



**AGENDA  
CITY COUNCIL REGULAR MEETING  
COUNCIL CHAMBERS  
FEBRUARY 19, 2026  
6:30 PM**

The Joshua City Council will hold a Work Session at 6:30 pm. A Regular Meeting will be held immediately following the Work Session in the Council Chambers at Joshua City Hall, located at 101 S. Main St., Joshua, Texas. This meeting is subject to the open meeting laws of the State of Texas.

**A. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT**

**B. PLEDGE OF ALLEGIANCE**

1. United States of America
2. Texas Flag

**C. INVOCATION**

**D. WORK SESSION**

1. Review and discuss questions related to the budget report for January 2026. (Staff Resource: M. Freelen)
2. Presentation and discussion from P3 Works regarding Public Improvement Districts (PIDs) and Tax Increment Reinvestment Zones (TIRZ). (Staff Resource: M. Peacock)

**E. UPDATES FROM MAYOR AND COUNCIL MEMBERS, UPDATES FROM CITY STAFF MEMBERS:**

*Pursuant to Texas Government Code Section 551.0415, the Mayor and Members of the City Council may report on the following items of community interest, including (1) expressions of thanks, congratulations, or condolences; (2) information about holiday schedules, (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving any imminent threat to public health and safety. Staff Updates will address operational issues in various City departments. No deliberation is authorized under the Texas Open Meetings Act.*

**F. PUBLIC FORUM, PRESENTATION, AND RECOGNITION:**

*The City Council invites citizens to speak on any topic. However, unless the item is specifically noted on this agenda, the City Council is required under the Texas Open Meetings Act to limit its response to responding with a statement of specific factual information, reciting the City's existing policy, or directing the person making the inquiry to visit with City Staff about the issue. Therefore, no Council deliberation is permitted. Each person will have 3 minutes to speak.*

1. Recognition of Animal Shelter and Public Works Staff

**G. CONSENT AGENDA**

1. Discuss, consider, and possible action on approving the January 15, 2026, meeting minutes. (Staff Resource: A. Holloway)

- [2.](#) Discuss, consider, and possible action on the Johnson County Public Safety Data Sharing Agreement. (Staff Resource: S. Fullagar)
- [3.](#) Discuss, consider, and possible action on a Resolution authorizing the filing of an application with the Office of the Governor for the Johnson County Training Equipment Grant #5781001. (Staff Resource: S. Fullagar)

## **H. REGULAR AGENDA**

- [1.](#) Discuss, consider, and possible action on accepting the FY2025 Annual Audit/Financial Report. (Staff Resource: M. Freelen)
- [2.](#) Discuss, consider, and possible action on an Ordinance amending Article 1.07, “Parks and Recreation,” of Chapter 1, “General Provisions,” of the Code of Ordinances, by adding a new Section 1.07.0015, “Fees,” and amending Subsection (i), “Fishing,” of Section 1.07.009, “Animal Regulations,” to address City-sponsored and co-sponsored fishing events in City parks; amending Article A6.000, “Park Pavilion Rental,” of Appendix A, “Fee Schedule,” by renaming said Article “Park Pavilion and Park Use Fees,” and adding a fee schedule for park pavilion and park uses. (Staff Resource: S. Gill)
- [3.](#) Discuss, consider, and possible action on approving an updated Field Use Agreement between the Joshua Youth Sports Association (JYSA) and the City of Joshua for the use of City park baseball fields and related facilities. (Staff Resource: S. Gill)
- [4.](#) Discuss, consider, and possible action on a Resolution modifying and terminating the City of Joshua 457 (b) Deferred Compensation Plan with Nationwide. (Staff Resource: B. Grounds)
- [5.](#) Discuss, consider, and possible action on a Resolution nominating a candidate for a vacancy on the Board of Directors of the Central Appraisal District of Johnson County. (Staff Resource: A. Holloway)

## **I. STAFF REPORT**

- [1.](#) Police Department
- [2.](#) City Secretary's Office
- [3.](#) Animal Services
- [4.](#) Economic Development
- [5.](#) Parks Department
- [6.](#) Municipal Court
- [7.](#) Development Services
- [8.](#) Public Works
- [9.](#) Code Enforcement

## **J. EXECUTIVE SESSION**

The City Council of the City of Joshua will recess into Executive Session (Closed Meeting) pursuant to the provisions of chapter 551, Subchapter D, Texas Government Code, to discuss the following:

1. Pursuant to the Texas Government Code Section 551.072 of the Texas Government Code: to discuss or deliberate the purchase, exchange, lease, or value of real property.

## **K. RECONVENE INTO REGULAR SESSION**

In accordance with Texas Government Code, Section 551, the City Council will reconvene into regular session and consider action, if any, on matters discussed in executive session.

## **L. FUTURE AGENDA ITEMS/REQUESTS BY COUNCIL MEMBERS TO BE ON THE NEXT AGENDA**

*Councilmembers shall not comment upon, deliberate, or discuss any item that is not on the agenda. Councilmembers shall not make routine inquiries about operations or project status on an item that is not posted. However, any Councilmember may state an issue and request to place the item on a future agenda.*

## **M. ADJOURN**

The City Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551.071 for private consultation with the attorney for the City.

Pursuant to Section 551.127, Texas Government Code, one or more Councilmembers may attend this meeting remotely using videoconferencing technology. The video and audio feed of the videoconferencing equipment can be viewed and heard by the public at the address posted above as the location of the meeting. A quorum will be physically present at the posted meeting location of City Hall.

In compliance with the Americans with Disabilities Act, the City of Joshua will provide reasonable accommodations for disabled persons attending this meeting. Requests should be received at least 24 hours prior to the scheduled meeting by contacting the City Secretary's office at 817/558-7447.

## **CERTIFICATE:**

I hereby certify that the above agenda was posted on or before February 12, 2026, by 5:00 pm on the official bulletin board at Joshua City Hall, 101 S. Main, Joshua, Texas.

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Alice Holloway  
City Secretary



**City Council Agenda  
February 19, 2026**

**Work Session Item**

**Agenda Description:**

Review and discuss questions related to the budget report for January 2026. (Staff Resource: M. Freelen)

**Background Information:**

**Financial Information:**

**City Contact and Recommendations:**

Marcie Freelen, Finance Director

**Attachments:**

1. Budget Report for January 2026





City of Joshua, TX

# Budget Report Account Summary

Item 1.

For Fiscal: 2025-2026 Period Ending: 01/31/2026

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 100 - General</b>							
<b>Revenue</b>							
<b>Dept: 80 - Property taxes</b>							
<a href="#">100-80-400000</a>	GF Property Tax	3,861,467.00	3,861,467.00	1,957,503.91	2,713,897.12	-1,147,569.88	70.28 %
<a href="#">100-80-400100</a>	GF Property Tax Penalty	15,000.00	15,000.00	230.42	1,754.17	-13,245.83	11.69 %
<a href="#">100-80-400200</a>	GF Property Tax Interest	10,000.00	10,000.00	309.64	2,439.48	-7,560.52	24.39 %
<b>Dept: 80 - Property taxes Total:</b>		<b>3,886,467.00</b>	<b>3,886,467.00</b>	<b>1,958,043.97</b>	<b>2,718,090.77</b>	<b>-1,168,376.23</b>	<b>69.94%</b>
<b>Dept: 81 - Sales taxes</b>							
<a href="#">100-81-401000</a>	City Sales Taxes	1,400,000.00	1,400,000.00	139,467.66	570,691.76	-829,308.24	40.76 %
<b>Dept: 81 - Sales taxes Total:</b>		<b>1,400,000.00</b>	<b>1,400,000.00</b>	<b>139,467.66</b>	<b>570,691.76</b>	<b>-829,308.24</b>	<b>40.76%</b>
<b>Dept: 83 - Franchise taxes</b>							
<a href="#">100-83-403000</a>	Franchise Taxes	395,000.00	395,000.00	789.10	12,317.67	-382,682.33	3.12 %
<b>Dept: 83 - Franchise taxes Total:</b>		<b>395,000.00</b>	<b>395,000.00</b>	<b>789.10</b>	<b>12,317.67</b>	<b>-382,682.33</b>	<b>3.12%</b>
<b>Dept: 84 - Mixed beverage taxes</b>							
<a href="#">100-84-404000</a>	Mixed Beverage Tax	20,000.00	20,000.00	1,768.18	6,839.62	-13,160.38	34.20 %
<b>Dept: 84 - Mixed beverage taxes Total:</b>		<b>20,000.00</b>	<b>20,000.00</b>	<b>1,768.18</b>	<b>6,839.62</b>	<b>-13,160.38</b>	<b>34.20%</b>
<b>Dept: 86 - Fines and fees</b>							
<a href="#">100-86-410000</a>	Permits & Fees	200,000.00	200,000.00	6,981.12	57,454.64	-142,545.36	28.73 %
<a href="#">100-86-410100</a>	Fines & Court Fees	170,000.00	170,000.00	14,800.99	40,077.35	-129,922.65	23.57 %
<a href="#">100-86-410500</a>	Gas Well Fees	28,000.00	28,000.00	0.00	0.00	-28,000.00	0.00 %
<a href="#">100-86-410600</a>	Development Fees	3,000.00	3,000.00	0.00	2,300.00	-700.00	76.67 %
<a href="#">100-86-410820</a>	Pet Adoption Fees	20,145.00	20,145.00	2,190.00	8,565.00	-11,580.00	42.52 %
<a href="#">100-86-410850</a>	Local Truancy and Prevention Divers..	7,500.00	7,500.00	781.78	1,917.40	-5,582.60	25.57 %
<a href="#">100-86-410860</a>	Municipal Jury Fund	300.00	300.00	13.62	33.35	-266.65	11.12 %
<a href="#">100-86-410870</a>	Time Payment Reimbursement Fee	2,500.00	2,500.00	129.12	540.44	-1,959.56	21.62 %
<b>Dept: 86 - Fines and fees Total:</b>		<b>431,445.00</b>	<b>431,445.00</b>	<b>24,896.63</b>	<b>110,888.18</b>	<b>-320,556.82</b>	<b>25.70%</b>
<b>Dept: 87 - Grants and contributions</b>							
<a href="#">100-87-420400</a>	Police Department Grants	20,000.00	20,000.00	0.00	0.00	-20,000.00	0.00 %
<a href="#">100-87-420700</a>	ARPA Funds	20,000.00	20,000.00	0.00	0.00	-20,000.00	0.00 %
<a href="#">100-87-420800</a>	LEOSE/Continuing Education	1,500.00	1,500.00	0.00	0.00	-1,500.00	0.00 %
<b>Dept: 87 - Grants and contributions Total:</b>		<b>41,500.00</b>	<b>41,500.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-41,500.00</b>	<b>0.00%</b>
<b>Dept: 88 - Investment earnings</b>							
<a href="#">100-88-460000</a>	Interest Income	60,000.00	60,000.00	13,262.59	44,952.26	-15,047.74	74.92 %
<b>Dept: 88 - Investment earnings Total:</b>		<b>60,000.00</b>	<b>60,000.00</b>	<b>13,262.59</b>	<b>44,952.26</b>	<b>-15,047.74</b>	<b>74.92%</b>
<b>Dept: 89 - Miscellaneous</b>							
<a href="#">100-89-490100</a>	Miscellaneous Revenue	37,520.00	37,520.00	1,649.70	8,593.44	-28,926.56	22.90 %
<b>Dept: 89 - Miscellaneous Total:</b>		<b>37,520.00</b>	<b>37,520.00</b>	<b>1,649.70</b>	<b>8,593.44</b>	<b>-28,926.56</b>	<b>22.90%</b>
<b>Revenue Total:</b>		<b>6,271,932.00</b>	<b>6,271,932.00</b>	<b>2,139,877.83</b>	<b>3,472,373.70</b>	<b>-2,799,558.30</b>	<b>55.36%</b>
<b>Fund: 100 - General Total:</b>		<b>6,271,932.00</b>	<b>6,271,932.00</b>	<b>2,139,877.83</b>	<b>3,472,373.70</b>	<b>-2,799,558.30</b>	<b>55.36%</b>
<b>Report Total:</b>		<b>6,271,932.00</b>	<b>6,271,932.00</b>	<b>2,139,877.83</b>	<b>3,472,373.70</b>	<b>-2,799,558.30</b>	<b>55.36%</b>



City of Joshua, TX

# Budget Report Account Summary

Item 1.

For Fiscal: 2025-2026 Period Ending: 01/31/2026

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 100 - General</b>							
<b>Expense</b>							
<b>Dept: 01 - Community Services</b>							
<a href="#">100-01-500404</a>	Contract Services	0.00	0.00	0.00	2,000.00	-2,000.00	0.00 %
<a href="#">100-01-500800</a>	Community Events	0.00	0.00	0.00	329.00	-329.00	0.00 %
<b>Dept: 01 - Community Services Total:</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,329.00</b>	<b>-2,329.00</b>	<b>0.00%</b>
<b>Dept: 10 - Non-departmental</b>							
<a href="#">100-10-500150</a>	Training & Travel	0.00	0.00	0.00	410.30	-410.30	0.00 %
<a href="#">100-10-500160</a>	Dues & Subscriptions	3,002.00	3,002.00	504.00	3,032.00	-30.00	101.00 %
<a href="#">100-10-500401</a>	Legal Services	45,000.00	45,000.00	3,468.00	9,574.00	35,426.00	21.28 %
<a href="#">100-10-500402</a>	IT Services	71,928.00	71,928.00	6,000.00	30,000.00	41,928.00	41.71 %
<a href="#">100-10-500420</a>	Central Appraisal District	60,280.00	60,280.00	0.00	15,821.26	44,458.74	26.25 %
<a href="#">100-10-500421</a>	County Assessor - Collector	5,992.00	5,992.00	0.00	0.00	5,992.00	0.00 %
<a href="#">100-10-500550</a>	Debt Service & Reports	3,450.00	3,450.00	600.00	600.00	2,850.00	17.39 %
<a href="#">100-10-500800</a>	Events	19,500.00	19,500.00	1,175.89	1,175.89	18,324.11	6.03 %
<a href="#">100-10-500801</a>	Christmas Tree & Decor	13,700.00	13,700.00	0.00	10,700.96	2,999.04	78.11 %
<a href="#">100-10-500840</a>	380 Agreement Expenses	49,237.96	49,237.96	10,936.45	15,704.43	33,533.53	31.89 %
<a href="#">100-10-500900</a>	Library Operating Expense	21,300.00	21,300.00	1,775.00	7,100.00	14,200.00	33.33 %
<a href="#">100-10-500902</a>	Cle-Tran	7,143.00	7,143.00	0.00	0.00	7,143.00	0.00 %
<a href="#">100-10-500940</a>	Liability Insurance	61,453.00	61,453.00	10,820.25	22,163.50	39,289.50	36.07 %
<a href="#">100-10-500941</a>	Property Insurance	68,868.00	68,868.00	20,385.00	47,966.00	20,902.00	69.65 %
<a href="#">100-10-500943</a>	Technology Replacements	31,308.17	36,608.17	300.00	29,951.40	6,656.77	81.82 %
<a href="#">100-10-560000</a>	Capital Outlay	20,529.00	20,529.00	0.00	2,610.00	17,919.00	12.71 %
<a href="#">100-10-597150</a>	Transfer To Donation	20,000.00	20,000.00	0.00	0.00	20,000.00	0.00 %
<a href="#">100-10-597700</a>	Transfer To Capital Improvement	50,000.00	50,000.00	0.00	0.00	50,000.00	0.00 %
<b>Dept: 10 - Non-departmental Total:</b>		<b>552,691.13</b>	<b>557,991.13</b>	<b>55,964.59</b>	<b>196,809.74</b>	<b>361,181.39</b>	<b>35.27%</b>
<b>Dept: 11 - City Manager</b>							
<a href="#">100-11-500110</a>	Salaries	341,781.00	341,781.00	24,187.32	95,891.28	245,889.72	28.06 %
<a href="#">100-11-500112</a>	Worker's Comp	643.00	643.00	185.75	371.50	271.50	57.78 %
<a href="#">100-11-500117</a>	Longevity Pay	1,984.00	1,984.00	0.00	1,944.00	40.00	97.98 %
<a href="#">100-11-500120</a>	Payroll Taxes	5,306.00	5,306.00	487.93	1,644.09	3,661.91	30.99 %
<a href="#">100-11-500130</a>	Benefits	32,569.00	32,569.00	2,362.41	7,872.60	24,696.40	24.17 %
<a href="#">100-11-500140</a>	TMRS	36,938.00	36,938.00	3,098.26	8,017.20	28,920.80	21.70 %
<a href="#">100-11-500150</a>	Training & Travel	5,950.80	5,950.80	0.00	265.00	5,685.80	4.45 %
<a href="#">100-11-500160</a>	Dues & Subscriptions	1,703.00	1,703.00	5.99	831.85	871.15	48.85 %
<a href="#">100-11-500161</a>	Surety Bonds	260.00	260.00	0.00	0.00	260.00	0.00 %
<a href="#">100-11-500213</a>	Uniforms	300.00	300.00	0.00	147.00	153.00	49.00 %
<a href="#">100-11-500220</a>	Office Supplies	3,999.92	3,999.92	113.40	824.34	3,175.58	20.61 %
<a href="#">100-11-500221</a>	Printing	1,437.90	1,437.90	0.00	0.00	1,437.90	0.00 %
<a href="#">100-11-500222</a>	Postage	500.00	500.00	0.00	0.00	500.00	0.00 %
<a href="#">100-11-500250</a>	Office Equipment & Furniture	500.00	500.00	0.00	0.00	500.00	0.00 %
<a href="#">100-11-500310</a>	Fuel, Oil & Service	1,599.96	1,599.96	72.92	385.83	1,214.13	24.11 %
<a href="#">100-11-500311</a>	Vehicle R & M	842.04	842.04	70.17	280.68	561.36	33.33 %
<a href="#">100-11-500330</a>	Building R & M	71,440.00	81,440.00	1,075.70	6,494.58	74,945.42	7.97 %
<a href="#">100-11-500350</a>	Office Equipment R & M	3,387.88	3,387.88	198.99	818.46	2,569.42	24.16 %
<a href="#">100-11-500404</a>	Contract Services	4,527.24	4,527.24	377.27	1,509.08	3,018.16	33.33 %
<a href="#">100-11-500410</a>	Software Maintenance	9,309.32	9,309.32	217.62	943.16	8,366.16	10.13 %
<a href="#">100-11-500605</a>	Lease Payments	14,658.84	14,658.84	1,221.57	4,886.28	9,772.56	33.33 %
<a href="#">100-11-500710</a>	Utilities	19,199.40	19,199.40	1,689.34	4,268.16	14,931.24	22.23 %
<a href="#">100-11-500750</a>	Mobile Technology	1,394.40	1,394.40	153.44	560.29	834.11	40.18 %
<a href="#">100-11-500909</a>	Miscellaneous	160.00	160.00	0.00	99.99	60.01	62.49 %

## Budget Report

For Fiscal: 2025-2026 Period Ending Item 1. 6

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Dept: 11 - City Manager Total:		560,391.70	570,391.70	35,518.08	138,055.37	432,336.33	24.20%
Dept: 12 - City Secretary							
<a href="#">100-12-500110</a>	Salaries	138,110.00	138,110.00	10,483.94	43,831.58	94,278.42	31.74 %
<a href="#">100-12-500111</a>	Overtime	0.00	0.00	76.58	996.81	-996.81	0.00 %
<a href="#">100-12-500112</a>	Worker's Comp	323.00	323.00	89.00	178.00	145.00	55.11 %
<a href="#">100-12-500117</a>	Longevity Pay	560.00	560.00	0.00	560.00	0.00	100.00 %
<a href="#">100-12-500120</a>	Payroll Taxes	2,167.00	2,167.00	197.96	676.98	1,490.02	31.24 %
<a href="#">100-12-500130</a>	Benefits	10,436.00	10,436.00	828.02	3,400.60	7,035.40	32.59 %
<a href="#">100-12-500140</a>	TMRS	14,900.00	14,900.00	1,288.92	3,341.65	11,558.35	22.43 %
<a href="#">100-12-500150</a>	Training & Travel	10,800.00	10,800.00	2,656.00	3,583.09	7,216.91	33.18 %
<a href="#">100-12-500160</a>	Dues & Subscriptions	586.00	586.00	45.00	96.75	489.25	16.51 %
<a href="#">100-12-500161</a>	Surety Bonds	130.00	130.00	0.00	0.00	130.00	0.00 %
<a href="#">100-12-500213</a>	Uniforms	1,117.95	1,117.95	0.00	0.00	1,117.95	0.00 %
<a href="#">100-12-500218</a>	Events & Awards	5,280.00	5,280.00	400.84	940.53	4,339.47	17.81 %
<a href="#">100-12-500220</a>	Office Supplies	1,150.00	1,150.00	0.00	222.69	927.31	19.36 %
<a href="#">100-12-500222</a>	Postage	500.00	500.00	0.00	26.85	473.15	5.37 %
<a href="#">100-12-500240</a>	Election Expenses	5,600.00	10,100.00	257.17	2,795.15	7,304.85	27.67 %
<a href="#">100-12-500250</a>	Office Equipment & Furniture	1,300.00	1,300.00	0.00	435.85	864.15	33.53 %
<a href="#">100-12-500403</a>	Ordinance Codification	21,400.00	21,400.00	2,960.00	4,028.00	17,372.00	18.82 %
<a href="#">100-12-500404</a>	Contract Services	2,008.96	2,008.96	67.83	271.32	1,737.64	13.51 %
<a href="#">100-12-500410</a>	Software Maintenance	26,537.55	26,537.55	148.63	17,898.88	8,638.67	67.45 %
<a href="#">100-12-500750</a>	Mobile Technology	504.00	504.00	0.00	77.44	426.56	15.37 %
<a href="#">100-12-500800</a>	Events	4,500.00	4,500.00	283.50	851.24	3,648.76	18.92 %
<a href="#">100-12-500909</a>	Miscellaneous	1,000.00	1,000.00	19.99	19.99	980.01	2.00 %
<a href="#">100-12-500931</a>	Publishing & Filing Fees	9,200.00	9,200.00	928.40	1,775.90	7,424.10	19.30 %
<a href="#">100-12-500946</a>	Records Retention	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
Dept: 12 - City Secretary Total:		259,110.46	263,610.46	20,731.78	86,009.30	177,601.16	32.63%
Dept: 13 - Human Resources							
<a href="#">100-13-500110</a>	Salaries	113,192.00	133,817.00	8,676.32	33,865.81	99,951.19	25.31 %
<a href="#">100-13-500112</a>	Worker's Comp	212.00	251.00	61.25	122.50	128.50	48.80 %
<a href="#">100-13-500117</a>	Longevity Pay	288.00	288.00	0.00	288.00	0.00	100.00 %
<a href="#">100-13-500120</a>	Payroll Taxes	1,762.00	2,178.00	179.74	533.14	1,644.86	24.48 %
<a href="#">100-13-500130</a>	Benefits	10,571.00	10,571.00	792.86	3,171.44	7,399.56	30.00 %
<a href="#">100-13-500140</a>	TMRS	12,193.00	14,409.00	1,058.74	2,684.52	11,724.48	18.63 %
<a href="#">100-13-500150</a>	Training & Travel	2,255.50	2,255.50	250.86	250.86	2,004.64	11.12 %
<a href="#">100-13-500151</a>	Tuition Reimbursement	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
<a href="#">100-13-500160</a>	Dues & Subscriptions	639.00	639.00	100.00	100.00	539.00	15.65 %
<a href="#">100-13-500161</a>	Surety Bonds	130.00	130.00	0.00	0.00	130.00	0.00 %
<a href="#">100-13-500190</a>	Employee Morale	1,420.00	1,420.00	0.00	0.00	1,420.00	0.00 %
<a href="#">100-13-500212</a>	Reference Materials	790.52	790.52	0.00	0.00	790.52	0.00 %
<a href="#">100-13-500213</a>	Uniforms	150.00	150.00	0.00	0.00	150.00	0.00 %
<a href="#">100-13-500220</a>	Office Supplies	672.80	672.80	0.00	0.00	672.80	0.00 %
<a href="#">100-13-500222</a>	Postage	100.00	100.00	0.00	35.27	64.73	35.27 %
<a href="#">100-13-500250</a>	Office Equipment & Furniture	2,077.91	2,077.91	0.00	0.00	2,077.91	0.00 %
<a href="#">100-13-500403</a>	Legal Services	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
<a href="#">100-13-500404</a>	Contract Services	30,763.20	30,763.20	2,677.48	10,912.71	19,850.49	35.47 %
<a href="#">100-13-500410</a>	Software Maintenance	13,088.08	13,088.08	49.32	198.62	12,889.46	1.52 %
<a href="#">100-13-500750</a>	Mobile Technology	600.00	600.00	37.22	37.22	562.78	6.20 %
<a href="#">100-13-500909</a>	Miscellaneous	931.00	931.00	0.00	0.00	931.00	0.00 %
<a href="#">100-13-500930</a>	Advertising	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
Dept: 13 - Human Resources Total:		205,336.01	228,632.01	13,883.79	52,200.09	176,431.92	22.83%
Dept: 14 - Finance							
<a href="#">100-14-500110</a>	Salaries	190,833.00	190,833.00	14,718.56	57,285.87	133,547.13	30.02 %
<a href="#">100-14-500111</a>	Overtime	1,000.00	1,000.00	9.99	19.98	980.02	2.00 %
<a href="#">100-14-500112</a>	Worker's Comp	360.00	360.00	104.00	208.00	152.00	57.78 %
<a href="#">100-14-500117</a>	Longevity Pay	1,672.00	1,672.00	0.00	1,672.00	0.00	100.00 %
<a href="#">100-14-500120</a>	Payroll Taxes	3,040.00	3,040.00	260.79	805.81	2,234.19	26.51 %

## Budget Report

For Fiscal: 2025-2026 Period Ending

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<a href="#">100-14-500130</a>	Benefits	32,208.00	32,208.00	2,332.19	9,328.40	22,879.60	28.96 %
<a href="#">100-14-500140</a>	TMRS	20,792.00	20,792.00	1,797.42	4,621.37	16,170.63	22.23 %
<a href="#">100-14-500150</a>	Training & Travel	300.00	300.00	0.00	0.00	300.00	0.00 %
<a href="#">100-14-500160</a>	Dues & Subscriptions	250.00	250.00	0.00	0.00	250.00	0.00 %
<a href="#">100-14-500161</a>	Surety Bonds	260.00	260.00	0.00	0.00	260.00	0.00 %
<a href="#">100-14-500213</a>	Uniforms	300.00	300.00	0.00	0.00	300.00	0.00 %
<a href="#">100-14-500220</a>	Office Supplies	1,031.09	1,031.09	14.80	133.59	897.50	12.96 %
<a href="#">100-14-500221</a>	Printing	2,586.00	2,586.00	108.48	89.78	2,496.22	3.47 %
<a href="#">100-14-500222</a>	Postage	1,000.00	1,000.00	0.00	117.71	882.29	11.77 %
<a href="#">100-14-500250</a>	Office Equipment & Furniture	1,050.00	1,050.00	0.00	0.00	1,050.00	0.00 %
<a href="#">100-14-500404</a>	Contract Services	1,524.36	1,524.36	127.03	508.12	1,016.24	33.33 %
<a href="#">100-14-500405</a>	Accounting & Audit	40,000.00	40,000.00	3,250.00	24,375.00	15,625.00	60.94 %
<a href="#">100-14-500410</a>	Software Maintenance	30,019.56	30,019.56	118.62	788.83	29,230.73	2.63 %
<a href="#">100-14-500909</a>	Miscellaneous	2,500.00	2,500.00	79.00	452.50	2,047.50	18.10 %
Dept: 14 - Finance Total:		330,726.01	330,726.01	22,920.88	100,406.96	230,319.05	30.36%
Dept: 15 - Municipal Court							
<a href="#">100-15-500110</a>	Salaries	63,087.00	63,087.00	4,902.15	19,010.14	44,076.86	30.13 %
<a href="#">100-15-500111</a>	Overtime	600.00	600.00	0.00	182.41	417.59	30.40 %
<a href="#">100-15-500112</a>	Worker's Comp	121.00	121.00	34.75	69.50	51.50	57.44 %
<a href="#">100-15-500117</a>	Longevity Pay	1,440.00	1,440.00	0.00	1,440.00	0.00	100.00 %
<a href="#">100-15-500120</a>	Payroll Taxes	1,061.00	1,061.00	104.23	329.56	731.44	31.06 %
<a href="#">100-15-500130</a>	Benefits	10,099.00	10,099.00	761.86	3,047.03	7,051.97	30.17 %
<a href="#">100-15-500140</a>	TMRS	6,998.00	6,998.00	598.06	1,601.65	5,396.35	22.89 %
<a href="#">100-15-500150</a>	Training & Travel	1,884.00	1,884.00	0.00	0.00	1,884.00	0.00 %
<a href="#">100-15-500161</a>	Surety Bonds	130.00	130.00	0.00	0.00	130.00	0.00 %
<a href="#">100-15-500213</a>	Uniforms	300.00	300.00	0.00	0.00	300.00	0.00 %
<a href="#">100-15-500220</a>	Office Supplies	200.00	200.00	101.43	125.42	74.58	62.71 %
<a href="#">100-15-500221</a>	Printing	2,933.00	2,933.00	0.00	0.00	2,933.00	0.00 %
<a href="#">100-15-500222</a>	Postage	1,000.00	1,000.00	0.00	79.60	920.40	7.96 %
<a href="#">100-15-500350</a>	Office Equipment R & M	350.00	350.00	0.00	0.00	350.00	0.00 %
<a href="#">100-15-500401</a>	Legal Services	6,000.00	6,000.00	500.00	1,000.00	5,000.00	16.67 %
<a href="#">100-15-500404</a>	Contract Services	24,917.28	24,917.28	2,076.44	4,305.76	20,611.52	17.28 %
<a href="#">100-15-500410</a>	Software Maintenance	303.96	303.96	25.33	126.65	177.31	41.67 %
<a href="#">100-15-500411</a>	Warrant Entry Fees	2,000.00	2,000.00	354.00	354.00	1,646.00	17.70 %
<a href="#">100-15-500414</a>	Credit Card Processing	11,175.00	11,175.00	0.00	0.00	11,175.00	0.00 %
<a href="#">100-15-500910</a>	Warrant Entry Fees	1,400.00	1,400.00	209.82	279.76	1,120.24	19.98 %
Dept: 15 - Municipal Court Total:		135,999.24	135,999.24	9,668.07	31,951.48	104,047.76	23.49%
Dept: 21 - Development Services							
<a href="#">100-21-500110</a>	Salaries	175,166.00	175,166.00	7,578.29	38,604.33	136,561.67	22.04 %
<a href="#">100-21-500111</a>	Overtime	750.00	750.00	8.39	161.55	588.45	21.54 %
<a href="#">100-21-500112</a>	Worker's Comp	588.00	588.00	247.00	494.00	94.00	84.01 %
<a href="#">100-21-500117</a>	Longevity Pay	792.00	792.00	0.00	792.00	0.00	100.00 %
<a href="#">100-21-500120</a>	Payroll Taxes	2,913.00	2,913.00	155.20	593.28	2,319.72	20.37 %
<a href="#">100-21-500130</a>	Benefits	28,872.00	28,872.00	1,542.67	6,336.43	22,535.57	21.95 %
<a href="#">100-21-500140</a>	TMRS	18,987.00	18,987.00	928.22	2,971.95	16,015.05	15.65 %
<a href="#">100-21-500150</a>	Training & Travel	5,710.00	5,710.00	150.00	2,801.73	2,908.27	49.07 %
<a href="#">100-21-500160</a>	Dues & Subscriptions	712.00	712.00	0.00	61.61	650.39	8.65 %
<a href="#">100-21-500161</a>	Surety Bonds	130.00	130.00	0.00	0.00	130.00	0.00 %
<a href="#">100-21-500213</a>	Uniforms	570.00	570.00	0.00	0.00	570.00	0.00 %
<a href="#">100-21-500220</a>	Office Supplies	1,500.00	1,500.00	0.00	298.71	1,201.29	19.91 %
<a href="#">100-21-500221</a>	Printing	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
<a href="#">100-21-500222</a>	Postage	1,000.00	1,000.00	0.00	243.24	756.76	24.32 %
<a href="#">100-21-500250</a>	Office Equipment & Furniture	250.00	250.00	0.00	0.00	250.00	0.00 %
<a href="#">100-21-500310</a>	Fuel, Oil & Service	1,000.00	1,000.00	54.72	283.50	716.50	28.35 %
<a href="#">100-21-500311</a>	Vehicle R & M	2,241.90	2,241.90	217.55	1,888.18	353.72	84.22 %
<a href="#">100-21-500403</a>	Permits Software	9,106.83	9,106.83	0.00	7,887.43	1,219.40	86.61 %
<a href="#">100-21-500404</a>	Contract Services	7,861.04	7,861.04	2,538.42	4,781.68	3,079.36	60.83 %
<a href="#">100-21-500406</a>	Nuisance Abatement	6,000.00	6,000.00	0.00	1,080.00	4,920.00	18.00 %

## Budget Report

For Fiscal: 2025-2026 Period Ending:

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<a href="#">100-21-500410</a>	Software Maintenance	2,543.76	2,543.76	135.95	559.83	1,983.93	22.01 %
<a href="#">100-21-500414</a>	Credit Card Processing	5,500.00	5,500.00	0.00	0.00	5,500.00	0.00 %
<a href="#">100-21-500605</a>	Lease Payments	16,322.70	16,322.70	1,951.56	6,779.34	9,543.36	41.53 %
<a href="#">100-21-500710</a>	Utilities	761.04	761.04	63.39	190.17	570.87	24.99 %
<a href="#">100-21-500750</a>	Mobile Technology	938.64	938.64	75.21	228.63	710.01	24.36 %
<a href="#">100-21-500932</a>	Engineering Services	20,000.00	20,000.00	0.00	278.00	19,722.00	1.39 %
<a href="#">100-21-500934</a>	Gas Well Inspection Services	24,000.00	24,000.00	0.00	0.00	24,000.00	0.00 %
Dept: 21 - Development Services Total:		335,215.91	335,215.91	15,646.57	77,315.59	257,900.32	23.06 %

## Dept: 31 - Police

<a href="#">100-31-500110</a>	Salaries	1,451,685.00	1,451,685.00	97,187.59	383,748.33	1,067,936.67	26.43 %
<a href="#">100-31-500111</a>	Overtime	34,408.14	34,408.14	1,209.44	7,558.04	26,850.10	21.97 %
<a href="#">100-31-500112</a>	Worker's Comp	30,726.00	30,726.00	6,992.50	13,987.00	16,739.00	45.52 %
<a href="#">100-31-500117</a>	Longevity Pay	8,376.00	8,376.00	0.00	8,304.00	72.00	99.14 %
<a href="#">100-31-500120</a>	Payroll Taxes	23,793.00	23,793.00	2,057.32	6,307.51	17,485.49	26.51 %
<a href="#">100-31-500130</a>	Benefits	231,078.00	231,078.00	14,993.82	61,497.90	169,580.10	26.61 %
<a href="#">100-31-500140</a>	TMRS	159,838.00	159,838.00	12,007.70	31,230.03	128,607.97	19.54 %
<a href="#">100-31-500150</a>	Training & Travel	6,600.06	6,600.06	0.00	0.00	6,600.06	0.00 %
<a href="#">100-31-500152</a>	LEOSE Training	28,649.00	28,649.00	0.00	3,826.52	24,822.48	13.36 %
<a href="#">100-31-500160</a>	Dues & Memberships	1,816.86	1,816.86	0.00	0.00	1,816.86	0.00 %
<a href="#">100-31-500161</a>	Surety Bonds	130.00	130.00	0.00	0.00	130.00	0.00 %
<a href="#">100-31-500179</a>	Citizens Police Academy	999.58	999.58	0.00	344.07	655.51	34.42 %
<a href="#">100-31-500213</a>	Uniforms	5,667.18	8,042.18	88.20	5,069.29	2,972.89	63.03 %
<a href="#">100-31-500215</a>	Law Enforcement Supplies	6,667.80	6,667.80	0.00	1,252.17	5,415.63	18.78 %
<a href="#">100-31-500217</a>	Investigations	4,296.28	4,296.28	2,020.00	4,005.00	291.28	93.22 %
<a href="#">100-31-500218</a>	Awards	520.00	520.00	0.00	0.00	520.00	0.00 %
<a href="#">100-31-500219</a>	Public Relations	1,071.11	1,071.11	168.64	357.25	713.86	33.35 %
<a href="#">100-31-500220</a>	Office Supplies	3,965.41	3,965.41	133.02	707.92	3,257.49	17.85 %
<a href="#">100-31-500222</a>	Postage	582.64	582.64	48.25	112.45	470.19	19.30 %
<a href="#">100-31-500250</a>	Office Equipment & Furniture	492.00	492.00	0.00	400.82	91.18	81.47 %
<a href="#">100-31-500260</a>	Vests & Safety Equipment	9,071.95	9,071.95	0.00	0.00	9,071.95	0.00 %
<a href="#">100-31-500262</a>	Equipment	17,240.00	17,240.00	0.00	0.00	17,240.00	0.00 %
<a href="#">100-31-500310</a>	Fuel, Oil & Service	29,992.91	27,617.91	1,716.73	7,396.96	20,220.95	26.78 %
<a href="#">100-31-500311</a>	Vehicle R & M	12,519.20	24,169.20	555.38	16,640.48	7,528.72	68.85 %
<a href="#">100-31-500320</a>	Equipment R & M	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
<a href="#">100-31-500330</a>	Building R & M	7,927.04	7,927.04	967.49	3,781.83	4,145.21	47.71 %
<a href="#">100-31-500404</a>	Contract Services	93,931.30	93,931.30	541.51	67,882.91	26,048.39	72.27 %
<a href="#">100-31-500408</a>	Reporting System	48,789.51	48,789.51	0.00	0.00	48,789.51	0.00 %
<a href="#">100-31-500410</a>	Software Maintenance	4,280.88	4,280.88	370.24	1,761.26	2,519.62	41.14 %
<a href="#">100-31-500605</a>	Lease Payments	103,925.16	103,925.16	8,646.64	34,637.18	69,287.98	33.33 %
<a href="#">100-31-500710</a>	Utilities	13,000.20	13,000.20	1,138.80	2,980.68	10,019.52	22.93 %
<a href="#">100-31-500750</a>	Mobile Technology	4,411.44	4,411.44	381.61	1,153.83	3,257.61	26.16 %
Dept: 31 - Police Total:		2,347,951.65	2,359,601.65	151,224.88	664,943.43	1,694,658.22	28.18 %

## Dept: 32 - Animal Services

<a href="#">100-32-500110</a>	Salaries	167,165.00	167,165.00	11,520.84	45,812.35	121,352.65	27.41 %
<a href="#">100-32-500111</a>	Overtime	2,400.00	2,400.00	45.44	715.91	1,684.09	29.83 %
<a href="#">100-32-500112</a>	Worker's Comp	4,884.00	4,884.00	1,103.25	2,206.50	2,677.50	45.18 %
<a href="#">100-32-500117</a>	Longevity Pay	712.00	712.00	0.00	600.00	112.00	84.27 %
<a href="#">100-32-500120</a>	Payroll Taxes	2,937.00	2,937.00	248.27	762.89	2,174.11	25.98 %
<a href="#">100-32-500130</a>	Benefits	24,823.00	24,823.00	1,544.66	6,177.68	18,645.32	24.89 %
<a href="#">100-32-500140</a>	TMRS	18,296.00	18,296.00	1,412.22	3,682.77	14,613.23	20.13 %
<a href="#">100-32-500150</a>	Training & Travel	2,800.00	2,800.00	0.00	583.90	2,216.10	20.85 %
<a href="#">100-32-500160</a>	Dues & Subscriptions	200.00	200.00	0.00	0.00	200.00	0.00 %
<a href="#">100-32-500161</a>	Surety Bonds	520.00	520.00	0.00	0.00	520.00	0.00 %
<a href="#">100-32-500213</a>	Uniforms	1,394.00	1,394.00	0.00	63.82	1,330.18	4.58 %
<a href="#">100-32-500220</a>	Office Supplies	500.00	500.00	79.47	245.09	254.91	49.02 %
<a href="#">100-32-500222</a>	Postage	1,200.00	1,200.00	0.00	55.64	1,144.36	4.64 %
<a href="#">100-32-500250</a>	Office Equip & Furniture	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
<a href="#">100-32-500262</a>	Miscellaneous Shelter Equipment	5,724.87	5,724.87	241.25	1,393.26	4,331.61	24.34 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<a href="#">100-32-500280</a>	Micro Chips	4,140.00	4,140.00	0.00	-453.75	4,593.75	-10.96 %
<a href="#">100-32-500282</a>	Medical Supplies	10,093.67	10,093.67	0.00	1,560.28	8,533.39	15.46 %
<a href="#">100-32-500283</a>	Staff Immunizations	2,988.00	2,988.00	25.00	25.00	2,963.00	0.84 %
<a href="#">100-32-500284</a>	Rabies Vouchers	1,000.00	1,000.00	35.00	175.00	825.00	17.50 %
<a href="#">100-32-500298</a>	Animal Food	6,773.65	6,773.65	0.00	1,170.49	5,603.16	17.28 %
<a href="#">100-32-500310</a>	Fuel, Oil & Service	5,161.82	5,161.82	0.00	488.91	4,672.91	9.47 %
<a href="#">100-32-500311</a>	Vehicle R & M	2,600.54	5,311.54	135.26	4,594.69	716.85	86.50 %
<a href="#">100-32-500330</a>	Building R & M	5,972.10	5,972.10	0.00	108.93	5,863.17	1.82 %
<a href="#">100-32-500404</a>	Contract Services	17,067.76	17,067.76	507.35	2,316.43	14,751.33	13.57 %
<a href="#">100-32-500408</a>	Professional Services	4,000.00	4,000.00	55.00	520.00	3,480.00	13.00 %
<a href="#">100-32-500410</a>	Software Maintenance	3,739.72	3,739.72	101.32	506.60	3,233.12	13.55 %
<a href="#">100-32-500414</a>	Credit Card Processing	1,000.00	1,000.00	60.87	306.09	693.91	30.61 %
<a href="#">100-32-500605</a>	Lease Payments	18,993.72	18,993.72	1,937.69	6,482.15	12,511.57	34.13 %
<a href="#">100-32-500710</a>	Utilities	13,674.48	13,674.48	1,050.61	3,479.60	10,194.88	25.45 %
<a href="#">100-32-500750</a>	Mobile Technology	2,815.56	2,815.56	225.63	682.88	2,132.68	24.25 %
<a href="#">100-32-500800</a>	Events	685.00	685.00	36.81	102.87	582.13	15.02 %
Dept: 32 - Animal Services Total:		335,261.89	337,972.89	20,365.94	84,365.98	253,606.91	24.96 %
Dept: 33 - Fire							
<a href="#">100-33-500262</a>	Equipment	0.00	0.00	0.00	245.00	-245.00	0.00 %
<a href="#">100-33-500311</a>	Vehicle R & M	0.00	0.00	0.00	22.00	-22.00	0.00 %
<a href="#">100-33-500320</a>	Equipment R & M	0.00	0.00	595.00	595.00	-595.00	0.00 %
<a href="#">100-33-500330</a>	Building R & M	27,825.00	27,825.00	12,400.56	18,821.89	9,003.11	67.64 %
<a href="#">100-33-500404</a>	Contract Services	9,529.00	9,529.00	1,134.00	5,312.76	4,216.24	55.75 %
<a href="#">100-33-500410</a>	Software Maintenance	0.00	0.00	50.66	1,051.27	-1,051.27	0.00 %
<a href="#">100-33-500710</a>	Utilities	35,944.56	35,944.56	3,938.44	10,032.35	25,912.21	27.91 %
<a href="#">100-33-500750</a>	Mobile Technology	0.00	0.00	37.22	114.66	-114.66	0.00 %
<a href="#">100-33-500908</a>	Emergency Management	26,975.20	26,975.20	186.06	12,016.24	14,958.96	44.55 %
Dept: 33 - Fire Total:		100,273.76	100,273.76	18,341.94	48,211.17	52,062.59	48.08 %
Dept: 34 - Fire Marshal							
<a href="#">100-34-500110</a>	Salaries	75,384.00	75,384.00	0.00	0.00	75,384.00	0.00 %
<a href="#">100-34-500112</a>	Worker's Comp	299.00	299.00	0.00	0.00	299.00	0.00 %
<a href="#">100-34-500117</a>	Longevity Pay	40.00	40.00	0.00	0.00	40.00	0.00 %
<a href="#">100-34-500120</a>	Payroll Taxes	1,211.00	1,211.00	0.00	0.00	1,211.00	0.00 %
<a href="#">100-34-500130</a>	Benefits	14,573.00	14,573.00	0.00	0.00	14,573.00	0.00 %
<a href="#">100-34-500140</a>	TMRS	8,104.00	8,104.00	0.00	0.00	8,104.00	0.00 %
<a href="#">100-34-500310</a>	Fuel, Oil & Service	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
<a href="#">100-34-500605</a>	Lease Payments	5,538.00	5,538.00	0.00	0.00	5,538.00	0.00 %
Dept: 34 - Fire Marshal Total:		106,649.00	106,649.00	0.00	0.00	106,649.00	0.00 %
Dept: 41 - Public Works							
<a href="#">100-41-500110</a>	Salaries	326,792.00	326,792.00	20,184.28	85,826.67	240,965.33	26.26 %
<a href="#">100-41-500111</a>	Overtime	10,000.00	10,000.00	0.00	3,615.35	6,384.65	36.15 %
<a href="#">100-41-500112</a>	Worker's Comp	9,800.00	9,800.00	2,333.00	4,666.00	5,134.00	47.61 %
<a href="#">100-41-500117</a>	Longevity Pay	2,840.00	2,840.00	0.00	2,688.00	152.00	94.65 %
<a href="#">100-41-500120</a>	Payroll Taxes	5,627.00	5,627.00	416.60	1,484.82	4,142.18	26.39 %
<a href="#">100-41-500130</a>	Benefits	69,638.00	69,638.00	4,618.52	15,468.76	54,169.24	22.21 %
<a href="#">100-41-500140</a>	TMRS	36,493.00	36,493.00	2,462.97	7,053.22	29,439.78	19.33 %
<a href="#">100-41-500150</a>	Training & Travel	6,030.00	6,030.00	1,500.00	2,900.00	3,130.00	48.09 %
<a href="#">100-41-500161</a>	Surety Bonds	130.00	130.00	0.00	0.00	130.00	0.00 %
<a href="#">100-41-500213</a>	Uniforms	8,234.75	8,234.75	618.74	3,335.33	4,899.42	40.50 %
<a href="#">100-41-500220</a>	Office Supplies	300.00	300.00	0.00	191.34	108.66	63.78 %
<a href="#">100-41-500261</a>	Equipment Rental	9,179.20	9,179.20	0.00	4,019.54	5,159.66	43.79 %
<a href="#">100-41-500270</a>	Street Supplies & Materials	175,207.67	175,207.67	9,352.45	70,631.28	104,576.39	40.31 %
<a href="#">100-41-500310</a>	Fuel, Oil & Service	30,500.00	30,500.00	2,657.39	8,124.15	22,375.85	26.64 %
<a href="#">100-41-500311</a>	Vehicle R & M	9,929.77	9,929.77	4,501.86	17,125.00	-7,195.23	172.46 %
<a href="#">100-41-500320</a>	Equipment R & M	23,482.00	23,482.00	904.41	9,283.48	14,198.52	39.53 %
<a href="#">100-41-500330</a>	Building R & M	6,588.76	6,588.76	440.42	1,677.25	4,911.51	25.46 %
<a href="#">100-41-500331</a>	Sign R & M	12,577.66	12,577.66	4,995.70	7,293.50	5,284.16	57.99 %



## Budget Report

For Fiscal: 2025-2026 Period Ending: Item 1. 6

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<a href="#">100-41-500332</a>	Minor Tools	1,000.00	1,000.00	0.00	479.99	520.01	48.00 %
<a href="#">100-41-500404</a>	Contract Services	37,632.40	37,632.40	536.52	13,849.14	23,783.26	36.80 %
<a href="#">100-41-500410</a>	Software Maintenance	1,559.52	1,559.52	130.63	593.19	966.33	38.04 %
<a href="#">100-41-500605</a>	Lease Payments	24,000.00	24,000.00	6,079.65	17,123.02	6,876.98	71.35 %
<a href="#">100-41-500670</a>	Drainage Utility	12,900.00	12,900.00	0.00	4,179.85	8,720.15	32.40 %
<a href="#">100-41-500710</a>	Utilities	4,000.00	4,000.00	357.04	875.70	3,124.30	21.89 %
<a href="#">100-41-500711</a>	Street Lights	62,700.00	62,700.00	5,142.93	15,536.52	47,163.48	24.78 %
<a href="#">100-41-500903</a>	Clean-Up And Recycling	5,000.00	5,000.00	0.00	280.70	4,719.30	5.61 %
<a href="#">100-41-555602</a>	Interest Expense	23,960.00	23,960.00	0.00	0.00	23,960.00	0.00 %
<a href="#">100-41-565601</a>	Principal Payments	68,000.00	68,000.00	0.00	0.00	68,000.00	0.00 %
Dept: 41 - Public Works Total:		984,101.73	984,101.73	67,233.11	298,301.80	685,799.93	30.31%
Dept: 97 - Transfers out							
<a href="#">100-97-597600</a>	Transfer to Debt Service	0.00	366,088.00	0.00	0.00	366,088.00	0.00 %
Dept: 97 - Transfers out Total:		0.00	366,088.00	0.00	0.00	366,088.00	0.00%
Expense Total:		6,253,708.49	6,677,253.49	431,499.63	1,780,899.91	4,896,353.58	26.67%
Fund: 100 - General Total:		6,253,708.49	6,677,253.49	431,499.63	1,780,899.91	4,896,353.58	26.67%
Report Total:		6,253,708.49	6,677,253.49	431,499.63	1,780,899.91	4,896,353.58	26.67%



CITY OF JOSHUA  
INTRODUCTION TO PUBLIC  
IMPROVEMENT DISTRICTS  
AND TAX INCREMENT  
REINVESTMENT ZONES

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FEBRUARY 19, 2026



# Introduction to PIDs

- Chapter 372 of Local Government Code Statute provides a legal and regulatory framework that governs the process

LOCAL GOVERNMENT CODE

TITLE 12. PLANNING AND DEVELOPMENT

SUBTITLE A. MUNICIPAL PLANNING AND DEVELOPMENT

CHAPTER 372. IMPROVEMENT DISTRICTS IN MUNICIPALITIES AND COUNTIES

SUBCHAPTER A. PUBLIC IMPROVEMENT DISTRICTS

# Big Picture Considerations



- Allows Cities to extend public infrastructure without burdening existing rate payers and tax payers
- Highly lucrative economic development tool can be useful when negotiating with developers (annexation, oversizing, amenities, etc.)
- Grows the City's tax base without obligating City revenues (TIRZ, 380 Agreements, etc.)
- PIDs can be used to forward the City's Comprehensive Plan, Thoroughfare Plan and Parks Plan
- PIDs are not separate political subdivisions. The City Council is the de facto board

# How does a PID work?

- PID is formed over a defined area in the corporate limits of the City or the City's ETJ
- Assessments are levied on property within the PID based on the benefit received from PID improvements
- Assessments can be paid in full or paid in annual installments
- The assessments are a lien that run with the land
- The Assessments are used to pay
  - Debt service on tax exempt bonds issued to fund PID improvements, or
  - Reimbursement agreement with developer, including interest
- Administrative expenses are included in the annual installment



— PID Boundary  
(area must be contiguous)

# How is a PID created?

- Development Agreement is negotiated
- PID Petition submitted by developer
- Professional Services Agreement executed and developer funds deposited with City
- Public hearing on advisability of creating PID
- PID creation resolution approved by City Council
- Preparation of Service and Assessment Plan, PID Finance Agreement, Landowner Agreement, and bond documents (if bonds are contemplated)
- Public hearing on levy of assessment
- Assessment Ordinance, Service and Assessment Plan, PID Finance Agreement, Landowner Agreement, and bond documents approved by City Council
- Typically, a 6-month process but timeline can vary widely



# Who does the City have on their team?

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## CITY STAFF

City Manager

City Secretary

City Finance Director

City Engineer

Planning Team

City Attorney

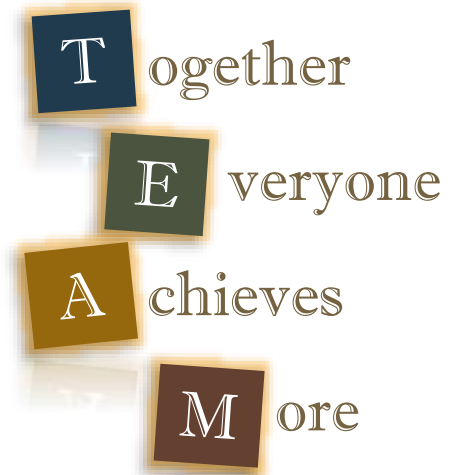
## 3<sup>RD</sup> PARTY CONSULTANTS

Financial Advisor

Bond Counsel

PID Administrator

Underwriter



# Types of PIDs

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- Pay-As-You-Go: allows future long-term reimbursements from assessments to developer
  - Interest rates predetermined; 2-5% above bond index
- Reimbursement Bonds: allows reimbursement soon after infrastructure is installed
  - Appraisal to establish market value
  - Contracts with 3<sup>rd</sup> party builders
  - The further the project is in the development cycle the less perceived risk
  - Completed or mostly completed Authorized Improvements at Bond issuance
    - Less perceived market risk = lower interest rates = lower annual installments to homeowners
    - Interest rates lower since infrastructure construction is complete and homes beginning construction
- Construction Bonds PID: up front bond funds to construct infrastructure
  - Appraisal to establish market value
  - Typically, contracts with 3<sup>rd</sup> party builders
  - More perceived market risk as land is undeveloped = higher interest rates
  - Generally, one owner; single assessment payer

# City Benefits

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- Use PIDs as an economic development incentive tool to promote annexation
- Incentivizes amenities provided by the developer but for the creation of the PID
  - Superior plan, design, architecture and building materials that exceed subdivision building standards
  - Lot and residential unit size that align with the City's goal for economic growth
  - Private amenities tailored to the community
    - Pools
    - Playgrounds
    - Fitness Centers
    - Enhanced Trails
- Accelerate construction of improvements described in City's Comprehensive Plan, Thoroughfare Plan and Parks Plan
- Cooperative projects serving the City and development

# City Obligations for PIDs

- Inspect public improvements
- Hire and oversee PID Administrator

## CITY IN CONJUNCTION WITH PID ADMINISTRATOR



- Review request for draws by developer
  - Verify infrastructure costs against SAP
  - Certify compliance with the terms of the certificate of payment prior to the release of bond proceeds
  - Verify appropriate release of lien and all bill paid affidavit prior to release of payments to developer
- Maintain database of all property within PID, update assessment roll, allocate assessments upon subdivision, track payment history
- Send assessment roll to County for collection with property taxes
- Prepare delinquency reports
- Account for dollars withdrawn from trust estate against approved draws/debt service payments (account reconciliation)
- Review developer quarter disclosure to ensure accuracy with construction and ownership/platting status
- File annual continue disclosure reports as issuer/obligated party
- Pursue and enforce collection of delinquencies (via County contract)
- Prepare and adopt annual SAP Update

Blue bullet denotes activities for all PIDs

Gold bullets denote activities for bonded PIDs



# Financial Implications for the City

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## PID DEBT

- PID debt is non-recourse to the City
  - Bonds or Reimbursement Agreements are backed only by the assessments on the property within the PID
- Issuance of PID debt by the City does not reduce the City's bonding capacity
- City keeps all of its ad valorem and sales tax revenues
- Counts against Bank Qualified Debt limit

## PID CREATION AND ADMINISTRATION

- All City costs incurred as a result of creating the PID should be paid by the developer via a cash escrow deposit with the City
- Administration is typically contracted to a third party, overseen by the City and paid for by the PID at the same time and in the same manner as the annual installments of the assessments

# Weighing PID Benefits/Challenges

## BENEFITS

- Annexation
- Increased/accelerated tax base
- Enhanced projects and amenities
- Advancing City master plans

## POTENTIAL CHALLENGES

- Public perception
- Headline risk
- Market (Bonds)
- Administrative burden
- Covenant to foreclose



# Questions

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# Introduction to TIRZs

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- Chapter 311 of Texas Tax Code, the Tax Increment Financing Act, provides a legal and regulatory framework that governs the process

TAX CODE

TITLE 3. LOCAL TAXATION

SUBTITLE B. SPECIAL PROPERTY TAX PROVISIONS

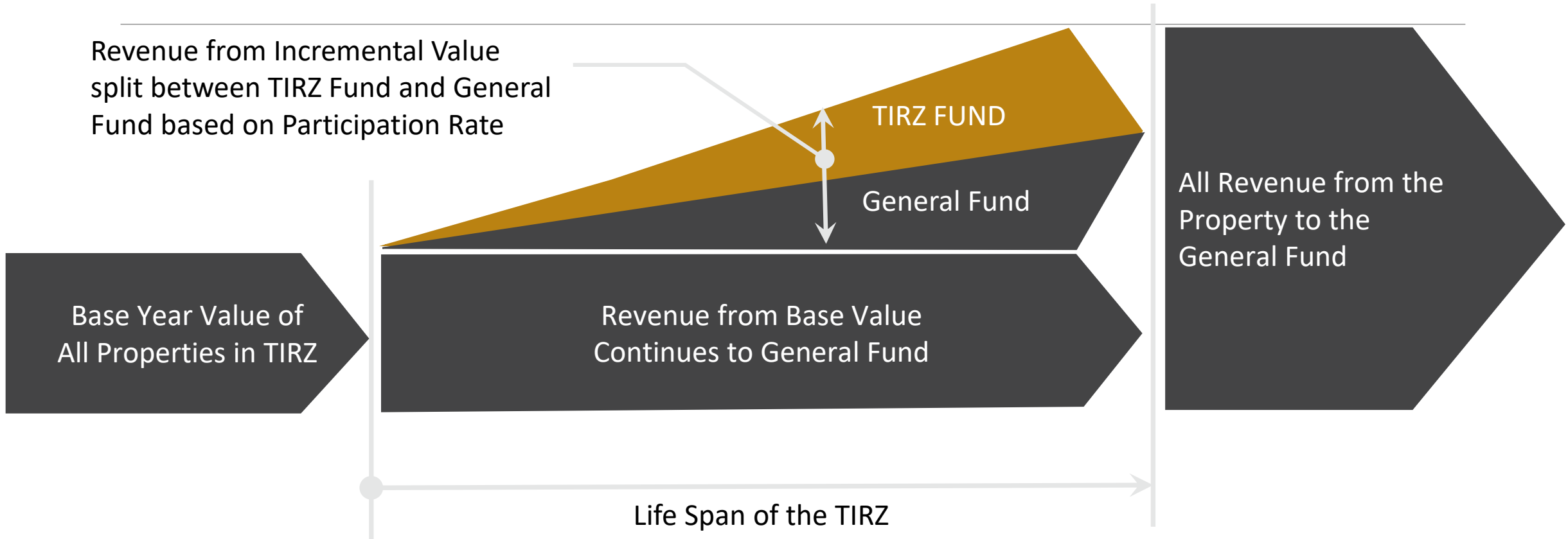
CHAPTER 311. TAX INCREMENT FINANCING ACT

# The “TIRZ” Tool

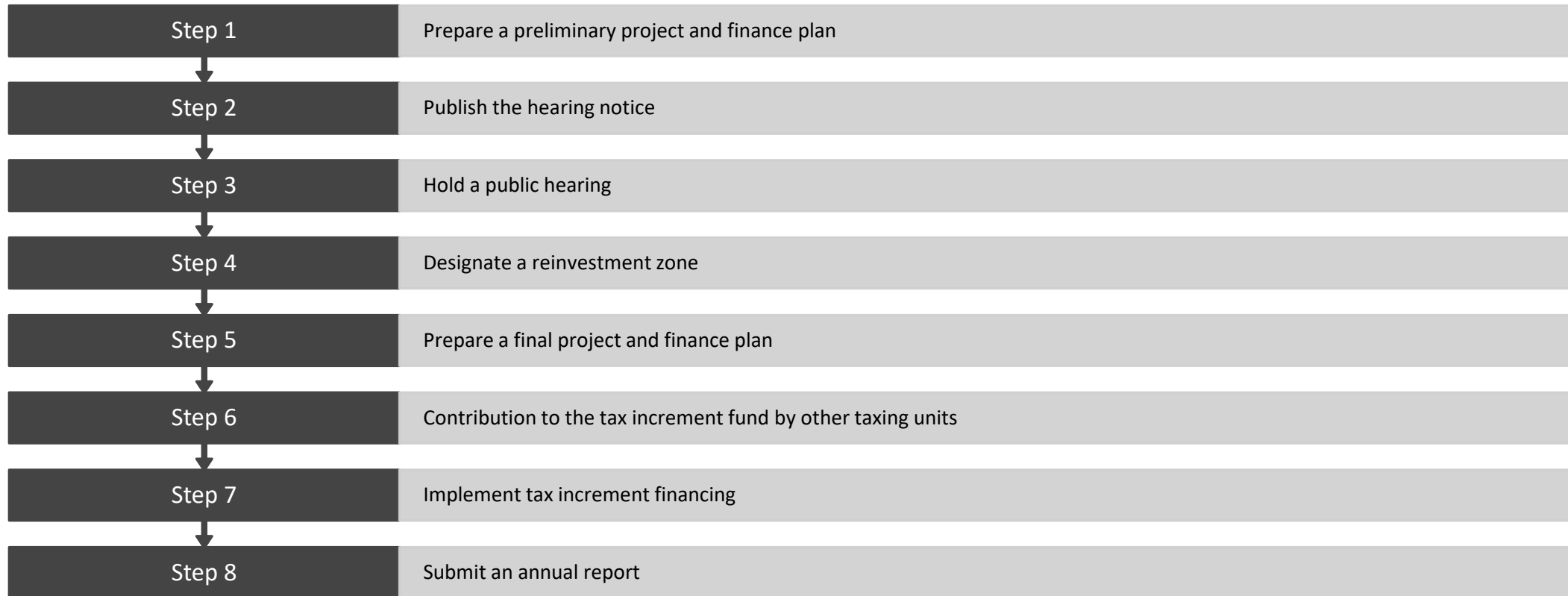
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- A widely used economic development tool that allocates revenues for public improvements based on growing tax increment with no new taxes
- Public improvements are paid for over time by allocating a portion of the newly generated City tax revenues collected inside the zone
- No up-front costs required
- Over 400+ in Texas
- Can be used to reduce costs incurred through other development tools

# Tax Increment Reinvestment Zones

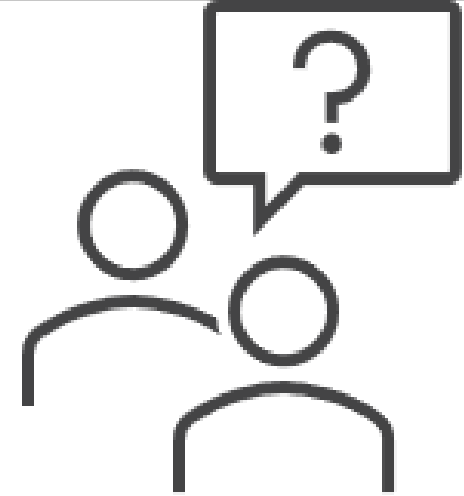


# Creation Process



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# Questions





## Joshua Animal Services Rises Above the Freeze to Protect Its Animals

When Joshua Animal Services Director **Tommy Miller** stepped out of his driveway to care for the animals one frigid morning, his car thermometer read just **one degree**.

Icy roads and dangerous conditions threatened travel across the city, but the Joshua Animal Services team never hesitated. They knew the animals were counting on them.

Despite the extreme cold, staff arrived at the shelter to feed their “happy little residents,” refresh warm bedding, and provide comforting reassurance that they would return soon. But when they came back just a few hours later to allow the animals a brief “cool winter break,” they were met with an unexpected crisis.

An overhead pipe had burst, flooding the shelter. Water poured through kennels and hallways, soaking floors, supplies, and even some of the animals themselves.

There was no time to hesitate.

The priority was clear: **get every animal dry, safe, and warm, immediately.**

Wading through mid-calf-deep water, staff and volunteers worked together to dry and relocate each affected animal to temporary dry areas within the facility. Outside, they shoveled through ice to locate the main water shutoff and forced open frozen doors so floodwater could escape.

Although the City of Joshua was officially closed due to weather conditions, Miller made one critical call to City Manager Mike Peacock, who answered without hesitation. Within minutes, Public Works was on site. What followed was a true all-hands-on-deck response, with city staff working side by side to protect the shelter and the animals inside.

With water shut off and extensive damage throughout the facility, Miller knew continued animal care could not safely continue on site. Drawing on experience from past hurricane deployments, including Hurricane Katrina, he immediately reached out to trusted regional partners.

The response was instant.

Tri-Cities Animal Shelter answered without hesitation: **“YES, GET THEM OVER HERE.”**

Their team prepared kennels stocked with beds, toys, and fresh water, ready to welcome Joshua’s displaced animals. For each cold day that followed, someone from the Joshua Animal Services team made the trip to continue caring for the animals while the shelter’s small but mighty, three-person staff focused on cleanup and repairs.

Joshua Animal Services credits its emergency preparedness planning for the successful response and expressed deep gratitude for the city administration’s swift action and unwavering support. Volunteers and donors also stepped up, helping replace supplies damaged beyond repair.

While the winter storm brought unexpected challenges, it also revealed the very best of a community that always thinks and plans **big**.

The animals were safe.

The team stood strong.

And the community showed exactly what care and compassion looked like.

**Special thanks** to Tri-Cities Animal Shelter for emergency housing, Friends of Tri-Cities for ongoing care, and Operation Kindness for adoption assistance and additional services for the displaced pets.

Mayor Kimble, City Council, and administration are immensely proud of their staff, whose dedication, calm leadership, and compassion never wavered in the face of dangerous conditions and an unfolding emergency. In freezing temperatures, standing water, and mounting pressure, the team focused on what mattered most: the safety and comfort of every animal in their care. Their professionalism, preparedness, and heart exemplify the very best of public service and reflect a level of commitment that goes far beyond a job description.

## Joshua Animal Services Rises Above the Freeze To Protect Its Animals





**City Council Agenda  
February 19, 2026**

**Minutes Resolution**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action on approving the January 15, 2026, meeting minutes.

**Background Information:**

The City Council duly convened in a legally posted regular meeting on January 15, 2026. The minutes of this meeting are presented for approval and inclusion in the official records.

**Financial Information:**

NA

**City Contact and Recommendations:**

Council may consider approval of the minutes as presented or approve them with amendments.

**Attachments:**

**1. Minutes**



**MINUTES**  
**CITY COUNCIL REGULAR MEETING**  
**COUNCIL CHAMBERS**  
**JANUARY 15, 2026**  
**6:30 PM**

The Joshua City Council will hold a Work Session at 6:30 pm. A Regular Meeting will be held immediately following the Work Session in the Council Chambers at Joshua City Hall, located at 101 S. Main St., Joshua, Texas. This meeting is subject to the open meeting laws of the State of Texas.

**A. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT**

Mayor Kimble announced a quorum and called the meeting to order at 6:30 pm.

**B. PLEDGE OF ALLEGIANCE**

1. United States of America
2. Texas Flag

Councilmember Nichols led the Pledge of Allegiance.

**C. INVOCATION**

Invocation given by Jeff Stanley, Pastor of First Assembly of God.

**D. WORK SESSION**

1. Review and discuss questions related to the budget report for December 2025. (Staff Resource: M. Freelen)

Finance Manager Freelen presented the budget report. She stated that the City is approximately 25 percent into the current fiscal year. Property tax revenues are primarily collected in January and February. Court fee revenues are currently below projections, at approximately 14 percent collected to date. Animal Services donations total \$46,191.70.

**E. UPDATES FROM MAYOR AND COUNCIL MEMBERS, UPDATES FROM CITY STAFF MEMBERS:**

*Pursuant to Texas Government Code Section 551.0415, the Mayor and Members of the City Council may report on the following items of community interest, including (1) expressions of thanks, congratulations, or condolences; (2) information about holiday schedules, (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving any imminent threat to public health and safety. Staff Updates will address operational issues in various City departments. No deliberation is authorized under the Texas Open Meetings Act.*

**F. PUBLIC FORUM, PRESENTATION, AND RECOGNITION:**

*The City Council invites citizens to speak on any topic. However, unless the item is specifically noted on this agenda, the City Council is required under the Texas Open Meetings Act to limit its response to responding with a statement of specific factual information, reciting the City's existing policy, or directing the person*

*making the inquiry to visit with City Staff about the issue. Therefore, no Council deliberation is permitted. Each person will have 3 minutes to speak.*

1. Presentation and update from A.J. Arjanen, General Manager of Cle-Trans, regarding service changes and rebranding efforts.

Mr. Jon-Erik Arjanen provided a presentation on the City-County Transportation FY 2025 Year in Review. His presentation included updates on service enhancements, vehicle replacement acquisitions, transit software upgrades, rebranding efforts, and the organization's growth mindset and strategic outlook for 2026.

2. Employee Recognition: Presentation of Awards and Certificates by the City Manager.

Mayor Kimble made the following presentations:

Shawn Fullagar, Chief of Police – Service Award recognizing 5 years of dedicated service.

Marcie Freelen – Employee of the Year.

## **G. CONSENT AGENDA**

1. Consider approval of the December 18, 2025, meeting minutes.
2. Consider a resolution approving the City of Joshua Investment Report for the Quarter Ending December 31, 2025. (Staff Resource: M. Freelen)
3. Approval of an MOU between the City of Joshua and the Texas Division of Emergency Management for mutual aid assistance for disaster recovery.
4. Discuss, consider, and possible action on the execution of a municipal lease agreement for the Public Works backhoe and asphalt distributor truck. (Staff Resource: M. Freelen)

Motion made by Councilmember Breitenstein, Place 4, to approve the consent agenda. Seconded by Councilmember Place 1 Dees.

Voting Yea: Mayor Kimble, Councilmember Place 1 Dees, Councilmember Place 3 Nichols, Councilmember Place 4 Breitenstein

## **H. REGULAR AGENDA**

1. Final Public Hearing to encourage citizen participation, discuss, and answer any questions regarding TXCDBG Contract # CDV23-0132 (Thomas Street Project).

Mayor Kimble opened the public hearing at 6:56 pm.

No comments made.

Mayor Kimble closed the public hearing at 6:57 pm.

2. Discuss, consider, and possible action on an Ordinance ordering a General Election to be held on May 2, 2026, for City Council Place 2 and Place 5, each for a three-year term. (Staff Resource: A. Holloway)

Motion made by Councilmember Dees, Place 1, to approve an Ordinance ordering the May 2, 2026, Election. Seconded by Councilmember Place 3 Nichols.

Voting Yea: Mayor Kimble, Councilmember Place 1 Dees, Councilmember Place 3 Nichols, Councilmember Place 4 Breitenstein

3. Discuss, consider, and possible action on an Ordinance amending the FY 2026 budget. (Staff Resource: M. Freelen)

Motion made by Councilmember Nichols, Place 3, to approve an Ordinance amending the FY 2026 Budget. Seconded by Councilmember Place 4 Breitenstein.

Voting Yea: Mayor Kimble, Councilmember Place 1 Dees, Councilmember Place 3 Nichols, Councilmember Place 4 Breitenstein

4. Public hearing on a request for a zoning change regarding approximately 2.0 acres of land in the W.W. Byers Survey, Tract 38PT, Abstract Number 29, City of Joshua, Texas, located at 724 County Road 909, to change from (R-1) Single Family Residential District to the (R-1L) Single Family Residential Large Lot District. (Staff Resource: A. Maldonado)

Mayor Kimble opened the public hearing at 6:59 pm.

Assistant City Manager Maldonado presented the staff report regarding a zoning change request for an approximately 2.0-acre unplatted property. He stated that the property is currently zoned R-1, Single-Family Residential District.

He explained that the applicant intends to construct a single-family residence and maintain livestock. Staff noted that the City's ordinance requires one acre per head of livestock, and that livestock are not permitted under the existing R-1 zoning classification. Rezoning the property to R-1L would allow the proposed use and is consistent with the surrounding development pattern as well as the City's Future Land Use Plan.

Assistant City Manager Maldonado further stated that utilities and infrastructure appear to be available or can be extended, with any associated costs to be borne by the developer.

Regarding financial impact, he noted that the only costs associated with the zoning change request are the publication and mailing of public hearing notices to property owners within 200 feet, as required by law. Public written notices were mailed not less than ten (10) days prior to the Planning and Zoning Commission public hearing and at least fifteen (15) days prior to the City Council public hearing.

No other comments were made by the public.

Mayor Kimble closed the public hearing at 7:01 pm.

5. Discuss, consider, and possible action on an Ordinance for a zoning change regarding approximately 2.0 acres of land in the W.W. Byers Survey, Tract 38PT, Abstract Number 29, City of Joshua, Texas, located at 724 County Road 909, to change from (R-1) Single Family Residential District to the (R-1L) Single Family Residential Large Lot District. (Staff Resource: A. Maldonado)

Motion made by Councilmember Place 3 Nichols to approve an Ordinance for a zoning change for 724 CR 909. Seconded by Councilmember Place 1 Dees.

Voting Yea: Mayor Kimble, Councilmember Place 1 Dees, Councilmember Place 3 Nichols, Councilmember Place 4 Breitenstein

6. Public hearing on a request for a conditional use permit regarding approximately 1.0 acres of land in the D. Lofton Survey, Tract 1B, Abstract 504, City of Joshua, Texas, located at 202 Trailwood Drive, to allow for the construction of an accessory dwelling. (Staff Resource: A. Maldonado)

Mayor Kimble opened the public hearing at 7:02 pm.

Assistant City Manager Maldonado read the staff report into the record regarding the requested Conditional Use Permit. He stated the property is not platted and is zoned Agricultural (A) District. The request is to allow the construction of an accessory dwelling.

He explained that a Conditional Use Permit allows certain uses to be considered with appropriate restrictions to ensure compatibility with surrounding properties and to promote the health, safety, and welfare of the community. The process includes public hearings before the Planning and Zoning Commission and the City Council, and approval is only granted if the use is determined to be compatible with the neighborhood.

The property owner stated that this is so his mother-in-law may move onto their property so they can help care for her.

Mayor Kimble closed the public hearing at 7:05 pm.

7. Discuss, consider, and possible action on approving an Ordinance for a conditional use permit regarding approximately 1.0 acres of land in the D. Lofton Survey, Tract 1B, Abstract 504, City of Joshua, Texas, located at 202 Trailwood Dr. to allow for the construction of an accessory dwelling. (Staff Resource: A. Maldonado)

Motion made by Councilmember Place 3 Nichols moved to approve an Ordinance for a conditional use permit for 202 Trailwood Dr. Seconded by Councilmember Place 1 Dees.

Voting Yea: Mayor Kimble, Councilmember Place 1 Dees, Councilmember Place 3 Nichols, Councilmember Place 4 Breitenstein

8. Discuss, consider, and possible action on the approval of an additional \$17,669.72 to the previously approved grant funding for the purchase of twelve (12) Motorola APX N70 portable radios. (Staff Resource: S. Fullagar)

Chief Fullagar presented to Council regarding radio communications equipment. He explained that the department initially submitted a grant application requesting funding for 18 new radios. While awaiting the grant decision, the District Attorney's Office announced it would be transitioned to a new radio system. During that time, staff identified an alternative product through Motorola that would better meet operational needs. As a result, the department is now requesting funding for 12 radios because of the price increase.

After much discussion regarding the need for radios, it was decided that the police department needed 19 radios in total.

Motion made by Councilmember Place 4 Breitenstein to approve the 12 radios as requested, and gave direction to purchase 19, and bring a budget amendment back for the council to consider next month. Seconded by Councilmember Place 1 Dees.

Voting Yea: Mayor Kimble, Councilmember Place 1 Dees, Councilmember Place 3 Nichols, Councilmember Place 4 Breitenstein

9. Discuss, consider, and possible action on board appointments. (Staff Resource: A. Holloway)

Motion made by Councilmember Place 1 Dees to appoint George Grall to Alt. 2 to the Type B EDC and to appoint Shantell Mosley to Alt. Animal Control Board, Place 3 to ZBA, and Place 1 to the Type A EDC, Seconded by Councilmember Place 3 Nichols.

Voting Yea: Mayor Kimble, Councilmember Place 1 Dees, Councilmember Place 3 Nichols, Councilmember Place 4 Breitenstein

## I. STAFF REPORT

1. Police Department
2. Animal Services
3. Municipal Court
4. Public Works
5. Code Enforcement
6. Parks Department
7. Development Services
8. Economic Development
9. City Secretary's Office

#### **J. EXECUTIVE SESSION**

The City Council of the City of Joshua will recess into Executive Session (Closed Meeting) pursuant to the provisions of chapter 551, Subchapter D, Texas Government Code, to discuss the following:

1. Pursuant to the Texas Government Code Section 551.072 of the Texas Government Code: to discuss or deliberate the purchase, exchange, lease, or value of real property.
2. Pursuant to the Texas Government Code Section 551.076 and Section 551.089: to discuss or deliberate regarding certain Security Devices or Security Audits.

Mayor Kimble announced the City Council will recess into Executive Session at 7:22 pm.

#### **K. RECONVENE INTO REGULAR SESSION**

In accordance with Texas Government Code, Section 551, the City Council will reconvene into regular session and consider action, if any, on matters discussed in executive session.

Mayor Kimble announced the City Council is back in Regular Session at 7:49 pm.

No action taken.

#### **L. FUTURE AGENDA ITEMS/REQUESTS BY COUNCIL MEMBERS TO BE ON THE NEXT AGENDA**

*Councilmembers shall not comment upon, deliberate, or discuss any item that is not on the agenda. Councilmembers shall not make routine inquiries about operations or project status on an item that is not posted. However, any Councilmember may state an issue and request to place the item on a future agenda.*

NA

#### **M. ADJOURN**

Mayor Kimble adjourned the meeting at 7:50 pm.

Approved: February 19, 2026

\_\_\_\_\_  
Scott Kimble, Mayor

ATTEST:

\_\_\_\_\_  
Alice Holloway, City Secretary





**City Council Agenda  
01/19/2026**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action on becoming part of the Public Safety Data Sharing Agreement Between Public Safety Agencies in Johnson County, Texas

**Background Information:**

When utilizing our previous computer aided dispatch and report management systems, the Law enforcement agencies of Johnson were all part of the same software systems. Information was available to all of the agencies. If one city had a burglary suspect and another city was looking at that same suspect, that knowledge was at our fingertips. Now we are all individual customers with the same product. This agreement seeks to restore that interoperability. Only signatories of this agreement will have the benefit of direct information on crime and criminals which moves through our various jurisdictions.

**Financial Information:**

There is no cost for being a part of this agreement.

**City Contact and Recommendations:**

Shawn Fullagar, Chief of Police

I recommend that we sign this data sharing agreement.

**Attachments:**

**Public Safety Data Sharing Agreement Between Public Safety Agencies in Johnson County, Texas**

# PUBLIC SAFETY DATA SHARING AGREEMENT

## Between Public Safety Agencies in Johnson County, Texas

### 1.01

#### Parties

This Data Sharing Agreement (“Agreement”) is entered into by and between the “**Participating Entities**” named below to the extent they have executed the document:

#### **Johnson County, Texas**

Johnson County Sheriff's Office:  
 Johnson County Constable Precinct 1:  
 Johnson County Constable Precinct 2  
 Johnson County Constable Precinct 3  
 Johnson County Constable Precinct 4  
 Johnson County District Attorney's Office  
 Johnson County County Attorney's Office  
 Johnson County Fire Marshal's Office  
 STOP Special Crimes Unit

#### **City of Cleburne**

City of Cleburne Police Department  
 City of Cleburne Fire Department

#### **Alvarado ISD**

Alvarado ISD Police Department

#### **City of Alvarado**

City of Alvarado Police Department

#### **City of Godley**

City of Godley Police Department

#### **Godley ISD**

Godley ISD Police Department

#### **City of Grandview**

City of Grandview Police Department

**Joshua ISD**

Joshua ISD Police Department:

**City of Joshua**

City of Joshua Police Department

**Keene ISD**

Keene ISD Police Department

**City of Keene**

City of Keene Police Department

**Rio Vista ISD**

Rio Vista ISD Police Department

**City of Rio Vista**

City of Rio Vista Police Department

**Venus ISD**

Venus ISD Police Department

**City of Venus**

City of Venus Police Department

**Johnson County Emergency Services District 1 (ESD)**

The above-named entities may be referred to individually as a “Party” or collectively as the “Parties.”

These Participating Entities are the initial expected signatories to this Agreement. The signatories to this Agreement each recognize and agree that this document is being executed in multiple counterparts. The Agreement will become effective among those Participating Entities who have agreed to and executed the document whether all named intended Public Safety Agencies or Political Subdivisions have agreed or not.

Participating Entities may be deleted by amendment by adding a page stating an entity has withdrawn from the Agreement or is no longer in agreement with the terms of the Agreement or by the Johnson County Sheriff or a representative thereof adding a statement that a Participating Entity appears to no longer be participating or in agreement with the terms of the Agreement and

will no longer be a party to the Agreement. Such Statement is effective when submitted to the Johnson County Commissioners Court by the Johnson County Sheriff and approved by the Court as an Amendment to the Agreement.

Additional Public Safety agencies may be added to this Agreement upon the approval of other Public Safety Agencies and their associated Political Subdivision. Should any other entity seek to be added, such may only be added following the unanimous written consent of all current Participating Entities who are parties to the Agreement at the time such entity seeks to be added to the Agreement.

Nothing herein prohibits or prevents Public Safety Agencies from making separate data sharing agreements with other Public Safety Agencies so long as those agreements do not compromise the provisions, duties and obligations set out in this Agreement.

Liabilities or obligations accrued while a participant is in the Agreement shall survive withdrawal or removal of a Participating Entity from the Agreement.

## **1.02**

### **Authority**

This Agreement is executed pursuant to the authority and provisions of **Texas Government Code, Chapter 2054** (Texas Department of Information Resources); **Texas Government Code, Chapter 791** (Interlocal Cooperation Act); and, other applicable federal and state statutes, including but not limited to the **Texas Public Information Act** (Texas Gov't Code, Chapter 552), current **CJIS Security Policy** for criminal justice data, and privacy/confidentiality laws. The named Political Subdivisions and Public Safety Agencies of Johnson County enter and participate in this Agreement with the purposes and provisions as set forth below.

## **1.03**

### **Definitions**

**Criminal History Record Information (CHRI)** means information collected about a person by a criminal justice agency that consists of identifiable descriptions and notations of arrests, detentions, indictments, informations, and other formal criminal charges and their dispositions, as defined in Texas Government Code §411.082.

**Criminal Justice Agency (CJA)** means a federal or state agency that is engaged in the administration of criminal justice under a statute or executive order and allocates a substantial part of the agency's annual budget to the administration of criminal justice, as defined in Texas Code of Criminal Procedure Article 66.001.

**HIPAA** means the Health Insurance Portability and Accountability Act of 1996, including but not limited to its privacy rules codified in 42 U.S.C. §§ 1320d et seq. and 45 C.F.R. Parts 160 and 164.

**National Crime Information Center (NCIC)** means the so-named computerized database for tracking and sharing crime-related information among authorized United States law enforcement and criminal justice agencies, managed by the Criminal Justice Information Services (CJIS) division of the Federal Bureau of Investigations (FBI).

**Originating Agency Identifier (ORI)** means a unique, federally assigned nine-character code that identifies each criminal justice agency authorized to access, enter, or process criminal justice information in systems such as NCIC, TCIC, and TLETS.

**Personally Identifiable Information (PII)** means information which can be used to distinguish or trace an individual's identity, such as name, social security number, or biometric records, alone or when combined with other personal or identifying information which is linkable to a specific individual, such as date and place of birth, or mother's maiden name.

**Participating Entity** as used herein includes both jointly or separately as the context requires the political subdivision and the public safety agency that is an office or department of the political subdivision, including the Sheriff's Office, a school district, police department, fire department, emergency management office, 911 dispatch center, emergency services district, county attorney's office or district attorney's office.

**Political Subdivision** means a county, municipality, special district, school district, junior college district, housing authority, or other political subdivision of this state or any other state. See Texas Local Government Code Section 172.003.

**Public Safety Agency** means and includes for the purposes of this Agreement, law enforcement agencies, emergency management offices, fire departments, 911 communications and dispatch centers, emergency services districts, the Johnson County County Attorney's Office or, the Johnson County District Attorney's Office. A Public Safety Agency may also be referred to herein as "Agency."

**Record Management System (RMS)** means the so-named software platform used by law enforcement agencies to store, organize, and access all records related to police operations.

**Texas Crime Information Center (TCIC)** means the so-named statewide, computerized criminal justice information system managed by the Texas Department of Public Safety (DPS).

**Texas Department of Information Resources (DIR)** means the so-named Texas state agency.

**Texas Law Enforcement Telecommunications System (TLETS)** means the so-named telecommunications network managed by the Texas Department of Public Safety (DPS) that connects city, county, state, federal, and military law enforcement and criminal justice agencies throughout Texas.

## **1.04**

### **Purpose of Agreement**

The purpose of this Agreement is to facilitate the secure and lawful sharing of data between the Parties in support of public safety functions, including but not limited to: law enforcement operations, emergency management, fire and rescue services, disaster response, and other related activities consistent with state and federal law. This Agreement is intended to provide criminal justice, law enforcement personnel and other emergency personnel who have a need and right to know criminal justice information with comprehensive, timely, and accurate information about a criminal suspect or offender, including identity, criminal history, and current justice status. In addition, it is intended to:

- a) Allow criminal justice practitioners to maintain legacy databases and share only information that has been agreed upon in advance by the entities;
- b) Reduce redundant document preparation, data entry, transmission, and storage;
- c) Promote and enhance public safety and due process;
- d) Maintain individual privacy rights, protect public records and promote appropriate access controls and security;
- e) Promote the compatibility of automated systems and processes among the various Public Safety Agencies of Johnson County;
- f) Acknowledge that each Public Safety Agency is responsible for internal Agency security for their records, technical support, and other internal administrative matters

## **1.05**

### **Facilitate Common Technology**

This Agreement is intended to enable Johnson County Public Safety Agencies to have access to common cloud software and law enforcement software services for computer-aided dispatch (CAD), mobile command terminals (MCT), and records management systems (RMS), and to facilitate the integration and sharing of criminal justice information and data in the manner set forth in this Agreement.

## **1.06**

### **Scope of Data Sharing**

The Parties may share the following categories of data:

- **Incident and response data** (fire, emergency medical systems, law enforcement, emergency management).

- Fire and emergency medical systems (EMS) will not be authorized or able to access the same data as law enforcement agencies.
- Dispatch and communications records (CAD data).
- Reports and other documents (Record Management System data)
- Geospatial information and critical infrastructure data.
- Public health or emergency operations data relevant to public safety.
- Criminal justice or personally identifiable information (PII), subject to CJIS and Health Insurance Portability and Accountability Act of 1996 (HIPAA) restrictions.

### **1.07**

#### **No Additional Authority**

This Agreement is not intended to extend any additional investigative authority to any Agency, nor is it intended to alter the jurisdiction of any Agency.

### **2.01**

#### **Information Access**

Each Party agrees to permit the other Party to this Agreement to retrieve CHRI through TLETS, NCIC, and TCIC. The Agencies shall not permit any other person or entity, other than Public Safety Agencies authorized employees to retrieve CHRI accessible via TLETS, CHRI, NCIC, and TCIC. **Each Criminal Justice Agency (CJA) shall maintain and provide, upon request, an updated list of all authorized employees of such CJA prior to allowing such CJA's personnel to retrieve CHRI or CHRI derived data through the other Party's database access. THIS PROVISION DOES NOT ENABLE ACCESS FOR PUBLIC SAFETY AGENCIES OR PERSONS THAT ARE NOT PERMITTED BY LAW TO ACCESS CRIMINAL HISTORY RECORDS INFORMATION.** Only Parties that are Criminal Justice Agencies (CJAs) with a valid Originating Agency Identifier (ORI) and TLETS authorization may access Criminal History Record Information (CHRI) through TLETS, NCIC, or TCIC, and only for lawful criminal-justice purposes. Non-CJA entities (such as Fire, EMS, Emergency Management, or other municipal departments) are not authorized to access or receive CHRI or CHRI-derived data but may receive limited operational information necessary for public safety coordination. All access must comply with CJIS Security Policy, DPS rules, and Texas Government Code § 411.085, and this Agreement does not authorize proxy or shared access to CHRI by any unauthorized person or agency.

## **2.02**

### **Access Only for Legal Purposes**

A Party may retrieve CHRI through the other Party's TLETS, NCIC, TCIC databases only for those purposes permitted by state and federal law. Any use of CHRI retrieved through the TLETS, NCIC, and TCIC shall be limited to those uses permitted by state and federal law.

## **2.03**

### **Legal Compliance**

**In gathering and sharing information, and in all other respects in performing acts related to this Agreement, the parties will comply with all applicable laws, rules, and regulations.**

Each Participating Entity agrees to abide by all present and hereafter enacted state and federal laws, rules and regulations, including concerning the collection, storage, retrieval, use, destruction, disclosure and dissemination of TLETS data.

## **2.04**

### **Responsibilities of Each Party**

#### **Each Party agrees to:**

- a. Use shared data solely for official public safety purposes.
- b. Maintain compliance with applicable laws, regulations, and standards (e.g., CJIS, HIPAA, Texas Department of Information cybersecurity rules).
- c. Restrict access to authorized personnel with a legitimate need-to-know.
- d. Ensure appropriate **training** for staff handling shared data.
- e. Notify the other Party promptly in the event of a **data breach or unauthorized disclosure**. Notification shall be made **immediately** upon discovery of the data breach or disclosure.

## **2.05**

### **Confidentiality and Security**

- All shared data shall be classified, handled, and stored in a manner consistent with **Texas Department of Information (DIR) Information Security Standards** and the **FBI CJIS Security Policy** (when applicable).
- Encryption must be used for data in transit and at rest.
- Physical and logical access to systems shall be restricted to authorized personnel.
- Data shall not be disclosed to any third party without prior written authorization.



## **2.06**

### **No Transfer of Data Ownership**

This Agreement does not transfer ownership of data but grants limited rights to access and use data for public safety purposes only. Each Public Safety Agency retains ownership of the data and information it generates and allows access to view, and each Public Safety Agency is solely responsible for satisfying reporting requirements and complying with open records requests submitted under the Texas Public Information Act with respect to data it controls. Each Public Safety Agency shall consult with their own attorney regarding the response to Public Information Act requests directed to such Agency. Data, once shared or acquired, which is not made confidential by law, may be subject to disclosure pursuant to Chapter 552 of the Texas Public Information Act.

## **2.07**

### **Limitations for Non-Law Enforcement Entities**

The signatories hereto recognize that Cleburne Fire Department and Johnson County Emergency Service District No. 1 offices and personnel may not have access to certain information available to law enforcement personnel or that is restricted to law enforcement purposes. Participating Entities will take appropriate action to restrict access to data to only those agencies and employees which are allowed access to particular data or classes of data according to law.

## **3.01**

### **Employee Awareness and Compliance**

Public Safety Agencies and Agencies' employees shall abide by all present and hereafter enacted state and federal laws, rules and regulations concerning the collection, storage, retrieval, use, destruction, disclosure and dissemination of TLETS data. Each Agency shall ensure that all personnel with access to TLETS, TCIC, NCIC, or CHRI are informed of and comply with all applicable laws and CJIS requirements. Unauthorized access, use, or disclosure of CHRI is a criminal offense and may result in revocation of access, disciplinary action, and criminal prosecution. Each Public Safety Agency shall promptly notify the other Public Safety Agency and DPS of any known violation and may suspend access until corrective measures are taken. All costs for reconnection of service are the responsibility of the suspended Agency.

## **3.02**

### **Ensure Employees Informed of Applicable Law and Rules**

Each agency shall be solely responsible for ensuring that its personnel maintain current and valid certifications, including but not limited to CJIS and HIPAA training, as applicable. It is the obligation of each agency to ensure that all required training and credentials are completed, maintained, and kept up to date in accordance with relevant laws, regulations, and policy

requirements. All agencies and users viewing, handling, or accessing CHRI must comply with the current Criminal Justice Information Services (CJIS) Security Policy.

### **3.03**

#### **Suspension of Access for Violation of Agreement**

Each Public Safety Agency reserves the right to suspend service with reasonable notice to the other Public Safety Agency when the Agency determines that this agreement or any applicable state or federal law, rule or regulation has been violated by an employee of the other Agency. The suspending Agency may reinstate service following such instances upon receipt of satisfactory assurance that such violations have been corrected and measures have been taken to prevent future violations. All costs for reconnection of service are the responsibility of the suspended Agency.

### **3.04**

#### **Users to Understand Unauthorized Use is Violation of Law**

All authorized users must clearly understand that any unauthorized retrieval, use or dissemination of this confidential information is a violation of state law and can lead to criminal charges against the authorized user, in addition to cancellation of access to the Department of Public Safety (DPS) databases. Texas Government Code Section 411.085 describes the criminal penalties related to unauthorized retrieval, use, or dissemination of criminal history record information:

#### **§ 411.085. Unauthorized Obtaining, Use, or Disclosure of Criminal History Record Information; Penalty**

- (a) A person commits an offense if the person knowingly or intentionally:**
  - (1) obtains criminal history record information in an unauthorized manner, uses the information for an unauthorized purpose, or discloses the information to a person who is not entitled to the information; or**
  - (2) violates a rule of the department adopted under this subchapter.**
- (b) An offense under Subsection (a) is a Class B misdemeanor except as provided by Subsection (c).**
- (c) An offense under Subsection (a) is a felony of the second degree if the person:**
  - (1) obtains, uses, or discloses criminal history record information for remuneration or for the promise of remuneration; or**
  - (2) Employs another person to obtain, use, or disclose criminal history record information for remuneration or for the promise of remuneration.**
- (d) The department shall provide a copy of this section to:**
  - (1) each person who applies for access to criminal history record information maintained by the department; and**
  - (2) each private entity that purchases criminal history record information from the department.**

Information regarding security requirements which must be followed by those who have access to TLETS, CHRI, NCIC, and TCIC Databases may be obtained from the Department of Public Safety if necessary.

### **3.05**

#### **Limitation on Use of Data**

Each Public Safety Agency is expected to enact a policy stating that **employees will not view, access, alter, or disseminate another Agency's data without an official law enforcement or public safety agency purpose** ("Data Sharing Policy"). Each public safety agency shall take action against an employee in event of such a violation, and the penalty for such a violation shall include administrative sanctions up to and including termination. Failure to enact and enforce a **Data Sharing Policy** may result in a Public Safety Agency's loss of access to shared data until the Agency either resolves this failure or withdraws from the Agreement.

### **3.06**

#### **Data Review Policies**

Agencies recognize that the Software requires accurate data to perform successfully, and that inaccurate, obsolete, or absent data will affect the performance of the Software in serving the law enforcement or Public Safety Agency goals. Agencies agree to enact data review policies, or enforce existing policies, to ensure the accuracy of all Shared Data.

### **3.07**

#### **Maintain Confidentiality and Prohibit Unauthorized Use**

Public Safety Agencies shall maintain the confidentiality of data involving criminal history record information ("CHRI") accessible through the Texas Law Enforcement Telecommunications System ("TLETS"), the National Crime Information Center ("NCIC"), and the Texas Crime Information Center ("TCIC"). Agencies agree to prohibit any unauthorized person from retrieving CHRI; retrieve CHRI only for purposes permitted by state and federal law; be responsible for ensuring that its employees accessing TLETS, CHRI, NCIC, and TCIC are informed of all applicable state and federal laws, rules and regulations concerning the collection, storage, retrieval, use, destruction, disclosure and dissemination of CHRI; abide by all present and later-enacted state and federal laws, rules, and regulation concerning the collection, storage, retrieval, use, destruction, disclosure, and dissemination of CHRI data; advise authorized users that the unauthorized retrieval, use, or dissemination of CHRI is a violation of state law and may result in criminal charges; and, in the event a breach of confidentiality or any applicable state or federal law, rule, or regulation occurs, notify the Agencies and the Department of Public Safety of a violation by an employee of the Public Safety Agency. **Each party shall be permitted access only to those systems, data, or resources for which they hold appropriate certification, credentials, or authorization. Access beyond such scope is strictly prohibited.**

### **3.08**

#### **Not Required to Disclose Information**

Nothing in this Agreement shall be construed to require a Participating Entity (i) to disclose any information that the Participating Entity determines, in its sole discretion, it does not have the ability or authority to disclose, or (ii) to do any act that the Participating Entity determines, in its sole discretion, is contrary to law or public policy.

### **3.09**

#### **Not Required to Seek Approval to Modify Equipment or Process**

Agencies are not required to seek approval from other Agencies to purchase, install, or modify their own equipment, services, or work performed in conjunction with any legislative mandate or authority granted to or required of Agencies in order to carry out their respective responsibilities. Notwithstanding anything to the contrary herein, an Agency shall have no obligation to seek approval for any modification to that Agency's internal systems or processes mandated by the State, or by any law or regulation governing the affected Agency.

### **3.10**

#### **Entity Causing Data Security Incident Responsible for Cost of Remediation**

A Participating Entity that allows or causes a data security incident and the loss or breach of personal information shall be responsible for the remedial action required by law upon the occurrence of such data security incident.

### **4.01**

#### **Term and Termination**

- This Agreement shall remain in effect for **7 years** from the Effective Date, unless terminated earlier by written notice. This Agreement shall be automatically renewed for successive one-year terms thereafter unless one party notifies the other in writing, at least thirty (30) days prior to the expiration of said term, of its intention to not renew this Agreement.
- Any Party may terminate their participation in the Agreement with **30 days' written notice**.
- Upon termination, as between any parties, all shared data must be returned or securely destroyed, unless otherwise specifically agreed between the parties or unless retention is required by law.
- Any party may terminate their participation in the Agreement or limit the scope and access of any other party to their data immediately if a party, in the sole discretion of the head of the public safety agency or the acting head of the public safety agency reasonably believes data is being wrongfully accessed or distributed or has been misused or is in danger of being wrongly accessed or misused.

#### **4.02**

##### **Liability**

Nothing in this Agreement shall be construed as a waiver of sovereign or governmental immunity under Texas law. Each Party shall be responsible for its own acts, errors, or omissions in connection with this Agreement.

#### **4.03**

##### **Dispute Resolution**

Disputes arising under this Agreement shall first be resolved through good-faith negotiation between the public safety agency chief executive. If unresolved, disputes shall be escalated to the chief executive officers of the public safety agencies for resolution, subject to such lawful control of the political subdivision in which the public safety agency exists, to the extent such political subdivision's governing body is legally authorized by Texas law to act with respect to the control of law enforcement data or of the public safety agency.

#### **4.04**

##### **Amendments**

This Agreement may be amended only by mutual written agreement of the Parties.

#### **4.05**

##### **Governing Law**

This Agreement shall be governed by and construed under the laws of the **State of Texas**.

#### **4.06**

##### **Execution of agreement in Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same Agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same effect as delivery of an original signed copy of this Agreement.

#### **4.07**

##### **Review and Advice by Counsel of Choice**

Representation by Counsel. Each Participating Entity acknowledges to the other that it has been represented by independent legal counsel of its own choice or as provided by the Political Subdivision of which it is a part, or had the opportunity to employ or consult with legal counsel provided by their respective Political Subdivision preceding the execution of this Agreement. Each Participating Entity further acknowledges that it and its counsel have had adequate opportunity to make whatever investigation or inquiry they may deem necessary or desirable in connection with the subject matter of this Agreement prior to the execution hereof. The

Participating Entities, other than the Johnson County Sheriff's Office; Johnson County Constable Offices 1,2,3, and 4; the Johnson County District Attorney's Office; the Johnson County Fire Marshal's Office; and the STOP Special Crimes Unit have not received legal advice or relied upon documents or information, received from the Political Subdivision Johnson County or from the Johnson County County Attorney's Office in entering into transactions in furtherance of this Agreement. To the extent Participating Entities have viewed or utilized documents utilized by Johnson County, said Participating Entities do so at their own risk and upon advice or approval of their own legal counsel.

#### **4.08**

##### **Effective Date**

This agreement will become effective upon receipt and approval by the head of each named Public Safety Agency and approval of the governing body of each Political Subdivision of which a named Public Safety Agency is a part.

#### **4.09**

##### **Savings Clause**

If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

#### **4.10**

##### **Authority to Sign**

Each signatory hereto represents that they are duly authorized to execute this Agreement in the capacity indicated hereon for the named Public Safety Agency or Political Subdivision.

**SIGNATURE PAGE(S) FOR PUBLIC SAFETY DATA SHARING AGREEMENT  
BETWEEN POLITICAL SUBDIVISIONS AND PUBLIC SAFETY AGENCIES**

**EXECUTED AS OF THE DATES BELOW**

**JOHNSON COUNTY, TEXAS:**

_____	_____
<b>Christopher Boedeker, Johnson County Judge</b>	<b>Date</b>

**Attest:**

_____	_____
<b>April Long, Johnson County Clerk</b>	<b>Date</b>

-----

**Johnson County Sheriff’s Office**

**Sheriff Adam King**

_____	_____
<b>Signature</b>	<b>Date</b>

-----

**Johnson County Constable Precinct 1  
Constable Matt Wylie**

_____	_____
<b>Signature</b>	<b>Date</b>

-----

**Johnson County Constable Precinct 2**  
**Constable Adam Crawford**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

-----

**Johnson County Constable Precinct 3**  
**Constable Steven Williams**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

-----

**Johnson County Constable Precinct 4**  
**Constable Troy Fuller**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

-----

**Johnson County District Attorney's Office**  
**Timothy Good, Johnson and Somervell County District Attorney**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**



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**Johnson County County Attorney’s Office**  
**Bill Moore, Johnson County Attorney**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

-----

**Johnson County Fire Marshal’s Office**  
**Jamie Moore, Fire Marshal**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

-----

**Johnson County STOP Special Crimes Unit**  
**Larry Sparks, Commander**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\*\*\*\*\*

**City of Cleburne**  
**Miachel Marrero, City Manager**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Ivy Peterson, City Secretary**

\_\_\_\_\_  
**Date**

-----

**Cleburne Police Department**  
**Rob Severance, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

-----

**Cleburne Fire Department**  
**Scott Lail, Fire Chief**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\*\*\*\*\*

**City of Alvarado**  
**Paul DeBuff, City Manager**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Bobbie Jo Taylor, City Secretary**

\_\_\_\_\_  
**Date**

-----  
**Alvarado Police Department**  
**Teddy May, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\*\*\*\*\*

**City of Godley**  
**Angela Winkle, City Administrator**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Brittany Gross, City Secretary**

\_\_\_\_\_  
**Date**

-----  
**Godley Police Department**  
**Dusty Vinson, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\*\*\*\*\*

City of Grandview  
William Houston, Mayor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Shannon Pruitt, City Secretary

\_\_\_\_\_  
Date

Katherine Reading, City Manager

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Shannon Pruitt, City Secretary

\_\_\_\_\_  
Date

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Grandview Police Department  
Troy Arthur, Chief of Police

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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**City of Joshua**  
**Scott Kimble, Mayor**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Alice Holloway, City Secretary**  
**Print Name**

\_\_\_\_\_  
**Date**

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**Joshua Police Department**  
**Shawn Fullagar, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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**City of Keene**  
**Lisa Parrish, Mayor**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Holly Russell, City Secretary**

\_\_\_\_\_  
**Date**

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**Keene Police Department**  
**James Kidd, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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City of Rio Vista  
Jeff Faraizl, Mayor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Linda McCuistion, City Secretary

\_\_\_\_\_  
Date

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Rio Vista Police Department  
Randall Jacks, Chief of Police

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



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**City of Venus**  
**Alejandro Galaviz, Mayor**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Callie Green, City Secretary**

\_\_\_\_\_  
**Date**

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**Venus Police Department**  
**James Groom, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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**Johnson County Emergency Services District No. 1**  
**Gerald Miller, Commission President**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Phil Williams, Secretary-Treasurer**

\_\_\_\_\_  
**Date**

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**Tom Foster, Executive Director**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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**Alvarado ISD**  
**Dr. Kenneth Estes, Superintendent**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Griselda Ponce, Administrative Assistant**

\_\_\_\_\_  
**Date**

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**Alvarado ISD Police Department**  
**CaShon Clark, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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**Godley ISD**  
**Dr. Rich Dear, Superintendent**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Faith Barnes, Administrative Assistant**

\_\_\_\_\_  
**Date**

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**Godley ISD Police Department**  
**Matt Quinteros, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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**Joshua, ISD**  
**Ronnie Galbreath, School Board President**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Kevin Lee, School Board Secretary**

\_\_\_\_\_  
**Date**

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**Joshua ISD Police Department**  
**James Novian, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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**Keene ISD**  
**Ricky Stephens, Superintendent**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Emily McElroy, Administrative Assistant**

\_\_\_\_\_  
**Date**

**Donnie Beeson, School Board President**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Emily McElroy, Administrative Assistant**

\_\_\_\_\_  
**Date**

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**Keene ISD Police Department**  
**Elvis Wells, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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**Rio Vista ISD**  
**Dr. Chris Chappotin, Superintendent**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Attest:**

\_\_\_\_\_  
**Teresa Vaughn, Administrative Assistant**

\_\_\_\_\_  
**Date**

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**Rio Vista ISD Police Department**  
**Dusty Ford, Chief of Police**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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Venus ISD  
Tash Gore, School Board President

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Rosey Gonzales, Administrative

\_\_\_\_\_  
Date

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Venus ISD Police Department  
Robert Wood, Chief of Police

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date





**City Council Agenda  
February 19, 2026**

**Resolution**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action on a Resolution authorizing the filing of an application with the Office of the Governor for The Johnson County Training Equipment Grant #5781001.

**Background Information:**

The City Joshua Police Department is pursuing grant funding to enhance regional preparedness for active attack and critical incidents. The project will provide ALERRT-based training equipment and support coordinated response with neighboring Johnson County agencies, improving officer readiness, response efficiency, and public safety.

**Financial Information:**

The Joshua Police Department is requesting \$124,306.68 in grant funding for ALERRT training equipment. If approved and funded, the City's required match will be 0%, with no financial obligation to the City.

**City Contact and Recommendations:**

Shawn Fullagar, Police Chief

Vanessa Quinones, Assistant to the City Manager

**Attachments:**

**1. Resolution**

**CITY OF JOSHUA, TEXAS  
RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS, AUTHORIZING THE CITY TO MAKE APPLICATION TO THE OFFICE OF THE GOVERNOR FOR THE JOHNSON COUNTY TRAINING EQUIPMENT GRANT FOR THE USE OF THE JOSHUA POLICE DEPARTMENT PURSUANT TO GRANT #5781001; AUTHORIZING THE CITY MANAGER TO MAKE SUCH APPLICATION; COMMITTING TO THE RETURN OF FUNDS IN THE EVENT OF LOSS OR MISUSE OF FUNDS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Joshua, Texas (“City Council”), finds it in the best interest of the citizens of Joshua that the Joshua Police Department be equipped with the highest quality training equipment through Grant #5781001, The Johnson County Training Equipment for use during the 2026-27 Fiscal Year; and

**WHEREAS**, the City Council agrees to provide applicable matching funds for the said project as required by the Office of the Governor grant application; and

**WHEREAS**, Joshua City Council agrees that in the event of loss or misuse of the Office of the Governor funds, Joshua City Council assures that the funds will be returned to the Office of the Governor in full.

**WHEREAS**, Joshua City Council designates City Manager as the grantee’s authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

**WHEREAS**, Joshua City Council designates Finance Director 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 applicant agency.

**NOW THEREFORE, BE IT RESOLVED** that Joshua City Council approves submission of the grant application for the Johnson County Training Equipment Grant to the Office of the Governor.

**PASSED, APPROVED, AND ADOPTED**, by the City Council of the City of Joshua, Texas, This 19<sup>th</sup> day of February, 2026

\_\_\_\_\_  
Scott Kimble, Mayor

ATTEST:

\_\_\_\_\_  
Alice Holloway, City Secretary



**City Council Agenda  
February 19, 2026**

**Minutes**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action on accepting the FY2025 Annual Audit/Financial Report.  
(Staff Resource: M. Freelen)

**Background Information:**

Section 6.10 of the City of Joshua Charter states City Council “shall select and contract with a municipally oriented certified public accounting firm for the purpose of rendering an independent annual audit of all accounts” and “the auditor shall prepare a financial statement, and shall submit the financial statement to the City Council as a part of the agenda”. The City’s audit firm, Snow Garrett Williams, will present the results of the annual audit for Fiscal Year ended September 30, 2025 and the Statement on Auditing Standards 114 audit management letter. The City received an unmodified opinion (Independent Auditor’s Report), which is the most favorable audit opinion an entity can receive.

**Financial Information:**

N/A

**City Contact and Recommendations:**

M. Freelen

**Attachments:**

Annual Audited Financial Report

# **CITY OF JOSHUA, TEXAS**

**Annual Financial Report  
For the Fiscal Year Ended September 30, 2025**

**City of Joshua, Texas**  
**Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2025**

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## INTRODUCTORY SECTION

## **City of Joshua, Texas Principal Officials**

### **2025 City Council**

Scott Kimble, Mayor

Johnny Waldrip

Mike Kidd

Angela Nichols

Merle Breitenstein

Dakota Marshall

Shelly Anderson

### **City Manager**

Mike Peacock

### **Finance Director**

Marcie Freelen

## FINANCIAL SECTION





## SNOW GARRETT WILLIAMS

CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council  
City of Joshua, Texas

#### **Report on the Audit of the Financial Statements**

##### ***Opinions***

We have audited the accompanying financial statements of the of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Joshua, 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 of Joshua, Texas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

##### ***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.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of changes in the net pension liability/(asset) and related ratios, the schedule of employer pension contributions and related ratios, the schedule of changes in total OPEB liability and related ratios, and the schedule of OPEB contributions and related ratios on pages 7 - 14 and 47 – 53 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining nonmajor fund financial statements 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 nonmajor fund financial statements 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 section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 4, 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.



Snow Garrett Williams  
February 4, 2026

**City of Joshua, Texas**  
**Management's Discussion and Analysis**

Item 1.

As management of the City of Joshua (the City), we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with the City's financial statements which follow this section.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources for the City of Joshua exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$18,799,785. Of this amount, \$4,300,297 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City of Joshua's net position increased by \$3,002,325. This increase is due to increases in sales and property tax revenues and an overall decrease in expenses.
- As of the close of the current fiscal year, the City of Joshua's governmental funds reported combined ending fund balances of \$10,603,883, an increase of \$748,352 in comparison with the prior year. Approximately 32% of this amount, \$3,366,896, is available for spending at the City's discretion (unassigned fund balance).
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$3,366,896 or 52% of total General Fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

The statement of net position presents information on all of the City of Joshua's assets, liabilities, and deferred inflows/outflows of resources, with the difference between them 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 Joshua is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are 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 these statements 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 the statement of net position and the statement of activities are prepared utilizing the full accrual basis of accounting.

The government-wide financial statements of the City include the governmental activities. Most of the City's basic services are included here, such as administration, human resources, finance, public safety, public works, parks, municipal court, development services, fire, tourism, and economic development. Property taxes, sales taxes, charges for services, and grants finance most of these activities.

**City of Joshua, Texas**  
**Management's Discussion and Analysis**

Item 1.

**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. City of Joshua, 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 Joshua are considered governmental 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 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 Joshua maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Capital Improvement Fund, Type A Economic Development Corporation Fund, and Type B Community Development Corporation Fund, which are considered to be major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Joshua adopts an annual appropriated budget for its General Fund, Type A Economic Development Corporation Fund, and Type B Community Development Corporation Fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budget.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 21 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including budgetary comparison information and information concerning pension and OPEB benefits. The required supplementary information can be found beginning on page 47 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. This other supplementary information can be found beginning on page 55 of this report.

**City of Joshua, Texas**  
**Management's Discussion and Analysis**

Item 1.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the City of Joshua, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$18,799,785 at the close of the most recent fiscal year. The City's net investment in capital assets (\$10,472,534 or 56%) reflects its investment in capital assets (e.g., land, construction in progress, buildings, equipment, improvements, infrastructure, and right of use assets) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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.

**City of Joshua's Net Position**

	Governmental Activities	
	2025	2024
Current and other assets	\$ 12,308,098	\$ 10,944,227
Capital assets, net of depreciation/amortization	23,159,202	21,180,939
Total assets	35,467,300	32,125,166
Deferred outflows of resources	-	196,111
Long-term liabilities	15,498,875	15,754,915
Other liabilities	993,969	749,444
Total liabilities	16,492,844	16,504,359
Deferred inflows of resources	174,671	19,458
Net position:		
Net Investment in capital assets	10,472,534	8,706,116
Restricted	4,026,954	3,905,186
Unrestricted	4,300,297	3,186,158
Total net position	\$ 18,799,785	\$ 15,797,460

An additional portion of the City of Joshua's net position (\$4,026,954 or 21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$4,300,297 or 23%) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City reported a positive balance in all three categories of net position.

**City of Joshua, Texas**  
**Management's Discussion and Analysis**

Item 1.

**City of Joshua's Changes in Net Position**

	Governmental activities	
	2025	2024
Revenues:		
Program revenues:		
Charges for services	\$ 640,172	\$ 758,230
Operating grants and contributions	217,676	608,429
Capital grants and contributions	415,310	73,700
General revenues:		
Property taxes	5,153,294	4,549,830
Sales tax	3,359,010	2,724,853
Other taxes	406,630	496,543
Franchise fees	419,507	416,835
Other	581,593	301,785
Total revenues	11,193,192	9,930,205
Expenses:		
Mayor and council	182,332	248,864
Administration	544,700	906,432
General government	746,313	446,703
Human resources	143,035	129,747
Finance	360,186	338,266
Public safety	1,849,714	2,116,198
Public works	1,346,040	1,282,398
Parks	501,461	481,638
Municipal court	129,611	133,608
Development services	355,663	451,002
Animal control	260,276	286,332
Fire department	884,659	1,293,127
Fire marshal	-	61,325
Economic development	347,358	195,329
Tourism	239	239
Interest and fiscal charges	533,086	470,042
Total expenses	8,184,673	8,841,250
Special item:		
Loss on transfer of operations	(6,194)	-
Change in net position	3,002,325	1,088,955
Net position, beginning of year	15,797,460	14,708,505
Net position, end of year	\$ 18,799,785	\$ 15,797,460

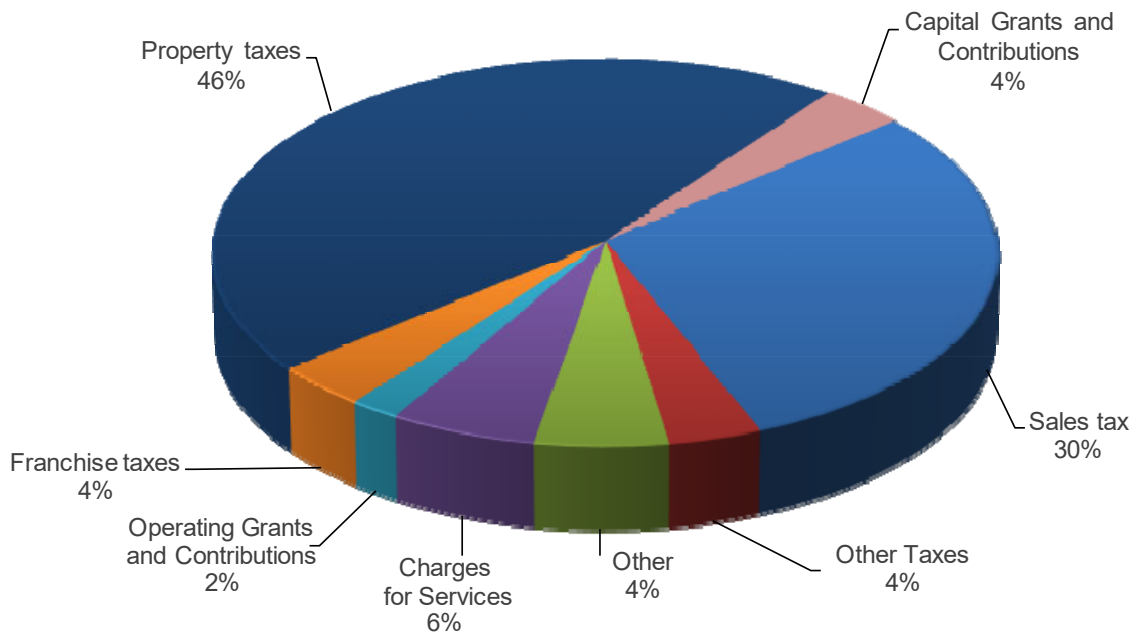
**City of Joshua, Texas**  
**Management's Discussion and Analysis**

Item 1.

During the current fiscal year, the City's net position increased by \$3,002,325. Key elements of this increase are as follows:

- An increase in property taxes due to increased valuations and new construction;
- An increase in sales tax due to development within the City;
- Decreased expenditures as a result of the fire department transfer; and
- Continued cost-containment strategies.

***Revenues by Source - Governmental Activities***



**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

**Governmental Funds** – The focus of the City'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's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10,603,883. Of this amount, \$10,179 is considered nonspendable for prepaids. \$7,226,808 is restricted to indicate constraints placed on the use of the resources either externally imposed by creditors, by laws or regulations of other governments imposed or imposed by law through constitutional provisions or enabling legislation. The remaining balance of \$3,366,896 constitutes unassigned fund balance.

Of the \$10,603,883 ending fund balance, \$134,821 is accounted for in nonmajor governmental funds. The General Fund's fund balance is \$3,377,075 at year-end, an increase of \$1,337,632 primarily due to increases in property tax collections, sales tax revenue, and investment earnings.



**City of Joshua, Texas**  
**Management's Discussion and Analysis**

The Debt Service Fund's fund balance increased \$42,592 to \$63,931 at year-end. This increase is primarily the result of increased property tax revenues as a result of higher appraised values and an 18% increase in the debt service property tax rate offset by regularly scheduled debt payments. The Capital Improvement Fund's fund balance decreased \$958,012 to a year-end total of \$3,222,151 as a result of spending previously issued debt proceeds. The Type A Economic Development Corporation Fund's fund balance increased \$264,335 to a year-end total of \$2,324,018. This increase is due to an increase in sales tax revenues. The Type B Community Development Corporation Fund's fund balance increased \$305,154 to a year-end total of \$1,481,887. This increase is due to increased sales tax revenues and an overall decrease in expenditures.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual general fund expenditures for the year were \$6,533,501, which was \$482,501 under budget. Actual general fund revenues for the year were \$7,400,059, which was \$747,504 over budget due to receiving more than budgeted for sales taxes, permits and investment earnings. During the year, budgeted expenditures decreased \$207,117 from the original budget to the final budget primarily due to decreases in fire department expenditures as a result of transferring fire service operations to the Johnson County Emergency Services District No. 1.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** The City's investment in capital assets for its governmental activities as of September 30, 2025, amounts to \$23,159,202 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings, equipment, improvements, infrastructure, and right of use assets. Major capital asset events during the current fiscal year include the following:

- Park improvements;
- Purchase of a new fire truck and brush truck;
- Ongoing street improvements on Thomas Street; and
- Pet Pines drainage improvements.

**City of Joshua's Capital Assets**  
**(net of depreciation/amortization)**

	Governmental Activities	
	2025	2024
Land	\$ 4,392,357	\$ 4,392,357
Construction in progress	1,390,630	1,248,189
Buildings	8,050,248	8,105,124
Equipment	3,007,317	1,918,275
Improvements	2,120,023	1,046,630
Infrastructure	3,623,245	3,786,065
Right of use assets - leases	411,993	456,278
Right of use assets - SBITAs	163,389	228,021
Total	<u>\$ 23,159,202</u>	<u>\$ 21,180,939</u>

Additional information on the City's capital assets can be found in Note 4 on page 29 of this report.

**City of Joshua, Texas**  
**Management's Discussion and Analysis**

Item 1.

**Long-Term Debt.** At the end of the current fiscal year, the City had total debt outstanding of:

**City of Joshua's Outstanding Debt**

	Governmental Activities
Certificates of obligation	\$ 2,450,000
Direct placement - certificates of obligation	1,035,000
General obligation bonds	4,405,000
Direct placement - general obligation bonds	990,000
Sales tax revenue bonds	1,460,000
Direct placement - tax notes	2,282,702
Direct placement - notes payable	1,711,909
Unamortized debt premium	252,754
Net pension liability (asset)	(742,055)
Total OPEB liability	71,773
Lease liability	433,575
Subscription liability	87,928
Compensated absences	318,234
	<hr/>
Total	\$ 14,756,820

The City's total long-term debt decreased by a net amount of \$671,350 during the current fiscal year primarily as a result of regularly scheduled principal payments and a decrease in net pension liability (asset).

Additional information on the City's long-term debt can be found in Note 5 on pages 30 - 35 of this report.

**ECONOMIC FACTORS AND THE NEXT YEAR'S BUDGETS AND RATES**

The annual operating budget for the City has been developed to ensure that operating expenses for the budget year are financially sustainable and reflect the priorities established by the City Council. Recurring revenue sources and expenses, as well as projected revenue sources and expenses, have been considered in order to achieve the fundamental purpose of the City, which is to provide for the safety and security of the community, maintain and improve existing infrastructure, plan for orderly and responsible growth and sustainability, and provide responsible fiscal policy. In considering the City budget for fiscal year 2026, the City Council and administration considered the following factors:

Property tax revenue in the General Fund is budgeted to increase as a result of an increased property tax base. Residential development will continue with the completion of existing subdivisions. Commercial development in Joshua Station and downtown will also continue.

Revenue generated from sales tax is based on a \$0.01 tax rate. Sales tax is the second largest source of revenue for the General Fund. Sales tax for fiscal year 2026 is projected to be \$1,400,000, an increase of \$14,000 or 1% from fiscal year 2025.

**City of Joshua, Texas**  
**Management's Discussion and Analysis**

Item 1.

Expenditures are budgeted to decrease 10% from fiscal year 2025 an effort to reduce expenditures across the City.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the funds it receives. If you have questions about this report, or need additional financial information, please contact the City Manager at City Hall, 101 S. Main Street, Joshua, Texas 76058.



## **BASIC FINANCIAL STATEMENTS**

**City of Joshua, Texas**  
**Statement of Net Position**  
**September 30, 2025**

	<b>Governmental Activities</b>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 1,898,698
Investments	5,277,411
Receivables, net	140,420
Due from other governments	660,955
Prepaid expenses	10,179
Total current assets	<u>7,987,663</u>
Noncurrent assets:	
Restricted cash and cash equivalents	3,000,826
Restricted investments	577,554
Net pension asset	742,055
Capital assets:	
Nondepreciable assets	5,782,987
Depreciable assets, net	<u>17,376,215</u>
Total noncurrent assets	<u>27,479,637</u>
Total assets	<u>35,467,300</u>
<b>Liabilities</b>	
Current liabilities	
Accounts payable	547,028
Intergovernmental payables	15,073
Accrued payroll liabilities	230,992
Accrued interest payable	119,548
Unearned grant revenues	81,328
Current portion of compensated absences	40,427
Current portion of long-term debt	<u>1,810,935</u>
Total current liabilities	<u>2,845,331</u>
Noncurrent liabilities	
Compensated absences	277,807
Long-term debt, due in more than one year	13,297,933
Total OPEB liability	<u>71,773</u>
Total noncurrent liabilities	<u>13,647,513</u>
Total liabilities	<u>16,492,844</u>
<b>Deferred inflows of resources</b>	
Deferred inflows related to pension	149,628
Deferred inflows related to OPEB	<u>25,043</u>
Total deferred inflows of resources	<u>174,671</u>
<b>Net position</b>	
Net investment in capital assets	10,472,534
Restricted for:	
Debt Service	86,228
Economic Development	3,805,905
Court Security	58,430
Court Technology	1,950
Court Security and Technology	2,647
Tourism	26,938
Animal Control	40,954
Other	3,902
Unrestricted	<u>4,300,297</u>
Total net position	<u>\$ 18,799,785</u>

The accompanying notes are an integral part of these financial statements.

**City of Joshua, Texas**  
**Statement of Activities**  
**For the Fiscal Year Ended September 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes In Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
<b>Governmental Activities</b>					
Mayor and council	\$ 182,332	\$ -	\$ -	\$ -	\$ (182,332)
Administration	544,700	-	-	-	(544,700)
General government	746,313	49,029	131,300	-	(565,984)
Human resources	143,035	-	-	-	(143,035)
Finance	360,186	-	-	-	(360,186)
Public safety	1,849,714	-	2,146	-	(1,847,568)
Public works	1,346,040	381,645	-	415,310	(549,085)
Parks	501,461	-	-	-	(501,461)
Municipal court	129,611	167,798	-	-	38,187
Development services	355,663	10,605	-	-	(345,058)
Animal control	260,276	17,955	35,480	-	(206,841)
Fire department	884,659	13,140	48,750	-	(822,769)
Economic development	347,358	-	-	-	(347,358)
Tourism	239	-	-	-	(239)
Interest and fiscal charges	533,086	-	-	-	(533,086)
Total governmental activities	<u>\$ 8,184,673</u>	<u>\$ 640,172</u>	<u>\$ 217,676</u>	<u>\$ 415,310</u>	<u>\$ (6,911,515)</u>
General revenues:					
Taxes:					
Property, levied for general purposes					3,849,546
Property, levied for debt service					1,303,748
Sales					3,359,010
Other					406,630
Franchise fees					419,507
Investment earnings					415,665
Other					165,928
Special Item:					
Loss on transfer of operations					(6,194)
Total general revenues					<u>9,913,840</u>
Change in net position					3,002,325
Net position, beginning of year					<u>15,797,460</u>
Net position, end of year					<u>\$ 18,799,785</u>

The accompanying notes are an integral part of these financial statements.

**City of Joshua, Texas**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2025**

	General Fund	Debt Service Fund	Capital Improvement Fund	Type A Economic Development Corporation	Type B Community Development Corporation	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 809,016	\$ 63,931	\$ -	\$ 174,451	\$ 745,367	\$ 105,933	\$ 1,898,698
Investments	2,641,443	-	-	2,051,305	584,663	-	5,277,411
Accounts receivable, net	81,804	22,297	-	-	690	35,629	140,420
Due from other governments	302,339	-	56,280	151,169	151,167	-	660,955
Due from other funds	6,741	-	-	-	-	-	6,741
Prepaid expenses	10,179	-	-	-	-	-	10,179
Restricted:							
Cash and cash equivalents	-	-	3,000,826	-	-	-	3,000,826
Investments	-	-	577,554	-	-	-	577,554
Total assets	<u>3,851,522</u>	<u>86,228</u>	<u>3,634,660</u>	<u>2,376,925</u>	<u>1,481,887</u>	<u>141,562</u>	<u>11,572,784</u>
<b>Liabilities</b>							
Accounts payable	81,612	-	412,509	52,907	-	-	547,028
Intergovernmental payables	15,073	-	-	-	-	-	15,073
Accrued payroll liabilities	230,992	-	-	-	-	-	230,992
Unearned grant revenue	81,328	-	-	-	-	-	81,328
Due to other funds	-	-	-	-	-	6,741	6,741
Total liabilities	<u>409,005</u>	<u>-</u>	<u>412,509</u>	<u>52,907</u>	<u>-</u>	<u>6,741</u>	<u>881,162</u>
<b>Deferred inflows of resources</b>							
Unavailable revenue - property taxes	65,442	22,297	-	-	-	-	87,739
Total deferred inflows of resources	<u>65,442</u>	<u>22,297</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,739</u>
<b>Fund balances</b>							
Nonspendable							
Prepays	10,179	-	-	-	-	-	10,179
Restricted for:							
Debt service	-	63,931	-	-	-	-	63,931
Capital improvements	-	-	3,222,151	-	-	-	3,222,151
Economic development	-	-	-	2,324,018	1,481,887	-	3,805,905
Court security	-	-	-	-	-	58,430	58,430
Court technology	-	-	-	-	-	1,950	1,950
Court security and technology	-	-	-	-	-	2,647	2,647
Tourism	-	-	-	-	-	26,938	26,938
Public safety	-	-	-	-	-	1,883	1,883
Fire	-	-	-	-	-	1,439	1,439
Animal control	-	-	-	-	-	40,954	40,954
Other	-	-	-	-	-	580	580
Unassigned	3,366,896	-	-	-	-	-	3,366,896
Total fund balances	<u>3,377,075</u>	<u>63,931</u>	<u>3,222,151</u>	<u>2,324,018</u>	<u>1,481,887</u>	<u>134,821</u>	<u>10,603,883</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,851,522</u>	<u>\$ 86,228</u>	<u>\$ 3,634,660</u>	<u>\$ 2,376,925</u>	<u>\$ 1,481,887</u>	<u>\$ 141,562</u>	
Amounts reported for governmental activities in the statement of net position are different because							
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.							23,159,202
Revenues earned but not available within 60 days of the year-end are not recognized as revenue on the fund financial statements.							87,739
Deferred inflows of resources related to pension and OPEB are not financial resources and, therefore, are not reported in the funds.							(174,671)
Some long-term liabilities, including bonds and notes payable, accrued interest payable, premiums on debt, net pension liability(asset), total OPEB liability, lease liability, subscription liability and compensated absences are not due and payable in the current period and, therefore, are not reported in the fund financial statements.							(14,876,368)
Net position of governmental activities							<u>\$ 18,799,785</u>

**City of Joshua, Texas**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended September 30, 2025**

	General Fund	Debt Service Fund	Capital Improvement Fund	Type A Economic Development Corporation	Type B Community Development Corporation	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Property taxes	\$ 3,842,511	\$ 1,301,015	\$ -	\$ -	\$ -	\$ -	\$ 5,143,526
Sales taxes	1,679,506	-	-	839,753	839,751	-	3,359,010
Hotel occupancy taxes	-	-	-	-	-	42,906	42,906
Alcoholic beverage taxes	19,112	-	-	-	-	-	19,112
Fire district fees	344,612	-	-	-	-	-	344,612
Franchise fees	419,507	-	-	-	-	-	419,507
Fines and fees	156,999	-	-	-	-	10,799	167,798
Grants and contributions	180,246	-	415,310	-	-	37,430	632,986
Charges for services	472,374	-	-	-	-	-	472,374
Investment earnings	138,447	4,121	143,083	77,285	48,053	4,676	415,665
Miscellaneous	146,745	-	-	420	18,483	-	165,648
Total revenues	7,400,059	1,305,136	558,393	917,458	906,287	95,811	11,183,144
<b>Expenditures</b>							
Mayor and council	179,374	-	-	-	-	5,027	184,401
Administration	514,286	-	-	-	-	-	514,286
General government	536,857	-	-	-	-	-	536,857
Human resources	144,503	-	-	-	-	-	144,503
Finance	275,960	-	-	-	-	-	275,960
Public safety	1,792,560	-	-	-	-	1,789	1,794,349
Public works	786,021	-	480	-	-	464	786,965
Parks	353,188	-	-	-	-	-	353,188
Municipal court	122,225	-	-	-	-	6,698	128,923
Developmental services	343,421	-	-	-	-	-	343,421
Animal control	240,998	-	-	-	-	959	241,957
Fire department	683,480	-	-	-	-	-	683,480
Economic development	-	-	-	330,096	17,262	-	347,358
Tourism	-	-	-	-	-	239	239
Debt service:							
Principal	254,232	1,262,663	-	118,491	-	9,206	1,644,592
Interest	78,895	281,245	-	131,669	-	2,644	494,453
Capital outlay	227,501	-	2,796,697	-	5,421	381,965	3,411,584
Total expenditures	6,533,501	1,543,908	2,797,177	580,256	22,683	408,991	11,886,516
Excess (deficiency) of revenues over (under) expenditures	866,558	(238,772)	(2,238,784)	337,202	883,604	(313,180)	(703,372)
Other financing sources (uses)							
Proceeds from the sale of assets	-	-	22,570	-	-	-	22,570
Transfers in	447,269	281,364	-	-	-	69,831	798,464
Transfers out	(147,147)	-	-	(72,867)	(578,450)	-	(798,464)
Proceeds from issuance of debt	-	-	1,258,202	-	-	-	1,258,202
Proceeds from the issuance of lease liabilities	170,952	-	-	-	-	-	170,952
Total other financing sources (uses)	471,074	281,364	1,280,772	(72,867)	(578,450)	69,831	1,451,724
Net change in fund balances	1,337,632	42,592	(958,012)	264,335	305,154	(243,349)	748,352
Fund balances, beginning of year	2,039,443	21,339	4,180,163	2,059,683	1,176,733	378,170	9,855,531
Fund balances, end of year	\$ 3,377,075	\$ 63,931	\$ 3,222,151	\$ 2,324,018	\$ 1,481,887	\$ 134,821	\$ 10,603,883



**City of Joshua, Texas**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances of the Governmental Funds to the Change in**  
**Net Position of Governmental Activities in the Statement of Activities**  
**For the Fiscal Year Ended September 30, 2025**

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

Net change in fund balances - total governmental funds	\$	748,352
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Capital outlay	\$ 3,411,584	
Depreciation/amortization expense	<u>(1,353,198)</u>	2,058,386

All proceeds from the sale of capital assets are reported as revenue in the funds. However, in the statement of activities, only the gain or loss on disposal is reported. This is the net of these amounts.	(28,485)
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The change in property tax receivable, net of allowance, is reported as revenue in the statement of activities; however, this change does not provide current financial resources and is, therefore, not reported as revenue in the funds.	9,768
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Pension expense in the funds is recorded as contributions when made to the TMRS plan. Pension expense in governmental activities is recorded as the TMRS plan's pension expense for the measurement period. This is the effect of the difference between the two statements.	(345,739)
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OPEB expense in the funds is recorded as contributions when made to the TMRS plan. OPEB expense in governmental activities is recorded as the TMRS plan's OPEB expense for the measurement period. This is the effect of the difference between the two statements.	(5,585)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.

Compensated absences	\$ (27,342)	
Accrued interest	(54,084)	
Net pension liability (asset)	415,310	
Total OPEB liability	<u>855</u>	334,739

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal repayments	\$ 1,375,778	
Payments on lease liability	162,237	
Payments on subscription liability	101,201	
Proceeds		
Notes payable	(1,258,202)	
Lease liability	(170,952)	
Amortization of premium on issuance of debt	<u>20,827</u>	<u>230,889</u>

Change in net position of governmental activities - statement of activities	\$	<u><u>3,002,325</u></u>
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**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 1. Summary of Significant Accounting Policies**

The City of Joshua, Texas (the City) is a Home Rule city in which citizens elect the mayor and six Council members at large. The City operates under the Council-City Manager form of government and provides such services as are authorized by its charter to advance the welfare, health, comfort, safety, and convenience of the City and its inhabitants.

**Financial Reporting Entity**

The financial statements of the City are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant accounting and reporting policies and practices used by the City are described below. As required by GAAP, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with the data of the primary government.

**Blended Component Units**

Joshua Economic Development Corporation Type A (JEDC) is a blended component unit and is included in the City's primary government financial statements. The JEDC was created to promote economic development within the City and the State of Texas by reducing unemployment and underemployment and encouraging job creation and public welfare, as authorized under Section 4A of the Development Corporation Act of 1979. The JEDC is governed by a Board of Directors appointed by the City's governing body; the Board directs the use of local revenues, subject to the City's oversight and approval of the JEDC's programs and expenditures.

Joshua Community Development Corporation Type B (JCDC) is a blended component unit and is included in the City's primary government financial statements. The JCDC was created to promote and develop voter-approved public projects on behalf of the City, as authorized under Section 4B of the Development Corporation Act of 1979, including tourism and civic facilities, downtown improvements, drainage, parks and recreation, public safety and municipal facilities, library facilities, and water, sewer, and street extensions. The JCDC is governed by a Board of Directors appointed by the City's governing body; the Board directs the use of local revenues, subject to the City's oversight and approval of the JCDC's programs and expenditures.

**Government-wide Statements**

The two government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information on all of the non-fiduciary activities of the City.

Governmental activities, which include those activities primarily supported by taxes or intergovernmental revenue, are reported separately from business-type activities, which generally rely on fees and charges for support. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 1. Summary of Significant Accounting Policies (Continued)**

The Statement of Activities reflects 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. 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, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and revenues not categorized as program revenues are reported as general revenues.

**Fund Financial Statements**

The City segregates transactions related to certain functions or activities in separate funds to aid financial management activities and to demonstrate legal compliance. Separate financial statements are provided for governmental activities. These statements present each major fund as a separate column on the fund financial statements, while all nonmajor funds are aggregated and presented in a single column. Detailed statements for nonmajor funds are presented within the Supplementary Information section.

**Governmental Funds**

Governmental funds are those through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources while modified accrual is used for the basis of accounting. The City reports the following major governmental funds:

*General Fund* is the main operating fund of the City. The fund is used to account for all the financial resources that are not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

*Debt Service Fund* accounts for the accumulation of financial resources for the payment of principal, interest, and related costs on long-term obligations paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is reserved to signify the amounts are restricted exclusively for debt service expenditures.

*Capital Improvement Fund* accounts for the proceeds of certificates of obligation, general obligation bonds, and notes payable used for the acquisition or construction of major capital improvements as established in bond documents.

*Joshua Economic Development Corporation Type A (JEDC)* was established to account for sales tax revenues collected for the purposes set forth by the Joshua Economic Development Corporation.

*Joshua Community Development Corporation Type B (JCDC)* was established to account for sales tax revenues collected for the purposes set forth by the Joshua Community Development Corporation.

In addition to the major funds listed above, the City reports the following nonmajor governmental funds: Court Security, Court Technology, Court Security and Technology, Hotel Occupancy, and Donations.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is 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 revenue 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 fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as required under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

**Budgets and Budgetary Accounting**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before the first day of September of each year and at least thirty days prior to adoption of a tax rate for the current fiscal year, the City Manager submits to the City Council a balanced budget for the ensuing fiscal year.
2. The City Council holds one or more public hearings on the proposed budget prior to the final adoption.
3. The City Council adopts the proposed budget, with or without amendment, after public hearings and before the first day of the ensuing fiscal year.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Fund, and Debt Service Fund.
5. Annual budgets for the General Fund, Special Revenue Funds, and Debt Service Fund, are adopted on a basis consistent with GAAP.
6. Unused appropriations of the above annually budgeted funds lapse at the end of each fiscal year.
7. The City Council may authorize additional appropriations during the year.
8. During the fiscal year, the Council authorizes and approves amendments to the budget which provides for and approves all expenditures and transfers.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., streets, bridges, sidewalks, curbs, and drainage systems), and right of use assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life of at least two years following the acquisition date. Donated capital assets, donated works of art and similar items are recorded at their acquisition value at the date of donation. Right of use assets are reported at present value of the future payments (lease/subscription liability), plus any ancillary cost to place the asset in service, plus any additional payments made at the beginning of the lease/contract term, less any incentives received prior to the commencement of the lease/contract term.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20-50 years
Equipment	2-20 years
Improvements	10-50 years
Infrastructure	15-50 years
Right of use assets	2-20 years
Subscription assets	3 years

Right of use assets from arrangements that qualify as leases are amortized over the shorter of the lease term or the useful life of the underlying asset. Right of use subscription assets resulting from qualifying subscription-based information technology arrangements (SBITAs) are amortized over the subscription term.

**Cash and Cash Equivalents**

For purposes of the Statement of Net Position, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

**Compensated Absences**

Compensated absences are accrued and reported as liabilities in the government-wide financial statements in accordance with GASB Statement No. 101, *Compensated Absences*. In the governmental fund financial statements, compensated absences are reported only to the extent that they have matured and are payable to employees who have terminated employment and are expected to be paid with available, spendable resources.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed during the period of issuance.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 1. Summary of Significant Accounting Policies (Continued)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Debt issuance premiums are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position and 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 and/or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently does not report any deferred outflows of resources in the Statement of Net Position.

In addition to liabilities, the Statement of Net Position and Balance Sheet include 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 currently has deferred inflows of resources related to unavailable revenue from property taxes reported in the Governmental Funds Balance Sheet and deferred inflows of resources related to the pension and other post-employment benefits (OPEB) plans reported in the Statement of Net Position. See additional information in Note 8 related to the pension plan and Note 9 related to the OPEB plan.

**Pension**

For purposes of measuring the Net Pension Liability (Asset), 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.

**Other Post-Employment Benefits (OPEB)**

The total OPEB liability has been determined using the economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits; OPEB expense; and information about assets, liabilities, and additions to/deductions from these amounts.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Net Position**

In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets – This category consists of all capital assets net of accumulated depreciation/amortization and reduced by outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets.

Restricted net position – This category consists of external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, enabling legislation, and constitutional provisions. The City reported restricted net position of \$4,026,954 of which, \$3,895,870 is restricted by enabling legislation.

Unrestricted net position – This category represents net position not restricted for any project or other purpose.

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

**Fund Balance**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

Governmental fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws and regulations of other governments. Non-spendable fund balance includes amounts that are not in spendable form, or legally or contractually required to be maintained intact. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through a resolution. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the City Council or City Manager. Unassigned fund balance is the amount in excess of what can be classified in one of the other four categories of fund balance. Unassigned amounts are technically available for any purpose.

Except when expenditures are specifically budgeted and when multiple categories of fund balance are available for expenditure, the City will first spend the most restricted funds before moving down to the next most restrictive category with available funds but will have the option to spend budgeted funds first.

**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 the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Implementation of New Standards**

In the current fiscal year, the City implemented the following new accounting standards:

Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. There was no effect on beginning net position or fund balances due to the implementation of this standard.

Governmental Accounting Standards Board Statement No. 102, *Certain Risk Disclosures*. This statement requires governments to disclose information about certain risks that could significantly affect their ability to continue to provide services or meet obligations as they come due. The City evaluated its potential exposures in accordance with the requirements of this statement and determined that no additional disclosures were necessary.

**Note 2. Deposits and Investments**

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the City to invest its funds under a written investment policy (the Investment Policy) that primarily emphasizes safety of principal, availability of liquidity to meet the City's obligations, and market rate of return. The Investment Policy defines what constitutes the legal list of investments allowed under the policy. The City's deposits and investments are invested pursuant to the Investment Policy.

The Act determines the types of investments which are allowable for the City. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. Agencies, and the state of Texas, (2) certain municipal securities, (3) certificates of deposit, (4) repurchase agreements, (5) certain commercial paper, (6) money market mutual funds, (7) local government investment pools, and (8) fully insured or collateralized interest-bearing accounts.

**External Investment Pool**

As of September 30, 2025, the City's only investments were in an external investment pool in compliance with the City's Investment Policy. The following investment is organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code:

Texas Short Term Asset Reserve Program (TexSTAR) is a public funds investment pool governed by a board of directors. The pool maintains an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool.

TexSTAR uses amortized cost to value portfolio assets and follows the criteria established by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The stated objective of the pool is to maintain a stable average of \$1.00 per unit net asset value. There are no limitations or restrictions on withdrawals. At September 30, 2025, the weighted average maturity of TexSTAR was 50 days.



**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 2. Deposits and Investments (Continued)**

Credit Risk: State statute requires that investments in Local Government Investment Pools be rated AAA or the equivalent by a nationally recognized credit rating agency. As of September 30, 2025, the TexSTAR investment pool was rated AAAM by Standard and Poor's.

Custodial Credit Risk: Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name. At year-end, the City was not exposed to custodial credit risk.

Concentration of Credit Risk: In accordance with the City's Investment Policy, the City limits their exposure of concentration of credit risk by requiring that no single investment transaction be more than 25% of the entire portfolio at the time of purchase of the security, with the exception of U.S. Treasury securities, government-sponsored enterprises, interest-bearing checking accounts that are fully collateralized, and authorized local government investment pools. As of September 30, 2025, 100% of the City's portfolio was invested in a local government investment pool.

Interest Rate Risk: Investments are exposed to interest rate risk if there are changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. One of the ways the City manages its exposure to interest rate risk is by investing in investment pools which purchase a combination of shorter-term investments with an average maturity of less than 60 days, thus reducing interest rate risk. The City monitors interest rate risk inherent in its portfolio by measuring the weighted average maturity (WAM) of its portfolio. The City's policy is that the City's entire portfolio shall have a maximum WAM of 540 days.

**Note 3. Property Taxes Receivable and Unavailable Revenue**

Property taxes are assessed and remitted to the City by the Johnson County Tax Office. Taxes, levied annually on October 1, are due by January 31. Major tax payments are received December through March. Lien dates for real property are in July.

Allowances for uncollectible tax receivables reported in the General Fund and Debt Service Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off when deemed uncollectible; however, state statutes prohibit writing off real property taxes without specific authority from the Texas Legislature. At September 30, 2025, the allowance for uncollectible tax receivables was \$64,278.

In the governmental fund level financial statements, property taxes receivable is recorded in the General Fund and Debt Service Fund when assessed (October 1). At fiscal year-end, property tax receivables represent delinquent taxes. If delinquent taxes are not paid within 60 days of fiscal year-end, they are recorded as unavailable revenue.

In the government-wide financial statements, property tax receivables and related revenues include all amounts due to the City regardless of when cash is received.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 4. Capital Assets**

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

	Balance 10/1/2024	Additions	Deletions	Balance 9/30/2025
Capital assets not being depreciated/amortized				
Construction in progress	\$ 1,248,189	\$ 1,460,911	\$ 1,318,470	\$ 1,390,630
Land	4,392,357	-	-	4,392,357
Total capital assets not being depreciated/amortized	5,640,546	1,460,911	1,318,470	5,782,987
Capital assets being depreciated/amortized				
Buildings	12,497,848	161,053	-	12,658,901
Equipment	4,565,773	1,520,298	286,602	5,799,469
Improvements	1,540,250	1,169,517	-	2,709,767
Infrastructure	8,609,884	224,573	-	8,834,457
Right of use assets - leases	750,807	170,952	165,668	756,091
Right of use assets - SIBTAs	228,021	22,750	-	250,771
Total capital assets being depreciated/amortized	28,192,583	3,269,143	452,270	31,009,456
Less accumulated depreciation/amortization for:				
Buildings	4,392,724	215,929	-	4,608,653
Equipment	2,647,498	412,626	267,972	2,792,152
Improvements	493,620	96,124	-	589,744
Infrastructure	4,823,819	387,393	-	5,211,212
Right of use assets - leases	294,529	153,744	104,175	344,098
Right of use assets - SBITAs	-	87,382	-	87,382
Total accumulated depreciation/amortization	12,652,190	1,353,198	372,147	13,633,241
Total capital assets being depreciated/amortized, net	15,540,393	1,915,945	80,123	17,376,215
Capital assets, net	<u>\$ 21,180,939</u>	<u>\$ 3,376,856</u>	<u>\$ 1,398,593</u>	<u>\$ 23,159,202</u>

At September 30, 2025, depreciation/amortization was charged to functions as follows:

**Governmental activities:**

Administration	\$ 317,982
Public safety	75,652
Public works	564,041
Animal control	20,707
Fire department	207,663
Parks and recreation	150,643
Municipal court	1,401
Development services	15,109
Total governmental activities	<u>\$ 1,353,198</u>

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 5. Long-Term Obligations**

Long-term debt of the City consists of general obligation bonds, certificates of obligation, and sales tax revenue bonds. At September 30, 2025, the City's long-term debt consisted of the following:

General Obligation Bonds

*General Obligation Refunding Bonds, Series 2019*

- Original balance of \$2,500,000
- Payable in annual installments through 2030
- Bearing interest at a rate of 1.84%
- Outstanding balance of \$1,285,000 at September 30, 2025

*General Obligation Bonds, Series 2020*

- Original balance of \$3,755,000
- Payable in annual installments through 2040
- Bearing interest at a rate of 1.50 – 4.00%
- Outstanding balance of \$3,120,000 at September 30, 2025

*General Obligation Refunding Bonds, Series 2021 – Direct Placement*

- Original balance of \$1,385,000
- Payable in annual installments through 2032
- Bearing interest at a rate of 1.58%
- Outstanding balance of \$990,000 at September 30, 2025

Certificates of Obligation

*Combination Tax and Revenue Certificates of Obligation, Series 2012*

- Original balance of \$5,000,000
- Payable in annual installments through 2033
- Bearing interest at a rate of 2.00 – 2.75%
- Outstanding balance of \$2,450,000 at September 30, 2025

*Combination Tax and Revenue Certificates of Obligation, Series 2023 – Direct Placement*

- Original balance of \$1,250,000
- Payable in annual installments through 2033
- Bearing interest at a rate of 4.00%
- Outstanding balance of \$1,035,000 at September 30, 2025

Sales Tax Revenue Bonds

*Sales Tax Revenue Bonds, Series 2018*

- Original balance of \$1,945,000
- Payable in annual installments through 2039
- Bearing interest at a rate of 3.22 – 4.33%
- Outstanding balance of \$1,460,000 at September 30, 2025

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 5. Long-Term Obligations (Continued)**

Tax Notes

*Tax Notes, Series 2021 – Direct Placement*

- Original balance of \$860,000
- Payable in annual installments through 2029
- Bearing interest at a rate of 0.65 – 1.95%
- Outstanding balance of \$465,000 at September 30, 2025

*Tax Notes, Series 2022 – Direct Placement*

- Original balance of \$1,393,461
- Payable in annual installments through 2027
- Bearing interest at a rate of 4.99%
- Outstanding balance of \$1,307,702 at September 30, 2025

*Tax Notes, Series 2022A – Direct Placement*

- Original balance of \$1,045,000
- Payable in annual installments through 2029
- Bearing interest at a rate of 3.31%
- Outstanding balance of \$510,000 at September 30, 2025

Notes Payable

*Fire Rescue Vehicle – Direct Placement*

- Original balance of \$298,652
- Payable in annual installments through 2030
- Bearing interest at a rate of 5.42%
- Outstanding balance of \$218,657 at September 30, 2025

*Public Works Equipment – Direct Placement*

- Original balance of \$284,808
- Payable in annual installments through 2027
- Bearing interest at a rate of 5.45%
- Outstanding balance of \$179,863 at September 30, 2025

*Dump Truck – Direct Placement*

- Original balance of \$105,777
- Payable in annual installments through 2027
- Bearing interest at a rate of 4.24%
- Outstanding balance of \$55,187 at September 30, 2025

*Pumper Truck – Direct Placement*

- Original balance of \$1,047,727
- Payable in annual installments through 2032
- Bearing interest at a rate of 5.00%
- Outstanding balance of \$1,047,727 at September 30, 2025

*Brush Truck – Direct Placement*

- Original balance of \$210,475
- Payable in annual installments through 2032
- Bearing interest at a rate of 5.07%
- Outstanding balance of \$210,475 at September 30, 2025

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 5. Long-Term Obligations (Continued)**

Changes in long-term obligations for the year ended September 30, 2025 are as follows:

	Balance 10/1/2024	Additions	Retirements	Balance 9/30/2025	Due Within One Year
<u>Governmental activities</u>					
Certificates of Obligation	\$ 2,710,000	\$ -	\$ 260,000	\$ 2,450,000	\$ 270,000
Direct placement - Certificates of Obligation	1,145,000	-	110,000	1,035,000	110,000
General Obligation Bonds	4,810,000	-	405,000	4,405,000	415,000
Direct placement - General Obligation Bonds	1,125,000	-	135,000	990,000	135,000
Sales Tax Revenue Bonds	1,535,000	-	75,000	1,460,000	80,000
Direct placement - Tax Notes	2,556,548	-	273,846	2,282,702	281,252
Direct placement - Notes Payable	570,639	1,258,202	116,932	1,711,909	276,683
Unamortized debt premium	273,581	-	20,827	252,754	20,827
Net pension liability (asset)	(326,745)	136,508	551,818	(742,055)	-
Total OPEB liability	72,628	11,069	11,924	71,773	-
Lease liability	476,498	170,952	213,875	433,575	179,071
Subscription liability	189,129	-	101,201	87,928	43,102
Compensated absences*	290,892	27,342	-	318,234	40,427
Total governmental activities	<u>\$ 15,428,170</u>	<u>\$ 1,604,073</u>	<u>\$ 2,275,423</u>	<u>\$ 14,756,820</u>	<u>\$ 1,851,362</u>

\*The change in compensated absences liability is presented as a net change.

The City does not have any unused lines of credit, assets pledged as collateral for debt, or terms specified in debt agreements related to significant events of default with finance-related consequences, termination events with finance-related consequences, or subjective acceleration clauses as of September 30, 2025.

Debt service requirements on long-term debt at September 30, 2025, are as follows:

Year Ending	General Obligation Bonds		Direct Placement General Obligation Bonds	
	Principal	Interest	Principal	Interest
2026	\$ 415,000	\$ 90,344	\$ 135,000	\$ 14,576
2027	425,000	78,944	135,000	12,443
2028	435,000	67,198	140,000	10,270
2029	445,000	55,160	140,000	8,058
2030	450,000	44,784	140,000	5,846
2031-2035	1,060,000	162,728	300,000	4,740
2036-2040	1,175,000	59,750	-	-
Total	<u>\$ 4,405,000</u>	<u>\$ 558,908</u>	<u>\$ 990,000</u>	<u>\$ 55,933</u>

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 5. Long-Term Obligations (Continued)**

Year Ending	Certificates of Obligation		Direct Placement Certificates of Obligation	
	Principal	Interest	Principal	Interest
2026	\$ 270,000	\$ 60,476	\$ 110,000	\$ 41,454
2027	280,000	54,400	115,000	36,696
2028	290,000	48,100	120,000	31,726
2029	300,000	41,576	125,000	26,544
2030	310,000	34,452	130,000	21,150
2031-2035	1,000,000	54,888	435,000	28,024
Total	<u>\$ 2,450,000</u>	<u>\$ 293,892</u>	<u>\$ 1,035,000</u>	<u>\$ 185,594</u>

Year Ending	Sales Tax Revenue Bonds		Direct Placement - Tax Notes	
	Principal	Interest	Principal	Interest
2026	\$ 80,000	\$ 59,894	\$ 281,252	\$ 87,796
2027	80,000	56,866	288,592	79,848
2028	85,000	53,660	1,457,858	71,328
2029	90,000	50,096	255,000	3,404
2030	90,000	46,316	-	-
2031-2035	525,000	168,815	-	-
2036-2040	510,000	45,250	-	-
Total	<u>\$ 1,460,000</u>	<u>\$ 480,897</u>	<u>\$ 2,282,702</u>	<u>\$ 242,376</u>

Year Ending	Direct Placement - Notes Payable	
	Principal	Interest
2026	\$ 276,683	\$ 89,405
2027	291,077	75,012
2028	276,777	59,866
2029	224,799	45,237
2030	236,570	33,465
2031-2035	406,003	31,880
Total	<u>\$ 1,711,909</u>	<u>\$ 334,865</u>

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 5. Long-Term Obligations (Continued)**

**Lease Liability**

General information related to leases payable is summarized below:

Asset	Term, Including Renewals	Interest Rate	Payment Amount	Lease Liability 9/30/2025
Copiers/Printers	60 months	5.59%	\$ 1,569	\$ 29,890
Postage meters	60 months	5.59%	199	3,792
Vehicles	24-60 months	4.81%-8.37%	20,303	399,893

There were no variable payments, residual value guarantees, or penalties not included in the measurement of the leases. The City did not have any commitments under leases not yet commenced at year-end, components of losses associated with asset impairments, or sublease transactions for fiscal year 2025.

Annual requirements to amortize the lease liability and related interest as of September 30, 2025 are as follows:

Year Ending	Lease Liability	
	Principal	Interest
2026	\$ 179,071	\$ 26,541
2027	135,189	14,380
2028	88,098	5,679
2029	31,217	1,019
Total	<u>\$ 433,575</u>	<u>\$ 47,619</u>

**Subscription Liability**

General information related to subscription liabilities is summarized below:

Software	Term, Including Renewals	Interest Rate	Payment Amount	Subscription 9/30/2025
Enterprise Resource Planning	3 years	4.00%	\$ 46,619	\$ 87,928

There were no variable payments, residual value guarantees, or penalties not included in the measurement of the contracts. The City did not have any commitments under subscription contracts not yet commenced at year-end or components of losses associated with asset impairments for fiscal year 2025.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 5. Long-Term Obligations (Continued)**

Annual requirements to amortize the subscription liability and related interest are as follows:

Year Ending	Subscription Liability	
	Principal	Interest
2026	\$ 43,102	\$ 3,517
2027	44,826	1,793
Total	<u>\$ 87,928</u>	<u>\$ 5,310</u>

**Note 6. Interfund Balances and Activity**

Balances due to and due from other funds at September 30, 2025 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Funds	\$ 6,741
Total		<u>\$ 6,741</u>

These balances represent timing differences in the receipt and reimbursement of expenditures. Balances are expected to be repaid within one year and do not represent long-term obligations.

Transfers to and from other funds at September 30, 2025 consisted of the following:

<u>Transfers Out</u>	
General Fund	\$ 147,147
JEDC	72,867
JCDC	<u>578,450</u>
	<u>\$ 798,464</u>
<u>Transfers In</u>	
General Fund	\$ 447,269
Debt Service Fund	281,364
Hotel Occupancy Fund	67,204
Donation Fund	<u>2,627</u>
	<u>\$ 798,464</u>

Transfers were to pay for the Economic Development Director position, to pay for the Parks and Recreation Department, to pay for debt related to park improvements, and to pay note payments for a fire rescue vehicle, public works equipment and a dump truck.



**City of Joshua, Texas**  
**Notes to Financial Statements**  
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Item 1.

**Note 7. Risk Management**

The City is exposed to various risks of loss related to torts, theft, damage, or destruction of assets, error and omissions, injuries to employees, and natural disasters. The City obtains general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the state as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

**Note 8. Defined Benefit Pension Plan**

**Plan Description**

The City participates as one of 942 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at *tmrs.com*.

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

**Benefits Provided**

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

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

Employee deposit rate	7%
Matching rate (city to employee)	2 to 1
Years required for vesting	5
Retirement eligibility (expressed age/years of service)	60/5, 0/20
Updated service credit	0%
Retiree cost of living adjustment	0% of CPI

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 8. Defined Benefit Pension Plan (Continued)**

*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	18
Inactive employees entitled to but not yet receiving benefits	62
Active employees	<u>48</u>
Total	<u><u>128</u></u>

**Contributions**

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

Employees for the City were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 6.21% and 5.81% in calendar years 2025 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2025 were \$206,079 and were equal to the required contributions.

**Net Pension Liability (Asset)**

The City's Net Pension Liability (Asset) (NPL/NPA) was measured as of December 31, 2024 and the Total Pension Liability (TPL) used to calculate the Net Pension Liability (Asset) 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	2.5% 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

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 8. Defined Benefit Pension Plan (Continued)**

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 MP-2021 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 in order to satisfy the short-term and long-term funding needs of TMRS.

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	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00%	7.10%
Core Fixed Income	6.00%	5.00%
Non-Core Fixed Income	6.00%	6.80%
Hedge Funds	5.00%	6.40%
Private Equity	13.00%	8.50%
Private Debt	13.00%	8.20%
Real Estate	12.00%	6.70%
Infrastructure	6.00%	6.00%
Other Private Markets	4.00%	7.30%
Total	<u>100.00%</u>	

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 8. Defined Benefit Pension Plan (Continued)**

*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.

*Changes in the Net Pension Liability (Asset)*

Changes in the NPL/NPA	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balance at 12/31/2023	\$ 5,323,264	\$ 5,650,009	\$ (326,745)
Changes for the year:			
Service cost	507,107	-	507,107
Interest	369,599	-	369,599
Difference between expected and actual experience	(231,155)	-	(231,155)
Changes of assumptions	-	-	-
Contributions - employer	-	216,480	(216,480)
Contributions - employee	-	260,819	(260,819)
Net investment income	-	587,414	(587,414)
Benefit payments, including refunds of employee contributions	(202,566)	(202,566)	-
Administrative expense	-	(3,765)	3,765
Other changes	-	(87)	87
Net changes	442,985	858,295	(415,310)
Balance at 12/31/2024	\$ 5,766,249	\$ 6,508,304	\$ (742,055)

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 8. Defined Benefit Pension Plan (Continued)**

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate*

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability (asset) 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 in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's NPL/NPA	\$ 82,934	\$ (742,055)	\$ (1,418,390)

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at [www.tmr.com](http://www.tmr.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 \$136,508. 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
Differences between expected and actual economic experience	\$ -	\$ 208,444
Changes in actuarial assumptions	-	15,092
Difference between projected and actual investment earnings	-	76,319
Contributions subsequent to the measurement date	150,227	-
Total	<u>\$ 150,227</u>	<u>\$ 299,855</u>

\$150,227 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 (Asset) for the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement year ending December 31	
2025	\$ (100,786)
2026	(29,962)
2027	(127,900)
2028	<u>(41,207)</u>
Total	<u>\$ (299,855)</u>

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 9. Other Postemployment Benefits**

**Plan Description**

The City participates in a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The City has elected, by ordinance, to participate in this program and provide group-term life insurance coverage for both active and retired employees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be a single-employer unfunded other postemployment benefit (OPEB) plan. Since only the retiree participants qualifies as an OPEB, the SDBF is administered through a non-qualifying trust per paragraph 4, item (b), of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Benefits Provided**

The death benefit for active members 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 OPEB and is a fixed amount of \$7,500.

***Employees Covered by Benefit Terms***

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

Inactive employees currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	5
Active employees	<u>48</u>
Total	<u><u>65</u></u>

**Contributions**

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the City. 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. As such, contributions fund the covered active member and retiree deaths on a pay-as-you-go basis.

The City's contributions to the TMRS SDBF for the year ended September 30, 2025 were \$1,014, which equaled the required contributions.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 9. Other Postemployment Benefits (Continued)**

**Total OPEB Liability**

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

*Actuarial assumptions*

The TOL 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 of 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 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.

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.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 9. Other Postemployment Benefits (Continued)**

*Changes in the Total OPEB Liability*

	Total OPEB Liability
Balance at 12/31/2023	\$ 72,628
Changes for the year:	
Service cost	8,197
Interest on Total OPEB Liability	2,872
Changes of benefit terms including TMRS plan participation	-
Differences between expected and actual experience	(6,511)
Changes in assumptions or other inputs	(4,295)
Benefit payments	(1,118)
Net changes	(855)
Balance at 12/31/2024	\$ 71,773

*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 4.08%, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the current rate:

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
City's Total OPEB Liability	\$ 86,748	\$ 71,773	\$ 59,995

**OPEB Expense and Deferred Outflows or Resources and Deferred Inflows of Resources Related to TMRS OPEB**

For the year ended September 30, 2025, the City recognized OPEB expense of \$5,745.



**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 9. Other Postemployment Benefits (Continued)**

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
Differences between expected and actual experience	\$ -	\$ 10,102
Changes in actuarial assumptions or other inputs	-	15,667
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	726	-
Total	<u>\$ 726</u>	<u>\$ 25,769</u>

The City reported \$726 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the total 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:

2025	\$ (5,443)
2026	(6,070)
2027	(7,205)
2028	(3,867)
2029	(1,768)
Thereafter	<u>(1,416)</u>
Total	<u>\$ (25,769)</u>

**Note 10. Commitments and Contingencies**

**Contingencies**

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for contingencies.

**Litigation**

The City is subject to certain legal proceedings in the normal course of operations. In the opinion of management, the aggregate liability, if any, with respect to potential legal actions will not materially adversely affect the City's financial position or results of operations.

**City of Joshua, Texas**  
**Notes to Financial Statements**  
**September 30, 2025**

Item 1.

**Note 11. Transfer of Fire Department Services**

Effective April 1, 2025, the City entered into an intergovernmental agreement with Johnson County Emergency Services District No. 1 (the ESD) to transfer its fire protection and emergency medical first responder services to the ESD for the purpose of enhancing the provision of those services to the City's citizens. In connection with the agreement, the ESD agreed to make a reasonable effort to evaluate and retain City fire personnel who became employees of the ESD. Additionally, the agreement provided for the City to retain ownership of the fire station and current fire apparatus and vehicles which will be used by the ESD. Firefighter gear, air packs, uniforms and medical supplies were transferred to the ESD. As a result of the transfer, the City recognized a loss on the transfer of operations of \$6,194 on its governmental activities statement of activities as a special item.

**Note 12. Economic Development Program Agreements**

The City is party to Economic Development Program Agreements structured in accordance with Chapter 380 of the Texas Local Government Code.

The City entered into such an agreements with Rumfield Properties during fiscal year 2025. Under the terms of the agreements, Rumfield agreed to construct parking lots on property owned by the City's Type A EDC. Upon acceptance of the parking lots, the City agreed to reimburse Rumfield for the costs of constructing the parking lot from the portion of the City's sales tax revenues attributable to businesses located in the City's downtown. The parking lots were completed and accepted by the City in fiscal year 2025. The City paid \$206,044 to fully satisfy their obligations under these agreements.

The City entered into an agreement with The Retail Connection (TRC) in fiscal year 2019 to construct a local shopping center including a Starbucks. The terms of the agreement specify that the City will reimburse TRC for any costs and expenses billed to or otherwise incurred by TRC with respect to the construction of the improvements based on a budget approved by the City. Additionally, for a period of 10 years once the first occupant opens for business in the development, the City will pay TRC 100% of any sales tax revenue generated from the development property allocable to the City and 100% of the incremental increase in ad valorem tax revenue generated from the development property allocable to the City above the base year of 2019. The aggregate maximum amount of these payments is \$400,000. The City completed paying the reimbursement portion of this program during fiscal year 2022. The City paid \$47,269 of the property and sales tax refunds due under this program during fiscal year 2025. The remaining obligation under this program is \$232,121 at September 30, 2025.

The City entered into an agreement in fiscal year 2012 with Orrco International Incorporated. Under the terms of this agreement, the City will make an annual payment to Orrco in an amount equal to the ad valorem tax payment made by Orrco for taxes paid to the City for freeport goods. The contract is in effect until the first year Orrco does not have any freeport goods shipping from its Joshua facility. The City paid \$17,724 under this agreement in fiscal year 2025.

**Note 13. Subsequent Events**

The City evaluated subsequent events through February 4, 2026, the date the financial statements were available to be issued, noting nothing requiring disclosure.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**City of Joshua, Texas**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**- Budget and Actual -**  
**General Fund**  
**For the Fiscal Year Ended September 30, 2025**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Favorable
				(Unfavorable)
<b>Revenues</b>				
Property taxes	\$ 3,823,462	\$ 3,823,462	\$ 3,842,511	\$ 19,049
Sales taxes	1,386,000	1,386,000	1,679,506	293,506
Alcoholic beverage taxes	20,000	20,000	19,112	(888)
Fire district fees	689,224	344,612	344,612	-
Franchise fees	395,000	395,000	419,507	24,507
Fines and fees	212,800	212,800	156,999	(55,801)
Grants and contributions	123,051	123,051	180,246	57,195
Charges for services	394,225	181,085	472,374	291,289
Investment earnings	60,000	60,000	138,447	78,447
Miscellaneous	39,020	106,545	146,745	40,200
Total revenues	7,142,782	6,652,555	7,400,059	747,504
<b>Expenditures</b>				
Mayor and council	216,603	220,695	179,374	41,321
Administration	577,733	618,356	514,286	104,070
General government	481,479	481,479	536,857	(55,378)
Human Resources	175,826	179,104	144,503	34,601
Finance	307,781	313,433	275,960	37,473
Public safety	2,146,267	2,210,612	1,792,560	418,052
Public works	826,298	844,888	786,021	58,867
Parks	375,496	381,426	353,188	28,238
Municipal court	118,314	132,254	122,225	10,029
Development services	446,748	424,155	343,421	80,734
Animal control	298,901	308,396	240,998	67,398
Fire department	1,131,513	768,608	683,480	85,128
Debt service:				
Principal	-	-	254,232	(254,232)
Interest	-	-	78,895	(78,895)
Capital outlay	120,160	132,596	227,501	(94,905)
Total expenditures	7,223,119	7,016,002	6,533,501	482,501
Excess (deficiency) of revenues over (under) expenditures	(80,337)	(363,447)	866,558	1,230,005
Other financing sources (uses)				
Transfers in	505,323	505,323	447,269	(58,054)
Transfers out	(50,000)	(50,000)	(147,147)	(97,147)
Proceeds from the issuance of lease liabilities	-	-	170,952	170,952
Total other financing sources (uses)	455,323	455,323	471,074	15,751
Change in fund balance	\$ 374,986	\$ 91,876	1,337,632	\$ 1,245,756
Fund balance - beginning of year			2,039,443	
Fund balance - end of year			\$ 3,377,075	

**City of Joshua, Texas**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**- Budget and Actual -**  
**Type A Economic Development Corporation Fund**  
**For the Fiscal Year Ended September 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Favorable</b>
				<b>(Unfavorable)</b>
<b>Revenues</b>				
Sales taxes	\$ 693,000	\$ 693,000	\$ 839,753	\$ 146,753
Investment earnings	50,000	50,000	77,285	27,285
Miscellaneous	-	-	420	420
Total revenues	743,000	743,000	917,458	174,458
<b>Expenditures</b>				
Economic Development	235,573	441,617	330,096	111,521
Debt service:				
Principal	143,566	143,566	118,491	25,075
Interest	106,594	106,594	131,669	(25,075)
Capital outlay	350,000	350,000	-	350,000
Total expenditures	835,733	1,041,777	580,256	461,521
Excess (deficiency) of revenues over (under) expenditures	(92,733)	(298,777)	337,202	635,979
Other financing sources (uses)				
Transfers out	(129,827)	(129,827)	(72,867)	56,960
Total other financing sources (uses)	(129,827)	(129,827)	(72,867)	56,960
Change in fund balance	<u>\$ (222,560)</u>	<u>\$ (428,604)</u>	264,335	<u>\$ 692,939</u>
Fund balance - beginning of year			2,059,683	
Fund balance - end of year			<u>\$ 2,324,018</u>	

**City of Joshua, Texas**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**- Budget and Actual -**  
**Type B Community Development Corporation Fund**  
**For the Fiscal Year Ended September 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Favorable</b>
				<b>(Unfavorable)</b>
<b>Revenues</b>				
Sales taxes	\$ 693,000	\$ 693,000	\$ 839,751	\$ 146,751
Investment earnings	40,000	40,000	48,053	8,053
Miscellaneous	15,000	15,000	18,483	3,483
Total revenues	748,000	748,000	906,287	158,287
<b>Expenditures</b>				
Economic Development	20,540	22,779	17,262	5,517
Capital outlay	-	6,800	5,421	1,379
Total expenditures	20,540	29,579	22,683	6,896
Excess (deficiency) of revenues over (under) expenditures	727,460	718,421	883,604	165,183
Other financing sources (uses)				
Transfers out	(694,441)	(774,441)	(578,450)	195,991
Total other financing sources (uses)	(694,441)	(774,441)	(578,450)	195,991
Change in fund balance	\$ 33,019	\$ (56,020)	305,154	\$ 361,174
Fund balance - beginning of year			1,176,733	
Fund balance - end of year			\$ 1,481,887	

**City of Joshua, Texas**  
**Schedule of Changes in the Net Pension Liability/(Asset) and Related Ratios**  
**Last Ten Measurement Years**

**Texas Municipal Retirement System (TMRS)**

Measurement Date - December 31st*:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 507,107	\$ 509,799	\$ 399,798	\$ 282,108	\$ 223,786	\$ 229,881	\$ 217,867	\$ 207,242	\$ 222,255	\$ 207,231
Interest	369,599	337,649	301,054	281,958	260,770	237,463	224,113	203,201	186,581	164,060
Difference between expected and actual experience	(231,155)	(103,438)	35,553	(136,768)	(55,945)	(9,980)	(126,923)	18,030	(61,172)	(4,751)
Changes of assumptions	-	(34,950)	-	-	-	3,425	-	-	-	105,326
Benefit payments, including refunds of employee contributions	(202,566)	(266,222)	(232,292)	(174,167)	(113,595)	(111,310)	(135,258)	(112,687)	(75,189)	(42,673)
Net change in total pension liability	442,985	442,838	504,113	253,131	315,016	349,479	179,799	315,786	272,475	429,193
Total pension liability, beginning	5,323,264	4,880,426	4,376,313	4,123,182	3,808,166	3,458,687	3,278,888	2,963,102	2,690,627	2,261,434
Total pension liability, ending (a)	<u>\$ 5,766,249</u>	<u>\$ 5,323,264</u>	<u>\$ 4,880,426</u>	<u>\$ 4,376,313</u>	<u>\$ 4,123,182</u>	<u>\$ 3,808,166</u>	<u>\$ 3,458,687</u>	<u>\$ 3,278,888</u>	<u>\$ 2,963,102</u>	<u>\$ 2,690,627</u>
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	\$ 216,480	\$ 217,100	\$ 181,505	\$ 122,359	\$ 98,509	\$ 105,812	\$ 100,554	\$ 89,253	\$ 87,382	\$ 75,539
Contributions - employee	260,819	271,376	212,820	148,701	120,965	124,068	118,498	112,370	120,885	116,985
Net investment income	587,414	564,053	(370,647)	574,792	304,236	521,071	(101,524)	401,837	174,931	3,595
Benefit payments, including refunds of employee contributions	(202,566)	(266,222)	(232,292)	(174,167)	(113,595)	(111,310)	(135,258)	(112,687)	(75,189)	(42,673)
Administrative expense	(3,765)	(3,584)	(3,206)	(2,658)	(1,964)	(2,936)	(1,958)	(2,078)	(1,974)	(2,189)
Other changes	(87)	(21)	3,826	19	(77)	(88)	(103)	(104)	(106)	(109)
Net change in plan fiduciary net position	858,295	782,702	(207,994)	669,046	408,074	636,617	(19,791)	488,591	305,929	151,148
Plan fiduciary net position, beginning	5,650,009	4,867,307	5,075,301	4,406,255	3,998,181	3,361,564	3,381,355	2,892,764	2,586,835	2,435,687
Plan fiduciary net position, ending (b)	<u>\$ 6,508,304</u>	<u>\$ 5,650,009</u>	<u>\$ 4,867,307</u>	<u>\$ 5,075,301</u>	<u>\$ 4,406,255</u>	<u>\$ 3,998,181</u>	<u>\$ 3,361,564</u>	<u>\$ 3,381,355</u>	<u>\$ 2,892,764</u>	<u>\$ 2,586,835</u>
<b>Net Pension Liability/(Asset) (a) - (b)</b>	<u>\$ (742,055)</u>	<u>\$ (326,745)</u>	<u>\$ 13,119</u>	<u>\$ (698,988)</u>	<u>\$ (283,073)</u>	<u>\$ (190,015)</u>	<u>\$ 97,123</u>	<u>\$ (102,467)</u>	<u>\$ 70,338</u>	<u>\$ 103,792</u>
Plan's fiduciary net position as a percentage of the total pension liability	112.87%	106.14%	99.73%	115.97%	106.87%	82.08%	97.19%	103.13%	97.63%	96.14%
Covered payroll	\$ 3,725,990	\$ 3,876,801	\$ 3,040,290	\$ 2,124,306	\$ 1,728,076	\$ 1,772,403	\$ 1,692,826	\$ 1,605,284	\$ 1,726,924	\$ 1,671,215
Net pension liability/(asset) as a percentage of covered payroll	-19.92%	-8.43%	0.43%	-32.90%	-16.38%	-10.72%	5.74%	-6.38%	4.07%	6.21%

\* The amounts presented above are as of the measurement date of the collective net pension liability/(asset).

**City of Joshua, Texas**  
**Schedule of Employer Pension Contributions and Related Ratios**  
**Last Ten Fiscal Years**

<b>Texas Municipal Retirement System (TMRS)</b>										
<b>Year Ended September 30th*:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
The City's actuarially determined contribution	\$ 206,079	\$ 223,047	\$ 212,617	\$ 164,692	\$ 112,687	\$ 81,307	\$ 107,693	\$ 96,073	\$ 86,697	\$ 79,966
The amount of contributions recognized by the plan in relation to the actuarially determined contribution	<u>206,079</u>	<u>223,047</u>	<u>212,617</u>	<u>164,692</u>	<u>112,687</u>	<u>81,307</u>	<u>107,693</u>	<u>96,073</u>	<u>86,697</u>	<u>79,966</u>
The difference between the City's actuarially determined contribution and the amount of contributions recognized by the plan in relation to the City's actuarially determined contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,380,419	\$ 3,879,312	\$ 3,732,633	\$ 2,743,961	\$ 1,955,376	\$ 1,744,589	\$ 1,743,429	\$ 1,662,081	\$ 1,726,924	\$ 1,652,285
The amount of contributions recognized by the plan in relation to the City's actuarially determined contribution as a percentage of covered payroll	6.10%	5.75%	5.70%	6.00%	5.76%	4.66%	6.18%	5.78%	5.02%	4.84%

**Notes to Schedule of Contributions**

**Valuation Date:** 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	N/A
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) mortality 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:** There were no benefit changes during the year.

\* The amounts presented above are as of the City's fiscal year-end.



**City of Joshua, Texas**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**Last Eight Measurement Years\*\***

<b>Texas Municipal Retirement System (TMRS)</b>								
<b>Measurement Date - December 31st*:</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Service cost	\$ 8,197	\$ 8,917	\$ 15,505	\$ 10,622	\$ 5,184	\$ 3,545	\$ 4,401	\$ 3,692
Interest on total OPEB liability	2,872	2,805	1,618	1,550	1,690	1,633	1,452	1,315
Changes in benefit terms including TMRS plan participation	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(6,511)	(7,270)	7,214	(6,205)	(3,807)	216	(1,545)	-
Changes in assumptions or other inputs	(4,295)	3,947	(38,654)	2,776	10,688	11,395	(3,564)	3,873
Benefit payments	(1,118)	(1,163)	(912)	(637)	(173)	(177)	(169)	(161)
Net change in Total OPEB Liability	(855)	7,236	(15,229)	8,106	13,582	16,612	575	8,719
Total OPEB Liability - beginning	72,628	65,392	80,621	72,515	58,933	42,321	41,746	33,027
Total OPEB Liability - ending	<u>\$ 71,773</u>	<u>\$ 72,628</u>	<u>\$ 65,392</u>	<u>\$ 80,621</u>	<u>\$ 72,515</u>	<u>\$ 58,933</u>	<u>\$ 42,321</u>	<u>\$ 41,746</u>
Covered payroll	\$ 3,725,990	\$ 3,876,801	\$ 3,040,290	\$ 2,124,306	\$ 1,728,076	\$ 1,772,403	\$ 1,692,826	\$ 1,605,284
Total OPEB liability as a percentage of covered payroll	1.93%	1.87%	2.15%	3.80%	4.20%	3.33%	2.50%	2.60%

\* The amounts presented above are as of the measurement date of the collective total OPEB liability.

\*\* Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**City of Joshua, Texas**  
**Schedule of OPEB Contributions and Related Ratios**  
**Last Eight Fiscal Years\*\***

<b>Texas Municipal Retirement System (TMRS)</b>								
<b>Year Ended September 30th*:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
The City's actuarially determined contribution	\$ 1,014	\$ 1,164	\$ 1,120	\$ 823	\$ 580	\$ 174	\$ 174	\$ 166
The amount of contributions recognized by the plan in relation to the actuarially determined contribution	1,014	1,164	1,120	823	580	174	174	166
The difference between the City's actuarially determined contribution and the amount of contributions recognized by the plan in relation to the City's actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,380,419	\$ 3,879,312	\$ 3,732,633	\$ 2,743,961	\$ 1,955,376	\$ 1,744,589	\$ 1,743,429	\$ 1,662,081
The amount of contributions recognized by the plan in relation to the City's actuarially determined contribution as a percentage of covered payroll	0.03%	0.03%	0.03%	0.03%	0.03%	0.01%	0.01%	0.01%

**Notes to Schedule of Contributions**

**Valuation Date:**

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:**

Asset Valuation Method	For purposes of calculating the Total OPEB Liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.
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 of 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.
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 to account for future mortality improvements subject to the floor.

\* The amounts presented above are as of the City's fiscal year-end.

\*\* Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

## **SUPPLEMENTARY INFORMATION**

**City of Joshua, Texas**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**September 30, 2025**

	<b>Court Security</b>	<b>Court Technology</b>	<b>Court Security and Technology</b>	<b>Hotel Occupancy</b>	<b>Donations</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>						
Cash and cash equivalents	\$ 58,430	\$ -	\$ 2,647	\$ -	\$ 44,856	\$ 105,933
Accounts receivables, net	-	8,682	-	26,947	-	35,629
Total assets	58,430	8,682	2,647	26,947	44,856	141,562
<b>Liabilities and fund balances</b>						
Liabilities:						
Due to other funds	-	6,732	-	9	-	6,741
Total liabilities	-	6,732	-	9	-	6,741
Fund balances:						
Restricted for:						
Court security	58,430	-	-	-	-	58,430
Court technology	-	1,950	-	-	-	1,950
Court security and technology	-	-	2,647	-	-	2,647
Tourism	-	-	-	26,938	-	26,938
Public safety	-	-	-	-	1,883	1,883
Fire	-	-	-	-	1,439	1,439
Animal control	-	-	-	-	40,954	40,954
Other	-	-	-	-	580	580
Total fund balances	58,430	1,950	2,647	26,938	44,856	134,821
Total liabilities and fund balances	\$ 58,430	\$ 8,682	\$ 2,647	\$ 26,947	\$ 44,856	\$ 141,562

**City of Joshua, Texas**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended September 30, 2025**

	<b>Court Security</b>	<b>Court Technology</b>	<b>Court Security and Technology</b>	<b>Hotel Occupancy</b>	<b>Donations</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>						
Hotel occupancy tax	\$ -	\$ -	\$ -	\$ 42,906	\$ -	\$ 42,906
Fines and fees	4,485	3,667	2,647	-	-	10,799
Grants and contributions	-	-	-	-	37,430	37,430
Investment earnings	1,654	295	-	2,338	389	4,676
<b>Total revenues</b>	<b>6,139</b>	<b>3,962</b>	<b>2,647</b>	<b>45,244</b>	<b>37,819</b>	<b>95,811</b>
<b>Expenditures</b>						
Mayor and Council	-	-	-	-	5,027	5,027
Public safety	-	-	-	-	1,789	1,789
Municipal court	3,000	3,698	-	-	-	6,698
Animal control	-	-	-	-	959	959
Public works	-	-	-	-	464	464
Tourism	-	-	-	239	-	239
Capital outlay	-	-	-	381,965	-	381,965
Debt service:						
Principal	-	9,206	-	-	-	9,206
Interest	-	2,644	-	-	-	2,644
<b>Total expenditures</b>	<b>3,000</b>	<b>15,548</b>	<b>-</b>	<b>382,204</b>	<b>8,239</b>	<b>408,991</b>
Excess (deficiency) of revenues over (under) expenditures	3,139	(11,586)	2,647	(336,960)	29,580	(313,180)
Other financing sources (uses)						
Transfers in	-	-	-	67,204	2,627	69,831
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,204</b>	<b>2,627</b>	<b>69,831</b>
Changes in fund balances	3,139	(11,586)	2,647	(269,756)	32,207	(243,349)
Fund balances - beginning of year	55,291	13,536	-	296,694	12,649	378,170
Fund balances - end of year	<u>\$ 58,430</u>	<u>\$ 1,950</u>	<u>\$ 2,647</u>	<u>\$ 26,938</u>	<u>\$ 44,856</u>	<u>\$ 134,821</u>

## **OVERALL COMPLIANCE AND INTERNAL CONTROLS SECTION**



**SNOW GARRETT WILLIAMS**  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and City Council  
City of Joshua, 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, each major fund, and the aggregate remaining fund information of City of Joshua, Texas (the City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise City of Joshua, Texas' basic financial statements, and have issued our report thereon dated February 4, 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.

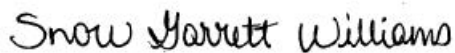
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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*.

**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.



Snow Garrett Williams  
February 4, 2026





## SNOW GARRETT WILLIAMS

CERTIFIED PUBLIC ACCOUNTANTS

February 4, 2026

To the Honorable Mayor and City Council  
City of Joshua, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Joshua, Texas (the City) for the year ended September 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 30, 2025. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. The City adopted new Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, and No. 102, *Certain Risk Disclosures*, during fiscal year 2025. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimate of the City's net pension liability and total OPEB liability related to TMRS as well as the related deferred inflows, deferred outflows, and expense are based on guidance from GASB Statement Nos. 68 and 75 and the plan's actuarial valuation. We evaluated the methods, assumptions, and data used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated February 4, 2026.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to management's discussion and analysis and required supplementary information (RSI), as listed in the table of contents, which supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

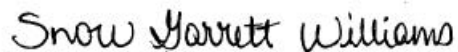
We were engaged to report the combining nonmajor fund financial statements and budgetary comparison schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory Section, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of Joshua, Texas and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Snow Garrett Williams". The signature is written in a cursive, flowing style.

Snow Garrett Williams



**City council Agenda  
2/19/2026**

**(Minutes Resolution/Resolution/Ordinance)**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action for implimenting new fee schedule and updated park ordinances

**Background Information:**

New fee schedule for field use and park ordinances were presented to and approved by type B During the january meeting. Implimentation of this ordinance will allow ffor the reservations of the City Park Baseball fields

**Financial Information:**

**Youth sports:**

Player fees - \$20 per player per season

Camps/tournaments - \$80 per field per day

Light for tournament - \$20 per field per hour

Trash can empty fee - \$25 per can

Litter fee- \$75 per hour to clean up

**Public use fees**

Hourly rental \$25 per hour

Tournament use - \$300 per field per day (game ready fields)

Light use - \$20 per hour

Additional dragging - - \$200 per occurance

Additional marking - \$50 each occurance

Camps and clinics - \$200 per day

*Item 2.*

**City Contact and Recommendations:**

Steven Gill

**Attachments:**

**Field use fee schedule ordinance**

## CITY OF JOSHUA, TEXAS

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS, AMENDING ARTICLE 1.07, "PARKS AND RECREATION," OF CHAPTER 1, "GENERAL PROVISIONS," OF THE CODE OF ORDINANCES OF THE CITY OF JOSHUA, TEXAS, BY ADDING A NEW SECTION 1.07.0015, "FEES", AND AMENDING SUBSECTION (i), "FISHING," OF SECTION 1.07.009, "ANIMAL REGULATIONS," TO ADDRESS CITY-SPONSORED AND CO-SPONSORED FISHING EVENTS IN CITY PARKS; AMENDING ARTICLE A6.000, "PARK PAVILION RENTAL," OF APPENDIX A, "FEE SCHEDULE," OF THE CODE OF ORDINANCES OF THE CITY OF JOSHUA, TEXAS, BY RENAMING SAID ARTICLE "PARK PAVILION AND PARK USE FEES," AND ADDING A FEE SCHEDULE FOR PARK PAVILION AND PARK USES; MAKING FINDINGS RELATIVE THERETO; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, the City Council wishes to amend certain provisions in its park regulations to address fishing events and park use fees in the City's Code of Ordinances to address current park usage issues; and

**WHEREAS**, the City Council has determined that the amendments referenced in the text of this Ordinance will promote the public health, safety and welfare of the citizens of the City.

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

**SECTION 1**

All of the above premises are hereby found to be true and correct and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

**SECTION 2**

From and after the effective date of this Ordinance, Article 1.07, "Parks and Recreation," of Chapter 1, "General Provisions," of the Code of Ordinances of the City of Joshua, Texas, is hereby amended by adding a new Section 1.07.0015, "Fees", to read as follows:

\*\* \* \*

**§ 1.07.0015. Fees.**

The City may charge fees for park pavilion and park and field usage, as referenced in the

Appendix to this Code of Ordinances.

\* \* \*

### **SECTION 3**

From and after the effective date of this Ordinance, Subsection (i), "Fishing," of Section 1.07.009, "Animal Regulations," of Article 1.07, "Parks and Recreation," of Chapter 1, "General Provisions," of the Code of Ordinances of the City of Joshua, Texas, is hereby amended to read as follows:

#### **"§ 1.07.009. Animal Regulations.**

\* \* \*

- (i) Fishing. Fishing shall be limited to catch and release. Any person fishing must obtain a fishing license from the state's parks and wildlife department. The foregoing provisions do not apply to any City-sponsored or co-sponsored fishing events or tournaments.

\* \* \*

### **SECTION 4**

From and after the effective date of this Ordinance, Article A6.000, "Park Pavilion Fees," of Appendix A, "Fee Schedule," of the Code of Ordinances of the City of Joshua, Texas, is hereby amended to read as follows:

#### **"ARTICLE A6.000 PARK PAVILION AND PARK USE FEES**

##### **§ A6.001. Park Pavilion Rental.**

- (a) Deposit:
  - (1) Resident: None.
  - (2) Nonresident: \$25.00.
- (b) Pavilion Rental:
  - (1) Resident: \$15.00 for 3 hours + \$5.00 for each additional hour.
  - (2) Nonresident: \$30.00 for 3 hours + \$10.00 for each additional hour

**§ A6.002. Joshua Youth Sports Association Field Use Fees.**

- (a) Player fees per person: \$20.00 each per sport/season.
- (b) Camps/Tournament Use: \$80.00 per field per day.
- (c) Lights for Tournament Use: \$20.00 per hour.
- (d) Trash Can Empty Fee: \$25.00 for each can.
- (e) Litter Fee: \$75.00 per hour to clean up.

**§ A6.003. Public Use Fees.**

- (a) Hourly Rental Rate: \$25.00 per hour.
- (b) Tournament Use: \$300.00 per field per day (game-ready fields, drug and marked).
- (c) Light Use: \$20.00 per hour.
- (d) Additional Dragging: \$200.00 each occurrence.
- (e) Additional marking: \$50.00 each occurrence.
- (f) Camps and Clinics: \$200.00 per day

\* \* \*

**SECTION 5**

If any word, section, article, phrase, paragraph, sentence, clause, or portion of this Ordinance or application thereto to any person or circumstance is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance; and the City Council hereby declares it would have passed such remaining portions of this Ordinance despite such invalidity which remaining portions shall remain in full force and effect.

**SECTION 6**

All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portion of conflicting ordinances shall remain in full force and effect.





**SECTION 7**

Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be punished by fine not to exceed the sum of five hundred dollars (\$500.00) for each offense.

**SECTION 8**

This Ordinance shall take effect and be in full force from and after its passage and publication, as provided by the laws of the State of Texas.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS, THIS THE 20TH DAY OF NOVEMBER, 2025.**

\_\_\_\_\_  
Scott Kimble, Mayor

**ATTEST:**

\_\_\_\_\_  
Alice Holloway, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Terrence S. Welch, City Attorney



**Type B Agenda**  
**2/9/2026**

**(Minutes Resolution/Resolution/Ordinance)**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action for implimenting an updated field use agreement between JYSA and City of Joshua for the use of Joshua City park baseball fields and facilities

**Background Information:**

the 2026 field use agreement clarifies terms of use the previous agreement did not outline or define clearly. The document has been completely reformed and updated with clear definitions and language. This will help avoid misunderstanding and possible conflicts.

**Financial Information:**

**City Contact and Recommendations:**

Steven Gill .

Staff recomends aproving the implimentation of a new Field use agreement between JYSA and the City of Joshua.

**Attachments:**

**Updated 2026 Field use agreement**

**Previous 2025 Field use agreement**

**CITY OF JOSHUA, TEXAS  
PARKS AND RECREATION DEPARTMENT  
ANNUAL FACILITY USE AGREEMENT – 2026**

This Annual Facility Use Agreement (the “**Agreement**”) is entered into on the 1st day of January, 2026, by and between the City of Joshua, a Texas home rule municipality (the “**City**”) and the Joshua Youth Sports Association, Inc., a Texas non-profit corporation (“**JYSA**” or the “**Association**”) regarding the Association’s provision of youth sports activities in the City’s parks system.

**WHEREAS**, the Association provides a form of recreation for the City through provision of a youth sports league which benefits the members of the public within the City and serves the public interest;

**WHEREAS**, the City, to benefit the public interest, desires to assist in providing such form of recreation to its residents through provision of recreational facilities for youth sports activities;

**WHEREAS**, the City desires to enter into an agreement with Association for provision of youth sports activities in the City’s parks system through permitting use of the Facilities, as further defined herein;

**NOW, THEREFORE**, for and in consideration of the mutual promises recited herein, the City and the Association agree as follows:

**ARTICLE 1  
DEFINITIONS**

**1.01** The term “**Blast Ball**” shall mean a JYSA-administered introductory baseball program. Blast Ball is not a separate season and may not be Expanded, Repeated, or extended without written approval.

**1.02** The terms “**All-Stars**” and “**All-Star Programs**” shall mean a post-season representative program consisting of teams and players selected from registered JYSA participants for advancement, exhibition, or representative play beyond regular season competition.

**1.03** The terms “**Expand**” or “**Repeat**” shall mean any increase or continuation of an activity beyond what was originally disclosed and approved, including adding dates, weeks, teams, players, or restarting an activity after it concludes. Expansion or repetition without written approval constitutes Unauthorized Use.

**1.04** The term “**Field Use**” shall mean any organized, scheduled, supervised, advertised, or Association-related activity occurring on City athletic fields or Facilities, including practices, games, scrimmages, clinics, camps, or events.

**1.05** The terms “**Hosting**” and “**Hosted Event**” shall mean any situation in which JYSA schedules, sponsors, facilitates, advertises, provides access to, or allows use of City facilities for teams, players, or organizations that are not registered JYSA teams or players, regardless of label.

**1.06** The terms “**Interlock**” and “**Interlocking League Play**” shall mean league competition in which JYSA is a recognized participating league competing against other leagues under a shared governing framework.

**1.07** The term “**Litter**” shall mean any trash, debris, or waste generated by Association activities, including but not limited to food waste, wrappers, bottles, peanut shells, sunflower seed shells, or similar materials, regardless of whether sold or provided by JYSA.

**1.08** The term “**Off-Season**” shall mean any date outside the defined spring season or fall season listed on “**Exhibit A.**”

**1.09** The terms “**Proxy Hosting**” and “**Proxy Use**” shall mean the strictly prohibited use of City facilities by an outside organization, individual, team, or league through JYSA acting as a sponsor, intermediary, facilitator, or nominal organizer.

**1.10** The term “**Reclassification**” shall mean any attempt to rename, relabel, or restructure an activity to avoid fees, restrictions, disclosure requirements, or approval requirements (*e.g.*, calling a tournament a scrimmage or practice).

**1.11** The term “**Scrimmage**” shall mean a single, non-bracketed game between one (1) registered JYSA team and one (1) approved guest team, conducted on a single day, with no standings, awards, or gate fees. Anything beyond this definition is a Tournament.

**1.12** The terms “**Sponsor**” and “**Sponsorship**” shall mean any individual, business, or entity providing financial support, goods, services, or consideration to JYSA in exchange for recognition, advertising, signage, or acknowledgment.

**1.13** The term “**Tournament**” shall mean any multi-team bracketed or structured competitive play, regardless of label or format. For the JYSA tournament rate to apply, at least fifty percent (50%) of participating teams AND fifty percent (50%) of participating players must be members of the JYSA interlocking league.

**1.14** The term “**Unauthorized Use**” shall mean any Field Use that occurs outside an approved season or reservation, exceeds approved scope or duration, lacks required written approval or disclosure, involves Hosting, Proxy Hosting, or Reclassification or otherwise violates this Agreement.

**1.15** The term “**Written Approval**” shall mean approval documented in writing and communicated via official JYSA group text or email. Verbal approvals, informal conversations, silence, or assumptions are not valid.

**1.16** The term “**Written Disclosure**” shall mean submission of required schedules, dates, participants, or scope of use in writing via official JYSA group text or email. Failure to disclose constitutes Unauthorized Use.

## ARTICLE II GENERAL TERMS

**2.01 Term.** This Agreement shall be in effect for a period of one (1) year for calendar year 2026, beginning **January 1, 2026**, and ending **December 31, 2026**. The City will permit Association use of the Facility or Facilities as listed on the season schedule (attached hereto as “**Exhibit A**”) for the purpose of organizing and implementing athletic leagues for games to be played on the City owned facilities. Permission under this Agreement for use of the facilities is only granted in accordance with the season schedule. Execution of this Agreement does not grant year-round or continuous access to City facilities.

**2.02 Season Schedule.** The schedule of Facilities use, dates and times are designated in “**Exhibit A.**” Both parties will review the requested Facilities schedule at least fourteen (14) days before each individual season begins. The schedule shall be subject to change at the discretion of the City. Outside of the Spring and Fall Seasons, all Facilities are closed to the Association by default. This prohibition includes practices, games, scrimmages, clinics, camps, training sessions, or any other organized activity.

## ARTICLE III USE OF FACILITY

**3.01 Grant of Use.** The City grants the Association, and the Association accepts the priority use of the softball/baseball athletic fields and associated parking at Joshua City Park in Joshua, Texas (“the **Facility**” or “**Facilities**”) according to the terms of this Agreement. The Association agrees to utilize the Facilities to provide youth sports activities, scheduled practice, league games, and tournaments as further defined herein.

**3.02 Keys and Access Control.** The City may issue key(s) to the Association for and during the use of the Facilities. The keys may not be reproduced or duplicated by the Association. The Association agrees to return all keys to the City within five (5) business days after the conclusion of the term of this Agreement unless mutually agreed upon otherwise by the parties. Upon failure to return any of said keys issued by the City to the Association, the Association agrees to reimburse City for all costs associated with making new key(s) and installing new lock(s). The Association shall only allow the following individuals to possess keys, and such right to possess keys may be revoked at the City’s sole discretion: Association President, Baseball Director, Softball Director, and Concession Manager. Any other key access other than that named above shall require Written Approval via official JYSA group text or email.

**3.03 Scope of Use.** The permitted uses of the Facilities by the Association shall be as set forth in this Agreement and must include any and all affiliated associations or individuals that will be using the Facilities pursuant to this Agreement. Use of the Facilities must comply with the dates, times, games, practices and other purposes expressly set forth in this Agreement. Use of the Facilities is granted only for the spring and fall seasons and limited accommodations for All-Star Programs. Execution of this Agreement does not grant year-round or continuous access to the Facilities. Permitted uses shall include:

- (a) Recreational baseball and softball shall be authorized only during the spring and fall seasons and when operated solely as JYSA programs.
- (b) Blast Ball shall be authorized only during the spring and fall seasons and shall be considered part of normal seasonal play and subject to all requirements of this Agreement.
- (c) All-Star Programs shall be authorized only as a limited accommodation and are not considered a season. All-Star activities may not extend a season or function as tournaments and may not be expanded or repeated without prior written approval. All-Star activities may not host outside organizations. All-Star Field Use shall require Written Disclosure via official JYSA group text or email, which shall include the activity start and end dates, team(s), participant rosters, requested fields, and activity schedule. Such disclosure must be submitted at least fourteen (14) calendar days in advance of any activity taking place at the facility.

**3.04 Limitations on Field Use.** Field Use is limited strictly to registered JYSA teams and players and legitimate Interlock League Play involving JYSA. Proxy Hosting or Proxy Use is prohibited. The Association shall not assign, share, facilitate, sponsor, or otherwise allow use of City fields or facilities by any outside team, league, organization, or individual under the Association's name, scheduling authority, insurance, or reservation, regardless of how the activity is labeled.

**3.05 Single Scrimmage Exception.** Single scrimmages consisting of one (1) JYSA team vs. one (1) guest team in a single day that are non-bracketed and pre-approved in writing will be permitted. Any activity exceeding the scope of this exception shall be considered a Tournament.

**3.06 Off Season.** Any off-season use of the Facilities shall require advance reservation and approval through a written request and formal Written Approval via official JYSA group text or email and payment of all applicable fees required herein.

**3.07 Association responsibilities.** The Association agrees that it will be solely responsible for the following items:

- (a) The Association is responsible for all trash and Litter generated by its activities, including peanut shells and sunflower seed shells, regardless of whether sold at concessions. All trash and Litter must be removed no later than 12:00 noon the day following an event. Trash shall not be swept, blown, or pushed onto turf or grass. Bags shall be removed from trash cans and placed in on-site dumpsters.
- (b) Restrooms shall be cleaned after each event. The inside and outside of the concession building shall be kept clean and organized.
- (c) All training aids, bases, plugs, and equipment must be removed immediately after use and stored in designated City-approved storage areas. No equipment may be left on turf or grass.

- (d) Infield dirt shall be always raked away from grass and turf edges. Raking toward grass or turf is prohibited.
- (e) Before all games, Association shall chalk the foul lines, properly set up all bases, including cleaning base sleeves and placement of bases, and otherwise prepare the fields for safe play.
- (f) Remove all portable pitcher's mounds to designated storage when not in use. Association shall ensure portable pitcher's mounds are never left on turf or grass.
- (g) Outside the spring and fall seasons, remove all inventory and supplies from the concession building, empty all refrigerators, and turn off and leave all icemakers cleaned and drained. Concession buildings shall not be used for storage.
- (h) All sponsor signage, gate fees, or extended light use shall require prior written City approval.

**3.08 City responsibilities.** The City agrees that it will be responsible for providing the following items during the term of this Agreement:

- (a) Maintenance of the grounds and permanent improvements/fixtures including fields, backstops, fences, buildings, fixed lighting, parking lots, and roadways. The City will provide routine maintenance as staffing, weather, and conditions allow. Maintenance is not guaranteed. In order to adequately maintain and protect the facilities, the City may close fields when conditions require closure. Such conditions may include, without limitation, changes in weather, field conditions, maintenance, safety, City use, or emergencies. Closures do not guarantee make-up dates and do not relieve Association of the responsibilities described in this Agreement.
- (b) Payment for utilities and aforementioned maintenance.

#### **ARTICLE IV. ADMINISTRATIVE REQUIREMENTS**

**4.01 Association Deliverables.** The Association agrees to provide no later than fourteen (14) days prior to the first scheduled event, and updated as necessary:

- (a) Current bylaws.
- (b) Names and contact information for all board members.
- (c) Game and practice schedules (changes must be disclosed as they occur).
- (d) Team rosters and player count.
- (e) Payment of player fees outlined in Section 4.02.

Failure to provide required documentation and fees may result in suspension of field privileges. In addition, the Association and the City shall meet both pre-season and post-season to coordinate and/or address any outstanding or administrative issues relating to the season and discuss or



resolve any concerns that may arise or have arisen in the performance of the terms of this Agreement.

**4.02 Fees.** In accordance with Section 4.01 above, Association shall provide the following participation fees to the City. All fees are governed by the City of Joshua Fee Schedule:

- (a) \$20 per player, per sport, per season.
- (b) \$80 per field, per day (tournament or special use).
- (c) \$20 per hour for light use (tournament or special use).
- (d) \$25 per trash can per occurrence if City empties.
- (e) \$75 per hour for loose litter cleanup if City performs.

Applicable fees shall be determined by the nature of the activity, not by how the activity is labeled. Failure to provide correct fee payment pursuant to the terms of this Agreement, including, without limitation, any Reclassification not according to the adopted City fee schedule, or Proxy Hosting, constitutes a breach of this Agreement.

**4.03 Repairs, Damages to Facilities, Clean-up.** The Association agrees to be solely responsible for any and all costs of repairs for damages related to and arising out of the Association's use of the Facilities during the term of this Agreement. If City staff performs cleanup or corrective work due to Association non-compliance with the terms of this Agreement, applicable service fees may be assessed. The Association shall remit payment within thirty (30) days of the completion of the required repair(s) or work.

**4.04 Safety Procedures and Park Rules.** The Association, including its players, attendees, league officials, employees and volunteers are required to abide by generally recognized standards of safety, regulations and procedures for the nature of the permitted use of the Facilities, including, without limitation, abiding by all City of Joshua park rules and ordinances, including any posted rules at the Facilities. All vehicles shall park only in designated parking areas. Smoking is prohibited pursuant to City Ordinances.

## ARTICLE V. INSURANCE REQUIREMENTS

**5.01** During the term of this Agreement, the Association shall procure and maintain, at its sole cost and expense, a Commercial General Liability insurance policy for injuries to persons or damages to property that may arise from or in connection with the use of the Facility and the activities associated with the use of the Facility by the Association, its agents, representatives, participants, attendees, employees, and volunteers. The Association's insurance coverage shall be primary insurance with respect to the City, its officials, agents, employees, and volunteers. The Association's insurance coverage shall be primary insurance with respect to the City, its officials, agents, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, agents, employees or volunteers shall be considered in excess of the Association's insurance and shall not contribute to it.

**5.02** The City's insurance requirements are as set forth below. A certificate of insurance evidencing all policies and required endorsements issued on the most current State of Texas

Department of Insurance approved form, shall be furnished to the City at the time of execution of this Agreement and attached hereto as “**Exhibit B**” and approved by the City before any use of the Facility commences. Updated certificates of insurance shall also be provided by Association to the City at the start of each season. The City shall not issue or re-issue a Facility Permit if updated certificates of insurance are not on file with the City. Unless an exception applies, during the term of this Agreement, Association’s insurance policies shall meet the requirements of this Article:

**5.03 Types.** Association shall have the following types of insurance:

- (a) Commercial General Liability
- (b) Business Automobile Liability if the Association owns any vehicles
- (c) Workers’ Compensation if the Association has any employees

**5.04 General Requirements Applicable to All Policies.** The following general requirements applicable to all policies shall apply:

- (a) Only licensed Insurance Carriers authorized to do business in the State of Texas will be accepted.
- (b) Deductibles shall be listed on the Certificate of Insurance.
- (c) “Claims Made” policies are not accepted.
- (d) Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits of liability except after thirty (30) days prior written notice has been given to the City of Joshua.

**5.05 Commercial General Liability.** The following Commercial General Liability requirements shall apply:

- (a) Commercial General Liability insurance shall be written by a carrier rated “A: VIII” or better in accordance with the current A. M. Best Key Rating Guide.
- (b) Limits of liability no less than \$500,000.00 per occurrence for bodily injury and property damage with an annual aggregate limit of \$1,000,000.
- (c) No coverage shall be excluded from the standard policy without notification of individual exclusions being attached for the City’s review and acceptance.
- (d) The coverage shall not exclude the following: premises/operations with separate aggregate; independent contracts; products/completed operations; contractual liability (insuring the indemnity provided herein), Personal & Advertising Liability, and Hired and Non-owned Autos.

**5.06 Business Automobile Liability.** The following Business Automobile Liability requirements shall apply;

- (a) Business Automobile Liability insurance shall be written by a carrier rated “A: VIII” or better in accordance with the current A. M. Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
- (c) The coverage shall include owned autos, leased or rented autos, non-owned autos, any autos and hired autos. If the Association does not own any vehicles titled in the Association’s name, coverage for hired and non-owned vehicles under the Commercial General Liability policy will be acceptable.

**5.07 Certificates of Insurance.** The policies set forth above shall contain an endorsement listing the City, its officials, agents, employees and volunteers as Additional Insureds and further providing that the Association's policies are primary to any self-insurance or insurance policies procured by the City. Waiver of subrogation shall be provided in favor of the City on all policies obtained by the Association in compliance with the terms of this Agreement. Association shall be responsible for all deductibles which may exist on any policies obtained in compliance with the terms of this Agreement. All Certificates of Insurance and endorsements shall be furnished on the most current State of Texas Department of Insurance-approved forms, to the City's Representative at the time of execution of this Agreement, attached hereto as "**Exhibit B,**" and approved by the City before use begins.

## **ARTICLE VI. CRIMINAL BACKGROUND CHECKS**

**6.01** Association shall conduct criminal background checks on all persons acting as head coaches, assistant coaches, board members, and any other person acting in an official capacity with any organization involved in the Association's youth activities. These checks shall be conducted before the beginning of the season for which the individual is first involved and shall be valid for no more than one (1) calendar year. The Association shall employ a reputable company licensed by the State of Texas to conduct such checks unless these checks are conducted by the Association's state or national sanctioning body. Should an individual be disqualified as a result of the check, based upon generally-recognized standards for the protection of youth, the Association shall prohibit that individual from serving in any official capacity with the Association's activities. Association shall provide to the City, upon request, a listing of all individuals who have undergone a criminal background check, and shall be responsible for securing needed waivers from all individuals undergoing a background check which includes the disclosure of information to the City.

## **ARTICLE VII. INDEMNIFICATION**

**7.01 THE ASSOCIATION SHALL INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES AND VOLUNTEERS FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY TO OR DEATH OF ANY PERSON OR FOR DAMAGE TO ANY PROPERTY ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE FACILITY BY THE ASSOCIATION. SUCH INDEMNITY SHALL APPLY REGARDLESS OF WHETHER THE CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS, OR LIABILITY ARISE IN WHOLE OR IN PART FROM THE NEGLIGENCE OF THE CITY, ANY OTHER PARTY INDEMNIFIED HEREUNDER, THE ASSOCIATION, OR ANY THIRD PARTY. IT IS THE INTENT OF THE PARTIES THAT THIS PROVISION SHALL EXTEND TO, AND INCLUDE, ANY AND ALL CLAIMS, CAUSES OF ACTION OR LIABILITY CAUSED BY THE**

**CONCURRENT, JOINT AND/OR CONTRIBUTORY NEGLIGENCE OF THE CITY, AN ALLEGED BREACH OF AN EXPRESS OR IMPLIED WARRANTY BY THE CITY OR WHICH ARISES OUT OF ANY THEORY OF STRICT OR PRODUCTS LIABILITY. THERE SHALL BE NO ADDITIONAL INDEMNIFICATION OTHER THAN SET FORTH IN THIS SECTION. ALL OTHER PROVISIONS REGARDING THE SAME SUBJECT MATTER SHALL BE DECLARED VOID AND OF NO EFFECT.**

#### **ARTICLE VIII. RELEASE**

**8.01 THE ASSOCIATION HEREBY RELEASES, RELINQUISHES AND DISCHARGES THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES AND VOLUNTEERS FROM ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER, INCLUDING THE COST OF DEFENSE THEREOF, FOR ANY INJURY TO OR DEATH OF ANY PERSON AND ANY LOSS OF OR DAMAGE TO ANY PROPERTY THAT IS CAUSED BY OR ALLEGED TO BE CAUSED BY, ARISING OUT OF, OR IN CONNECTION WITH THE ASSOCIATION'S USE OF THE FACILITY WHETHER OR NOT SAID CLAIMS, DEMANDS, OR CAUSES OF ACTION ARE COVERED IN WHOLE OR IN PART BY INSURANCE. THERE SHALL BE NO ADDITIONAL RELEASE OTHER THAN SET FORTH IN THIS SECTION. ALL OTHER PROVISIONS REGARDING THE SAME SUBJECT MATTER SHALL BE DECLARED VOID AND OF NO EFFECT.**

#### **ARTICLE IX. FINANCIAL RECORDS**

**9.01 Records.** Association shall employ financial management systems that reasonably safeguard its financial resources and ensure that public facilities are not being used to generate profits for individuals or groups. Financial records should be developed and maintained in a way that is accessible and understandable to program participants.

**9.02 Right of Inspection.** The City shall have the right, as a term of this Agreement, to review and inspect all financial records relating to the operation of the Association and its activities and operations that take place on City facilities. Such records should be maintained in accordance with generally acceptable accounting principles and be submitted to the City within ten (10) days of request.

#### **ARTICLE X. TERMINATION**

**10.01** This Agreement may be terminated upon the happening of any of the following events:

- (a) A breach by Association of any of the terms or conditions of this Agreement and Association does not cure or make documented reasonable effort to cure in a form acceptable to the City, such failure continuing thirty (30) days after written notice thereof

to Association.

- (b) By either party, with or without cause, upon 60 days' written notice to the other party.
- (c) City may elect to immediately terminate this Agreement and suspend all use of the Facilities for Unauthorized Use, prohibited Hosting, Proxy Hosting or Proxy Use, facility misuse, field damage, and key misuse.

## ARTICLE XI. MISCELLANEOUS TERMS

**11.01 Assignment.** This Agreement and the rights and obligations contained herein may not be assigned or sublet by the Association without the prior written approval of the City.

**11.02 Compliance with Applicable Law(s).** Association agrees it shall comply with all state and federal laws, municipal ordinances, regulations and codes during the term of this Agreement.

**11.03 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

**11.04 Entire Agreement.** This Agreement contains the entire agreement between the parties. There are no other written or oral agreements, contracts, or understandings between the parties. All prior agreements, drafts, policies, and past practices are hereby superseded and void. This Agreement may only be amended by written instrument approved and executed by both parties.

**11.05 Improvements, Alterations, etc.** Temporary or permanent alteration of the Facilities is strictly prohibited unless authorized in writing in advance by the City.

**11.06 Mediation.** In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

**11.07 Severability.** If any provision of this Agreement be held to be void or unenforceable under the laws of any place governing its construction or enforcement, this Agreement shall not be void, but shall be construed to be in force with the same effect as though such provision were omitted.

**11.08 Venue.** This Agreement has been made under and shall be governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in Johnson County, Texas.

**11.09 Waiver.** No waiver or deferral by either party of any term or condition of this Agreement shall be deemed or construed to be a waiver or deferral of any other term or condition or to be a subsequent waiver or deferral of the same term or condition.

*[Remainder of Page Left Blank – Signature Page Follows]*

**IN WITNESS WHEREOF**, each of the parties hereto has caused this Agreement to be signed effective as of the date first above written.

**CITY OF JOSHUA, TEXAS,**  
a Texas Home Rule Municipality

By: \_\_\_\_\_  
Mike Peacock, City Manager

Date Signed: \_\_\_\_\_

**JOSHUA YOUTH SPORTS ASSOCIATION  
INC.,**  
a Texas Non-Profit Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

## **EXHIBIT A**

### **DEFINED SEASONS:**

#### **A. Spring Season**

February 1 through May 31

#### **B. Fall Season**

August 1 through November 30

#### **C. Off-Season Use**

### **FACILITY USE SCHEDULE:**

**EXHIBIT B**

**Certificate of Insurance**





**Facility Use Agreement for Joshua Youth Sports Association  
City of Joshua  
Parks and Recreation Department**

This Facility Use Agreement (“Agreement”) is made and entered this 1st day of February 2025, between the City of Joshua (“City”) and the Joshua Youth Sports Association (“Association”). The City reserves the right to amend this document as necessary with the consent of the Association.

For the use of public athletic facilities maintained by the City, the Association agrees to adhere to the City’s standards and guidelines. Failure to comply may result in restricted access or termination of this Agreement.

For and in consideration of the mutual undertakings herein set out, the parties agree as follows:

The Association utilizes public athletic facilities that are provided and maintained by, and at the cost of, the City. In return for the use of those facilities, the Association hereby agrees to abide by the following standards, requirements, and guidelines set by the City for all recreational youth sports. Failure to abide by these standards and guidelines could result in restriction of facility use and/or the cancellation of the Agreement.

At all times, the Joshua Parks and Recreation Department is responsible for administering City and Joshua Parks Department policies regarding all City-owned or leased parks and athletic facilities. The Joshua Parks and Recreation Department will take appropriate action regarding misuse of the facilities and/or misconduct by participants. In the event of any disagreement between the parties regarding the terms or conditions of this Agreement that cannot be mutually agreed upon by the parties, the parties agree to submit such agreement to nonbinding mediation. Each party shall bear its own costs of such mediation.

**Section 1: Terms of the Agreement**

Spring season runs February-May, and Fall season runs August-November. Practice and games may begin no earlier than one month before the first scheduled game. Additional field use may be permitted with mutual consent.

## **Section 2: Field Allocation**

Fields and concessions are City property and are available for public benefit. The City retains the right to use fields for other events and adjust assignments as needed.

## **Section 3: Facility Use Requirements and Rogue Play**

The Association shall not assign this lease, nor shall it sublease or rent out any property of the City without prior written consent of the City in the form of a permit. This provision includes any practices, camps, scrimmages, tryouts and/or tournaments. Teams, whether recreational or select, must be registered as a member of the Association to receive game and practice privileges. Teams not registered with the Association should not be given practice or game privileges as this would be considered subletting the fields. Any other activities not described above may be presented to the Parks Manager for consideration.

The City reserves the right to utilize the facility(s) when league games are not scheduled. If the facility(s) is abandoned, the agreement is terminated. All final decisions concerning scheduling will be made by the City.

Due to the necessity of inter-league play to complete some leagues, the Association shall ensure that Association representatives are present during interlocking league games. The City reserves the right to require all schedules and rosters for non-Joshua residents and interlocking teams.

The City will have the final say on field playability, in its sole discretion. In certain situations, an Association representative will be called, and a joint decision will be made on site. Please see Section 4: Field Closure Procedures.

Driving a vehicle inside the athletic facilities and beyond designated roadways and parking lots is prohibited unless Association representatives are loading or unloading supplies.

During these situations:

1. Vehicles must remain on paved areas while in the facility.
2. Vehicles must immediately return to designated parking areas when finished.
3. Association activities such as practices and games may not be taking place.

The Association shall not perform any construction, maintenance, repair, or alteration to the facility

(unless permitted or required by this Agreement), without the prior written consent of the City. All capital and/or permanent improvements made to the facility shall become the property of the City.

Association board members, commissioners, volunteers, and staff are expected to enforce the City of Joshua's policy regarding playing on fields without a permit. If rogue play is seen, the violators should be asked to leave and told they are not able to use the fields without a permit. If violators refuse to leave, please call non-emergency police dispatch at (817)556-6060.

The Association will adhere to all City and Joshua Parks and Recreation Department ordinances and policies.

The Association shall not engage in any business at the facility(s) or do anything in connection therewith which shall be in violation of any existing State or Federal law or municipal ordinances or use the same in such manner as to constitute a nuisance.

#### **Section 4: Field Closure Procedure**

Joshua Parks staff will decide field status by 3:00 pm and inform Association representatives via text. Disputes should be directed to the Parks Manager (682)317-2614.

After 3:00 pm and on weekends, the Association will monitor conditions, notify participants, and inform Parks staff of decisions. It is the responsibility of the Association to notify its participants.

#### **Section 5: Concession Stands and Vendors**

The Association may operate concession stands under the following guidelines:

1. If permanent City concession stands are available on the premises, they will be available to the Association during the season.
2. The Association is only permitted to run a concession stand if it has a current signed Agreement in place with the City.
3. The City shall be responsible for:
  - a. Off-season winterizing of plumbing fixtures and cutting off all water and electricity inside the concession stand following the end of the fall season, or when freezing temperatures are prevalent.
  - b. Installation, maintenance, and service of telephones and alarm systems, if applicable.
  - c. Maintenance and repairs to the electrical and plumbing inside the building.
  - d. Maintenance and repairs to the outside of the building.
  - e. Adequate trash receptacles shall be furnished by the City.

4. The Association shall be responsible for:
  - a. Policing the area of all trash, garbage, paper, boxes, cartons, cans, containers, litter, etc., generated during scheduled games or events. The association will be responsible for placing any litter generated during games or events in the on-site dumpster.
  - b. Cleaning the concession stand and restrooms at the end of each day's use. Ensure the equipment is properly turned off and all doors are locked at the end of each day's use.
  - c. Inside the building to include fixtures, appliances, general cleanliness, and all equipment necessary for storage, preparation and serving food using appropriate food handling practices.
  - d. Security of the building by setting alarm systems, if applicable.
  - e. A contents of the building and securing insurance for all contents owned by the Association.
  - f. Leaving only essential appliances stored during the season's non-use times. Only refrigerators and freezers (not air conditioners) may always be left on. Ice machines shall be unplugged, and water lines unhooked during the off-season.

Trash not properly removed within twenty-four (24) hours incurs a \$25/receptacle fee and \$75/hour for cleanup. Non-compliance with concession and litter collection may result in forfeiture of concession privileges by the Association.

## Section 6: League Management

The Association shall submit or have available online:

1. Full game schedules one (1) week prior to the first league game.
2. A copy of their most recent bylaws.
3. Names, position title, best contact phone number and email address of all officers and board members within two (2) weeks after election or appointment.
4. The Association shall collect a \$24.00 maintenance fee per player per season. Any team including "Select Teams" that are not a part of the Association may not use the fields unless a separate agreement with the City has been established. The maintenance fee must be paid to the City on or before the last day of the month prior to the first game of the season being played by the Association. The Association shall warrant to the City a list of the number of players, along with the player names participating in each activity and the number of players for which they have been admitted to the program or accepted a fee from for play.
5. In Addition, for tournament play, the Association shall pay to the City a fee of \$100.00 per team for any team that participates in tournaments scheduled at the Joshua City Park Facility. The City shall have the right to verify such reports by audit or examination of team rosters or other documents indicating the number of players participating in the Association activities.
6. Before practices or games can begin, the Association must have mandatory background checks completed on all board members, coaches, and referees/officials. All background

checks will be submitted or otherwise made available to the City prior to any scheduled events. Background checks must be completed annually.

To ensure fiscal control, the Association will:

1. Keep all financial records in accordance with IRS regulation for 501(c)(3).
2. Submit documentation that verifies valid nonprofit or 501(c)(3) status. If an Association loses their nonprofit status from the IRS or the State of Texas, the City must be immediately notified in writing. The Association must get reinstated no later than one (1) month prior to the start of the upcoming season, or the Agreement will be terminated.
3. If the Association's accounting practices are found to be fraudulent or mismanaged, the City reserves the right to suspend or cancel the Agreement.
4. The Association's budget and financial documentation may be requested at any time and will be sent to the Parks and Recreation department within three (3) business days of the request.
5. To ensure the City is a good steward with publicly funded fields, an independent financial audit may be conducted once per year of the Association's financial records.

End of Season Information (ESI) sheets will be sent to the Association at the completion of each agreement. ESI sheets are to be completed by the Association and returned to the Parks and Recreation Department within one (1) month of receiving the ESI. Once ESI sheets have been received by the Parks and Recreation Office, end of season invoices will be sent to the Association.

**A new agreement cannot be signed until the previous season is paid for and the Association is in good standing with the City.**

The following requires written permission from the Joshua Parks and Recreation Department:

- Ability to charge a gate fee for entry into a City owned facility.
- Extend the light use within a City owned facility outside the hours of 5:00 a.m. to 11:00 p.m.

### **Section 7: Association Meetings**

The Joshua Youth Sports Association is an approved Youth Sports Association with a Facility Use Agreement in place with the City. The Joshua Youth Sports Association and City staff will meet quarterly at a location to be announced by the City. At least one representative from the Association must be present at each scheduled meeting.

### **Section 8: Indemnification**

The Association shall indemnify and hold harmless the City of Joshua, its agents, contractors, volunteers, officials and employees, and any umpire or official from all claims for bodily injury, illness, death, personal injury, and property damage arising out of the activities of the Association and its members in exercising its rights under this contract. The Association shall provide the City with a copy of its policy, naming the City as additionally insured at least one (1) week before practice begins.

The Association shall be required to carry commercial general liability insurance with bodily injury limits of not less than \$1,000,000 for each occurrence, and not less than \$1,000,000 in the aggregate, and with property damage limits of not less than \$250,000 for each occurrence, and not less than \$500,000 in the aggregate. It is also recommended that the Association purchase an accident policy with \$5,000 coverage to assist participants with minor medical bills.

During the performance of the Agreement, the Association shall maintain the above insurance with an insurance company licensed to do business in the State of Texas and must have an AM Best rating of at least A:VII. Proof of insurance is required annually or when significant amendments occur to the existing insurance policy.

### **Section 9: Default**

A default of this Agreement shall result in the termination of this Agreement. Any termination of this Agreement will be made with a 30-day notice of the right to cure within ten days of the receipt of said notice provided. However, if default endangers the safety of the public or any member thereof, or endangers the facility, notice shall be that which is practical under the circumstances and the cure time shall be as demanded. The following shall constitute defaults under this Agreement:

1. The failure of the Association to make any monetary payment required hereunder.
2. The violation by the Association of any rules of the facility or the terms of this agreement.
3. The intentional destruction of any property.
4. Interference with the rights of other persons by the Association or its members and the failure to cure same.
5. Default of the Association under any other agreement between the Association and Type B Park Board and or the City.

### **Section 10: Risk of loss**

The risk of loss to any property of the Association or injury to any member, invitee, or guest of the Association shall be borne by the Association.

The Association assumes all the risk of playability and availability of the facilities. Any rain damage, wet fields, natural disasters or other stoppages of play or use of the facility and the risk thereof shall be borne by the Association.

### **Section 11: Sponsor Signs**

Associations with a current Agreement on file with the City of Joshua will be permitted to post sponsor signs on allocated fields with the following guidelines: City Ordinance {6.06.001-3.06.016}

1. City will review proposed sign content and have final approval prior to the production of the sign.
2. Sign content must reflect only individuals, groups, or businesses that are donating funds or other means of direct sponsorship support to the Association.
3. Signs must adhere to all City codes, including article 3.06 of the Code of Ordinances

- 4. Signs must be professionally lettered and of a neat and attractive nature.
- 5. Signs shall not contain any electronic messages, internal or external lighting or moving parts of any kind.
- 6. All sign installation methods and locations must be approved by the Parks Manager and will be performed by the Association.
- 7. The Association shall regularly inspect all signs for necessary repairs.
- 8. The City shall have the right to immediately remove any sign determined to pose an imminent risk of injury to a person, damage to property, or is deemed inappropriate.

Section 12: Exhibits

It is especially provided and agreed by and between the Association and the City that the exhibits hereto attached shall be part and parcel of this agreement as if set out in their entirety; said exhibits being:

Exhibit "A" - City-Owned Field Maintenance Agreement

Section 13: Stipulations

Certain maintenance or turf treatment may be necessary throughout the season. Fields may be temporarily closed for such an occurrence.

Section 14: Signatures

Any violation of any of the provisions of this agreement shall result in the termination of this agreement. This agreement is made and entered into on this day of, 1st day of February 2025 and expires on the 30th day of November 2025.

City of Joshua:

Steven Gill  
\_\_\_\_\_  
Parks Manager

2/4/2025  
\_\_\_\_\_  
Date

Mike Peacock  
\_\_\_\_\_  
City Manager

2/5/2025  
\_\_\_\_\_  
Date

Marshall Miller  
\_\_\_\_\_  
Association President

2/4/2025  
\_\_\_\_\_  
Date

## Exhibit "A"

### City Owned Field Maintenance Agreement

***The City shall maintain and be responsible for the following:***

- All turf areas include mowing, weed eating, fertilizing, herbicide applications and watering according to the standard athletic field maintenance schedule.
- All fences and gates, bleachers, and dugouts.
- *Playing field lighting systems:* Staff will check all field lighting systems to make sure lights are in working order at the beginning of each season. If lights need replacement during the season, the Association will need to notify the staff.
- *Restrooms* - Staff will clean restrooms each week during the season. Staff will take care of minor building maintenance. Plungers will be provided to unclog toilets when needed.
- *Bagged garbage* - Staff will remove all bagged garbage during normal business hours on weekdays from the receptacle to the large dumpster. Staff will be responsible for having the large dumpster emptied on a regular basis.
- *Infield dragging and preparation* - Cut outs and base paths will be raked and/or dragged three (3) days a week (typically Monday, Thursday, Friday). Days may change due to schedules, maintenance, and weather.
- *Pitching rubbers and home plates* - City will purchase pitching rubbers and home plates at the beginning of the spring season if needed. Additional ones will be purchased by the Association unless damaged by City staff.
- *Base hardware-* The City shall assist the association with installation of all base inground hardware if requested. Including base indicators/whiskers prior to the beginning of the agreed upon dates of the Facility Use Agreement.
- *Scoreboards* - Staff will check all scoreboards for proper working conditions at the beginning of each season. If the lights need to be replaced during the season, the association will need to notify the staff.
- Staff will be available for a "workday" with the Association if needed. Dates and times will be coordinated between the staff and the Association.
- Staff will meet with the association 3-4 weeks prior to each season and once after each season's completion to discuss any problems, questions, or suggestions.

***The Association shall maintain and be responsible for the following:***

- *Field striping-* Marking and cutting field lines: Before each game or as needed.
- *Litter Control-* The Association will patrol and remove litter from all fields, facilities, and grounds, including the parking lots. All litter and garbage will be bagged up and taken to the trash receptacles at the end of each day's use. If litter and trash have not been properly bagged and placed in the on-site dumpsters the City will notify the Association. The association will have twenty-four (24) hours to correct the problem. If trash is not collected within twenty-four (24) hours the Association shall incur a service fee of \$25 per trash receptacle to the City, and \$75 per hour for City staff to remove the litter. The City may hire contract workers and will charge the expense back to the Association.



- *Concession stand area-* The Association will clean the concession stand and restroom at the end of each day's use. The Association will make sure the equipment is properly turned off and all doors are locked at the end of each day's use.
  - *Base hardware-* The City shall assist the association with installation of all base inground hardware if requested. Including base indicators/whiskers prior to the beginning of the agreed upon dates of the Facility Use Agreement.
  - *Hand raking cutouts and base paths-* The Association will hand rake two (2) days a week or as needed. The association will make sure raking will be done towards the bases and away from grass to help prevent the buildup of "lip"
  - *Bases:* the Association will be responsible for purchasing and storing all bases, all base maintenance including base indicators during the agreed upon dates of the field use agreement.
  - *Pitcher mounds:* The Association will work, rake, water, and maintain all pitcher mounds at the end of each day's use or as needed. Removable pitcher mounds will be stored on the infield or on a storage rack. Pitcher mounds may not be stored against any fencing, in the turf, or against any structure.
- End of the Facility Use Agreement:* The Association will return the playing fields to the City at the end of the agreed upon dates of the Facility Use Agreement in similar condition as received at the beginning date of the Facility Use Agreement.



**City Council Agenda  
February 19, 2026**

**Resolution**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action on a resolution modifying and terminating the City of Joshua 457 (b) Deferred Compensation Plan with Nationwide. (Staff Resource: B. Grounds)

**Background Information:**

The City currently uses MissionSquare as its 457(b) plan provider. The Nationwide 457(b) account has not been used for several years and has no active participants. However, Nationwide requires City Council approval by resolution to formally amend and terminate the plan.

**Financial Information:**

This action has no financial impact on the City.

**City Contact and Recommendations:**

Brittany Grounds, Human Resources Director

Staff recommends approval of the resolution.

**Attachments:**

- 1. Nationwide Termination Documents**
- 2. Resolution**

## RESOLUTION

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS, TERMINATING THE ADMINISTRATIVE SERVICES AGREEMENT WITH NATIONWIDE RETIREMENT SOLUTIONS FOR THE CITY'S SECTION 457(b) DEFERRED COMPENSATION PLAN DUE TO NON-PARTICIPATION; AUTHORIZING THE CITY MANAGER TO EXECUTE NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Joshua, Texas, previously adopted a governmental §457(b) Deferred Compensation Plan for eligible employees; and

**WHEREAS**, the City entered into an Administrative Services Agreement with Nationwide Retirement Solutions to provide recordkeeping and administrative services for the Plan; and

**WHEREAS**, the City has determined that no employees have enrolled in or contributed to the Nationwide §457(b) Plan and no participant account balances exist; and

**WHEREAS**, the City Council finds that it is in the best interest of the City to terminate the agreement due to non-participation and administrative efficiency.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS:**

**Section 1. Termination of Administrative Services Agreement**

The Administrative Services Agreement between the City of Joshua and Nationwide Retirement Solutions for the §457(b) Deferred Compensation Plan is hereby terminated.

**Section 2. No Participant Impact**

The City Council acknowledges that no employees are enrolled in the Plan and no assets or account balances exist; therefore, no asset transfer or participant action is required.

**Section 3. Authorization**

The City Manager is authorized to execute any documentation necessary to formally terminate the agreement and close the Plan, if applicable.

**Section 4. Effective Date**

This Resolution shall become effective immediately upon adoption.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Joshua, this February 19, 2026.

Approved:

\_\_\_\_\_  
**Scott Kimble, Mayor**

ATTEST:

\_\_\_\_\_  
**Alice Holloway, City Secretary**

**CERTIFICATE OF ADOPTING RESOLUTION**

The undersigned authorized representative of City of Joshua, TX (the Employer) hereby certifies that the following resolutions were duly adopted by Employer on \_\_\_\_\_, \_\_\_\_\_, and that such resolutions have not been modified or rescinded as of the date hereof;

RESOLVED, the Amendment to modify and terminate the City of Joshua 457(b) Deferred Compensation Plan (the Amendment) is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more copies of the amendment.

The undersigned further certifies that attached hereto is a copy of the Amendment approved and adopted in the foregoing resolution.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

\_\_\_\_\_  
[print name/title]

## AMENDMENT FOR TERMINATING DEFINED CONTRIBUTION PLAN

City of Joshua, TX \_\_\_\_\_, (“Employer”), adopts this Amendment to the  
City of Joshua 457(b) Deferred Compensation Plan (“Plan”).

### ARTICLE I PREAMBLE

- 1.1 **Adoption and effective date of Amendment.** The Employer adopts this Amendment to terminate the Plan effective as of the “Effective Date of Plan Termination” specified in Amendment Section 2.1 below.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any reference to “Section” in this Amendment refers only to sections within this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to the Plan article, section or other numbering designations.

### ARTICLE II EFFECTIVE DATE, CONTRIBUTIONS, AND DISTRIBUTION

*The Employer must complete 2.1.a. below.*

- 2.1 **Plan Termination.** The Plan is terminated as of the Effective Date of Plan Termination.
  - a. **The Effective Date of Plan Termination** is: December 17, 2025.
- 2.2 **Cessation of contributions.** No employees shall enter the Plan after the Effective Date of Plan Termination, and there will be no contributions for periods after such date. Furthermore, in determining any contributions prior to the Effective Date of Plan Termination, the Plan will not take into account Compensation paid after such Effective Date.
- 2.3 **Distributions.** The Plan Administrator shall direct that distributions be made to Participants and Beneficiaries within a reasonable period of time after the Effective Date of Plan Termination. Notwithstanding any provision in the Plan to the contrary, if the Plan is a Profit Sharing or 401(k) Plan that is not required to provide for distributions in the form of a qualified joint and survivor annuity pursuant to Code §§ 401(a)(11) and 417 and the Employer does not maintain another defined contribution Plan (other than an ESOP), then the Plan will distribute benefits to Participants and Beneficiaries in a lump-sum payment, regardless of the Participant's or Beneficiary's consent to such distribution.
- 2.4 **Plan Year.** The Plan Administrator will administer the Plan as though the Plan Year that includes the Effective Date of Plan Termination ends on the Effective Date of Plan Termination. This provision applies for all plan administration purposes, including the application of the Top-Heavy requirements under Code §416, the limitation year under Code §415, and any allocation conditions imposed by the Plan. However, the plan termination does not change the Plan Year for purposes of ERISA, including ERISA's reporting and disclosure requirements.

\* \* \* \* \*

This Amendment has been executed this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

Name of Plan: City of Joshua 457(b) Deferred Compensation Plan

Name of Employer: City of Joshua, TX

By: \_\_\_\_\_

\_\_\_\_\_  
*[Print Name, Title]*

**AMENDMENT TO IMPLEMENT SECURE ACT PROVISIONS FOR TERMINATING PLAN****ARTICLE 1  
PREAMBLE**

- 1.1 **Adoption and effective date of Amendment.** The Employer hereby adopts this Amendment to the Plan identified below. Except as otherwise specified in this Amendment, this Amendment is effective ("the Effective Date") on the first day of the first Plan Year beginning after December 31, 2019, or as soon as administratively feasible thereafter.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment. Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment. Most Articles include definitions which are specific to that Article.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any "Section" reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to the Plan article, section, or other numbering designations.
- 1.4 **Intention; Construction.** The purpose of this amendment is to amend the Plan in accordance with pension related provisions of the Further Consolidated Appropriations Act of 2019 ("FCAA") in general, and Division O of that Act, the Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE"), in specific. It also addresses a provision of the Bipartisan American Miners Act ("BAMA"), which is also part of FCAA. The provisions of this Amendment shall be interpreted and applied to be consistent with FCAA.

**ARTICLE 2  
IDENTIFICATION; ELECTIONS****2.1 Identifying information.**

A. Name of Employer: City of Joshua, TX

B. Name of Plan: City of Joshua 457(b) Deferred Compensation Plan

C. Type of Plan (*check one*)

- (1) ☐ 401(k) Plan  
 (2) ☐ Profit-Sharing Plan (other than a 401(k) plan)  
 (3) ☐ Money Purchase Pension Plan  
 (4) ☐ Defined Benefit Plan (including a cash balance plan)  
 (5) ☐ 403(b) Plan  
 (6) ☒ 457(b) Plan (check one): ☒ Governmental employer ☐ Tax-exempt employer

2.2 **Plan Type Definitions.** "Qualified Plan" means a 401(k) Plan, Profit-Sharing Plan, Money Purchase Pension Plan or Defined Benefit Plan. "Defined Contribution Plan" means a Qualified Plan other than a Defined Benefit Plan.

2.3 **Default Provisions.** The following provisions apply except to the extent the Employer makes a different election in one or more of Sections 2.4 through 2.9.

- a. **The Plan does not make birth/adoption distributions described in Article 5.**  
 b. **Distribution of RMDs will begin for Affected Participants no sooner than April 1 of the calendar year following the year the Participant attains age 72.**  
 c. **Participants will not be able to take in-service distributions from Money Purchase Pension Plans, Defined Benefit Plans, or Governmental 457(b) Plans at age 59½.**

- d. **The Plan will not make distributions of Lifetime Income Investments as described in Article 9.**
- e. **If the Plan is a QACA, the automatic deferral percentage will not exceed 10%.**
- f. **The Plan (if a retirement income account plan described in Code §403(b)(9)) does not cover employees of organizations affiliated with the Employer (other than Participating Employers).**

**Skip Sections 2.4 through 2.9 if you accept the default provisions listed in Section 2.3. Any entry in Sections 2.4 through 2.9 will override the corresponding default.**

- 2.4 ☐ **Birth/Adoption Distributions.** The provisions of Article 5, dealing with distributions following birth or finalized adoption APPLY as follows: *(Check (a) or (b). Check (c) if applicable.)*
- (a) ☐ The provisions apply effective January 1, 2020.
  - (b) ☐ The provisions apply effective \_\_\_\_\_. *(Enter date after December 31, 2019.)*
  - (c) ☐ Distributions are not available from the following accounts: \_\_\_\_\_ (e.g. matching contributions, or accounts in which the Participant is not fully vested).
- 2.5 ☐ **RMD Timing.** Distribution of RMDs to Affected Participants, as described in Article 6, will NOT be delayed on account of this Amendment (i.e., distributions will generally commence no later than April 1 of the calendar year following the year the Affected Participant attains age 70½), in accordance with Section 6.5.
- 2.6 ☐ **In-Service Distributions.** The provisions of Article 8, dealing with in-service distributions at age 59½ for pension plans and governmental 457(b) plans, APPLY as follows. If 2.6 is selected and 2.6(c) is not selected, in-service distributions are permitted at age 59½. *(Check (a) or (b). Check (c) if applicable.)*
- (a) ☐ The provisions apply effective on the first day of the first Plan Year beginning after December 31, 2019.
  - (b) ☐ The provisions apply effective \_\_\_\_\_. *(Enter date after the first day of the First Plan Year beginning after December 31, 2019.)*
  - (c) ☐ Age at which in-service distributions are permitted \_\_\_\_\_. *(Enter age greater than 59½.)*
- 2.7 ☐ **Distributions of Lifetime Income Investments.** The provisions of Article 9, dealing with distributions of Lifetime Income Investments, APPLY effective \_\_\_\_\_. *(Enter date after the first day of the First Plan Year beginning after December 31, 2019.)*
- 2.8 ☐ **QACA Maximum Automatic Deferrals.** The provisions of Article 11, dealing with the maximum automatic deferral percentage for a QACA, APPLY effective \_\_\_\_\_. *(Enter date after the first day of the First Plan Year beginning after December 31, 2019.)*
- 2.9 ☐ **Retirement Income Accounts.** The provisions of Article 13, dealing with retirement income account plans described in Code §403(b)(9), APPLY effective \_\_\_\_\_. *(Enter effective date.)* For purposes of Section 13.2, the following individuals are Specified Individuals: *(Select any that apply.)*
- (a) ☐ A duly ordained, commissioned, or licensed minister of the Employer in the exercise of his or her ministry.
  - (b) ☐ An employee of one or more of the following organizations, each of which is exempt from tax under Code §501 and is controlled by or associated (as described in Code §414(e)(3)(D)) with a church or a convention or association of churches: \_\_\_\_\_
  - (c) ☐ A former Employee described in Code §414(e)(3)(B)(iii).
  - (d) ☐ Describe: \_\_\_\_\_. *(Describe or name one or more individuals or categories of individuals who will be treated as an Employee. Each such individual must be described in Code §414(e)(3)(B).)*



### ARTICLE 3 ADP SAFE HARBOR NONELECTIVE PLANS – SECURE §103

- 3.1 **Application.** This Article 3 will apply only if the Plan is a 401(k) Plan. It is effective for Plan Years beginning after December 31, 2019.
- 3.2 **No need for safe harbor notice.** If the Employer makes a Safe Harbor Nonelective Contribution, then the Plan can use the ADP Safe Harbor, whether or not Participants receive a Safe Harbor Notice. However, the Plan is required to provide a Safe Harbor Notice if the plan utilizes the ACP safe harbor described in Code §401(m)(11) or (12).
- 3.3 **Retroactive adoption.** Unless the Plan at any time during the Plan Year is a Safe Harbor Match Plan, then the Employer may amend the Plan at any time within twelve months after the end of the Plan Year to provide (A) that the Employer will make a Safe Harbor Nonelective Contribution for the entire Plan Year, (B) that the Plan qualifies for the ADP Safe Harbor for the Plan Year, and (C) that the Plan will not be required to perform the ADP Test for the Plan Year. However, if the Employer adopts the amendment on or after the 30<sup>th</sup> day before the close of the Plan Year, the Safe Harbor Nonelective Contribution must be at least 4% of the Participant's Compensation.
- 3.4 **Definitions.** The following terms have the meaning set forth in this paragraph as more fully provided in the plan terms pertaining to the related subject matter. A “**Safe Harbor Nonelective Contribution**” means a contribution described in Code §401(k)(12)(C) or Code §401(k)(13)(D)(i)(II) of at least 3% of Compensation. The ADP Test means the test provided in Code §401(k)(3)(ii). The “**ADP Safe Harbor**” means the safe harbor provided by Code §401(k)(12)(A) or a Qualified Automatic Contribution Arrangement (QACA) described in Code §401(k)(13). A “**Safe Harbor Match Plan**” is a Plan which provided during the Plan Year that Participants would receive a matching contribution described in Treas. Reg. §1.401(k)-3(c) or Treas. Reg. §1.401(k)-3(k)(2). A “**Safe Harbor Notice**” is a notice described in Code §401(k)(12)(D) or Code §401(k)(13)(E).

### ARTICLE 4 403(b) TERMINATION DISTRIBUTIONS – SECURE Act §110

- 4.1 **Application.** This Article 4 will apply only if the Plan is a 403(b) Plan.
- 4.2 **Custodial Accounts.** In connection with distributions upon termination of the Plan, the Plan may treat the delivery of a custodial account as a distribution, pursuant to IRS guidance required under SECURE Act §110.

### ARTICLE 5 BIRTH/ADOPTION DISTRIBUTIONS – SECURE Act §113

- 5.1 **Application.** This Article 5 will apply only if (1) the Plan is a Defined Contribution Plan, a 403(b) Plan, or a Governmental 457(b) Plan, and (2) the Employer elects in Section 2.4 for this Article 5 to apply, effective on the date specified in Section 2.4.
- 5.2 **Distribution Authorized.** A Participant may request a distribution (other than from an account described in Section 2.4(c)) of up to \$5,000 (per child or Eligible Adoptee) as a QBAD. This \$5,000 limit shall be reduced by QBADs to the Participant made with respect to the same child or Eligible Adoptee by other plans maintained by the Employer or a related employer described in Code §414(b), (c), (m), or (o). However, if the Plan is a Money Purchase Pension Plan, and the Participant has not separated from service, the Participant may not take a QBAD prior to attaining the earlier of Normal Retirement Age or age 59½.
- 5.3 **Definitions.** A “**QBAD**” is Qualified Birth or Adoption Distribution described in Code §72(t)(2)(H)(iii). A QBAD must be made during the 1-year period beginning of the date on which a child of the Participant is born or on which the legal adoption of an Eligible Adoptee by the Participant is finalized. An “**Eligible Adoptee**” is an individual, other than a child of the Participant's spouse, who has not attained age 18 or is physically or mentally incapable of self-support. A individual is considered physically or mentally incapable

of self-support if that individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long-continued and indefinite duration. This provision shall be applied in a manner consistent with Part D of IRS Notice 2020-68.

- 5.4 **Rollover.** A Participant who received one or more QBADs from this Plan may, if the Plan then permits the Participant to make rollover contributions, make one or more contributions in an aggregate amount not to exceed the amount of such QBADs. The Plan will treat such a contribution as a rollover contribution made by direct trustee-to-trustee transfer within 60 days of distribution.
- 5.5 **Reliance.** The Plan Administrator may rely on an individual's reasonable representation that the individual is eligible to receive a QBAD unless the Plan Administrator has actual knowledge to the contrary.
- 5.6 **Status.** A QBAD is not an eligible rollover distribution for purpose of the obligation to permit a direct rollover under Code §401(a)(31), the notice requirement of Code §402(f), or the mandatory withholding rules of Code §3405(c)(1).

## ARTICLE 6 REQUIRED BEGINNING DATE – SECURE Act §114

- 6.1 **Application.** This Article 6 will apply to all plans, regardless of type. It is effective with regard to RMDs required to be made after December 31, 2019.
- 6.2 **Delay of Required Beginning Date.** An Affected Participant's RBD shall not be earlier than April 1 of the calendar year following the year the Affected Participant attains age 72. For purposes of determining an Affected Participant's RBD, an Affected Participant will be treated as a more than 5% owner if he or she was a 5-percent owner (as defined in Code §416(i)(1)(B)) as to the Plan Year ending in the calendar year the Participant attains age 72.
- 6.3 **Spousal Distributions.** If an Affected Participant dies prior to the Participant's RBD, and the Participant's sole Designated Beneficiary is the Participant's surviving spouse, then the RMDs to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 72, if later.
- 6.4 **Definitions.** A Participant is an "Affected Participant" if the Participant was born after June 30, 1949. An "RMD" is a Required Minimum Distribution as described in Code §401(a)(9). A Participant's "RBD" is the Participant's Required Beginning Date as described in Code §401(a)(9)(C).
- 6.5 **Optional Distribution Timing.** If the Employer elects in Section 2.5 for this Section 6.5 to apply, the timing and form of distributions to an Affected Participant will be determined as though this Article 6 had not been adopted. Distributions pursuant to this paragraph, which are not RMDs, will be treated as eligible rollover distributions for purposes of the direct rollover provisions of Code §401(a)(31).

## ARTICLE 7 BENEFICIARY RMDS – SECURE Act §401

- 7.1 **Application.** This Article 7 will apply to all plans other than Defined Benefit Plans. This Article will not apply to qualified annuities described in SECURE Act §401(b)(4)(B).
- 7.2 **Effective Date.** Except as provided in Section 7.4, Article 7 will apply to Participants who die on or after the Effective Date of this Article. Generally, the Effective Date of this Article is January 1, 2020. In the case of a governmental plan (as defined in Code §414(d)), the Effective Date of this Article is January 1, 2022. The Effective Date of this Article 7 in the case of a collectively-bargained plan will be the date determined in SECURE Act §401(b)(2).

- 7.3 **10-Year Rule.** If the distributee of a deceased Participant's account is a Designated Beneficiary who is not an "Eligible Designated Beneficiary," then the Plan will distribute the account in full no later than December 31 of the 10<sup>th</sup> year following the year of the Participant's death.
- 7.4 **Beneficiary Death.** If an Eligible Designated Beneficiary dies before receiving distribution of the Beneficiary's entire interest in the Participant's account, the Plan will distribute that interest in full no later than December 31 of the 10<sup>th</sup> year following the year of the Eligible Designated Beneficiary's death. Similarly, if a Participant died before the Effective Date of this Article 7, the limitations of this Article 7 shall apply to distributions to the beneficiary of the Participant's Designated Beneficiary if the Designated Beneficiary died after the Effective Date of this Article 7.
- 7.5 **Definitions.** A distributee is a "**Designated Beneficiary**" if the individual is described under Treas. Reg. §1.401(a)(9)-4. An individual is an "**Eligible Designated Beneficiary**" of a Participant if the individual qualifies as a Designated Beneficiary and is (1) the Participant's spouse, (2) the Participant's child who has not reached the age of majority (as defined for purposes of Code §401(a)(9)(F)), (3) an individual not more than 10 years younger than the Participant, (4) a disabled individual, as defined in Code §72(m)(7), or (5) an individual who has been certified to be chronically ill (as defined in Code §7702B(c)(2)) for a reasonably lengthy period, or indefinitely. Certain trusts may be treated as Eligible Designated Beneficiaries pursuant to Code §401(a)(9)(H)(iv) and (v). When a child of the Participant reaches the age of Majority, the Plan will distribute the child's account in full no later than 10 years after that date.

## ARTICLE 8

### IN-SERVICE PENSION DISTRIBUTIONS – BAMA §104

- 8.1 **Application.** This Article 8 will apply only if (1) the Plan is a Money Purchase Pension Plan, a Defined Benefit Plan, or a Governmental 457(b) Plan, or, as described in 8.3 a 401(k) or Profit Sharing Plan, and (2) the Employer elects in Section 2.6 for this Article 8 to apply, effective on the date specified in Section 2.6.
- 8.2 **Distribution at 59½.** A Participant can take an in-service distribution at age 59½, or, if later, the age (if any) specified in Section 2.6(c). Such a distribution will be limited to the vested portion of Participant's accrued benefit or account and will be subject to all Plan provisions related to in-service distributions. If the Plan is a Governmental 457(b) Plan, the Plan can operationally permit distributions as early as January 1 of the calendar year the Participant attains 59½ (or such later age).
- 8.3 **Limited application to profit sharing plans.** If the Employer elects in Section 2.6 for this Article 8 to apply, this Article 8 will apply to an account in a 401(k) Plan or a Profit Sharing Plan which holds assets transferred from a Money Purchase Pension Plan or a Defined Benefit Plan.

## ARTICLE 9

### DISTRIBUTIONS OF LIFETIME INCOME INVESTMENTS – SECURE §109

- 9.1 **Application.** This Article 9 will apply only if (1) the Plan is a Defined Contribution Plan, a 403(b) Plan, or a Governmental 457(b) Plan, and (2) the Employer elects in Section 2.7 for this Article 9 to apply, effective on the date specified in Section 2.7.
- 9.2 **Distributions authorized.** A Participant may request, and as soon as practical after the request the Plan will make, a distribution of a Lifetime Income Investment on or after the date that is 90 days prior to the date on which the Lifetime Income Investment is no longer authorized to be held as an investment option under the Plan. Such distribution will be in the form of a Qualified Distribution, or, if the Employer elects in Section 2.7(c), in the form of a Qualified Plan Distribution Annuity Contract.
- 9.3 **Definitions.** The terms "**Lifetime Income Investment**," "**Qualified Distribution**" and "**Qualified Plan Distribution Annuity Contract**" have the meanings defined in Code §401(a)(38)(B).

**ARTICLE 10**  
**ADOPTION OF PLAN AFTER YEAR END – SECURE §201**

- 10.1 **Application.** This Article 10 will apply only if the Plan is a Qualified Plan. It is effective for Plan Years beginning after December 31, 2019.
- 10.2 **Retroactive Plan Adoption.** If the Employer adopted the underlying Plan to which this Amendment relates after the close of a taxable year, but prior to the due date (including extensions) of the Employer's federal income tax return for that taxable year, the Plan is treated as having been adopted as of the last day of the taxable year if the Plan's initial effective date is any date within that taxable year. However, no Participant may make elective deferrals to the Plan prior to the date it was adopted.

**ARTICLE 11**  
**QACA MAXIMUM AUTOMATIC DEFERRAL – SECURE §102**

- 11.1 **Application.** This Article 11 will apply only if (1) the Plan is a 401(k) Plan or a 403(b) Plan and (2) the Employer elects in Section 2.8 for this Article 11 to apply, effective on the date specified in Section 2.8.
- 11.2 **Higher Maximum Contribution.** If the Plan includes a Qualified Automatic Contribution Arrangement (QACA) described in Code §401(k)(13), then the automatic deferral percentage which applies to a Participant (referred to as the "qualified percentage" in Treas. Reg. §1.401(k)-12(j)(2)) shall not exceed 10% of the Participant's Compensation during the Initial Period, and shall not exceed 15% of the Participant's Compensation after the Initial Period. The Initial Period for a Participant begins when the Participant first has contributions made pursuant to a default election under the QACA for a Plan Year and ends on the last day of the following Plan Year.
- 11.3 **Validation.** If the Employer amends or has amended the plan (effective for a Plan Year beginning on or after the effective date specified in Section 2.8) to provide for an automatic deferral percentage which does not exceed the limitations of Section 11.2, the amendment is valid notwithstanding any limitations contained in any provision of the Plan which would limit the automatic deferral percentage to 10%.

**ARTICLE 12**  
**DIFFICULTY OF CARE PAYMENTS – SECURE §116**

- 12.1 **Application.** This Article 12 will apply only if the Plan is a Defined Contribution Plan or a 403(b) Plan. It is effective for Plan Years beginning after December 31, 2015.
- 12.2 **Inclusion in 415 Compensation.** The amount of a Participant's Compensation for purposes of determining the annual addition limit under Code §415(c)(1)(B) is increased by the amount of Difficulty of Care Payments the Employer makes to the Participant.
- 12.3 **Definition.** A Difficulty of Care Payment is a payment described in Code §131(c)(1) made in connection with qualified foster individuals.

**ARTICLE 13**  
**EMPLOYEES PARTICIPATING IN RETIREMENT INCOME ACCOUNT PLAN – SECURE §111**

- 13.1 **Application.** This Article 13 will apply only if (1) the Plan is a 403(b) Plan, (2) Plan assets are held in retirement income accounts described in Code §403(b)(9), and (3) the Employer elects in Section 2.9 for this Article 13 to apply. It is effective as of the date specified in Section 2.9.
- 13.2 **Employee.** For all Plan purposes, the term "Employee" includes Specified Individuals as elected in Section 2.9.

This Amendment has been executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Name of Employer: City of Joshua, TX

By: \_\_\_\_\_

**AMENDMENT TO IMPLEMENT SECURE 2.0****ARTICLE 1  
PREAMBLE**

- 1.1 **Adoption and effective date of Amendment.** The Employer hereby adopts this Amendment to the Plan identified below. Unless otherwise stated, the effective date of each Article of this Amendment is the first day of the first Plan Year beginning in 2023.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment. Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment. Most Articles include definitions which are specific to that Article.
- 1.3 **Numbering.** Except as otherwise provided in this Amendment, any “Section” reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to the Plan article, section, or other numbering designations.
- 1.4 **Intention; Construction.** The purpose of this amendment is to amend the Plan in accordance with SECURE 2.0 Act of 2022, enacted by Congress as Division T of the Consolidated Appropriations Act of 2023, and shall be interpreted and applied accordingly.

**ARTICLE 2  
IDENTIFICATION; ELECTIONS****2.1 Identifying information.**

A. Name of Employer: City of Joshua, TX

B. Name of Plan: City of Joshua 457(b) Deferred Compensation Plan

**ARTICLE 3  
QACA PLANS – SECURE 2.0 §401**

- 3.1 **Application.** This Article 3 will apply only if the Plan is a Qualified Automatic Contribution Arrangement (“QACA”) described in Code §401(k)(13). This Article is effective as of the first day of the first plan year beginning in 2020, or such later date as the Plan is a QACA.
- 3.2 **Safe harbor notice required to use ACP safe harbor.** The Plan is required to provide a safe harbor notice, as described in Code §401(k)(13)(E), if the plan utilizes the ACP safe harbor described in Code §401(m)(12).

**ARTICLE 4  
BIRTH/ADOPTION DISTRIBUTIONS – SECURE 2.0 §311**

- 4.1 **Application.** This Article 4 will apply only if the Plan permits Qualified Birth and Adoption Distributions (“QBADs”) as described in Code §72(t)(2)(H).
- 4.2 **Rollover Deadline.** A Participant who received one or more QBADs from this Plan may, if the Plan then permits the Participant to make rollover contributions, make one or more contributions in an aggregate amount not to exceed the amount of such QBADs. The Plan will treat such a contribution in the same manner as a rollover contribution made by direct trustee-to-trustee transfer within 60 days of distribution. However, any such contribution must be received by the Plan no later than December 31, 2025, or prior to Plan termination (if earlier than December 31, 2025).

**ARTICLE 5**  
**REQUIRED BEGINNING DATE – SECURE 2.0 §107**

- 5.1 **Application.** This Article 5 will apply to all plans, regardless of type. It is effective with regard to RMDs required to be made after December 31, 2022.
- 5.2 **Delay of Required Beginning Date.** An Affected Participant's RBD shall not be earlier than April 1 of the calendar year following the year the Affected Participant attains age 73. For purposes of determining an Affected Participant's RBD, an Affected Participant will be treated as a more than 5% owner if the Participant was a 5-percent owner (as defined in Code §416(i)(1)(B)) as to the Plan Year ending in the calendar year the Participant attains age 73.
- 5.3 **Spousal Distributions.** If an Affected Participant dies prior to the Participant's RBD, and the Participant's sole Designated Beneficiary is the Participant's surviving spouse, then the RMDs to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 73, if later. However, this Section will apply only if the Plan, prior to this Amendment, permitted a surviving spouse to delay RMD distributions to December 31 of the calendar year in which the Participant would have attained age 72.
- 5.4 **Definitions.** The following definitions apply for this Article 5:
- (a) A Participant is an "**Affected Participant**" if the Participant was born after December 31, 1950.
  - (b) An "**RMD**" is a Required Minimum Distribution as described in Code §401(a)(9).
  - (c) A Participant's "**RBD**" is the Participant's Required Beginning Date as described in Code §401(a)(9)(C), as amplified by Section 5.2.

**ARTICLE 6**  
**COLLECTION OF PEP CONTRIBUTIONS – SECURE 2.0 §105**

- 6.1 **Application.** This Article 6 will apply only if the Plan is a Pooled Employer Plan ("PEP") described in ERISA §3(43).
- 6.2 **Named Fiduciary.** The Pooled Plan Provider ("PPP") of the Plan or another Named Fiduciary, other than an Employer in the Plan, to be responsible for collecting contributions to the Plan. The PPP or other Named Fiduciary shall implement written contribution collection procedures that are reasonable, diligent, and systematic.

This Amendment has been executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Name of Employer: City of Joshua, TX

By: \_\_\_\_\_

**CERTIFICATE OF ADOPTING RESOLUTION**

The undersigned authorized representative of City of Joshua, TX (the Employer) hereby certifies that the following resolution was duly adopted by Employer on \_\_\_\_\_, and that such resolution has not been modified or rescinded as of the date hereof:

RESOLVED, the Amendment to the City of Joshua 457(b) Deferred Compensation Plan Plan for the CARES Act (the Amendment) is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Plan Administrator the Amendment and to take any and all actions as it may deem necessary to effectuate this resolution.

The undersigned further certifies that attached hereto is a copy of the Amendment approved and adopted in the foregoing resolution.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

\_\_\_\_\_  
[print name/title]



## AMENDMENT FOR CARES ACT

### ARTICLE 1 PREAMBLE; DEFINITIONS

- 1.1 **Adoption of Amendment.** The Employer adopts this Amendment to implement provisions of the Act which affect the Plan. All references to the Plan include the Plan's loan program, policy, or procedure to the extent applicable.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any Article or Section reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment and does not relate to the Plan article, section, or other numbering designations.
- 1.4 **Effect of restatement of Plan.** If the Employer restates the Plan then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (e.g., if the Plan is restated onto a plan document which incorporates these provisions).
- 1.5 **Definitions.** Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment. The following definitions apply specifically to this Amendment:
  - A. The "**Act**" is the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. This Amendment shall be interpreted and applied to comply with the Act.
  - B. A "**Qualified Individual**" means any individual who meets one or more of the criteria described in paragraphs (1), (2), (3), or (4). Participants, alternate payees and beneficiaries of deceased participants can be treated as Qualified Individuals. The Plan Administrator may rely on an individual's certification that the individual satisfies a condition to be a Qualified Individual unless the Plan Administrator has actual knowledge to the contrary. In applying the criteria, "COVID-19" means either the virus SARS-CoV-2 or coronavirus disease 2019; "an approved test" means a test approved by the Centers for Disease Control and Prevention (including a test authorized under the Federal Food, Drug, and Cosmetic Act); and a "member of the individual's household" means someone who shares the individual's principal residence. The criteria are as follows:
    - (1) The individual was diagnosed with COVID-19 by an approved test;
    - (2) The individual's spouse or dependent (as defined in Code §152) was diagnosed with COVID-19 by an approved test;
    - (3) The individual has experienced adverse financial consequences because: (a) the individual or the individual's spouse, or a member of the individual's household was quarantined, furloughed or laid off, or had work hours reduced due to COVID-19; (b) the individual, the individual's spouse, or a member of the individual's household was unable to work due to lack of childcare due to COVID-19; (c) A business owned or operated by the individual, the individual's spouse, or a member of the individual's household closed or reduced hours due to COVID-19; or (d) the individual, the individual's spouse, or a member of the individual's household had a reduction in pay (or self-employment income) due to COVID-19 or had a job offer rescinded or start date for a job delayed due to COVID-19; or
    - (4) The individual satisfies any other criteria determined by the Treasury or the IRS.

### ARTICLE 2

**IDENTIFYING INFORMATION; EMPLOYER ELECTIONS****2.1 Reserved.****2.2 Employer identifying information.**A. Name of Employer: City of Joshua, TX

B. Name of Plan: \_\_\_\_\_

## C. Type of Plan (check one)

- (1) ☐ 401(k) Plan  
 (2) ☐ Profit-Sharing Plan (other than a 401(k) plan)  
 (3) ☐ Money Purchase Pension Plan  
 (4) ☐ Defined Benefit Plan (including a cash balance plan)  
 (5) ☐ 403(b) Plan  
 (6) ☒ 457(b) Plan sponsored by a governmental employer

**2.3 Relief for Qualified Individuals.** Will the Plan provide any or all of the following relief for Qualified Individuals: (1) Coronavirus-Related Distributions described in Article 3, (2) increased loan limits described in Section 4.2, (3) the loan repayment extension described in Section 4.3. *(Select one of (a), (b), or (c). If (c) is selected, then select one or more of (d), (e), and/or (f))*

- (a) ☐ **No.** The Plan will not provide any of these relief provisions.
- (b) ☐ **Yes.** The Plan will provide all of these relief provisions. The limitations on distributions described in Sections 2.3(d)(1) – (4) and the limitations on loans in Section 2.3(e)(1) – (3) and 2.3(f)(1)–(3) do not apply.
- (c) ☐ **Some.** The Plan will provide those relief provisions selected in (d), (e), or (f) below.
- (d) ☐ **The Coronavirus-Related Distribution provisions described in Article 3** *(If (d) is selected, the Employer may optionally select one or more of (1), (2), (3), (4), or (5).)*
- (1) ☐ Coronavirus-Related Distributions are not available from an account in which the Participant is not 100% vested.
- (2) ☐ Coronavirus-Related Distributions may be made only from the following accounts: \_\_\_\_\_.
- (3) ☐ The maximum amount of Coronavirus-Related Distributions from the Plan to a Qualified Individual will not exceed: \$\_\_\_\_\_. *(Enter amount less than \$100,000.)*
- (4) ☐ The following additional provisions apply to Coronavirus-Related Distributions: \_\_\_\_\_.  
*(Enter limitations or restrictions which are nondiscriminatory and not subject to Employer discretion.)*
- (e) ☐ **The increased loan limit described in Section 4.2** *(If (e) is selected, the Employer may optionally select any one or more of (1), (2), or (3).)*
- (1) ☐ The maximum dollar amount of loans pursuant to Section 4.2 will not exceed: \$\_\_\_\_\_. *(Enter amount less than \$100,000.)*
- (2) ☐ The maximum percentage of the present value of the nonforfeitable accrued benefit that may be loaned pursuant to Section 4.2 will not exceed: \_\_\_\_\_%. *(Enter percentage less than 100%.)*
- (3) ☐ The following additional provisions apply to the increased loan limit: \_\_\_\_\_.  
*(Enter limitations or restrictions which are nondiscriminatory.)*
- (f) ☐ **The loan repayment extension described in Section 4.3** *(If (f) is selected, the Employer may optionally select and one or more of (1), (2), or (3).)*
- (1) ☐ The Suspension Period will begin \_\_\_\_\_ *(Enter date not before March 27, 2020)* and end \_\_\_\_\_. *(Enter date not later than December 31, 2020.)*
- (2) ☐ The Extension Period will be \_\_\_\_\_. *(Enter period, up to one year, the due date of the loan will be extended, such as "six months.")*

- (3) ☐ The following additional provisions apply to the loan repayment extension:

*(Enter limitations or restrictions which are nondiscriminatory.)*

- 2.4 **RMD waivers for 2020.** Unless the Employer elects otherwise below, the provisions of Section 5.2 apply and a Participant or Beneficiary who would have been required to receive a 2020 RMD or Extended 2020 RMD will receive the distribution unless the Participant or Beneficiary chooses not to receive the distribution.

- (a) ☒ The provisions of Section 5.2 apply and a Participant or Beneficiary who would have been required to receive a 2020 RMD or Extended 2020 RMD will not receive the distribution unless the Participant or Beneficiary chooses to receive the distribution.
- (b) ☐ Payment of RMDs or Extended 2020 RMDs will be governed by the terms of the Plan without regard to this Amendment (i.e., no election is available to Participants or Beneficiaries).
- (c) ☐ Other: \_\_\_\_\_

For purposes of Section 5.3, the Plan will also treat the following as eligible rollover distributions in 2020: *(Choose one or none of (d), (e), or (f)): If no election is made, then a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code §401(a)(9)(I):*

- (d) ☐ 2020 RMDs.
- (e) ☐ 2020 RMDs and Extended 2020 RMDs.
- (f) ☒ 2020 RMDs but only if paid with an additional amount that is an eligible rollover distribution without regard to Code §401(a)(9)(I).

The provisions of Article 5, and the election in this Section 2.4, will be effective on the date specified in Section 2.5, unless a different date is entered here: \_\_\_\_\_. *(Optional. Enter a date between March 27, 2020 and December 31, 2020. RMD distributions before the selected effective date should have followed plan terms in effect before this amendment.)*

- 2.5 **Effective Date.** This Amendment is effective March 27, 2020, or as soon as practical thereafter, or, if later, the following date: \_\_\_\_\_. *(Optional. Enter a date not later than December 31, 2020.)*

### ARTICLE 3 CORONAVIRUS-RELATED DISTRIBUTIONS

- 3.1 **Application.** This Article 3 will apply if Section 2.3(b) or Section 2.3(d) is selected.
- 3.2 **Coronavirus-Related Distribution(s).** Subject to the provisions described in Section 2.3(d)(4), if any, a Qualified Individual may take one or more Coronavirus-Related Distributions. The accounts from which the amount may be distributed shall be limited if selected in Sections 2.3(d)(1) and (2). However, if the Plan is a Money Purchase Pension Plan or a Defined Benefit Plan, and the Qualified Individual has not separated from service, the Qualified Individual may not take a Coronavirus-Related Distribution prior to attaining the earlier of Normal Retirement Age or age 59½. The provisions of this Section will apply notwithstanding any limitation in the Plan on partial distributions or any otherwise applicable plan or administrative limits on the number of allowable distributions.
- 3.3 **Repayment of distribution.** If the Plan permits rollover contributions, then a Participant who receives a Coronavirus-Related Distribution (from this Plan and/or another eligible retirement plan as defined in Code §402(c)(8)(B)), at any time during the 3-year period beginning on the day after receipt of the distribution, may make one or more contributions to the Plan, as rollover contributions, in an aggregate amount not to exceed the amount of such distribution.
- 3.4 **Definition of Coronavirus-Related Distribution.** A "Coronavirus-Related Distribution" means a distribution to a Qualified Individual during the period beginning January 1, 2020 and ending December 30, 2020. The total amount of Coronavirus-Related Distributions to a Qualified Individual pursuant to this Amendment from all plans maintained by the Employer, or any related employer described in Code §414(b), (c), (m), or (o), shall not exceed \$100,000, (or such lesser amount specified in Section 2.3(d)(3)). The

Coronavirus-Related Distributions from the Plan to a Qualified Individual will not exceed the amount of the individual's vested account balance or the present value of the individual's vested accrued benefit.

#### ARTICLE 4 PARTICIPANT LOAN RELIEF

- 4.1 **Application.** This Article 4 will apply only if the Plan permits participant loans. Section 4.2 will apply if Section 2.3(b) or Section 2.3(e) is selected. Section 4.3 will apply if Section 2.3(b) or Section 2.3(f) is selected.
- 4.2 **Increased loan limit.** Notwithstanding the loan limitation that otherwise would apply, the Plan will determine the loan limit under Code §72(p)(2)(A) for a loan to a Qualified Individual, made during the period beginning March 27, 2020 and ending September 22, 2020, by substituting "\$100,000" (or such lesser amount specified in Section 2.3(e)(1)) for "\$50,000," and by substituting "100% (or such lesser percentage specified in Section 2.3(e)(2)) of the present value of the nonforfeitable accrued benefit of the employee under the Plan" for "one-half of the present value of the nonforfeitable accrued benefit of the employee under the Plan" (or its equivalent). The provisions described in Section 2.3(e)(3), if any, will apply in connection with loans to Qualified Individuals.
- 4.3 **Extension of certain repayments.** If a Qualified Individual has an outstanding loan from the Plan on or after March 27, 2020, then: (1) if the date for any repayment of such loan occurs during the Suspension Period, the due date is extended for the Extension Period; (2) the due date of the loan will be extended by the Extension Period; (3) the Plan will adjust any subsequent repayments to reflect the extension of the due date and any interest accrued during the Suspension Period; and (4) the Plan will disregard the Extension Period in determining the 5-year period and the loan term under Code §72(p)(2)(B) or (C). The provisions described in Section 2.3(f)(3), if any, will apply in connection with the suspension and extension described in this Section. The Suspension Period, unless otherwise specified in Section 2.3(f)(1), will begin March 27, 2020 and end December 31, 2020. The Extension Period, unless otherwise specified in Section 2.3(f)(2) will be one year. The provisions of this Section 4.3 will be applied in accordance with Section 5.B. of Notice 2050-50, or any subsequent applicable guidance, and the adjustment described in (3) may reflect the "safe harbor" described therein.

#### ARTICLE 5 WAIVER OF 2020 REQUIRED MINIMUM DISTRIBUTIONS (RMDs)

- 5.1 **Application.** This Article 5 will apply only to defined contribution plans, including 401(k) Plans, Profit-Sharing Plans, Money Purchase Pension Plans, 403(b) Plans, and 457(b) Plans sponsored by governmental employers. The definitions in Section 5.4 will apply in interpreting Section 2.4.
- 5.2 **Waiver; default provision.** This Section 5.2 will apply unless the Employer has selected Section 2.4(b) or (c). Notwithstanding the provisions of the Plan relating to RMDs, whether a Participant or Beneficiary who would have been required to receive 2020 RMDs, and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2020 RMDs, or (2) Extended 2020 RMDs will receive those distributions is determined in accordance with the option chosen by the Employer in Section 2.4. Notwithstanding the option chosen by the employer in Section 2.4, a Participant or Beneficiary will be given an opportunity to make an election as to whether or not to receive those distributions. If the Plan permits a Beneficiary of a deceased Participant to make the election to use the 5-year rule or the life expectancy rule, the deadline to make the election shall be extended to reflect the adoption of Code §401(a)(9)(I).
- 5.3 **Direct rollovers.** Notwithstanding the provisions of the Plan relating to required minimum distributions under Code §401(a)(9), and solely for purposes of applying the direct rollover provisions of the Plan, certain additional distributions in 2020, as elected by the Employer in Section 2.4, will be treated as eligible rollover distributions. If no election is made by the Employer in Section 2.4, then a direct rollover will be

offered only for distributions that would be eligible rollover distributions without regard to Code §401(a)(9)(I).

- 5.4 **Definitions. “RMDs”** means required minimum distributions described in Code §401(a)(9). **“2020 RMDs”** means required minimum distributions the Plan would have been required to distribute in 2020 (or permitted to pay in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code §401(a)(9)(I). **“Extended 2020 RMDs”** means one or more payments in a series of substantially equal distributions (that include the 2020 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant’s designated Beneficiary, or for a period of at least 10 years.
- 5.5 **Installment payments.** A Participant or Beneficiary receiving payment of 2020 RMDs or 2020 Extended RMDs pursuant to this Article 5 may receive them in any method (including installments or partial distributions) which would have been permitted under the terms of the Plan if the amounts would have been RMDs but for the enactment of Code §401(a)(9)(I).

\* \* \* \* \*

This Amendment has been executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Name of Plan: City of Joshua 457(b) Deferred Compensation Plan

Name of Employer: City of Joshua, TX

By: \_\_\_\_\_  
EMPLOYER

**SECURE 2.0 Operational Checklist**  
**ASC Cycle 3 Defined Contribution Plans**  
**EMPLOYER ELECTIONS**  
**Plan name**

Item 4.

1. **Mandatory Automatic Enrollment for New 401(k) Plans.** [SECURE 2.0 Act §101 - effective for plan years beginning after December 31, 2024 with respect to 401(k) plans established on or after December 29, 2022 (other than for small or new businesses as described in SECURE 2.0, SIMPLE plans, governmental or church plans). See IRS Notice 2024-2 (Q&As A-1 – A-6) for guidance relating to the mandatory automatic enrollment requirements.]

- ☒ (a) **The Plan is exempt from the mandatory automatic enrollment requirements.** The Plan is not required to satisfy the mandatory automatic enrollment requirements because it is exempt from such requirements under Code §414A(c). The Code §414A(c) exemptions include: (1) any 401(k) plan established before December 29, 2022; (2) small businesses for which the Employer normally employs (or employed) 10 or fewer Employees; (3) new businesses for which the Employer has been in existence for less than 3 years; (4) any SIMPLE plan; (5) governmental plans, and (6) church plans. [See IRS Notice 2024-2 (Q&As A-1 – A-6) for guidance relating to the exemptions from the mandatory automatic enrollment requirements.]

**The following elections apply to plans that are not exempt from the mandatory automatic enrollment requirements.**

- ☐ (b) **Eligible Automatic Contribution Arrangement deferral percentage and automatic increase.**
- ☐ (1) **Automatic deferral percentage.** \_\_\_\_\_% of Plan Compensation [*must be between 3% and 10%*]
- ☐ (2) **Automatic increase.** The automatic deferral percentage will increase effective the first day of each Plan Year after each completed full year of participation by 1% of Plan Compensation until the total automatic deferral percentage is \_\_\_\_\_% of Plan Compensation [*may not exceed 15%. However, in the case of an eligible automatic contribution arrangement that does not meet the requirements of Code §§401(k)(12) (Traditional safe harbor plan) or (13) (QACA safe harbor plan) for the 2025 plan year and earlier plan years, the total automatic deferral percentage may not exceed 10%*].
- ☐ (3) **Special application of automatic increase provisions.** The Employer may describe under this subsection (3) special rules applicable to automatic increase provisions: \_\_\_\_\_  
[*Note: Special rules must satisfy all applicable statutory requirements.*]
- ☐ (c) **Application of automatic deferral provisions.** The automatic deferral election under subsection (b) will apply to Participants who enter the Plan on or after the automatic deferral provisions are effective. Rules for current Participants who are eligible to participate in the Plan at the time the automatic deferral provisions are effective are set forth under subsection (c)(1).
- ☐ (1) **Current Participants.** The automatic deferral provisions apply to all other eligible Participants as follows:
- ☐ (i) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Deferral Election (including an election not to defer under the Plan).
- ☐ (ii) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Deferral Election that is at least equal to the automatic deferral amount under subsection (a)(1). Current Participants who have made a Salary Deferral Election that is less than the automatic deferral amount, or who have not made a Salary Deferral Election, will automatically be increased to the automatic deferral amount unless the Participant enters into a new Salary Deferral election on or before the effective date of the automatic deferral provisions.
- ☐ (iii) Describe: \_\_\_\_\_
- ☐ (2) **Expiration of affirmative deferral elections.** Unless this subsection (2) is elected, for purposes of the automatic deferral provisions of the Plan, a Participant's affirmative elective deferral election will not expire. If this subsection (2) is elected, a Participant's affirmative deferral election will expire:
- ☐ (i) at the end of each Plan Year.
- ☐ (ii) Describe date that the affirmative election will expire: \_\_\_\_\_
- Expiration applies to the following:
- ☐ (iii) All affirmative elections.
- ☐ (iv) Only to affirmative elections that are less than the current automatic deferral rate.

If a Participant fails to complete a new affirmative deferral election subsequent to the prior election expiring, the Participant becomes subject to the automatic deferral percentage as specified in the Plan pursuant to the automatic contribution arrangement provisions. Each year, the Participant may always complete a new affirmative election and designate a new deferral percentage.

- (3) **Treatment of automatic deferrals.** Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Pre-Tax Salary Deferrals, unless designated otherwise under this subsection (3).

☐ Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Roth Deferrals. [*Note: This subsection (3) may only be checked if Roth Deferrals are permitted under AA §6A-5.*]

- (d) **Treatment of terminated Employees who are rehired.** Unless designated otherwise below, in applying the automatic deferral provisions under this Section 1, including the automatic increase provisions, a rehired Participant is treated as a new Employee (regardless of the amount of time since the rehired Employee terminated employment).

☐ (1) **Rehired Employees not treated as new Employee.** In applying the automatic deferral provisions under this AA§6A-8, including the automatic increase provisions, a rehired Participant is not treated as a new Employee. Thus, for example, a rehired Participant's deferral percentage will be calculated based on the date the individual first began making automatic deferrals under the Plan.

☐ (2) **Describe special rules applicable to rehired Employees:** \_\_\_\_\_

- (e) **Permissible Withdrawals Must be Allowed.** A Participant who receives an automatic deferral may withdraw such contributions (and earnings attributable thereto) if such Participant makes the election to withdraw no later than 90 days after the date the Plan Compensation from which such Salary Deferrals are withheld would otherwise have been included in gross income. If an Employee does not make automatic deferrals to the Plan for an entire Plan Year (e.g., due to termination of employment), the Plan may allow such Employee to take a permissive withdrawal. [*Note: The permissible withdrawal requirements are mandatory, and the Employer must allow such withdrawals.*]

☐ (f) Describe special rules applicable to the mandatory automatic enrollment under the Plan: \_\_\_\_\_

2. **Saver's Match.** [SECURE 2.0 Act §103 - effective for taxable years beginning after December 31, 2026.]

**This checklist may expand elections associated with the Saver's Match provision under SECURE 2.0 §103 after IRS issues applicable guidance.**

To receive federal matching contributions under the Saver's Match provisions of SECURE 2.0 §103, the Employer must elect to accept such contributions.

☐ (a) The Employer elects to accept the receipt of federal matching contributions (Saver's Match), effective \_\_\_\_\_ [*must be after December 31, 2026*].

☐ (b) Employer will not accept receipt of Saver's Match.

☐ (c) Describe special rules applicable to the Saver's Match: \_\_\_\_\_

3. **Pooled Employer Plan – Collection of Contributions.** [SECURE 2.0 Act §105 - effective for Plan Years beginning after December 31, 2022.]

**PEP FIDUCIARY INFORMATION.**

Name of PEP Fiduciary. \_\_\_\_\_

Address. \_\_\_\_\_

City, State, Zip Code. \_\_\_\_\_

PEP Fiduciary EIN. \_\_\_\_\_

Effective date of designation. \_\_\_\_\_

4. **Higher Catch-up Limits for Ages 60, 61, 62 and 63.** [SECURE 2.0 Act §109 - effective for taxable years beginning after December 31, 2024.]

Effective for taxable years beginning after December 31, 2024, the Plan's catch-up limit is increased to the greater of \$10,000 or 150% of the regular catch-up amount for the 2025 calendar year for Employees who have attained ages 60, 61, 62 and 63, unless otherwise elected below.

☐ The Employer elects not to increase the catch-up limit under the Plan to the greater of \$10,000 or 150% of the regular catch-up amount for the 2025 calendar year for Employees who have attained ages 60, 61, 62 and 63,

**[Caution: The IRS may not allow plans that provide for catch-up contributions to elect not to increase the catch-up limit as provided under SECURE 2.0 Act §109. Providers should make Employers aware of this possibility.]**

5. **Treatment of Student Loan Payments as Elective Deferrals for Matching Contributions.** [SECURE 2.0 Act §110 - effective for Plan Years beginning after December 31, 2023.]

- ☐ The Employer elects to make Matching Contributions on account of “qualified student loan payments,” effective \_\_\_\_\_ [no earlier than the first day of the Plan Year beginning after December 31, 2023].

The Employer may develop procedures to assist in the administration of this election.

6. **Military Spouse Retirement Plan Eligibility Credit for Small Employers.** (SECURE 2.0 Act §112 - effective for taxable years beginning after December 29, 2022.) [Highly Compensated Employees cannot be considered military spouses for the purposes of this credit. See IRS Notice 2024-2 (Q&As C-1 – C-3) for guidance on the military spouse credit.]

*[Note: If the Employer wishes to receive this credit, it may instead modify the eligibility and contribution provisions of the Plan to meet the conditions for the credit. If the Plan’s eligibility, contribution and vesting provisions already satisfy the conditions for receiving the tax credit, the Employer is entitled to receive the tax credit and no special modification of the Plan for military spouses is necessary.]*

- ☐ (a) **The Employer elects the following special provisions applicable to military spouses. All Matching Contributions and/or Employer Contributions made on behalf of the military spouse are immediately 100% vested.**
- ☐ (1) A military spouse will enter the Plan immediately upon such military spouse’s Employment Commencement Date and is immediately eligible to receive Matching Contributions and/or Employer Contributions as otherwise provided to Eligible Employees under the Plan.
- ☐ (2) A military spouse will enter the Plan on the date which is two months after such military spouse’s Employment Commencement Date and is then immediately eligible to receive Matching Contributions and/or Employer Contributions as otherwise provided to Eligible Employees under the Plan.
- ☐ (3) A military spouse will enter the Plan on the next Entry Date following such military spouse’s Employment Commencement Date, but in no event later than two months after such Employment Commencement Date, and is then immediately eligible to receive Matching Contributions and/or Employer Contributions as otherwise provided to Eligible Employees under the Plan.
- ☐ (4) A military spouse will enter the Plan on the date which is \_\_\_\_\_ months [cannot exceed two (2)] or \_\_\_\_\_ days [cannot exceed 60] after such military spouse’s Employment Commencement Date and is then immediately eligible to receive Matching Contributions and/or Employer Contributions as otherwise provided to Eligible Employees under the Plan.
- ☐ (5) Describe special rules applicable to military spouses: \_\_\_\_\_
- ☐ (b) Effective date of special provisions applicable to military spouses: \_\_\_\_\_
- ☐ (c) Describe special rules relating to contributions for military spouses: \_\_\_\_\_

7. **Distributions for Certain Emergency Expenses.** [SECURE 2.0 Act §115 - effective for emergency expense distributions made after December 31, 2023.]

Unless otherwise elected below, the Plan does not allow distributions for emergency expenses.

- ☐ (a) Effective \_\_\_\_\_ [no earlier than January 1, 2024], the Employer elects to allow a Participant to take one distribution per year from the Participant’s vested account balance not to exceed the lesser of:
- (1) \$1,000, or
- (2) the amount by which the Participant’s total vested account balances exceeds \$1,000
- for emergency expenses, which are unforeseeable or immediate financial needs relating to personal or family emergency expenses. The Participant has the option to repay such distribution within 3 years from the date of the distribution. No further emergency distributions may be made during the 3-year repayment period unless full repayment occurs or elective deferrals, plus and Employee contributions subsequently made to the plan are at least equal to the amount of the previous distribution.
- ☐ (b) Emergency expense distributions are available from the following sources to the extent vested:
- ☐ (1) All available sources
- ☐ (2) Pre-Tax Deferral Account
- ☐ (3) Roth Deferral Account (including In-Plan Roth Conversion Account)
- ☐ (4) Matching Contribution Account
- ☐ (5) Employer Contribution Account
- ☐ (6) Safe Harbor Contribution Account(s)



- ☐ (7) Qualified Matching Contribution (QMAC) and/or Qualified Nonelective Contribution (QNEC) Account(s)
- ☐ (8) Rollover Contribution Account
- ☐ (9) After-Tax Employee Contribution Account
- ☐ (10) Transfer Account
- ☐ (11) Money Purchase Pension Plan Accounts (subject to the limitations stated under the Plan)
- ☐ (12) Describe available sources: \_\_\_\_\_

☐ (c) Emergency expense distributions are available to all Participants who have the applicable Account(s), unless otherwise indicated below.

- ☐ (1) Emergency expense distributions are not available to terminated Participants.
- ☐ (2) Emergency expense distributions will only be permitted if the Participant is 100% vested in the source from which the distribution is taken.
- ☐ (3) Describe the Participants who may receive Emergency expense distributions: \_\_\_\_\_

☐ (d) Describe special rules applicable to distributions for emergency expenses: \_\_\_\_\_

**8. Additional Employer Contributions to SIMPLE 401(k) Plans.** [SECURE 2.0 Act §116 - effective for taxable years beginning after December 31, 2023.]

Effective for taxable years beginning after December 31, 2023, an Employer may make additional discretionary Employer Contributions to its SIMPLE 401(k) Plan for each Eligible Employee in a uniform manner, provided that such contribution may not exceed the lesser of up to 10% of compensation or \$5,000 (indexed for inflation). The Employer may elect below to make the additional Employer Contribution as a fixed contribution to the Plan.

☐ (a) Effective for Plan Years beginning after \_\_\_\_\_ [no earlier than December 31, 2023], the Employer elects to make an additional fixed Employer Contribution to the SIMPLE 401(k) Plan for the Plan Year equal to \_\_\_\_\_% of Total Compensation [may not exceed 10%] up to:

- ☐ (1) \$5,000
- ☐ (2) \$ \_\_\_\_\_ [must be less than \$5,000]

☐ (b) Describe special rules relating to Employer Contributions to the SIMPLE 401(k) Plan: \_\_\_\_\_

**9. Increased Contribution Limit for SIMPLE 401(k) Plans.** [SECURE 2.0 Act §117 - effective for taxable years beginning after December 31, 2023. See IRS Notice 2024-2 (Q&As E-1 – E-8) for guidance with respect to the increased contribution limits for SIMPLE plans.]

[**Note:** To be eligible to allow increased deferral and catch-up contributions in a SIMPLE 401(k) Plan, the Employer must not have had any other plan within the prior 3 years.]

**Employers with 25 or fewer Employees.** Effective for taxable years beginning after December 31, 2023, for an Employer with 25 or fewer Employees who received at least \$5,000 of compensation for the preceding year that sponsors a SIMPLE 401(k) Plan, the otherwise applicable annual deferral limit and the limit on the catch-up contribution at age 50 (adjusted for COLAs) are automatically increased by 10%. No Employer election is necessary to implement the increased limits.

**Employers with more than 25 Employees.** Effective for taxable years beginning after December 31, 2023, for an Employer with 26 to 100 Employees who receive at least \$5,000 of compensation for the preceding year that sponsors a SIMPLE 401(k), the otherwise applicable annual deferral limit and the limit on the catch-up contribution at age 50 (adjusted for COLAs) are increased by 10% if the Employer elects to either provide for a 4% Matching contribution or a 3% Employer contribution.

☐ (a) Effective for taxable years beginning after \_\_\_\_\_ [no earlier than the taxable year beginning after December 31, 2023], the Employer elects to contribute a Matching Contribution equal to the Employee's Salary Deferrals up to 4% of the Employee's SIMPLE Compensation for the full calendar year.

☐ (b) Effective for taxable years beginning after \_\_\_\_\_ [no earlier than the taxable year beginning after December 31, 2023], the Employer elects to contribute an Employer Contribution of 3% of Total Compensation for the full calendar year for each Eligible Employee who receives at least \$5,000 of SIMPLE Compensation for the calendar year.

**10. Automatic Portability Transactions.** [SECURE 2.0 Act §120 - effective for transactions occurring on or after December 29, 2023.]

☐ (a) The Employer will accept transfers of assets pursuant to an automatic portability transaction, effective \_\_\_\_\_ [no earlier than December 29, 2023].

☐ (b) Describe special rules applicable to the acceptance of transfers of assets pursuant to an automatic portability transaction: \_\_\_\_\_

11. **Starter 401(k) Plans for Employers with No Retirement Plan.** [SECURE 2.0 Act §121 - effective for plan years beginning after December 31, 2023.]

- ☐ (a) The Employer establishes a Starter 401(k) Plan, effective for the Plan Years beginning after \_\_\_\_\_ [no earlier than December 31, 2023].
- ☐ (b) **Default percentage.** The automatic (default) deferral percentage is: \_\_\_\_\_ % of compensation [must be at least 3% and may not exceed 15%].
- ☐ (c) **Service Requirement.** An Eligible Employee must complete the following minimum service requirements to participate in the Plan.
- ☐ (1) There is no minimum service requirement for participation in the Plan.
- ☐ (2) One Year of Service.
- ☐ (3) The completion of at least \_\_\_\_\_ [cannot exceed 1,000] Hours of Service during the first \_\_\_\_\_ [cannot exceed 12] months of employment or the first \_\_\_\_\_ [cannot exceed 365] days of employment or the completion of a Year of Service
- ☐ (4) The completion of \_\_\_\_\_ [cannot exceed 1,000] Hours of Service during an Eligibility Computation Period
- ☐ (d) **Minimum Age Requirement.** An Eligible Employee must have attained the following age:
- ☐ (1) There is no minimum age for Plan eligibility.
- ☐ (2) Age 21.
- ☐ (3) Age \_\_\_\_\_ [not later than age 21].
- ☐ (e) **Entry Date.** An Eligible Employee who satisfies the minimum age and service requirements shall be eligible to participate in the Plan as elected below:
- ☐ (1) Immediately. The date age and service requirements are satisfied.
- ☐ (2) Semi-annually. The first day of the 1<sup>st</sup> and 7<sup>th</sup> month of the Plan Year.
- ☐ (3) Quarterly. The first day of the 1<sup>st</sup>, 4<sup>th</sup>, 7<sup>th</sup> and 10<sup>th</sup> month of the Plan Year.
- ☐ (4) Monthly. The first day of each calendar month.
- ☐ (5) Payroll period. The first day of the payroll period.
- ☐ (6) Describe: \_\_\_\_\_
- ☐ (f) Describe any rules applicable to the Starter 401(k) plan: \_\_\_\_\_

12. **Long-Term Part-Time Employees.** [SECURE Act §112 and SECURE 2.0 Act §125 - Effective dates vary depending on the provision.]

Long-Term Part-Time (LTPT) Employees must participate (i.e., be eligible to make Salary Deferrals) under the Plan as required SECURE Act §112 and SECURE 2.0 Act §125. The Employer may design the Plan so that the LTPT Employee requirements do not apply to the Plan. The Employer may rely on Prop. Reg. §1.401(k)-5 in interpreting the statutory requirements.

- ☐ (a) **LTPT Employee rules do not apply to the Plan.** The Plan, as designed and as described below, does not require the application of the LTPT Employee requirements because no Employee will participate in the Plan solely by reason of completing the applicable number of 12-month periods during which the Employee is credited with at least 500 Hours of Service. That is, the eligibility requirements for participation in the Plan are always more liberal than the LTPT Employee rules under Code §401(k) would require. If this (a) is elected, no other elections relating to LTPT Employees are required.
- Describe Plan design: \_\_\_\_\_
- ☐ (b) **LTPT Employee rules apply to the Plan.** The LTPT Employee rules apply to the Plan and some Employees may participate in the Plan solely by reason of completing the applicable number of consecutive 12-month periods during which the Employee is credited with at least 500 Hours of Service. (See Prop. Reg. §1.401(k)-5 for guidance on the LTPT Employee requirements.)
- (c) **Other contributions.** In addition to the ability to make Salary Deferrals (including Catch-Up Contributions), Employees who meet the definition of LTPT Employee may receive or make the following contributions in the same manner and under the same conditions as other Eligible Employees under the Plan:
- ☐ (1) All available Employer, Matching and Employee Contribution sources
- ☐ (2) Employer Contributions (including QNECs)
- ☐ (3) Matching Contributions (including QMACs)
- ☐ (4) Safe Harbor Contributions
- ☐ (5) Rollover Contributions

- ☐ (6) After-Tax Employee Contributions
- ☐ (7) Describe other contributions for LTPT Employees: \_\_\_\_\_

(d) **Eligibility, Entry Date and minimum age rules.** Unless otherwise elected below, the Plan's rules for Eligibility Computation Period and Entry Date applicable to Eligible Employees who are not Long-Term Part-Time Employees also apply to LTPT Employees. *[ASC caution: ASC highly recommends that the Plan use the same Eligibility Computation Periods and Entry Dates for all Employees. While Prop. Reg. §1.401(k)-5 is not clear on the ability to use different Eligibility Computation Period and Entry Dates for LTPT Employees, the risk of compliance problems and administrative difficulties in applying different rules to different Employees are significant.]*

- ☐ (1) **Eligibility Computation Period.** The Eligibility Computation Period for LTPT Employees is based on Anniversary Years and will not switch to the Plan Year.
- ☐ (2) **Entry Dates.** The Entry Dates for LTPT Employees will be the first day of the 1<sup>st</sup> and 7<sup>th</sup> month of the Plan Year, even if the Entry Dates for other Eligible Employees are more frequent.
- ☐ (3) **Minimum age requirement.** To meet the definition of an LTPT Employee, the Plan must require an Employee to attain age 21 by the close of the applicable consecutive 12-month periods. Allowing an Employee who otherwise would meet the definition of LTPT Employee based on the LTPT Employee service condition to participate in the Plan at an age earlier than age 21 would mean such Employee is not a LTPT Employee and certain special LTPT Employee rules (e.g., the elections to exclude LTPT Employees from the coverage, nondiscrimination and top-heavy rules) would not apply. Unless otherwise elected below, an Employee must attain age 21 and satisfy the LTPT Employee service requirement (i.e., are credited with at least 500 hours of service during the applicable consecutive 12-month periods) to enter the Plan under the LTPT Employee rules.
- ☐ (i) Employees who satisfy the LTPT Employee service requirement (i.e., are credited with at least 500 hours of service during the applicable consecutive 12-month periods) may enter the Plan upon the attainment of age \_\_\_\_\_ *[not later than age 21]. [Note: Employees who enter the Plan before age 21 are NOT LTPT Employees.]*
- ☐ (ii) Employees who satisfy the LTPT Employee service requirement (i.e., are credited with at least 500 hours of service during the applicable consecutive 12-month periods) may enter the Plan and no minimum age condition applies. *[Note: Employees who enter the Plan before age 21 are NOT LTPT Employees.]*
- ☐ (4) Describe any special rules that apply for purposes of Eligibility Computation Periods, Entry Dates or minimum age requirements: \_\_\_\_\_

(e) **Collectively Bargained Employees and non-resident aliens.** If Collectively Bargained Employees and/or non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are otherwise eligible for the Plan, the Employer may elect to exclude such Employees from the LTPT Employee rules below. *[If Collectively Bargained Employees and/or non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are not eligible for the Plan, such Employees are not eligible under the LTPT Employee rules.]*

- ☐ (1) Collectively Bargained Employees are excluded from eligibility as LTPT Employees
- ☐ (2) Non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are excluded from eligibility as LTPT Employees

(f) **Employer elections relating to coverage, nondiscrimination and top-heavy rules.**

**Non-Safe Harbor Plans.** If the Plan is neither a Traditional Safe Harbor Plan under Code §401(k)(12) nor a QACA Safe Harbor Plan under Code §401(k)(13), the Employer may elect to exclude LTPT Employees from applicable coverage and nondiscrimination tests. The Employer may administratively make this election at the time the coverage and nondiscrimination tests are performed for a particular Plan Year. If this election to exclude LTPT Employees from the tests is made, all LTPT Employees are excluded from the coverage test under Code §410(b) and all of the nondiscrimination tests under Code §§401(a)(4), 401(k) (ADP test) and 401(m) (ACP test).

The Employer separately may elect to exclude LTPT Employees for purposes of determining whether the Plan satisfies the vesting and benefit requirements of Code §§416(b) and 416(c). This election must be made in the Plan before the beginning of the Plan Year for which the exclusion election applies. Unless elected otherwise below, the Employer always elects to exclude LTPT Employees for purposes of determining whether the Plan satisfies the vesting and benefit requirements of Code §§416(b) and 416(c).

- ☐ The Employer elects **NOT** to exclude LTPT Employees for purposes of determining whether the Plan satisfies the vesting and benefit requirements of Code §§416(b) and 416(c). *[Note: This election must be made before the beginning of the Plan Year for which the exclusion election applies.]*

**Safe Harbor Plans.** If the Plan is either a Traditional Safe Harbor Plan under Code §401(k)(12) or a QACA Safe Harbor Plan under Code §401(k)(13), the Employer may elect to exclude LTPT Employees from applicable coverage and nondiscrimination tests. This election must be made in the Plan before the beginning of the Plan Year for which the exclusion election applies. Unless elected otherwise below, the Employer always elects to exclude LTPT

Employees from applicable coverage and nondiscrimination tests. If this election to exclude LTPT Employees from the tests is made, all LTPT Employees are excluded from the coverage test under Code §410(b) and all of the nondiscrimination tests under Code §§401(a)(4), 401(k) (ADP test) and 401(m) (ACP test).

- ☐ The Employer elects **NOT** to exclude LTPT Employees from applicable coverage and nondiscrimination tests. *[Note: This election must be made before the beginning of the Plan Year for which the exclusion election applies.]*

The Employer separately may elect to exclude LTPT Employees for purposes of determining whether the Plan satisfies the vesting and benefit requirements of Code §§416(b) and 416(c). This election must be made in the Plan before the beginning of the Plan Year for which the exclusion election applies. Unless elected otherwise below, the Employer always elects to exclude LTPT Employees for purposes of determining whether the Plan satisfies the vesting and benefit requirements of Code §§416(b) and 416(c).

- ☐ The Employer elects **NOT** to exclude LTPT Employees for purposes of determining whether the Plan satisfies the vesting and benefit requirements of Code §§416(b) and 416(c). *[Note: This election must be made before the beginning of the Plan Year for which the exclusion election applies.]*

- (g) **Other elections.** To the extent the following provisions or options apply to Eligible Employees who are not LTPT Employees, such provisions do not apply to LTPT Employees:

- ☐ (1) The opportunity to make Roth Deferrals  
☐ (2) The automatic contribution arrangement provisions under Plan  
☐ (3) Describe Plan provisions that do not apply to LTPT Employees: \_\_\_\_\_

- ☐ (h) Describe special rules related to the participation of LTPT Employees under the Plan: \_\_\_\_\_

**13. Pension-Linked Emergency Savings Accounts (PLESAs).** [SECURE 2.0 Act §127 - effective for plan years beginning after December 31, 2023.]

*[Note: IRS guidance is necessary to implement this provision. After IRS issues guidance, the Employer Elections will be updated.]*

- ☐ Check this box if the Employer is interested in adding a pension-linked emergency savings account to its plan.

*[\*Caution: It is not clear if PLESAs are available to non-ERISA plans. SECURE 2.0 provides that an “applicable retirement plan” may include a pension-linked emergency savings account established pursuant to ERISA §801. Although governmental and church plans are not subject to ERISA, they are generally considered to be an “applicable retirement plan” within the meaning of IRC §402A. This inconsistency creates uncertainty with regard to a non-ERISA plan’s ability to establish a PLESA. Document providers should make Employers aware of this uncertainty.]*

**14. Increase in Dollar Limit for Mandatory Distributions.** [SECURE 2.0 Act §304 - effective for distributions made after December 31, 2023.]

Unless elected otherwise below, the Involuntary Cash-Out Distribution threshold for a Plan that utilizes the \$5,000 threshold is increased to \$7,000, effective for distributions made after December 31, 2023. Unless elected otherwise below, a Plan that currently utilizes an Involuntary Cash-Out Distribution lower than \$5,000 will continue to apply such lower threshold.

- ☐ **Lower Involuntary Cash-Out Distribution threshold.** A terminated Participant will receive an Involuntary Cash-Out Distribution only if the Participant’s vested Account Balance is less than or equal to:

- ☐ (a) \$5,000  
☐ (b) \$\_\_\_\_\_ *[must be less than \$7,000]*

- ☐ Describe special rules, including effective dates applicable to the application of the thresholds for purposes of Involuntary Cash-Out Distributions or the Automatic Rollover rules: \_\_\_\_\_

**15. Participant Certification for Hardship Distributions.** [SECURE 2.0 Act §312 - effective for plan years beginning after December 29, 2022.]

In determining whether a distribution qualifies as a Hardship Distribution (if offered under the Plan), the Plan Administrator may, in the absence of actual knowledge to the contrary, rely on a written certification by the Participant that the distribution (i) is on account of a financial need of a type which is deemed under applicable in regulations to be an immediate and heavy financial need, (ii) is not in excess of the amount required to satisfy such financial need, and (iii) that the Participant has no alternative means reasonably available to satisfy such financial need (“Participant Certification of Hardship”).

Unless a later date is elected below, the Employer will accept Participant Certifications of Hardship effective for Plan Years beginning after December 29, 2022.

- ☐ The Employer elects to accept Participant Certifications of Hardship effective \_\_\_\_\_ *[no earlier than January 1, 2023].*

The Employer may indicate below or in separate administrative procedures if it will **not** rely on a Participant Certification of Hardship:

- ☐ The Plan Administrator will **not** rely on Participant Certification of Hardship.

**16. Distributions for Domestic Abuse.** (SECURE 2.0 Act §314 - effective for distributions made after December 31, 2023.)

Unless otherwise elected below, the Plan does not allow for domestic abuse distributions.

- ☐ (a) Domestic abuse distributions are available from the following sources (to the extent vested) to Plan Participants, effective \_\_\_\_\_ [no earlier than January 1, 2024]:

- ☐ (1) All available sources  
☐ (2) Pre-Tax Deferral Account  
☐ (3) Roth Deferral Account (including In-Plan Roth Conversion Account)  
☐ (4) Matching Contribution Account  
☐ (5) Employer Contribution Account  
☐ (6) Safe Harbor Contribution Account(s)  
☐ (7) QMAC and/or QNEC Account(s)  
☐ (8) Rollover Contribution Account  
☐ (9) After-Tax Employee Contribution Account  
☐ (10) Transfer Account  
☐ (11) Describe available sources: \_\_\_\_\_

- ☐ (b) If elected above, domestic abuse distributions are available to all Participants who have the applicable Account(s), unless otherwise indicated below.

- ☐ (1) Domestic abuse distributions are not available to terminated Participants.  
☐ (2) Domestic abuse distributions will only be permitted if the Participant is 100% vested in the source from which the distribution is taken.  
☐ (3) Describe the Participants who may receive domestic abuse distributions: \_\_\_\_\_

- ☐ (c) Describe any special rules related to domestic abuse distributions: \_\_\_\_\_

**17. Amendments to Increase Benefit Accruals under the Plan for Previous Plan Year Allowed until Employer Tax Return Due Date.** [SECURE 2.0 Act §316 - effective for plan years beginning after December 31, 2023]

Regardless of any other provision of the Plan (including the effective date parameter on the Employer Signature Page), the Employer may adopt an amendment to increase contributions/allocation under the Plan for the previous Plan Year until the Employer's tax return due date (including extensions).

- ☐ The Employer elects to treat the amendment adopted on \_\_\_\_\_ as effective for the previous Plan Year.

**18. Retroactive First Year Elective Deferrals for Sole Proprietors.** [SECURE 2.0 Act §317 - effective for plan years beginning after December 29, 2022]

- ☐ The Employer, who is a sole proprietor or single-member LLC with no other Employees, elects to treat Salary Deferral contributions made to the Plan before the time for filing the tax return for the sole proprietor or single-member LLC (determined without regard to extensions) ending after or with the end of the Plan's first Plan year as having been made before the end of the first Plan Year. The Plan's first Plan Year begins \_\_\_\_\_ [no earlier than January 1, 2023].

**19. Distributions for Terminal Illness.** [SECURE 2.0 Act §326 - effective for distributions made after December 29, 2022. See IRS Notice 2024-2 (Q&As F-1 – F-15) for guidance on "terminally ill individual distributions." These Employer Elections assume that the SECURE 2.0 Technical Corrections Act will be enacted.]

Unless otherwise elected below, the Plan does not allow for terminally ill individual distributions.

- ☐ (a) Terminally ill individual distributions are available from the following sources (to the extent vested) to Plan Participants, effective \_\_\_\_\_ [no earlier than December 30, 2022]:

- ☐ (1) All available sources  
☐ (2) Pre-Tax Deferral Account  
☐ (3) Roth Deferral Account (including In-Plan Roth Conversion Account)  
☐ (4) Matching Contribution Account  
☐ (5) Employer Contribution Account

- ☐ (6) Safe Harbor Contribution Account(s)
- ☐ (7) QMAC and/or QNEC Account(s)
- ☐ (8) Rollover Contribution Account
- ☐ (9) After-Tax Employee Contribution Account
- ☐ (10) Transfer Account
- ☐ (11) Money Purchase Pension Plan Accounts (subject to the limitations stated under the Plan)
- ☐ (12) Describe available sources: \_\_\_\_\_

(b) If elected above, terminally ill individual distributions are available to all Participants who have the applicable Account(s), unless otherwise indicated below.

- ☐ (1) Terminally ill individual distributions are not available to terminated Participants.
- ☐ (2) Terminally ill individual distributions will only be permitted if the Participant is 100% vested in the source from which the distribution is taken.
- ☐ (3) Describe the Participants who may receive terminally ill individual distributions: \_\_\_\_\_

☐ (c) Describe any special rules related to terminally ill individual distributions: \_\_\_\_\_

**20. Special Rules for Use of Retirement Funds in Connection with Qualified Federally-Declared Disasters. [SECURE 2.0 Act §331 – effective for disaster occurring on or after January 26, 2021]**

The provisions of SECURE 2.0 relating to special disaster-related rules for retirement plans will apply only to the extent a distribution or loan has been made to a qualified individual as provided under SECURE 2.0. If the Plan does not operationally apply these rules, such provisions will not apply to the Plan. The Plan Administrator may indicate the operational application of this provision below or may document under separate administrative procedures.

- ☐ (a) Qualified Disaster Recovery Distributions (as defined in SECURE 2.0 §331) are allowed and are available from the following sources, to the extent vested:
  - ☐ (1) All available sources
  - ☐ (2) Pre-Tax Salary Deferral Accounts
  - ☐ (3) Roth Deferral Accounts
  - ☐ (4) Matching Contribution Accounts
  - ☐ (5) Employer Contribution Account
  - ☐ (6) Safe Harbor Contribution Accounts
  - ☐ (7) QMAC and/or QNEC Account(s)
  - ☐ (8) Rollover Accounts
  - ☐ (9) After-Tax Employee Contribution Accounts
  - ☐ (10) Transfer Accounts
  - ☐ (11) Money Purchase Pension Plan Accounts (subject to the limitations stated under the Plan)
  - ☐ (12) Specify: \_\_\_\_\_
- ☐ (b) The aggregate limit of Qualified Disaster Recovery Distributions received by a Participant with respect to the same qualified disaster may not exceed:
  - ☐ (1) \$22,000
  - ☐ (2) \$ \_\_\_\_\_ [must be less than \$22,000]
- (c) Unless elected otherwise below, if the Employer elects to make Qualified Disaster Recovery Distributions available, then such distributions will be available for all qualified federally-declared disasters.
  - ☐ The Employer will determine the availability of Qualified Disaster Recovery Distributions on a disaster-by-disaster basis.
- ☐ (d) Describe special rules applicable to Qualified Disaster Recovery Distributions: \_\_\_\_\_
- ☐ (e) Qualified Disaster Recovery Loans (as defined in SECURE 2.0 §331) are allowed and subject to the following rules:
  - ☐ (1) The loan limit for a Participant eligible to receive a Qualified Disaster Recovery Loan is:
    - ☐ (i) \$100,000 or 100% of the Participant's vested Account Balance
    - ☐ (ii) \$ \_\_\_\_\_ [must be \$100,000 or less] or \_\_\_\_\_% of the Participant's vested Account Balance [must be 100% or less]
  - ☐ (2) Describe special rules applicable to qualified disaster recovery loans: \_\_\_\_\_

**21. Distributions for Qualified Long-Term Care.** (SECURE 2.0 Act §334 – effective for distributions made after December 29, 2025]

The provision is effective for distributions made after December 29, 2025. The provision applies to 401(k) plans that elect to allow distributions for long-term care contracts.

Unless otherwise elected below, the Plan does not allow for qualified long-term care distributions.

- ☐ (a) Qualified long-term care distributions are allowed and available from the following sources:
- ☐ (1) All available sources
  - ☐ (2) Pre-Tax Deferral Account
  - ☐ (3) Roth Deferral Account
  - ☐ (4) Matching Contribution Account
  - ☐ (5) Employer Contribution Account
  - ☐ (6) Safe Harbor Contribution Account(s)
  - ☐ (7) QMAC and/or QNEC Account(s)
  - ☐ (8) Rollover Contribution Account
  - ☐ (9) After-Tax Employee Contribution Account
  - ☐ (10) Transfer Account
  - ☐ (11) Money Purchase Pension Plan Accounts (subject to the limitations stated under the Plan)
  - ☐ (12) Describe available sources: \_\_\_\_\_
- ☐ (b) Qualified long-term care distributions are available to all Participants who have the applicable Account(s), unless otherwise indicated below.
- ☐ (1) Qualified long-term care distributions are not available to terminated Participants.
  - ☐ (2) Qualified long-term care distributions will only be permitted if the Participant is 100% vested in the source from which the distribution is taken.
  - ☐ (3) Describe the Participants who may receive qualified long-term care distributions: \_\_\_\_\_
- ☐ (c) Describe special rules applicable to distributions for qualified long-term care distributions: \_\_\_\_\_
- ☐ (d) Effective date: \_\_\_\_\_ [no earlier than January 1, 2026]

**22. Optional Treatment of Matching or Nonelective Employer Contributions as Roth Deferrals.** [SECURE 2.0 Act §604 – effective for contributions made after December 29, 2022. See IRS Notice 2024-2 (Q&As L-1 – L-11) for guidance with respect to the optional treatment of Matching and Employer Contributions as Roth Deferrals.]

Unless otherwise elected below, Participants may not elect to treat Matching Contributions and/or Employer Contributions as Roth Deferrals

- ☐ (a) Effective \_\_\_\_\_ [no earlier than December 30, 2022], Participants may elect to treat Matching Contributions as Roth Deferrals.
- ☐ (b) Effective \_\_\_\_\_ [no earlier than December 30, 2022], Participants may elect to treat Employer Contributions as Roth Deferrals.

The Employer may adopt procedures to assist in administering this provision.

**23. Describe any other special elections associated with the provisions of SECURE 2.0 Act:**

[Signature Optional]

The above request for change in plan operation is deemed effective until such changes are incorporated into a plan amendment.

\_\_\_\_\_  
Name of Employer

\_\_\_\_\_  
Name/Title of Authorized Representative

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date



**City Council Agenda  
February 19, 2026**

**Resolution**

**Action Item**

**Agenda Description:**

Discuss, consider, and possible action on a Resolution nominating a candidate for a vacancy on the Board of Directors of the Central Appraisal District of Johnson County.

**Background Information:**

The current vacancy is a result of the resignation of Brannon Potts, which occurred on January 7<sup>th</sup>, 2026.

Each voting taxing unit may nominate by resolution a person to fill this vacancy on the Board of Directors by submitting a nominee to the Chief Appraiser within 45 days of the date of the notice.

The Board of Directors will select one of the nominees at its meeting on March 12, 2026.

**Financial Information:**

NA

**City Contact and Recommendations:**

Alice Holloway, City Secretary

**Attachments:**

1. Resolution



**CITY OF JOSHUA  
RESOLUTION NO.**

**A RESOLUTION OF THE CITY OF JOSHUA, TEXAS, NOMINATING A CANDIDATE FOR THE JOHNSON COUNTY CENTRAL APPRAISAL DISTRICT BOARD OF DIRECTORS.**

**WHEREAS**, the governing body of the City of Joshua is a voting taxing unit in Johnson County, Texas, and pursuant to Texas Property Tax Code 6.03, is authorized to nominate a candidate to fill a vacancy on the Board of Directors of the Central Appraisal District of Johnson County.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS:**

**Section 1.** That the City of Joshua does hereby nominate the following person to the Board of Directors for the Central Appraisal District of Johnson County, Texas: Appraisal

**Nomination:** \_\_\_\_\_

**Section 2.** The City Secretary is hereby instructed to submit this Resolution to the office of Mitch Fast, Executive Director and Chief Appraiser, no later than March 12, 2026.

**Section 3.** That this Resolution shall take effect immediately upon its passage, and it is so resolved.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Joshua, this February 19, 2026.

Approved:

\_\_\_\_\_  
**Scott Kimble, Mayor**

ATTEST:

\_\_\_\_\_  
**Alice Holloway, City Secretary**

## CENTRAL APPRAISAL DISTRICT OF JOHNSON COUNTY



www.johnsoncad.com

109 North Main Street  
Cleburne Texas 76033

Metro (817) 648-3000

Scott Kimble  
City of Joshua  
101 S Main St  
Joshua, TX 76058  
mayor@cityofjoshuatx.us

January 16, 2026

Re: Vacancy on the Board of Directors for the Central Appraisal District of Johnson County

Dear Mr. Kimble:

The purpose of this letter is to provide your taxing unit with notification of a vacancy on the Board of Directors of the Central Appraisal District of Johnson County. Section 6.03 of the Texas Property Tax Code provides for the process in which a vacancy on the board of directors of an appraisal district is filled.

Each voting taxing unit may nominate by resolution a person to fill this vacancy on the Board of Directors by submitting a nominee to the Chief Appraiser within 45 days of the date of this notice.

The Board of Directors will select one of the nominees at its meeting on March 12, 2026. If your taxing unit nominates a person to fill this vacancy, please forward a copy of the resolution nominating the person to Mitch Fast, Chief Appraiser by March 2nd, 2026.

If you have any questions, please do not hesitate to contact me at (817) 658-3053 or mfast@johnsoncad.net.

Sincerely,

Mitch Fast, RPA  
Executive Director and Chief Appraiser  
Central Appraisal District of Johnson County

RESOLUTION TO NOMINATE A  
CANDIDATE FOR A VANCANCY ON THE BOARD OF DIRECTORS OF THE  
CENTRAL APPRAISAL DISTRICT OF JOHNSON COUNTY

WHEREAS, the City of Joshua is a voting taxing unit in Johnson County, Texas, and pursuant to Texas Property Tax Code §6.03 authorized to nominate a candidate to fill a vacancy on the Board of Directors of the Central Appraisal District of Johnson County; and

WHEREAS, the Chief Appraiser of the Central Appraisal District of Johnson County has notified the City of Joshua that a vacancy exists on the Board of Directors of the Central Appraisal District of Johnson County and that it may nominate a candidate for the Board of Directors to consider appointing as a member of the Board of Directors; and,

WHEREAS, the City of Joshua has determined that it would be in the public interest to nominate a candidate to fill the unexpired term of the vacant member of the Board of Directors of the Central Appraisal District of Johnson County,

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF JOSHUA:

That the City of Joshua hereby nominates \_\_\_\_\_ as a candidate to fill the vacancy on the Board of Directors of the Central Appraisal District of Johnson County.

PASSED AND APPROVED THIS the \_\_\_\_\_ Day of \_\_\_\_\_, 2026

\_\_\_\_\_  
Scott Kimble, Mayor  
City of Joshua



# JOSHUA POLICE DEPARTMENT

## January 2026

In January, the Joshua Police Department posted openings for Patrol Sergeant. We received six (6) qualified applications. At the present time, three (3) of those candidates remain. The final portion of the promotional assessment occurred on February 18th. We have also posted and are seeking applicants for Police Officers.

Statistical Comparisons for January					
January 2026		January 2025		Year to Date 2026	
Calls for Service	399	Calls for Service	270	Calls for Service	399
Arrests	26	Arrests	18	Arrests	26
Crash Reports	7	Crash Reports	5	Crash Reports	7
Traffic Stops	261	Traffic Stops	234	Traffic Stops	261
Citations	140	Citations	123	Citations	140
Outside Agency Assists	35	Outside Agency Assists	9	Outside Agency Assists	35
Reports	48	Reports	40	Reports	48
CRIMINAL INVESTIGATION DIVISION					
Statistics for January 2026					
Detective Stone			Detective Mansell		
Cases Assigned	20		Cases Assigned	24	
TRAINING & COMMUNITY OUTREACH					
<ul style="list-style-type: none"><li>01/07/26 – Chief Fullagar and Captain Lee attended the Johnson County Law Enforcement Leadership Meeting.</li><li>01/13/26 – Chief Fullagar, Captain Lee and Detective Mansell attend the Johnson County Crime Stoppers Luncheon.</li><li>01/15/26 thru 01/16/26 – Officer Kinman participated as an instructor in an ALERRT class in Ft. Worth.</li><li>01/19/26 thru 01/23/26 – Officer Villalobos attended the Intermediate Crime Scene course.</li><li>01/27/26 – Half of the Police Department received training and qualified with their Red Dot equipped firearms. Ice Days postponed the second half.</li></ul>					

City of Joshua  
City Secretary's Office  
Monthly Report  
Reporting Period: January 2026  
Prepared by: Alice Holloway, City Secretary

## GENERAL OVERVIEW

The City Secretary's Office continues to play a vital role in ensuring compliance, transparency, and seamless support for the City Council, staff, and the public. This month has been especially active, with significant efforts focused on the new public information software, legislative bills, recordkeeping, and responding to citizen needs.

### Task

City Council Agendas Prepared	1
Council Meeting Minutes Completed	1
Supporting Documents Processed	8
Board/Commission Agendas Prepared	4
Meetings	
Board/Commission Minutes Completed	4
Supporting Documents Processed	4
Public Information Requests Processed	36
Resolutions/Ordinance Indexed	5
U.S. Census Bureau Monthly Report	1
TABC License Applications Processed	2
Liens Filed with Johnson County Clerk	3
Opioids Settlement- Working with the Texas Attorney General's Office on the City of Joshua's participation in the state settlement.	
Coordinated multi-department support for agendas and records.	

## **May 2, 2026, General Election**

Preparations and statutory requirements for the upcoming **May 2, 2026, General Election**, which will include the election of **City Council Place 2 and Place 5**, in accordance with the Texas Election Code.

### **Current Status**

The **Notice of Deadline to File an Application for Place on the Ballot** has been prepared and posted on the City's bulletin boards and official website as required by law.

**Candidate packets** will be available for pickup beginning the **first week of January 2026**.

An ordinance calling **May 2, 2026, General Election** was presented and approved by the City Council at the January 2026 Meeting.

### **Candidate Filing Period**

- **First day to file:** January 14, 2026
- **Last day to file:** February 13, 2026

Applications must be filed during regular business hours unless otherwise permitted by statute.

### **City Secretary Mandatory Office Hours**

In accordance with the Texas Election Code, mandatory office hours for the City Secretary will be observed during the election period as follows:

- **March 13, 2026, through June 11, 2026**

### **Early Voting Period**

Early voting for the May 2, 2026, election will be conducted:

- **April 20, 2026, through April 28, 2026**

### **Training/Education**

- Enrolled in the Silver EPP 2-year Program with the International Institute of Municipal Clerks. (Round 2)-The education requirements for the EPP are advanced and complex, like those of the MMC program. The breadth and depth of the EPP courses are academically advanced.
- TMCA: Cohosting a 2-hour webinar regarding "101 City Secretary".

- Attended the 54<sup>th</sup> Annual Election Law Seminar January 21<sup>st</sup> through January 23<sup>rd</sup>. **The registration fees were waived since I was a speaker for three sessions.**

## **Board Training**

The original date was canceled due to the weather. I am currently working on rescheduling. The following topics will be discussed:

1. **Roles and Responsibilities**  
Understand the distinct roles of board and commission members, staff, and the City Council. Learn about conflict-of-interest laws, ethical standards, and fiduciary duties.
2. **Conducting Effective Meetings**  
Gain tools for running productive meetings: how to handle public comment (dos and don'ts), what constitutes a meeting or executive session, the importance of openness in decision-making, and the basics of voting, motions, and amendments.
3. **Open Meetings, Public Information, and Records Management**  
Explore the Open Meetings Act, Public Information Act, and records management requirements. Learn how agendas are set and posted, quorum requirements, and what qualifies as a public record (emails, texts, notes, and recordings).
4. **City Governance Framework**  
Build familiarity with the City's Charter, Code of Ordinances, and Comprehensive Plan to better understand how they guide decision-making and long-term planning.
5. **Zoning and Land Use**  
Review zoning basics, land use planning, and the development review process to understand how these elements shape community growth.
6. **Economic Development**  
Learn about tools available to the City's Economic Development Corporation, including grants, abatements, and 380/381 agreements that help attract and support businesses.
7. **Communication and Trust-Building**  
Discover the importance of clear, transparent communication, listening effectively, providing consistent information, and building trust with fellow members, staff, Council, and the community.

## **Ongoing Projects:**

- Develop and Implement a Board Policy Manual
- Establish a New Council and Board Member Orientation Program
- Updating Records Management Procedures and Internal Records Policies

## **Final**

The City Secretary's Office continues to see high levels of demand across all service areas. Ongoing improvements in technology and processes are essential to meet this growing workload. The City Secretary remains committed to serving the Council, staff, and citizens of Joshua with excellence.



## TEXAS MUNICIPAL CLERKS CERTIFICATION PROGRAM

AT THE  
UNIVERSITY OF NORTH TEXAS

1155 Union Circle #305067, Denton, Texas 76203-5017 • 940-565-3488 • [municlerks.unt.edu](http://municlerks.unt.edu)

January 19, 2026

Alice Holloway  
City Secretary  
City of Joshua  
101 S Main St  
Joshua, TX 76058

Dear Alice,

On behalf of the Executive Board and staff of the Texas Municipal Clerks Association and Certification Program, I thank you for your participation as a guest speaker during the 54<sup>th</sup> Annual Election Law Seminar. The time and expertise you spent preparing for and sharing your presentation helps ensure that elections in Texas are run in a professional, efficient, and transparent manner. You have provided a valuable asset to your profession and your colleagues.

As a form of gratitude, please accept the enclosed Certificate of Appreciation for sharing your knowledge with attendees at the Seminar. Once again, thank you for your service to the Texas Municipal Clerks Association and Certification Program. You make our organization ~~one of~~ the best in Texas.

Respectfully,

A handwritten signature in cursive script, appearing to read "Amy C. Holt".

Amy C. Holt, PhD, TRMC  
Education Director



# CERTIFICATE OF APPRECIATION

THIS CERTIFICATE IS PROUDLY PRESENTED TO


*Alice Holloway*

For sharing her knowledge and expertise with her colleagues and other municipal officials across the state of Texas at the 54th Annual Texas Municipal Clerk's Election Law Seminar.

January 22, 2026  
Date

*Angie Holt*  
Education Director

# Animal Services Monthly Snapshot

 Month	Visitors	Phone calls	Volunteer Hours	Community Service	Total Animal Intake	Dog	Cat	Other	Total Animal Outcome	Adoption	Return to Owner	Transfer/Relocate	Died in Care/DOA	Euthanized	Patrol Hours	Calls for Service/Case	Trap Service	Notices/Warnings	Citations	Community Outreach	Education/Training
October	163	541	128	368	66	33	32	1	63	21	9	11	2	18	47	27	3	17	1	2	
November	128	456	105	319	56	37	15	3	75	31	5	22	3	14	35	31	4	17		1	15
December	182	568	148	430	47	33	12	2	54	19	7	3		25	32	70	4	13	3	1	
January	109	430	80	295	40	29	11		53	16	7	19		11	36	40		12	7	1	
February																					
March																					
April																					
May																					
June																					
July																					
August																					
September																					
YTD	582	1995	461	1412	209	132	70	6	245	87	28	55	2	68	150	168	11	59	11	5	15
24/25 total	2393	5517	1295	4375	765	304	435	24	774	278	69	81	22	299	441	490	145	101	11	6	56
Annual % vs 24/25	24.32%	36.16%	35.60%	32.27%	27.32%	43.42%	16.09%	25.00%	31.65%	31.29%	40.58%	67.90%	9.09%	22.74%	34.01%	34.29%	7.59%	58.42%	100.00%	83.33%	26.79%

Revenue	Total Revenue	Adoptions	City Licenses	Surrenders	Microchips	Reclaim Fees	Quarantine Fees	Rabies Vouchers	Vaccinations	Impound Fees	Donations/Other	Permit Applications	Permit Fees	Sterilization and/or Vouchers	Trap Deposit	Trap Service/DA pickup	Refunds
October	\$ 5,317	\$ 300		\$ 165	\$ 355	\$ 200			\$ 300		\$ 3,412			\$ 580			\$ 50
November	\$ 3,452	\$ 525		\$ 170	\$ 360	\$ 125			\$ 440		\$ 647			\$ 1,185			
December	\$ 3,222	\$ 40		\$ 150	\$ 250	\$ 275	\$ 100		\$ 180		\$ 1,632			\$ 595			
January	\$ 2,535	\$ 240		\$ 210	\$ 210	\$ 200	\$ 25		\$ 280		\$ 345			\$ 1,025			
February																	
March																	
April																	
May																	
June																	
July																	
August																	
September																	
YTD	\$ 14,526	\$ 1,105	\$ -	\$ 695	\$ 1,175	\$ 800	\$ 125	\$ -	\$ 1,200	\$ -	\$ 6,036	\$ -	\$ -	\$ 3,385	\$ -	\$ -	\$ 50
24/25 total	\$ 53,545	\$ 3,530	\$ -	\$ 2,170	\$ 3,100	\$ 1,980	\$ 935	\$ 40	\$ 3,425	\$ -	\$ 35,150	\$ -	\$ -	\$ 2,345	\$ 250	\$ 120	\$ 70
Annual % vs 23/24	27.13%	31.30%	0.00%	32.03%	37.90%	0.00%	0.00%	0.00%	35.04%	0.00%	17.17%	0.00%	0.00%	144.35%	0.00%	0.00%	0.00%

# City of Joshua

## EDC Monthly Staff Report

Period: January 2026

Prepared by: Nora Fussner

### **Business Retention/Business Spotlights:**

Kimble & Co.  
Wildflowers Wellness Spa  
Sweet B Donuts  
S3 Hoopla  
Don Melquias  
Chicken Express  
D's Café

### **Planning & Zoning Projects:**

202 Trailwood Conditional Use Permit

- Staff report and all supporting documentation for City Council
- Calls and inquiries from surrounding property owners

724 CR 909 Rezone Request

- Staff report and all supporting documentation for City Council
- Calls and inquiries from surrounding property owners

Caddo Peak Addition

- Coordinating with City Engineer and Project Engineer to resolve all comments
- Coordinating with JCSUD

Huckaby Addition

- Staff report

Omenson Acres

- Review of final plat
- Coordinating with Johnson County Development Services and Bethesda Water Supply Corporation.

### **Special Events:**

February Business Bingo

## Staff Report

Department: Parks and Recreation
INSPECTED BY: Steven Gill

2/2/2026	TOTAL % SCORE
	96.0%

RATING 1-5 rating

CHECKED	N/A	***** TURF AND MOWING STANDARDS *****	(1-5)	COMMENTS
	N/A	1. Irrigation operational and inspected.		Irrigation systems are shut off for the season
yes		2. Mowed, edged, and string trimmed all areas: City hall, police, AC, park bldg, park, and ballfields	5	Turf areas are dormant. Mowing is performed bi-weekly
yes		3. Loose trash picked up daily	5	
yes		4. Turf areas free and clear of weeds	4	
yes		5. Fire ants and pests treated.	5	
yes		6. No bare spots in turf areas	4	
0	0		23	POSSIBLE SCORE: 25
COMMENTS:				% AVERAGE: 92.0%

CHECKED	N/A	***** GENERAL STANDARDS *****	(1-5)	COMMENTS
yes		1. litter removed: pavilions, restrooms, pond, open spaces daily	5	
yes		2. Maintenance equipment is inspected and maintained daily	5	
yes		3. Trash receptacles less than 1/2 full.	5	
yes		4. Facility lighting is inspected monthly	5	
yes		5. Restrooms cleaned daily and are in good condition	5	
yes		6. All amenities/signage checked and maintained	5	
yes		7. Playground inspected and considered safe	5	Inspected 02/02
yes		8. Concrete walkways cleaned	5	
yes		9. Sporting areas cleaned and free of litter daily	5	
	N/A	10. Splash pad inspected daily	0	splash pad is off for the season
0	0	SUB-TOTALS	45	POSSIBLE SCORE: 45
COMMENTS:				% AVERAGE: 100.0%

CHECKED	N/A	***** ADDITIONAL PROJECTS AND REPAIRS *****	(1-5)	COMMENTS
	N/A	1. Splash pad double check valve rebuilt and repaired		
	N/A	2. 32 tons of infield material were added to the ball fields and laser graded		
	N/A	3. 6 pallets of sod were added to the baseball fields to repair infield lines and edges		
	N/A	4. Jan 6th kids fishing event; staff and volunteers gave out 109 poles, 264 hot dogs, 10 gallons of hot chocolate, 300 bags of chips, and 150 sodas. 1600 trout were stocked in the pond,		
	N/A	5. Led fixtures replaced on the park pavilion, 2 lights replace on basketball court		
	N/A	6. 3 outlets replaced inside the concession building		
	N/A	7. Numbered light panels were replaced on the field 1 and 2 scoreboards		
	N/A	8. The park and city facilities have been winterized for inclement weather		
	N/A			
0	0	SUB-TOTALS	0	POSSIBLE SCORE: 0
COMMENTS:				% AVERAGE: 0.0%

SUB-TOTALS FROM ALL CHECKLISTS		
Maintenance Standard		Rating
Turf and Mowing Standards		92.0%
General Standards		100.0%
Additional Project and Repairs		0.0%
Park Certification Total Score		96.0%

City of Joshua  
Municipal Court Council Report  
From 1/1/2026 to 1/31/2026

2/2/2026 8:4

Item 6.

**Violations by Type**

Traffic	Penal	City Ordinance	Parking	Other	Total
141	1	23	1	5	171

**Financial**

State Fees	Court Costs	Fines	Tech Fund	Building Security	Total
\$12,027.89	\$5,989.92	\$12,558.02	\$84.79	\$101.96	\$30,762.58

**Warrants**

Issued	Served	Closed	Total
0	0	6	6

**FTAs/VPTAs**

FTAs	VPTAs	Total
0	0	0

**Dispositions**

Paid	Non-Cash Credit	Dismissed	Driver Safety	Deferred	Total
96	0	213	3	22	334

**Trials & Hearings**

Jury	Bench	Appeal	Total
0	0	0	0

**Omni/Scofflaw/Collection**

Omni	Scofflaw	Collections	Total
40	0	40	80



## Building Inspection Report

January	2026	2025	YTD 2026	YTD 2025
Building	34	49	34	49
Electrical	22	27	22	27
Plumbing	28	22	28	22
Mechanical	9	9	9	9
Re-Inspections	1	4	1	4
Certificate of Occupancy	0	1	0	1
Certificate of Occupancy Re-Inspection	0	0	0	0
<b>Total # of Inspections</b>	<b>94</b>	<b>112</b>	<b>94</b>	<b>112</b>
Plan Review	12	15	12	15

## Building Permit Report

January	2026	2025	YTD 2026	YTD 2025
Building	12	17	12	17
Electrical	15	8	15	8
Plumbing	7	11	7	11
Mechanical	4	9	4	9
Permanent Sign	0	3	0	3
Temporary Sign	1	6	1	6
Certificate of Occupancy	1	1	1	1
Swimming Pool	1	1	1	1
Irrigation System	2	5	2	5
Solicitor	0	0	0	0
Contractor Registration	26	37	26	37
MHP Registration	0	0	0	0
Garage Sales	0	2	0	2
<b>Total # of Permits</b>	<b>69</b>	<b>100</b>	<b>69</b>	<b>100</b>

## New Businesses Report JANUARY 2026

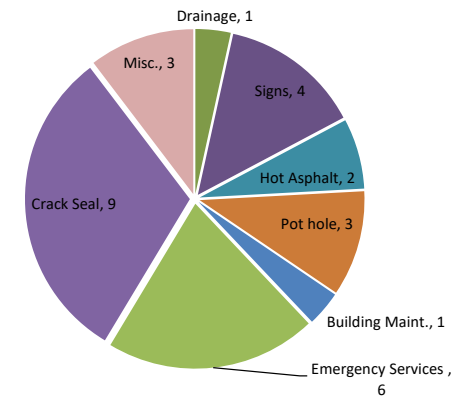
<b>New Businesses</b> (Certificate of Occupancy Issued)	Address
<b>Future New Businesses</b> (Applied for Certificate of Occupancy not completed)	Address
Premier Commercial Collision	1570 N Main Street
Joshua Family Grill	336 Broadway
Rumfield Property – Business Office	207 N Main Street
Duckie's Revenge	107 N Main Street "A"
<b>New CO Issued for existing Business</b> (New Owner, New Location, Name change, etc)	Address

**City of Joshua**  
**Public Works Monthly Activity Report**  
**For the Month of January 2026**

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Total
Row Mowing																																0
ROW Trimming																																0
Drainage																							1									1
Signs												1	1								1	1										4
Hot Asphalt						1	1																									2
Pot hole													1									1								1		3
Building Maint.																												1				1
Concrete																																0
Emergency Services																								1	1	1	1	1	1			6
Crack Seal								1	1			1		1	1	1				1	1	1										9
Safety Meeting																																0
Supporting other Dept.																																0
Vehicle+Equipment Maint.																																0
Misc.		1			1															1												3

Chart reflects one per daily occurrence

ROW Mowing	0
ROW Trimming	0
Drainage	1
Signs	4
Hot Asphalt	2
Pot hole	3
Building Maint.	1
Concrete	0
Emergency Services	6
Crack Seal	9
Safety Meeting/Classes	0
Supporting other Dept.	0
Vehicle+Equipment Maint.	0
Misc.	3





# Public Works Monthly Team Status Report

For The Month Of January 2026	
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Completed Items
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[illegible]

In Progress
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Year Round	City Wide		Tree trimming
Year Round	City Wide		Street sign repairs
Year Round	City Wide		Asphalt street repairs
Year Round	City Wide		Set out traffic counter and gather data
Seasonal	City Wide		Mowing right of ways and drainage easements

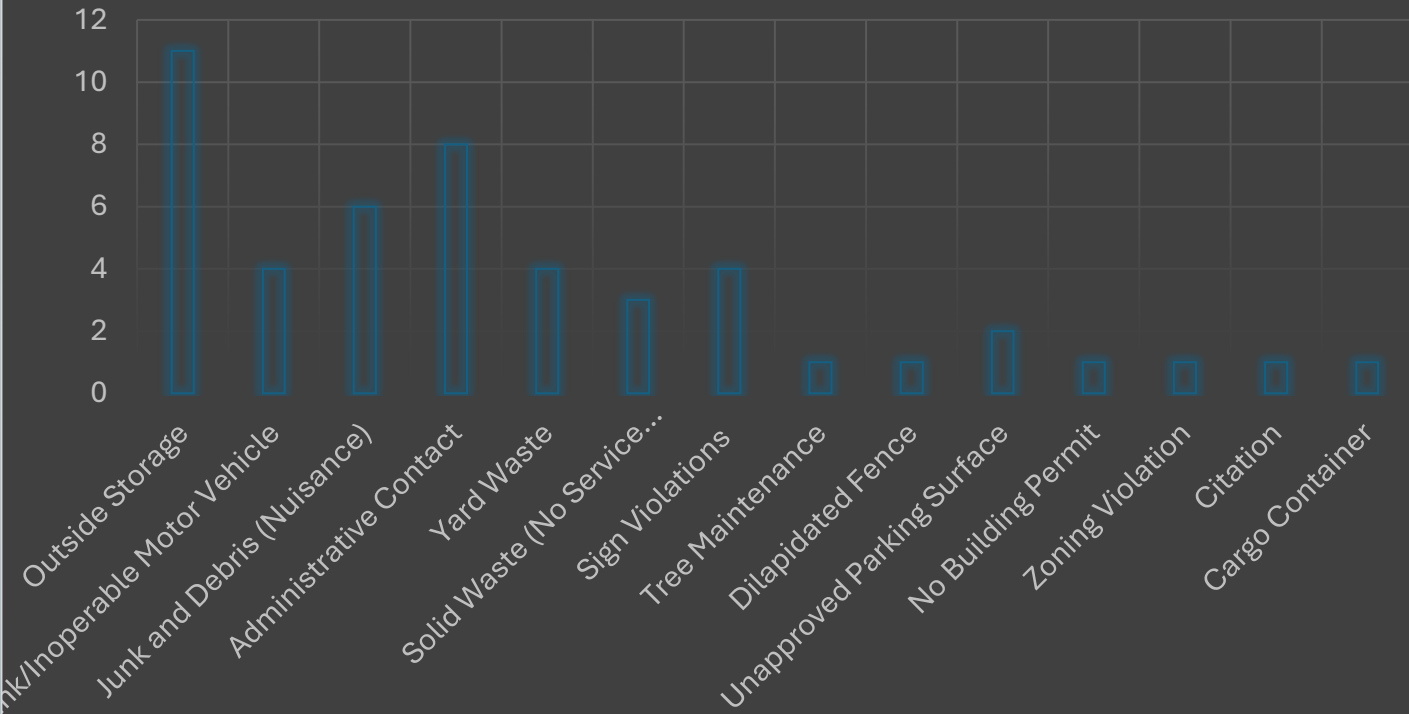
Assigned But Not Yet Started	
1	2
3	4
5	6
7	8
9	10
11	12
13	14
15	16
17	18
19	20
21	22
23	24
25	26
27	28
29	30
31	32
33	34
35	36
37	38
39	40
41	42
43	44
45	46
47	48
49	50
51	52
53	54
55	56
57	58
59	60
61	62
63	64
65	66
67	68
69	70
71	72
73	74
75	76
77	78
79	80
81	82
83	84
85	86
87	88
89	90
91	92
93	94
95	96
97	98
99	100

[illegible]



Item 9.

Code Compliance Reports for January 2026



Violations	Totals
Outside Storage	11
Junk/Inoperable Motor Vehicle	4
Junk and Debris (Nuisance)	6
Administrative Contact	8
Yard Waste	4
Solid Waste (No Service Established)	3
Sign Violations	4
Tree Maintenance	1
Dilapidated Fence	1
Unapproved Parking Surface	2
No Building Permit	1
Zoning Violation	1
Citation	1
Cargo Container	1
Totals	48



## Additional information:

- ☐ A total of 27 bandit signs were removed from the rights-of-way.
- ☐ One (1) citation was issued.
- ☐ Continuing education: Code Enforcement from A to Z webinar