas Health Systems	Y	6.1	$ 416,666.00	$ -	$ 416,666.00
UTRGV-School of Medicine	Y	6.1	$ 1,000,000.00	$ -	$ 1,000,000.00
DHR - Driscoll Hospital	Y	6.1	$ 1,000,000.00	$ -	$ 1,000,000.00
Improvements to City Hall	Y	6.1	$ 233,200.56	$ -	$ 233,200.56
FY 2022 HUD CPF Fire Training Facility	Y	6.1	$ -	$ -	$ -
Emergency Ambulance Service	Y	6.1	$ 2,146,242.06	$ -	$ 2,146,242.06
Utility Rate Study	Y	6.1	$ 38,920.00	$ -	$ 38,920.00
Comprehensive Plan	Y	6.1	$ 205,517.24	$ -	$ 205,517.24
IT Firewall - PD	Y	6.1	$ 98,701.61	$ -	$ 98,701.61
Emergency Portable Trailer/Cameras - PD	Y	6.1	$ 170,360.00	$ -	$ 170,360.00
Street Improvements	Y	6.1	$ 2,600,000.00	$ 91,006.29	$ 2,691,006.29
		TOTAL	**$27,132,536.00**	$ -	**$ 27,132,536.00**

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 17th day of March 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

APPROVE AS TO FORM:

By: _____
Josephine Ramirez Solis
City Attorney

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
CONSENT AGENDA
Agenda Item No: 12.C.
Fiscal Year 2025 Operation Stonegarden Grant (OPSG)

1. **Agenda Item:**
Consider Resolution Ratifying the City Manager's Submission of a Grant Application to the Office of the Governor Under the Fiscal Year 2025 Operation Stonegarden Grant (OPSG) Program and to Execute all Grant Documents Relating Thereto. [Jaime Ayala, Police Chief]

2. **Description:**
The Fiscal Year 2025 Operation Stonegarden Grant (OPSG) Program supports enhanced cooperation and coordination among Customs and Border Protection, United States Border Patrol, and local, tribal, territorial, state, and federal law enforcement agencies. Funding is provided to support joint efforts to secure the United States' borders along routes of ingress from international borders, including travel corridors in states bordering Mexico. The OPSG Program is designed to disrupt smuggling and other criminal activities that affect the City of Edinburg and may have national consequences.

Edinburg Police Department (EPD) will request funding in the amount of approximately $308,500.00 to be used to compensate for overtime and fringe costs for Commissioned Police Officers and Emergency Communications Dispatchers to enhance patrols along the Interstate 69C corridor to disrupt the trafficking of persons, drugs, and weapons smuggled into and through Texas. The request also includes approximately 26 license plate reader cameras that will be used to assist officers in monitoring the City of Edinburg and deter criminal activity, and a compatible camera mobile security trailer that will be placed along I69C and throughout the City and moved as needed.

The City was previously awarded Fiscal Year 2019 through Fiscal Year 2024 Operation Stonegarden Grant (OPSG) Program awards in various amounts to carry out border security activities.

The City was advised of this funding opportunity on March 4, 2026. The submission deadline for this program was March 6, 2026, which did not provide time for City staff to present the resolution to the City Council prior to the submission of the grant application. Due to time constraints, the staff submitted the grant application and is requesting ratification of the submission. The performance period is one year, beginning March 1, 2026, to February 28, 2027. Official award notification is anticipated by May 2026.

There is no fiscal impact on the General Fund budget, and no matching funds are required. Procurement will adhere to federal, state, and City policies as required.

3. **Staff's Recommendation:**
Approve Resolution Ratifying the City Manager's Submission of a Grant Application to the Office of the Governor under the Fiscal Year 2025 Operation Stonegarden Grant (OPSG) Program and Execute Documents Related Thereto.

Reviewed by:
Jaime Ayala, Chief of Police

Prepared by:
Mary Gonzalez, Grants Analyst
Iris Alvarado, Management Services Administrator

Attachments:
A. FY 2025 OPSG Resolution

ESOLUTION NO. _____

THE STATE OF TEXAS	**§**	**RATIFYING THE CITY MANAGER'S SUBMISSION OF A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR FOR THE FISCAL YEAR 2025 OPERATION STONEGARDEN GRANT (OPSG) PROGRAM AND TO EXECUTE DOCUMENTS RELATED 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 for the Fiscal Year 2025 Operation Stonegarden Grant (OPSG) Program for approximately $308,500.00 with no local match, for overtime costs, license plate readers, and a compatible mobile security trailer; and

WHEREAS, the grant does not require a local match; and,

WHEREAS, the Fiscal Year 2025 Operation Stonegarden Grant performance period is from March 1, 2026, to February 28, 2027; and

WHEREAS, the City of Edinburg 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.

WHEREAS, the City of Edinburg designates the Director of Finance, as the grantee's Financial Officer, and the Financial Officer 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 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 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

SECTION 3: 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 Operation Stonegarden Grant, and accept, alter, terminate, and execute any and all grant documents on behalf of the City.

SECTION 4: The City of Edinburg hereby authorizes and designates the City's Director of Finance as the grantee's Financial Officer. The Financial Officer is given the power to submit financial and/or programmatic reports or alter a grant on behalf of the City of Edinburg.

SECTION 5: 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 6: 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 Vernon's Texas Codes Ann., Government Code, Section 551.041, on the 17th day of March, 2026.

CITY OF EDINBURG

By: _____
Omar Ochoa, Mayor

ATTEST:

By: _____
Clarice Y. Balderas, City Secretary

Approved at to form:

By: _____
Josephine Ramirez-Solis, City Attorney

Grant Application No. 3172511

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
CONSENT AGENDA
Agenda Item No: 12.D.
Water Line Access Agreement between City and North Alamo Water Supply Corporation

1. **Agenda Item:**
Consider Authorizing the City Manager to Enter Into a Waterline Access Agreement with North Alamo Water Supply Corporation to Provide Fire Protection Services to Palma Ranch Subdivision. [Gerardo Carmona Jr, P.E., Director of Utilities]

2. **Description:**
This agreement includes the installation of fire hydrants and related appurtenances to provide fire protection services for the Palma Ranch Subdivision. The property owner/developer will be responsible for all material and installation costs, while the City will assume responsibility for ongoing maintenance. The Palma Ranch Subdivision is located within the city limits and lies within the North Alamo Water Supply Corporation's Water Certificate of Convenience and Necessity (CCN) service area.

3. **Staff's Recommendation:**
Approve Authorizing the City Manager to Enter Into a Waterline Access Agreement with North Alamo Water Supply Corporation to provide fire protection services to Palma Ranch Subdivision.

Reviewed by:		**Prepared by:**
Gerardo Carmona, Director of Utilities	Approved - 3/10/2026	Mirelda Garza Ramirez,
Tomas Reyna, Assistant City Manager	Final Approval - 3/13/2026	Administrative Specialist

Attachments:
A. Agreement - Palma Ranch Subdivision

LOCATION MAP

N
W E
S
N.T.S.

Mile 17 Rd.

Mauritius Ln

Falcon Crest Ln

Richardson Rd.

Legend:
PALMA RANCH SUBDIVISION
EDINBURG CITY LIMITS

PALMA RANCH SUBDIVISION

REQUESTED BY: UTILITIES DEPT. | **CREATED BY:** ENGINEERING DEPARTMENT - GIS DIVISION | **DATE:** FEBRUARY 24, 2026

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.

MAP PATH: J:\00_DATA\01_DEPARTMENTS\UTILITIES\01_UTILITIES_ADMINISTRATION\02_WATERLINE_ACCESS_AGREEMENT\2026\02_FEBRUARY\PALMA RANCH SUBDIVISION\PALMA RANCH SUBDIVISION 260224.aprx

AGREEMENT

Richard W. Fryer,
J.D., P.E., LEED AP

FRYER & HANSEN, PLLC
Law Firm
1352 W. Pecan Blvd.
McAllen, Texas 78501

Telephone 956-686-6606
Telefax 956-686-6601
email@FryerandHansen.com

February 6, 2026

Via U.S Postal Service

Myra L. Ayala, City Manager
City of Edinburg
415 W. University Drive
Edinburg, Texas 78541

RE: Waterline Access Agreement - North Alamo Water Supply Corporation, City of Edinburg, WW Escondido, LLC - Palma Ranch Subdivision

Dear Ms. Ayala:

Enclosed please find four (4) original **Waterline Access Agreements** (***"Agreement"***) for the Palma Ranch Subdivision for signature on behalf of the City of Edinburg (***"City"***) along with an updated Form 1295 signed by North Alamo Water Supply Corporation. Please review the Agreement documents, cause them to be executed on behalf of the City in the areas indicated, and provide a City Commissioners' Resolution and/or certified Minutes approving the Agreement.

Once the documents have been signed on behalf of the City, please return the documents (signed Agreements and Resolution and/or Minutes reflecting City's approval of the Agreement) back to this office in the self-addressed envelope provided herein for your convenience.

When the documents have been signed on behalf of the City and returned to this office along with the City's Resolution and/or certified Minutes, we will review the documents and then forward them to North Alamo Water Supply Corporation for further execution. After the documents have been fully-signed by all parties, we will distribute a fully-executed document to each party.

Thank you for your attention to this matter. If you should have any questions, please do not hesitate to call.

Sincerely,

/S/ *Richard W. Fryer*
Richard W. Fryer

RWF/kb
Enclosures

CITY OF EDINBURG RECEIVED FEB 20 2026 UTILITIES DEPARTMENT

CITY OF EDINBURG RECEIVED FEB 20 2026 CITY MANAGER'S OFFICE

c:. ./KarensFiles/NAWSC/Edinburg/PalmaRanchSubdWAA/City ltr2/RWF/kb

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2026-1417616

Date Filed:
02/06/2026

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
North Alamo Water Supply Corporation
Edinburg, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Edinburg, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
NAWSCWAA123
Waterline Access Agreement for the Palma Ranch Subdivision

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
WW Escondidit, LLC	Edinburg, TX United States		X

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

My name is Steven P. Sanchez, GM, and my date of birth is 12/11/1956.

My address is 420 S Doolittle Rd., Edinburg (city), TX (state), 78542 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Hidalgo County, State of Texas, on the 9th day of Feb (month), 20 26 (year).

Signature of authorized agent of contracting business entity
(Declarant)

STATE OF TEXAS	§	**BETWEEN:**
	§	**NORTH ALAMO WATER SUPPLY**
	§	**CORPORATION AND CITY OF**
	§	**EDINBURG**
COUNTY OF HIDALGO	§	

WATERLINE ACCESS AGREEMENT
(with City)

WHEREAS, North Alamo Water Supply Corporation ("**NAWSC**") has a water distribution system which was designed for potable water distribution to rural communities; and

WHEREAS, such system was not designated specifically with the intent of providing water for fire protection purposes; and

WHEREAS, the City of Edinburg ("**City**") through its own forces or through the forces of those subject to a contract to provide services, may provide fire protection services to its citizens, some of which fall within the area of the Certificate of Convenience and Necessity granted to NAWSC; and

WHEREAS, City, a governmental entity of the State of Texas, may provide fire protection services to its constituents; and

WHEREAS, Section 67.0105 of the Texas Water Code authorizes water supply corporations to contract with governmental entities like the City to supply water for use in fire suppression, and further provides that the act of supplying such water by water supply corporations such as NAWSC, is an essential governmental function. It also provides that the contract for supplying such water must be to the mutual benefit to the contracting parties; and

WHEREAS, pursuant to Section 67.0105, a corporation that provides a governmental entity with a water supply or equipment to carry out the governmental function as described herein may be liable for damages resulting therefrom only to the extent that the governmental entity would be liable if the governmental entity were performing the governmental function directly; and

WHEREAS, NAWSC and City are mindful of the benefits that can be received by the citizens of the City and the members of NAWSC with the availability of water for use in controlling fires and thereby for the protection of life and property; and

WHEREAS, WW Escondido, LP ("**Owner**") is constructing a subdivision on the property described in **Exhibit "A",** Palma Ranch Subdivision (the "**Subdivision**") and the City requires fire protection for the Subdivision as part of the Subdivision process.

THEREFORE, in exchange for the recitals herein made, the consideration exchanged

and the goodwill generated, NAWSC and City agree as follows:

1. This agreement pertains only to those areas in the Subdivision which also are within the boundaries of the Certificate of Convenience and Necessity granted to NAWSC in HIDALGO County, Texas and only **with respect to those areas specifically listed in** Exhibit "A". No other parts of NAWSC lines shall be affected by this agreement unless specifically set forth in writing by the parties and adopted by official acts of their respective governing bodies.

2. City shall have access to NAWSC lines with no less than six inches (6") in diameter for the purpose of operating and maintaining a fire hydrant system in accordance with industry standards and all federal, state and local codes and as shown in **Exhibit "B"** (**"Fire Hydrants"**). Such Fire Hydrants to be used solely for the governmental purpose of fire-fighting filling stations. No other use of water shall be made under this agreement. City shall determine if the pressure and volume available on such lines are suitable and sufficient. NAWSC shall gratuitously furnish to City's designated engineer, such waterline modeling information as it may have to the extent such information affects the lines and hydrants shown in Exhibit "A"; such information does not constitute any representation or warranty of any condition and is subject to all limitations, disclaimers, etc. found in this agreement.

3. Except as otherwise provided in this paragraph, all City fire hydrants on NAWSC waterlines or any part of NAWSC's system, shall be used for the governmental purposes of fire-fighting filling stations and shall be painted black with a white bonnet (cap) so as to be designated that they may be available for that limited use in a fire emergency and shall be operated by City such that a positive pressure of no less than 30 p.s.i. is maintained in NAWSC's water line at the point of connection between the water line and the fire hydrant. Should City perform annual testing of each hydrants subject to this agreement so as to determine the color coding attributable to each hydrant under City's fire hydrant coding scheme, City may paint the tested hydrants the appropriate color under that color coding scheme for a period of one (1) year following the test, after which a new test must be done or the hydrant shall be painted black with a white bonnet (cap) until the appropriate test is done. Should a tested and color coded hydrant's condition change after being tested and its condition be such that a different color code is appropriate, City will immediately repaint the hydrant accordingly or should a year expire without a hydrant being re-tested, City will immediately paint it black with a white bonnet (cap) and if City fails to so test and paint City's fire hydrants, NAWSC may (but is not required to) do so at City's expense, such expense to be paid by City to NAWSC upon demand. By allowing a hydrant subject to this agreement to be painted any color other than black with a white bonnet (cap), NAWSC is not representing or warranting that the hydrant is available and suitable for use in a fire emergency.

4. The Fire Hydrants will be constructed by Owner and owned and maintained by City as set out in Exhibit "B." If concrete is used for additional stability, the hydrant weep holes should not be covered.

5. All water used from NAWSC system will be reported monthly to NAWSC by City. This report will state the estimated amount of water used, the date of use, the location of use and any problems encountered with the Fire Hydrants. Forms will be provided by City.

6. There may be an annual charge by NAWSC for water used in fire protection. Such charge will be established annually by the Board of Directors. However, in no case will water be used for any domestic use, equipment wash-downs or construction purposes or any other purpose other than the actual use in controlling fires and maintaining the Fire Hydrants.

7. Because NAWSC is a rural system that cannot patrol all locations daily, a problem may arise as to the abuse of Fire Hydrants by the taking of water for uses other than fire protection. If this becomes a problem, NAWSC reserves the right to install security devices on all hydrants at the cost of City. Sufficient special wrenches, or keys, will be provided to NAWSC by City at no cost to NAWSC. Should City fail to install the required security devices, NAWSC may install such devices as it deems appropriate at a cost to the City.

8. All Fire Hydrants maintenance, inspection and flushing will be done by City personnel, or those under contract to City, for which City will retain responsibility. A schedule will be set up by City to perform flushing no less frequently than once every six (6) months; maintenance, inspection and testing according to National Fire Protection Association 291 shall be performed by City no less frequently than every twelve (12) months. Such schedule shall be provided to NAWSC in writing no later than thirty (30) days prior to any date shown on the schedule. City will maintain the Fire Hydrants such that they may be used as a temporary water sales point and as a flush valve by NAWSC and if City fails to so maintain the Fire Hydrants, NAWSC may (but is not required to) do so at City's expense, such expense to be paid by City to NAWSC upon demand. NAWSC may use the Fire Hydrants as temporary water sales point and as flush valves in order to assure the sanitary conditions of the potable water. In order to assure the integrity of its system and to maintain the sanitary conditions of the potable water, NAWSC personnel will be present at the times of Fire Hydrants maintenance, inspection and flushing and no such activity will occur without such presence. All Fire Hydrants maintenance, inspection and flushing will be done at City's expense. NAWSC may require such maintenance, inspection, and/or flushing to be made at any time, and after notice of such is given to City, such will be conducted as soon as reasonably possible.

9. All installation and replacement of Fire Hydrants and appurtenances will be performed by those personnel approved by NAWSC and under City's authority and responsibility, but only under NAWSC's inspection for defects in construction that may affect water quality. No installation or replacement of Fire Hydrants and appurtenances may occur without the presence of NAWSC personnel. All expenses involved in the installation and replacement of Fire Hydrants and appurtenances will be borne by City, including a reasonable fee for the presence and administration of NAWSC's personnel.

10. CITY ACKNOWLEDGES AND AGREES THAT NAWSC, BY ALLOWING ACCESS TO ITS SYSTEM, ASSUMES A DUTY TO NOT INJURE A PERSON EMPLOYED BY OR OTHERWISE AUTHORIZED BY CITY TO USE, ACCESS, OR IN ANY WAY BENEFIT FROM THE FIRE HYDRANTS, THE WATER THEREIN OR ANY APPURTENANCES THERETO (THE **"USER")** BY WILLFUL OR WANTON CONDUCT OR BY GROSS NEGLIGENCE, AND THAT NAWSC ASSUMES NO OTHER DUTY OR STANDARD OF CARE. CITY UNDERSTANDS THAT THE STANDARD OF CARE ASSUMED UNDER THIS AGREEMENT DOES NOT REQUIRE NAWSC TO WARN THE USER OF AN UNSAFE CONDITION OR TO MAKE AN UNSAFE CONDITION SAFE SHOULD NAWSC BECOME AWARE, EITHER ACTUALLY OR CONSTRUCTIVELY, OF A CONDITION WHICH RESULTS IN AN UNREASONABLE RISK TO THE USER. FURTHER, CITY UNDERSTANDS THAT NAWSC MAY CHANGE THE CONDITION OF ITS SYSTEM IN A MANNER THAT MIGHT RENDER THE SYSTEM UNSAFE FOR A USER WITHOUT INCURRING LIABILITY FOR SUBSEQUENT INJURY TO USER BY THE NEW DANGER. CITY AGREES TO USE THE WATER AND SYSTEM AT ITS OWN RISK AND AS IT IS FOUND. NAWSC, WITHOUT ACCEPTING ANY DUTY, GRATUITOUSLY WILL ENDEAVOR TO NOTIFY CITY OF ANY CONDITION THAT MIGHT RENDER THE SYSTEM UNSAFE FOR USE BY CITY SHOULD ITS MANAGER BECOME CONSCIOUSLY AWARE OF SUCH A CONDITION. NAWSC HEREBY SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY, OR REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, OR CONCERNING (A) THE NATURE AND CONDITION OF THE SYSTEM INCLUDING, WITHOUT LIMITATION, THE PIPELINES, HYDRANTS, FLUSH VALVES, APPURTENANCES, WATER AND REAL PROPERTY, THE SUITABILITY THEREOF FOR ANY AND ALL ACTIVITIES AND USES WHICH CITY MAY ELECT TO CONDUCT OR THE EXISTENCE OF ANY HAZARD OR CONDITION; (B) THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LEASE, POSSESSION, LICENSE, RESERVATION, CONDITION OR OTHERWISE; AND (C) THE COMPLIANCE OF THE SYSTEM OR ITS OPERATION WITH ANY LAWS, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL ENTITY OR BODY. CITY ACKNOWLEDGES BY USE OF THE SYSTEM THAT IT HAS AND WILL INSPECT THE SYSTEM AND CITY WILL RELY SOLELY ON ITS OWN INVESTIGATION OF THE SYSTEM AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF NAWSC. CITY FURTHER ACKNOWLEDGES THAT THE INFORMATION PROVIDED AND TO BE PROVIDED WITH RESPECT TO THE SYSTEM WAS OBTAINED WITHOUT CONSIDERATION BEING GIVEN AND NAWSC (1) HAS NOT MADE ANY INVESTIGATION OR VERIFICATION OF SUCH INFORMATION; (2) DOES NOT MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. ACCESS TO THE SYSTEM IS ALLOWED ON AN "AS IS", "WHERE IS", AND "WITH ALL FAULTS" BASIS, AND CITY EXPRESSLY ACKNOWLEDGES THAT, IN CONSIDERATION OF THIS ACCESS, NAWSC MAKES NO WARRANTY OR REPRESENTATION,

EXPRESSED OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION OR FITNESS FOR PARTICULAR PURPOSE WITH RESPECT TO THE SYSTEM OR ANY PORTION THEREOF.

CITY AGREES BY ITS USE OF THE SYSTEM, DIRECTLY OR THROUGH OTHERS, THAT NAWSC SHALL NOT BE RESPONSIBLE OR LIABLE TO THE CITY FOR ANY DEFECT, ERRORS, OMISSIONS, OR ON ACCOUNT OF ANY OTHER CONDITIONS AFFECTING THE SUBDIVISION, AS CITY MAKES USE OF THE SYSTEM "AS-IS", "WHERE-IS", AND "WITH ALL FAULTS". CITY OR ANYONE CLAIMING BY, THROUGH, OR UNDER CITY, HEREBY FULLY RELEASES NAWSC, ITS EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEY AND AGENTS FROM ANY COST, LOSS LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION ARISING FROM OR RELATED TO ANY DEFECTS, ERRORS, OMISSIONS, OR OTHER CONDITIONS AFFECTING THE SYSTEM. CITY BY THEIR USE OF THE SYSTEM, FURTHER ACKNOWLEDGES AND AGREES THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH OF THE EXPRESSED TERMS AND PROVISIONS.

TO THE EXTENT APPLICABLE AND PERMITTED BY LAW, CITY, IN CONSIDERATION FOR USING THE SYSTEM AND AS A MATERIAL INDUCEMENT TO NAWSC FOR ALLOWING SUCH USE, WAIVES THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, AS WELL AS ALL OTHER STATUTORY PROVISIONS WHICH MIGHT CREATE A CLAIM AGAINST NAWSC AS A RESULT OF THE USE OF NAWSC'S SYSTEM. ACCORDINGLY, CITY BY AND THROUGH THE BELOW SIGNING REPRESENTATIVES WHO HAVE BEEN GIVEN THE APPROPRIATE AUTHORITY BY THEIR GOVERNING BODIES STATE:

> I WAIVE MY RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ, BUSINESS AND COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF MY OWN SELECTION, I VOLUNTARILY CONSENT TO THIS WAIVER.

TO THE EXTENT APPLICABLE AND PERMITTED BY LAW, CITY, BY ITS USE OF THE SYSTEM, DIRECTLY OR THROUGH OTHERS, AGREES TO INDEMNIFY, PROTECT, DEFEND, SAVE AND HOLD HARMLESS NAWSC, ITS EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS AND AGENTS FROM AND AGAINST ANY AND ALL DEBTS, DUTIES, OBLIGATIONS, LIABILITIES, SUITS, CLAIMS, DEMANDS, CAUSES OF ACTION, LOSSES, COST AND EXPENSES AND TO PAY ALL EXPERTS' AND ATTORNEYS' FEES AND EXPENSES AND COURT COSTS ASSERTED OR INCURRED BY NAWSC AT

ANY TIME AND IN ANY WAY RELATING TO, CONNECTED WITH, OR ARISING OUT OF THE CONDITION OF NAWSC'S SYSTEM AND THE USE OF THE FIRE HYDRANTS OR THE OPERATION, MAINTENANCE AND MANAGEMENT THEREOF, INCLUDING ANY CLAIMS, SUITS, OR CAUSES OF ACTION ARISING FROM ANY NEGLIGENCE, INCLUDING GROSS NEGLIGENCE OF NAWSC AND ITS AGENTS, OFFICERS AND EMPLOYEES AS THEY RELATE TO THE PROVISION OF WATER AND ACCESS TO NAWSC'S SYSTEM UNDER THIS AGREEMENT.

IT IS THE EXPRESS INTENTION OF THE PARTIES THAT THE INDEMNITY PROVIDED FOR IN THIS AGREEMENT IS TO INDEMNIFY AND PROTECT NAWSC FROM THE CONSEQUENCES OF ITS OWN NEGLIGENCE AND GROSS NEGLIGENCE, EVEN WHEN THAT NEGLIGENCE AND GROSS NEGLIGENCE IS FOUND TO BE THE SOLE CAUSE OF THE INJURY, DEATH OR DAMAGES. CITY ALSO WAIVES ALL RIGHTS TO SUBROGATION AGAINST NAWSC.

11. This Agreement is intended to provide NAWSC with all the protections and limitations from liability allowed by the laws as they exist and will exist, including, but not limited to, Texas Water Code §67.0105, and the common law and all the terms and conditions hereof shall be liberally construed to effectuate this purpose and to sustain the validity of this Agreement. The parties agree that this Agreement shall not be construed in favor of or against either party on the basis that the party did or did not author the Agreement. This Agreement constitutes the entire agreement between the parties.

12. This agreement is effective upon execution by the parties and the recordation of Exhibit "A", with the official records of Hidalgo County and continues until terminated by either party in writing, such termination to occur only after written notice by the terminating party at least two (2) months prior to the termination date. All parties may terminate in the event of a default if such default is left uncured for 30 days after giving written notice.

13. Each person, signing below, warrants and represents to the parties to this Agreement, that he has been given full authority to execute this Agreement, such that it binds the party for which he signs to fully fulfill the terms of this Agreement.

14. This Agreement is not executed for the benefit of any third party and its terms shall not be enforceable by or in favor of any person or entity other than the express parties to the Agreement.

15. NAWSC shall have the right to locate the pipe and accessories necessary to provide water for the Fire Hydrants on the Subdivision at a point to be chosen by NAWSC, and shall have access to the Subdivision and equipment constructed by Owner and/or City at all reasonable and necessary times for any purpose with or in the furtherance of its business operations, and upon discontinuance of service, NAWSC shall have the right to remove any of its equipment from the Subdivision. NAWSC may inspect its valves,

piping, and appurtenances to the supply line as well as the Fire Hydrants on an annual basis for a reasonable fee to be set by NAWSC (initially $200.00), which may be increased based on future costs increases to provide this service. Where applicable, and upon notice, City shall have personnel present as necessary to assist in the inspection. NAWSC shall also have access to the Subdivision for purpose of inspecting for possible illegal connections, cross-connections, potential contamination hazards, and illegal lead materials, and City agrees to annual inspections of its own facilities for these conditions.

16. City shall enforce the following restrictions to ensure the public health and welfare. The following undesirable practices are prohibited by State regulations and by this Agreement:

    a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contaminations shall be isolated from the Fire Hydrants by an air gap or an appropriate backflow prevention assembly in accordance with state regulations.

    b. No cross-connection between the Fire Hydrants and a private water system is permitted. Potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an air gap or an appropriate backflow prevention assembly. Backflow assemblies require annual inspections and testing by a certified backflow prevention assembly tester and documentation of the inspections reflecting proper installation, maintenance, and operation must be provided to NAWSC no later than 30 days after the inspection.

    c. No connection which allows condensing, cooling, industrial process water, or any water of unknown quality to be returned to the Fire Hydrants or the public drinking water supply is permitted.

    d. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of the plumbing in the Fire Hydrants.

    e. No solder or flux which contains more than 0.2% lead may be used for the installation or repair of the plumbing in the Fire Hydrants.

17. NAWSC may notify City, as applicable, of any cross-connection or other undesirable practices which have been identified during the initial or subsequent inspection. City shall immediately correct any undesirable practice on the Subdivision. City shall, at its expense, properly install, test and maintain any backflow prevention device required by NAWSC. Copies of all testing and maintenance records shall be provided to NAWSC. Failure to comply with the terms of this Agreement shall cause NAWSC to terminate services or to install, test, and maintain an appropriate backflow prevention device at the service connection at the sole expense of City. Any expenses associated with the enforcement of this Agreement shall be paid to NAWSC upon presentation to City, as applicable.

18. City agrees that the maximum amount of liability to City that may be incurred by NAWSC by virtue of any noncompliance with the terms of this Agreement is limited to the amount of fees paid by City to NAWSC for services provided under this Agreement during the calendar year in which the noncompliance occurs.

19. Any expenses associated with the enforcement of the Agreement shall be paid to NAWSC upon presentation to City, and in compliance with the Texas Prompt Payment Act.

20. Should any amounts to be paid by any party hereto, remain unpaid after the date the payment is due, such unpaid amount shall accrue interest in compliance with the Texas Prompt Payment Act.

21. In the event any litigation arises out of this Agreement between the parties hereto, the non-prevailing party shall pay the prevailing party all reasonable and necessary attorney's fees, expert fees, expenses and costs of court expended or incurred in connection with the litigation pursuant to Section 271.153 of the Texas Local Government Code or similar authority effective at the time of the execution of this Agreement.

22. If any part, term, or provision of this Agreement is held by the courts to be illegal, invalid, or otherwise unenforceable, such illegality, invalidity, or enforceability shall not affect the validity of any other part, term, or provision, and the rights of the parties will be construed as if the part, term, or provision was never part of this Agreement.

23. The Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by all parties.

By signing and delivering this Agreement to the appropriate official of NAWSC, the City authorizes completion of this Agreement by filling in the Effective Date below.

IN WITNESS WHEREOF, EXECUTED by NAWSC and City, acting under the authority of their respective governing bodies in multiple originals effective as of the _____ day of _____, 20_____.

THE CITY OF EDINBURG
415 W. University Dr.
Edinburg, Texas 78541

ATTEST:

By:_____,
Clarice Balderas, City Secretary

By: _____,
Myra L. Ayala, City Manager

APPROVED AS TO FORM:

By:_____,
Josephine Ramirez Solis, City Attorney

STATE OF TEXAS §
§
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Myra L. Ayala, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she is the City Manager of City of Edinburg, that she executed the same as the act of City of Edinburg for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of ____ _____ 20_____.

_____
Notary Public in and for the State of Texas

NORTH ALAMO WATER SUPPLY
CORPORATION
420 S. Doolittle Road
Edinburg, Texas 78542
956-383-1618 (phone)
956-383-1372 (fax)

By: _____
Steven P. Sanchez, General Manager

APPROVED AS TO FORM:

By: _____
Richard W. Fryer,
Attorney for North Alamo
Water Supply Corporation

STATE OF TEXAS §
§
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Steven P. Sanchez, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is General Manager of North Alamo Water Supply Corporation, that he executed the same as the act of North Alamo Water Supply Corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____ _____, 20_____.

_____
Notary Public in and for the State of Texas

EXHIBIT "A"

A 28.20 Acre Tract of Land out of Lot 16, Section 250, TEXAS-MEXICAN RAILWAY COMPANY'S SUBDIVISION, as per the Map or Plat thereof recorded in Volume 1, Page 16, Map Records of Hidalgo County, Texas.

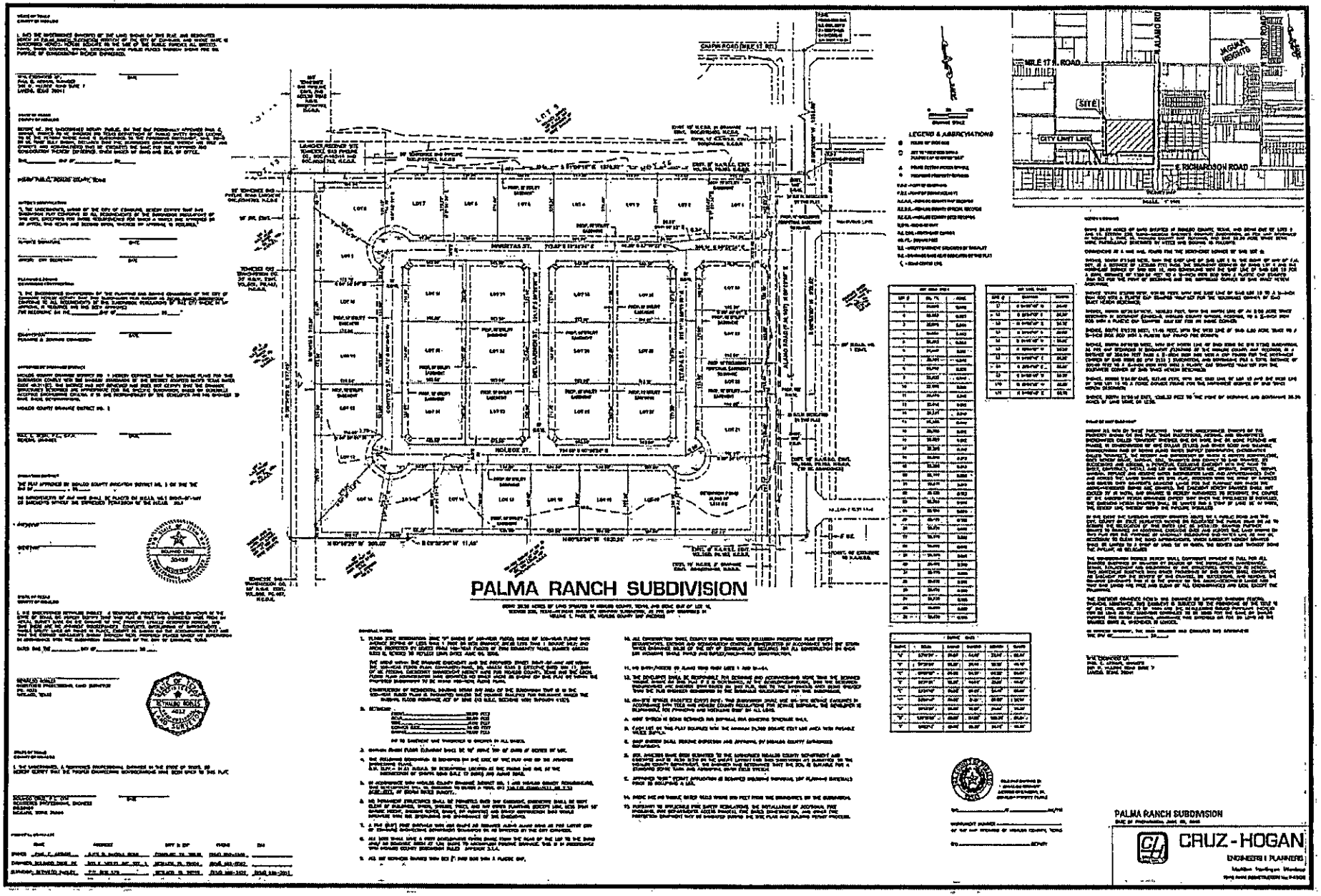
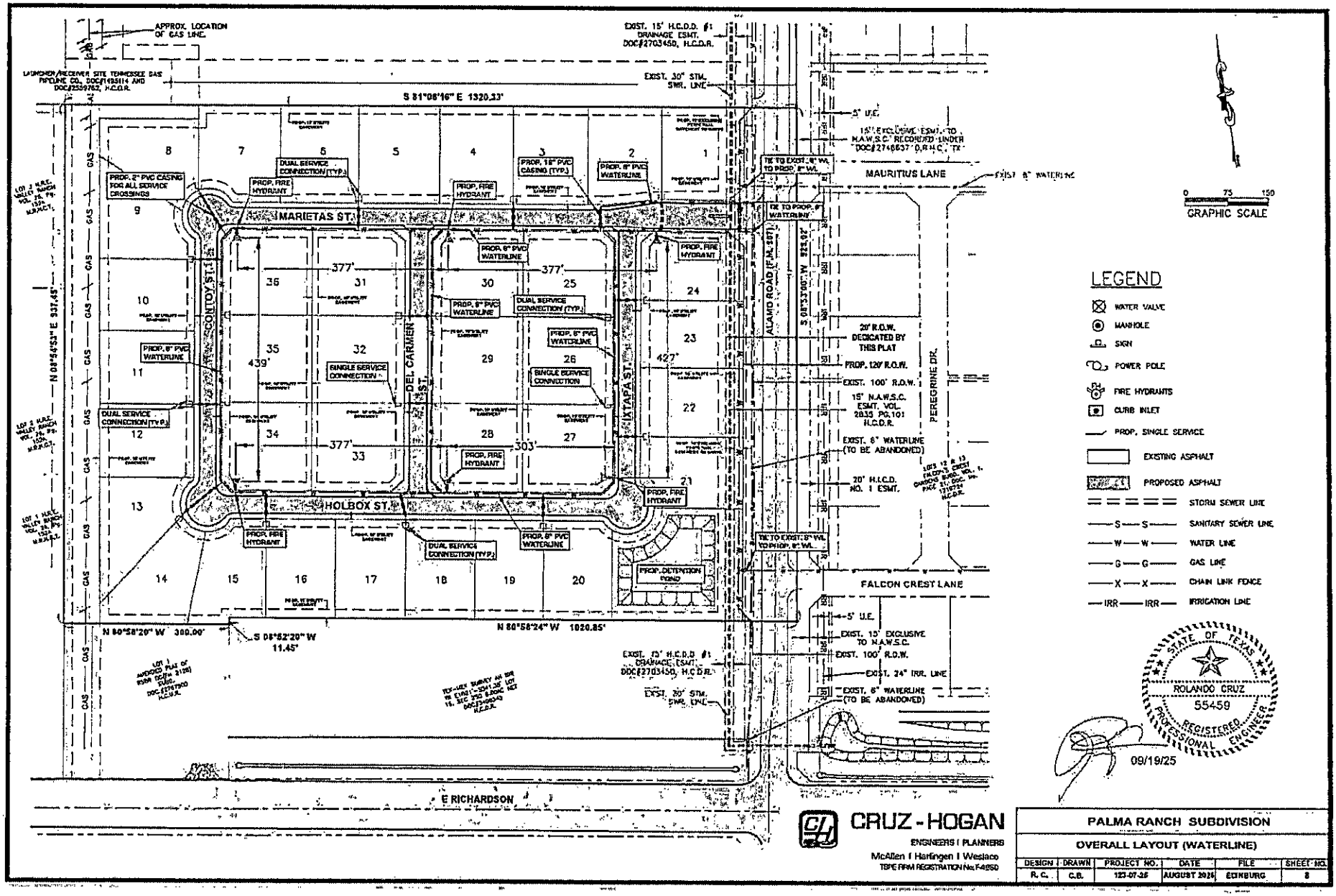
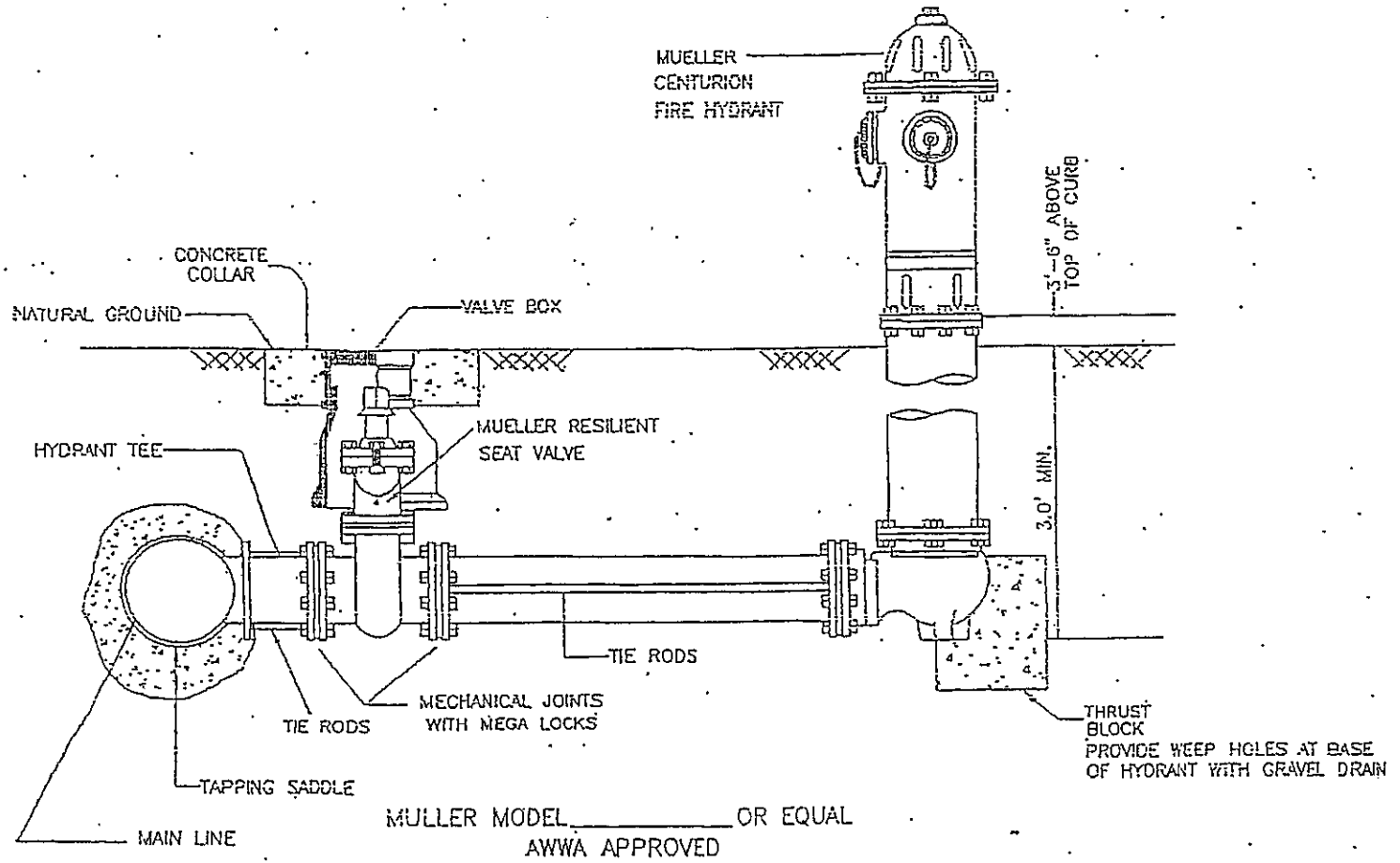

PALMA RANCH SUBDIVISION
CHAPA ROAD (MAY 17 NO.)
MARIETAS ST.
HOLIDE ST.
LEGEND & ABBREVIATIONS
MILE 17 N. ROAD
ALAMO RD
SITE
CITY LIMIT LINE
E RICHARDSON ROAD
PALMA RANCH SUBDIVISION
CRUZ - HOGAN
ENGINEERS | PLANNERS

EXHIBIT "B"

Fire Hydrant Installation

Each fire hydrant run-out shall be equipped with a 6" flanged mechanical joint resilient seated gate valve. This valve may be located adjacent to the mainline or between the mainline and the hydrant. Each fitting (Branch Tee, Gate Valve & Hydrant) shall be separately supported by a concrete thrust block including anchor rods. Care must be taken that the hydrant drain be kept clear when pouring concrete. Mainline Tees shall have mechanical joint, flanged fittings. Mega lugs shall also be used at all mechanical joint fittings.


APPROX. LOCATION OF GAS LINE
EXIST. 15' H.C.D.D. #1 DRAINAGE ESMT. DOC#2703450, H.C.D.R.
EXIST. 30" STM. SWR. LINE
S 81°08'16" E 1320.33'
MARIETAS ST.
HOLBOX ST.
DEL CARMEN ST.
CONTOY ST.
ATAPA ST.
ALAMO ROAD (F.M. 1847)
MAURITIUS LANE
FALCON CREST LANE
PEREGRINE DR.
E RICHARDSON
PROP. 2" PVC CASING FOR ALL SERVICE CROSSINGS
PROP. FIRE HYDRANT
DUAL SERVICE CONNECTION (TYP.)
SINGLE SERVICE CONNECTION
PROP. 8" PVC WATERLINE
PROP. 12" PVC CASING (TYP.)
TIE TO EXIST. 8" WL TO PROP. 8" WL
PROP. DETENTION POND
20' R.O.W. DEDICATED BY THIS PLAT
PROP. 120' R.O.W.
EXIST. 100' R.O.W.
15' N.A.W.S.C. ESMT. VOL. 2835 PG.101 H.C.D.R.
EXIST. 6" WATERLINE (TO BE ABANDONED)
20' H.C.D. NO. 1 ESMT.
5' U.E.
EXIST. 15' EXCLUSIVE TO N.A.W.S.C.
EXIST. 24" IRR. LINE
377'
427'
439'
303'
N 80°58'20" W 300.00'
S 08°52'20" W 11.45'
N 80°58'24" W 1020.85'
0 75 150
GRAPHIC SCALE
LEGEND
WATER VALVE
MANHOLE
SIGN
POWER POLE
FIRE HYDRANTS
CURB INLET
PROP. SINGLE SERVICE
EXISTING ASPHALT
PROPOSED ASPHALT
STORM SEWER LINE
SANITARY SEWER LINE
WATER LINE
GAS LINE
CHAIN LINK FENCE
IRRIGATION LINE
STATE OF TEXAS
ROLANDO CRUZ
55459
REGISTERED PROFESSIONAL ENGINEER
09/19/25
CRUZ - HOGAN
ENGINEERS | PLANNERS
McAllen | Harlingen | Weslaco
TBPE FIRM REGISTRATION No: F-4950
PALMA RANCH SUBDIVISION
OVERALL LAYOUT (WATERLINE)
DESIGN R. C.
DRAWN C.B.
PROJECT NO. 123-07-25
DATE AUGUST 2025
FILE EDINBURG
SHEET NO. 8



MULLER MODEL_____OR EQUAL
AWWA APPROVED

NAWSC FIRE HYDRANT

(NOT TO SCALE)

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
CONSENT AGENDA
Agenda Item No: 12.E.
2024-2025 Staffing Services Agreement

1. **Agenda Item:**
Consider Approval of the Fiscal Year 2025-2026 Staffing Services Agreement Between the City of Edinburg and Edinburg Economic Development Corporation. [Raudel Garza, Edinburg EDC Executive Director]

2. **Description:**
The City of Edinburg provides the EEDC with services as listed below. The amount for these administrative services is $350,000 as described in the agreement. The City shall submit invoices quarterly to the EDC and reimbursement shall be due within 30 days.

- Accounting and financial services, including but not limited to monthly financial statements acceptable to the Board;
- Human Resources services, including payroll and benefits management;
- Information technology services; and
- Media and communications services.

(The Edinburg EDC Board will consider this agreement at the March 16, 2026 Board meeting.)

3. **Staff's Recommendation:**
Approve the Fiscal Year 2025-2026 Staffing Services Agreement Between the City of Edinburg and Edinburg Economic Development Corporation.

Reviewed by:
Raudel Garza, Edinburg Economic Development Corporation Executive Director
Nelda Ramirez, Assistant City Manager

Prepared by:
Samantha Martinez, Business Operations Coordinator EEDC

Attachments:
A. FY26 Staffing Service Agreement

STAFFING SERVICES AGREEMENT
EDINBURG ECONOMIC DEVELOPMENT CORPORATION
AND CITY OF EDINBURG, TEXAS FY 2026

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

This Staffing Services Agreement ("Agreement") is made and entered into by and between the City of Edinburg, Texas (the "City") and the Edinburg Economic Development Corporation ("EDC").

WHEREAS, pursuant to The Texas Development Corporation Act, Texas Local Government Code Chapters 501, 502 and 505 (the "Act"), the City created the EDC and collects, on behalf of the EDC, an additional sales and use tax of which a portion may be used by the EDC to pay certain administrative costs; and

WHEREAS, the EDC desires to utilize certain services and support of City staff in furtherance of its work to promote economy and efficiency in the use of the additional sales tax revenues it receives; and

WHEREAS, the City has determined that providing certain personnel and services to the EDC will be mutually beneficial to the City and the EDC, will promote local economic development, and stimulate business and commercial activity within the City, all in furtherance of the purposes of the EDC; now, therefore,

FOR AND IN CONSIDERATION of the mutual covenants, agreements, and benefits accruing herein to each party, the City and the EDC hereby agree as follows:

1. **Services**

The EDC shall utilize City employees to perform the following services for and on behalf of the EDC:

a. Accounting and financial services, including but not limited to monthly financial statements acceptable to the Board;
b. Human Resources services, including payroll and benefits management;
c. Information technology services; and
d. Media and communications services.

2. **Responsibility Conflicts**

The City and EDC acknowledge that from time to time conflicts between a city employee's primary responsibilities to the City and requests for services from the EDC may arise. The City and the EDC encourage employees to bring conflicts to the attention of the City Manager, who shall consult with the EDC Executive Director as necessary to prioritize demands and resolve any conflicts. If such conflicts cannot be resolved through informal discussions, the EDC may provide written notice to the City and provide the City a period to cure of 30 days. If

reasonable conflicts continue past this cure period and result in material loss or hardship to the EDC, the EDC may terminate the Services listed above that are the reason for the material loss or hardship and the EDC shall no longer be required to pay for such Services for the remainder of the term.

City employees performing services for the EDC are subject to applicable City policies at all times.

3. **Facilities and Equipment**

The City shall provide facilities and equipment for the EDC's use when requested by the EDC. The City Manager shall consult with the EDC Executive Director as necessary to assign and schedule such facilities and equipment.

4. **Consideration**

Subject to the conflicts provision above and the paragraph below, the EDC agrees to pay a sum of $350,000 for services to be performed for FY 2026. This amount is based on the City's reasonable estimate for time City employees are anticipated to spend performing services on behalf of the EDC and the EDC's use of City facilities and equipment during the term of this Agreement. City shall submit invoices quarterly to the EDC and reimbursement shall be due within 30 days.

5. **Term**

The term of this Agreement shall be October 1, 2025, to September 30, 2026.

6. **Notice**

All notices and communications regarding the term of this Agreement to any party shall be in writing. If mailed, any notice or communication shall be deemed to have been received three (3) days after the date of its deposit into the United States mail, first class, postage prepaid. Unless otherwise provided in this Agreement, all notices shall be delivered to the following address:

City of Edinburg
Attention: City Manager
415 W. University Drive
Edinburg, Texas 78539

Edinburg Economic Development Corporation
Attention: Executive Director
3111 W. Freddy Gonzalez Dr.
Edinburg, Texas 78539

7. **Parties in Interest**

This Agreement shall be for the sole and exclusive benefit of the City and the EDC and shall not be construed to confer any benefit or right upon any other parties.

8. **Severability**

In the event any clause, phrase, provision, sentence, or part of this Agreement shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Agreement as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional.

9. **Entire Agreement**

This Agreement contains the entire agreement between the parties and supersedes all other negotiations and agreements with respect to the matters addressed herein, whether written or oral.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of the City of Edinburg, Texas and the Edinburg Economic Development Corporation, as of _____, 2026.

CITY OF EDINBURG:

APPROVED AS TO FORM:

BY: _____
Myra L. Ayala, City Manager
City of Edinburg
415 W. University Dr.
P.O. Box 1079
Edinburg, Texas 78540
Phone: (956)383-5661
Fax: (956)383-7111

BY: _____
Josephine Ramirez-Solis
City Attorney

ATTEST:

BY: _____
Clarice Y. Balderas, City Secretary

EDINBURG ECONOMIC DEVELOPMENT CORPORATION:

BY: _____
EEDC Board President

ATTEST:

BY: _____
EEDC Board Secretary

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
CONSENT AGENDA
Agenda Item No: 12.F.
Disposition of Records

1. **Agenda Item:**
Consider Authorizing the Disposition of Approximately 47 Cubic Feet (Boxes of Letter Size Records) of Non-Vital City Records in Accordance with City's Records Management Program and the Texas State Library and Archives Commission Local Records Retention Schedules. [Clarice Y. Balderas, City Secretary]

2. **Description:**
The City Secretary Department maintains an active Central File System as part of the City's Records Management Program. City departments that maintain record copies are responsible for inventorying the records and submitting requests for disposition to the City Secretary Department. All retention dates for the proposed disposition of records have expired and have been assessed to ensure they comply with the Texas Local Retention Schedules; therefore, staff is requesting disposition of the records that have met their retention period.

By copy of this agenda item and recommendation all City Departments are notified that any non-record copies and digital copies of the records listed for disposition are required to also be disposed of at the same time as the record copy.

The City's Records Committee consists of the City Manager, City Secretary, City Attorney, and Finance Director. If the disposition of records is approved by City Council the Committee will then execute the required forms ascertaining the records listed have been reviewed for applicable value before they are disposed.

3. **Staff's Recommendation:**
Approve Authorizing the Disposition of Approximately 47 Cubic Feet (Boxes of Letter Size Records) of Non-Vital City Records in Accordance with the City's Records Management Program and Texas State Library and Archives Commission Local Records Retention Schedules.

Reviewed by:
Clarice Balderas, City Secretary

Prepared by:
Joe Rios, Records Processing Supervisor

Attachments:
A. 2025-2026 Disposition of Records
B. Disp. of Rcds. Laws

DISPOSITION OF RECORDS FOR FY 2025-2026
PRESENTED TO CITY COUNCIL ON MARCH 17, 2026

	Box No.	Document Description	Date	Retention Period	Records Retention Description	Rec. No.	Disposition Date
			FINANCE DEPT				
1	11190	Customer Bill Records/Water Stubs	3/31/2023	3	Customer Billing Records	UT5000-04	03/2026
2	11194	Customer Bill Records/Water Stubs	02/2023	3	Customer Billing Records	UT5000-04	02/2026
3	11214	Service Application/Work Orders	03/01/2024	2	Service Application and Depots Records	UT5000-19	03/2026
4	11219	Service Application/Work Orders	02/2024	2	Service Application and Depots Records	UT5000-19	02/2026
5	11315	Daily Cash Reports	02/2023	3	Accounts Receivable Records	GR1025-27a	02/2026
6	11316	Daily Cash Reports	02/2023	3	Accounts Receivable Records	GR1025-27a	02/2026
7	11317	Daily Cash Reports	03/2023	3	Accounts Receivable Records	GR1025-27a	03/2026
8	11318	Daily Cash Reports	03/2023	3	Accounts Receivable Records	GR1025-27a	03/2026
9	11490	Payroll Files- Earnings & Deduction Records	03/2021	5	Earnings & Deductions Reports	GR1050-52c	03/2026
10	11529	Service Application/Work Orders	03/2024	2	Service Application and Depots Records	UT5000-19	03/2026
11	11532	Service Application/Work Orders	02/2024	2	Service Application and Depots Records	UT5000-19	02/2026
			SOLID WASTE MANAGEMENT				
12	11940	Work Orders	12/2022	2	Service Request / Work Order	GR1075-16	12/2024

11941	Work Orders	12/2022	2	Service Request / Work Order	GR1075-16	12/2024
11942	Work Orders	12/2020	2	Service Request / Work Order	GR1075-16	12/2022
11943	Work Orders	12/2022	2	Service Request / Work Order	GR1075-16	12/2024
11944	Work Orders	12/2020	2	Service Request / Work Order	GR1075-16	12/2022
11945	Work Orders	12/2019	2	Service Request / Work Order	GR1075-16	12/2021
11946	Work Orders	12/2022	2	Service Request / Work Order	GR1075-16	12/2024
11947	Work Orders	12/2021	2	Service Request / Work Order	GR1075-16	12/2023
11948	Work Orders	12/2021	2	Service Request / Work Order	GR1075-16	12/2023
11949	Billing & Applications	12/2021	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2024
11951	Billing & Applications	12/2021	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2024
11953	Billing & Applications	12/2020	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2023
11954	Billing & Applications	12/2021	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2024
11955	Work Orders	12/2021	2	Service Request / Work Order	GR1075-16	12/2023
11956	Work Orders	12/2018	2	Service Request / Work Order	GR1075-16	12/2020
11957	Applications And Work Orders	12/2005	2	Service Request / Work Order	GR1075-16	12/2007
11959	Billing	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025

29	11960	Billing	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
30	11962	Work Orders	12/2022	2	Service Request / Work Order	GR1075-16	12/2024
31	11963	Work Orders	12/2023	2	Service Request / Work Order	GR1075-16	12/2025
32	11976	SWM Accounts Payable Files (Po's & Spo's)	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
33	11977	SWM Accounts Payable Files (Po's & Spo's)	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
34	11978	SWM Accounts Payable Files (Po's & Spo's)	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
35	11979	SWM Accounts Payable Files (Po's & Spo's)	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
36	11980	SWM Accounts Payable Files (Po's & Spo's)	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
37	11981	SWM Accounts Payable Files (Po's & Spo's)	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
38	11982	SWM Accounts Payable Files (Po's & Spo's)	12/2022	3	Accounts Payable & Disbursement Records	GR1025-26a	12/2025
	MUNICIPAL COURT						
39	10488	Final Cases Numeric/C/Ct/E Tickets	01/2021 – 02/2021	5	Case Papers	LC2350-04a	02/2026
40	10489	Finalized Cases E Tickets	01/2021 – 02/2021	5	Case Papers	LC2350-04a	02/2026
41	10490	Finalized Cases E/E2 Tickets	01/2021 – 02/2021	5	Case Papers	LC2350-04a	02/2026
42	10974	Magistrations	03/2021	5	Case Papers	LC2350-04a	03/2026
	CITY SECRETARY						
43	10887	Application for Certificate Copy of Birth & Death Certificate	02/2023	3	Records of Issuance of Birth & Death Records	CC1325-08a	02/2026

44	10888	Application for Certificate Copy of Birth & Death Certificate	03/2023	3	Records of Issuance of Birth & Death Records	CC1325-08a	03/2026
	PARKS & RECREATION						
45	11892	10K / Fun Run registration forms	02/2024	2	Correspondence, Internal Memoranda Files	GR1000-26a	02/2026
46	11893	10K / Fun Run registration forms	02/2024	2	Correspondence, Internal Memoranda Files	GR1000-26a	02/2026
47	11894	10K / Fun Run registration forms	02/2024	2	Correspondence, Internal Memoranda Files	GR1000-26a	02/2026

Source: Texas State Library and Archives Commission https://www.tsl.texas.gov/slrm/pubs/bulletind#Ch201

TEXAS LOCAL GOVERNMENT CODE
Title 6. Records
Subtitle C. Records Provisions Applying to More Than One Type of Local Government

CHAPTER 202. DESTRUCTION AND ALIENATION OF RECORDS

Section 202.001. DESTRUCTION OF RECORDS.

(a) A local government record may be destroyed if:
1. the record is listed on a valid records control schedule and either its retention period has expired or it has been microfilmed or stored electronically in accordance with the requirements of Chapters 204 and 205;
2. the record appears on a list of obsolete records as provided by Section **203.044**; or
3. the record is not listed on a records retention schedule issued by the commission and the local government provides notice to the commission at least 10 days before destroying the record as required by Section **441.169**, Government Code.

(b) The following records may be destroyed without meeting the conditions of Subsection (a):
1. records the destruction or obliteration of which is directed by an expunction order issued by a court pursuant to state law; and
2. records defined as exempt from scheduling or filing requirements by rules adopted by the commission or listed as exempt in a records retention schedule issued by the commission.

Added by Acts 1989, 71st Leg., ch. 1248, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 2017, 85th Leg., R.S., Ch. 1149 (H.B. 557), Sec. 9, eff. September 1, 2017; Acts 2019, 86th Leg., ch. 533 (H.B. 1962), Sec. 13, eff. September 1, 2019.

RECORDS MANAGEMENT PROGRAM
Sec. 34.24 - Retention and disposition schedules.

Sec. 34.24 - Retention and disposition schedules.

(A) *Required.* All city offices and departments shall adopt records retention and disposition schedules and destroy, transfer or otherwise dispose of records only according to such schedules.

(B) *Development; authority granted; revision.*

(1) Retention periods to be included in records schedules shall be submitted by the Records Manager to the Finance Officer and City Attorney, who shall notify the Records Manager within ten working days of his approval or of any objection to a retention period. At the expiration of the ten-day period, if no objection has been submitted, the records schedule shall be adopted and shall have full force as sufficient authorization for records destruction or other action. If objection is made, the Records Manager shall determine a retention period satisfactory to the office or department concerned, to the Finance Officer and to the City Attorney.

(2) When a records retention and disposition schedule is adopted, it shall thenceforth constitute full authority to destroy, transfer, microphotograph or take other actions, and the City Council hereby directs that such action be taken by the Records Manager or under his or her supervision. The Records Manager shall notify the State Librarian of intended destruction, as required by law, but no further notice to the City Council or other city office shall be required.

(3) Revision of retention periods shall be submitted for review to the City Attorney and City Finance Officer in the same manner as the original retention periods.

(`82 Code, §§ 2-106, 2-107) (Ord. 1270, passed 2-2-88)

State Law reference— Records control schedules, V.T.C.A., Local Government Code § 203.041.

CITY OF EDINBURG - CITY COUNCIL
Meeting Date: March 17, 2026
OTHER BUSINESS
Agenda Item No: 13.B.

1. **Agenda Item:**
Consider Canceling or Rescheduling the Tuesday, May 19, 2026 City Council Regular Meeting. [Clarice Y. Balderas, City Secretary]

2. **Description:**
The City of Edinburg Code of Ordinances at Title III Administration, Chapter 31 City Council, Section 31.01 Rules and order of business for City Council Meetings, Rule 1: Regular meetings, states that the regular meetings of the City Council shall be held on the first and third Tuesdays of every month at 6:00 p.m., at Edinburg City Hall in the City of Edinburg, Texas. Whenever a function conflicts with the Tuesday of a regular meeting, such regular meeting may be scheduled as soon as practical at the same time and place. Special meetings of the City Council shall be held as scheduled.

There are no public hearings scheduled, nor are there any anticipated Governing Body issues that would require legislative action on the date of the next regularly scheduled meeting.

3. **Staff's Recommendation:**
Consider Canceling or Rescheduling the Tuesday, May 19, 2026 City Council Regular Meeting.

Reviewed by:

Prepared by:
Clarice Y. Balderas
City Secretary

Attachments:
None