

Ricky Jones, Place 1  
Tomas Mendoza, Place 2  
John Mounce, Mayor Pro Tem Place 3



Alyssa Linenkugel, Place 4  
Dylan James, Place 5  
Chrissa Hartle, Place 6

**James Clark, Mayor**

**CITY OF JUSTIN  
CITY COUNCIL MEETING AGENDA  
SEPTEMBER 26, 2023  
415 N. COLLEGE AVE.  
JUSTIN, TX 76247  
5:30 P.M.**

**CALL TO ORDER**

**EXECUTIVE SESSION** – *City Council will convene into regular session following the executive session.*

Any item on this posted agenda could be discussed in Executive Session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and Section 551.087 of the Texas Government Code.

- Under Section 551.071, to conduct a private consultation with the City Attorney regarding:
  - Dannheim Complaint Against The City of Justin; PUCT Docket No. 53836
  - Petition of Town of Northlake and City of Justin; PUCT Docket No. 54243
  - Treeline Development Agreement
  - Oncor Transmission Line

Convene into executive session.

Adjourn into the open meeting.

1. Discuss, consider, and act on items discussed in Executive Session.

**REGULAR SESSION**

Invocation and Pledge of Allegiance  
American Flag

Texas Flag: *“Honor the Texas Flag; I pledge allegiance to thee, Texas, one state, under God, one and indivisible”*

## **UPCOMING MEETINGS AND EVENTS**

October 2 – Jury Trial  
October 3 – National Night Out  
October 3 – Parks and Recreation Board  
October 9 – Municipal Court  
October 10 – Special Town Hall for AMR System  
October 12 – City Council  
October 17 – Library Board Meeting  
October 21 – Fall Cleanup Event  
October 21 – 50<sup>th</sup> Annual Layne Wilkerson Fish Fry Event  
October 24 – Fall Business Roundtable  
October 26 – City Council  
October 26-27 – Haunted Library  
October 27 – City Hall Trick-or-Treat Event

## **PUBLIC COMMENT**

In order to expedite the flow of business and to provide all citizens the opportunity to speak, the mayor may impose a three-minute limitation on any person addressing the Council. The Texas Open Meetings Act prohibits the City Council from discussing issues for which the public has not been given seventy-two (72) hours' notice. Issues raised may be referred to City staff for research and/or placed on a future agenda.

## **CONSENT AGENDA**

***Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration.***

2. Consider and take appropriate action to approve City Council minutes dated September 12, 2023.
3. *(Second Reading)* Consider approval of Ordinance 760-23 to adopt the FY 2023-2024 City of Justin budget.
4. Consider and take appropriate action approving an Interlocal Cooperation Agreement for Library Services between Denton County and the City of Justin.
5. Consider and take appropriate action approving an agreement between the City of Justin and the Denton County Criminal District Attorney's Office regarding forfeited contraband under Chapter 59 and Article 18.18 of the Texas Code of Criminal Procedure.
6. Consider and take appropriate action approving the City of Justin Financial Policies.
7. Consider and take appropriate action regarding appointments to and membership of the Parks and Recreation Advisory Committee.

## **ITEMS PULLED FROM THE CONSENT AGENDA**

## **WORKSHOP ITEMS**

8. Discuss the Justin Heritage Foundation Memorandum of Understanding.
9. Discuss the Oncor Ramhorn Hill transmission line.

## **POSSIBLE ACTION ITEMS**

## **FUTURE AGENDA ITEMS**

## **ADJOURN**

I, the undersigned authority, do hereby certify that the above notice of the meeting of the City Council of the City of Justin, Texas, is a true and correct copy of the said notice that I posted on the official bulletin board at Justin Municipal Complex, 415 North College Street, Justin, Texas, a place of convenience and readily accessible to the general public at all times, and said notice posted this 21st day of September 2023 by 1:00 p.m., at least 72 hours preceding the scheduled meeting time.

*Brittany Andrews*

Brittany Andrews, City Secretary

City Council Meeting

September 26, 2023

Justin City Hall, 415 North College Street

City Council Cover Sheet

Agenda Item: 2

Title: Consider approving City Council minutes dated September 12, 2023

Department: Administration

Contact: City Secretary, Brittany Andrews

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Recommendation:

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City Attorney Review:

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Attachments:

1. Draft September 12, 2023

Ricky Jones, Place 1  
Tomas Mendoza, Place 2  
John Mounce, Mayor Pro Tem Place 3



Alyssa Linenkugel, Place 4  
Dylan James, Place 5  
Chrissa Hartle, Place 6

**Mayor, James Clark**

## **MINUTES**

**State of Texas  
County of Denton  
City of Justin**

### **Justin City Council Regular Session Meeting- September 12, 2023**

The Justin City Council Meeting convened into a Regular Session being open to the public the 12<sup>th</sup> day of September 2023 at 5:30 pm in the Council Chambers of Justin Municipal Complex, and notice of said meeting giving the time, place, date, and subject thereof having been posted as prescribed by Article 5 of the Texas Government Code, with the following members present and in attendance to wit: Mayor, James Clark, Mayor Pro Tem, John Mounce, Councilmembers, Tomas Mendoza, Dylan James, Ricky Jones, Chrissa Hartle, and Alyssa Linenkugel. City Staff: City Manager, Jarrod Greenwood, Assistant City Manager, Abbey Reece, Public Works Director, Josh Little, City Secretary, Brittany Andrews, and City Attorney, Matthew Boyle.

## **CALL TO ORDER**

**Mayor Clark called the meeting to order at 5:30 p.m.**

### **EXECUTIVE SESSION – *City Council will convene into regular session following the executive session.***

Any item on this posted agenda could be discussed in Executive Session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and Section 551.087 of the Texas Government Code.

- Under Section 551.071, to conduct a private consultation with the City Attorney regarding:
  - Dannheim Complaint Against The City of Justin; PUCT Docket No. 53836
  - Petition of Town of Northlake and City of Justin; PUCT Docket No. 54243
  - Treeline Development Agreement
  - Oncor Transmission Line
- Under Section 551.074, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.
  - City Manager

Convene into executive session.

Adjourn into the open meeting.

1. Discuss, consider, and act on items discussed in Executive Session.

**No Action**

## **REGULAR SESSION**

Invocation and Pledge of Allegiance by Mayor Clark  
American Flag

Texas Flag: *“Honor the Texas Flag; I pledge allegiance to thee, Texas, one state, under God, one and indivisible”*

## **UPCOMING MEETINGS AND EVENTS**

September 19 – EDC/CDC  
September 21– Planning and Zoning Commission  
September 26 – City Council  
October 2 – Jury Trial  
October 3 – National Night Out  
October 3 – Parks and Recreation Board  
October 9 – Municipal Court  
October 10 – Special Town Hall for AMR System  
October 12 – City Council  
October 17 – Library Board Meeting  
October 21 – Fall Cleanup Event  
October 21 – 50<sup>th</sup> Annual Layne Wilkerson Fish Fry Event  
October 24 – Fall Business Roundtable  
October 26 – City Council  
October 26-27 – Haunted Library  
October 27 – City Hall Trick-or-Treat Event

## **PUBLIC COMMENT**

In order to expedite the flow of business and to provide all citizens the opportunity to speak, the mayor may impose a three-minute limitation on any person addressing the Council. The Texas Open Meetings Act prohibits the City Council from discussing issues, for which the public has not been given seventy-two (72) hour notice. Issues raised may be referred to City staff for research and/or placed on a future agenda.

**No Citizen comments**

## **PROCLAMATION**

- Suicide Prevention Awareness Month

## **CONSENT AGENDA**

**Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration.**

2. Consider and take appropriate action to approve City Council minutes dated August 21, 2023, and August 22, 2023.

**Councilman Jones moved to approve the minutes dated August 21, 2023, and August 22, 2023, with the amendments to August 22, 2023, as discussed.**

**Seconded by: Mayor Pro Tem, Mounce**

**Aye votes: Councilmembers Clark, James, Hartle, Linenkugel, Mounce, Mendoza and Jones**

**Motion carries**

## **ITEMS PULLED FROM THE CONSENT AGENDA**

### **PUBLIC HEARING ITEMS**

3. Conduct a public hearing on the proposed FY 2023-2024 budget.
  - a. Open public hearing at **6:43 PM**
  - b. Close public hearing at **6:43 PM**
4. Conduct a public hearing on a proposed tax rate of \$0.628363 per \$100 of taxable value.

"A tax rate of \$0.628363 per \$100 valuation has been proposed for adoption by the governing body of the City of Justin. This rate exceeds the no new revenue tax rate and the voter approval tax rate but does not exceed the de minimis rate for the city of Justin, Texas for the fiscal year beginning October 1, 2023, and ending September 30, 2024."

  - a. Open public hearing at **6:44 PM**
  - b. Close public hearing at **6:44 PM**

### **WORKSHOP ITEMS**

5. Discussion regarding PID overview.
6. Discuss Animal Control options.
7. Discussion regarding City Council Liaison positions.
8. Discuss the Oncor Ramhorn Hill transmission line.
9. Discuss future agenda items.

## **POSSIBLE ACTION ITEMS**

10. Consider and take appropriate action on first reading to approve Ordinance 760-23 to adopt the FY 2023-2024 City of Justin budget.

**Mayor Pro Tem, Mounce moved to approve Ordinance 760-23 to adopt the FY 2023-2024 City of Justin budget.**

**Seconded by: Councilwoman Linenkugel**

**Mayor Clark polled the Council for their vote. Councilman Jones: Aye. Councilman Mendoza: Aye. Councilman Mounce: Aye. Councilwoman Linenkugel: Aye. Councilman James: Aye. Councilwoman Hartle: Aye.**

**Motion carries**

11. Consider and take appropriate action to approve Ordinance 761-23 to adopt a tax rate of \$0.628363 per \$100 valuation, which is made up of a rate of \$0.537569 per \$100 valuation for Maintenance and Operations; and a rate of \$0.090794 per \$100 valuation for servicing currently outstanding Debt.

**Councilman Jones moved that the property tax rate be increased by the adoption of a tax rate of \$0.628363 per \$100 valuation, which is effectively a 16.97 percent increase in the tax rate.**

**Seconded by: Mayor Pro Tem, Mounce**

**Mayor Clark polled the Council for their vote. Councilman Jones: Aye. Councilman Mendoza: Aye. Councilman Mounce: Aye. Councilwoman Linenkugel: Aye. Councilman James: Aye. Councilwoman Hartle: Aye.**

**Motion carries**

12. Consider and take appropriate action to approve Ordinance 762-23 ratifying a property tax increase reflected in the City of Justin's budget for fiscal year beginning October 1<sup>st</sup>, 2023 and ending September 30, 2024.

**Mayor Pro Tem, Mounce moved to approve Ordinance 762-23 ratifying a property tax increase reflected in the approved FY24 budget.**

**Seconded by: Councilman Mendoza**

**Aye votes: Councilmembers Clark, James, Hartle, Linenkugel, Mounce, Mendoza and Jones**

**Motion carries**

13. Consider and take appropriate action approving Resolution 621-23 accepting a petition and calling a public hearing on the creation of the Timberbrook Public Improvement District No. 2

**Councilman James moved to approve Resolution 621-23 accepting a petition and calling a public hearing on the creation of the Timberbrook Public Improvement District No. 2.**

**Seconded by: Councilman Mendoza**



**Aye votes: Councilmembers Clark, James, Hartle, Linenkugel, Mounce, Mendoza and Jones**

**Motion carries**

**ADJOURN**

**With there being no further business, the meeting was adjourned at 8:04 PM**

*Brittany Andrews*

Brittany Andrews, City Secretary

Seal:

City Council Meeting

September 26, 2023

Justin City Hall, 415 North College Street

City Council Cover Sheet

Agenda Item: 3

Title: *(Second Reading)* Consider approval of Ordinance 760-23 to adopt the FY 2023-2024 City of Justin budget.

Department: Finance

Contact: Finance Director, Josh Armstrong

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Recommendation: Approve Ordinance 760-23, approving and adopting the Fiscal Year 24 budget.

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Background:

Over the past few months, we have worked with Department Heads and the City Council to identify priorities and goals for the upcoming fiscal year. Staff has previously presented the Draft Budget to Council during the July 11<sup>th</sup>, August 8<sup>th</sup>, and August 22<sup>nd</sup> Council Meetings. As previously presented to Council, this budget provides a 5% COLA for employees, brings the Fire Department into line with the rest of City departments for minimum market and provides a back pay for the FD for FY23. This budget includes the Chapter 52 rewrite costs, as well as the priority list from departments that has been provided to Council and discussed during the Draft Budget Workshops.

City Attorney Review:

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Attachments:

1. Ordinance 760-23

## **ORDINANCE NO. 760-23**

**AN ORDINANCE OF THE CITY OF JUSTIN, TEXAS, APPROVING AND ADOPTING THE OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; PROVIDING BUDGETARY APPROPRIATIONS FOR THE VARIOUS OPERATING FUNDS OF THE CITY; AUTHORIZING THE CITY MANAGER TO ADJUST AMOUNTS WITHIN FUND APPROPRIATIONS; RATIFYING PREVIOUS ADJUSTMENTS; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Manager of the City of Justin has submitted to the City Council a proposed budget of anticipated revenues and expenditures for conducting the affairs of the City and providing a complete financial plan for FY 2023-2024; and

**WHEREAS**, a copy of the City Manager's proposed budget and all supporting schedules has been received by the City Council, and a copy filed with the City Secretary of the City of Justin; and

**WHEREAS**, the proposed budget was made available for public inspection; and

**WHEREAS**, following due notice, a public hearing was held on the proposed budget on September 12, 2023 at which time all interested persons were given an opportunity to be heard for or against the estimates of any items therein; and

**WHEREAS**, upon full consideration of the matter, the City Council made such changes to the proposed budget which in its judgment are warranted and in the best interest of the taxpayers of the City of Justin

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

**SECTION 1.** Subject to the applicable provisions of State law, the budget of anticipated revenues, resources, and the detailed estimates of expenditures desired for each project and operation proposed to be undertaken, together with estimated amounts of all other proposed expenditures necessary for conducting the affairs of the City of Justin and providing a financial plan for the ensuing Fiscal Year beginning October 1, 2023 and ending September 30, 2024, as submitted by the City Manager and adjusted by the City Council, attached hereto as Exhibit "A" and incorporated herein by reference, is hereby adopted as the Budget of the City of Justin for the Fiscal Year 2023-2024.

**SECTION 2.** The appropriations for the Fiscal Year beginning October 1, 2023 and ending September 30, 2024 for the operation of different funds and purposes of the City of Justin shall be in accordance with Exhibit “A”.

**SECTION 3.** Expenditures during the Fiscal Year shall be made in accordance with the budgeted appropriations approved by this Ordinance and made a part hereof for all purposes.

**SECTION 4.** Specific authority is given to the City Manager to adjust amounts within fund appropriations, including: (1) reduction of allowed expenditures of a department under the City Manager if, in the judgment of the City Manager, actual or probable receipts are less than the amount estimated for expenditure, and (2) transfer of appropriations within funds.

**SECTION 5.** The City Council reserves the authority to transfer appropriations budgeted from the one account or activity to another within any individual activity of the City and to transfer appropriations from designated appropriations to any individual department or activity. That all transfers by the City Manager of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2023-2024 are hereby ratified and the Budget Ordinance for 2023-2024 is hereby amended to the extent of such transfers for all purposes.

**SECTION 6.** All provisions of the ordinances of the City of Justin in conflict with provisions of this Ordinance are hereby repealed.

**SECTION 7.** Should any sentence, paragraph, subdivision, clause, phrase, or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same should not affect the validity of this Ordinance, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional.

**SECTION 8.** This Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

**PASSED ON THE FIRST READING BY THE CITY COUNCIL ON THE 12<sup>th</sup> DAY OF SEPTEMBER, 2023.**

**PASSED ON SECOND READING BY THE CITY COUNCIL ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2023.**

**APPROVED:**

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**JAMES CLARK,  
MAYOR**

**ATTEST:**

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**BRITTANY ANDREWS,  
CITY SECRETARY**

**APPROVED AS TO FORM:**

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**MATTHEW BOYLE  
CITY ATTORNEY**

City Council Meeting

September 26, 2023

Justin City Hall, 415 North College Street

City Council Cover Sheet

Agenda Item: 4

Title: Consider and take appropriate action to approve the Interlocal Cooperation Agreement for Library Services between the City of Justin and Denton County.

Department: Administration

Contact: Assistant City Manager, Abbey Reece

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Recommendation: Approve the Interlocal Cooperation Agreement for Library Services between the City of Justin and Denton County as presented.

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Background: The interlocal cooperation agreement for library services with Denton County is approved annually. The County will pay the City's library \$5,900 based on the NCTCOG population estimates and will pay an additional \$10,000 throughout the year so long as we continue to also support the library's funding (which we have done through our budget). These monies have already been accounted for in the proposed budget.

City Attorney Review:

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Attachments:

1. ICA for Library Services

THE STATE OF TEXAS  
COUNTY OF DENTON

§  
§  
§

JUSTIN COMMUNITY LIBRARY

**INTERLOCAL COOPERATION AGREEMENT**  
**FOR LIBRARY SERVICES**

**THIS AGREEMENT** is made and entered into by and between Denton County, Texas ("the **COUNTY**"), and the City of Justin, Texas ("the **MUNICIPALITY**"), and has an effective date of October 1, 2023.

**WHEREAS**, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of the **COUNTY**; and

**WHEREAS**, the **MUNICIPALITY** is a duly organized municipality in Denton County, Texas, engaged in the provision of library and related services for the benefit of the citizens of the **MUNICIPALITY**; and

**WHEREAS**, the **COUNTY** has requested, and the **MUNICIPALITY** has agreed to provide library services for all residents of the **COUNTY**; and

**WHEREAS**, the **COUNTY** and the **MUNICIPALITY** mutually desire to be subject to the provisions of Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act, and Chapter 323 of the Texas Local Government Code, regarding County Libraries.

**NOW, THEREFORE**, the **COUNTY** and the **MUNICIPALITY**, for the mutual consideration hereinafter stated, agree and understand as follows:

**I.**

The term of this Agreement shall be for the period from October 1, 2023, through September 30, 2024.

**II.**

For the purposes and consideration herein stated and contemplated, the **MUNICIPALITY** shall provide library services for the residents of the **COUNTY** without regard to race, religion, color, age, disability or national origin. Upon proper proof of residence, by an individual in the **COUNTY**, the individual shall be entitled issuance of a library card, at no cost, to be used in connection with said library services.

The **MUNICIPALITY** shall develop and maintain through the Library one or more of the following programs of service:

1. Educational and reading incentive programs and materials for youth.
2. Functional literacy materials and/or tutoring programs for adults.
3. Job training/career development programs and/or materials for all ages.
4. Outreach services to eliminate barriers to library services.
5. Educational programs designed to enhance quality of life for adults.

### **III.**

The **COUNTY** designates the County Judge to act on behalf of the **COUNTY** and serve as liaison officer for the **COUNTY** with and between the **COUNTY** and the **MUNICIPALITY**. The County Judge or his designated substitute shall insure the performance of all duties and obligations of the **COUNTY** herein stated and shall devote sufficient time and attention to the execution of said duties on behalf of the **COUNTY** in full compliance with the terms and conditions of this Agreement. The County Judge shall provide immediate and direct supervision of the **COUNTY'S** employees, agents, contractors, sub-contractors, or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the **COUNTY** and the **MUNICIPALITY**.

### **IV.**

The **MUNICIPALITY** shall designate Library Director act on behalf of the **MUNICIPALITY** and to serve as liaison officer for the **MUNICIPALITY** with and between the **MUNICIPALITY** and the **COUNTY** to insure the performance of all duties and obligations of the **MUNICIPALITY** as herein stated and shall devote sufficient time and attention to the execution of said duties on behalf of the **MUNICIPALITY** in full compliance with the terms and conditions of this Agreement. Library Director shall provide management of the **MUNICIPALITY'S** employees, agents, contractors, sub-contractors, or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the **MUNICIPALITY** and the **COUNTY**.

The **MUNICIPALITY** shall provide the **COUNTY** with a copy of the annual report submitted to the Texas State Library and shall respond to the **COUNTY'S** annual questionnaire as documentation of the **MUNICIPALITY'S** expenditures and provision of service.



**V.**

The **MUNICIPALITY** shall be solely responsible for all techniques, sequences, procedures and coordination of all work performed under the terms and conditions of this Agreement. The **MUNICIPALITY** shall insure, dedicate and devote the full time and attention of those employees necessary for the proper execution and completion of the duties and obligations of the **MUNICIPALITY** as stated in this Agreement and shall give all attention required for proper supervision and direction of their employees.

**VI.**

The **MUNICIPALITY** agrees that its established library shall assume the functions of a county library within Denton County, Texas, and to provide a librarian who meets the requirements of the **MUNICIPALITY'S** job description.

**VII.**

The **COUNTY** and the **MUNICIPALITY** agree and acknowledge that each entity is not an agent of the other entity and that each entity is responsible for its own acts, forbearance, negligence and deeds and for those of its agents or employees. This Agreement does not and shall not be construed to entitle either party or any of their respective employees, if applicable, to any benefit, privilege or other amenities of employment applicable to the other party. The **MUNICIPALITY** understands and agrees that the **MUNICIPALITY**, its employees, servants, agents and representatives shall not represent themselves to be employees, servants, agents or representatives of the **COUNTY**.

*To the fullest extent permitted by law, the **MUNICIPALITY** agrees to hold harmless and indemnify the **COUNTY** from and against any and all claims and for all liability arising out of, resulting from or occurring in connection with the performance of the work hereunder, including but not limited to, any negligent act or omission of the **MUNICIPALITY**, its officers, agents or employees.*

The **COUNTY** and the **MUNICIPALITY** acknowledge and agree that the **COUNTY** does not waive any sovereign or governmental immunity available to the **COUNTY** under Texas law and does not waive any available defenses under Texas law. Nothing in this paragraph shall be construed to create or grant any rights, contractual or otherwise, in or to any third persons or entities.

## VIII.

This Agreement is not intended to extend the liability of the parties beyond that provided by law. Neither the **MUNICIPALITY** nor the **COUNTY** waives any immunity or defense that would otherwise be available to it against claims by third parties.

## IX.

Any notice required by this Agreement shall be delivered, in writing, by either the **COUNTY** or the **MUNICIPALITY** to the following addresses:

The address of the **COUNTY** is: Denton County Judge  
1 Courthouse Drive, Suite 3100  
Denton, Texas 76208  
Telephone: 940-349-2820

The address of the **MUNICIPALITY** is: Justin Community Library  
c/o City of Justin, Texas  
408 Pafford  
Justin, Texas 76247  
Attention: Lesa Keith  
Telephone: 940-648-2541, Ext. 6

## X.

For the full performance of the services above stated, the **COUNTY** agrees to pay the **MUNICIPALITY** fees as described herein from current revenues available for such payment. The **COUNTY** shall pay the **MUNICIPALITY** fees in the amount of **FIVE THOUSAND NINE HUNDRED AND NO/100 DOLLARS (\$5,900.00)**, based upon North Central Texas Council of Governments service population allocation figures provided to the **COUNTY** by the Library Advisory Board, payable annually to the **MUNICIPALITY** commencing on or about October 1, 2023. The Allocation chart setting forth said figures is attached hereto and incorporated herein for all intents and purposes as Exhibit "A." In addition, the **COUNTY** agrees to pay the **MUNICIPALITY** an amount not to exceed **TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00)** in matching funds upon the following conditions:

1. The **MUNICIPALITY** shall attempt to secure funding from sources other than the **COUNTY**.
2. Upon receipt of additional funding, the **MUNICIPALITY** shall provide proof of the receipt of such funds to the Denton County Auditor on an annual basis.
3. The **COUNTY** shall match the **MUNICIPALITY'S** additional funding in an amount not to exceed \$10,000.00.

4. Payment by the **COUNTY** to the **MUNICIPALITY** shall be made in accordance with the normal and customary processes and business procedures of the **COUNTY** and payment shall be satisfied from current revenues of the **COUNTY**.

*All funding by the COUNTY to the MUNICIPALITY is subject to the condition that the MUNICIPALITY shall have in place technology protection measures (commonly referred to as “filters”) with respect to any computers used by the public that have Internet access which are designed to block access through such computers to visual depictions that are (1) obscene, as defined by Section 43.21 of the Texas Penal Code, or (2) contain pornography. The technology protection measures shall be in compliance with the Children’s Internet Protection Act.*

*The MUNICIPALITY hereby certifies that its libraries have either installed and are using the required technology protection measures during use of its computers that have Internet access by the public at the present time or will have such protection measures in place and operational by October 1, 2023.*

#### **XI.**

This Agreement may be terminated, at any time, by either party by giving sixty (60) days advance written notice to the other party. In the event of such termination by either party, the **MUNICIPALITY** shall be compensated pro rata for all services performed to the termination date, together with reimbursable expenses then due and as authorized by this Agreement. In the event of such termination, should the **MUNICIPALITY** be overcompensated on a pro rata basis for all services performed to the termination date or be overcompensated for reimbursable expenses as authorized by this Agreement, the **COUNTY** shall be reimbursed pro rata for all such overcompensation. Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

#### **XII.**

This Agreement represents the entire integrated Agreement between the **MUNICIPALITY** and the **COUNTY** and supersedes all prior negotiations, representations and/or Agreements, either oral or written. This Agreement may be amended only by written instrument signed by both the **MUNICIPALITY** and the **COUNTY**.

**XIII.**

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. Further, this Agreement shall be performable and all compensation payable in Denton County, Texas.

**XIV.**

In the event any portion of this Agreement shall be found to be contrary to law it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

**XV.**

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary orders or resolutions extending said authority have been duly passed and are now in full force and effect.

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**DENTON COUNTY, TEXAS**

**CITY OF JUSTIN, TEXAS**

By: \_\_\_\_\_  
Andy Eads, County Judge  
Denton County, Texas

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTEST:**

**ATTEST:**

By: \_\_\_\_\_  
Denton County Clerk

By: \_\_\_\_\_  
City Secretary

**AUDITOR'S CERTIFICATE**

I hereby certify that funds are available in the amount of \$\_\_\_\_\_ to accomplish and pay the obligation of Denton County under this Agreement.

\_\_\_\_\_  
Denton County Auditor

EXHIBIT A

DENTON COUNTY LIBRARY'S FUNDING (FY 2024)

PER CAPITA: \$ 0.338302  
MATCHING: \$ 10,000.00

DENTON COUNTY POPULATION:	1,006,492
POPULATION OF CITIES WITH LIBRARIES	374,306
REMAINING POPULATION	632,186

	TOTAL	CITY	COUNTY	PER CAPITA	MATCHING	TOTAL	ROUNDED
LIBRARY	POP	POP	allocation	ALLOCATION	FUNDS		
AUBREY	58,614	21,798	36,816	\$ 19,829	\$ 10,000	\$ 29,829	\$ 29,900
CARROLLTON**	-	-	-	\$ -	\$ -	\$ -	\$ -
FLOWER MOUND	210,177	78,163	132,014	\$ 71,103	\$ -	\$ 71,103	\$ 71,200
JUSTIN	17,360	6,456	10,904	\$ 5,873	\$ 10,000	\$ 15,873	\$ 15,900
KRUM	16,427	6,109	10,318	\$ 5,557	\$ 10,000	\$ 15,557	\$ 15,600
LEWISVILLE	357,451	132,933	224,518	\$ 120,926	\$ -	\$ 120,926	\$ 121,000
LITTLE ELM	147,505	54,856	92,649	\$ 49,901	\$ 10,000	\$ 59,901	\$ 60,000
PILOT POINT	13,961	5,192	8,769	\$ 4,723	\$ 10,000	\$ 14,723	\$ 14,800
PONDER	7,828	2,911	4,917	\$ 2,648	\$ 10,000	\$ 12,648	\$ 12,700
ROANOKE*	26,508	9,858	16,650	\$ 8,968	\$ 10,000	\$ 18,968	\$ 19,000
SANGER	25,948	9,650	16,298	\$ 8,778	\$ 10,000	\$ 18,778	\$ 18,800
THE COLONY	124,714	46,380	78,334	\$ 42,191	\$ 10,000	\$ 52,191	\$ 52,200
TOTAL	1,006,492	374,306	632,186	\$ 340,498	\$ 90,000	\$ 430,498	\$ 431,100
Aubrey Population:							
Aubrey	8,550						
Crossroads	1,975						
Krugerville	1,975						
Providence	9,298						
Total	21,798						
Ponder Population:	2,711						
Dish (Interlocal Agreement)	200						
Total	2,911						

\*Roanoke is a new participant in the funding this year and requests matching funds  
\*\*Carrollton is rolling off of participating, and they did not receive matching funds

City Council Meeting

September 26, 2023

Justin City Hall, 415 North College Street

City Council Cover Sheet

Agenda Item: 5

Title: Consider and take appropriate action approving an agreement between the City of Justin and the Denton County Criminal District Attorney's Office regarding forfeited contraband under chapter 59 and article 18.18 of the Texas Code of Criminal Procedure.

Department: Administration

Contact: Interim Police Chief, Brian Frieda

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Recommendation: Staff recommends approval

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Background:

The referenced contract that has existed with the Denton County District Attorney's office is a document that exists between all law enforcement agencies and their prosecuting District Attorney's across the State of Texas. It is customary to regularly update signatures, however, not only for having a new Mayor in office there were legislative changes to [Chapter 59 of the Code of Criminal Procedure](#), with the passage of [HB 3659](#) relating to forfeiture and seizure processes. Everything within this agreement is standard language and the city is not being taken advantage of in any way. From the Police Departments perspective we respectfully request that the council approve and allow the department to enter into this agreement.

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City Attorney Review: City Attorney has reviewed the ICA

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Attachments:

1. Denton City. Seizure Local Agreement



Paul Johnson

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**Criminal District Attorney**

Denton County Courts Building

1450 E. MCKINNEY, STE 3100

P. O. BOX 2344

DENTON, TEXAS 76202

Main Number 940-349-2600  
Main Fax 940-349-2601

Hot Checks 940-349-2700  
[www.dentoncounty.com](http://www.dentoncounty.com)

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August 29, 2023

JUSTIN POLICE DEPARTMENT  
P.O. Box 129  
Justin, Texas 76247

**NOTICE OF INTENT TO TERMINATE EXISTING LOCAL AGREEMENT  
AND ENTER INTO NEW LOCAL AGREEMENT**

**RE: Local Agreement between the Denton County District Attorney's Office and LOCAL AGENCY in regards to seizures filed under Chapter 59 and Article 18.18 of the Texas Code of Criminal Procedure in Denton County, Texas**

Dear Whom It May Concern:

Your Agency is receiving this notice because a local agreement currently exists between your Agency and the Denton County District Attorney's Office in regards to distribution of contraband seized and forfeited under Chapter 59 of the Texas Code of Criminal Procedure "hereinafter Existing Local Agreement."

Our office has seen an increase in personal property consisting of stocks, bonds, securities, Cryptocurrencies, negotiable instruments, jewelry, precious metals, and coins. These items are being used as a means of hiding proceeds from law enforcement. Additionally, there has been an increase in negotiated cash settlements in lieu of forfeiting property. In response, our office is adjusting the local agreements with each of our agencies.

Accordingly, the first purpose of this Notice is to inform you that Denton County District Attorney's Office is terminating the above-referenced Agreement under and in accordance with the Article IV of the Existing Local Agreement, which states that either party can terminate the agreement with thirty (30) days prior written notice. The Existing Local Agreement **shall**

Notice of Intent to Terminate and Enter Into New Local Agreement

**terminate September 31, 2023.**

The second purpose of this letter is to enter into a new local agreement that would govern **both Chapter 59 and Article 18.18 forfeiture** cases handled by the Denton County District Attorney's Office filed on behalf of your Agency "hereinafter New Local Agreement." The New Local Agreement is attached for your review and signature. Once executed by all appropriate parties and received by our office, the New Local Agreement **shall take effect on October 1, 2023.**

Please review and sign the attached document. Should you have any questions regarding this Notice or the New Local Agreement, please do not hesitate to contact me.

Sincerely,



Sheena Molsbee  
Assistant District Attorney  
Denton County, Texas  
940-349-2760  
[sheena.molsbee@dentoncounty.gov](mailto:sheena.molsbee@dentoncounty.gov)

Enclosures

*Local Agreement Respecting Forfeited Contraband Under Chapter 59  
and Article 18.18, Texas Code of Criminal Procedure*



**LOCAL AGREEMENT RESPECTING FORFEITED CONTRABAND  
UNDER CHAPTER 59 AND ARTICLE 18.18, TEXAS CODE  
OF CRIMINAL PROCEDURE  
DENTON COUNTY, TEXAS**

***JUSTIN POLICE DEPARTMENT***

This LOCAL AGREEMENT is made and entered into by and between the JUSTIN POLICE DEPARTMENT, hereinafter "the AGENCY," and the Denton County Criminal District Attorney's Office, hereinafter "the DISTRICT ATTORNEY."

**WITNESSETH:**

WHEREAS, the AGENCY and the DISTRICT ATTORNEY desire to enter into an agreement regarding disposition of contraband seized and forfeited under Chapter 59 of the Texas Code of Criminal Procedure and Article 18.18 of the Texas Code of Criminal Procedure; and

WHEREAS, Chapter 59 of the Texas Code of Criminal Procedure provides for the forfeiture to the State of Texas of property found to be "contraband" as defined by Chapter 59 of the Texas Code of Criminal Procedure; and

WHEREAS, Article 18.18 of the Texas Code of Criminal Procedure provides for forfeiture, to the State, any political subdivision of the State, or to any institution or agency, of items believed to be gambling paraphernalia, devices, equipment, real (gambling property), cash proceeds, prohibited weapons, criminal instruments, and other contraband as defined under Article 18.18 of the Texas Code of Criminal Procedure.

WHEREAS, the DISTRICT ATTORNEY represents the State of Texas in all cases regarding the forfeiture of contraband seized in Denton County, Texas, pursuant to Chapter 59 of the Code of Criminal Procedure and Article 18.18 of the Code of Criminal Procedure.

NOW, therefore, this Local Agreement is hereby made and entered into by the AGENCY and the DISTRICT ATTORNEY for the mutual consideration stated herein:

**ARTICLE I.**

A. In consideration for the services provided by the AGENCY and the DISTRICT ATTORNEY associated with the forfeiture of contraband, the AGENCY and the DISTRICT ATTORNEY agree to the following disposition of contraband forfeited under Chapter 59 of Texas Code of Criminal Procedure:

- (1) The AGENCY will receive eighty percent (80%) and DISTRICT ATTORNEY twenty percent (20%) of all **currency** seized and forfeited.
- (2) Personal property consisting of stocks, bonds, securities, Cryptocurrencies, negotiable instruments and other documents representing things of value, jewelry, precious metals, and coins shall be sold and the proceeds allocated between the AGENCY and the DISTRICT ATTORNEY as provided by Article I, Section (A)(1) above. For all other personal property the AGENCY will receive, one hundred percent (100%) of the proceeds from the sale of **personal property**

seized and forfeited that the AGENCY does not use in its law enforcement operations.

- (3) The AGENCY shall pay the DISTRICT ATTORNEY the sum of THREE HUNDRED AND NO/100 DOLLARS (\$300.00) for each final judgment obtained for the forfeiture of a **motor vehicle**. If a motor vehicle is the subject of a final judgment of forfeiture, the AGENCY has the option of taking title to said vehicle and using it for law enforcement purposes in the investigation of alleged violations of the criminal laws of the State of Texas pursuant to the requisites of Chapter 59 of the Texas Code of Criminal Procedure. All costs associated with the use of the motor vehicle shall be borne by the party using said vehicle.
- (4) Proceeds from the sale of **real property** seized and forfeited shall be negotiated between the AGENCY and the DISTRICT ATTORNEY on a case-by-case basis prior to commencement of litigation by the DISTRICT ATTORNEY.
- (5) On property seized other than, cash proceeds, the DISTRICT ATTORNEY may endeavor to negotiate a cash settlement in lieu of forfeiture of the property. Any money received in this manner shall be allocated between the AGENCY and the DISTRICT ATTORNEY as provided by Section (A)(1) above.
- (6) The AGENCY shall pay for all court costs and litigation expenses related to forfeiture proceedings. All costs of title searches and title policies for the forfeiture of real property shall be paid by the AGENCY. All other costs and expenses related to forfeiture proceedings, including the costs of storage, maintenance and auctions of vehicles and property held pending a final forfeiture judgment, shall be paid by the AGENCY.
- (7) It is further specifically agreed by the parties that if special circumstances dictate that a different percentage other than that set out in this Local Agreement should be awarded to the DISTRICT ATTORNEY, that this Local Agreement may be specifically modified in writing by the written consent of both parties prior to the commencement of litigation by the DISTRICT ATTORNEY.

B. All currency seized by the AGENCY under Chapter 59 of the Texas Code of Criminal Procedure shall be deposited in an interest-bearing bank account held by the AGENCY and containing only funds acquired pursuant to Chapter 59 of the Texas Code of Criminal Procedure until a final judgment is rendered. AGENCY shall then transfer currency to the DISTRICT ATTORNEY as noted in Article I, Section A(1) above. Payments to DISTRICT ATTORNEY shall be made pursuant to Article III.

C. In accordance with Chapter 59 of the Texas Code of Criminal Procedure, all of the DISTRICT ATTORNEY's share of forfeited currency; all proceeds from the sale of personal property; all proceeds from the sale of real property; the flat fee of THREE HUNDRED AND NO/100 DOLLARS (\$300.00) for forfeited motor vehicles; and the negotiated cash settlements shall be deposited into a special fund in the County Treasury to be used by the DISTRICT ATTORNEY solely for the official purposes of the office of the DISTRICT ATTORNEY.

D. In accordance with Chapter 59 of the Texas Code of Criminal Procedure, all currency and proceeds from the sale of real property, motor vehicles and personal property received by the AGENCY shall be deposited in a special fund in the City Treasury to be used by the JUSTIN POLICE DEPARTMENT solely for law enforcement purposes.



## ARTICLE II.

A. In consideration for the services provided by the AGENCY and the DISTRICT ATTORNEY associated with the forfeiture of gambling paraphernalia, devices, equipment, real (gambling property), cash proceeds, prohibited weapons, criminal instruments, and other contraband as defined, the AGENCY and the DISTRICT ATTORNEY agree to the following disposition of the forfeited property and proceeds under Article 18.18 of Texas Code of Criminal Procedure:

- (1) The AGENCY will receive eighty percent (80%) and DISTRICT ATTORNEY twenty percent (20%) of all **currency** seized and forfeited.
- (2) On property seized other than cash proceeds, the DISTRICT ATTORNEY may endeavor to negotiate a cash settlement in lieu of forfeiture of the property. Any money received in this manner shall be allocated between the AGENCY and the DISTRICT ATTORNEY as provided by Section (A)(1) above.
- (3) The AGENCY will receive one hundred percent (100%) of the proceeds from the sale of **all other property** seized and forfeited, but not negotiated to cash settlements, that the AGENCY does not use in its law enforcement operations.

B. All currency seized by the AGENCY under Article 18.18 of the Texas Code of Criminal Procedure shall be deposited in an interest-bearing bank account held by the AGENCY and containing only funds acquired pursuant to Article 18.18 of the Texas Code of Criminal Procedure until a final judgment is rendered. AGENCY shall then transfer currency to the DISTRICT ATTORNEY as noted in Article II, Section A(1) above. Payments to DISTRICT ATTORNEY shall be made pursuant to Article III.

C. In accordance with Article 18.18 of the Texas Code of Criminal Procedure, all of the DISTRICT ATTORNEY's share of forfeited currency and the negotiated cash settlements shall be deposited into a special fund in the County Treasury to be used by the DISTRICT ATTORNEY solely for the official purposes of the office of the DISTRICT ATTORNEY.

D. In accordance with Chapter 59 of the Texas Code of Criminal Procedure, all currency and proceeds from the sale of forfeited property received by the AGENCY shall be deposited in a special fund in the City Treasury to be used by the JUSTIN POLICE DEPARTMENT solely for law enforcement purposes.

## ARTICLE III.

This Local Agreement shall apply to currency, real property, personal property and motor vehicles seized for forfeiture purposes by the AGENCY effective upon date of signature by all parties. Currency, real property, motor vehicles and personal property shall be considered forfeited to the State once a forfeiture judgment has become final, and no Motion for New Trial or Notice of Appeal has been taken. Payments to the DISTRICT ATTORNEY shall be made monthly. Each payment shall be based upon the amount of currency forfeited to the State of Texas in that period; upon the proceeds of the sale of forfeited personal property in that period; upon the proceeds of the sale of forfeited real property in that period; upon the flat fee of THREE HUNDRED AND NO/100 DOLLARS (\$300.00) for all motor vehicles forfeited to the AGENCY in that period; and upon the cash settlements negotiated in lieu of forfeiture to the

AGENCY. All costs of court proceedings shall be paid by the AGENCY including the cost of titles searched and title policies issued.

#### **ARTICLE IV.**

In the event of a special circumstance where the DISTRICT ATTORNEY is required to expend significant time and effort in planning for a forfeiture case, it will be developed as a joint investigation with the AGENCY with the option of the percentage apportioned between parties being modified in a manner commensurate with the time and effort required by each of the Parties and a written Addendum to this Local Agreement will be executed by the parties as it pertains to the particular seizure.

#### **ARTICLE V.**

The term of this Local Agreement shall be for a period of one (1) year from the date of execution of this agreement. This Agreement shall automatically be renewed on a yearly basis after the initial one (1) year term. This Agreement may be terminated by either party upon thirty (30) days prior written notice thereof to the other of its intention to terminate upon the date specified in such notice. Any pending forfeiture under this Agreement filed prior to the termination date, however, shall not be affected by such notices.

#### **ARTICLE VI.**

Any notice, payment, statement, or demand required or permitted to be given hereunder by either party to the other may be effected by personal delivery in writing or by mail, postage prepaid. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed communicated as of three days after mailing.

##### **If intended for the AGENCY:**

JUSTIN POLICE DEPARTMENT  
P.O. Box 129  
Justin, TX 76247

##### **If intended for the DISTRICT ATTORNEY:**

Denton County Criminal District Attorney  
1450 E. McKinney Street, Suite 3100  
Denton, Texas 76209

**SIGNED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

CRIMINAL DISTRICT ATTORNEY  
DENTON COUNTY, TEXAS

JUSTIN POLICE DEPARTMENT

\_\_\_\_\_  
Paul Johnson  
Criminal District Attorney  
Denton County, Texas

\_\_\_\_\_  
Chief of Police

CITY OF JUSTIN

\_\_\_\_\_  
Mayor

City Council Meeting

September 26, 2023

Justin City Hall, 415 North College Street

City Council Cover Sheet

Agenda Item: 6

Title: Consider and take appropriate action approving the City of Justin Financial Policies.

Department: Finance

Contact: Finance Director, Josh Armstrong

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Recommendation: To approve the financial policies.

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Background:

To keep our financial policies current, we review them annually and present them with the budget to be approved by the council. The financial policies have three changes:

- Page 6: Comprehensive Annual Financial Report has been changed to Annual Comprehensive Financial Report due to a change in industry standard.
- Page 6: Fiscal Year Audited has been changed to FY2022-23. This brings it in line with the five-year timeline referenced in the policy.
- Page 10: monthly financial reports are now quarterly financial reports.
- Page 12: Added new Pre-travel check policy.

No changes have been made to the purchasing policy.

Please read over the policies and let me know if you have any questions. The policies apply to city employees and city council.

City Attorney Review:

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Attachments:

1. Financial Policies
2. Purchasing Policy
3. Pre-travel Check Policy

**City of Justin  
Financial Policies**

**Annual Financial Performance Goals**

1. The City shall adopt a structurally balanced budget each year pursuant to state and local laws.
2. The City shall be conservative rather than aggressive in its budgeting of revenue and expenditures.
3. The City budget will be prepared in format consistent with the Government Finance Officers Associate (GFOA) distinguished budget award presentation criteria.
4. The City shall maintain an appropriate fund balance for each fund as defined by the city's fund balance policy.
5. The City will employ an active investment program in compliance with the city's investment policy that prioritizes safety and security ahead of yield and return.
6. The City's financial statements shall be audited on an annual basis, by an independent auditor, and will comply with all relevant state laws and Government Accounting Standards Board (GASB).
7. The City's monthly, quarterly, and annual financial documents shall be presented on the city's website.

## **Depository Policy**

All moneys received by any person, department or agency of the City for, or in connection with, the affairs of the City shall be deposited promptly in the City depository or depositories.

The City shall use a single depository, better known as the City Bank, for all primary/pooled checking accounts, all cash reserve bank accounts including any savings and money market accounts. The depository must comply with all relevant state laws including the Public Funds Investment Act, Public Funds Collateral Act and Federal Depository Insurance Corporation (FDIC) requirements for public funds. The City's official depository must maintain a physical branch within Denton County, with consideration given to banks with a physical presence in Justin.

The City shall select its official depository through a Request for Proposals (RFP) for depository and banking services. As a measure to encourage competitive pricing for City business, the City shall release a depository RFP at least once every five years. The City is not under an obligation to change banks every five years, but merely to receive competitive offers for banking services to ensure the City is getting the best value for its business.

### **Depository RFP Selection Timeline**

<b>Fiscal Year Banking</b>	<b>Audit Process</b>
FY 2016-17	RFP – Issued, Selected
FY 2017-18 to FY 2021-22	Years as Official Depository

## **Budget Policy**

Each year the City shall adopt an annual operating budget, capital improvement plan and corresponding ad valorem tax rate. The budget shall be adopted by ordinance and shall require a majority vote of the full membership of the City Council. The budget shall provide a complete financial plan of all City funds and activities.

### ***Budget Adoption Process***

Each year, the City Manager shall file with the City Secretary and submit to the City Council a proposed budget for the ensuing fiscal year and the budget message. This will be done consistent with all required state laws to ensure adequate review time prior to any required public hearings and/or budget adoption. The budget message, proposed annual operating budget, and capital improvement plan shall be posted on the City's website with copies available at City Hall and the City Library.

The City Council shall hold such budget workshops as it deems necessary and all required public hearings to review the proposed budget and recommend any appropriate changes prior to adopting the final budget.

The city council shall hold any public hearings on the proposed budget and ad valorem tax rate as required by state law. All interested persons shall be given the opportunity to be heard, either for or against, any item of the proposed budget.

At a regular or special meeting, the City Council may adopt the budget with or without amendment. In amending the budget, it may add or increase any programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.

The City Council shall adopt the budget by September 30th. Adoption of the budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated.

The adopted and amended budget shall be posted on the City's website with copies available at City Hall and the City Library for on-site inspection and use.

#### *Failure to Adopt an Annual Budget*

If the City Council fails to adopt the budget by October 1st, the amounts appropriated for operation during the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month-to-month basis, with all items in it prorated accordingly, until such time as the City Council adopts a budget for the ensuing fiscal year.

***Errors or defects in the form or preparation of the budget or the failure to perform any procedural requirements shall not nullify the tax levy or the tax rate.***

#### *Budget Encumbrance & Lapse of Budget Authority*

The fiscal year of the City shall begin on the first day of each October and end on the last day of September of the succeeding year. All funds collected by the City during any fiscal year, including both current and delinquent revenues, shall follow rules consistent with the city's basis of accounting which is modified accrual.

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three (3) years pass without any disbursement from or encumbrance of the appropriation. Any funds not expended, disbursed, or encumbered shall be deemed excess funds.

#### *Budget Message*

A budget message explaining the budget both in fiscal year and in terms of the work programs shall be submitted with the budget. It shall outline the proposed financial plan of the City for the ensuing fiscal year and include such other material as the City Manager deems desirable.

#### *Budget*

The budget shall begin with a clear, general summary of its contents and shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures, including debt service, for the ensuing fiscal year.

The proposed budget expenditures shall not exceed the total of estimated income and unencumbered funds from previous years.



The budget shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year, compared to the estimate for the budgeted year.

The budget shall include in separate sections:

- 1) A clear, general summary of contents;
- 2) A consolidated statement of receipts and expenditures of all funds listed and itemized individually;
- 3) An analysis and itemization of all estimated income of the City from surplus, miscellaneous income and taxes;
- 4) An estimate of all revenue from taxes, including the present tax structure rates and property evaluation for the three previous years and ensuing year;
- 5) A projected list of capital projects which should be undertaken within the five (5) next succeeding years including but not limited to the amounts to be appropriated from the budget, the amounts to be raised by the issuance of bonds, and the amount required for the operation and maintenance of the new projects;
- 6) The amount required for interest on the City's debts, for sinking funds and for maturing serial bonds;
- 7) The total amount of the City's outstanding debts, with a schedule of maturity on bond issues in an attachment;
- 8) An itemized list of proposed expenses by office, department, or agency, project for the budget year, as compared to actual expenses of the last ended fiscal year, and year-end estimate;
- 9) Anticipated net surplus or deficit for the ensuing fiscal year of each utility owned or operated by the City and the proposed method of its disposition, and subsidiary budgets for each such utility giving detailed income and expenditure information attached as appendices to the budget;
- 11) All funds, without exception, are to be included in the budget document; and
- 12) Such other information as is required by the City Council or deemed desirable by the City Manager.

#### *Annual Operating Budget*

The City shall adopt a balanced budget. The budget shall be structurally balanced with a matching source of funds ensuring recurring revenues are used to fund recurring expenditures, and one-time revenues are used to fund one-time expenditures. The annual budget must include the appropriations for required debt service, or for any cash deficit, and shall not authorize expenditures in excess of total estimated revenues and income plus funds from available fund balance.

#### *Operating Budget Goals*

As a primary goal in establishing initial budget guidelines:

\*Public Safety Division (Police, Animal Control, Fire & Emergency Services) should not exceed 2/3rds (66%) of the General Fund Operating Budget.

\*Administration Division (Administration, Development Services, Municipal Court, Legislative departments) should not exceed 1/3rd (33%) of the General Fund Operating Budget.

However, the City Council in its discretion may alter the above goals as authorized by state law.

#### *Budget Amendments*

The City Council may amend the annual budget once adopted to address any emergency, or supplemental appropriations. Any budget amendments must be structurally balanced with the same standards outlined in the Budget Policy for the annual budget adoption. The budget amendment shall be made by ordinance and shall require a majority vote of the full membership of the City Council. Once adopted, the budget amendment shall become an attachment to the original budget.

#### *Reduction of Appropriations.*

If, at any time during the fiscal year, it appears probable to the City Manager that the revenues available will be insufficient to meet the amount appropriated, the City Manager shall report to the City Council the estimated amount of deficit, any remedial action taken and recommendations as to any other steps to be taken. The City Council shall then take such further action that it deems necessary to prevent or minimize any deficit.

#### *Capital Improvement Plan*

The City will annually prepare and update a five-year Capital Improvement Plan based on the needs of capital improvements, infrastructure, fleet and equipment. The Capital Improvement Plan shall include any project with a cost of \$50,000 or more, with an expected lifespan longer than one year and any heavy equipment or technology with a value exceeding \$10,000. The Capital Improvement Plan shall include an estimated project cost shall be estimated, a funding source identified, and any projected ongoing annual maintenance and operation costs. All capital projects will be budgeted for project-life of the useful, first-line use of the capital project.

The City Manager shall submit a five-year capital program as an attachment to the annual budget. The program, as submitted, shall include:

- 1) A clear, general summary of its contents;
- 2) A list of all capital improvements which are proposed for the five (5) fiscal years succeeding the budget year, with appropriate supporting information as to the necessity for such improvements;
- 3) Cost estimates, method of financing and recommended time schedules for each such improvement;
- 4) The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

The above information may be revised and extended each year with regard to capital improvements still pending or in the process of construction or acquisition.

The City Council may issue bonds, certificates of obligation, warrants and other evidences of indebtedness for the purpose of buying or constructing capital assets. Capital projects shall be financially monitored to ensure compliance with approved budget for the project. Any changes in cost above the total appropriation for a capital project must be approved by the City Council.

## Audit Policy

At the close of each fiscal year, and at such other times as it may be deemed necessary, the City Council shall direct that an independent audit be made of all accounts of the City by a certified public accountant. The certified public accountant shall have no personal interest, directly or indirectly, in the financial affairs of the City or any of its officers and shall report directly to the City Council.

Upon completion of the audit, a summary of the results thereof shall be placed on file in the City Secretary's office for public record. A copy of the ~~comprehensive annual financial report (CAFR)~~annual comprehensive financial report (ACFR) shall be available at city hall. The ~~comprehensive annual financial report~~ACFR will be prepared by a licensed, third party certified public accountant. The annual city audit will comply with all relevant state laws and the Government Accounting Standards Board (GASB). The annual city audit will be accepted by the City Council, with a copy of the document available for public inspection at City Hall, City Library, and a copy posted to the City's website.

City funds will be classified as Governmental, Enterprise, or Fiduciary, and reported under General Government Accounting Standards Board (GASB) practices. For accounting purposes, the City's Debt Service Funds and Internal Service Funds will be accounted for as part of the General Fund under governmental funds.

The City shall select an auditing firm through a Request for Qualifications (RFQ) process. As a safeguard against fraud and abuse, the City will release a Request for Qualifications for auditing firms at least every three to five years.

### Auditing RFQ Selection Timeline

Fiscal Year Audited	Audit Process
FY 2017-18	RFQ – 1 <sup>st</sup> Year
FY 2018-19 to FY <del>2021-22</del> <u>2022-23</u>	Renewal

## Accounting System

The fiscal year for accounting and budgeting purposes of the city shall begin on October 1 of each calendar year and shall terminate on September 30 of the next succeeding calendar year.

The City of Justin uses fund accounting to promote accountability and transparency in the use of public funds. Funds are a self-balancing set of accounts separated for specific purposes. Both the City's annual budget and annual audit shall include a basis of budgeting providing a statement of accounting methods and fund accounting. The City of Justin uses a modified accrual accounting system accounting for when revenues are recognized and expenditures are incurred. City funds will be classified as Governmental, Enterprise, or Fiduciary and reported under General Government Accounting Standards Board (GASB) practices. Funds are grouped by categories of General, Debt Service, Utility, Special Revenue, Internal Service funds, and Component Unit of Government. Each fund will have a fund balance strategy with an appropriate reserve policy for the fund.

## Fund Balance Policy

### *Purpose*

The purpose of this policy is to establish a key element of the financial stability of the City of Justin setting guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The intent of this policy is to ensure the City maintains adequate fund balances in the City's various operating funds with respect to the following:

1. Providing sufficient cash flow liquidity for the City's general governmental operations,
2. Securing and maintaining investment-grade bond ratings,
3. Offsetting significant economic downturns or revenue shortfalls, and
4. Providing funds for unforeseen expenditures related to emergencies.

### *Definitions*

**Fund Equity** – A fund's equity is generally the difference between its assets and liabilities.

**Fund Balance** – An accounting distinction is made between the portions of fund equity that are spendable and non-spendable. These include the following categories:

1. Non-spendable fund balance – includes amounts that are not in a spendable form or are required to be maintained intact. Examples include inventory and prepaid expenses.
2. Spendable Fund Balance:
  - A. Restricted – includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, or contributors; or amounts constrained due to regulations of other governments. Examples include grant awards and bond proceeds.
  - B. Committed – Includes amounts that are limited to specific purposes that are *internally imposed* by the City through formal action of the City Council. Commitments may be changed or removed only by formal action of the City Council. This includes balances formally approved by the City Council during the budget adoption and amendment process. The formal action must be approved by the City Council prior to the end of the fiscal year in which the commitment will be reflected on the financial statements.
  - C. Assigned – includes amounts that are intended for specific purposes that are considered neither restricted nor committed. Intent can be expressed by the City Council, or by an official to which the City Council delegates the authority. Assignment of fund balance are less formal than commitments and do not require formal action for their imposition or removal. In governmental funds, other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
  - D. Unassigned – the residual classification of amounts in the General Fund which includes all amounts not classified in other fund balance categories. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification

### *Fund Balance Policy and Practice*

1. Fund balance will be measured in days by dividing a fund's annual budgeted operating expenditures (personnel, supplies, operations, utilities, contractual services) by 365.
2. Operating fund balance will be determined by measuring a fund's unrestricted assets comprising of its primary/pooled checking account, cash reserve account, and any investment accounts.
3. Restricted assets such as restricted or special revenue funds, capital improvements, and related accounts will not be used in determining a fund's operating fund balance.
4. Required reporting. In the event a fund's end of month balance is below a fund's statement minimum balance requirement (known as the fund floor) the Finance Director must make the City Manager aware of the fund balance, note the insufficient funds in the monthly financial reports, and report the fund balance to the City Council at its monthly meeting. The City Manager within twenty-four hours of being notified on an insufficient fund balance must make the Mayor and City Council aware of the fund balance.
5. Required reporting. In the event a fund's end of month balance is below a fund's statement minimum goal requirement (known as the fund goal), the Finance Director must make the City Manager aware of the fund balance, note the insufficient funds in the monthly financial reports, and report the fund balance to the City Council at its next regular meeting.
6. When a fund's balance exceeds the established maximum fund balance (known as the "fund ceiling") at the conclusion of the fiscal year, the excess fund balance will be transferred to either the fund's capital improvement account, or internal service funds such as capital/equipment replacement fund or the City's emergency fund, in compliance with the City's Fund Transfer Policy. This type of transfer of funds must be reported in the City's monthly financial report.
7. The City Council may appropriate unassigned fund balance for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the established minimum.
8. When multiple categories of fund balance are available for expenditure, such as a capital project being funded by a combination of grant funds, funds set aside by the City Council, and unassigned fund balance, the City will spend projects funds from the most restricted category first (e.g., grant funds). When the most restricted fund balance has been spent on the project, then funds will be spent from the next most restrictive category (e.g., committed or assigned fund balance), continuing this pattern until all project funds have been expended.
9. The City shall minimize the use of committed fund balances in major operating funds when possible. Methods of reducing the commitments include transferring project funds to

capital projects, creating and maintaining equipment replacement and long-term maintenance funds, and creating and maintaining operating project funds for non-capital projects.

10. The Director of Finance shall be responsible for monitoring and reporting the City's various reserve balances. The City Manager is directed to make recommendations to the Council of the use of reserve funds, as an element of the annual operating budget submission, or as necessary throughout the fiscal year, as circumstances may arise.

11. Compliance with the provisions of this policy shall be reviewed as a part of the annual operating budget adoption and subsequent review will be included in the annual audit and financial statement preparation procedures.

#### **Standard Fund Balance Strategy -General Fund**

1. Maintain a minimum fund balance of 90 days of all annual budgeted fund expenditures.  
[Fund Floor]
2. Maintain a target fund balance of 90-120 days (25-33%) of annual budgeted expenses.  
[Fund Goal]
3. Maintain a fund balance that does not exceed a maximum fund balance of 120 days (33%) of all annual budgeted fund expenditures.  
[Fund Ceiling]

#### **Major Funds Fund Balance**

Fund	Minimum (Fund Floor)	Goal	Maximum (Fund Ceiling)
General Fund	90 Days	90-120 Days	120 Days

#### **Standard Fund Account Requirements - General Fund**

1. Of the stated minimum fund balance, the City must maintain a minimum cash balance of 30 days of all annual budgeted fund expenditures in a fund's primary/pooled checking account.  
[Minimum Cash Balance]
2. Each major fund shall have a cash reserve account. Cash Reserve accounts may be established as checking, savings, money market, or approved investment pool accounts.
3. Each major fund shall have a cash reserve or an investment account. Investment accounts are regulated by the Public Funds Investment Act and the City's Investment policy.

#### **Debt Service Fund Balance Strategy**

1. Maintain a minimum fund balance of \$1,000 or 1 day whichever is greater.  
[Fund Floor]

2. Maintain a target fund balance equal to one-half of annual budgeted interest and sinking expense payments over the course of the fiscal year.
3. Maintain a fund balance that does not exceed a maximum fund balance of 365 days (100%) of all annual budgeted debt service payments (interest and sinking expenditures).  
[Fund Ceiling]

#### **Debt Service Fund Balance**

Fund	Minimum (Fund Floor)	Goal	Maximum (Fund Ceiling)
Debt Service Fund	1 Day	Half of annual Debt Service Payment	365 Days

#### **Restricted Fund Balance Strategy – Special Revenue Funds (Court: Child Safety, Court: Security, Court: Technology, Grants, Police: Seizure, Police: Training,)**

1. There is no minimum fund balance or cash balance requirements for restricted funds.
2. Restricted funds are special purpose funds designated for special purposes or limited by State or Federal law.
3. Restricted funds will typically support special projects such as one-time expenditures and not regular reoccurring department operations.

#### **Component Units of Government Policy**

Component Units of Government are defined by the Governmental Accounting Standards Board (GASB) as organizations that due to their nature and relationship with the City shall have their finances reported as part of the City's financial reporting. The City shall maintain separate funds for any component unit of governments. The organizations may establish their own financial and fund balance policies that will be kept on file and observed by the City.

#### **Reporting Policy**

1. The annual budget will be prepared in accordance with Government Finance Officers Association (GFOA) guidelines. Copies of the budget will be available for public inspection at City Hall, City Library, and on the City's website.
2. The annual audit will be prepared in accordance with Government Accounting Standards Board (GASB) guidelines. The annual audit will be presented to the City Council by the auditing firm. Copies of the audit will be available for public inspection at City Hall, City Library, and the on the City's website.
3. The City's Finance Department will prepare ~~monthly~~ quarterly financial reports for the City Council.
4. The City's Finance Department will prepare quarterly investment reports for the City Council.

5. In accordance with the fund balance policy, the Finance Department and City Manager will make the City Council aware of any fund balance below the stated policy limits for a fund.
6. The City's financial documents shall be displayed on the City's website.

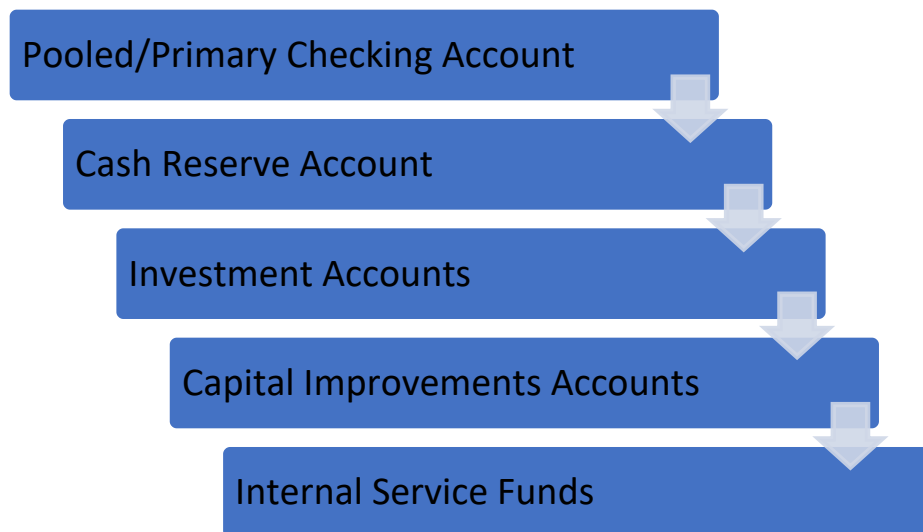
## **Fund Transfer Policy**

### *Inter-Fund Transfers*

To the best of its ability, the City will keep fund balances segregated through separate bank accounts and accounting practices. Inter-fund transfers should be noted in the City's annual audit and whenever possible planned for in the City's annual budget. Inter-fund transfers between the General Fund and any of the City's Utility Funds, or Special Revenue Funds shall be recorded as an inter-fund balance. Inter-fund balances shall be treated as zero interest loans between funds and a fund repayment schedule shall be included with the City's annual budget.

### *Intra-Fund Transfers*

Intra-Fund transfers shall be considered transfers within a fund such as moving monies from an account to another within the same fund. Intra-fund transfers may take place to meet the City's cash flow needs. Intra-Fund transfers may also take place once an account balance has exceeded its established fund account ceiling. As outlined in the City's fund balance policy, excess monies shall be transferred on the following schedule:





## **Purchasing and Procurement Policy**

See separate purchasing policy.

## **Pre-Travel Check Policy**

[See separate pre-travel check policy.](#)

## **Debt Management Policy**

The City shall have the right and power, except as prohibited by law or the Charter, to borrow money by whatever method it may deem to be in the public interest.

The goal of the debt management policy is to guide City officials as they consider the proper use of debt to fund capital projects and so serve as guidelines for City staff to use in issuing and managing debt.

### *Authority to issue debt*

- The City Council shall retain the sole authority to issue debt on behalf of the City. The City shall make no expenditure for which the City does not have the current funds to pay, and must, therefore, borrow funds for the purpose of making the payment without a majority vote of the City Council.
- The City Manager shall have the authority to execute lease purchases for any capital items less than \$50,000 which were included in the annual budget approved by the City Council. A majority vote of the City Council shall be required for any lease purchases in excess of \$50,000.

### *Conditions for the use of debt*

- Capital Improvement construction, repairs, and improvements (Street, Drainage, Park improvements) that the City will own and operate and exceeds a construction price of \$25,000.
- Purchase of Capital Improvement (Land, Building, Equipment, Vehicle, or Technology) that the City will own and operate for longer than three years and exceeds a purchase price of \$10,000.
- Court ordered judgement or settlement in excess of \$25,000.

### *Debt Management*

- Every debt issuance should include a list of the capital improvement, estimated lifespan, and projected cost.
- Length of debt issuance should not exceed the reasonable life span of the capital improvement.
- Every debt issuance should include a repayment plan designating the Fund responsible (or percentage of Funds responsible) for the debt, and future revenue source to be used to repay the debt service.
- Every debt issuance shall include an approved repayment schedule indicating principal and interest payments.

- Every debt issuance shall include a financial schedule that discloses the original principal amount received, the interest rate to be paid, and the total interest cost of the life of the debt issuance.
- Efforts should be made minimize the City's debt service cost and retain the highest credit rating.
- Efforts should be made to maintain full and complete financial disclosure and reporting for financial advisor, bond counsel, rating agencies, and auditors.

#### *Debt Limits*

- The City should not issue debt that causes the Interest & Sinking (I&S) portion of Ad Valorem (property) tax rate to exceed the Maintenance & Operations (M&O) portion of Ad Valorem (property) tax rate.
- The City should not issue debt in excess of the City's total annual budget without a vote of the general public. Specifically, the City Council should not issue Certificates of Obligation (C.O.) that exceed the adopted, annual all funds budget. In the event the City seeks to issue debt in excess of the adopted, annual all funds budget, the city should hold a general election on the issuance of General Obligation (G.O.) bonds.
- The City should not issue debt for a term longer than thirty years. In the event the City refinances debt, it should not extend the term of the debt for longer than ten additional years beyond the original debt service schedule.

#### Monthly Accounting Policies / Tasks.

- Bank account reconciliations completed by the 12<sup>th</sup> of the month.

## 1. Procurement Methods:

- Purchases in amounts of \$0.01 - \$999.99:
  - One (1) verbal quotation required.
  - Requisition via Incode.
- Purchases in amounts of \$1,000 - \$2999.99:
  - Three (3) written quotations minimum.
  - Requisition via Incode.
- Purchases in amounts of \$3000 - \$49,999.99:
  - Three (3) written quotations minimum.
  - Two (2) attempts to contact Historically Underutilized Businesses (HUBs) on a rotating basis<sup>1</sup>.
- Purchases in amounts of \$50,000 or greater:
  - Use the competitive bidding process unless
    1. (a) The purchase is a professional service (uses a skill that is predominantly mental or intellectual, rather than physical or manual); (b) a personal service (labor performed by the person himself or herself); or (c) planning services.
    2. Sole source Procurements.
    3. Other exemptions as outlined in the Texas Local Government Code<sup>2</sup>.

## 2. Purchase Cards and Other Important Requisition Information

- Employees authorized by the City to make purchases via a purchase card (p-card), is issued their own p-card. This p-card is to be used by the employee it is issued to and by no other employee. The Finance Department reserves the right to revoke an employee's purchasing privileges if
  1. Another employee uses their purchasing card; or
  2. If they use another employee's purchasing card.
- Purchasing cards are to be used exclusively for City purchases. Any use of the City's purchasing card for personal use will not be tolerated. If any employee uses their p-card for a personal purchase, their purchasing privileges will be revoked, and disciplinary action will be taken.

<sup>1</sup> As outlined in Local Government Code Chapter [252.0215](#). Contact the Finance Department with any questions.

<sup>2</sup> As outlined in Local Government Code Chapter [252.022](#). Contact the Finance Department with any questions.

- Requisitions must be submitted via Incode to the Finance Department for approval. No purchases may be made without a proper requisition. Emergency purchases are the only exception to this (see “Emergency Purchases” section in this document).
- Requisitions must include a detailed description of an item. Do not use one word descriptions, as one word is never a thorough enough description for any purchase.
- Purchases can only be made if
  1. Funds are available; and
  2. The budget permits the purchase (i.e., there must be enough budget left, AND the budget left must be in the proper account for the purchase).
- The only exception to these guidelines are qualified emergency purchases (See “Emergency Purchases” section of this document).
- The Finance Department should be viewed as a resource. If there are any questions regarding purchases, do not hesitate to contact the Finance Department.

### **3. Guidelines for Purchases Below \$50,000:**

- If Competitive bids are not used (i.e., purchases less than \$50,000), price quotations should be solicited from at least three vendors. Solicit price quotations with the following guidelines:
  1. Vendors should be notified of solicitations for quotations.
  2. Vendors should not see other vendor’s quotations.
  3. Justification for any sole source request should be documented on the requisition, along with a sole source letter from the vendor.
  4. The Finance Department should be contacted if
    - a. Additional vendors for a purchase is needed.
    - b. Assistance in finding HUBs is needed.
  5. Purchases will be monitored to see if separate, sequential, or component purchases might exceed the bid limits.
  6. Written quotes should be submitted with a requisition to the Finance Department.
  7. The lowest price should always be accepted, all other factors being equal. Any best value quotes should follow a best value process-vendors are to be notified at the time of the quote request of what factors will be considered. Please work directly with the Finance Department on best value quotes.
- Contact the Finance Department with any questions.

#### **4. Sole Source Purchases**

- The following are reasons why a purchase might be practical from only one vendor.
  1. There is no competitive product.
  2. The product is only available from a regulated or natural monopoly.
  3. The product is a component of an existing system that is only available from one supplier.
- All sole source purchases are subject to approval from the Finance Department; requests for sole source purchases must be accompanied by necessary paperwork determining the item is a sole source purchase.

#### **5. Specifications (applicable for the bidding process only)**

- The purpose of any specification is to provide purchasing personnel with clear guides to purchasing, and to provide vendors with firm criteria of minimum product or service acceptability. A good specification has four characteristics:
  1. It sets a minimum acceptability of the good or service.
  2. It should promote competitive bidding.
  3. It should contain provisions for reasonable tests and inspections for acceptability of the good or service.
  4. It should provide for an equitable award to the lowest responsible bidder.
- The specifications may be prepared by the using department, the Finance Department, or by a professional consultant hired by the City. The final acceptance of the specifications rests with the Finance Department. This is to ensure proper quality control and to avoid the proliferation of conflicting specifications in different departments of the government. For more information or assistance on writing proper bid specifications, please contact the Finance Department.

#### **6. Turnaround Time**

The Finance Department will make every effort to process your request for purchase orders in a timely manner. The Finance Department's goal is less than 2 business days for requisition approvals once they are in the Finance Department's approval queue. All paperwork must be attached to your requisition, such as quotation documentation, and there must be budgeted funds to ensure timely processing. All checks will be mailed directly from the Finance Department to the vendor and all invoices from a vendor must be sent directly to Finance, not to the department. This will also ensure the timely payment of our vendors so that the City will not accrue late charges.

## **7. Award/Rejection of Sealed Bids/Proposals**

The Justin City Council makes the award of competitive sealed bids/proposals and purchase orders for budgeted purchases in excess of \$50,000 during one of their regular meetings. Bids and verbal or written quotations not requiring City Council approval are awarded at the discretion of the requesting department and the Finance Department. All bids must have an award memo issued by the requesting department stating the preference of vendor and why the vendor was chosen. This must be submitted to the Director of Finance's Office prior to the bid award being placed on the agenda.

### **Rejection of Bids**

If a department within the City has initiated a bid/proposal process follow the following guidelines when rejecting bids:

- The City reserves the right to reject any and all bids.
- In the event that the Finance Department or City staff recommends to reject all bids, the Finance Department shall draft a notification of intent letter regarding the rejection of bids. If all bids/proposals are to be rejected coordinate with the Finance Department to ensure Texas Local Government Code Chapter [252.043\(f\)](#) is followed.

## **8. Vendors**

All purchases made by the City of Justin must be purchased through a vendor. The City of Justin maintains a vendor database using Incode10. The Finance Department must be provided with the appropriate vendor information by the requesting department. Appropriate information may vary by vendor but all vendors must provide:

- Completed W9 form
- Remittance Address
- Phone number/Contact information

The vendor database will be updated every calendar year and all vendors must provide updated forms and information. If you have any questions regarding adding a vendor, contact the Finance Department.

## **9. Ethics Statement/Policy**

The nature of purchasing functions makes it critical that all players in the process remain independent, free of obligation or suspicion, and completely fair and impartial. Maintaining the integrity and credibility of a purchasing program requires a clear set of guidelines, rules and responsibilities to govern the behavior of purchasing employees. Credibility and public confidence are vital throughout the

purchasing and contracting system. Any erosion of honesty, integrity or openness tends to be more injurious to purchasing than to most other public programs. The shadow of doubt can be as harmful as the conduct itself. It is with this in mind that the following code is set forth. This document defines the ethical standards of conduct required of the City of Justin Finance Department, the City's employees, suppliers, potential suppliers and employees of other agencies when acting under the authority delegated by the City of Justin.

- To give first consideration to the objectives and policies of the City.
- To purchase without prejudice, seeking to obtain maximum value for each dollar expended on behalf of the City.
- To conduct ourselves with fairness and dignity and to demand honesty and truth in the purchasing process.
- Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- Strive to continually increase competition in supplier selection and endeavor to prevent any collusive activities among suppliers. Avoid soliciting or accepting money, loans, credits and acceptance of gifts, entertainment, favors, or services from present or potential suppliers that might influence, or appear to influence supply management decisions.
- Handle confidential or proprietary information with due care and proper consideration. Receive consent of originator of confidential information or proprietary ideas and designs before using them for competitive purchasing purposes.
- To honor our obligations and require that obligations to the City be honored.
- Promote positive supplier relations through courtesy and impartiality. Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
- To grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
- Foster fair, ethical and legal trade practices.
- Encourage support of small, disadvantaged and minority-owned business whenever possible.
- Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with suppliers; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as to the established policies of my institution permit.

## **10. Emergency Purchasing Policy**

Emergencies occur as the result of unforeseeable circumstances and may require an immediate response to avert an actual or potential public threat. If a situation arises in which compliance with normal procurement practices is impractical or contrary to the public interest, an emergency purchase may be warranted to

prevent a hazard to life, health, safety, welfare, property or to avoid undue additional cost to the City.<sup>3</sup>

Notwithstanding the immediate nature of an emergency, all procurements conducted as emergencies should be made as competitively as possible under the circumstances. If an emergency exists, a written determination of the basis for the emergency and for the selection of a particular vendor has to be included with the requisition and has to be approved by the Finance Department before authorizing purchase of items or services. Approval must be attached to the requisition.

Emergency purchases of goods or services should not exceed the scope or duration of the emergency.

All emergency purchases exceeding \$50,000 must be ratified or approved by City Council.

In the event of an emergency, existing annual contracts, group contracts and cooperative contracts should be utilized as much as possible. The Finance Department should be notified as soon as possible when an emergency purchase is necessary. If the emergency occurs after hours, the Finance Department should be notified as soon as possible the next business day.

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<sup>3</sup> Examples of Emergencies can be found in Texas Local Government Code Chapter [252.022](#).



# City of Justin

## Pre-Travel Check Policy

Last updated: 09/26/2023



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### Purpose

The City of Justin Personnel Policy states in section §3.11 “Travel Reimbursement” that employees will “receive a travel advance allowance for expenses based on the General Service Administration’s per diem rates of the appropriate location”. This policy should be used to determine the amount of travel allowances given to employees prior to travel.

### Policy

Pre-travel checks will be issued to employees for a combination of Mileage and Meals and Incidentals. Prior to employee travel, a City of Justin Pre-Travel Request Form should be filled out and submitted to Finance. Please allow the finance department a minimum of three (3) business days to process the pre-travel check. If a form is submitted on or after three (3) business days before the first day of travel, the Finance department will do their best to provide a check but cannot guarantee one will be ready prior to travel. If a check is not issued before travel, the employee may maintain receipts of all travel expenses and be reimbursed for those expenses following travel or they may receive a reimbursement in the amount of the pre-travel check.

Mileage will only be included in pre-travel check if a personal vehicle is being used for travel. If a work vehicle is being used, or the employee requesting travel is not using a vehicle for the travel, then no mileage will be included. The Mileage rate will be paid at the Internal Revenue Service (IRS) Mileage Rate as of the date of request for the total travel distance (i.e., round trip) from City Hall to the travel destination. Finance will be responsible for updating the City of Justin Pre-Travel Request form as the IRS changes their rate. If mileage is to be included in a pre-travel check, proof of the mileage must be submitted to finance along with the City of Justin Pre-Travel Request Form.

Meals and Incidentals will be paid for travel that is longer than one (1) day. Meals and Incidentals will be calculated using GSA rates (found here: <https://www.gsa.gov/travel/plan-book/per-diem-rates>). Rates should be used for the destination of travel, not necessarily for the Justin area. For the first and last days of travel, the “First and Last Day Rate” will be used (this is 75% of the total M&IE rate). All other travel days will be paid at the total M&IE rate from the GSA webpage. Optionally, the amount of the pre travel check can be reduced for meals that are provided by any events/trainings the travel is for. This reduction should be made in the amount the GSA has provided for the specific meals the reduction is for. Support for any reductions for meals that are provided should be supplied to Finance along with the Pre-Travel Request Form.

City Council Meeting

September 26, 2023

Justin City Hall, 415 North College Street

City Council Cover Sheet

Agenda Item: 7

Title: Consider and take appropriate action regarding appointments to and membership of the Parks and Recreation Advisory Committee.

Department: Administration

Contact: Public Works Administrative Coordinator, Kira Sedivy.

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Recommendation: Approve Bret Taylor into Place 3, and Rachel Cristiano into Place 5 on the Justin Parks and Recreation Advisory Board and Keep Justin Beautiful Committee.

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Background: There are two vacancies on the board currently. If appointed, both the Justin Parks and Recreation Advisory Board and the Keep Justin Beautiful Committee will be full.

Both applicants were unanimously approved to bring forth to the City Council for appointment.

Current Board Members:

Place 1: Jacqueline Steinbacher

Place 2: Juli Cuthbertson

Place 3: Vacant

Place 4: Robin Amerine

Place 5: Vacant

Place 6: Marcus Gallegos

Place 7: Tara Osborne

City Attorney Review:

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Attachments:

1. Bret Taylor application
2. Rachel Cristiano application

## Board, Commission & Committee Application

First Name	Bret
Last Name	Taylor
Address	115 Chinos Trail
City	Justin
State	Tx
Zip Code	76247
Phone Number	469-939-5682
Email Address	<a href="mailto:bret6385@gmail.com">bret6385@gmail.com</a>
Are you over the age of 18?	Yes
Are you a registered voter in Justin?	Yes
Are you a Justin resident, property, business owner, or City Staff?	Yes
Current Occupation/Employer	<i>Field not completed.</i>
Education, Licenses, or Certifications	<i>Field not completed.</i>
Are you a current or past member of a Council-appointed Board, Commission, or Corporation?	No
On which Board, Commission, or Committee are you interested in serving? (First Choice)	Parks and Recreation Board
What work experience, educational experience, community involvement, and/or other skills do you have that would qualify you for a Council-appointed Board, Commission, or Committee?	I've been a firefighter/paramedic for 5 years while living in Justin. I was also the founder and president of the Flower Mound Firefighter Foundation 501c3. My children both have attended Justin schools. I understand how a city government functions as it would relate to being a board member. I also spent 10 years in the financial corporate world so I have a wide knowledge to pull from. I've also been working with Kira for several months to assist in improving Reatta park where I live.

List any additional information which you believe would be of value for the City Council to know about you.	I believe my relevant past experience and resourcefulness, coupled with my desire to see the city growth in the best direction possible, would make me a valuable member of the parks board.
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Do you or any member of your immediate family residing in your household, hold a position (paid or unpaid) with any person or organization, or have a contract with or any obligation to any person or entity which might constitute a conflict of interest?	No
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Have you ever been convicted of a felony, violation of law, or misdemeanor involving moral turpitude (any offense involving lying, stealing, or cheating?)	No
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Are there any criminal charges or proceedings pending against you?	No
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By typing your full name in the box, you acknowledge that the information provided is correct to the best of your ability.	Bret Taylor
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Date of Submission	7/20/2023
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## Board, Commission & Committee Application

First Name	Rachel
Last Name	Cristiano
Address	803 N Pecan Parkway
City	Justin
State	TX
Zip Code	76247
Phone Number	9728322916
Email Address	<a href="mailto:r.crist6892@gmail.com">r.crist6892@gmail.com</a>
Are you over the age of 18?	Yes
Are you a registered voter in Justin?	Yes
Are you a Justin resident, property, business owner, or City Staff?	Yes
Current Occupation/Employer	Homemaker
Education, Licenses, or Certifications	Some college
Are you a current or past member of a Council-appointed Board, Commission, or Corporation?	No
On which Board, Commission, or Committee are you interested in serving? (First Choice)	Parks and Recreation Board
If you have a second choice for a Board, Commission, or Committee on which you would like to serve, please also select that.	Event Committee

What work experience, educational experience, community involvement, and/or other skills do you have that would qualify you for a Council-appointed Board, Commission, or Committee?	I have held leadership/management positions in several previous jobs, so I possess qualities like teamwork, communication and maintaining responsibilities and obligations that I think would prove useful in this position. I have also done community work through my church, volunteering my time and helping lead a counseling service at my old church.
List any additional information which you believe would be of value for the City Council to know about you.	I have a young family and I would like to see the city of Justin thrive and help make it a great place to live for them as well as for others. I think being involved in your local community is important, so if I can help out and contribute to that in some way then I will be happy to do so!
Do you or any member of your immediate family residing in your household, hold a position (paid or unpaid) with any person or organization, or have a contract with or any obligation to any person or entity which might constitute a conflict of interest?	No
Have you ever been convicted of a felony, violation of law, or misdemeanor involving moral turpitude (any offense involving lying, stealing, or cheating?)	No
Are there any criminal charges or proceedings pending against you?	No
By typing your full name in the box, you acknowledge that the information provided is correct to the best of your ability.	Rachel Cristiano
Date of Submission	8/19/2023

City Council Meeting

September 26, 2023

Justin City Hall, 415 North College Street

City Council Cover Sheet

Agenda Item: 8

Title: Discuss the Justin Heritage Foundation Memorandum of Understanding.

Department: Administration

Contact: Assistant City Manager, Abbey Reece

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Recommendation: Discuss and provide feedback related to the MOU.

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Background:

For the newer council members, I would like to take some time to discuss how we are to the point of finalizing a Memorandum of Understanding with the Justin Heritage Foundation and provide more insight into this project.

Within the Preserve Development Agreement that Council passed in July 2021 it was agreed that the Developer would transfer ownership of the existing structure (Gaston Home) to the City. IF the City is unable to develop the property at the end of 18 months the property will be transferred to the Developer and no related impact fees will be reimbursed. Developer agrees to assist in maintaining grounds of the property. The 18-month time frame started once we filed the deed transfer with Denton County on March 27, 2023 which means the shot clock ends around October of 2024.

Last year council tasked an ad hoc committee to come up with a detailed plan on how they would like to preserve the Gaston House. This committee completed the initial major cleanouts of the house and had structural engineers assess this situation. The committee presented a further detailed plan to council on April 26, 2022 and received positive feedback. They included 3 different plan options that the City could consider moving forward. Since then, the committee has received their official 501c3 designation and they have been named the Justin Heritage Foundation. The foundation has been

focusing efforts on fundraising having since hosted several events, completed the first set of bricks in Community Park, and have been very communicative with staff with things like events on the grounds, tarping of the home, fencing, etc.

Most recently the City has been working with our attorney and the foundation to solidify an MOU that covers the groundwork for each parties' responsibilities. This MOU is not a "one all be all" document, but rather a basis to start renovations on this home. In the event other specific projects come up with the house, there would need to be separate agreements approved by the council. Some of the questions that came up from the initial draft of the MOU had to do with liability insurance. Because the City owns this property, we are in the process of getting it added to our TML insurance. It has proven difficult as they need a dollar amount for the valuation of the home which is something that is not standard in its current condition. We have asked that a TML underwriter complete an onsite visit to help assess. Even after getting the property added to our insurance, the City would request that we be added on the foundations liability insurance when they host an event on the property.

The purpose for this being placed on the agenda is to discuss with members of the foundation any final details in this first MOU. The foundation has asked for clarification from council on after restoration is completed, who would be responsible for the landlord agreement and is there a consensus to let the foundation lease from the City. If so, the foundation would like this to be proposed as The Gaston Park in the MOU.

City staff and members of the foundation will be present to answer questions.

City Attorney Review: Yes

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Attachments:

1. Gaston House DRAFT MOU



**THE STATE OF TEXAS**

**THE CITY OF DENTON**

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF JUSTIN, TEXAS,  
AND THE JUSTIN HERITAGE FOUNDATION**

This Memorandum of Understanding (“MOU”) is entered into and executed by and between the City of Justin, Texas, a duly organized political subdivision of the State of Texas, hereinafter the “City,” and the Justin Heritage Foundation, a 501(c)(3) charitable foundation, hereinafter “Foundation”. The City and Foundation are collectively referred to herein as “the Parties.” The purpose of this MOU is to set forth the terms and understanding between the City and the Foundation regarding historic Gaston House.

**WHEREAS**, the Foundation and City have agreed to collaborate on the preservation of the City’s history, including preserving artifacts, hosting events, coordinating volunteer activities, preservation site projects, resource allocation and fulfillment for the projects; and

**WHEREAS** the City has acquired the Gaston House, a property of historical significance which is in need of repair and restoration; and

**WHEREAS**, the Foundation desires to enter into an agreement with the City for the renovation and maintenance of the Gaston House; and

**WHEREAS**, the Parties are authorized to enter into this MOU by their respective governing bodies; and

**WHEREAS**, all expenditures related to the restoration, maintenance, or repair of the Gaston House or exhibits and the interpretative programs to be made hereunder shall be jointly agreed upon in advance by both Parties.

**NOW, THEREFORE**, in consideration of the following promises, covenants, conditions, and the mutual benefits to accrue to the Parties to this MOU, the Parties, desiring to cooperate in function, agree as follows:

**I.**

**Premises**

All matters stated hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety at this point. The Parties agree that each shall act in good faith to effect the terms of this MOU.

## II.

### Foundation Responsibilities

The Foundation shall:

1. Do everything in its power to help restore and maintain the Gaston House in a manner for the public to enjoy.
2. Provide appropriate funds for the restoration and maintenance of the Gaston House raised through charitable donations, public and private grants, and other appropriate sources.
3. Provide professional staff to oversee the restoration phase of the Gaston House and appoint one liaison to be the direct contact between the Foundation and the City and the appropriate building contractors, artisans and other workers necessary to complete the restoration of the house.
4. Obtain bids from contractors to complete the restoration work on the Gaston House.
5. Execute contracts for such restoration work subject to and conditioned upon the approval of the City Council.
6. Make regular progress reports to the City Council, as needed at the request of Council or at the behest of the Foundation.
7. Once the Gaston House restoration has been completed to the satisfaction of the Foundation and the City, the Foundation shall maintain and operate the Gaston House as a house museum.
8. Be responsible for all costs of maintenance and preservation of the house and all historical furniture and other artifacts which shall be displayed therein.
9. Incur expenses for the exhibit including but not limited to proper lighting, security, exhibit fixtures and furniture.
10. Prepare an interpretive plan for the Gaston House including educational programs and exhibits.
11. With the approval of City Council, charge admission to the Gaston House museum and may hire appropriate staff, paid or volunteer, to serve as docents and guides.
12. Catalog, preserve, maintain, and properly store artifacts related to the history of Justin
13. Aid in research, writing, and production of text and displays for exhibits, and other projects that are created by this agreement.
14. Retain and appropriately store all artifacts not on exhibit.
15. Provide quarterly updates to the City Council on projects being collaborated on together.
16. For events on the grounds, the Foundation agrees to add the City to their liability insurance.

## III.

### City Responsibilities

The City agrees to:

1. Designate a liaison to the Foundation, and to provide social media campaigns and venues for fund raising and other promotional efforts for the Foundation, and to actively recruit volunteers for the Foundation.
2. Provide display space for an exhibit of artifacts on the history of Justin.
3. Maintain the exhibit and report to the Foundation if anything needs attention.
4. Neither add nor take anything from the exhibits without the consent of the Foundation
5. Assist in securing venues for events the Foundation deems necessary to aid in preservation efforts.
6. Assist in volunteer recruitment for preservation projects.
7. Provide social media campaigns and assistance for projects.
8. Maintain lawn maintenance of the property.

#### IV.

##### General Conditions

1. Term. The Term of this MOU shall be from the execution date until termination of this MOU, as hereinafter provided.
2. Termination. Any party may terminate this MOU for any reason upon a 30-day written notice to the other party.
3. Amendment. Only upon written concurrence of both parties can this MOU be amended.
4. Cooperation of Parties. It is the intention of the Parties that any detail of providing the services anticipated by this MOU that are not addressed by the Terms of this MOU shall be worked out, in good faith, by both Parties.
5. Notices. Any notices required by this MOU to be in writing shall be addressed to the respective Parties as follows:

For the Foundation:

Copy To:

For the City:

Attn: Jarrod Greenwood, City Manager

City of Justin \_\_\_\_\_

415 North College Ave.

Justin, Texas 76247

E-mail: [jgreenwood@cityofjustin.com](mailto:jgreenwood@cityofjustin.com)

With a copy to:

Attn: Matthew Boyle

Boyle Lowry\_\_\_\_\_

4201 Wingren, Suite 108

Irving, Texas 75062

E-mail:[mboyle@boyle-lowry.com](mailto:mboyle@boyle-lowry.com)\_\_\_\_\_

Copy To:

Notice must be deemed given as of the date of personal service, Federal Express, certified mail or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

IN WITNESS WHEREOF, we have hereunto set our hands this \_\_\_\_\_ day of \_\_\_\_\_, 2023, in duplicate originals.

JUSTIN HERITAGE FOUNDATION

CITY OF JUSTIN

By: \_\_\_\_\_

By: City Manager

ATTEST:

By: \_\_\_\_\_  
City Secretary