

## CALL TO ORDER

## INVOCATION & PLEDGE OF ALLEGIANCE

## PUBLIC HEARING #1

Public Hearing to receive citizen comments & input on Ordinance 457 amending Chapter 3, Building Regulations, of the code of ordinances, adopting the 2018 editions of the international building codes, the international plumbing code, international mechanical code, international fuel gas code, international residential code, & international energy conservation code & NCTCOG recommended amendments, and adopting the 2017 edition of the national electrical code & NCTCOG recommended amendments.

## CLOSE PUBLIC HEARING

## REGULAR SESSION:

### 1. Approval of the Agenda

### 2. Approval of the Consent Agenda:

*All matters listed as Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be a separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.*

#### A. Approval of the Minutes:

- Council Meeting – January 14, 2020

#### B. Approval of the Financial Reports:

- TexPool Report
- A/P Disbursements

FUND BALANCES Jan 2020	GENERAL	WATER	CAPITAL PROJECTS	CRIME CONTROL	DEBT SERVICE	WRA	HCGC	STREET
Revenue	\$565,612	\$117,852	\$0.00	\$50,901	\$200,421	\$0.00	\$89,915	\$25,521
Disbursements	\$227,988	\$132,277	\$157,899	\$28,999	\$163,019	\$112,694	\$101,385	\$11,093
Cash on Hand	\$203,783	\$448,572	\$16,975	\$99,433	\$15,590	\$131,320	\$115,610	\$39,943
TexPool	\$349,979	\$84,309	\$24,825	\$247	\$259,015	\$133,771	NA	NA
Money Market	\$350,000	\$500,000	NA	NA	\$129,000	\$1,090,000	NA	NA

### 3. Staff Updates:

#### A. Kevin Reaves, Police Chief

- PD Monthly and 2019 Annual Report

#### B. Nader Jeri, Building Official

- Code, Inspection & Community Development Reports

**C. Joey Alvarez, Public Works Director**

- Public Works Report

**D. Mike Krsnak, Head Pro**

- Hawks Creek Golf Course Report

**E. Sterling Naron, City Administrator**

- Variance Report
- Perdue Brandon Fielder Collins & Mott LLP Collections Report
- Trail System Update

**4. Mayor's Report** *(A recap of the mayors previous 30 days in office.)*

**5. Advisory Board and Committee Updates** *(There were no committee/board meetings in the previous 30 days, therefore no reports will be provided.)*

**6. Public Information:**

**A. Announcements and Proclamations**

- City offices will be closed in observance of Presidents Day on February 17<sup>th</sup>.
- The last day to file to have name on the general or special ballot is February 14<sup>th</sup> by 5:00pm.

**B. Meetings**

- Golf Course Advisory Board meeting, March 3<sup>rd</sup> at 5:30pm
- Long Range Planning Advisory Board meeting, March 3<sup>rd</sup> at 6:30pm
- Ordinance Committee meeting, March 5<sup>th</sup> at 5:30pm
- Public Safety Committee, March 5<sup>th</sup> at 6:30pm
- Finance Committee meeting, March 10<sup>th</sup> at 6:15pm
- Regular Council meeting, March 10<sup>th</sup> at 7:00pm

**C. Citizen Comments**

*This is an opportunity for citizens to address the Council on any matter, whether it is or is not posted on the agenda. The Council is not permitted to discuss or take action on any presentations made to the Council concerning an item not listed on the agenda. To address the Council, submit a Public Comment Form to the City Secretary prior to the Citizen Comments portion of the meeting, and you will be called to the podium to speak up to three (3) minutes or the time limit determined by the Mayor or presiding officer. Topics of presentations should be limited to matters over which the Council has authority. Public Comment Forms are located in the lobby and online.*

**EXECUTIVE SESSION:**

**Convene in closed executive session to deliberate the following items:**

- A. Consultation with Attorney pursuant to Texas Government Code Section 551.071.  
Deliberation of the White Settlement 380 Agreement Lawsuit.**
- B. Consultation with Attorney pursuant to Texas Government Code Section 551.074.  
Deliberation of personnel matter**

**Re-convene in Regular Session and take any action necessary based upon Executive Session discussion.**

## 7. Action Items:

### A. Mayor Jones

Discuss and take action **on the Fiscal Year 2018-2019 Audit.** *(This item will be presented and reviewed at the Finance Committee Meeting scheduled to start at 6:00pm preceding the council meeting.)*

### B. Mayor Jones

Discuss and take action **to authorize the mayor to execute an interlocal agreement with the Texas Department of Public Safety, Enforcement and Compliance Services, Failure to Appear Program.** *(This program works with municipal courts to place a hold on an identification card or driver's license renewal for individuals who fail to appear or comply with a court order.)*

### C. Mayor Jones

Discuss and take action **on Ordinance 457 amending Chapter 3, Building Regulations, of the code of ordinances, adopting the 2018 editions of the international building codes, the international plumbing code, the international mechanical code, the international fuel gas code, the international residential code, and the international energy conservation code and NCTCOG recommended amendments, and adopting the 2017 edition of the national electrical code and NCTCOG recommended amendments.**

### D. Mayor Jones

Discuss and take action **to authorize the mayor to secure the services of Kimley Horn to study and recommend a minimum/maximum finish floor height and mitigation measures for water runoff.** *(This is based on a discussion from the citizen concerns at the February 4<sup>th</sup> Town Hall meeting.)*

### E. Mayor Jones

Discuss and take action **on Ordinance 458 amending chapter 3, article 3.01 of the Westworth Village Code of Ordinances, adding the requirement that construction job sites be cleaned daily.**

### F. Mayor Jones

Discuss and take action **to approve a contingent fee contract with Perdue, Brandon, Fielder, Collins and Mott, LLP pursuant to Tax Code §6.30, said contract being for the collection of delinquent government receivables owed to City of Westworth Village.** *(Continuation of existing contract.)*

### G. Mayor Jones

Discuss and take action **to approve a contingent fee contract with Perdue, Brandon, Fielder, Collins and Mott, LLP pursuant to Article 103.0031 of the Code of Criminal Procedure, said contract being for the collection of delinquent government receivables owed to City of Westworth Village.** *(Continuation of existing contract.)*

### H. Mayor Jones

Discuss and take action **to approve a contingent fee contract with Perdue, Brandon, Fielder, Collins and Mott, LLP, said contract being for the collection of delinquent utility assessments and miscellaneous debts owed to City of Westworth Village.** *(Continuation of existing contract.)*

### I. Councilwoman Mendez

Discuss the possibility **of implementing Rules of Order.**

**J. Councilwoman Mendez**

Discuss the possibility of video recorded meetings.

**ADJOURN:**

*The Council reserves the right to retire into executive session concerning any of the items listed on this Agenda, whenever it is considered necessary and legally justified under the Open Meeting Act. A quorum of other committee, board and commission members may be present at this meeting; no action will be taken by them.*

*This facility is wheelchair accessible and handicapped parking spaces are available. Requests for accommodations for the hearing impaired must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (817) 710-2526 for assistance.*

*I certify that the above notice was posted on the bulletin board at the Westworth Village City Hall, 311 Burton Hill Road, Westworth Village, Texas, and city website, on this, the 7<sup>th</sup> day of February 2020, at 5pm, in accordance with Chapter 551 of the Texas Government Code.*



**Brandy G. Barrett, City Secretary**







# Westworth Village

## City Council Regular Session Meeting Minutes

Municipal Complex  
311 Burton Hill Road  
Westworth Village, TX 76114  
cityofwestworth.com

Tuesday, January 14, 2020

7:00 PM

Council Chambers

**ATTENDEES:**

Mayor	L. Kelly Jones
Council Member	Rosa Mendez *remote from Austin, TX
Council Member	Tiffany Aller
Council Member	Sharon Schmitz
Council Member	John Davies *remote from Chicago, IL
Council Member	Christina Cowden
City Secretary	Brandy Barrett
City Administrator	Sterling Naron
Police Chief	Kevin Reaves
City Attorney	Ashley Dierker
Public Works	Joseph Alvarez
Building Official	Nader Jeri
HCGC Head Pro	Mike Krsnak

### ABSENT:

### REGULAR SESSION:

**CALL TO ORDER:** 7:00pm by Mayor Jones and welcomed back the Ms. Dierker, congratulating her on the birth of their child. Councilwoman Mendez and Councilman Davies confirmed they were each able to view and hear the proceedings.

**INVOCATION** was given by Sterling Naron.

**PLEDGE OF ALLEGIANCE** led by Mayor Jones.

### REGULAR SESSION:

#### 1. MOTION to approve the Agenda.

- **MADE BY:** Tiffany Aller. **SECOND:** Rosa Mendez.
- **Motion passed** by a vote of 5 Ayes and 0 Nays.

#### 2. Approval of the Consent Agenda

Mayor Jones explained the purpose of the consent agenda, noting that a council member must request an item be removed from the consent agenda if it was to be discussed, otherwise, a single motion would approve all items on the consent agenda.

#### A. Approval of the Minutes:

- Council Meeting – December 10, 2019

#### B. Approval of the Financial Reports:

- TexPool Report
- A/P Disbursements

<b>FUND BALANCES Dec 2019</b>	<b>GENERAL</b>	<b>WATER</b>	<b>CAPITAL PROJECTS</b>	<b>CRIME CONTROL</b>	<b>DEBT SERVICE</b>	<b>WRA</b>	<b>HCGC</b>	<b>STREET</b>
Revenue	\$392,551	\$95,753	\$34	\$44,913	\$158,006	\$184	\$114,726	\$22,942
Disbursements	\$217,980	\$191,887	\$113,521	\$36,453	\$750	\$23,677	\$101,925	\$11,420
Cash on Hand	\$170,673	\$427,654	\$7,075	\$84,722	\$150,505	\$140,054	\$136,485	\$40,308
TexPool	\$433,093	\$84,309	\$24,825	\$246	\$252,550	\$133,741	NA	NA
Money Market	\$350,000	\$500,000	NA	NA	\$129,000	\$1,090,000	NA	NA

**MOTION to approve the Consent Agenda.**

- **MADE BY:** Sharon Schmitz. **SECOND:** Christina Cowden.
- **Motion passed** by a vote of 5 Ayes and 0 Nays.

**3. STAFF UPDATES:**

**A. Police Department**

- Chief Reaves reported that last month there were 312 traffic stops, resulting in 178 citations and 288 warnings. There were 1767 calls for service, including 204 - 911 calls. In addition, there were a total of 35 arrests, which resulted in 35 charges.
- Mayor Jones confirmed that parking violations were now being enforced via citations not warnings and Councilwoman Aller thanked the Chief for his letter with the photos showing each specific type of parking violation.

**B. Code Enforcement & Building Inspection**

- Nader Jeri, Building Official, reported 95 Inspections were performed and 40 Code violations were resolved last month.
- Commercial projects include: Jefferson Dental Office is under construction, as well as finish out on a 1<sup>st</sup> floor office space in the Reeder building, and a site plan is being reviewed by staff for Childcare Network.
- There are 18 ongoing residential projects.

**C. Joseph Alvarez, Public Works**

- Joseph Alvarez, Public Works Director, reported 179 work and service orders were completed in the month.
- Staff focused on pothole repair and manhole inspection when weather permitted.

**D. Mike Krsnak, Head Pro**

- Mike Krsnak, Hawks Creek Head Pro, provided the golf course report, noting that online reviews continue to be favorable.
- Mr. Krsnak explained the Ben Hogan host demo partnership, adding that we are one of two courses in the Fort Worth area to have such partnership.

**E. Administration**

- Mr. Naron provided a recap of the finance variance report.
- Mr. Naron provided a brief update on the Trail project noting that the project is progressing behind the Fairways subdivision and those homeowners are in discussions with staff regarding cameras and fencing. The Leonard Trail crossing has been submitted for TxDOT review.

**4. MAYOR'S REPORT:**

Mayor Jones provided a brief recap of his prior 30 days, including:

- His and Councilwoman Aller's attendance at the annual staff holiday party.
- His displeasure with the ongoing construction problems that the existing residents are encountering, displaying a picture of an alleyway that was not cleaned after utility contractors were

laying lines and recapped his discussions with staff regarding his expectations. It was noted that the council would be reviewing an ordinance this evening to address this issue.

## **5. ADVISORY BOARD AND COMMITTEE UPDATES:**

- A.** Ordinance Committee – Rosa Mendez reported that the committee met on January 9<sup>th</sup> and have recommended an Ordinance for approval this evening and request a town hall meeting be held regarding the survey results.
- B.** Public Safety Committee – Tiffany Aller reported that the committee met on January 9<sup>th</sup> and request a town hall meeting be held regarding the survey results.
- C.** Long Range Planning Advisory Board – Mayor Jones reported that the committee met on January 7<sup>th</sup> and will be considering capital improvement projects for the upcoming fiscal year, adding they will be meeting in March to begin the process of project prioritization.
- D.** Finance Committee – no committee meeting was held in the prior 30 days; therefore, no report was provided, however she invited everyone to attend the upcoming finance meetings and provide input on how their tax dollars are spent.
- E.** Golf and Parks Advisory Board – Christina Cowden reported that the committee met on January 7<sup>th</sup> and based on the citywide survey results they too would like a town hall meeting.

## **6. PUBLIC INFORMATION/ANNOUNCEMENTS – Brandy Barrett, City Secretary**

### **A. Announcements and Proclamations**

- City offices will be closed in observance of Martin Luther King Day on January 20<sup>th</sup>.
- First day to file an application to be on the General or Special Election ballot is January 15<sup>th</sup>, the last day to file to have name on ballot is February 14<sup>th</sup> by 5:00pm.

### **B. Meetings**

- Town Hall meeting, February 4<sup>th</sup> at 6:30pm
- Regular Council meeting, February 11<sup>th</sup> at 7:00pm
- Golf Course Advisory Board meeting, March 3<sup>rd</sup> at 5:30pm
- Long Range Planning Advisory Board meeting, March 3<sup>rd</sup> at 6:30pm
- Ordinance Committee meeting, March 5<sup>th</sup> at 5:30pm
- Public Safety Committee, March 5<sup>th</sup> at 6:30pm

### **C. CITIZEN COMMENTS:**

- Geordan Strain (5601 Twin Lane) – provided information Trinity Habitat for Humanity, Inc, expressing his desire for the city be “greener” and encourage salvaging activities, thereby avoiding landfill.
- There were no other citizen comments.

## **EXECUTIVE SESSION:**

### **Convene in closed executive session to deliberate the following items at 7:42pm:**

- A.** Consultation with Attorney pursuant to Texas Government Code Section 551.071.  
Deliberation of the White Settlement 380 Agreement Lawsuit.
- B.** Consultation with Attorney pursuant to Texas Government Code Section 551.071.  
Deliberation of a possible ground lease agreement.

### **Re-convene in Regular Session at 7:56pm, no action was taken in Executive Session.**

## 7. ACTION ITEMS:

### A. Mayor Jones

Discuss and take action to appoint John Robinson to the Long-Range Planning Committee.

**MOTION to appoint John Robinson to the Long-Range Planning Committee, for a term ending May 31, 2020.**

- **MADE BY:** Tiffany Aller. **SECOND:** Christina Cowden.

**Motion passed** by a vote of 5 Ayes and 0 Nays.

### B. Mayor Jones

Discuss and take action on Resolution 2020-01, Calling for a General Election to elect Council Place 2, Council Place 3 and Council Place 4 for a term of two years beginning May 2020 and expiring May 2022. *(Seats currently held by Tiffany Aller-Place 2, John Davies-Place 3 & Sharon Schmitz-Place 5.)*

**MOTION to approve Resolution 2020-01, calling for a general election to elect Council Place 2, Council Place 3 and Council Place 4 for a term of two years beginning May 2020 and expiring May 2022.**

- **MADE BY:** Tiffany Aller. **SECOND:** Sharon Schmitz.

**Motion passed** by a vote of 5 Ayes and 0 Nays.

### C. Mayor Jones

Discuss and take action on Resolution 2020-02, Calling for a Special Election to elect Council Place 5 to complete the unexpired term beginning May 2020 and expiring May 2021. *(Christina Cowden currently holds this seat; however, she is no longer a resident of Westworth Village. State law allows her to remain in office until a replacement is named by the council or until the next election.)*

**MOTION to approve Resolution 2020-02, calling for a special election to elect Council Place 5 to complete the unexpired term beginning May 2020 and expiring May 2021.**

- **MADE BY:** Christina Cowden. **SECOND:** Tiffany Aller.

**Motion passed** by a vote of 5 Ayes and 0 Nays.

### D. Mayor Jones

Discuss and take action on a modification on Resolution 2020-03, adopting the Tarrant County Hazard Mitigation Action Plan. *(The city participates in the Tarrant County multi-jurisdiction hazard mitigation planning process. FEMA has concluded its review and has approved the submitted plan. Each participating jurisdiction must adopt the plan in order to remain compliant. The plan document is over 2500 pages long and can be viewed by contacting the City Secretary.)*

**MOTION to approve Resolution 2020-03, adopting the Tarrant County Hazard Mitigation Action Plan.**

- **MADE BY:** Sharon Schmitz. **SECOND:** Tiffany Aller.

**Motion passed** by a vote of 5 Ayes and 0 Nays.

### E. Mayor Jones

Discuss and take action on Ordinance 456 amending chapter 3, article 3.01 of the Westworth Village Code of Ordinances, adding the ability to issue a stop work order on a permit. *(On January 9, 2020 the Ordinance Committee recommended council approve this amendment.)*

**MOTION to approve Ordinance 456 amending chapter 3, article 3.01 of the Westworth Village Code of Ordinances, adding the ability to issue a stop work order on a permit.**

**MADE BY:** Tiffany Aller. **SECOND:** Christina Cowden.

**DISCUSSION:**

- Staff was directed to ensure that city employees are properly trained on the process and use of a stop work order.

**Motion passed** by a vote of 5 Ayes and 0 Nays.

**F. Mayor Jones**

Discuss and take action on the citywide survey results.

- Mayor Jones announced that the Town Hall meeting would be held on February 4<sup>th</sup>, as requested by each of the committees. The format would be broken into three main categories, Public Safety, Ordinance and Zoning and Golf, Parks and Recreation. They discussed how the majority of the respondents were pleased with their neighborhoods as well as the overall direction of the city and thanked Ms. Barrett and Ms. Greubel for their work on the survey.

**No action was taken.**

**The meeting was adjourned at 8:19pm by Mayor Jones.**

**MINUTES APPROVED BY:**

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**L. Kelly Jones, Mayor**

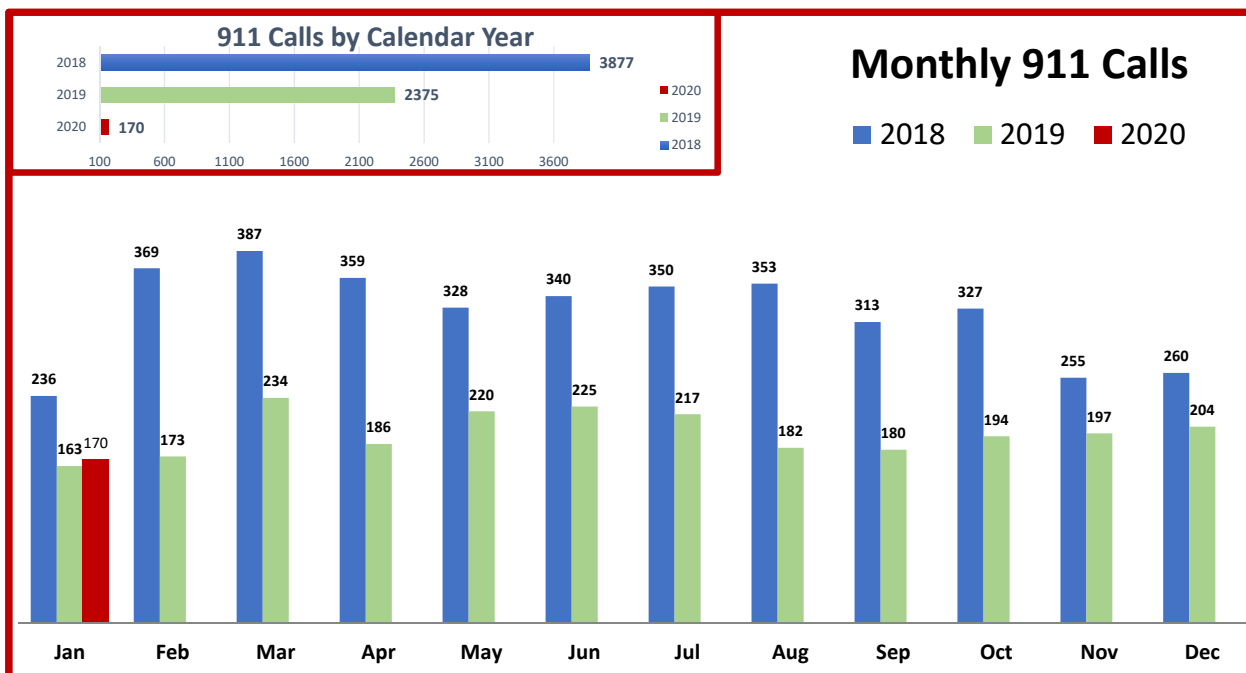
**SIGNATURE ATTESTED BY:**

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**Brandy G. Barrett, City Secretary**



**Westworth Village Police Department**  
**Monthly Calls-For-Service Report By Call-Type (Calendar Year)**  
**Jan-20**

[illegible]



## Jan-20

[illegible]

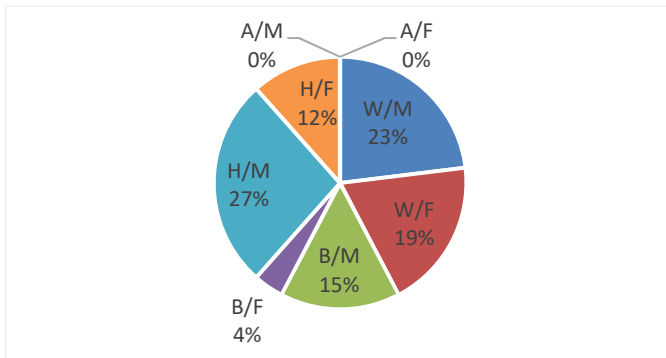
# Westworth Village Police Department

## Jail Population - Race/Sex Makeup

### Jail Annual Statistics - Calendar Year

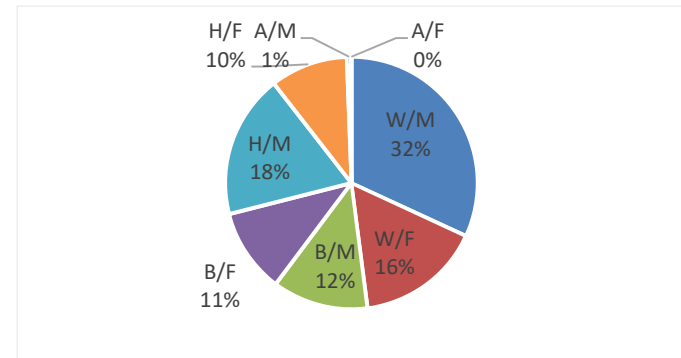
2020

	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	6	4	7	0	0	17	65.4%
Female	5	1	3	0	0	9	34.6%
Totals	11	5	10	0	0	26	
Percent	42.3%	19.2%	38.5%	0.0%	0.0%		



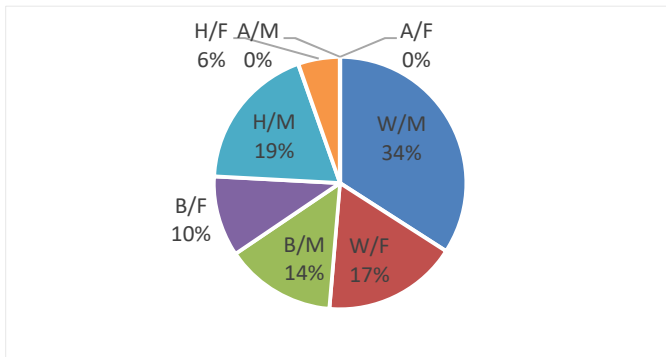
2019

	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	109	42	63	2	2	218	63.4%
Female	55	37	34	0	0	126	36.6%
Totals	164	79	97	2	2	344	
Percent	47.7%	23.0%	28.2%	0.6%	0.6%		



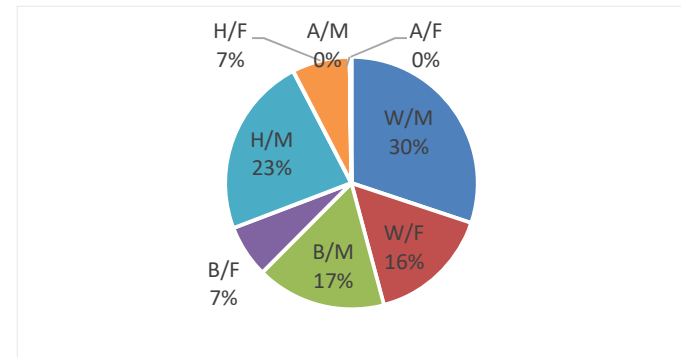
2018

	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	89	37	49	0	3	178	67.4%
Female	45	27	14	0	0	86	32.6%
Totals	134	64	63	0	3	264	
Percent	50.8%	24.2%	23.9%	0.0%	1.1%		



2017

	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	134	74	103	0	0	311	69.9%
Female	70	30	33	1	0	134	30.1%
Totals	204	104	136	1	0	445	
Percent	45.8%	23.4%	30.6%	0.2%	0.0%		

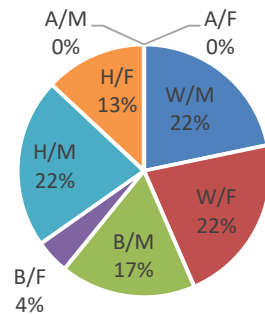


# Westworth Village Police Department

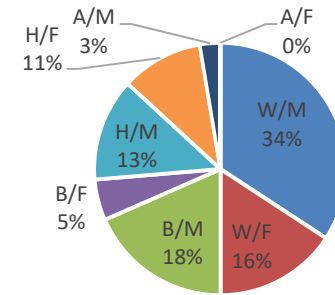
## Jail Population - Race/Sex Makeup

### Jail Monthly Statistics

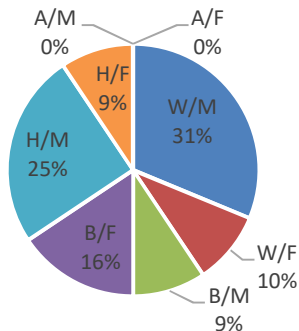
Jan '20	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	5	4	5	0	0	14	60.9%
Female	5	1	3	0	0	9	39.1%
Totals	10	5	8	0	0	23	
Percent	43.5%	21.7%	34.8%	0.0%	0.0%		



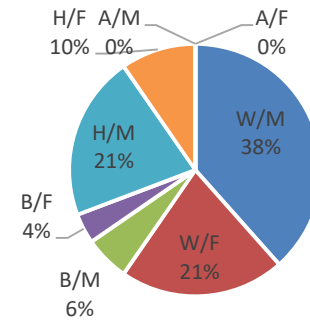
Jan '19	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	13	7	5	1	0	26	68.4%
Female	6	2	4	0	0	12	31.6%
Totals	19	9	9	1	0	38	
Percent	50.0%	23.7%	23.7%	2.6%	0.0%		



Jan '18	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	10	3	8	0	0	21	65.6%
Female	3	5	3	0	0	11	34.4%
Totals	13	8	11	0	0	32	
Percent	40.6%	25.0%	34.4%	0.0%	0.0%		



Jan '17	White	Black	Hispanic	Asian	Oth/Unk	Totals	Percent
Male	20	3	11	0	0	34	65.4%
Female	11	2	5	0	0	18	34.6%
Totals	31	5	16	0	0	52	
Percent	59.6%	9.6%	30.8%	0.0%	0.0%		



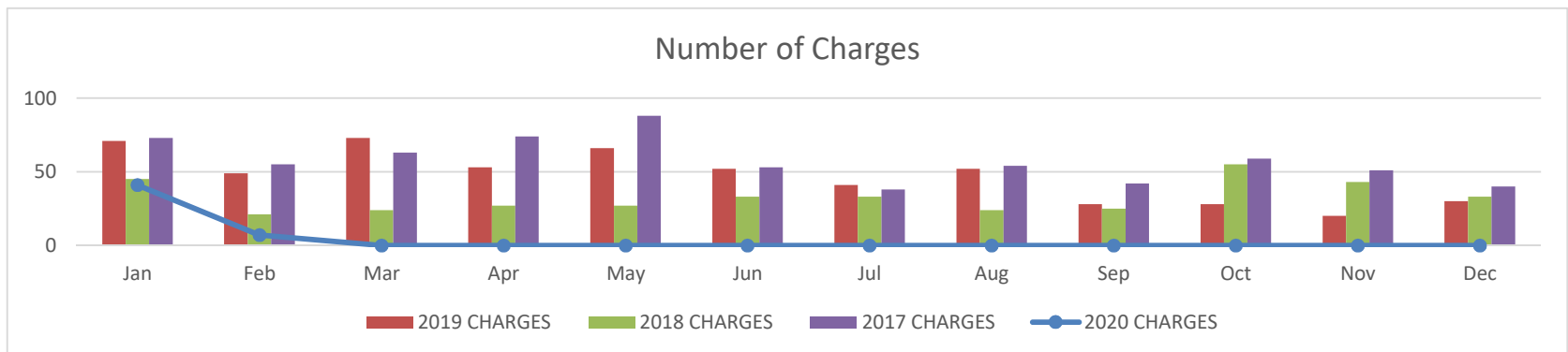
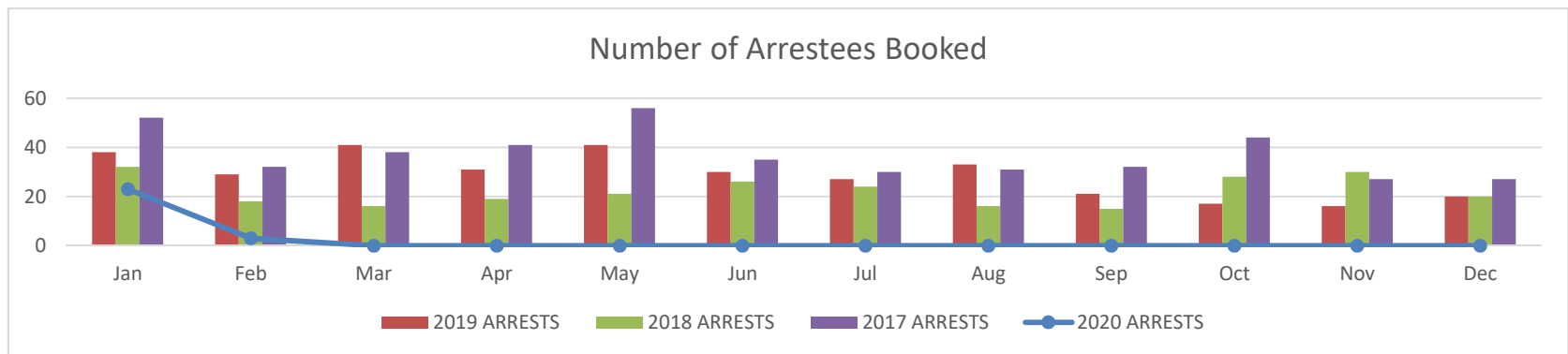
# Westworth Village Police Department

## Jail Population - Charges

### Monthly Statistics

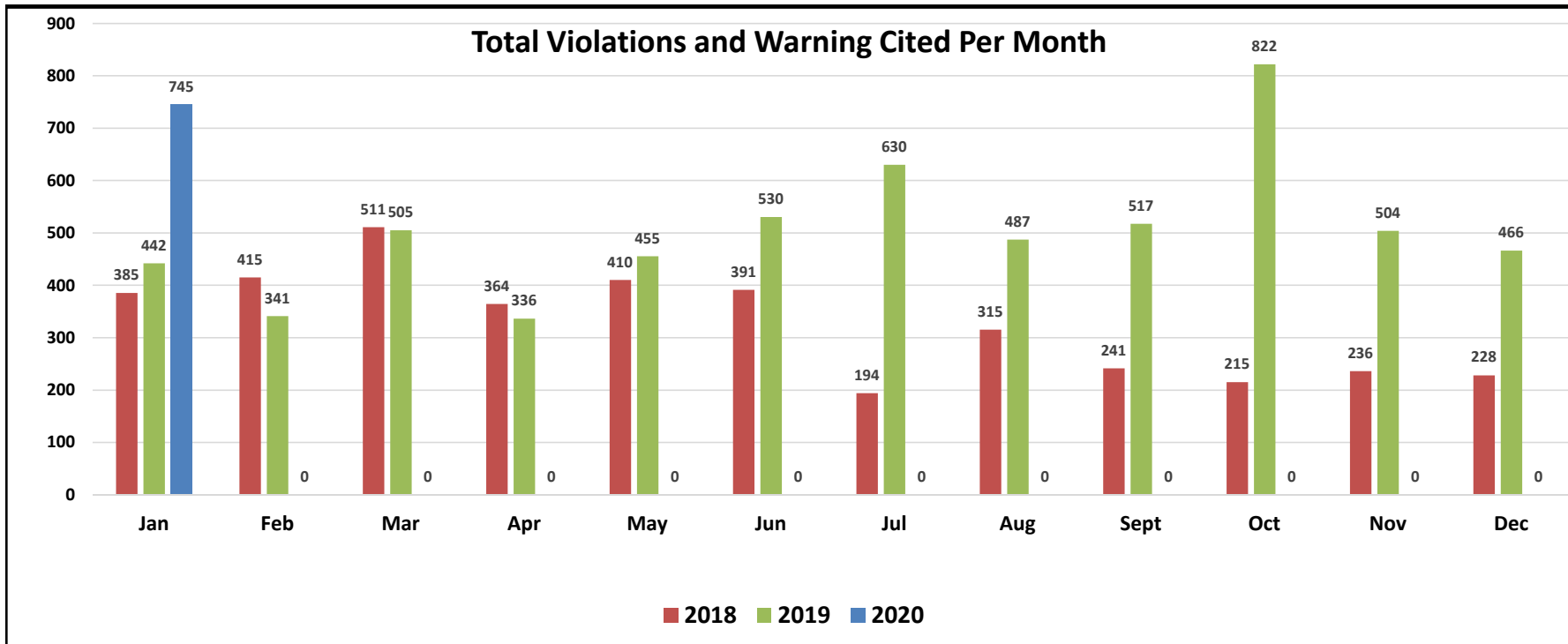
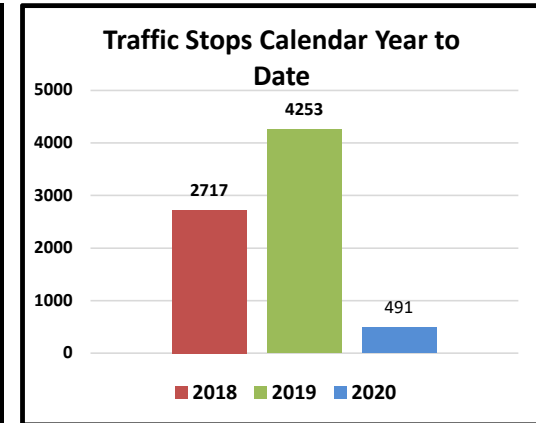
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2020 ARRESTS	23	3											26
2019 ARRESTS	38	29	41	31	41	30	27	33	21	17	16	20	344
2018 ARRESTS	32	18	16	19	21	26	24	16	15	28	30	20	265
2017 ARRESTS	52	32	38	41	56	35	30	31	32	44	27	27	445

2020 CHARGES	41	7											48
2019 CHARGES	71	49	73	53	66	52	41	52	28	28	20	30	563
2018 CHARGES	45	21	24	27	27	33	33	24	25	55	43	33	390
2017 CHARGES	73	55	63	74	88	53	38	54	42	59	51	40	690



## Traffic Stops, Cited Violations, and Warnings per Month

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
2018 Traffic Stops	245	272	437	237	264	248	119	187	194	149	188	177	2717
2018 Cited Violations	219	213	330	183	188	182	98	168	145	154	103	133	2116
2018 Warnings	166	202	181	181	222	209	96	147	96	61	133	95	1789
2019 Traffic Stops	306	205	348	241	322	374	450	355	363	577	400	312	4253
2019 Cited Violations	222	169	235	161	201	239	307	268	285	404	275	178	2944
2019 Warnings	220	172	270	175	254	291	323	219	232	418	229	288	3091
2020 Traffic Stops	491												491
2020 Cited Violations	350												350
2020 Warnings	395												395



# Westworth Village Police Department Annual Report 2020



CHIEF OF POLICE KEVIN REAVES

FEBRUARY 2020

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### **Chief's Message**

As the Chief of Police for Westworth Village, I am pleased to present the Annual Report for 2019. Our mission as an organization is to serve the community with Professional, Vigilant, and Courteous service, with an overall goal to create and maintain relationships that will continue to make Westworth Village a better and safer place to work, visit, and enjoy life.

The hard work and dedication of the members of this department, combined with community partnerships and support, create the quality of life the residents of Westworth Village enjoy.

2019 has been a year of continued progress for the Westworth Village Police Department. During 2019, we continued to improved practices to better serve our residents. These changes have continued to allow the organization to proactively reduce crime as well as address traffic safety issues in the community. The 2019 Annual report also includes a statistical review of reported crime, calls for service, traffic data, and crashes.

### **Accomplishments in 2019:**

Westworth Village Police Department completed an 100% inventory/audit of the property room. This was a crucial step to move the organization forward to become recognized by the Texas Police Chief's Best Practices Program.



**Response Time:** In 2019, the City of Westworth Village adopted a performance-based budgeting process. One of the goals for the Westworth Village Police Department was improved response time to priority one, two and three types of calls for service. In 2019 the Westworth Village Police Department averaged a 5:09 minute response time for priority one calls for service with an overall call for service response rate of 8:43.

**Crime rate:** In 2019 there was a slight decrease in part one crimes as compared to previous years due to our improved reporting practices. Comparing 2019 to previous years, we continue to maintain one of the lowest crime rates in the area.

## **Texas Best Practices**



TPCA Best Practices Recognition Program: The Texas Police Chiefs Association began this voluntary accreditation program a few years ago to assist law enforcement agencies in meeting their professional obligations. The process requires agencies to meet or exceed 168 standards of best practices in law enforcement. The Westworth Village Police Department continues to create and implement new policies and procedures to become a TPCA Best Practices Recognized Organization. To date we have met 124 standards and have established 74 separate policies to professionalize the practices of the department.

## **Mission Statement and Core Values**

Our success in community policing is based on a policing philosophy which proactively addresses crime and the fear of crime through a shared relationship with its Citizens and Officers. The mission of the Westworth Village Police Department is achieved by using proven problem-solving methods, which are built upon community involvement to create a quality of life desired by all. We understand no police department can solve crime or quality of life issues alone. However, effective police-community relationships are built upon open and transparent communication, and most importantly, citizen engagement and the trust of the public in the police.



Our sense of duty is demonstrated in our relationships with each other and to the citizens we serve. This has been accomplished through encouraging a positive, supportive environment in order to protect and serve the community's quest for a peaceful and safe existence, free from fear, with democratic values applied equally to all citizens.

The core values of the Westworth Village Police Department provide the foundation for our relationship with the community:

**Integrity:** Demonstrated by our actions not just our words.

**Accountability:** To ourselves and the community we serve.

- Professionalism:** Our conduct and demeanor display the highest standards of personal and organizational excellence.
- Service:** The community is our number one priority.
- Courage:** To stand up for what is right, act upon the principles of fairness and justice for all.
- Respect:** For the people we serve



## **Police Operations**

The Westworth Village Police Department is allotted 16 full time Sworn Officers who comprise more than 80% of the police force, 4 Police Dispatchers as well as 1 Administrative Assistant. Additionally, Westworth Village PD has a total of 6 Reserves – 2 Reserve Officers, 4 Reserve Dispatchers as well as one citizen volunteer, making this a great community to live in and enjoy.

Our Uniformed Patrol Division operates on rotating 12-hour shifts, providing 24-hour coverage to the city. The patrol division performs a multitude of tasks including traffic enforcement, responding to emergencies, investigating criminal activity, participating in community policing and proactive patrol. High Visibility enforcement serves as a proactive crime reduction strategy as well as a proven technique to reduce motor vehicle crashes, injuries, and deaths within our community.

## **Communications Unit**



Telecommunicators, also referred to as dispatchers, receive calls from individuals who need assistance from Firefighters, Police Officers, and Emergency Medical Services. The Westworth Village Police Department's communications center is staffed 24 hours a day 7 day a week by professional state licensed Public Safety Telecommunicators. In 2019 our communications center handled 23,782 calls for service and officer initiated proactive police activity, 2375 of these calls were received via the Tarrant County 911 System.

## **Criminal Investigations**

The Westworth Village Police Department Criminal Investigations Unit currently has one full time Detective assigned only to Criminal Investigations. Our Detective works closely with the Tarrant County District Attorney's Office, the Municipal Court, as well as other agencies to ensure the rights of both the victims and the offenders are protected. Simultaneously conducting investigations which leads to the prosecution of criminal cases for offenses occurring in our community. In 2019, the Unit was assigned 313 cases and achieved an 84.3% clearance rate.

## **Community Policing**

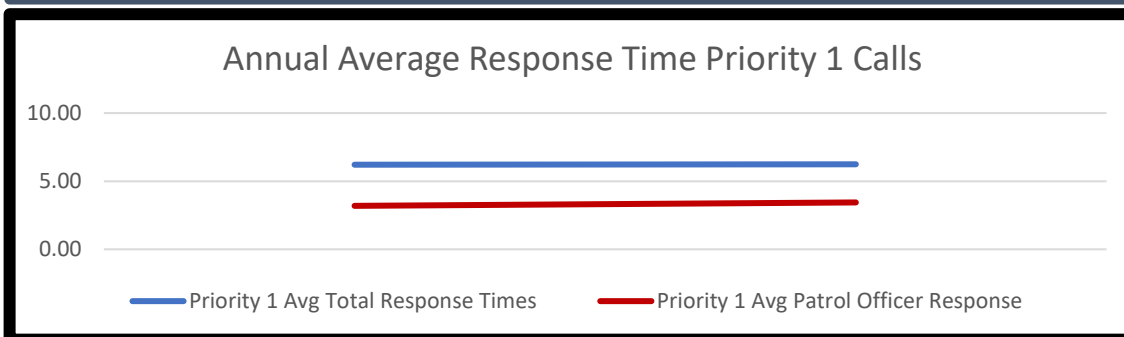
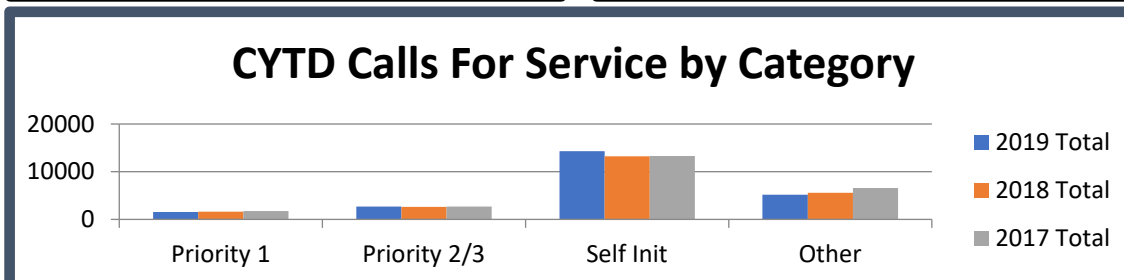
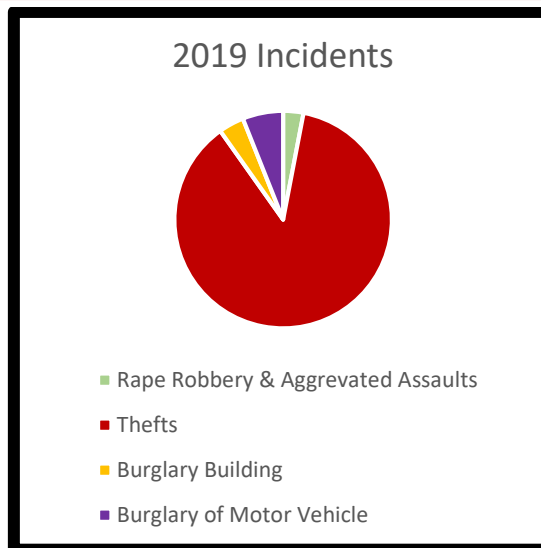
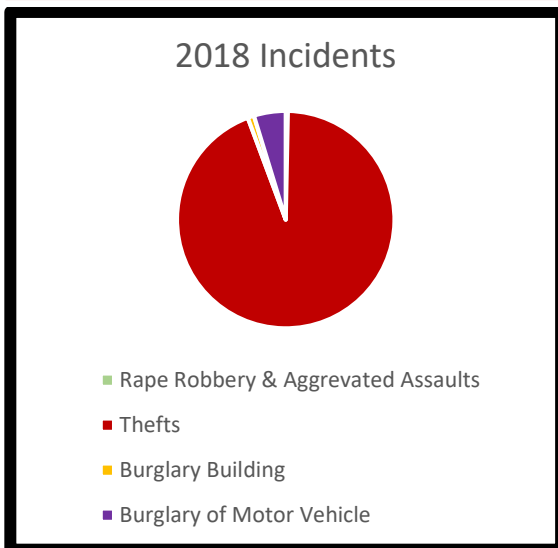
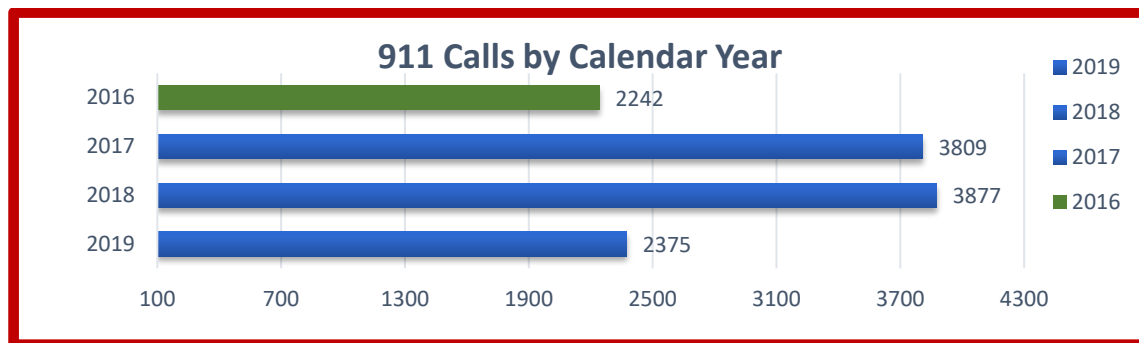


Community policing is a value system that strives towards a primary organizational goal to work cooperatively with individual citizens, groups of citizens, both public and private organizations to identify and proactively resolve issues which potentially affect the livability of specific areas, or the city as a whole. The Westworth Village Police Department is committed to building and maintaining relationships with the community. In 2019, the Westworth Village Police Department hosted Santa in the Village as well the Citywide Community Picnic.

## **Emergency Care Attendants**



Officers of the Westworth Village Police Department maintain a Texas Department of State Health Services Emergency Care Attendant Certification, or are in the process of obtaining their certification for newer Officers. The Emergency Care Attendant Certification provides Officers with the skills and equipment training necessary to maintain basic life support for sick or injured patients. During 2019, the Department responded to approximately 319 medical emergencies, not to include traffic accidents. This Certification is maintained by our Officer's as an additional tool and resource to help better serve the Citizens of Westworth Village.





### Annual Police Activity Summary

Reported Population: 3,500 For Year: 2018

CRIMINAL INCIDENTS	Jan 2018	Feb 2018	Mar 2018	April 2018	May 2018	June 2018	July 2018	Aug 2018	Sept 2018	Oct. 2018	Nov 2018	Dec 2018	YTD 2018
Criminal Homicide	0	0	0	0	0	0	0	0	0	0	0	0	0
Rape	0	0	0	0	0	0	0	0	0	0	0	0	0
Robbery	0	0	0	0	0	0	0	0	0	0	0	0	0
Aggravated Assault	0	0	0	0	0	1	0	0	0	0	0	0	1
<b>TOTAL VIOLENT CRIME OFFENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
Annualized Viol. Crime Rate Per 1-K Pop	0.00	0.00	0.00	0.00	0.00	0.29	0.00	0.00	0.00	0.00	0.00	0.00	0.29
Burglary	0	2	1	2	3	1	1	0	2	0	1	1	14
<i>Residential</i>	0	1	1	2	2	1	1	0	1	0	1	1	11
<i>Building</i>	0	1	0	0	1	0	0	0	1	0	0	0	3
Burg.Mtr.Veh.	0	4	0	3	1	3	0	1	1	0	1	1	15
Other Thefts	32	14	16	28	24	25	28	25	17	21	18	21	269
<i>Burg.CoinOp.Mach.</i>	0	0	0	0	0	0	0	1	0	0	0	0	1
<i>Larceny</i>	32	14	16	28	24	25	28	24	17	21	18	21	268
Auto Theft	0	0	0	0	0	0	0	0	0	0	0	0	0
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL PROPERTY CRIME OFFENSES</b>	<b>32</b>	<b>20</b>	<b>17</b>	<b>33</b>	<b>28</b>	<b>29</b>	<b>29</b>	<b>26</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>23</b>	<b>298</b>
Annualized Prop. Crime Rate Per 1-K Pop	9.14	5.71	4.86	9.43	8.00	8.29	8.29	7.43	5.71	6.00	5.71	6.57	85.14
<b>TOTAL PART-I OFFENSES</b>	<b>32</b>	<b>20</b>	<b>17</b>	<b>33</b>	<b>28</b>	<b>30</b>	<b>29</b>	<b>26</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>23</b>	<b>299</b>
Annualized Part-I Crime Rate Per 1-K Pop	9.14	5.71	4.86	9.43	8.00	8.57	8.29	7.43	5.71	6.00	5.71	6.57	85.43
Part-I Offenses Cleared	28	12	6	9	16	16	12	8	10	14	6	14	151
Stolen Property	\$15,953	\$5,068	\$5,043	\$2,562	\$5,052	\$9,929	\$4,814	\$2,655	\$27,604	\$2,991	\$57,092	\$8,871	\$147,634
Recovered Property	\$4,736	\$601	\$3,719	\$1,491	\$1,196	\$1,557	\$3,112	\$36,014	\$36,057	\$1,299	\$9,002	\$3,353	\$102,137
<b>% Of Property Value Recovered</b>	<b>29.7%</b>	<b>11.9%</b>	<b>73.7%</b>	<b>58.2%</b>	<b>23.7%</b>	<b>15.7%</b>	<b>64.6%</b>	<b>1356.5%</b>	<b>130.6%</b>	<b>43.4%</b>	<b>15.8%</b>	<b>37.8%</b>	<b>69.2%</b>
Juvenile Arrests-Except Runways	0	0	0	0	0	1	0	2	0	3	0	0	6
Adult Arrests*	32	18	16	20	21	26	24	16	15	28	30	21	267
Municipal Charges	27	14	16	17	24	18	23	22	17	17	9	34	238
Misdemeanor Charges	32	38	26	19	30	36	27	27	30	45	36	26	372
Felony Charges	6	1	2	12	6	5	10	4	3	12	9	12	82
DWI Arrests-Included Above	2	3	1	3	4	5	4	4	4	7	5	5	47
<b>TOTAL ARRESTS*</b>	<b>46</b>	<b>16</b>	<b>24</b>	<b>32</b>	<b>31</b>	<b>33</b>	<b>42</b>	<b>31</b>	<b>20</b>	<b>42</b>	<b>31</b>	<b>46</b>	<b>394</b>

\*Includes Arrests For Other Agencies

PUBLIC SAFETY INCIDENTS	Jan 2018	Feb 2018	Mar 2018	April 2018	May 2018	June 2018	July 2018	Aug 2018	Sept 2018	Oct. 2018	Nov 2018	Dec 2018	YTD 2018
911 Calls Received	236	369	387	359	328	340	350	353	313	327	255	260	3877
Non-Emergency Calls	Tracking software not installed until December 2018 for non emergency calls.											1741	
<b>TOTAL PHONE CALLS RECEIVED</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Priority 1,2,3 and Administrative CFS	833	699	725	753	1030	996	845	770	728	662	594	722	9357
Officer Initiated/Field Generated CFS**	978	958	1615	1230	1129	1557	1051	1332	1272	810	860	757	13549
<b>**Total Call-For-Service Activity:</b>	<b>1811</b>	<b>1541</b>	<b>2340</b>	<b>1983</b>	<b>2159</b>	<b>2553</b>	<b>2087</b>	<b>2303</b>	<b>2000</b>	<b>1472</b>	<b>1454</b>	<b>1479</b>	<b>23182</b>
Priority-1 Avg. Total Response Times	7:16	6:40	9:07	6:00	5:39	5:36	7:20	7:55	3:42	7:06	5:22	4:51	6:23
Priority-1 Avg. Patrol Officer Response	1:53	4:40	7:13	4:04	3:35	3:40	3:40	5:11	1:59	4:08	2:45	1:58	3:44
Fatality Accidents	0	0	0	0	0	0	0	0	0	0	0	0	0
Major (Injury) Accidents Dispatched	0	0	2	3	4	2	0	1	1	3	0	2	18
Minor Accidents Dispatched	10	6	12	7	13	9	15	9	4	4	6	21	116
<b>Total Traffic Accidents:</b>	<b>10</b>	<b>6</b>	<b>14</b>	<b>10</b>	<b>17</b>	<b>11</b>	<b>15</b>	<b>10</b>	<b>5</b>	<b>7</b>	<b>6</b>	<b>21</b>	<b>134</b>
Proactive Policing													
Traffic Stops	245	272	437	237	264	248	119	187	194	149	188	177	2717
Neighborhood, Park, & Business Checks	665	624	694	628	718	1163	827	1058	969	561	588	497	8992
All Other Officer Initiated Activity	313	334	921	602	411	394	224	274	303	249	272	260	4557
Traffic Stops: Cited Violation	219	213	330	183	188	182	98	168	145	154	103	133	2116
Traffic Stops: Violation Warning Issued	166	202	181	181	222	209	96	147	96	61	133	95	1789
<b>Total Traffic Violation:</b>	<b>385</b>	<b>415</b>	<b>511</b>	<b>364</b>	<b>410</b>	<b>391</b>	<b>194</b>	<b>315</b>	<b>241</b>	<b>215</b>	<b>236</b>	<b>228</b>	<b>3905</b>



## Annual Police Activity Summary

Reported Population: 3,500 For Year: 2019

CRIMINAL INCIDENTS	Jan 2019	Feb 2019	Mar 2019	April 2019	May 2019	June 2019	July 2019	Aug 2019	Sept 2019	Oct. 2019	Nov 2019	Dec 2019	YTD 2019
Criminal Homicide	0	0	0	0	0	0	0	0	0	0	0	0	0
Rape	0	0	1	0	0	0	0	0	0	1	0	0	2
Robbery	0	0	0	0	1	0	0	0	0	0	0	1	2
Aggravated Assault	1	1	0	1	0	0	0	0	0	0	1	0	4
<b>VIOLENT CRIME OFFENSES</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>8</b>
Annualized Viol. Crime Rate Per 1-K Pop	0.29	0.29	0.29	0.29	0.29	0.00	0.00	0.00	0.00	0.29	0.29	0.29	2.29
Burglary	0	1	3	2	0	1	0	0	1	0	2	0	10
<i>Residential</i>	0	0	2	2	0	0	0	0	0	0	2	0	6
<i>Building</i>	0	1	1	0	0	1	0	0	1	0	0	0	4
Burg Mtr. Veh.	0	0	3	5	0	2	0	1	0	0	5	0	16
Other Thefts	15	15	17	29	23	26	20	12	18	3	8	3	189
Auto Theft	0	0	1	1	2	0	1	0	0	0	1	0	6
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PROPERTY CRIME OFFENSES</b>	<b>15</b>	<b>17</b>	<b>27</b>	<b>39</b>	<b>25</b>	<b>30</b>	<b>21</b>	<b>13</b>	<b>20</b>	<b>3</b>	<b>18</b>	<b>3</b>	<b>231</b>
Annualized Prop. Crime Rate Per 1-K Pop	4.29	4.86	7.71	11.14	7.14	8.57	6.00	3.71	5.71	0.86	5.14	0.86	66.00
<b>TOTAL PART-I OFFENSES</b>	<b>16</b>	<b>18</b>	<b>28</b>	<b>40</b>	<b>26</b>	<b>30</b>	<b>21</b>	<b>13</b>	<b>20</b>	<b>4</b>	<b>19</b>	<b>4</b>	<b>239</b>
Annualized Part-1 Crime Rate Per 1-K Pop	4.57	5.14	8.00	11.43	7.43	8.57	6.00	3.71	5.71	1.14	5.43	1.14	68.29
Stolen Property	\$889	\$3,231	\$101,483	\$11,516	\$11,073	\$3,161	\$12,782	\$2,278	\$3,229	\$420	\$4,000	\$13,305	\$167,367
Recovered Property	\$1,019	\$1,175	\$99,035	\$2,694	\$1,665	\$1,824	\$1,167	\$1,907	\$930	\$420	\$265	\$273	\$112,374
% Of Property Value Recovered	114.6%	36.4%	97.6%	23.4%	15.0%	57.7%	9.1%	83.7%	28.8%	100.0%	6.6%	2.1%	67.1%
Juvenile Arrests Except Runaways	6	2	5	5	4	10	4	2	6	0	2	1	47
Adult Arrests*	38	29	41	31	41	30	27	33	21	17	16	20	344
Misdemeanor Charges	62	73	89	51	60	53	39	67	37	49	27	34	641
Felony Charges	21	3	11	14	15	8	9	8	4	8	7	24	132
DWI Arrests-Included Above	6	3	7	6	4	5	3	5	5	2	4	4	54
<b>TOTAL ARRESTS*</b>	<b>44</b>	<b>31</b>	<b>46</b>	<b>36</b>	<b>45</b>	<b>40</b>	<b>31</b>	<b>35</b>	<b>27</b>	<b>17</b>	<b>18</b>	<b>21</b>	<b>391</b>

### Agencies

PUBLIC SAFETY INCIDENTS	Jan 2018	Feb 2018	Mar 2018	April 2018	May 2018	June 2018	July 2018	Aug 2018	Sept 2018	Oct. 2018	Nov 2018	Dec 2018	YTD 2018
911 Calls Received	163	173	234	186	220	225	217	182	180	194	197	204	2375
Non-Emergency Calls	1454	1297	1434	1509	1583	1508	1537	1404	1389	899	820	936	15770
<b>RECEIVED</b>	<b>1617</b>	<b>1470</b>	<b>1668</b>	<b>1695</b>	<b>1803</b>	<b>1733</b>	<b>1754</b>	<b>1586</b>	<b>1569</b>	<b>1093</b>	<b>1017</b>	<b>1140</b>	<b>18145</b>
Priority 1,2,3 and Administrative CFS	765	729	948	822	923	768	979	954	876	1090	897	788	10539
CFS**	1013	1241	1504	1464	1282	1455	1351	966	1007	1353	1113	979	14728
<b>Activity:</b>	<b>1778</b>	<b>1970</b>	<b>2452</b>	<b>2286</b>	<b>2205</b>	<b>2223</b>	<b>2330</b>	<b>1920</b>	<b>1883</b>	<b>2443</b>	<b>2010</b>	<b>1767</b>	<b>25267</b>
Priority-1 Avg. Total Response Times	20:06	4:13	5:19	6:09	8:06	4:50	1:41	3:55	2:24	5:12	5:48	5:28	5:09
Response	8:30	2:02	2:55	4:47	6:10	2:53	0:25	2:18	1:33	4:07	3:25	3:41	3:20
Fatality Accidents	0	0	0	0	0	0	0	0	0	0	0	0	0
Major (Injury) Accidents Dispatched	0	3	1	2	2	3	4	0	1	3	1	1	21
Minor Accidents Dispatched	10	9	9	10	13	11	17	14	11	10	13	13	140
<b>Total Traffic Accidents:</b>	<b>10</b>	<b>12</b>	<b>10</b>	<b>12</b>	<b>15</b>	<b>14</b>	<b>21</b>	<b>14</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>21</b>	<b>161</b>

### Proactive Policing

Traffic Stops	306	205	348	241	322	374	450	355	363	577	400	312	4253
Business Checks	597	959	1006	980	774	794	757	508	497	592	489	487	8440
Activity	110	77	150	243	186	287	144	103	147	184	224	180	2035
Traffic Stops: Cited Violation	222	169	235	161	201	239	307	268	285	404	275	178	2944
Issued	220	172	270	175	254	291	323	219	232	418	229	288	3091
<b>Total Traffic Violation:</b>	<b>442</b>	<b>341</b>	<b>505</b>	<b>336</b>	<b>455</b>	<b>530</b>	<b>630</b>	<b>487</b>	<b>517</b>	<b>822</b>	<b>504</b>	<b>466</b>	<b>6035</b>



## CODE COMPLIANCE

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***PUBLIC WORKS REPORT JANUARY 2020***

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**Water**

- ❖ All bacteriological water samples passed
- ❖ Continued monthly dead-end flushing
- ❖ Continued water sampling for Nitrification Action Plan for TCEQ
- ❖ Performed construction and stormwater inspections
- ❖ Completed the DLQOR reporting for TCEQ
- ❖ Performed Line Locates for utility services
- ❖ Repaired potholes on Roaring Springs Road and Highway 183

**Sewer**

- ❖ Performed weekly sewer line flushes on Pecan Drive
- ❖ Performed preventative maintenance on sewer lines in commercial area

**Stormwater**

- ❖ Cleaned storm drains on Burton Hill and Pumphreys Drive
- ❖ Cleaned drainage ditch on White Settlement Road
- ❖ Began annual MS4 permitting

## January 2020 Service Order Report

### Group Summary

Group	Total Completed	Total New	Total Void	Total Open
Mobile Service Orders	159	0	0	0
Grand Totals	159	0	0	0

### Job Code Summary

Job Code	Total Completed	Total New	Total Void	Total Open
AMA – Beacon Leak Alert	16	0	0	0
CUT – Cutoff Delinquent Account	9	0	0	0
DTAG – Door Tag/Notification	6	0	0	0
END- Endpoint/Encode MSG Error	2	0	0	0
INACT-Inactivate	2	0	0	0
LOC- Line Locate	1	0	0	0
MI – Meter Information	69	0	0	0
OCC – Read and Leave On	3	0	0	0
OFF – Turn Off Service	8	0	0	0
ON – Turn On Service	7	0	0	0
PRESS- Water Pressure	1	0	0	0
REINS – Turn Back on Service	9	0	0	0
SET – New Connect	9	0	0	0
SWAP – Meter Exchange	10	0	0	0
TRASH – Replace Trash/Recycle Bin	7	0	0	0
Grand Totals	159	0	0	0



## January 2020 Work Order Report

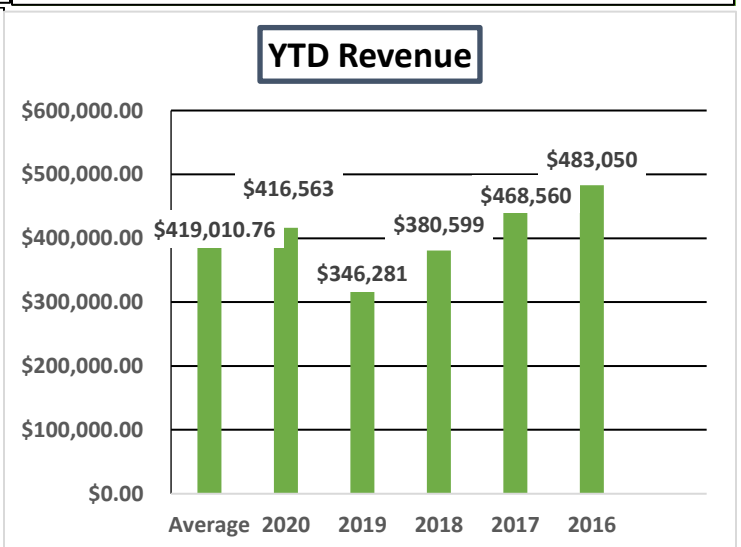
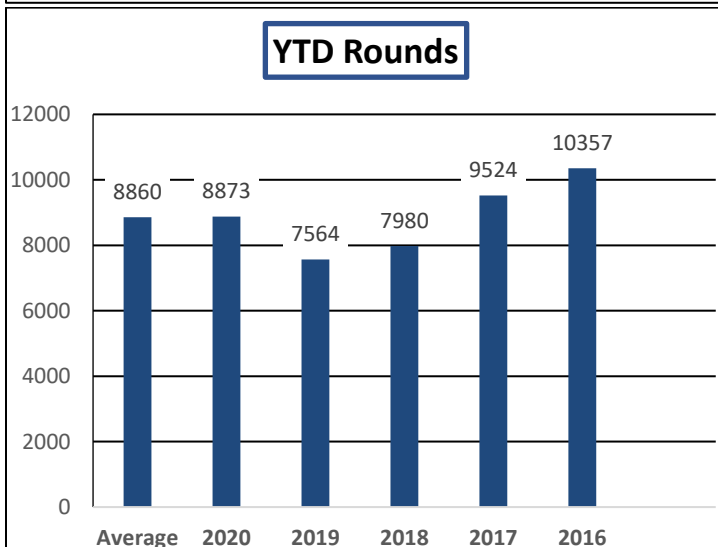
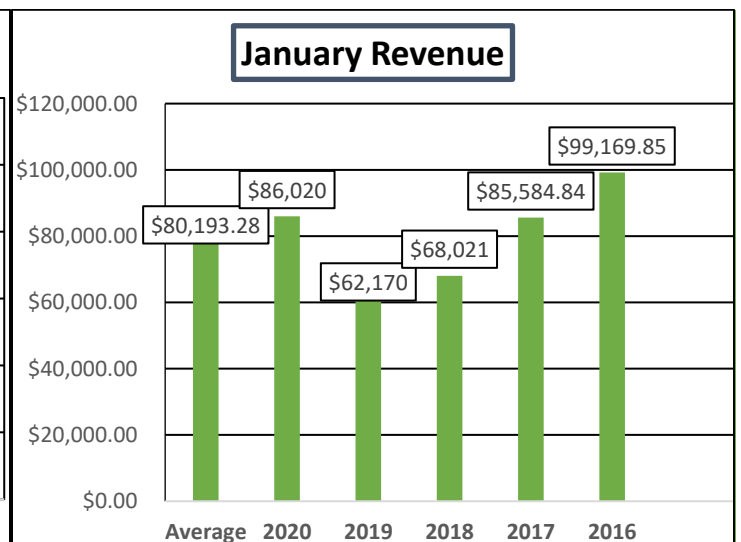
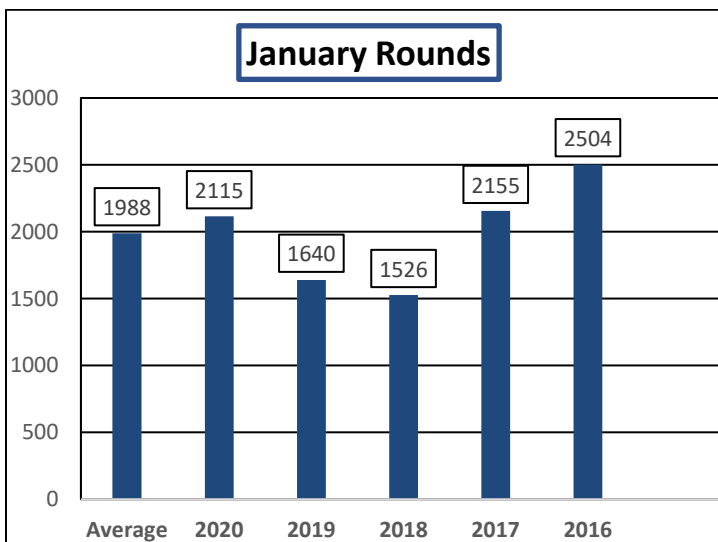
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Job Code	Total Completed	Total New	Total Void	Total Open
CITY HALL	9	0	0	0
HCGC	0	0	0	0
POLICE DEPARTMENT	1	0	0	0
COURT	0	0	0	0
PUBLIC WORKS BUILDING	0	0	0	0
ROADWAY	22	0	0	0
PARK	0	0	0	0
ALLEYWAY	0	0	0	0
EASEMENT	0	0	0	0
INTERSECTION	1	0	0	0
SCHOOL ZONE	0	0	0	0
STORMWATER	1	0	0	0
WATER LINES	2	0	0	0
SEWER LINES	0	0	0	0
Grand Totals	36	0	0	0

# HAWKS CREEK GOLF CLUB: JANUARY 2020 MONTHLY REPORT

Monthly Overview				
<b>Rounds</b>	Total: 2115	Daily Fee Paid: 1447		
<b>Revenue</b>	Total: \$86,020.04	Per Round: \$40.67	D/F G/F Revenue: \$60,435.00	Avg. \$ per Round G/F: \$28.57
<b>Closures</b>	3 Days Closed			
<b>Preferred Players</b>	Total: 29	Monthly: 17	Annual: 12	Total Monthly Billing: 2,380.00

Category	Revenue	\$ Per Round
Green Fees & Membership	\$ 60,435.00	\$ 28.57
Cart Fees	\$ 1,556.76	\$ .73
Range	\$ 5,465.70	\$ 2.58
Pro-Shop Merchandise	\$ 5,697.12	\$ 2.69
Club Rentals-Hdcp-Lessons	\$ 1,170.22	\$ .55
Food	\$ 2,891.33	\$ 1.37
Beer	\$ 5,607.47	\$ 2.65
Beverages	\$ 1,212.25	\$ .57
Liquor	\$ 1,655.36	\$ .78







## **Staff Variance Report**

(Unaudited)

### **01-General Fund:**

General fund revenues totaled \$548,190\* for the month and have totaled \$1,357,505\* for the year. The uptick in revenue for the month was due to a combination of ad valorem tax collection and receipt of the Hawks Creek Apartment PILOT agreement payment. The city's largest revenue source, sales tax, is trending right on budget at 34%.

Expenses for the month were \$227,988 for a year to date total of \$993,544. The general fund has operated with a year to date surplus of \$363,961. Homeowner's ad valorem taxes were due (without late penalties) January 31<sup>st</sup>. However, those payments that were made late in January will be on the collections for the month of February. I anticipate the bulk of the remaining balance will be collected in February to continue the city's history of collecting the assessed taxes.

*\*Excludes Gas Well Royalties*

### **02-Water Fund:**

The water fund collected service fee revenues totaling \$117,852 with expenses of \$132,277 for the month of January. The fund has operated at a year to date surplus of \$89,347.

No variance

### **03- CCPD Fund:**

No Variance

### **04- Capital Projects:**

Capital projects is seeing activity as the trail system is being constructed. The reimbursements are slow to come in from TxDOT due to modifications we made in the TIP concerning the percentages of funds allocated to engineering vs. construction. Once these changes are implemented into TxDOT's system we will begin to see more timely reimbursement payments.

### **05- Debt Servicing:**

No Variance

### **Staff Contact:**

Sterling Naron, city administrator

817-710-2517

[snaron@cityofwestworth.com](mailto:snaron@cityofwestworth.com)



06- Street Fund:

No variance.

08- Westworth Redevelopment Authority (WRA):

No variance.

09- Hawks Creek Golf Club (HCGC):

Hawks Creek Golf Club January revenues totaled \$89,915 for a fiscal year to date total of \$434,702. With year to date expenses of \$443,700 the golf course current holds a deficit of \$8,998.

The winter months at the beginning of the fiscal year are typically the golf course's slower months due to the cooler weather temperatures with the higher revenue months occurring in the spring and summer. Therefore, to be near break even after January is an indication the golf course is on track to have a great year.

**Staff Contact:**

Sterling Naron, city administrator

817-710-2517

[snaron@cityofwestworth.com](mailto:snaron@cityofwestworth.com)

## Group Summary

Category	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 01 - GENERAL FUND</b>						
<b>Revenue</b>						
<b>Department: 500 - Revenue</b>						
5100 - Franchise Fees	422,750.00	422,750.00	7,807.46	108,194.48	-314,555.52	25.59 %
5150 - Permit Fees	244,500.00	244,500.00	41,526.19	77,421.42	-167,078.58	31.67 %
5200 - Sales Tax	1,435,672.93	1,435,672.93	130,649.84	489,797.24	-945,875.69	34.12 %
5250 - Additional Revenue	173,401.00	173,401.00	904.96	4,968.64	-168,432.36	2.87 %
5300 - Court Fines & Fees	342,900.00	342,900.00	35,121.67	104,637.34	-238,262.66	30.52 %
5450 - WRA Distribution	100,000.00	100,000.00	0.00	0.00	-100,000.00	0.00 %
5500 - HC Apartment Payments	135,000.00	135,000.00	135,000.00	135,000.00	0.00	100.00 %
5550 - Ad Valorem Tax	707,783.00	707,783.00	196,451.98	434,653.69	-273,129.31	61.41 %
5600 - Gas Well Royalties	0.00	0.00	17,422.58	70,858.65	70,858.65	0.00 %
5650 - Miscellaneous Revenue	14,650.00	14,650.00	727.47	2,832.49	-11,817.51	19.33 %
<b>Department: 500 - Revenue Total:</b>	<b>3,576,656.93</b>	<b>3,576,656.93</b>	<b>565,612.15</b>	<b>1,428,363.95</b>	<b>-2,148,292.98</b>	<b>39.94 %</b>
<b>Revenue Total:</b>	<b>3,576,656.93</b>	<b>3,576,656.93</b>	<b>565,612.15</b>	<b>1,428,363.95</b>	<b>-2,148,292.98</b>	<b>39.94 %</b>
<b>Expense</b>						
<b>Department: 600 - Administration</b>						
6100 - Payroll	489,500.00	489,500.00	38,950.59	179,608.98	309,891.02	36.69 %
6150 - Supplies	19,000.00	19,000.00	1,981.69	3,876.47	15,123.53	20.40 %
6200 - Training	23,000.00	23,000.00	2,933.66	5,475.83	17,524.17	23.81 %
6250 - Equipment	5,000.00	5,000.00	0.00	442.89	4,557.11	8.86 %
6300 - Professional Services	83,500.00	83,500.00	3,780.30	27,624.44	55,875.56	33.08 %
6350 - Miscellaneous	672,685.00	672,685.00	8,398.96	13,045.21	659,639.79	1.94 %
6500 - Capital Expense	7,000.00	7,000.00	1,402.50	3,086.02	3,913.98	44.09 %
6600 - Information Technology	51,000.00	51,000.00	2,828.31	32,037.97	18,962.03	62.82 %
<b>Department: 600 - Administration Total:</b>	<b>1,350,685.00</b>	<b>1,350,685.00</b>	<b>60,276.01</b>	<b>265,197.81</b>	<b>1,085,487.19</b>	<b>19.63 %</b>
<b>Department: 601 - Facilities</b>						
6150 - Supplies	65,700.00	65,700.00	4,836.53	16,882.65	48,817.35	25.70 %
6200 - Training	0.00	0.00	0.00	50.00	-50.00	0.00 %
6250 - Equipment	50,000.00	50,000.00	3,954.77	8,081.48	41,918.52	16.16 %
6300 - Professional Services	41,000.00	41,000.00	3,176.00	12,704.00	28,296.00	30.99 %
6350 - Miscellaneous	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
6450 - Insurance	29,010.00	29,010.00	0.00	27,677.77	1,332.23	95.41 %
6600 - Information Technology	52,500.00	52,500.00	2,747.04	11,028.16	41,471.84	21.01 %
<b>Department: 601 - Facilities Total:</b>	<b>239,210.00</b>	<b>239,210.00</b>	<b>14,714.34</b>	<b>76,424.06</b>	<b>162,785.94</b>	<b>31.95 %</b>
<b>Department: 603 - Police Operations</b>						
6100 - Payroll	1,259,200.00	1,259,200.00	90,935.22	403,664.50	855,535.50	32.06 %
6150 - Supplies	7,450.00	7,450.00	147.72	2,361.32	5,088.68	31.70 %
6200 - Training	21,150.00	21,150.00	2,117.74	5,126.17	16,023.83	24.24 %
6250 - Equipment	42,300.00	42,300.00	2,626.86	5,008.29	37,291.71	11.84 %
6300 - Professional Services	3,000.00	3,000.00	0.00	21.51	2,978.49	0.72 %
6350 - Miscellaneous	37,000.00	37,000.00	3,419.00	14,313.33	22,686.67	38.68 %
6400 - Vehicle Expense	41,000.00	41,000.00	11,153.44	12,173.07	28,826.93	29.69 %
6450 - Insurance	11,500.00	11,500.00	0.00	10,511.48	988.52	91.40 %
6600 - Information Technology	58,000.00	58,000.00	4,865.66	23,118.40	34,881.60	39.86 %
<b>Department: 603 - Police Operations Total:</b>	<b>1,480,600.00</b>	<b>1,480,600.00</b>	<b>115,265.64</b>	<b>476,298.07</b>	<b>1,004,301.93</b>	<b>32.17 %</b>
<b>Department: 604 - Court</b>						
6100 - Payroll	65,670.00	65,670.00	5,313.82	23,800.42	41,869.58	36.24 %
6150 - Supplies	2,500.00	2,500.00	0.00	124.99	2,375.01	5.00 %
6200 - Training	1,800.00	1,800.00	55.00	55.00	1,745.00	3.06 %
6250 - Equipment	500.00	500.00	0.00	0.00	500.00	0.00 %
6300 - Professional Services	37,600.00	37,600.00	3,133.34	12,833.36	24,766.64	34.13 %
6500 - Capital Expense	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
6600 - Information Technology	35,100.00	35,100.00	1,569.67	28,168.98	6,931.02	80.25 %

Budget Report

For Fiscal: 2019-2020 Period Ending: 01/31/2020

Category	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Department: 604 - Court Total:	144,670.00	144,670.00	10,071.83	64,982.75	79,687.25	44.92 %
Department: 605 - Fire Operations						
6350 - Miscellaneous	332,500.00	332,500.00	27,660.33	110,641.32	221,858.68	33.28 %
Department: 605 - Fire Operations Total:	332,500.00	332,500.00	27,660.33	110,641.32	221,858.68	33.28 %
Department: 608 - Library						
6200 - Training	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
6600 - Information Technology	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
Department: 608 - Library Total:	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00 %
Expense Total:	3,551,665.00	3,551,665.00	227,988.15	993,544.01	2,558,120.99	27.97 %
Fund: 01 - GENERAL FUND Surplus (Deficit):	24,991.93	24,991.93	337,624.00	434,819.94	409,828.01	1,739.84 %
Fund: 02 - WATER FUND						
Revenue						
Department: 500 - Revenue						
5250 - Additional Revenue	1,600.00	1,600.00	0.00	368.20	-1,231.80	23.01 %
5650 - Miscellaneous Revenue	1,365,600.00	1,365,600.00	117,851.72	464,005.22	-901,594.78	33.98 %
Department: 500 - Revenue Total:	1,367,200.00	1,367,200.00	117,851.72	464,373.42	-902,826.58	33.97 %
Revenue Total:	1,367,200.00	1,367,200.00	117,851.72	464,373.42	-902,826.58	33.97 %
Expense						
Department: 620 - Water Department						
6100 - Payroll	139,478.00	139,478.00	6,823.00	28,096.45	111,381.55	20.14 %
6150 - Supplies	53,000.00	53,000.00	3,417.95	14,018.92	38,981.08	26.45 %
6200 - Training	11,500.00	11,500.00	208.74	3,695.48	7,804.52	32.13 %
6250 - Equipment	27,000.00	27,000.00	201.72	4,293.39	22,706.61	15.90 %
6300 - Professional Services	6,500.00	6,500.00	0.00	6,000.00	500.00	92.31 %
6350 - Miscellaneous	942,651.00	942,651.00	103,988.40	267,640.24	675,010.76	28.39 %
6400 - Vehicle Expense	6,000.00	6,000.00	90.44	847.76	5,152.24	14.13 %
6500 - Capital Expense	26,500.00	26,500.00	13,800.00	13,800.00	12,700.00	52.08 %
6550 - Debt Service	27,440.00	27,440.00	0.00	0.00	27,440.00	0.00 %
6600 - Information Technology	31,400.00	31,400.00	1,728.94	14,635.45	16,764.55	46.61 %
Department: 620 - Water Department Total:	1,271,469.00	1,271,469.00	130,259.19	353,027.69	918,441.31	27.77 %
Department: 621 - Storm Sewer Maintenance						
6100 - Payroll	25,713.00	25,713.00	1,918.08	9,270.18	16,442.82	36.05 %
6250 - Equipment	19,000.00	19,000.00	0.00	11,402.44	7,597.56	60.01 %
6300 - Professional Services	25,000.00	25,000.00	100.00	1,326.44	23,673.56	5.31 %
6350 - Miscellaneous	13,200.00	13,200.00	0.00	0.00	13,200.00	0.00 %
6400 - Vehicle Expense	3,500.00	3,500.00	0.00	0.00	3,500.00	0.00 %
6500 - Capital Expense	11,120.00	11,120.00	0.00	0.00	11,120.00	0.00 %
Department: 621 - Storm Sewer Maintenance Total:	97,533.00	97,533.00	2,018.08	21,999.06	75,533.94	22.56 %
Expense Total:	1,369,002.00	1,369,002.00	132,277.27	375,026.75	993,975.25	27.39 %
Fund: 02 - WATER FUND Surplus (Deficit):	-1,802.00	-1,802.00	-14,425.55	89,346.67	91,148.67	-4,958.19 %
Fund: 03 - CRIME CONTROL						
Revenue						
Department: 500 - Revenue						
5200 - Sales Tax	568,868.96	568,868.96	50,901.31	191,671.06	-377,197.90	33.69 %
5250 - Additional Revenue	5.00	5.00	0.00	0.92	-4.08	18.40 %
Department: 500 - Revenue Total:	568,873.96	568,873.96	50,901.31	191,671.98	-377,201.98	33.69 %
Revenue Total:	568,873.96	568,873.96	50,901.31	191,671.98	-377,201.98	33.69 %
Expense						
Department: 630 - Crime Control						
6100 - Payroll	412,198.00	412,198.00	25,764.69	138,013.16	274,184.84	33.48 %
6250 - Equipment	54,500.00	54,500.00	0.00	6,761.89	47,738.11	12.41 %
6300 - Professional Services	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
6350 - Miscellaneous	26,000.00	26,000.00	1,088.22	7,741.28	18,258.72	29.77 %
6500 - Capital Expense	500.00	500.00	0.00	0.00	500.00	0.00 %



## Budget Report

For Fiscal: 2019-2020 Period Ending: 01/31/2020

Category	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
6600 - Information Technology	59,400.00	59,400.00	2,145.76	47,355.88	12,044.12	79.72 %
Department: 630 - Crime Control Total:	562,598.00	562,598.00	28,998.67	199,872.21	362,725.79	35.53 %
Expense Total:	562,598.00	562,598.00	28,998.67	199,872.21	362,725.79	35.53 %
Fund: 03 - CRIME CONTROL Surplus (Deficit):	6,275.96	6,275.96	21,902.64	-8,200.23	-14,476.19	-130.66 %
<b>Fund: 04 - CAPITAL PROJECTS</b>						
<b>Revenue</b>						
Department: 500 - Revenue						
5250 - Additional Revenue	3,000.00	3,000.00	0.00	203.83	-2,796.17	6.79 %
5650 - Miscellaneous Revenue	783,897.00	783,897.00	0.00	15,000.00	-768,897.00	1.91 %
Department: 500 - Revenue Total:	786,897.00	786,897.00	0.00	15,203.83	-771,693.17	1.93 %
Revenue Total:	786,897.00	786,897.00	0.00	15,203.83	-771,693.17	1.93 %
<b>Expense</b>						
Department: 640 - Capital Projects						
6300 - Professional Services	20,000.00	20,000.00	4,037.57	4,037.57	15,962.43	20.19 %
6500 - Capital Expense	766,897.00	766,897.00	153,860.94	633,300.62	133,596.38	82.58 %
Department: 640 - Capital Projects Total:	786,897.00	786,897.00	157,898.51	637,338.19	149,558.81	80.99 %
Expense Total:	786,897.00	786,897.00	157,898.51	637,338.19	149,558.81	80.99 %
Fund: 04 - CAPITAL PROJECTS Surplus (Deficit):	0.00	0.00	-157,898.51	-622,134.36	-622,134.36	0.00 %
<b>Fund: 05 - DEBT SERVICING</b>						
<b>Revenue</b>						
Department: 500 - Revenue						
5250 - Additional Revenue	8,500.00	8,500.00	0.00	203.51	-8,296.49	2.39 %
5500 - HC Apartment Payments	93,220.00	93,220.00	89,842.71	89,842.71	-3,377.29	96.38 %
5550 - Ad Valorem Tax	722,843.00	722,843.00	200,420.71	442,502.34	-280,340.66	61.22 %
5650 - Miscellaneous Revenue	143,672.00	143,672.00	0.00	0.00	-143,672.00	0.00 %
Department: 500 - Revenue Total:	968,235.00	968,235.00	290,263.42	532,548.56	-435,686.44	55.00 %
Revenue Total:	968,235.00	968,235.00	290,263.42	532,548.56	-435,686.44	55.00 %
<b>Expense</b>						
Department: 650 - Debt Servicing						
6550 - Debt Service	951,918.00	951,918.00	163,019.07	163,769.07	788,148.93	17.20 %
Department: 650 - Debt Servicing Total:	951,918.00	951,918.00	163,019.07	163,769.07	788,148.93	17.20 %
Expense Total:	951,918.00	951,918.00	163,019.07	163,769.07	788,148.93	17.20 %
Fund: 05 - DEBT SERVICING Surplus (Deficit):	16,317.00	16,317.00	127,244.35	368,779.49	352,462.49	2,260.09 %
<b>Fund: 06 - STREET FUND</b>						
<b>Revenue</b>						
Department: 500 - Revenue						
5200 - Sales Tax	284,434.98	284,434.98	25,520.99	96,593.29	-187,841.69	33.96 %
Department: 500 - Revenue Total:	284,434.98	284,434.98	25,520.99	96,593.29	-187,841.69	33.96 %
Revenue Total:	284,434.98	284,434.98	25,520.99	96,593.29	-187,841.69	33.96 %
<b>Expense</b>						
Department: 606 - Street Maintenance						
6100 - Payroll	140,870.00	140,870.00	11,044.43	52,846.07	88,023.93	37.51 %
6150 - Supplies	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
6250 - Equipment	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00 %
6350 - Miscellaneous	96,000.00	96,000.00	0.00	1,267.47	94,732.53	1.32 %
6400 - Vehicle Expense	9,000.00	9,000.00	48.18	3,037.07	5,962.93	33.75 %
Department: 606 - Street Maintenance Total:	253,370.00	253,370.00	11,092.61	57,150.61	196,219.39	22.56 %
Expense Total:	253,370.00	253,370.00	11,092.61	57,150.61	196,219.39	22.56 %
Fund: 06 - STREET FUND Surplus (Deficit):	31,064.98	31,064.98	14,428.38	39,442.68	8,377.70	126.97 %

## Budget Report

For Fiscal: 2019-2020 Period Ending: 01/31/2020

Category	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 08 - WRA FUND</b>						
<b>Revenue</b>						
Department: 500 - Revenue						
5200 - Sales Tax	284,435.00	284,435.00	0.00	0.00	-284,435.00	0.00 %
5250 - Additional Revenue	3,000.00	3,000.00	0.00	584.26	-2,415.74	19.48 %
5650 - Miscellaneous Revenue	850.00	850.00	0.00	49,271.76	48,421.76	5,796.68 %
Department: 500 - Revenue Total:	<b>288,285.00</b>	<b>288,285.00</b>	<b>0.00</b>	<b>49,856.02</b>	<b>-238,428.98</b>	<b>17.29 %</b>
Revenue Total:	<b>288,285.00</b>	<b>288,285.00</b>	<b>0.00</b>	<b>49,856.02</b>	<b>-238,428.98</b>	<b>17.29 %</b>
<b>Expense</b>						
Department: 607 - Building Parks & Landscape						
6100 - Payroll	124,130.00	124,130.00	9,094.05	44,638.05	79,491.95	35.96 %
6250 - Equipment	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
6300 - Professional Services	30,000.00	30,000.00	0.00	2,100.00	27,900.00	7.00 %
6400 - Vehicle Expense	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
6500 - Capital Expense	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
Department: 607 - Building Parks & Landscape Total:	<b>159,630.00</b>	<b>159,630.00</b>	<b>9,094.05</b>	<b>46,738.05</b>	<b>112,891.95</b>	<b>29.28 %</b>
Department: 680 - WRA Admin						
6100 - Payroll	20,000.00	20,000.00	0.00	0.00	20,000.00	0.00 %
6300 - Professional Services	26,000.00	26,000.00	2,600.00	22,355.55	3,644.45	85.98 %
6350 - Miscellaneous	161,955.00	161,955.00	0.00	0.00	161,955.00	0.00 %
Department: 680 - WRA Admin Total:	<b>207,955.00</b>	<b>207,955.00</b>	<b>2,600.00</b>	<b>22,355.55</b>	<b>185,599.45</b>	<b>10.75 %</b>
Expense Total:	<b>367,585.00</b>	<b>367,585.00</b>	<b>11,694.05</b>	<b>69,093.60</b>	<b>298,491.40</b>	<b>18.80 %</b>
Fund: 08 - WRA FUND Surplus (Deficit):	<b>-79,300.00</b>	<b>-79,300.00</b>	<b>-11,694.05</b>	<b>-19,237.58</b>	<b>60,062.42</b>	<b>24.26 %</b>
<b>Fund: 09 - HAWKS CREEK GOLF COURSE</b>						
<b>Revenue</b>						
Department: 500 - Revenue						
5200 - Sales Tax	39,031.00	39,031.00	1,968.67	9,663.23	-29,367.77	24.76 %
5650 - Miscellaneous Revenue	1,701,555.00	1,701,555.00	87,946.01	425,038.35	-1,276,516.65	24.98 %
Department: 500 - Revenue Total:	<b>1,740,586.00</b>	<b>1,740,586.00</b>	<b>89,914.68</b>	<b>434,701.58</b>	<b>-1,305,884.42</b>	<b>24.97 %</b>
Revenue Total:	<b>1,740,586.00</b>	<b>1,740,586.00</b>	<b>89,914.68</b>	<b>434,701.58</b>	<b>-1,305,884.42</b>	<b>24.97 %</b>
<b>Expense</b>						
Department: 670 - Food & Beverage						
6100 - Payroll	117,050.00	117,050.00	8,638.60	41,966.52	75,083.48	35.85 %
6150 - Supplies	114,650.00	114,650.00	5,600.84	25,745.71	88,904.29	22.46 %
6250 - Equipment	7,500.00	7,500.00	315.00	1,519.99	5,980.01	20.27 %
6350 - Miscellaneous	28,069.00	28,069.00	2,320.36	6,358.58	21,710.42	22.65 %
Department: 670 - Food & Beverage Total:	<b>267,269.00</b>	<b>267,269.00</b>	<b>16,874.80</b>	<b>75,590.80</b>	<b>191,678.20</b>	<b>28.28 %</b>
Department: 671 - Pro Shop						
6100 - Payroll	271,610.00	271,610.00	15,080.01	59,900.37	211,709.63	22.05 %
6150 - Supplies	135,300.00	135,300.00	5,527.09	37,814.64	97,485.36	27.95 %
6200 - Training	6,500.00	6,500.00	165.75	785.75	5,714.25	12.09 %
6250 - Equipment	92,230.00	92,230.00	10,034.26	29,994.61	62,235.39	32.52 %
6300 - Professional Services	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
6350 - Miscellaneous	63,455.00	63,455.00	3,851.46	12,905.10	50,549.90	20.34 %
6450 - Insurance	14,600.00	14,600.00	0.00	13,531.02	1,068.98	92.68 %
6500 - Capital Expense	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
6600 - Information Technology	15,300.00	15,300.00	1,658.47	5,708.94	9,591.06	37.31 %
Department: 671 - Pro Shop Total:	<b>618,995.00</b>	<b>618,995.00</b>	<b>36,317.04</b>	<b>160,640.43</b>	<b>458,354.57</b>	<b>25.95 %</b>
Department: 672 - Golf Maintenance						
6100 - Payroll	388,960.00	388,960.00	28,031.72	136,750.59	252,209.41	35.16 %
6150 - Supplies	184,580.00	184,580.00	4,284.00	16,780.56	167,799.44	9.09 %
6200 - Training	4,000.00	4,000.00	0.00	175.00	3,825.00	4.38 %
6250 - Equipment	99,900.00	99,900.00	13,049.02	31,711.60	68,188.40	31.74 %
6350 - Miscellaneous	11,000.00	11,000.00	358.42	2,107.75	8,892.25	19.16 %
6400 - Vehicle Expense	22,750.00	22,750.00	2,254.60	6,497.69	16,252.31	28.56 %

Budget Report

For Fiscal: 2019-2020 Period Ending: 01/31/2020

Category	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
6450 - Insurance	12,000.00	12,000.00	0.00	12,211.01	-211.01	101.76 %
6500 - Capital Expense	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00 %
6550 - Debt Service	116,232.00	116,232.00	0.00	0.00	116,232.00	0.00 %
6600 - Information Technology	2,900.00	2,900.00	215.60	1,234.27	1,665.73	42.56 %
Department: 672 - Golf Maintenance Total:	854,322.00	854,322.00	48,193.36	207,468.47	646,853.53	24.28 %
Expense Total:	1,740,586.00	1,740,586.00	101,385.20	443,699.70	1,296,886.30	25.49 %
Fund: 09 - HAWKS CREEK GOLF COURSE Surplus (Deficit):	0.00	0.00	-11,470.52	-8,998.12	-8,998.12	0.00 %
Report Surplus (Deficit):	-2,452.13	-2,452.13	305,710.74	273,818.49	276,270.62	1,166.56 %

## Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
01 - GENERAL FUND	24,991.93	24,991.93	337,624.00	434,819.94	409,828.01
02 - WATER FUND	-1,802.00	-1,802.00	-14,425.55	89,346.67	91,148.67
03 - CRIME CONTROL	6,275.96	6,275.96	21,902.64	-8,200.23	-14,476.19
04 - CAPITAL PROJECTS	0.00	0.00	-157,898.51	-622,134.36	-622,134.36
05 - DEBT SERVICING	16,317.00	16,317.00	127,244.35	368,779.49	352,462.49
06 - STREET FUND	31,064.98	31,064.98	14,428.38	39,442.68	8,377.70
08 - WRA FUND	-79,300.00	-79,300.00	-11,694.05	-19,237.58	60,062.42
09 - HAWKS CREEK GOLF COURSE	0.00	0.00	-11,470.52	-8,998.12	-8,998.12
Report Surplus (Deficit):	-2,452.13	-2,452.13	305,710.74	273,818.49	276,270.62





## Westworth Village

### City Administrator Staff Report

Municipal Complex  
311 Burton Hill Road  
Westworth Village, TX 76114  
cityofwestworth.com

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February 11, 2020

Agenda Item: 7A

Council Chambers

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#### **Staff Recommendation:**

Approval of the fiscal year 2018-2019 audit.

#### **Prior Action:**

Finance committee will review auditors report on February 11<sup>th</sup> prior to this scheduled meeting. Council will be updated on the finance committee's recommendations during the staff briefing.

#### **Background Information/Analysis:**

Texas Local Government Code section 103 requires municipalities to have its records and accounts audited annually.

The city contracts with certified public accountants Pattillo, Brown & Hill, LLP (PBH) for third party auditing of its financial records.

PBH will present the audit in detail to the finance committee at 6pm prior to the scheduled council meeting and will do a higher level overview at the council meeting.

#### **Financial Consideration:**

N/A

**January, 2020**

# **Delinquent Tax Collection Report to the City of Westworth Village**

***Submitted by:***

**Elizabeth Banda Calvo / Elena Fernandez  
Perdue Brandon Fielder Collins & Mott, LLP**

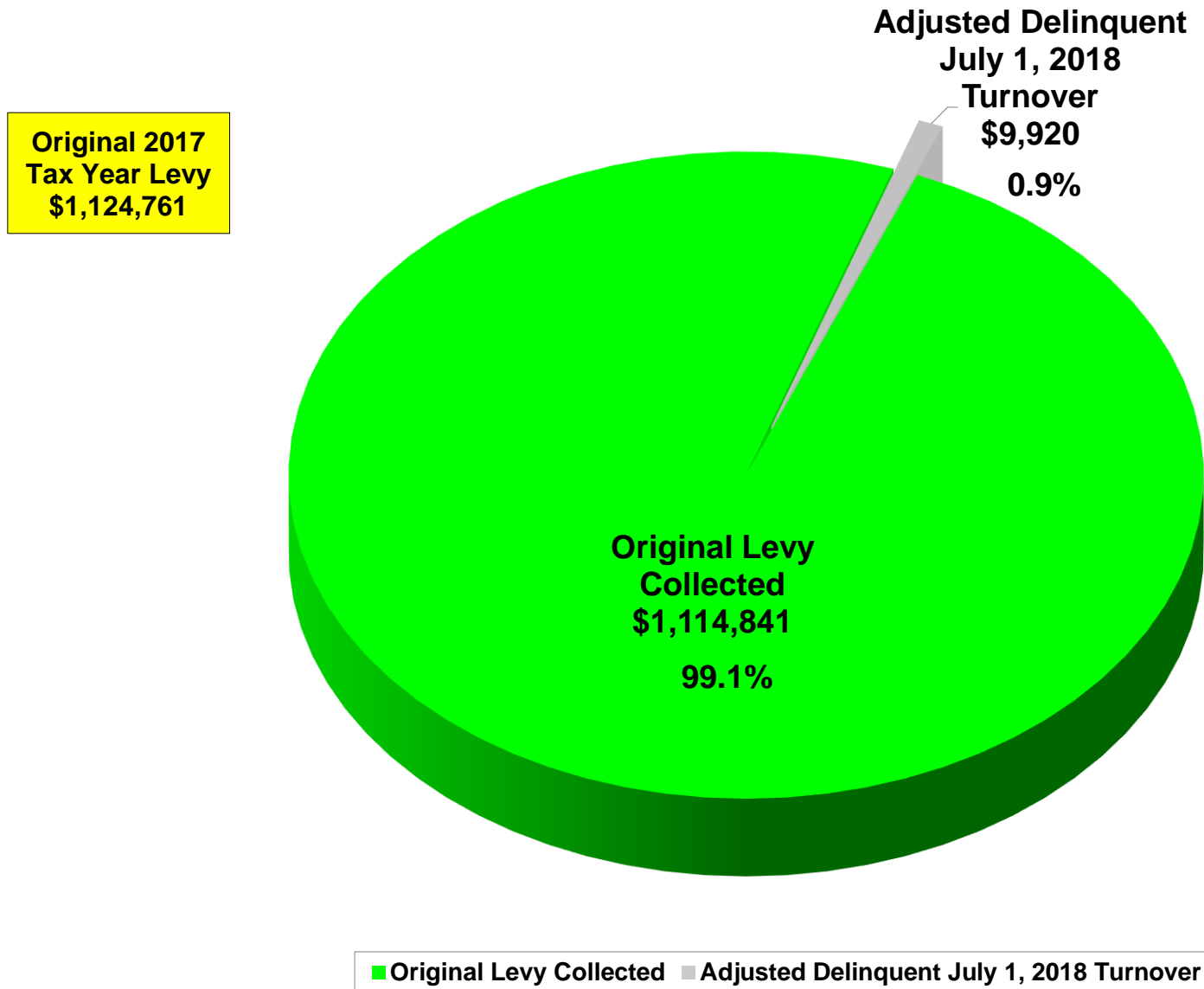
**500 E. Border Street, Suite 640  
Arlington, Texas 76010**

**817-461-3344**

**[www.pbfcml.com](http://www.pbfcml.com)**

# WESTWORTH VILLAGE

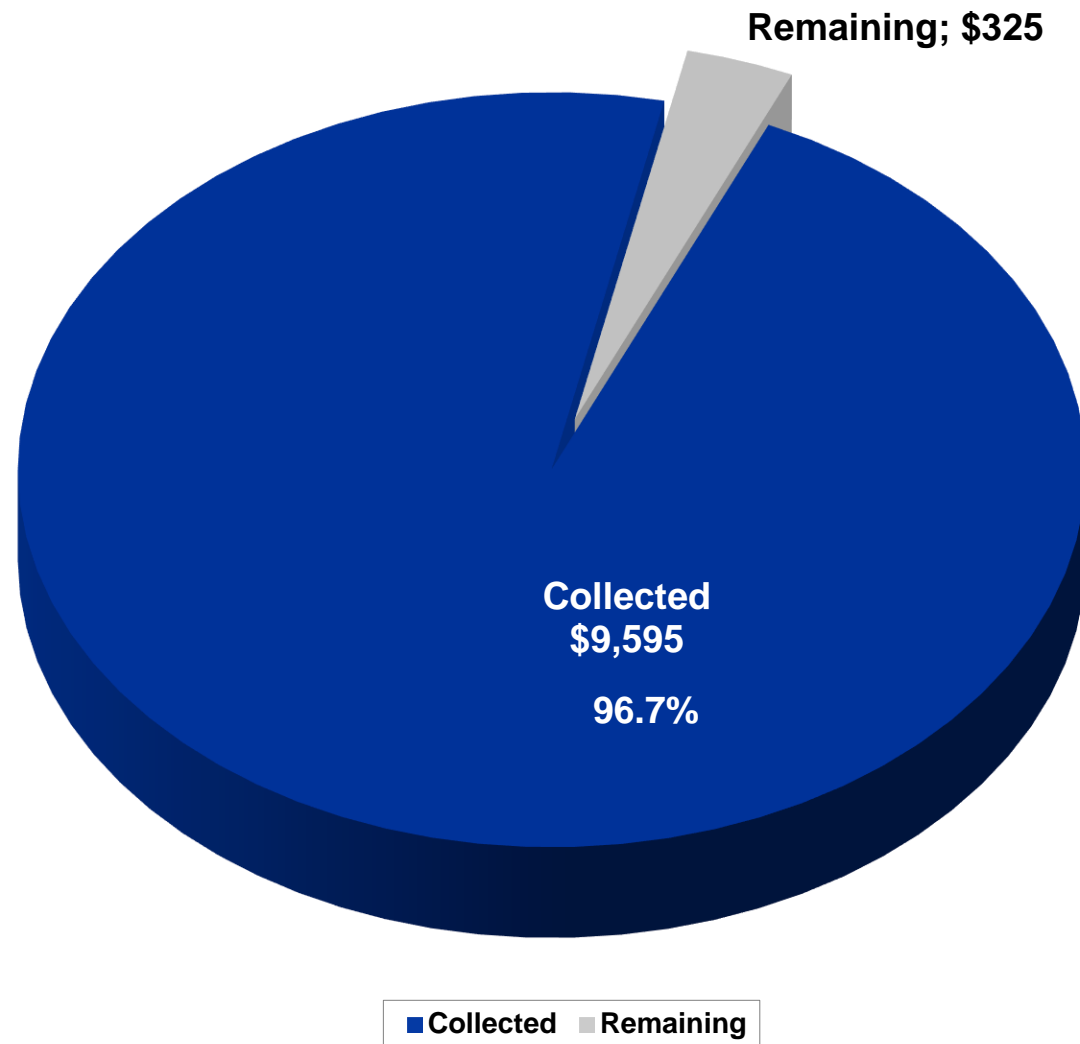
## 2017 Tax Year Analysis



**Source:** Tarrant County Tax Office, Year-to-Date Summary Report.  
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.

**WESTWORTH VILLAGE**  
**Delinquent Tax Collections for the 2017 Tax Year**  
**Collections from 7/1/18 thru 6/30/19**

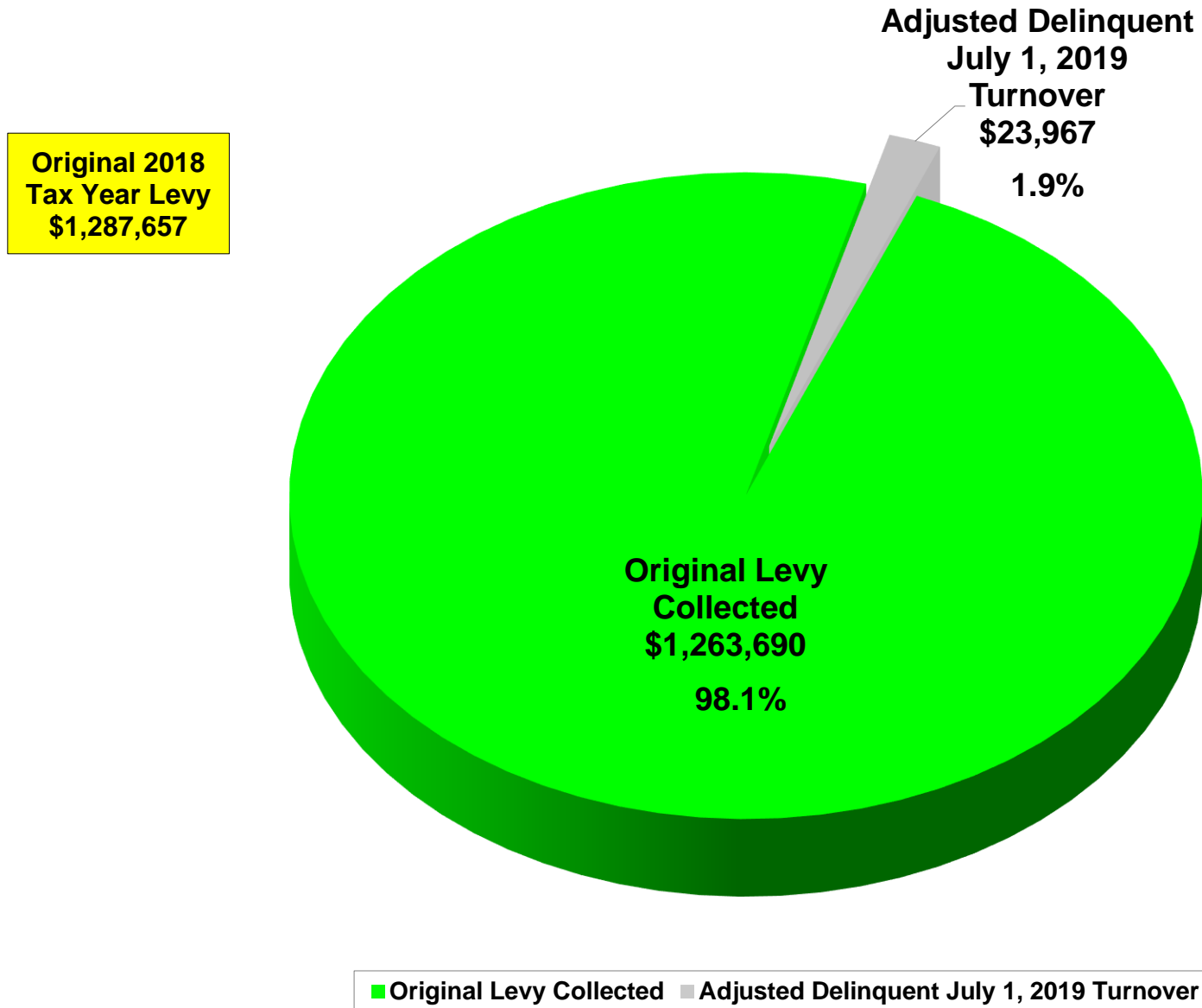
Adjusted  
Delinquent  
July 1, 2018  
Turnover  
\$9,920



**Source:** Tarrant County Tax Office, Year-To-Date Summary Reports. Collections and Turnover Account for Adjustments and Refunds. Base Taxes Only - No Penalties or Interest Added. **Perdue, Brandon, Fielder, Collins & Mott, L.L.P.**

# WESTWORTH VILLAGE

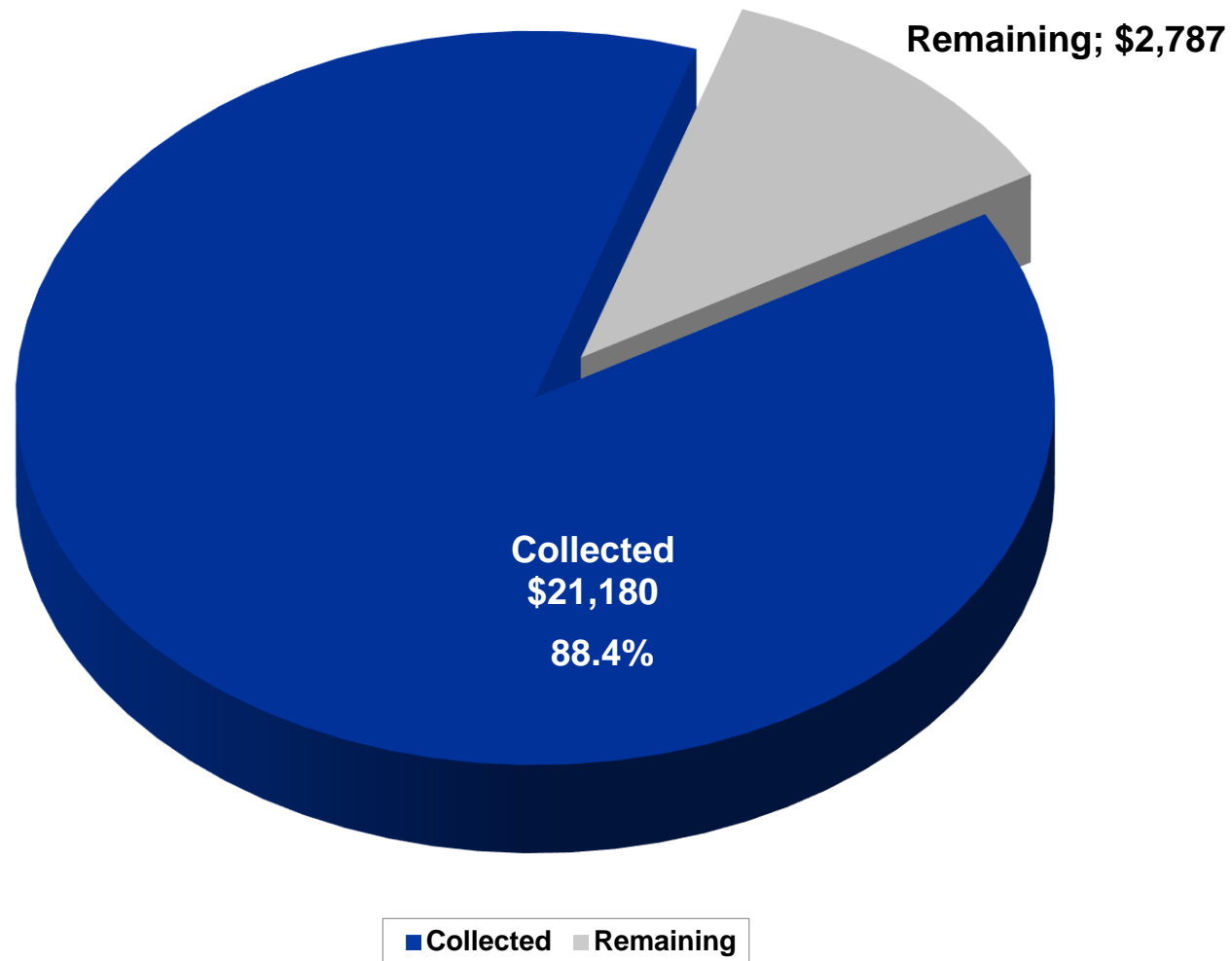
## 2018 Tax Year Analysis



**Source:** Tarrant County Tax Office, Year-to-Date Summary Report.  
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.

**WESTWORTH VILLAGE**  
**Delinquent Tax Collections for the 2018 Tax Year**  
**Collections from 7/1/19 thru 12/31/19**

**Adjusted  
Delinquent  
July 1, 2019  
Turnover  
\$23,967**



**Source:** Tarrant County Tax Office, Year-To-Date Summary Reports. Collections and Turnover Account for Adjustments and Refunds. Base Taxes Only - No Penalties or Interest Added. **Perdue, Brandon, Fielder, Collins & Mott, L.L.P.**

**CITY OF  
WESTWORTH VILLAGE, TEXAS**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2019**

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**CITY OF WESTWORTH VILLAGE, TEXAS**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2019

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## **INTRODUCTORY SECTION**

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**CITY OF WESTWORTH VILLAGE, TEXAS**

**PRINCIPAL OFFICIALS**

**CITY COUNCIL**

Kelly Jones, Mayor

Rosa Mendez – Place 1

Tiffany Aller – Place 2

John Davies – Place 3

Sharon Schmitz – Place 4

Christina Cowden – Place 5

**ADMINISTRATIVE**

Sterling L. Naron, City Administrator

Brandy Barrett, City Secretary

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and  
Members of City Council  
City of Westworth Village, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Westworth Village, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise City of Westworth Village's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

City of Westworth Village's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Westworth Village, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Westworth Village's basic financial statements. The introductory and supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2020 on our consideration of City of Westworth Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Westworth Village's internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
February 5, 2020

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Westworth Village, we offer readers of the City of Westworth Village's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$18,936,728 (net position). Of this amount, \$4,742,977 represents unrestricted net position that may be used to meet the City's ongoing obligations to citizens and creditors. Net position also reflects \$12,248,114 that is the net investment in capital assets.
- The governmental fund statements reported a combined fund balance at year-end of \$6,180,660; of which \$4,094,618, or 66% represents unassigned fund balances.
- The General Fund unassigned fund balance of \$4,094,618 equals 155% of total General Fund expenditures.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The management's discussion and analysis are intended to serve as an introduction to the City of Westworth Village's basic financial statements. The City's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) other required supplementary information in addition to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. They present the financial picture of the City from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the City (excluding infrastructure purchased or donated prior to fiscal year 2003) as well as all liabilities. Additionally, certain eliminations have occurred in regards to interfund activity, payables, and receivables.

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year using the full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, culture and recreation, and redevelopment. The business-type activities of the City are water and sewer operations and golf course. All governmental and business-type activities included in the government-wide financial statements are functions of the City (known as the primary government.)

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

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

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

The City maintains four governmental funds, the General Fund, the Westworth Redevelopment Authority Special Revenue Fund, Debt Service Fund, and the Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all of these funds which are classified as major.

The City adopts an annual appropriated budget for its General Fund, Debt Service Fund, Capital Projects Fund and Westworth Redevelopment Authority Fund. A budgetary comparison schedule has been provided in this report to demonstrate compliance with this budget.

**Proprietary funds.** The City maintains one type of proprietary fund. The City of Westworth Village uses enterprise funds to account for its water and sewer operations and golf course. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and funds financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension benefits and budgetary information.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$18,936,728 as of September 30, 2019.

**TABLE 1****CITY OF WESTWORTH VILLAGE'S NET POSITION**

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 6,828,447	\$ 6,214,357	\$ 1,158,300	\$ 1,059,574	\$ 7,986,747	\$ 7,273,931
Capital assets	<u>14,396,475</u>	<u>14,444,635</u>	<u>7,636,545</u>	<u>7,602,850</u>	<u>22,033,020</u>	<u>22,047,485</u>
Total assets	<u>21,224,922</u>	<u>20,658,992</u>	<u>8,794,845</u>	<u>8,662,424</u>	<u>30,019,767</u>	<u>29,321,416</u>
Deferred outflows of resources	<u>346,577</u>	<u>224,830</u>	<u>128,847</u>	<u>60,915</u>	<u>475,424</u>	<u>285,745</u>
Long-term liabilities	8,659,396	9,225,983	1,260,116	1,062,072	9,919,512	10,288,055
Other liabilities	<u>1,041,740</u>	<u>702,792</u>	<u>480,703</u>	<u>377,984</u>	<u>1,522,443</u>	<u>1,080,776</u>
Total liabilities	<u>9,701,136</u>	<u>9,928,775</u>	<u>1,740,819</u>	<u>1,440,056</u>	<u>11,441,955</u>	<u>11,368,831</u>
Deferred inflows of resources	<u>80,302</u>	<u>228,064</u>	<u>36,206</u>	<u>93,447</u>	<u>116,508</u>	<u>321,511</u>
Net position:						
Net investments, in capital assets	5,848,336	5,358,457	6,399,778	6,566,056	12,248,114	11,924,513
Restricted	1,945,637	1,938,167	-	-	1,945,637	1,938,167
Unrestricted	<u>3,996,088</u>	<u>3,430,359</u>	<u>746,889</u>	<u>623,780</u>	<u>4,742,977</u>	<u>4,054,139</u>
Total net position	<u>\$ 11,790,061</u>	<u>\$ 10,726,983</u>	<u>\$ 7,146,667</u>	<u>\$ 7,189,836</u>	<u>\$ 18,936,728</u>	<u>\$ 17,916,819</u>

Net investment in capital assets, the investment in capital assets (e.g., land, building, infrastructure, machinery and equipment) less any related debt used to acquire those assets that are still outstanding, is \$12,248,114. The City uses those assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional \$1,945,637 (or 10%) of the City's net position represent resources that are subject to external restrictions on how they may be used. All restricted assets of the City are being held for the purposes established by state and local laws and debt service requirements on the City's outstanding debt. The remaining portion of the City's net position, \$4,742,977, may be used to meet the City's ongoing obligations to citizens and creditors.

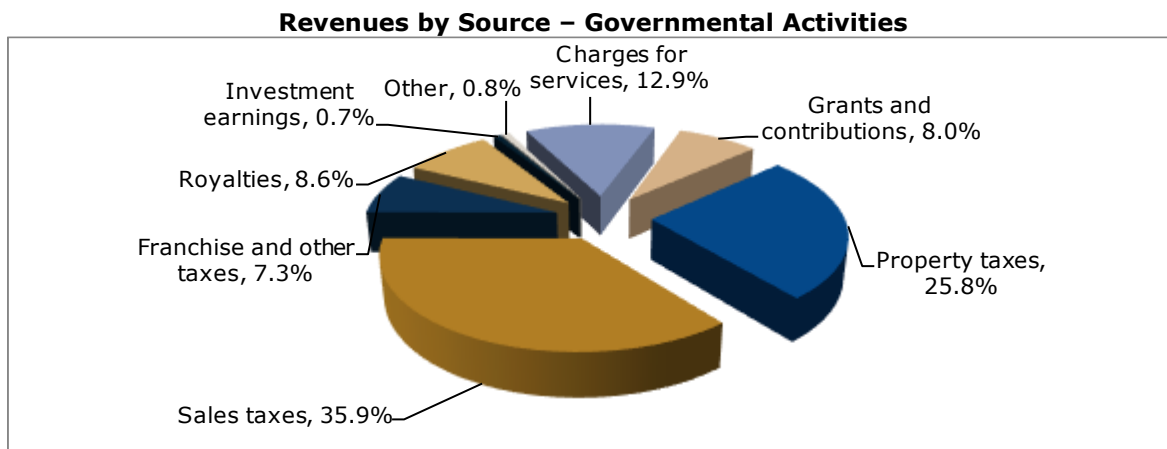
The City's total net position increased by \$1,019,909 during the current fiscal year. The City's governmental activities increased net position by \$1,063,078. The total cost of all governmental activities this year was \$3,935,595. The City's business-type activities decreased net position by \$43,169. The total cost of all business-type activities for fiscal year 2019 was \$2,950,813.

**TABLE 2**  
**CITY OF WESTWORTH VILLAGE'S CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 642,960	\$ 872,322	\$ 2,902,801	\$ 2,956,292	\$ 3,545,761	\$ 3,828,614
Operating grants and contributions	312,143	313,980	-	-	312,143	313,980
Capital grants and contributions	86,343	18,677	-	-	86,343	18,677
General revenues:						
Property taxes	1,290,577	1,208,669	-	-	1,290,577	1,208,669
Sales taxes	1,796,985	1,872,954	-	-	1,796,985	1,872,954
Franchise taxes	366,445	347,373	-	-	366,445	347,373
Royalties	432,627	112,517	-	-	432,627	112,517
Investment earnings	33,482	27,907	1,919	1,249	35,401	29,156
Other	40,035	63,965	-	-	40,035	63,965
Transfers	( 2,924)	262,427	2,924	( 262,427)	-	-
Total revenues	<u>4,998,673</u>	<u>5,100,791</u>	<u>2,907,644</u>	<u>2,695,114</u>	<u>7,906,317</u>	<u>7,795,905</u>
Expenses:						
General government	1,351,115	2,295,897	-	-	1,351,115	2,295,897
Judicial	147,095	151,741	-	-	147,095	151,741
Public safety	1,555,949	1,668,863	-	-	1,555,949	1,668,863
Public works	206,120	-	-	-	206,120	-
Culture and recreation	94,942	86,817	-	-	94,942	86,817
Redevelopment	187,595	29,302	-	-	187,595	29,302
Interest on long-term debt	392,779	348,882	-	-	392,779	348,882
Water and sewer	-	-	1,446,949	1,437,377	1,446,949	1,437,377
Golf course	-	-	1,503,864	1,717,152	1,503,864	1,717,152
Total expenses	<u>3,935,595</u>	<u>4,581,502</u>	<u>2,950,813</u>	<u>3,154,529</u>	<u>6,886,408</u>	<u>7,736,031</u>
Increase (decrease) in net position	1,063,078	519,289	( 43,169)	( 459,415)	1,019,909	59,874
Net position, beginning	10,726,983	10,248,493	7,189,836	7,665,967	17,916,819	17,914,460
Change in accounting principles	-	( 40,799)	-	( 16,716)	-	( 57,515)
Net position, beginning restated	<u>10,726,983</u>	<u>10,207,694</u>	<u>7,189,836</u>	<u>7,649,251</u>	<u>17,916,819</u>	<u>17,856,945</u>

**Governmental activities.** Governmental activities increased the City's net position by \$1,063,078. The key elements of this increase are as follows:

Revenues for the governmental activities remained consistent with the prior year except for royalties which increased over the prior year. The governmental activities increased net position from operations.





**Business-type activities.** Business-type activities decreased the City's net position by \$43,169. The golf course operated at a net loss of \$9,912 while the water and sewer fund experienced an operating income of \$2,284. Both of these figures contain depreciation in their calculation (Water Fund depreciation \$205,738, Golf Course depreciation \$169,353), totaling \$375,091.

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

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

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

As of the end of the current fiscal year, the City's governmental funds reported an ending fund balance of \$6,180,660, a decrease of \$526,492 in comparison with the prior year. \$4,094,618 or 66% of the fund balance represents unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is restricted for redevelopment \$1,507,127, debt service \$337,125, and other \$73,446.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,094,618. As a measure of the General Fund's liquidity, we compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 155%, or slightly more than 567 days of total General Fund expenditures.

The City's General fund balance increased \$617,311 during the current fiscal year. Revenues for the General Fund were \$19,818 more than the prior year.

The Debt Service fund balance decreased from \$369,557 to \$337,125. Debt service payments from this fund were slightly higher than the prior year. The City moved a penny from the M&O tax rate to the I&S tax rate, making the rates \$0.240 and \$0.245, respectively.

The WRA fund balance decreased from \$1,522,512 to \$1,507,127. The WRA received \$424,174 in gas well royalties which was then transferred into the General Fund. The WRA is responsible for maintenance of the City's parks and landscaping needs as well as continuing debt obligations.

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

The Water and Sewer fund continues to be self-supporting generating a decrease in net position of \$75,542 in FY 2019. The Water and Sewer fund contains the operating revenues and expenses associated with solid waste collection which is also self-supporting.

The Hawks Creek Golf Course (HCGC) fund had a net decrease in net position from operations of \$32,373. This decrease is primarily the result of an operating expenses exceeding operating revenues.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City did not amend the original 2019 General Fund annual budget during the fiscal year. The following are significant variations between the original budget and actual amounts:

- Actual revenues were less than budgeted by \$184,151, and
- Actual expenditures were less than budgeted by \$497,059.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** The City's investment in total capital assets, for its governmental and business-type activities as of September 30, 2019, amounts to \$22,033,020 (net of accumulated depreciation). Investments in capital assets related to governmental activities (\$14,396,475) includes land, construction in progress, buildings and improvements, infrastructure, furniture and fixtures, machinery and equipment, and vehicles. The City's investments in capital assets related to business-type activities (\$7,636,545) include the water and sewer system, golf course, machinery and equipment, and vehicles.

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

- Construction for infrastructure improvements for the governmental activities of \$487,288;
- Purchase of equipment for the business-type activities for \$404,786.

**TABLE 3**

### CITY OF WESTWORTH VILLAGE'S CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land	\$ 644,158	\$ 644,158	\$ 2,097,881	\$ 2,097,881	\$ 2,742,039	\$ 2,742,039
Construction in progress	636,005	342,441	20,000	-	656,005	342,441
Buildings and improvements	3,976,593	4,081,155	69,734	81,588	4,046,327	4,162,743
Golf course	-	-	688,358	795,447	688,358	795,447
Water and sewer system	-	-	4,243,342	4,424,299	4,243,342	4,424,299
Infrastructure	9,011,661	9,174,566	-	-	9,011,661	9,174,566
Machinery and equipment	128,058	202,315	517,230	203,635	645,288	405,950
Total capital assets	<u>\$ 14,396,475</u>	<u>\$ 14,444,635</u>	<u>\$ 7,636,545</u>	<u>\$ 7,602,850</u>	<u>\$ 22,033,020</u>	<u>\$ 22,047,485</u>

Additional information on the City's capital assets can be found in the notes to the financial statements of this report.

**Long-term debt.** At the end of the current fiscal year, the City of Westworth Village had total debt outstanding of \$9,919,512. Of this amount, \$9,509,652 represents general obligation bonds, combined tax and revenue bonds, and certificates of obligation secured by property tax collections, and \$336,070 represents capital lease obligations. The City's total debt decreased by a net amount of \$368,542. This decrease is the result of a combination of the repayment of existing debt and the issuance of general obligation refunding bonds in 2019.

State statutes limit the total property tax rate to \$2.50 per \$100 assessed valuation. The City's total property tax rate for 2019 was \$0.485 per \$100 assessed valuation, of which \$0.245 was for annual debt service.

Additional information on the City's long-term debt can be found in the notes to the financial statements of this report.

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

The annual budget is developed to provide efficient, effective and economic uses of the City's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The City is continuing a very active program in infrastructure improvements including streets, water and sewer lines and alleyways throughout the City.

In considering the City budget for fiscal year 2020, the City Council and management considered the following factors:

- Sales tax revenue is projected to increase due to an improving economic climate and the maturing of several sales tax generating retail operations;
- Property tax revenue was budgeted to increase while the City reduced its tax rate to \$0.475 per \$100 due to an increase in taxable value and new construction.
- The General Fund operational budget for the City is balanced while Debt Service is budgeted at a net \$16,317. The positive net revenue will be utilized to replenish reserve funds that were used in the prior fiscal years to cover shortfalls;
- The City remains in the process of completing a trail system through an 80/20 TAP grant.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the City of Westworth Village's finances and to show the City's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the City Secretary at 311 Burton Hill Road, Westworth Village, Texas 76114.

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**BASIC  
FINANCIAL STATEMENTS**

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**CITY OF WESTWORTH VILLAGE, TEXAS**

STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>
<b>ASSETS</b>		
Cash and investments	\$ 5,900,850	\$ 871,730
Receivables, net:		
Accounts	-	197,711
Taxes	323,139	-
Other	138,222	-
Due from other governments	13,093	-
Internal balances	( 21,309)	21,309
Inventory	-	67,550
Land held for sale	474,452	-
Capital assets:		
Nondepreciable	1,280,163	2,117,881
Depreciable, net	<u>13,116,312</u>	<u>5,518,664</u>
Total capital assets	<u>14,396,475</u>	<u>7,636,545</u>
Total assets	<u>21,224,922</u>	<u>8,794,845</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss on refunding	60,816	-
Deferred outflows related to pensions	282,372	127,319
Deferred outflows related to OPEB	<u>3,389</u>	<u>1,528</u>
Total deferred outflows of resources	<u>346,577</u>	<u>128,847</u>
<b>LIABILITIES</b>		
Accounts payable	327,404	62,327
Accrued liabilities	132,546	24,736
Due to other governments	80,306	78,797
Unearned revenue	9,255	6,510
Customer deposits	-	86,391
Long-term liabilities:		
Due within one year		
Long-term debt	562,301	102,999
Total OPEB liability	281	127
Due in more than one year		
Long-term debt	8,097,095	1,157,117
Net pension liability	440,685	198,703
Total OPEB liability	<u>51,263</u>	<u>23,112</u>
Total liabilities	<u>9,701,136</u>	<u>1,740,819</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to OPEB	3,281	1,479
Deferred inflows related to pensions	<u>77,021</u>	<u>34,727</u>
Total deferred inflows of resources	<u>80,302</u>	<u>36,206</u>
<b>NET POSITION</b>		
Net investment in capital assets	5,848,336	6,399,778
Restricted for:		
Public safety-crime control	-	-
Redevelopment	1,507,127	-
Debt service	312,713	-
Street improvements	52,351	-
Other	73,446	-
Unrestricted	<u>3,996,088</u>	<u>746,889</u>
Total net position	\$ <u>11,790,061</u>	\$ <u>7,146,667</u>

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

<u>Total</u>	<u>Component Unit Crime Control and Prevention District</u>
\$ 6,772,580	\$ 86,336
197,711	-
323,139	95,857
138,222	-
13,093	-
-	-
67,550	-
474,452	-
3,398,044	-
<u>18,634,976</u>	<u>-</u>
<u>22,033,020</u>	<u>-</u>
<u>30,019,767</u>	<u>182,193</u>
60,816	-
409,691	79,434
<u>4,917</u>	<u>953</u>
<u>475,424</u>	<u>80,387</u>
389,731	-
157,282	9,239
159,103	-
15,765	-
86,391	-
665,300	1,191
408	80
9,254,212	4,765
639,388	123,969
<u>74,375</u>	<u>14,421</u>
<u>11,441,955</u>	<u>153,665</u>
4,760	923
<u>111,748</u>	<u>21,667</u>
<u>116,508</u>	<u>22,590</u>
12,248,114	-
-	86,325
1,507,127	-
312,713	-
52,351	-
73,446	-
<u>4,742,977</u>	<u>-</u>
\$ <u>18,936,728</u>	\$ <u>86,325</u>



**CITY OF WESTWORTH VILLAGE, TEXAS**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 1,351,115	\$ 282,094	\$ 312,143	\$ 86,343
Judicial	147,095	343,646	-	-
Public safety	1,555,949	17,220	-	-
Public works	206,120	-	-	-
Culture and recreation	94,942	-	-	-
Redevelopment	187,595	-	-	-
Interest on long-term debt	392,779	-	-	-
Total governmental activities	<u>3,935,595</u>	<u>642,960</u>	<u>312,143</u>	<u>86,343</u>
Business-type activities:				
Water and sewer	1,446,949	1,437,152	-	-
Hawks creek golf course	1,503,864	1,465,649	-	-
Total business-type activities	<u>2,950,813</u>	<u>2,902,801</u>	<u>-</u>	<u>-</u>
Total primary government	<u>6,886,408</u>	<u>3,545,761</u>	<u>312,143</u>	<u>86,343</u>
Component Unit:				
Crime Control and Prevention District	\$ <u>576,235</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

General revenues:

  Taxes

    Property

    Sales

    Franchise and other taxes

  Royalties

  Investment earnings

  Miscellaneous

Transfers

  Total general revenues and transfers

Changes in net position

Net position, beginning

Net position, ending

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Crime Control and Prevention District
\$( 670,535)	\$ -	\$( 670,535)	\$ -
196,551	-	196,551	-
( 1,538,729)	-	( 1,538,729)	-
( 206,120)	-	( 206,120)	-
( 94,942)	-	( 94,942)	-
( 187,595)	-	( 187,595)	-
( 392,779)	-	( 392,779)	-
( 2,894,149)	-	( 2,894,149)	-
-	( 9,797)	( 9,797)	-
-	( 38,215)	( 38,215)	-
-	( 48,012)	( 48,012)	-
( 2,894,149)	( 48,012)	( 2,942,161)	-
-	-	-	( 576,235)
1,290,577	-	1,290,577	-
1,796,985	-	1,796,985	596,592
366,445	-	366,445	-
432,627	-	432,627	-
33,482	1,919	35,401	6
40,035	-	40,035	-
( 2,924)	2,924	-	-
3,957,227	4,843	3,962,070	596,598
1,063,078	( 43,169)	1,019,909	20,363
10,726,983	7,189,836	17,916,819	65,962
\$ 11,790,061	\$ 7,146,667	\$ 18,936,728	\$ 86,325

**CITY OF WESTWORTH VILLAGE, TEXAS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>
<b>ASSETS</b>			
Cash and investments	\$ 4,263,454	\$ 285,279	\$ 382,157
Receivables, net:			
Taxes	206,296	-	15,863
Other	122,610	-	-
Due from other governments	3,616	9,477	-
Due from other funds	-	26,340	-
Land held for resale	-	-	-
Total assets	<u>4,595,976</u>	<u>321,096</u>	<u>398,020</u>
<b>LIABILITIES</b>			
Accounts payable	120,775	205,103	-
Accrued liabilities	94,888	-	-
Due to other governments	80,306	-	-
Due to other funds	-	-	47,649
Unearned revenue	9,255	-	-
Total liabilities	<u>305,224</u>	<u>205,103</u>	<u>47,649</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	13,976	-	13,246
Unavailable revenue - court fines	108,712	-	-
Total deferred inflows of resources	<u>122,688</u>	<u>-</u>	<u>13,246</u>
<b>FUND BALANCES</b>			
Restricted for:			
Capital projects	-	115,993	-
Redevelopment	-	-	-
Debt service	-	-	337,125
Street improvements	-	-	-
Other	73,446	-	-
Unassigned	4,094,618	-	-
Total fund balances	<u>4,168,064</u>	<u>115,993</u>	<u>337,125</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>4,595,976</u>	\$ <u>321,096</u>	\$ <u>398,020</u>

Nonmajor Street Fund	Westworth Redevelopment Authority	Total Governmental Funds
\$ 2,878	\$ 967,082	\$ 5,900,850
49,473	51,507	323,139
-	15,612	138,222
-	-	13,093
-	-	26,340
-	474,452	474,452
<u>52,351</u>	<u>1,508,653</u>	<u>6,876,096</u>
-	1,526	327,404
-	-	94,888
-	-	80,306
-	-	47,649
-	-	9,255
<u>-</u>	<u>1,526</u>	<u>559,502</u>
-	-	27,222
<u>-</u>	<u>-</u>	<u>108,712</u>
<u>-</u>	<u>-</u>	<u>135,934</u>
-	-	115,993
-	1,507,127	1,507,127
-	-	337,125
52,351	-	52,351
-	-	73,446
-	-	4,094,618
<u>52,351</u>	<u>1,507,127</u>	<u>6,180,660</u>
\$ <u>52,351</u>	\$ <u>1,508,653</u>	\$ <u>6,876,096</u>

**CITY OF WESTWORTH VILLAGE, TEXAS**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION**

**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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

Total fund balances - governmental funds	\$ 6,180,660
Capital assets used in governmental activities are not reported in the funds.	14,396,475
A portion of property taxes and court fines receivable are not available to pay for current period expenditures and, therefore, are reported as deferred inflows in the funds.	135,934
Accrued bond interest is not due and payable in the current period and, therefore, is not reported in the funds.	( 37,658)
Long-term liabilities and deferred losses on bond refundings, reported as deferred outflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds.	
Long-term liabilities:	
Bonds payable	( 8,256,304)
Premium on bond issuance	( 352,651)
Compensated absences	( 50,441)
Deferred outflows of resources:	
Deferred loss on bond refunding	60,816
Included in the items related to long-term liabilities is the recognition of the City's net pension liability, total OPEB liability, and related deferred inflows and outflows	
Long-term liabilities:	
Net pension liability	( 440,685)
Total OPEB liability	( 51,544)
Deferred outflows and inflows of resources:	
Deferred outflow of resources related to OPEB	3,389
Deferred outflow of resources related to pension	282,372
Deferred inflow of resources related to pension	( 3,281)
Deferred inflow of resources related to pension	( 77,021)
Net position of governmental activities	\$ <u>11,790,061</u>

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**CITY OF WESTWORTH VILLAGE, TEXAS**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General	Capital Projects	Debt Service
<b>REVENUES</b>			
Property taxes	\$ 640,823	\$ -	\$ 655,022
Sales taxes	1,198,200	-	-
Franchise fees and other taxes	366,445	-	-
Licenses and permits	260,974	-	-
Intergovernmental	55,081	86,343	-
Charges for services	11,739	11,120	-
Fines and forfeitures	280,633	-	-
Royalties	8,453	-	-
Investment earnings	18,665	2,815	8,663
Contributions	133,923	85,000	93,220
Miscellaneous	39,192	-	-
Total revenues	<u>3,014,128</u>	<u>185,278</u>	<u>756,905</u>
<b>EXPENDITURES</b>			
Current:			
General government	853,345	3,758	-
Judicial	153,985	-	-
Public safety:			
Police	1,218,257	-	-
Fire	318,462	-	-
Public works	-	-	-
Culture and recreation	93,816	-	-
Redevelopment	-	-	-
Capital outlay	-	468,589	-
Debt service:			
Principal	-	-	525,344
Interest and other fees	-	-	365,375
Payment to escrow agent	-	-	3,714,618
Total expenditures	<u>2,637,865</u>	<u>472,347</u>	<u>4,605,337</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>376,263</u>	<u>( 287,069)</u>	<u>( 3,848,432)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of refunding bonds	-	-	3,625,000
Premium on bonds	-	-	191,000
Transfers in	716,838	191,716	-
Transfers out	( 475,790)	-	-
Total other financing sources (uses)	<u>241,048</u>	<u>191,716</u>	<u>3,816,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	617,311	( 95,353)	( 32,432)
<b>FUND BALANCES, BEGINNING</b>	<u>3,550,753</u>	<u>211,346</u>	<u>369,557</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 4,168,064</u>	<u>\$ 115,993</u>	<u>\$ 337,125</u>

Nonmajor Street Fund	Westworth Redevelopment Authority	Total Governmental Funds
\$ -	\$ -	\$ 1,295,845
299,507	299,278	1,796,985
-	-	366,445
-	-	260,974
-	-	141,424
-	-	22,859
-	-	280,633
-	424,174	432,627
-	3,339	33,482
-	-	312,143
-	843	40,035
<u>299,507</u>	<u>727,634</u>	<u>4,983,452</u>
-	-	857,103
-	-	153,985
-	-	1,218,257
-	-	318,462
206,120	-	206,120
-	-	93,816
-	185,286	185,286
17,522	-	486,111
-	143,000	668,344
-	2,559	367,934
-	-	3,714,618
<u>223,642</u>	<u>330,845</u>	<u>8,270,036</u>
<u>75,865</u>	<u>396,789</u>	<u>( 3,286,584)</u>
-	-	3,625,000
-	-	191,000
47,486	212,000	1,168,040
<u>( 71,000)</u>	<u>( 624,174)</u>	<u>( 1,170,964)</u>
<u>( 23,514)</u>	<u>( 412,174)</u>	<u>3,813,076</u>
52,351	( 15,385)	526,492
-	<u>1,522,512</u>	<u>5,654,168</u>
\$ <u>52,351</u>	\$ <u>1,507,127</u>	\$ <u>6,180,660</u>



**CITY OF WESTWORTH VILLAGE, TEXAS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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

Net change in fund balances - total governmental funds	\$ 526,492
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation. This is the amount of capital outlay reported in the current period.	487,288
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as an expenditure in the governmental funds.	( 535,448)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt uses the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Issuance of debt	3,640,000
Refunded debt	( 3,816,000)
The change in property taxes and court fines unavailable revenue is reported as revenue in the statement of activities, however, this change does not provide current financial resources and is therefore not reported as revenues in the funds.	18,145
Some expenses reported in the statement of activities and do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.	
Accrued interest payable on long-term debt	4,078
Compensated absences liability	13,202
Net pension liability	14,663
Total OPEB liability	( 3,381)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Repayment of principal on long-term debt	668,344
Amortization of:	
Premium on bond issuance	61,041
Deferred loss on bond refunding	( 15,346)
Change in net position of governmental activities - statement of activities	\$ <u>1,063,078</u>

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**CITY OF WESTWORTH VILLAGE, TEXAS**

STATEMENT OF NET POSITION  
ENTERPRISE FUNDS

SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Hawks Creek Golf Course	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 818,688	\$ 53,042	\$ 871,730
Accounts receivable, net	179,416	18,295	197,711
Due from other funds	5,166	39,422	44,588
Inventory	-	67,550	67,550
Total current assets	<u>1,003,270</u>	<u>178,309</u>	<u>1,181,579</u>
Noncurrent assets:			
Capital assets:			
Nondepreciable	20,000	2,097,881	2,117,881
Depreciable, net	<u>4,300,603</u>	<u>1,218,061</u>	<u>5,518,664</u>
Total noncurrent assets	<u>4,320,603</u>	<u>3,315,942</u>	<u>7,636,545</u>
Total assets	<u>5,323,873</u>	<u>3,494,251</u>	<u>8,818,124</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	23,967	103,352	127,319
Deferred outflows related to OPEB	<u>288</u>	<u>1,240</u>	<u>1,528</u>
Total deferred resource outflows	<u>24,255</u>	<u>104,592</u>	<u>128,847</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	50,150	12,177	62,327
Accrued liabilities	4,483	20,253	24,736
Due to other governments	76,115	2,682	78,797
Due to other funds	-	23,279	23,279
Unearned revenues	-	6,510	6,510
Customer deposits	86,391	-	86,391
Certificates of obligation	14,894	34,893	49,787
Capital leases	-	48,542	48,542
Compensated absences	<u>581</u>	<u>4,089</u>	<u>4,670</u>
Total current liabilities	<u>232,614</u>	<u>152,425</u>	<u>385,039</u>
Noncurrent liabilities:			
Certificates of obligation	254,546	596,364	850,910
Capital leases	-	287,528	287,528
Compensated absences	2,322	16,357	18,679
Net pension liability	37,405	161,298	198,703
Total OPEB liability	<u>4,374</u>	<u>18,865</u>	<u>23,239</u>
Total noncurrent liabilities	<u>298,647</u>	<u>1,080,412</u>	<u>1,379,059</u>
Total liabilities	<u>531,261</u>	<u>1,232,837</u>	<u>1,764,098</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to OPEB	278	1,201	1,479
Deferred inflows related to pensions	<u>6,537</u>	<u>28,190</u>	<u>34,727</u>
Total deferred resource inflows	<u>6,815</u>	<u>29,391</u>	<u>36,206</u>
<b>NET POSITION</b>			
Net investment in capital assets	4,051,163	2,348,615	6,399,778
Unrestricted	<u>758,889</u>	<u>( 12,000)</u>	<u>746,889</u>
Total net position	<u>\$ 4,810,052</u>	<u>\$ 2,336,615</u>	<u>\$ 7,146,667</u>

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

**CITY OF WESTWORTH VILLAGE, TEXAS**

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water and Sewer</u>	<u>Hawks Creek Golf Course</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Water services	\$ 724,362	\$ -	\$ 724,362
Sewer services	573,756	-	573,756
Sanitation services	139,034	-	139,034
Golf course	<u>-</u>	<u>1,465,649</u>	<u>1,465,649</u>
Total operating revenues	<u>1,437,152</u>	<u>1,465,649</u>	<u>2,902,801</u>
<b>OPERATING EXPENSES</b>			
Supplies and maintenance	143,927	380,229	524,156
Personnel services	144,941	730,231	875,172
Contractual services	762,899	21,166	784,065
Other	177,363	174,582	351,945
Depreciation	<u>205,738</u>	<u>169,353</u>	<u>375,091</u>
Total operating expenses	<u>1,434,868</u>	<u>1,475,561</u>	<u>2,910,429</u>
<b>OPERATING INCOME (LOSS)</b>	<u>2,284</u>	<u>( 9,912)</u>	<u>( 7,628)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest income	1,919	-	1,919
Interest expense	<u>( 12,081)</u>	<u>( 28,303)</u>	<u>( 40,384)</u>
Total nonoperating revenues (expenses)	<u>( 10,162)</u>	<u>( 28,303)</u>	<u>( 38,465)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>( 7,878)</u>	<u>( 38,215)</u>	<u>( 46,093)</u>
Transfers in	-	95,588	95,588
Transfers out	<u>( 67,664)</u>	<u>( 25,000)</u>	<u>( 92,664)</u>
<b>CHANGE IN NET POSITION</b>	<u>( 75,542)</u>	<u>32,373</u>	<u>( 43,169)</u>
<b>NET POSITION, BEGINNING</b>	<u>4,885,594</u>	<u>2,304,242</u>	<u>7,189,836</u>
<b>NET POSITION, ENDING</b>	<u>\$ 4,810,052</u>	<u>\$ 2,336,615</u>	<u>\$ 7,146,667</u>

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

**CITY OF WESTWORTH VILLAGE, TEXAS**

STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Business-type Activities - Enterprise Funds</u>		
	Water and Sewer	Hawks Creek Golf Course	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 1,440,998	\$ 1,425,641	\$ 2,866,639
Cash paid to suppliers for goods and services	( 1,110,967)	( 726,470)	( 1,837,437)
Cash paid to employees for services	( 143,454)	( 573,816)	( 717,270)
Net cash provided (used) by operating activities	<u>186,577</u>	<u>125,355</u>	<u>311,932</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash received from (paid to) other funds	( 2,381)	81,471	79,090
Transfers to other funds	( 67,664)	( 25,000)	( 92,664)
Net cash provided (used) by noncapital financing activities	<u>( 70,045)</u>	<u>56,471</u>	<u>( 13,574)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from capital related debt	-	374,786	374,786
Interest paid on capital debt	( 12,081)	( 28,303)	( 40,384)
Principal repayments on debt	( 14,555)	( 160,258)	( 174,813)
Acquisition and construction of capital assets	( 34,000)	( 374,786)	( 408,786)
Net cash provided (used) by capital and related financing activities	<u>( 60,636)</u>	<u>( 188,561)</u>	<u>( 249,197)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on investments	<u>1,919</u>	<u>-</u>	<u>1,919</u>
Net cash provided (used) by investing activities	<u>1,919</u>	<u>-</u>	<u>1,919</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	57,815	( 6,735)	51,080
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<u>760,873</u>	<u>59,777</u>	<u>820,650</u>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<u>818,688</u>	<u>53,042</u>	<u>871,730</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	2,284	( 9,912)	( 7,628)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	205,738	169,353	375,091
(Increase) decrease in accounts receivable	( 1,499)	5,618	4,119
(Increase) decrease in inventory	-	4,155	4,155
(Increase) decrease in due from other funds	-	( 39,422)	( 39,422)
(Increase) decrease in deferred outflows	( 13,979)	62	( 13,917)
Increase (decrease) in accounts payable	( 49,890)	( 1,641)	( 51,531)
Increase (decrease) in unearned revenues	-	( 6,204)	( 6,204)
Increase (decrease) in due to other governments	23,112	( 353)	22,759
Increase (decrease) in compensated absences	( 2,251)	322	( 1,929)
Increase (decrease) in net pension liability	25,877	104,489	130,366
Increase (decrease) in total OPEB liability	789	1,195	1,984
Increase (decrease) in customer deposits	5,345	-	5,345
Increase (decrease) in deferred inflows	( 8,949)	( 102,307)	( 111,256)
Net cash provided (used) by operating activities	\$ <u>186,577</u>	\$ <u>125,355</u>	\$ <u>311,932</u>

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

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# **CITY OF WESTWORTH VILLAGE, TEXAS**

## **NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2019

### **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Westworth Village, Texas, is incorporated and operates as a general law City. The City operates under a mayor-council form of government and provides the following services as authorized by its ordinances: general government, judicial, public safety (police and fire), culture and recreation, water and sewer system, and golf course.

The financial statements of the City of Westworth Village, Texas are prepared in accordance with generally accepted accounting principles (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

#### **Reporting Entity**

As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The blended component unit, although a legally separate entity, is, in substance, part of the City's operations. Thus, the blended component unit is appropriately presented as a fund of the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government.

#### **Blended Component Unit**

Westworth Redevelopment Authority – Westworth Redevelopment Authority (WRA) was created by action of the Westworth Village City Council on July 8, 1997, as a Texas nonprofit public corporation, acting on behalf of the City, and is a blended component unit in the City's financial statements. WRA provides redevelopment of certain properties, located within the City, which were part of the Carswell Air Force Base, prior to its realignment. WRA is governed by a seven-member board. Four members are appointed by the City government, and the governing body of the City is substantively the same as the governing body of the WRA. Financial statements may be obtained directly from WRA, 311 Burton Hill Road, Westworth Village, Texas 76114.

#### **Discretely Presented Component Unit**

Westworth Village Crime Control and Prevention District – The City created the entity to provide supplemental funding to the police department in order to provide funding for crime control and prevention. Funding for the Crime Control and Prevention District is generated from ¼ cent of sales tax. The governing body is currently made up of seven members, all of whom were appointed by the City Council. The entity was subject to a five-year sunset provision, which was reinstated for an additional 20 years. The Crime Control and Prevention District provides all of its services to the Citizenry City of Westworth Village, Texas, and upon its dissolution, all assets and liabilities shall be distributed to the City. The District may finance all of the costs of a crime control and crime prevention program, including the costs for personnel, administration, expansion, enhancement, and capital expenditures.

#### **Government-wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the City. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities reflects the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

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

***Governmental Funds*** are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the proprietary fund type) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

The City reports the following major governmental funds:

The ***General Fund*** is the general operating fund of the City and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

The ***Capital Projects Fund*** is used by the City to track bond and other proceeds to be used for capital construction projects. These purposes include completion of various infrastructure improvements.

The ***Debt Service Fund*** accounts for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

The ***Westworth Redevelopment Authority Fund*** is a blended component unit and is reported as a special revenue fund of the City. This fund is utilized to account for sales tax and other sources which provide funding for redevelopment of certain properties, located within the City, which were part of the Carswell Air Force Base, prior to its realignment.



Additionally, the City reports the following major proprietary funds:

The **Water and Sewer Fund** is used to account for water and sewer operations that are financed and operated in a manner similar to a private business enterprise – where the intent of the City is that the cost of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges.

The **Hawks Creek Golf Course Fund** is used to account for golf course operations that are financed and operated in a manner similar to a private business enterprise – where the intent of the City is that the cost of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### **Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position or Fund Balance**

#### **Cash and Cash Equivalents**

For purpose of presenting the proprietary fund cash flow statement, cash and cash equivalents include cash demand and time deposits and investments with a maturity of three months or less when purchased.

#### **Investments**

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

The City's deposits and investments are invested pursuant to the Investment Policy. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment. In addition, it includes an "Investment Strategy" that specifically addresses limitations on instruments, diversification, and maturity scheduling.

The City is authorized to invest in the following investment instruments provided that they meet the guidelines of the Investment Policy:

1. Obligations of the United States of America, its agencies and instrumentalities;
2. Certificates of deposit issued by a bank organized under Texas law, the laws of another state, or federal law, that has its main office or a branch office in Texas, or by a savings and loan association or a savings bank organized under Texas law, the law of another state, or federal law, that has its main office or a branch office in Texas and that is guaranteed or insured by the Federal Deposit insurance or its successor or secured by obligations in a manner and amount provided by law for deposits for the City;
3. Money market mutual funds that are 1) registered and regulated by the Securities and Exchange commission, 2) have a dollar weighted average stated maturity of 90 days or less, 4) rated AAA by at least one nationally recognized rating service, and 4) seek to maintain a net position value of \$1 per share;

4. Local government investment pools, which 1) meet the requirements of Chapter 2256.016 of the Public Funds Investment Act, 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, and 3) are authorized by resolution or ordinance by the Council.

The City participates in TexPool, which is a local government investment pool, established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller oversees TexPool, with Federated Investors managing the daily operations of the pool under a contract with the State Comptroller. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the Investment Policy and management fee structure.

### **Short-term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

### **Receivables**

Accounts receivable for water and sewer accounts, property taxes and court fines receivables are shown net of an allowance for uncollectibles. The calculation of these allowances is based on the following considerations:

- Water and sewer accounts receivable in excess of 120 days comprise the water and sewer accounts receivable allowance for uncollectibles.
- Current year property tax collections are consistently around 99% of the tax levy. The City is accumulating a property tax receivable balance which represents the approximate 1% balance not collected each year. The allowance for uncollectable property taxes is set at 51% of the uncollected balance for all years outstanding at September 30, 2019. This percentage is based on historical collections and projected future collections.
- The court fines receivable allowance is equal to 95 percent of outstanding court fines as of year-end. This percentage is based off historical collections.

Ad valorem taxes are levied each October 1 from valuations assessed as of the prior January 1 and are recognized as revenue when they become available beginning on the date of levy, October 1. Taxes are due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

### **Inventories**

All inventories are valued at cost (first-in, first-out method).

### **Land Held for Sale**

Land held for sale consists of land which was purchased from the United States Department of the Air Force through a lease. In this lease, the City agreed to purchase the land from the Air Force in accordance with the economic development conveyance application in which the City outlined a redevelopment plan for the reutilization and development of Carson Air Force Base. This land is being held for sale for future development and was obtained to provide new opportunities for commercial and industrial redevelopment and to spur job creation and was not obtained to be a profit or income generating investment to the City. This land is available for sale and is stated at the lower of cost or net realizable value.

## Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. streets, bridges, sidewalks, curbs, and drainage systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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

	Years
Buildings and improvements	30 - 50
Infrastructure	30
Golf course	15
Waterworks and sewer lines	5 - 30
Heavy machinery	3 - 20
Transportation vehicles	5 - 15
Office equipment	3 - 15

Infrastructure acquired prior to October 1, 2003, has not been recorded. The City has elected not to report major general infrastructure assets retroactively in accordance with GASB Statement No. 34.

## Compensated Absences

The City permits employees to accumulate earned but unused vacation and sick leave benefits. Sick leave is recorded when paid because employees are not compensated for unused sick leave if terminated. Unused vacation leave is carried forward from one year to the next up to certain limits. Vacation leave is accrued when incurred in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. A liability for these amounts is reported in governmental funds only if they have matured (for example, as a result of employee resignations and retirements).

## Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures.

## Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expenses, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## Other Post-Employment Benefits

**TMRS Supplemental Death Benefits Fund.** For purposes of measuring the total Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF) OPEB liability, related deferred outflows and inflows of resources, and expense, City specific information about its total TMRS SDBF liability and additions to/deductions from the City's total TMRS SDBF liability have been determined on the same basis as they are reported by TMRS. The TMRS SDBF expense and deferred (inflows)/outflows of resources related to TMRS SDBF, primarily result from changes in the components of the total TMRS SDBF liability. Most changes in the total TMRS SDBF liability will be included in TMRS SDBF expense in the period of the change. For example, changes in the total TMRS SDBF liability resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in TMRS SDBF expense immediately. Changes in the total TMRS SDBF liability that have not been included in TMRS SDBF expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to TMRS SDBF.

## Fund Balance

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council, the City's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

## **Deferred outflows/inflows of resources**

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

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension and OPEB contributions subsequent to the measurement date – These contributions are deferred and recognized in the following fiscal year.
- Differences between projected and actual investment earnings on pension assets. This difference is deferred and amortized over a closed five-year period.
- Differences between expected and actual economic experience related to the TMRS pension liability and TMRS SDBF OPEB liability.
- Changes in actuarial assumptions related to the TMRS pension liability and the total TMRS SDBF OPEB liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Differences between expected and actual economic experience related to the TMRS pension liability.
- Unavailable revenue, which only arises under a modified accrual basis of accounting.
- Changes in actuarial assumptions related to the total TMRS SDBF OPEB liability.

## **Net Position**

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

## **Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

## II. DETAILED NOTES ON ALL FUNDS

### A. Deposits and Investments

As of September 30, 2019, the City had the following investments:

<u>Investment Type</u>	<u>Reporting Value</u>	<u>Weighted Average Maturity (Days)</u>
Tex Pool	\$ 526,791	34

TexPool has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

**Interest Rate Risk** – Investments are exposed to interest rate risk if changes in market interest rates will adversely affect the fair value of an investment. The City's policy is to invest in securities maturing less than two years from the date of purchase, and the portfolio will have a weighted average maturity of 365 days or less. The City's investments included investment pools and, therefore, were not exposed to interest rate risk as of year-end.

**Credit Risk** – State statute requires that investments in Local Government Investment Pools be rated AAA or the equivalent by a nationally recognized credit rating agency. As of year-end, the TexPool investment pool was rated AAAM by Standard & Poor's.

**Concentration of Credit Risk** –The City's investment policies limits exposure of concentration of credit risk by restricting investments in the following investment instruments. However, at September 30, 2019, the City was over-exposed on the Money Market Mutual Funds category by 3%. The City set funds aside in its money market account during the fiscal year for the Trails project but due to a slowdown in the project, did not spend the funds as planned.

	<u>Actual Percentage of Portfolio</u>	<u>Maximum Percentage of Portfolio</u>
U. S. Treasury Securities	- %	85%
Agencies and Instrumentalities	- %	85%
Certificates of Deposit	- %	85%
Money Market Mutual Funds	88%	85%
Authorized Pools	12%	100%

**Custodial Credit Risk** – In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. At year-end, the City's entire deposit balance was collateralized with securities held by the pledging financial institution or covered by FDIC insurance.

## B. Receivables

Receivables as of year-end for the City's individual major funds and discretely presented component unit, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds				Enterprise Funds		Component Unit	
				Westworth			Crime Control	
	General	Debt Service	Streets	Redevelopment Authority	Water and Sewer	Hawks Creek Golf Course	and Prevention District	Total
Receivables:								
Accounts:								
Customers	\$ -	\$ -	\$ -	\$ -	\$ 191,932	\$ 18,295	\$ -	\$ 210,227
Court fines	2,174,229	-	-	-	-	-	-	2,174,229
Royalties	-	-	-	15,612	-	-	-	15,612
Other	733	-	-	-	-	-	-	733
Taxes:								
Property	33,723	32,237	-	-	-	-	-	65,960
Sales	187,798	-	49,473	51,507	-	-	95,857	384,635
Other	1,905	-	-	-	-	-	-	1,905
Franchise fees	13,165	-	-	-	-	-	-	13,165
Gross receivables	2,411,553	32,237	49,473	67,119	191,932	18,295	95,857	2,866,466
Allowance for uncollectibles	( 2,082,647)	( 16,374)	-	-	( 12,516)	-	-	( 2,111,537)
Net total receivables	\$ 328,906	\$ 15,863	\$ 49,473	\$ 67,119	\$ 179,416	\$ 18,295	\$ 95,857	\$ 754,929

## C. Interfund Balances and Activity

Interfund balances as of year-end were as follows:

Receivable Fund	Payable Fund	Amount
Water Sewer	Hawks Creek Golf Course	\$ 3,308
Water Sewer	Debt Service	1,858
Capital Projects	Debt Service	6,369
Capital Projects	Hawks Creek Golf Course	19,971
Hawks Creek Golf Course	Debt Service	39,422
Total		\$ 70,928

Interfund balances resulted from the timing difference between the dates that (1) reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers during the year were as follows:

Transfers In	Transfers Out	Amounts
General Fund	WRA	\$ 624,174
General Fund	Water and sewer	67,664
General Fund	Hawks Creek Golf Course	25,000
Capital projects	Streets Reconstruction	71,000
Capital projects	General Fund	120,716
Streets Reconstruction	General Fund	47,486
WRA	General Fund	212,000
Hawks Creek Golf Course	General Fund	95,588
Total		<u>\$ 1,263,628</u>

Transfers were generally used (1) to transfer funds from the Water and Sewer, and Westworth Redevelopment Authority Funds to the General Fund for administrative services, (2) to transfer gas royalty proceeds from the Westworth Redevelopment Authority to the General Fund to fund projects, (3) to transfer funds to the Capital Projects Fund to cover expenditures for certain projects, (4) to transfer funds to the Streets Reconstruction fund for streets projects, and (5) to transfer funds to Hawks Creek Golf Course to cover operating costs.

#### D. Capital Assets

Capital asset activity for the governmental activities for the fiscal year ended September 30, 2019, was as follows:

##### **Governmental Activities**

	Balance 10/1/2018	Increases	Transfers/ Decreases	Balance 9/30/2019
Capital assets, not being depreciated:				
Land	\$ 644,158	\$ -	\$ -	\$ 644,158
Construction in progress	342,441	487,288	( 193,724)	636,005
Total capital assets not being depreciated	<u>986,599</u>	<u>487,288</u>	<u>( 193,724)</u>	<u>1,280,163</u>
Capital assets, being depreciated:				
Buildings and improvements	5,490,180	-	-	5,490,180
Infrastructure	10,698,879	-	193,724	10,892,603
Machinery and equipment	1,746,984	-	-	1,746,984
Total capital assets, being depreciated	<u>17,936,043</u>	<u>-</u>	<u>193,724</u>	<u>18,129,767</u>
Less: accumulated depreciated for:				
Buildings and improvements	( 1,409,024)	( 104,563)	-	( 1,513,587)
Infrastructure	( 1,524,313)	( 356,629)	-	( 1,880,942)
Machinery and equipment	( 1,544,670)	( 74,256)	-	( 1,618,926)
Total capital assets being depreciated	<u>( 4,478,007)</u>	<u>( 535,448)</u>	<u>-</u>	<u>( 5,013,455)</u>
Total capital assets being depreciated, net	<u>13,458,036</u>	<u>( 535,448)</u>	<u>193,724</u>	<u>13,116,312</u>
Total capital assets - governmental activities	<u>\$ 14,444,635</u>	<u>\$ ( 48,160)</u>	<u>\$ -</u>	<u>\$ 14,396,475</u>



Capital asset activity for the business-type activities for the fiscal year ended September 30, 2019, was as follows:

**Business-type Activities**

	Balance 10/1/2018	Increases	Decreases	Balance 9/30/2019
Capital assets, not being depreciated:				
Land	\$ 2,097,881	\$ -	\$ -	\$ 2,097,881
Construction in progress	-	20,000	-	20,000
Total capital assets not being depreciated	<u>2,097,881</u>	<u>20,000</u>	<u>-</u>	<u>2,117,881</u>
Capital assets, being depreciated:				
Buildings and improvements	458,923	-	-	458,923
Golf course	2,751,272	-	-	2,751,272
Water and sewer system	6,669,946	-	-	6,669,946
Machinery and equipment	<u>1,140,848</u>	<u>404,786</u>	<u>( 16,000)</u>	<u>1,529,634</u>
Total capital assets, being depreciated	<u>11,020,989</u>	<u>404,786</u>	<u>( 16,000)</u>	<u>11,409,775</u>
Less: accumulated depreciated for:				
Buildings and improvements	( 377,365)	( 11,824)	-	( 389,189)
Golf course	( 1,955,825)	( 107,089)	-	( 2,062,914)
Water and sewer system	( 2,245,646)	( 180,958)	-	( 2,426,604)
Machinery and equipment	<u>( 937,184)</u>	<u>( 75,220)</u>	<u>-</u>	<u>( 1,012,404)</u>
Total capital assets being depreciated	<u>( 5,516,020)</u>	<u>( 375,091)</u>	<u>-</u>	<u>( 5,891,111)</u>
Total capital assets being depreciated, net	<u>5,504,969</u>	<u>29,695</u>	<u>( 16,000)</u>	<u>5,518,664</u>
Total capital assets - business-type activities	<u>\$ 7,602,850</u>	<u>\$ 49,695</u>	<u>\$ ( 16,000)</u>	<u>\$ 7,636,545</u>

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

Governmental activities:	
General government	\$ 512,186
Public safety	19,689
Culture and recreation	1,264
Redevelopment	<u>2,309</u>
Total governmental activities	<u>\$ 535,448</u>
Business-type activities:	
Water and sewer	\$ 208,329
Hawks creek golf course	<u>166,762</u>
Total business-type activities	<u>\$ 375,091</u>

**E. Long-term Debt**

The City issues a variety of long-term debt instruments in order to acquire and/or construct major capital facilities and equipment for governmental and business-type activities. These instruments include certificates of obligation, revenue bonds, general obligation bonds and capital leases. These debt obligations are secured by either future tax revenue, golf course revenue, or liens on property and equipment. Debt obligations that are intended to be repaid from golf course revenue have been recorded as business-type activities. All other long-term obligations of the City are considered to be governmental type activities.

**Current Refunding**

In 2019, the City issued \$3,625,000 in General Obligation refunding bonds with interest rates ranging from 2% to 3%. The proceeds were used to refund \$3,640,000 of outstanding Combination Tax and Revenue Certificates of Obligation, Series 2010 and General Obligation Bonds, Series 2010.

The reacquisition price exceeded the net carrying amount of the old debt by \$60,816. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt. The City's total debt service payments over the next 11 years decreased by \$366,365 to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$338,269.

### Certificates of Obligation and Bonds

A summary of the terms of general obligation bonds, combination tax and revenue bonds, and certificates of obligation outstanding at September 30, 2019, follows:

Series and Original Issue Amount	Final Maturity	Interest Rate	Outstanding 9/30/2019	
<b>Governmental Activities</b>				
<u>Certificates of Obligation Bonds</u>				
2017 Certificates of Obligation	\$ 1,743,000	2032	2.63%	\$ 1,552,000
2013 Certificates of Obligation	4,000,000	2033	2%-5%	3,079,304
<u>General Obligation Bonds</u>				
2019 General Obligation Bonds	3,625,000	2030	2%-5%	<u>3,625,000</u>
Total governmental activities				\$ <u>8,256,304</u>
<b>Business-type Activities</b>				
<u>Certificates of Obligation Bonds</u>				
2013 Certificates of Obligation	\$ 1,170,000	2033	2%-5%	\$ <u>900,697</u>

Annual debt service requirements for the governmental activities for general obligation bonds, certificates of obligation, and tax and revenue bonds are as follows:

Fiscal Year Ending	General Obligation Bonds		Certificates of Obligation		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 280,000	\$ 109,135	\$ 170,213	\$ 133,075	\$ 450,213	\$ 242,210
2021	290,000	386,650	174,081	127,969	464,081	514,619
2022	300,000	87,950	181,818	122,747	481,818	210,697
2023	310,000	78,950	185,687	116,838	495,687	195,788
2024	320,000	69,650	193,424	109,410	513,424	179,060
2025-2029	1,745,000	198,700	1,094,778	419,779	2,839,778	618,479
2030-2034	<u>380,000</u>	<u>11,400</u>	<u>1,079,303</u>	<u>137,476</u>	<u>1,459,303</u>	<u>148,876</u>
Total	<u>\$ 3,625,000</u>	<u>\$ 942,435</u>	<u>\$ 3,079,304</u>	<u>\$ 1,167,294</u>	<u>\$ 6,704,304</u>	<u>\$ 2,109,729</u>

Annual debt service requirements for the governmental activities private placement certificates of obligations are as follows:

Fiscal Year Ending	Certificates of Obligation	
	Principal	Interest
2020	\$ 102,000	\$ 40,818
2021	104,000	38,135
2022	107,000	35,400
2023	110,000	32,586
2024	113,000	29,693
2025-2029	610,000	102,307
2030-2032	<u>406,000</u>	<u>21,540</u>
Total	<u>\$ 1,552,000</u>	<u>\$ 300,479</u>

Annual debt service requirements for the business-type activities for certificates of obligation bonds are as follows:

Fiscal Year Ending	Certificates of Obligation	
	Principal	Interest
2020	\$ 49,787	\$ 38,925
2021	50,919	37,431
2022	53,182	35,903
2023	54,313	34,175
2024	56,576	32,003
2025-2029	320,222	122,786
2030-2034	<u>315,698</u>	<u>40,212</u>
Total	\$ <u>900,697</u>	\$ <u>341,434</u>

### Federal Arbitrage

General obligation bonds, combination tax and revenue bonds and certificates of obligation are subject to the provisions of the Internal Revenue Code of 1986 related to arbitrage and interest income tax regulations under those provisions.

### Obligations Under Capital Leases

In the current and prior years, the City entered into capital lease agreements in order to purchase golf carts and other equipment for the golf course. These capital lease agreements have interest rates ranging from 2.97% - 8.99%. The assets acquired through these capital lease agreements are as follows:

	Business-type Activities
Equipment	\$ 508,432
Less: accumulated depreciation	( 176,066)
Total	\$ <u>332,366</u>

Future minimum lease payments for capital leases obligations are as follows:

Fiscal Year Ending	Business-type Activities
2020	\$ 82,825
2021	62,930
2022	62,919
2023	164,804
Amount representing interest	( 37,408)
Present value of future minimum capital lease payments	\$ <u>336,070</u>

## Changes in Long-term Liabilities

Long-term liability activity of the City for the year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
General obligation bonds	\$ 2,750,000	\$ 3,625,000	\$ 2,750,000	\$ 3,625,000	\$ 280,000
Certificates of obligation	4,395,648	-	1,316,344	3,079,304	170,213
Certificates of obligation Private placement	1,651,000	-	99,000	1,552,000	102,000
Tax and revenue bonds	143,000	-	143,000	-	-
Premium on bond issuance	222,692	191,000	61,041	352,651	-
Compensated absences	<u>63,643</u>	<u>106,725</u>	<u>119,927</u>	<u>50,441</u>	<u>10,088</u>
Governmental activities long-term liabilities	<u>\$ 9,225,983</u>	<u>\$ 3,922,725</u>	<u>\$ 4,489,312</u>	<u>\$ 8,659,396</u>	<u>\$ 562,301</u>
<b>Business-type activities</b>					
Certificates of obligation	\$ 949,352	\$ -	\$ 48,655	\$ 900,697	\$ 49,787
Capital lease obligations	87,441	374,786	126,157	336,070	48,542
Compensated absences	<u>25,278</u>	<u>29,122</u>	<u>31,051</u>	<u>23,349</u>	<u>4,670</u>
Business-type activities long-term liabilities	<u>\$ 1,062,071</u>	<u>\$ 403,908</u>	<u>\$ 205,863</u>	<u>\$ 1,260,116</u>	<u>\$ 102,999</u>

The compensated absence liability attributable to the governmental activities will be liquidated primarily by the General Fund.

The City's general obligation bonds are secured by revenue from ad valorem taxes on all taxable property in the City. The certificates of obligation are payable from annual ad valorem taxes levied against all taxable property in the City and payable from a limited pledge of the surplus net revenues, not to exceed \$1,000, derived from the operation of the City's combined waterworks and sewer system. Should the City default on these bonds, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the City to make payment.

The City's direct borrowings (capital leases) are secured by the financed equipment as collateral.

Long-term liability activity of the discretely presented component unit for the year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>CCPD</b>					
Compensated absences	\$ <u>15,008</u>	\$ <u>13,580</u>	\$ <u>22,632</u>	\$ <u>5,956</u>	\$ <u>1,191</u>
Component unit long-term liabilities	<u>\$ 15,008</u>	<u>\$ 13,580</u>	<u>\$ 22,632</u>	<u>\$ 5,956</u>	<u>\$ 1,191</u>

## F. General Fund Restricted Fund Balance

At September 30, 2019, the General Fund other restricted fund balance consisted of the following:

Court security	\$ 39,976
Police donations	1,641
CCPD donations	266
Library donations	811
Fire donations	4,637
Replacement of trees	<u>26,115</u>
Total	<u>\$ 73,446</u>

## **G. Defined Benefit Pension Policies**

**Plan Descriptions.** The City participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agency multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmrs.com](http://www.tmrs.com).

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

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

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

The City grants monetary credits for service rendered of a theoretical amount equal to two times what would have been contributed by the employee, with interest. Monetary credits, also known as the matching ratio, are 200% of the employee's accumulated contributions and are only payable in the form of an annuity.

Beginning in 2010, the City granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 2010, the City provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years to any age, 5 years at age 60 and above
Updated service credit	100% repeating
Cost of living adjustments (COLA) for retirees	70% of consumer price index (CPI)

The employer contribution rate cannot exceed a statutory maximum rate, which is based on a combination of the employee contribution rate and the City matching percentage. There is an optional higher maximum rate that may be applied in certain circumstances if elected by participating cities, or a city may elect to remove the maximum rate. The City of Westworth Village, Texas has elected to use the optional higher maximum contribution rate which is 11.32%.

### ***Employees covered by benefit terms***

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	19
Inactive employees entitled to but not yet receiving benefits	52
Active employees	<u>45</u>
Total	<u><u>116</u></u>

**Contributions.** The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are with 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contributions rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Westworth Village were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 12.33% and 11.75% in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2019 were \$300,595 and were equal to the required contributions.

**Net Pension Liability.** The City's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

### ***Actuarial assumptions:***

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.30%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.39%
Real Return	10.0%	3.78%
Real Estate	10.0%	4.44%
Absolute Return	10.0%	3.56%
Private Equity	5.0%	7.75%
Total	100.0%	

### ***Discount Rate***

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

### ***Changes in the Net Pension Liability***

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2017	\$ 5,412,415	\$ 5,144,325	\$ 268,090
Changes for the year:			
Service cost	430,778	-	430,778
Interest	372,622	-	372,622
Difference between expected and actual experience	5,663	-	5,663
Contributions - employer	-	300,595	( 300,595)
Contributions - employee	-	170,654	( 170,654)
Net investment income	-	( 154,319)	154,319
Benefit payments, including refunds of employee contributions	( 214,962)	( 214,962)	-
Administrative expense	-	( 2,978)	2,978
Other changes	-	( 156)	156
Net changes	594,101	98,834	495,267
Balance at 12/31/2018	\$ 6,006,516	\$ 5,243,159	\$ 763,357

The net pension liability attributable to the governmental activities will be liquidated primarily by the General Fund.

The following presents the net pension liability/(asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) of 1-percentage-higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 1,761,528	\$ 763,357	\$ ( 32,985)

#### ***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. The report may be obtained on the Internet at [www.tmrs.com](http://www.tmrs.com).

**Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions.** For the year ended September 30, 2019, the City recognized pension expense of \$301,626.

At September 30, 2019, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 4,099	\$ 133,415
Changes in actuarial assumptions	3,681	-
Difference between projected and actual investment earnings	266,663	-
Contributions subsequent to the measurement date	<u>214,682</u>	<u>-</u>
Total	<u>\$ 489,125</u>	<u>\$ 133,415</u>

\$214,682 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows related to pensions will be recognized in pension expenses as follows:

Year Ended September 30,	
2020	\$ 11,212
2021	( 4,361)
2022	33,864
2023	<u>100,313</u>
Total	<u>\$ 141,028</u>



## H. Defined Other Post-Employment Benefit Plans

### TMRS Supplemental Death Benefits Fund

**Plan Description.** The City voluntarily participates in the Texas Municipal Retirement System Supplemental Death Benefits Fund (TMRS SDBF). The SDBF is a single-employer defined benefit Other Postemployment Benefit (OPEB) plan as defined by GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. It is established and administered in accordance with the TMRS Act identically to the City's pension plan.

**Benefits Provided.** The SDBF provides group-term life insurance to City employees who are active members in TMRS, including or not including retirees. The City Council opted into this program via an ordinance, and may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

Payments from this fund are similar to group-term life insurance benefits, and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other employment benefit and is a fixed amount of \$7,500.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	4
Active employees	<u>45</u>
Total	<u><u>64</u></u>

**Contributions.** The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.19% for 2019 and 0.19% for 2018, of which 0.02% and 0.02%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's contributions to the SDBF for the years ended September 30, 2019 and 2018 were \$491 and \$563, respectively, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

**Actuarial Assumptions.** The Total OPEB Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Measurement year ended December 31,	2018
Inflation rate	2.50% per annum
Discount rate	3.71%
Actuarial cost method	Entry Age Normal Method
Projected salary increases	3.50% to 10.5% including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the following:

Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who became disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor. Administrative expenses for the SDBF are paid through the TMRS Pension Trust Fund and are wholly accounted for under the provisions of GASB Statement No. 68.

Changes in assumptions reflect the annual change in the municipal bond rate. The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

**Discount Rate.** The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. As such, a single discount rate of 3.71% was used to measure the Total OPEB Liability. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2018.

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the Total OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.71%) in measuring the Total OPEB Liability.

	1% Decrease in Discount Rate (2.71%)	Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
Total OPEB Liability	\$ 107,564	\$ 89,284	\$ 75,169

**OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEBs.** At September 30, 2019, the City reported a liability of \$89,284 for its Total OPEB Liability. The Total OPEB Liability was determined by an actuarial valuation as of December 31, 2018. For the year ended September 30, 2020, the City recognized OPEB expense of \$12,343. There were no changes of benefit terms that affected measurement of the Total OPEB Liability during the measurement period.

#### **Changes in the Total OPEB Liability**

	Total OPEB Liability
Balance at 12/31/2017	\$ 83,391
Changes for the year:	
Service cost	9,264
Interest	2,905
Differences between expected and actual experience	974
Changes of assumptions	( 6,762)
Benefit payments	( 488)
Net changes	5,893
Balance at 12/31/2018	\$ 89,284

The total OPEB liability attributable to the governmental activities will be liquidated primarily by the General Fund.

Changes in assumptions reflect a change in the discount rate from 3.31% to 3.71%.

At September 30, 2019, the City reported deferred outflows and inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 819	\$ -
Changes in actuarial assumptions	4,685	5,683
Contributions subsequent to the measurement date	366	-
Totals	\$ 5,870	\$ 5,683

\$366 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2020. Other amounts of the reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,		
2020	\$	174
2021		174
2022		174
2023		174
2024	(	627)
Thereafter	(	248)

### III. OTHER INFORMATION

#### A. Economic Dependency

Since the City's largest revenue in the General Fund and the discretely presented component unit, Crime Control and Prevention District, is sales tax, revenue may vary according to the strength of the economy of the Dallas-Fort Worth metropolitan area.

#### B. Other Commitments and Contingencies

##### **Contracts**

The City contracted with Progressive Waste Solutions of Texas, Inc. for the collection, hauling, recycling and disposal of municipal solid waste, construction and demolition waste, and recyclable materials. The City bills directly the residential customers a set monthly rate and pays Progressive Waste Solutions of Texas, Inc. monthly.

In addition, the City receives a franchise fee from Progressive Waste Solutions of Texas, Inc. The franchise fee is 5% of commercial billings. For the fiscal year ended September 30, 2019, the City expensed \$118,397 for sanitation services provided by Progressive Waste Solutions of Texas, Inc.

The City has a contract with the City of Fort Worth, Texas, for the purchase of treated water and for sewage treatment. The contract for water, dated November 16, 2010. The contract for sewer is dated May 8, 1987, for a 30-year period. Charges are incurred when actual delivery occurs and the rates are adjusted periodically. For the fiscal year ended September 30, 2019, the City's purchases for water and sewer treatment were \$593,982.

##### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

## **Litigation**

In fiscal year 2016, based upon the advice of counsel, the City contacted the City of White Settlement to inform it that as of September 30, 2016, the City would cease all payments to the City of White Settlement under the City of Westworth Village/Allegiance Commercial Development, LP economic development program grant agreement (the "agreement"). In fiscal year 2017, the City of White Settlement (the "plaintiff") filed a lawsuit claiming the City breached the agreement. The City sought to have the case dismissed, arguing immunity from the suit. The trial court denied the request, which the City immediately appealed. The Court of Appeals agreed that the trial court properly denied the request. As such, the City has petitioned the Texas Supreme Court, where the case is pending. As of year-end, a determination on the merits of the case has not yet been made. Should the Supreme Court refuse to hear the case, the case will revert to the trial court for a full trial on the merits of the plaintiff's claims.

If successful, the plaintiff will be entitled to recover all monies under the term of the agreement since the City ceased payment, as well as a re-instatement of those payments in the future. The plaintiff could also be entitled to attorneys' fees if it prevails. Management believes it is not probable the plaintiff will prevail in this case. As of year-end, the amount potentially payable to the plaintiff is \$1,592,968.

## **Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the City's participation in the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for liability, property, and workers' compensation insurance. These are self-sustaining risk pools operated on a statewide basis for the benefit of several hundred Texas cities and other public entities. The City pays annual premiums to the TMLIRP, which retains risk of loss up to \$1,000,000 for general liability, statutory limits for workers' compensation, \$1,000,000 for law enforcement liability, \$500,000 for errors and omissions liability, \$1,000,000 for automobile liability, \$8,949,037 for real and personal property, and \$1,858,883 for mobile equipment. The City obtains independent coverage for losses in excess of these amounts. The City retains no risk except for deductible amounts ranging from \$500 to \$10,000.

There have been no significant reductions in coverage in the past fiscal year and there have been no settlements exceeding insurance coverage in the current year or the past three fiscal years.

## **C. Related Party Transactions**

In 2019, the City received professional services from a firm that is partially owned by a member of City Council. The City paid the vendor \$17,304 for services. The member of City Council abstained from voting during decisions made about this vendor.

In 2019, a company owned by a member of City Council granted easements to the City in exchange for consideration of \$1. The council member abstained from voting during decisions made about this transaction.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

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**CITY OF WESTWORTH VILLAGE, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 629,047	\$ 629,047	\$ 640,823	\$ 11,776
Sales taxes	1,104,600	1,104,600	1,198,200	93,600
Franchise fees and other taxes	376,000	376,000	366,445	( 9,555)
Licenses and permits	158,600	158,600	260,974	102,374
Intergovernmental	49,000	49,000	55,081	6,081
Charges for services	10,700	10,700	11,739	1,039
Fines and forfeitures	357,300	357,300	280,633	( 76,667)
Royalties	-	-	8,453	8,453
Investment earnings	9,000	9,000	18,665	9,665
Contributions	134,730	134,730	133,923	( 807)
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>39,192</u>	<u>38,192</u>
Total revenues	<u>2,829,977</u>	<u>2,829,977</u>	<u>3,014,128</u>	<u>184,151</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,162,683	1,162,683	853,345	309,338
Judicial	145,046	145,046	153,985	( 8,939)
Public safety:				
Police	1,419,826	1,419,826	1,218,257	201,569
Fire	313,986	313,986	318,462	( 4,476)
Culture and recreation	<u>93,383</u>	<u>93,383</u>	<u>93,816</u>	<u>( 433)</u>
Total expenditures	<u>3,134,924</u>	<u>3,134,924</u>	<u>2,637,865</u>	<u>497,059</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 304,947)</u>	<u>( 304,947)</u>	<u>376,263</u>	<u>681,210</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	305,950	305,950	716,838	410,888
Transfers out	<u>-</u>	<u>-</u>	<u>( 475,790)</u>	<u>( 475,790)</u>
Total other financing sources (uses)	<u>305,950</u>	<u>305,950</u>	<u>241,048</u>	<u>( 64,902)</u>
<b>NET CHANGE IN FUND BALANCE</b>	1,003	1,003	617,311	616,308
<b>FUND BALANCE, BEGINNING</b>	<u>3,550,753</u>	<u>3,550,753</u>	<u>3,550,753</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	\$ <u>3,551,756</u>	\$ <u>3,551,756</u>	\$ <u>4,168,064</u>	\$ <u>616,308</u>

**CITY OF WESTWORTH VILLAGE, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
WESTWORTH REDEVELOPMENT AUTHORITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>REVENUES</b>				
Sales taxes	\$ 276,150	\$ 276,150	\$ 299,278	\$ 23,128
Royalties	-	-	424,174	424,174
Investment earnings	1,500	1,500	3,339	1,839
Miscellaneous	<u>1,200</u>	<u>1,200</u>	<u>843</u>	<u>( 357)</u>
Total revenues	<u>278,850</u>	<u>278,850</u>	<u>727,634</u>	<u>448,784</u>
<b>EXPENDITURES</b>				
Current:				
Redevelopment	172,740	172,740	185,286	( 12,546)
Debt service:				
Principal	259,000	259,000	143,000	116,000
Interest and other fees	<u>5,486</u>	<u>5,486</u>	<u>2,559</u>	<u>2,927</u>
Total expenditures	<u>437,226</u>	<u>437,226</u>	<u>330,845</u>	<u>106,381</u>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>				
<b>OVER (UNDER) EXPENDITURES</b>	<u>( 158,376)</u>	<u>( 158,376)</u>	<u>396,789</u>	<u>555,165</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	212,000	( 212,000)
Transfers out	<u>( 277,914)</u>	<u>( 277,914)</u>	<u>( 624,174)</u>	<u>( 346,260)</u>
Total other financing sources (uses)	<u>( 277,914)</u>	<u>( 277,914)</u>	<u>( 412,174)</u>	<u>( 558,260)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 436,290)</u>	<u>( 436,290)</u>	<u>( 15,385)</u>	<u>420,905</u>
<b>FUND BALANCE, BEGINNING</b>	<u>1,522,512</u>	<u>1,522,512</u>	<u>1,522,512</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 1,086,222</u>	<u>\$ 1,086,222</u>	<u>\$ 1,507,127</u>	<u>\$ 420,905</u>



## **CITY OF WESTWORTH VILLAGE, TEXAS**

### **NOTES TO BUDGETARY SCHEDULES**

SEPTEMBER 30, 2019

#### **Budgets and Budgetary Accounting**

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

1. On or before the first day of September of each year and at least 30 days prior to adoption of a tax rate for the current fiscal year, the City Mayor or his designated representative submits to the City Council a balanced budget for the ensuing fiscal year.
2. The City Council holds one or more public hearings on the proposed budget prior to the final adoption.
3. The City Council adopts the proposed budget, with or without amendment, after public hearings and before the first day of the ensuing fiscal year.
4. Annual budgets for the General Fund, Capital Projects Fund, Debt Service Fund, and Westworth Redevelopment Authority are adopted on a basis consistent with generally accepted accounting principles and are presented in the City's annual financial report.
5. Unused appropriations of the above annually budgeted funds lapse at the end of each fiscal year.
6. The City Council may authorize additional appropriations during the year.

#### **Excess of Expenditures Over Appropriations**

For the year ended September 30, 2019, expenditures exceeded appropriations in the following functions/characters (legal level of budgetary control) of the General Fund: judicial, fire, and culture and recreation. The Westworth Redevelopment Authority fund expenditures exceeded appropriations in the redevelopment function. The capital projects fund expenditures exceeded appropriations in the general government function. Additionally, the Street Fund expenditures exceeded appropriations in the public works function. These overages were funded by transfers from other funds.

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**CITY OF WESTWORTH VILLAGE, TEXAS**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

<b>Measurement Date December 31,</b>	<b><u>2014</u></b>	<b><u>2015</u></b>
<b>A. Total pension liability</b>		
Service Cost	\$ 325,980	\$ 388,961
Interest (on the Total Pension Liability)	243,407	278,811
Changes in benefit terms	-	-
Difference between expected and actual experience	38,910	( 92,096)
Changes of assumptions	-	37,923
Benefit payments, including refunds of employee contributions	( 101,637)	( 166,399)
Net change in total pension liability	506,660	447,200
Total pension liability - beginning	<u>3,365,067</u>	<u>3,871,727</u>
Total pension liability - ending (a)	<u>\$ 3,871,727</u>	<u>\$ 4,318,927</u>
<b>B. Plan fiduciary net position</b>		
Contributions - employer	\$ 174,048	\$ 265,005
Contributions - employee	148,036	166,527
Net investment income	169,991	4,958
Benefit payments, including refunds of employee contributions	( 101,637)	( 166,399)
Administrative Expenses	( 1,774)	( 3,019)
Other	( 146)	( 150)
Net change in plan fiduciary net position	388,518	266,922
Plan fiduciary net position - beginning	<u>2,970,851</u>	<u>3,359,369</u>
Plan fiduciary net position - ending (b)	<u>\$ 3,359,369</u>	<u>\$ 3,626,291</u>
<b>C. Net pension liability - ending (a) - (b)</b>	<u>\$ 512,358</u>	<u>\$ 692,636</u>
<b>D. Plan fiduciary net position as a percentage of total pension liability</b>	86.77%	83.96%
<b>E. Covered payroll</b>	\$ 2,114,797	\$ 2,378,963
<b>F. Net position liability as a percentage of covered payroll</b>	24.23%	29.12%

Note: GASB Statement No. 68 requires 10 years of data to be provided in this schedule but information prior to 2014 is not available.

<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 419,166	\$ 460,456	\$ 430,778
309,126	343,022	372,622
95,890	-	-
( 128,502)	( 169,119)	5,663
-	-	-
( 89,509)	( 147,042)	( 214,962)
606,171	487,317	594,101
<u>4,318,927</u>	<u>4,925,098</u>	<u>5,412,415</u>
\$ <u>4,925,098</u>	\$ <u>5,412,415</u>	\$ <u>6,006,516</u>
\$ 270,685	\$ 305,447	\$ 300,595
173,516	179,966	170,654
245,319	585,757	( 154,319)
( 89,509)	( 147,042)	( 214,962)
( 2,768)	( 3,034)	( 2,978)
( 149)	( 154)	( 156)
597,094	920,940	98,834
<u>3,626,291</u>	<u>4,223,385</u>	<u>5,144,325</u>
\$ <u>4,223,385</u>	\$ <u>5,144,325</u>	\$ <u>5,243,159</u>
\$ <u>701,713</u>	\$ <u>268,090</u>	\$ <u>763,357</u>
85.75%	95.05%	87.29%
\$ 2,478,804	\$ 2,570,942	\$ 2,437,908
28.31%	10.43%	31.31%

**CITY OF WESTWORTH VILLAGE, TEXAS**

**SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

<b>Fiscal Year Ended September 30,</b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>
Actuarial determined contribution	\$ 167,183	\$ 239,897	\$ 263,345
Contributions in relation to the actuarially determined contribution	<u>167,183</u>	<u>239,897</u>	<u>263,345</u>
Contribution deficiency (excess)	-	-	-
Covered payroll	2,058,565	2,265,872	2,400,339
Contributions as a percentage of covered payroll	8.12%	10.59%	10.97%

Note: GASB Statement No. 68 requires 10 years of data to be provided in this schedule but information prior to 2014 is not available.

**NOTES TO SCHEDULE OF PENSION CONTRIBUTIONS**

**Valuation Date:**

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

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	27 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis of with BB.

**Other Information:**

Notes There were no benefit changes during the year.

<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
\$ 303,440	\$ 305,447	\$ 300,595
<u>303,440</u>	<u>305,447</u>	<u>300,595</u>
-	-	-
2,613,573	2,479,769	2,457,342
11.61%	12.32%	12.23%

**CITY OF WESTWORTH VILLAGE, TEXAS**

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFITS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

<b>Measurement Date December 31,</b>	<b><u>2017</u></b>	<b><u>2018</u></b>
<b>A. Total OPEB liability</b>		
Service Cost	\$ 8,484	\$ 9,264
Interest (on the Total OPEB Liability)	2,646	2,905
Differences between expected and actual experience	-	974
Changes of assumptions and other inputs	6,881	( 6,762)
Benefit payments, including refunds of employee contributions	( 771)	( 488)
Net change in Total OPEB liability	17,240	5,893
Total OPEB liability - beginning	<u>66,151</u>	<u>83,391</u>
Total OPEB liability - ending	<u>\$ 83,391</u>	<u>\$ 89,284</u>
<b>B. Covered-employee payroll</b>	\$ 2,570,942	\$ 2,437,908
<b>C. Total OPEB liability as a percentage of covered-employee payroll</b>	3.24%	3.66%

**Notes to Schedule:**

- No assets are accumulated in a trust for the retiree health care plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.
- Included in the changes of assumptions was a increase in the discount rate from 3.31% to 3.71%.

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## **SUPPLEMENTAL INFORMATION**

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**CITY OF WESTWORTH VILLAGE, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 642,152	\$ 642,152	\$ 655,022	\$ 12,870
Investment earnings	1,500	1,500	8,663	7,163
Contributions	<u>237,219</u>	<u>237,219</u>	<u>93,220</u>	<u>( 143,999)</u>
Total revenues	<u>880,871</u>	<u>880,871</u>	<u>756,905</u>	<u>( 123,966)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	574,000	574,000	525,344	48,656
Interest and other fees	376,732	376,732	365,375	11,357
Payment to escrow agent	<u>-</u>	<u>-</u>	<u>3,714,618</u>	<u>( 3,714,618)</u>
Total expenditures	<u>950,732</u>	<u>950,732</u>	<u>4,605,337</u>	<u>( 3,654,605)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>				
<b>OVER (UNDER) EXPENDITURES</b>	<u>( 69,861)</u>	<u>( 69,861)</u>	<u>( 3,848,432)</u>	<u>( 3,778,571)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding bonds	-	-	3,625,000	( 3,625,000)
Premium on bonds	<u>-</u>	<u>-</u>	<u>191,000</u>	<u>( 191,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,816,000</u>	<u>( 3,816,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	( 32,432)	32,432
<b>FUND BALANCE, BEGINNING</b>	<u>369,557</u>	<u>369,557</u>	<u>369,557</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 299,696</u>	<u>\$ 299,696</u>	<u>\$ 337,125</u>	<u>\$ 37,429</u>

Note: The original and final budgeted debt service expenditures include payments that are made from a proprietary fund. This results in a variance between budgeted and actual amounts.

**CITY OF WESTWORTH VILLAGE, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 1,366,917	\$ 1,366,917	\$ 86,343	\$( 1,280,574)
Charges for services	11,120	11,120	11,120	-
Investment earnings	3,500	3,500	2,815	( 685)
Contributions	40,000	40,000	85,000	45,000
Total revenues	<u>1,381,537</u>	<u>1,381,537</u>	<u>185,278</u>	<u>( 1,196,259)</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	3,758	( 3,758)
Capital outlay	<u>2,291,125</u>	<u>2,291,125</u>	<u>468,589</u>	<u>1,822,536</u>
Total expenditures	<u>2,291,125</u>	<u>2,291,125</u>	<u>472,347</u>	<u>1,818,778</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 909,588)</u>	<u>( 909,588)</u>	<u>( 287,069)</u>	<u>622,519</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>869,588</u>	<u>869,588</u>	<u>191,716</u>	<u>( 677,872)</u>
Total other financing sources (uses)	<u>869,588</u>	<u>869,588</u>	<u>191,716</u>	<u>( 677,872)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 40,000)</u>	<u>( 40,000)</u>	<u>( 95,353)</u>	<u>( 55,353)</u>
<b>FUND BALANCE, BEGINNING</b>	<u>211,346</u>	<u>211,346</u>	<u>211,346</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 171,346</u>	<u>\$ 171,346</u>	<u>\$ 115,993</u>	<u>\$( 55,353)</u>

**CITY OF WESTWORTH VILLAGE, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
STREET FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>REVENUES</b>				
Sales tax	\$ 276,150	\$ 276,150	\$ 299,507	\$ 23,357
Total revenues	<u>276,150</u>	<u>276,150</u>	<u>299,507</u>	<u>23,357</u>
<b>EXPENDITURES</b>				
Current:				
Public works	175,272	175,272	206,120	( 30,848)
Capital outlay	<u>27,000</u>	<u>27,000</u>	<u>17,522</u>	<u>9,478</u>
Total expenditures	<u>202,272</u>	<u>202,272</u>	<u>223,642</u>	<u>( 21,370)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>				
<b>OVER (UNDER) EXPENDITURES</b>	<u>73,878</u>	<u>73,878</u>	<u>75,865</u>	<u>1,987</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	47,486	47,486
Transfers out	<u>( 71,000)</u>	<u>( 71,000)</u>	<u>( 71,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>( 71,000)</u>	<u>( 71,000)</u>	<u>( 23,514)</u>	<u>47,486</u>
<b>NET CHANGE IN FUND BALANCE</b>	2,878	2,878	52,351	49,473
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	\$ <u>2,878</u>	\$ <u>2,878</u>	\$ <u>52,351</u>	\$ <u>49,473</u>

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## **COMPLIANCE SECTION**

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

Honorable Mayor and Members  
of the City Council and Citizens  
City of Westworth Village, Texas

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Westworth Village, Texas (the "City") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 5, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
February 5, 2020



Honorable Mayor and  
Members of the City Council  
City of Westworth Village, Texas

We have audited the financial statements of the City of Westworth Village, Texas as of and for the year ended September 30, 2019, and have issued our report thereon date February 5, 2020. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated February 4, 2020, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Westworth Village, Texas solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, and, as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

As part of the engagement we assisted in preparing the financial statements and related notes to the financial statements of the City of Westworth Village in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

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### **OFFICE LOCATIONS**

**TEXAS** | Waco | Temple | Hillsboro | Houston  
**NEW MEXICO** | Albuquerque

In order to ensure we maintain our independence for performing these nonaudit services certain safeguards were applied to this engagement. Management assumed responsibility for the financial statements and related notes to the financial statements and any other nonaudit services we provided. Management acknowledged, in the management representation letter, our assistance with the preparation of the financial statements and related notes to the financial statements and that these items were reviewed and approved prior to their issuance and accepted responsibility for them. Further, the nonaudit services were overseen by an individual within management that has the suitable skill, knowledge, or experience; evaluated the adequacy and results of the services; and accepted responsibility for them.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Westworth Village, Texas is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the current year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the accumulated depreciation is based on the related estimated useful lives of capital assets. We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for uncollectible accounts for property tax receivables is based on a historical collection rate of outstanding property taxes. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for uncollectible trade accounts receivable is based on a historical rate of trade accounts receivable in excess of 120 days. We evaluated the key factors and assumptions used to develop the allowance for uncollectible trade accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for uncollectible court fines and fees receivable is based on a historical collection rate of outstanding court fines and fees. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability and pension expense are based on actuarial assumptions which are determined by the demographics of the plan and future projections made by the actuary based on historical information of the plan and the investment market. We evaluated the key factors and assumptions used to develop the net pension liability and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimate of the total OPEB liability and OPEB expense are based on actuarial assumptions which are determined by the demographics of the plan and future projections made by the actuary based on historical information of the plan and the investment market. We evaluated the key factors and assumptions used to develop the net pension liability and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City of Westworth Village, Texas' financial statements relate to the TMRS pension and OPEB liabilities.

The disclosures in the financial statements are neutral, consistent, and clear.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

Material misstatements related to the following areas detected as a result of our audit procedures were corrected by management:

- Sales tax receivable
- Gas royalties
- Accounts payable
- Fund balance
- Accounts receivable and allowance for uncollectible accounts receivables
- Interfund balances and transfers
- Capital assets
- Long-term liabilities

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City of Westworth Village, Texas' financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the management representation letter dated February 5, 2020.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the City of Westworth Village, Texas, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City of Westworth Village, Texas' auditors.

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

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
February 5, 2020

**Westworth Village****City Administrator  
Staff Report**

Municipal Complex  
311 Burton Hill Road  
Westworth Village, TX 76114  
cityofwestworth.com

February 11, 2020

Agenda Item: 7B

Council Chambers

**Staff Recommendation:**

Judge Callaway recommends approval, staff concurs.

**Prior Action:**

INCODE software upgrade increased the ability for inter-governmental agency corporation.

**Background Information/Analysis:**

The Texas Department of Public Safety can place a hold on an identification card or driver's license renewal if requested to do so by the municipal court. In the past this process was done manually and was very time consuming. The recent software upgrade provides an avenue for electronic data transmissions to TxDPS. TxDPS requires an interlocal agreement to use their enforcement and compliance services using electronic data transmissions.

Judge Callaway highly recommends using this tool to increase compliance in court appearances.

**Financial Consideration:**

N/A

**Interlocal Cooperation Contract  
Failure to Appear (FTA) Program**

State of Texas  
County of Tarrant

**I. PARTIES AND AUTHORITY**

This Interlocal Cooperation Contract (Contract) is entered into between the Department of Public Safety of the State of Texas (DPS), an agency of the State of Texas and the Municipal Court of the [City or County] of Westworth Village (Court), a political subdivision of the State of Texas, referred to collectively in this Contract as the Parties, under the authority granted in Tex. Transp. Code Chapter 706 and Tex. Gov't Code Chapter 791 (the Interlocal Cooperation Act).

**II. BACKGROUND**

As permitted under Tex. Transp. Code § 706.008, DPS contracts with a private vendor (Vendor) to provide and establish an automated FTA system that accurately stores information regarding violators subject to the provisions of Tex. Transp. Code Chapter 706. DPS uses the FTA system to properly deny renewal of a driver license to a person who is the subject of an FTA system entry.

**III. PURPOSE**

This Contract applies to each FTA Report submitted by the Court to DPS or its Vendor and accepted by DPS or its Vendor.

Court will supply information to DPS, through its Vendor, that is necessary to deny renewal of the driver license of a person who fails to appear for a complaint or citation or fails to pay or satisfy a judgment ordering payment of a fine and cost in the manner ordered by the Court in a matter involving any offense that Court has jurisdiction of under Tex. Code Crim. Proc. Chapter 4.

**IV. PERIOD OF PERFORMANCE**

This Contract will be effective on the date of execution and will automatically renew on the anniversary date of execution for up to three additional years unless terminated earlier.

**V. COURT RESPONSIBILITIES**

**A. Written warnings**

A peace officer authorized to issue citations within the jurisdiction of the Court must issue a written warning to each person to whom the officer issues a citation for a traffic law violation. This warning must be provided in addition to any other warnings required by law. The warning must state in substance that if the person fails to appear in court for the prosecution of the offense or if the person fails to pay or satisfy a judgment ordering the payment of a fine and cost in the manner ordered by the Court, the person may be denied



renewal of the person's driver license. The written warning may be printed on the citation or on a separate instrument.

#### **B. FTA Report**

An FTA Report is a notice sent by Court requesting a person be denied renewal in accordance with this Contract. The Court may submit an FTA Report to Vendor if a person fails to appear or fails to pay or satisfy a judgment as required by law. There is no requirement that a criminal warrant be issued in response to the person's failure to appear. The Court must make reasonable efforts to ensure that all FTA Reports are accurate, complete, and non-duplicative. The FTA Report must include the following information:

1. the jurisdiction in which the alleged offense occurred;
2. the name of the court submitting the report;
3. the name, date of birth, and Texas driver license number of the person who failed to appear or failed to pay or satisfy a judgment;
4. the date of the alleged violation;
5. a brief description of the alleged violation;
6. a statement that the person failed to appear or failed to pay or satisfy a judgment as required by law;
7. the date that the person failed to appear or failed to pay or satisfy a judgment; and
8. any other information required by DPS.

#### **C. Clearance Reports**

The Court that files the FTA Report has a continuing obligation to review the FTA Report and promptly submit appropriate additional information or reports to the Vendor. The clearance report must identify the person, state whether or not a fee was required, and advise DPS to lift the denial of renewal and state the grounds for the action. All clearance reports must be submitted immediately, but no later than two business days, from the time and date that the Court receives appropriate payment or other information that satisfies the person's obligation to that Court.

To the extent that a Court uses the FTA system by submitting an FTA Report, the Court must collect the statutorily required \$10.00 reimbursement fee. If the person is acquitted of the underlying offense for which the original FTA Report was filed, the Court will not require payment of the reimbursement fee.

Court must submit a clearance report for the following circumstances:

1. the perfection of an appeal of the case for which the warrant of arrest was issued or judgment arose;
2. the dismissal of the charge for which the warrant of arrest was issued or judgment arose;
3. the posting of a bond or the giving of other security to reinstate the charge for which the warrant was issued;
4. the payment or discharge of the fine and cost owed on an outstanding judgment of the Court; or

5. other suitable arrangement to pay the fine and cost within the Court's discretion.

DPS will not continue to deny renewal of the person's driver license after receiving notice from the Court that the FTA Report was submitted in error or has been destroyed in accordance with the Court's record retention policy.

**D. Quarterly Reports and Audits**

Court must submit quarterly reports to DPS in a format established by DPS.

Court is subject to audit and inspection at any time during normal business hours and at a mutually agreed upon location by the state auditor, DPS, and any other department or agency, responsible for determining that the Parties have complied with the applicable laws. Court must provide all reasonable facilities and assistance for the safe and convenient performance of any audit or inspection.

Court must correct any non-conforming transactions performed by the Court, at its own cost, until acceptable to DPS.

Court must keep all records and documents regarding this Contract for the term of this Contract and for seven years after the termination of this Contract.

**E. Accounting Procedures**

Court must keep separate, accurate, and complete records of the funds collected and disbursed and must deposit the funds in the appropriate municipal or county treasury. Court may deposit such fees in an interest-bearing account and retain the interest earned on such accounts for the Court.

Court will allocate \$6.00 of each \$10.00 reimbursement fee received for payment to the Vendor and \$4.00 for credit to the general fund of the municipal or county treasury.

**F. Non-Waiver of Fees**

Court will not waive the \$10.00 reimbursement fee for any person that has been submitted on an FTA Report, unless the person is deemed to be indigent, or the person is acquitted of the charges for which the person failed to appear.

Failure to comply with this section will result in: (i) termination of this Contract for cause; and (ii) the removal of all outstanding entries of the Court in the FTA Report, resulting in the lifting of any denied driver license renewal status from DPS.

**G. Litigation Notice**

The Court must make a good-faith attempt to immediately notify DPS in the event that the Court becomes aware of litigation in which this Contract or Tex. Transp. Code Chapter 706 is subject to constitutional, statutory, or common-law challenge, or is struck down by judicial decision.

**VI. PAYMENTS TO VENDOR**

Court must pay the Vendor a fee of \$6.00 per person for each violation which has been reported to the Vendor and for which the Court has subsequently collected the statutorily required \$10.00 reimbursement fee. In the event that the person has been acquitted of the underlying charge or is indigent, no payment will be made to the Vendor or required of the Court.

Court agrees that payment will be made to the Vendor no later than the last day of the month following the close of the calendar quarter in which the payment was received by the Court.

DPS will not pay Vendor for any fees collected by Court.

**VII. GENERAL TERMS AND CONDITIONS**

- A. Compliance with Law.** The Court understands and agrees that it will comply with all local, state, and federal laws in the performance of this Contract, including administrative rules adopted by DPS.
- B. Contract Amendment.** DPS and Court may amend this Contract through a written amendment signed by an authorized signatory on behalf of the respective party.
- C. Notice.** The respective party will send the other party notice as noted in this section.

Court	Department of Public Safety
Attn.: <a href="#">City Secretary - Contracts</a>	Enforcement & Compliance Service 5805 North Lamar Blvd.
Address: <a href="#">311 Burton Hill Road</a>	Austin, Texas 78752-0001
Address: <a href="#">Westworth Village, TX 76114</a>	(512) 424-5311 [fax]
Fax: <a href="#">817-710-2544</a>	<a href="mailto:Driver.Improvement@dps.texas.gov">Driver.Improvement@dps.texas.gov</a>
Email: <a href="mailto:bbarrett@cityofwestworth.com">bbarrett@cityofwestworth.com</a>	(512) 424-7172
Phone: <a href="#">817-710-2526</a>	

- D. Termination.** Either party may terminate this Contract with 30 days' written notice. DPS may also terminate this Contract for cause if Court doesn't comply with Section V.F., *Non-Waiver of Fees*. After termination, the Court has a continuing obligation to report dispositions and collect fees for all violators in the FTA system at the time of termination. Failure to comply with the continuing obligation to report will result in the removal of all

outstanding entries of the Court in the FTA Report, resulting in the lifting of any denied driver license renewal status from DPS.

### VIII. CERTIFICATIONS

The Parties certify that (1) the Contract is authorized by the governing body of each party; (2) the purpose, terms, rights, and duties of the Parties are stated within the Contract; and (3) each party will make payments for the performance of governmental functions or services from current revenues available to the paying party.

The undersigned signatories have full authority to enter into this Contract on behalf of the respective Parties.

**Court\***

**Department of Public Safety**

L. Kelly Jones

**Authorized Signature**

Mayor

**Title**

02/11/2020

**Date**

**Driver License Division Chief or Designee**

**Date**

\*An additional page may be attached if more than one signature is required to execute this Contract on behalf of the Court. Each signature block must contain the person's title and date.





**Westworth Village****City Administrator  
Staff Report**

Municipal Complex  
311 Burton Hill Road  
Westworth Village, TX 76114  
cityofwestworth.com

February 11, 2020

Agenda Item: 7C

Council Chambers

**Staff Recommendation:**

Approval of Ordinance 457

**Prior Action:**

Adoption of earlier year versions

**Background Information/Analysis:**

Currently the city operates under the 2012 international building code, residential code, plumbing code, mechanical code, and fuel gas code, the 2008 electrical code, and the 2015 energy conservation code.

NCTCOG reviews the published codes to make proposed amendments and recommends adoption by the municipalities within their region.

Staff is recommending approval with NCTCOG's amendments.

**Financial Consideration:**

N/A



AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF WESTWORTH VILLAGE, TEXAS ADOPTING THE 2018 EDITIONS OF THE *INTERNATIONAL BUILDING CODE*, THE *INTERNATIONAL PLUMBING CODE*, THE *INTERNATIONAL MECHANICAL CODE*, THE *INTERNATIONAL FUEL GAS CODE*, THE *INTERNATIONAL RESIDENTIAL CODE*, AND THE *INTERNATIONAL ENERGY CONSERVATION CODE* AND LOCAL AMENDMENTS THERETO; ADOPTING THE 2017 EDITION OF THE *NATIONAL ELECTRICAL CODE* AND LOCAL AMENDMENTS THERETO; PROVIDING FOR A PENALTY FOR VIOLATION; PROVIDING THAT THIS ORDINANCE IS CUMULATIVE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION; AND ESTABLISHING THE EFFECTIVE DATE.

- WHEREAS,** the City of Westworth Village is a Type A General Law city located in Tarrant County, Texas; and,
- WHEREAS,** the International Code Council (ICC) has developed a set of comprehensive and coordinated national model construction codes (known as the “International Codes”); and
- WHEREAS,** the *International Building Code*, *International Plumbing Code*, *International Mechanical Code*, *International Fuel Gas Code*, *International Residential Code*, and the *International Energy Conservation Code* have been prepared by the ICC, and in addition to review by the NCTCOG, have been reviewed by City staff; and
- WHEREAS,** the current codes in the City are the 2012 editions of the International Codes, and the City’s codes should be updated to the most current published codes available; and
- WHEREAS,** the 2018 editions of the *International Building Code*, *International Plumbing Code*, *International Mechanical Code*, *International Fuel Gas Code*, *International Residential Code*, and *International Energy Conservation Code*; and the 2017 edition of the *National Electrical Code* are the most current published codes available; and
- WHEREAS,** the City Council of the City of Westworth Village has determined that it is in the best interest of the citizens of the City of Westworth Village to update and adopt the 2018 editions of the *International Building Code*, *International Plumbing Code*, *International Mechanical Code*, *International Fuel Gas Code*, *International Residential Code*, and the *International Energy Conservation Code*; and the 2017 edition of the *National Electrical Code*; and has determined that this will promote the health, safety and general welfare of the citizens of the City of Westworth Village and the general public; and
- WHEREAS,** the City Council of the City of Westworth Village further desires to adopt certain local amendments to such Codes reflecting the unique needs of the City of Westworth Village;

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

**SECTION 1:** That Chapter 3, “Building Regulations,” Article 3.02, “Technical and Construction Codes and Standards,” Section 3.02.041, “Adoption; amendments,” of the Code of Ordinances, City of Westworth Village, Texas, is hereby amended to adopt the 2018 version of the International Building Code and local amendments to read as follows:

**“Section 3.02.041. Adoption of Building Code and Amendments, Additions, and Deletions.** The International Building Code, 2018 Edition, including Appendix Chapters as recommended by NCTOG, as published by the International Code

Council, a copy of which is on file in the office of the City Secretary, is hereby adopted, and designated as the building code of the City of Westworth Village, Texas, and is made a part hereof, as amended. Amendments, additions, and deletions to the International Building Code, 2018 Edition, are hereby adopted and attached as Exhibit “A” to this ordinance. Exhibit “A” shall be maintained as a public record in the office of the City Secretary. In the event a conflict is determined to exist between said International Building Code as adopted and the other provisions of this ordinance, the latter provisions shall be construed as controlling and take precedence over the former.”

**SECTION 2:** That Chapter 3, “Building Regulations,” Article 3.02, “Technical and Construction Codes and Standards,” Section 3.02.121, “Adoption; amendments,” of the Code of Ordinances, City of Westworth Village, Texas, is hereby amended to adopt the 2018 version of the International Plumbing Code and local amendments to read as follows:

**“Section 3.02.121. Adoption of Plumbing Code and Amendments, Additions, and Deletions.** The International Plumbing Code, 2018 Edition, including Appendix Chapters as recommended by NCTOG, as published by the International Code Council, a copy of which is on file in the office of the City Secretary, is hereby adopted, and designated as the plumbing code of the City of Westworth Village, Texas, and is made a part hereof, as amended. Amendments, additions, and deletions to the International Plumbing Code, 2018 Edition, are hereby adopted and attached as Exhibit “B” to this ordinance. Exhibit “B” shall be maintained as a public record in the office of the City Secretary. In the event a conflict is determined to exist between said International Plumbing Code as adopted and the other provisions of this Chapter, the latter provisions shall be construed as controlling and take precedence over the former.”

**SECTION 3:** That Chapter 3, “Building Regulations,” Article 3.02, “Technical and Construction Codes and Standards,” Section 3.02.221, “Adoption; amendments,” of the Code of Ordinances, City of Westworth Village, Texas, is hereby amended to adopt the 2018 version of the International Mechanical Code and local amendments to read as follows:

**“Section 3.02.221. Adoption of Mechanical Code and Amendments, Additions, and Deletions.** The International Mechanical Code, 2018 Edition, including Appendix Chapters as recommended by NCTOG, as published by the International Code Council, a copy of which is on file in the office of the City Secretary, is hereby adopted, and designated as the mechanical code of the City of Westworth Village, Texas, and is made a part hereof, as amended. Amendments, additions, and deletions to the International Mechanical Code, 2018 Edition, are hereby adopted and attached as Exhibit “C” to this ordinance. Exhibit “C” shall be maintained as a public record in the office of the City Secretary. In the event a conflict is determined to exist between said International Mechanical Code as adopted and the other provisions of this Chapter, the latter provisions shall be construed as controlling and take precedence over the former.”

**SECTION 4:** That Chapter 3, “Building Regulations,” Article 3.02, “Technical and Construction Codes and Standards,” Section 3.02.261, “Adoption; amendments,” of the Code of Ordinances, City of Westworth Village, Texas, is hereby amended to adopt the 2018 version of the International Fuel Gas Code and local amendments to read as follows:

**“Section 3.02.261. Adoption of Fuel Gas Code and Amendments, Additions, and Deletions.** The International Fuel Gas Code, 2018 Edition, including Appendix Chapters as recommended by NCTOG, as published by the International Code Council, a copy of which is on file in the office of the City Secretary, is hereby adopted, and designated as the electrical code of the City of Westworth Village, Texas, and is made a part hereof, as amended. Amendments, additions, and deletions to the International Fuel Gas Code, 2018 Edition, are hereby adopted and attached as Exhibit “D” to this ordinance. Exhibit “D” shall be maintained as a public record in the office of the City Secretary. In the event a conflict is determined to exist between the International Fuel Gas Code as adopted and the other provisions of this Chapter, the latter provisions shall be construed as controlling and take precedence over the former.”



**SECTION 5:** That Chapter 3, “Building Regulations,” Article 3.02, “Technical and Construction Codes and Standards,” Section 3.02.081, “Adoption; amendments,” of the Code of Ordinances, City of Westworth Village, Texas, is hereby amended to adopt the 2018 version of the International Residential Code and local amendments to read as follows:

**“Section 3.02.081. Adoption of Residential Code and Amendments, Additions, and Deletions.** The International Residential Code, 2018 Edition, including Appendix Chapters as recommended by NCTOG, as published by the International Code Council, a copy of which is on file in the office of the City Secretary, is hereby adopted, and designated as the residential code of the City of Westworth Village, Texas, and is made a part hereof, as amended. Amendments, additions, and deletions to the International Residential Code, 2018 Edition, are hereby adopted and attached as Exhibit “E” to this ordinance. Exhibit “E” shall be maintained as a public record in the office of the City Secretary. In the event a conflict is determined to exist between the International Residential Code as adopted and the other provisions of this Chapter, the latter provisions shall be construed as controlling and take precedence over the former.”

**SECTION 6:** That Chapter 3, “Building Regulations,” Article 3.02, “Technical and Construction Codes and Standards,” Section 3.02.301, “Adoption; amendments,” of the Code of Ordinances, City of Westworth Village, Texas, is hereby amended to adopt the 2018 version of the International Energy Conservation Code and local amendments to read as follows:

**“Section 3.02.301. Adoption of Energy Conservation Code and Amendments, Additions, and Deletions.** The International Energy Conservation Code, 2018 Edition, including Appendix Chapters as recommended by NCTOG, as published by the International Code Council, a copy of which is on file in the office of the City Secretary, is hereby adopted, and designated as the energy conservation code of the City of Westworth Village, Texas, and is made a part hereof, as amended. Amendments, additions, and deletions to the International Energy Conservation Code, 2018 Edition, are hereby adopted and attached as Exhibit “F” to this ordinance. Exhibit “F” shall be maintained as a public record in the office of the City Secretary. In the event a conflict is determined to exist between the International Energy Conservation Code as adopted and the other provisions of this Chapter, the latter provisions shall be construed as controlling and take precedence over the former.”

**SECTION 7:** That Chapter 3, “Building Regulations,” Article 3.02, “Technical and Construction Codes and Standards,” Section 3.02.181, “Adoption; amendments,” of the Code of Ordinances, City of Westworth Village, Texas, is hereby amended to adopt the 2017 version of the National Electrical Code and local amendments to read as follows:

**“Section 3.02.181. Adoption of Electrical Code and Amendments, Additions, and Deletions.** The National Electrical Code, 2017 Edition, including Appendix Chapters as recommended by NCTOG, as published by the National Fire Protection Association, a copy of which is on file in the office of the City Secretary, is hereby adopted, and designated as the electrical code of the City of Westworth Village, Texas, and is made a part hereof, as amended. Amendments, additions, and deletions to the National Electrical Code, 2017 Edition, are hereby adopted and attached as Exhibit “G” to this ordinance. Exhibit “G” shall be maintained as a public record in the office of the City Secretary. In the event a conflict is determined to exist between the National Electrical Code as adopted and the other provisions of this Chapter, the latter provisions shall be construed as controlling and take precedence over the former.”

**SECTION 8: VIOLATIONS AND PENALTIES.** Any person violating any provision of this ordinance shall be fined for each and every day during which any violation of any provision of this ordinance is committed, continued, or permitted in an amount not to exceed \$ 500.00.

**SECTION 9: CUMULATIVE** This Ordinance shall be cumulative of all provisions of ordinances of the City of Westworth Village, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting ordinances are hereby repealed.

**SECTION 10: SEVERABILITY** It is hereby declared to be the intention of the City Council of the City of Westworth Village, Texas, that the terms and conditions of this ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this ordinance should be declared unconstitutional by the valid judgement or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance.

**SECTION 11: SAVINGS** All rights and remedies of the City of Westworth Village, Texas, are expressly saved as to any and all violations of the provisions of any ordinances affecting building construction, building codes, fire codes, plumbing codes, mechanical codes, electrical codes, residential codes, energy conservation codes, fuel gas codes, permit issuance, or contractor registration within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

**SECTION 12: PUBLICATION** The City Secretary is hereby authorized and directed to cause the publication of the descriptive caption and penalty clause of this ordinance as an alternative method of publication provided by law.

**SECTION 13: EFFECTIVE DATE** This ordinance shall be in full force and effect from and after its passage and publication as required by law.

PASSED AND APPROVED this 11<sup>th</sup> day of February 2020.

**CITY OF WESTWORTH VILLAGE**

By: \_\_\_\_\_  
L. Kelly Jones, Mayor

ATTEST:

\_\_\_\_\_  
Brandy G. Barrett, City Secretary

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
Ashley D. Dierker, Attorney



# Westworth Village

## ORDINANCE 458

Municipal Complex  
311 Burton Hill Road  
Westworth Village, TX 76114  
cityofwestworth.com

Tuesday, February 11, 2020

Council Chambers

**AN ORDINANCE OF THE CITY OF WESTWORTH VILLAGE AMENDING CHAPTER 3, ARTICLE 3.01 OF THE WESTWORTH VILLAGE CODE OF ORDINANCES, ADDING A REQUIREMENT FOR CONSTRUCTION SITES TO BE CLEANED DAILY ON A PERMIT ISSUED UNDER THIS SECTION; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS; PROVIDING FOR PUBLICATION; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** the City of Westworth Village (the "City") is a Type A General Law city located in Tarrant County Texas; and

**WHEREAS,** the City has determined that it is necessary and advisable to amend the City's Code of Ordinances to protect the safety and welfare of the general public, by requiring contractors to comply with construction site standards and adding a process to suspend or revoke an issued permit when such standards are not complied with.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTWORTH VILLAGE, TEXAS THAT:**

**Section 1.** Chapter 3 Building Regulations, of the Westworth Village Code of Ordinances, is hereby amended, by replacing Section 3.01 thereof entitled "**General Provisions**" to read as follows:

### "ARTICLE 3.01 GENERAL PROVISIONS"

#### **Sec. 3.01.001 Permit for construction, alteration or relocation of building or structure**

- (a) Required. No building or structure shall be constructed, erected, situated, established, located, relocated, altered, repaired or rebuilt in entirety or in units or portions or sequence or succession of units and portions within the city without first obtaining a permit as herein provided. This includes dirt work done in advance of construction prior to the issuance of a building permit.
- (b) Application; plans.
  1. When any person or persons, firm or corporation shall be desirous of constructing, erecting, situating, establishing, locating, relocating, altering, repairing or rebuilding any building or structure within the corporate limits of the city, he, they or it, or their authorized agent, shall make written application to the mayor of the city for a permit, and shall attach to such application a written statement giving information as to the estimated cost, the nature of the improvement, and the purpose for which it is to be used, and if the estimated cost of said structure, alteration or improvement shall exceed \$2,000.00 the application shall also be accompanied by plans and specifications of such proposed improvement, and also by an affidavit of the applicant.
  2. All plans and drawings required hereunder shall be drawn to a scale of not less than one-eighth (1/8) of an inch to the foot, on paper or cloth, in ink or by some process that will not fade or obliterate. All distances shall be securely figured and drawings made explicit and complete. Property lines, as well as building lines, must be shown on plans.
- (c) Issuance or denial.
  1. Such application shall remain with the officials of the city a sufficient length of time to allow an examination and inspection of the proposal, and the mayor shall have a proper inspection and examination made thereof.
  2. If the provisions of this section are complied with, and the application for permit and the information furnished and attached thereto indicate that the construction, erection, situating, establishing, locating, relocating, alteration, repair or rebuilding of any building or structure is to be in accordance with all applicable laws of the state and all laws, regulations and ordinances of the city, the mayor shall issue to the applicant a permit for the improvements provided for in the application, upon the payment of the fee herein required.
  3. If the provisions of this section are not complied with, or if the application for a permit and the information furnished and attached thereto, or other reliable information, indicates that the construction, erection, situating, establishing, locating, relocating, alteration, repairing or rebuilding of any building, structure or shed is not to be in accordance with all applicable laws of the state and all laws, regulations and ordinances of the city, the mayor shall refuse to issue to the applicant a permit, indicating in writing his reason for refusing to issue such permit.

(d) Stop Work Order, Suspension or Revocation of Issued Permits.

1. A Stop Work Order may be issued by a city employee for any of the following reasons:
  - a) Failure to protect adjoining property,
  - b) Failure to maintain cleanliness of job site, adjacent streets, alleys and public property,
  - c) Failure to clean up the job site at the end of each day,
  - d) Improper storage and placement of tools, equipment, materials and sanitary facilities,
  - e) Improper blockage or use of streets, alleys and public property,
  - f) Failure to obey traffic laws, or
  - g) Failure to obey all applicable city ordinances (reference Sec. 6.05.003 and Sec. 8.04.007).
2. A permit issued under this section may be suspended or revoked by the City Building Official or his or her designee for any of the following reasons:
  - a) Failure of a Permit Holder to build in accordance with the approved application, specifications or plans;
  - b) Any violation of the Construction Site Standards as adopted or amended by the City Council and kept on file with the City Building Official;
  - c) If two (2) Stop Work Orders have been issued.
3. Upon the issuance of a Stop Work Order or the suspension of a permit, all site work must immediately cease and shall not begin again until the issue or violation has been corrected and the City Building Official or their designee has approved the resumption of site work by issuing a written notice to proceed.
4. If a permit is revoked a new permit will be required, via a new application process and payment of associated fees.

(e) Permit Extensions.

The City Building Official has the authority to issue extensions to a permit upon payment of an administrative fee by the Permit Holder. The formula to calculate extension fees is maintained in the Permit Department and is based on the type of permit and length of the extension granted.

(f) Closing a Permit.

The Permit Holder shall be responsible for closing each permit issued to them. Permits can be closed by one of the following:

1. Contacting the City Building Official for an inspection and receiving written notice of a passing inspection.
2. Obtaining written approval from the City Building Official to close the permit.

(g) Definitions.

Dirt work. Any act by which dirt is dug, uncovered, added, removed, displaced, relocated or bulldozed.

Permit Holder. The person named on an issued permit, who is responsible for the work performed.

Person. Shall be construed to impart the singular and plural as the case demands, and shall include corporations, companies, societies and associations, and any agent or representative thereof.

Structure. Anything constructed or erected on the ground above or below grade.

Stop Work Order. A verbal directive given by a city employee or a written order signed by the City Building Official detailing the violation(s) of the construction site standards or other laws or ordinances that must be corrected before a written notice to proceed will be issued to the Permit Holder which would allow the Permit Holder to continue work on the site.

Failure to immediately stop work as provided herein shall constitute a violation and may incur penalties for such violation.

(h) Violations; penalty.

1. Any act of constructing, erecting, situating, establishing, locating, relocating, altering, repairing or rebuilding any building, structure or shed carried on without a permit having been issued as required hereunder, or any willful misstatement of facts made in the application and information, plans and specifications furnished therewith, or any improvements materially different from those in the application, shall render the owner of such building, structure or shed or his agent liable to penalty for violation of this section.
2. Any person violating or failing to comply with any of the provisions of this section shall, upon conviction thereof, be fined as provided in section 1.01.009 of this code. Each day a violation or failure to comply with this section continues shall constitute a separate offense."

- Section 2.** Section 3.01 of the Westworth Village Code of Ordinances are hereby modified.
- Section 3.** This ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances of the City of Westworth Village, Texas, as amended, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances and such Code, in which event the conflicting provisions of such ordinances and such Code are hereby repealed.
- Section 4.** It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction; such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.
- Section 5.** Violation of this ordinance shall constitute a misdemeanor punishable by a fine of up to \$500.00. Each day a violation occurs or is allowed to continue shall constitute a separate offense punishable hereunder. Nothing herein contained shall prevent the City from taking such other lawful action as is necessary to prevent or remedy any violation.
- Section 6.** All rights and remedies of the City are expressly saved as to any and all violations of the provisions of the City Code amended or revised herein, or any other ordinances affecting the matters regulated herein which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.
- Section 7.** The City Secretary is hereby authorized and directed to cause the publication of the descriptive caption and penalty clauses of this ordinance as an alternative method of publication provided by law.
- Section 8.** This ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

**AND IT IS SO ORDAINED.**

PASSED AND APPROVED this 11<sup>th</sup> day of February 2020.

**CITY OF WESTWORTH VILLAGE**

By: \_\_\_\_\_  
L. Kelly Jones, Mayor

ATTEST:

\_\_\_\_\_  
Brandy G. Barrett, City Secretary

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
Ashley D. Dierker, Attorney



# Westworth Village

## City Administrator Staff Report

Municipal Complex  
311 Burton Hill Road  
Westworth Village, TX 76114  
cityofwestworth.com

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February 11, 2020

Agenda Item: 7F, G, H

Council Chambers

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### Staff Recommendation:

Approval of contingent fee contracts with Perdue, Brandon, Fielder, Collins and Mott, LLP

### Prior Action:

This is a contract extension of a contract currently in place.

### Background Information/Analysis:

Perdue, Brandon, Fielder, Collins and Mott, LLP (PBFCM) currently contract with the city for collection of delinquent taxes and fees.

This is a contingency contract where a delinquent fee is assessed to the outstanding receivable and when collected PBFCM will receive that fee. PBFCM are responsible for all expenses associated with collection of those delinquent receivables.

These are separate contracts for:

Ad valorem taxes (Item F),  
Court (Item G), and  
Utilities (Item H).

### Financial Consideration:

N/A

## CONTRACT FOR THE COLLECTION OF DELINQUENT TAXES

THE STATE OF TEXAS	§
	§
COUNTY OF TARRANT	§

THIS CONTRACT is made and entered into by and between the **CITY OF WESTWORTH VILLAGE**, acting herein and through its governing body, hereinafter called Taxing Authority, and **PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**, Attorneys at Law, Arlington, Texas, or their duly authorized representatives, hereinafter called the Firm.

### I.

Taxing Authority agrees to retain the services and does hereby retain the services of the Firm to enforce by suit or otherwise, the collection of all delinquent taxes, penalty and interest, owing to Taxing Authority which the Taxing Authority's Tax Collector refers to the Firm, provided current year taxes becoming delinquent within the period of this Contract shall become subject to its terms upon the following conditions:

- A. Taxes that become delinquent during the term of this Contract that are not delinquent for any prior year become subject to the terms of this Contract on the 1st day of the month in which penalties attach to the taxes pursuant to Section 33.07, 33.08 and/or 33.11 of the Texas Property Tax Code.
- B. Taxes that become delinquent during the term of this Contract on property that is delinquent for prior years shall become subject to its terms on the first day of delinquency when such property is under litigation or comes under litigation or is referred to the Firm for collection by Taxing Authority's Tax Collector.
- C. Notwithstanding A or B, the Taxing Authority may turn over to the Firm to pursue remedies under Sections 33.48 or 33.21, *et. seq.* of the Texas Property Tax Code at Tax Authority's discretion, and said taxes will become subject to the terms of this Contract.
- D. Other taxes, including current taxes, which are turned over to the Firm by Taxing Authority's Tax Collector because of the necessity of filing claims in Bankruptcy, with other Federal authorities, or for other reasons, shall become subject to the terms of this Contract at the time they are turned over to the Firm

and the Firm shall be entitled to the appropriate percentage, as set forth in Paragraph V, of any amounts of delinquent taxes, penalties, and interest actually received by Taxing Authority.

E. Taxing Authority reserves the right to make the final decision as to whether or not to enforce by suit any delinquent tax account turned over to the Firm for collection.

## **II.**

The Firm is to call to the attention of the Taxing Authority's Tax Collector or other designated officials any errors, double assessments or other discrepancies coming under its observation during the progress of the work and is to intervene on behalf of Taxing Authority in all suits for taxes hereafter filed by any taxing unit on property located within its taxing jurisdiction.

## **III.**

The Firm agrees to make progress reports to Taxing Authority on request and to advise Taxing Authority of all cases where investigation reveals taxpayers to be financially unable to pay their delinquent taxes.

## **IV.**

All activities performed by the Firm in connection with this Contract are performed at no expense, fee, or cost to Taxing Authority.

## **V.**

Taxing Authority agrees to pay to the Firm, as compensation for the services required herein, as follows:

- (a) fifteen (15%) percent of the amount of all 2015 and prior year taxes, penalty and interest subject to the terms of this contract as set forth in Paragraph I above, collected and paid to Taxing Authority Tax Collector during the term of this contract, as and when collected; and
- (b) twenty (20%) percent of the amount of all 2016 and subsequent year taxes, penalty and interest subject to the terms of this contract as set forth in Paragraph I above, collected and paid to Taxing Authority Tax Collector during the term of this contract, as and when collected.

## **VI.**



Taxing Authority agrees to furnish to the Firm all data and information as to the name and address of the taxpayer, the legal description of the property, years and amount of taxes due. Taxing Authority further agrees to update said information by furnishing a list of paid accounts and adjustments to the tax roll as necessary. Section 33.48(a) (4) of the Texas Property Tax Code provides: "In addition to other costs authorized by law, a taxing unit is entitled to recover...reasonable expenses that are incurred by the taxing unit in determining the name, identity and location of necessary parties and in procuring necessary legal descriptions of the property on which a delinquent tax is due:..." The Firm agrees to advance on behalf of Taxing Authority such costs and expenses. In consideration of the advancement of such costs and expenses by the Firm, Taxing Authority assigns its right to recover the same to the extent approved by the Court and/or customarily and usually approved by the Court. The Firm expressly waives any claim against Taxing Authority for uncollected costs or expenses.

## **VII.**

This Contract shall commence on February 15, 2020 and continue in force and effect until February 14, 2023. Thereafter, this Contract will be automatically renewed on its identical terms for successive periods of one (1) year commencing on the anniversary date of this Contract, unless written notice of intent not to automatically renew is delivered by Taxing Authority to the Firm not less than sixty (60) days prior to the expiration date of the initial term or the anniversary date of any one-year renewal period. At any time while this Contract is in effect, either party may terminate this Contract by giving the other party sixty (60) days written notice of its desire and intention to terminate. Upon termination, the Firm shall have an additional six (6) months to reduce to payment or judgment all tax litigation and bankruptcy claims filed prior to the date this Contract becomes terminated or expires. Taxing Authority agrees to compensate the Firm for any such

accounts collected during the six (6) month period in accordance with the terms of Section V above.

### **VIII.**

Every provision of this Contract is intended to be severable. If any term or provision hereof is hereafter deemed by a Court to be illegal, invalid, void or unenforceable, for any reason or to any extent whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of this Contract, it being intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the Parties with respect to the illegal, invalid, void or unenforceable provision or part thereof.

The Firm verifies that it is in compliance with and will comply with all provisions of Texas Government Code Section 2270.002 during the term of this contract.

In consideration of the terms and compensation here stated, the Firm hereby accepts said retention of services and undertakes the performance of this Contract as above written.

WITNESS the signatures of all parties hereto in duplicate originals this the 11<sup>th</sup> day of February 2020, Tarrant County, Texas.

### **CITY OF WESTWORTH VILLAGE**

By: \_\_\_\_\_  
**Mayor L. Kelly Jones**

### **PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**

Attorneys at Law  
500 East Border, Suite 640  
Arlington, Texas 76010  
(817) 461-3344 (817) 860-6509 Fax

By: \_\_\_\_\_  
**Partner**

**NOTICE PURSUANT TO GOVERNMENT CODE SEC. 2254.1036**

WHEREAS, the City of Westworth Village, will consider entering into a contingent fee contract with the law firm of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Firm") and hereby posts this notice pursuant to Sec. 2254.106 of the Government Code.

WHEREAS, this notice shall be posted before or at the time of giving the written notice required by Government Code Sec. 551.041 for a meeting described by Sec. 2254.1036(2) of the Government Code and shall announce the following:

A. The City of Westworth Village is renewing a contract with the Firm for the collection of delinquent taxes owed to the City of Westworth Village and through this contract the City of Westworth Village seeks to increase recovery of its delinquent debts in as expeditious a manner as possible. GOVT. CODE § 2254.1036(1)(A).

B. The City of Westworth Village believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract. GOVT. CODE § 2254.1036(1)(B). The Firm has collected delinquent government receivables for nearly 50 years. The Firm currently has 12 primary offices and multiple satellite offices throughout Texas, Oklahoma and Florida. It employs more than 400 individuals, including 52 attorneys. It uses a multi-office, fully integrated team approach allowing the City of Westworth Village access to all its offices and resources. Its collection team consists of long-term Firm employees, including attorneys, call center associates, paralegals, law clerks, legal secretaries, collection support personnel and information technology experts. The Firm utilizes proprietary collection software that can be tailored to meet any special need the City of Westworth Village may have.

C. The nature of any relationship between the City of Westworth Village and the Firm is as follows. GOVT. CODE § 2254.1036(1)(C).

The Firm has represented the City of Westworth Village since 2017 in the collection of delinquent taxes.

D. The City of Westworth Village is unable to effectively collect its delinquent taxes. GOVT. CODE § 2254.1036(1)(D). The City of Westworth Village currently does not have adequate support staff, computer software/programming, or experience to internally conduct these collection services and acquiring these will result in substantial expense to the City of Westworth Village.

E. These collection services cannot be provided for an hourly fee. GOVT. CODE § 2254.1036(1)(E). The Tax Code allows the assessment of a percentage-based fee to recover the costs of collecting delinquent taxes. These percentage-based fees are assessed only against the debtor and not the City of Westworth Village or taxpayers of the City of Westworth Village. The collection of delinquent taxes is a high-volume practice, requiring a significant amount of research, mailing, and handling of outbound/inbound calls. An hourly fee for such work will likely exceed amounts of delinquent taxes/ fines and fees/tolls due. Moreover, the City of Westworth Village

would bear the cost of these hourly fees and not the debtor, because the Tax Code does not expressly authorize the City to pay for collection services based on an hourly fee.

E. The City of Westworth Village believes this contingent fee contract is in its best interest. GOVT. CODE § 2254.1036(1)(F). Under the contingent fee contract, the Firm will be paid the amount of the percentage-based collection fee, regardless the number of hours the Firm spends researching, contacting and mailing to collect the delinquent debt. Additionally, the percentage-based collection penalty is a pass-through expense to the debtor and not an expense to the City of Westworth Village or taxpayers in the City of Westworth Village.

NOW THEREFORE, be it resolved, this City Council, for the reasons stated above, hereby seeks renewal of the contingent fee contract between the City of Westworth Village and the law firm of Perdue, Brandon, Fielder, Collins and Mott, LLP for the collection of delinquent taxes.

Executed this the 11<sup>th</sup> day of February 2020.

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On Behalf of the City Council

City of Westworth Village

Tarrant County, Texas

Agenda Item:

Take action to approve a contingent fee contract with Perdue, Brandon, Fielder, Collins and Mott, LLP pursuant to Tax Code §6.30, said contract being for the collection of delinquent government receivables owed to City of Westworth Village.

## CONTRACT FOR COURT FINES AND FEES COLLECTION SERVICES

STATE OF TEXAS	§
	§
CITY OF WESTWORTH VILLAGE	§

### SECTION I. PARTIES TO THE CONTRACT

THIS CONTRACT, hereinafter called “Contract”, is made and entered into by and between the City of Westworth Village, Texas, acting herein by and through its governing body, hereinafter called “the City” and **Perdue, Brandon, Fielder, Collins & Mott, L.L.P.**, hereinafter called “Perdue”.

THIS CONTRACT supersedes all prior oral and written agreements between the parties, and can only be amended if done so in writing and signed by all parties. Furthermore, this Contract cannot be transferred or assigned by either party without the written consent of all parties.

The City agrees to employ and does hereby employ Perdue to enforce the collection of delinquent court fines, fees, and court costs pursuant to the terms and conditions described in this Contract.

NOW, THEREFORE, in consideration of the covenants, conditions and agreements hereinafter set forth, the adequacy of which is hereby acknowledged, the City and Perdue agree as follows:

### SECTION II. CITY’S COLLECTION OBLIGATIONS

A. The City agrees to refer all delinquent accounts, as defined below, to Perdue for collection on or about the first (1<sup>st</sup>) or the fifteenth (15<sup>th</sup>) of each month. The City shall refer all delinquent accounts by electronic or magnetic medium, if available, or in any other way that is most favorable to the City. All delinquent accounts should be in a specified format that will allow Perdue to process the account data.

B. An account is considered delinquent when not paid within sixty (60) days of the scheduled appearance date (if the defendant failed to appear), or from any granted extension, or from the date of conviction or judgment, or other court specified due date.

C. The City will provide Perdue with copies of, or access to, the information and documentation necessary to collect the fines, fees, and court costs that are subject to this Contract.

### **SECTION III. PERDUE'S COLLECTION OBLIGATIONS**

A. Perdue agrees to refer all payments and correspondence directly to the court that has assessed or levied the fines, fees, and court costs being collected pursuant to this Contract. Perdue reserves the right to return any accounts not collected within one (1) year of referral by the City. Neither party will have any obligation to the other with regard to returned accounts.

B. Perdue agrees to use its best efforts to collect the delinquent accounts received from the City and to comply with all provisions of state and federal law and regulations promulgated pursuant thereto in the rendition of collection services contemplated by this Contract.

C. If requested by the City, Perdue agrees to provide legal advice to the City on its delinquent accounts.

D. Perdue agrees to comply with all laws, statutes, and other governmental provisions in effect during the term of the agreement, including but not limited to the Texas Debt Collection Act, Texas Finance Code, Chapter 392; the Federal Debt Collection Practices Act, 15 U.S.C 1692; and Texas Code of Criminal Procedure Article 103.0031. Although Perdue may not be legally obligated to adhere to State and Federal debt collection laws (specifically FDCPA) in the collection of criminal court-ordered judgments, the City does expect Perdue to fully comply with the laws in "spirit" unless specifically authorized by the City in writing otherwise.

### **SECTION IV. COLLECTION FEE**

The City agrees to pay Perdue as follows:

(1) No charge for the collected fines, fees, and court costs referred to Perdue by the City imposed on all unadjudicated offenses committed on or before June 18, 2003.

(2) Thirty percent (30%) of the collected fines, fees, and court costs referred to Perdue imposed on all adjudicated offenses committed on or before June 18, 2003; and

(3) Thirty percent (30%) of the collected fines, fees, and court costs referred to Perdue imposed on all offenses occurring after June 18, 2003.

The thirty percent (30%) collection fee shall be added to the amount owed by a defendant that is more than 60 days past due pursuant to Article 103.001, Texas Code of Criminal Procedure.

### **SECTION V. EXCEPTIONS TO THE COLLECTION FEE**

Pursuant to Article 103.0031(b), Texas Code of Criminal Procedure, Perdue cannot collect from a defendant the percentages referred to in Section IV. COLLECTION FEE if

the defendant has been determined by the court of original jurisdiction to be indigent, or has insufficient resources or income, or is otherwise unable to pay all or part of the underlying fine or costs. The collection fee does not apply to a case that has been dismissed by a court of competent jurisdiction or to any amount that has been satisfied through time-served credit or community service.

The collection fee shall, however, be applied to any balance remaining after a partial credit for time served or community service if the balance is more than 60 days past due.

No payment of collection fees shall be owed by the City to Perdue unless such fees are authorized by Article 103.0031 of the Code of Criminal Procedure and such collection fees are actually collected. Fees owed on collection of partial payments shall be reduced proportionately

#### **SECTION VI. METHOD OF PAYMENT**

Absent an agreement otherwise, the City shall calculate and receive the amount of any collection fee due to Perdue. Said fee shall be paid to Perdue by check on a monthly basis. All compensation shall become the property of Perdue at the time of payment.

#### **SECTION VII. INDEMNIFICATION**

PERDUE shall indemnify and hold the CITY harmless from and against all liabilities, losses and costs arising from claims for damages, or suits for losses or damages, including reasonable costs and attorney's fees, which may arise as a result of PERDUE's performance of the services described in this Contract. The indemnity provision of this contract shall have no application to any claim or demand which results from the sole negligence or fault of the CITY, its officers, agents, employees or contractors. In the event of joint or shared negligence or fault of the CITY and PERDUE, responsibility and indemnity, if any, shall be apportioned in accordance with Texas law and without waiving any defenses of either party. The provisions of this SECTION VII are intended for the sole benefit of the parties hereto and are not intended to create or grant any right, contractual or otherwise, to any other persons or entities.

#### **SECTION VIII. COMMENCEMENT AND TERMINATION OF CONTRACT**

This Contract shall commence on the \_\_\_\_\_ day of \_\_\_\_\_, 2020, and end when both parties mutually agree; provided, however, that either party to this agreement shall have the right to terminate this agreement by giving the other party thirty (30) days written notice of their desire and intention to terminate this Contract. Upon termination Perdue shall have an additional six (6) months to complete work on all delinquent accounts referred from the City prior to the notice of termination and will be entitled to compensation on such accounts if collected.

#### **SECTION IX. NOTICES**

For purposes of sending notice under the terms of this Contract, all notices from the City shall be sent to Perdue by certified United States mail, or delivered by hand or courier, and addressed as follows:

Perdue, Brandon, Fielder, Collins & Mott, LLP  
Attn: Elizabeth Banda Calvo  
**BY U.S. MAIL OR BY COURIER DELIVERY:**  
500 East Border St., Suite 640  
Arlington, TX 76010  
Telephone Number: 817-461-3344

All notices from Perdue shall be sent to the City by certified United States mail, or delivered by hand or courier, and addressed as follows:

City of Westworth Village  
Attn: Sterling Naron  
311 Burton Hill Road  
Westworth Village, TX 76114  
Telephone Number: 817-710-2500

#### **SECTION X. VENUE AND CONTROLLING LAW**

This Contract is made and is to be interpreted under the laws of the State of Texas. Venue for any disputes involving this Contract shall be in the appropriate courts in Tarrant County, Texas.

#### **SECTION XI. ACCEPTANCE OF CONTRACT**

In consideration of the terms and compensation herein stated, Perdue hereby accepts said Contract and undertakes performance as set forth above.

#### **SECTION XII. SEVERABILITY**

Every provision of this Contract is intended to be severable. If any term or provision hereof is hereafter deemed by a court of competent jurisdiction to be illegal, invalid, void or unenforceable, for any reason or to any extent whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of this Contract, it being intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the parties with respect to the illegal, invalid, void or unenforceable provision or part thereof.

Perdue verifies that it is in compliance with and will comply with all provisions of Texas Government Code Section 2270.002 during the term of this contract.



This Contract is executed on behalf of the City by the presiding officer of its governing body who is authorized to execute this instrument by Ordinance heretofore passed and recorded in its minutes. This Contract may be executed in any number of counterparts, and each counterpart shall be deemed an original for all purposes. Signed facsimiles or electronically signed Contracts executed on behalf of the City by the presiding officer of its governing body authorized to execute this instrument shall be binding and enforceable.

WITNESS the signature of all parties hereto this 11<sup>th</sup> day of February 2020.

**CITY OF WESTWORTH VILLAGE, TEXAS**

By: \_\_\_\_\_  
**L. Kelly Jones**  
**Mayor**

**PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**

By: \_\_\_\_\_  
**Elizabeth Banda Calvo**  
**Partner**

**NOTICE PURSUANT TO GOVERNMENT CODE SEC. 2254.1036**

WHEREAS, the City of Westworth Village, will consider entering into a contingent fee contract with the law firm of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Firm") and hereby posts this notice pursuant to Sec. 2254.106 of the Government Code.

WHEREAS, this notice shall be posted before or at the time of giving the written notice required by Government Code Sec. 551.041 for a meeting described by Sec. 2254.1036(2) of the Government Code and shall announce the following:

A. The City of Westworth Village is renewing a contract with the Firm for the collection of delinquent fines and fees/tolls owed to the City of Westworth Village and through this contract the City of Westworth Village seeks to increase recovery of its delinquent debts in as expeditious a manner as possible. GOVT. CODE § 2254.1036(1)(A).

B. The City of Westworth Village believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract. GOVT. CODE § 2254.1036(1)(B). The Firm has collected delinquent government receivables for nearly 50 years. The Firm currently has 12 primary offices and multiple satellite offices throughout Texas, Oklahoma and Florida. It employs more than 400 individuals, including 52 attorneys. It uses a multi-office, fully integrated team approach allowing the City of Westworth Village access to all its offices and resources. Its collection team consists of long-term Firm employees, including attorneys, call center associates, paralegals, law clerks, legal secretaries, collection support personnel and information technology experts. The Firm utilizes proprietary collection software that can be tailored to meet any special need the City of Westworth Village may have.

C. The nature of any relationship between the City of Westworth Village and the Firm is as follows. GOVT. CODE § 2254.1036(1)(C).

The Firm has represented the City of Westworth Village since 2017 in the collection of delinquent fines and fees/tolls.

D. The City of Westworth Village is unable to collect its delinquent fines and fees/ tolls. GOVT. CODE § 2254.1036(1)(D). The City of Westworth Village currently does not have adequate support staff, computer software/programming, or experience to internally conduct these collection services and acquiring these will result in substantial expense to the City of Westworth Village.

E. These collection services cannot be provided for an hourly fee. GOVT. CODE § 2254.1036(1)(E). The Criminal Procedure/Transportation Codes allow the assessment of a percentage-based fee to recover the costs of collecting delinquent fines and fees/tolls. These percentage-based fees are assessed only against the debtor and not the City of Westworth Village or taxpayers of the City of Westworth Village. The collection of delinquent fines and fees/tolls is a high-volume practice, requiring a significant amount of research, mailing, and handling of outbound/inbound calls. An hourly fee for such work will likely exceed amounts of delinquent

finest and fees/tolls due. Moreover, the City of Westworth Village would bear the cost of these hourly fees and not the debtor, because the Criminal Procedure/Transportation Codes do not expressly authorize the City to pay for collection services based on an hourly fee.

E. The City of Westworth Village believes this contingent fee contract is in its best interest. GOVT. CODE § 2254.1036(1)(F). Under the contingent fee contract, the Firm will be paid the amount of the percentage-based collection fee, regardless the number of hours the Firm spends researching, contacting and mailing to collect the delinquent debt. Additionally, the percentage-based collection penalty is a pass-through expense to the debtor and not an expense to the City of Westworth Village or taxpayers in the City of Westworth Village.

NOW THEREFORE, be it resolved, this City Council, for the reasons stated above, hereby seeks renewal of the contingent fee contract between the City of Westworth Village and the law firm of Perdue, Brandon, Fielder, Collins and Mott, LLP for the collection of delinquent fines and fees/tolls.

Executed this the 11<sup>th</sup> day of February 2020.

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On Behalf of the City Council  
City of Westworth Village  
Tarrant County, Texas

Agenda Item:

Take action to approve a contingent fee contract with Perdue, Brandon, Fielder, Collins and Mott, LLP pursuant to Article 103.0031 of the Code of Criminal Procedure, said contract being for the collection of delinquent government receivables owed to City of Westworth Village.

**CONTRACT FOR THE COLLECTION OF DELINQUENT ACCOUNTS**

THE STATE OF TEXAS           §  
    §  
 COUNTY OF TARRANT       §

THIS CONTRACT is made and entered into by and between the **CITY OF WESTWORTH VILLAGE** (hereinafter the “CITY”), and **PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**, (hereinafter called the “PERDUE”). The specific terms of the contract are as follows:

1.     **Nature of Services.** CITY agrees to employ PERDUE to collect the delinquent fines, fees, and court costs for the utility accounts that CITY turns over to PERDUE. CITY also agrees to employ PERDUE to collect the miscellaneous debts not covered under Art. 103.0031 (TCCP) to the extent permitted by law.

PERDUE agrees to comply with all laws, statutes, and other governmental provisions in effect during the term of this Contract, including but not limited to the Texas Debt Collection Act, Texas Finance Code, Chapter 392; and the Federal Debt Collection Practices Act, 15 U.S.C 1692, as applicable.

2.     **Compensation.** CITY agrees to pay PERDUE as compensation for services required hereunder twenty percent (20%) of the total amount collected and paid to PERDUE on the utility accounts turned over to PERDUE. It is expressly understood that PERDUE is not entitled to compensation on any delinquent account subsequently paid but that was not turned over to the PERDUE.

CITY agrees to pay PERDUE as compensation for services required hereunder thirty percent (30%) of the total amount collected and paid to PERDUE on the miscellaneous debts not covered under Art. 103.0031 (TCCP) turned over to PERDUE. It is expressly understood that PERDUE is not entitled to compensation on any delinquent account subsequently paid but that was not turned over to PERDUE.

3.     **Term of Contract.** This Contract is for an initial period beginning on the execution date in 2020, and ending on the same date in 2023. After the initial period, this contract shall automatically renew and continue in full force and effect thereafter from year to year for additional twelve month periods on the same terms and conditions unless either party delivers written notice to the other party of its intent to terminate this contract at least 30 days prior to each renewal date of this contract. The first renewal date in 2023 is three years from the execution date in this Contract and is the same date each year thereafter. The notice to terminate can be given by either party for any reason whatsoever. In addition to the termination provisions related to the renewal date of this Contract, either party may, without cause, terminate this Contract at any time by giving the other party written notice of termination of the Contract at least thirty (30) days prior to the intended termination date.

4.     **Credit Reporting.** CITY understands and agrees that PERDUE will not report information on CITY’s accounts to credit reporting agencies. If it is desired, the CITY shall, in its sole discretion, report account information to any such agency.

5. **Interest Accrual.** Absent an express agreement to the contrary, PERDUE will not accrue interest on CITY's accounts.
6. **Litigation.** PERDUE will not file suit, accept any compromise settlement or incur any expenses chargeable to CITY without CITY's approval. By agreeing to the filing of a lawsuit, the CITY understands that it must reimburse PERDUE for all costs and fees chargeable as court costs (e.g., filing fees, citation issuance, process service fees).
7. **Account Information.** CITY agrees to place only amounts that are validly due and owing by the debtor. CITY will provide accurate information on each account and will promptly report any payments it receives on accounts turned over to PERDUE.
8. **Receipt of Payments.** CITY gives PERDUE exclusive authority to collect amounts due on accounts turned over to PERDUE. It is understood and agreed that PERDUE will instruct debtors to make all payments payable to PERDUE. PERDUE will retain 20% of the utility payments as compensation and will forward the remaining balance to the CITY.
- CITY gives PERDUE exclusive authority to collect amounts due on accounts turned over to the Law Firm. It is understood and agreed that PERDUE will instruct debtors to make all payments payable to PERDUE. PERDUE will retain 30% of the miscellaneous debts not covered under Art. 103.0031 (TCCP) payments as compensation and will forward the remaining balance to the CITY.
9. **Reporting.** PERDUE will provide reports to the CITY setting forth the status of accounts upon request.
10. **Notices.** For purposes of sending notice under the terms of this Contract, all notices from the CITY shall be sent to PERDUE by certified United States mail, or delivered by hand or courier, and addressed as follows:

Perdue, Brandon, Fielder, Collins & Mott, LLP  
Attn: Elizabeth Banda Calvo  
500 East Border, Suite 640  
Arlington, Texas 76010  
Telephone Number: 817-461-3344

All notices from PERDUE shall be sent to the CITY by certified United States mail, or delivered by hand or courier, and addressed as follows:

City of Westworth Village  
Attn: Sterling Naron  
311 Burton Hill Road  
Westworth Village, Texas 76114  
Telephone Number: 817-710-2500

11. **Indemnification.** PERDUE shall indemnify and hold the CITY harmless from and against all liabilities, losses and costs arising from claims for damages, or suits for losses or damages, including reasonable costs and attorney's fees, which may arise as a result of PERDUE's performance of the services described in this Contract. The indemnity provision of this contract shall have no application to any claim or demand which results from the sole negligence or fault of the CITY, its officers, agents, employees or contractors. In the event of joint or shared negligence or fault of the CITY and PERDUE, responsibility and indemnity, if any, shall be apportioned in accordance with Texas law and without waiving any defenses of either party. The provisions of this SECTION 11 are intended for the sole benefit of the parties hereto and are not intended to create or grant any right, contractual or otherwise, to any other persons or entities.

12. **Venue & Controlling Law.** This Contract is performable in Tarrant County, Texas. This Contract is made and is to be interpreted under the laws of the State of Texas. Venue for any disputes involving this Contract shall exclusively be in the appropriate courts in Tarrant County, Texas.

13. **Severability.** Every provision of this Contract is intended to be severable. If any term or provision hereof is hereafter deemed by a court of competent jurisdiction to be illegal, invalid, void or unenforceable, for any reason or to any extent whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of this Contract, it being intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the parties with respect to the illegal, invalid, void or unenforceable provision or part thereof.

This Contract is executed on behalf of the CITY by the presiding officer of its governing body who is authorized to execute this instrument by Ordinance heretofore passed and recorded in its minutes. This Contract may be executed in any number of counterparts, and each counterpart shall be deemed an original for all purposes. Signed facsimiles or electronically signed Contracts executed on behalf of the CITY by the presiding officer of its governing body authorized to execute this instrument shall be binding and enforceable.

WITNESS the signatures of all parties hereto this the \_\_\_\_ day of \_\_\_\_\_, 2020.

**CITY OF WESTWORTH VILLAGE**

**PERDUE BRANDON FIELDER  
COLLINS & MOTT, LLP**

BY: \_\_\_\_\_  
L. KELLY JONES  
MAYOR

BY: \_\_\_\_\_  
ELIZABETH BANDA CALVO  
PARTNER