



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262



Town Council/Board of Trustees Agenda - Final

Monday, November 11, 2024

4:00 PM

Council Chamber

The Town Council of the Town of Westlake serves as the governing Board for Westlake Academy. This agenda may contain both municipal and Westlake Academy items, which will be clearly identified. In an effort of transparency, this meeting will be viewable to the public via Live Stream and also available for viewing after the meeting. In an effort of meeting efficiency, any residents wishing to speak on action items must submit a speaker request form to the Town Secretary prior to the start of the meeting.

A. CALL REGULAR MEETING TO ORDER AND ANNOUNCE A QUORUM PRESENT

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. CITIZEN/PARENT COMMENTS

This is an opportunity for citizens to address the Town Council or Board of Trustees on any matter, whether or not it is posted on the agenda. Any resident wishing to speak on action items must submit a speaker request form to the Town Secretary prior to the start of the meeting. Individual citizen comments are normally limited to three (3) minutes. The presiding officer may ask the citizen to hold their comment on an agenda item if the item is posted as a Public Hearing. The Town Council and Board of Trustees cannot by law take action nor have any discussion or deliberations on any presentation made at this time concerning an item not listed on the agenda. The Town Council and Board of Trustees will receive the information, ask staff to review the matter, or an item may be noticed on a future agenda for deliberation or action.

D. PROCLAMATION

D.1. [24-254](#) Veterans Day Proclamation (Mayor Kim Greaves)

E. ITEMS OF COMMUNITY INTEREST

E.1. [24-355](#) Items of Community Interest (Communications Director Jon Sasser)

F. PRESENTATIONS

- F.1. [24-362](#) Exploring the International Baccalaureate (IB): Inquiry at Westlake Academy (Michelle Briggs, Westlake Academy Director of Innovation and Development)
- F.2. [24-364](#) Presentation regarding Water System Lead and Copper Testing (Cheryl Taylor, P.E., Public Works Director)

G. CONSENT AGENDA

All items listed below are considered routine by the Town Council and/or Board of Trustees and will be enacted with one motion. There will be no separate discussion of items unless a Council/Board Member or citizen so requests, in which event the item will be removed from the general order of business and considered in its normal sequence.

- G.1. [24-365](#) Discuss, consider and act to approve the Town Council/Board of Trustees Minutes for the October 21, 2024 Regular Meeting (Dianna Buchanan, Town Secretary)
- G.2. [RES 24-80](#) Discuss, consider and act regarding Resolution 24-80 to approve an amendment to the Interlocal Agreement for Vehicle Maintenance and Repairs with the City of Watauga (Town Manager Wade Carroll)
- G.3. [Res 24-81](#) Discuss, consider and act to approve Resolution 24-81 authorizing the expenditure of funds for the purchase of a Ford F-450 flatbed truck from Silsbee Ford in an amount not to exceed \$108,578.75. (Cheryl Taylor, P.E., Director of Public Works).
- G.4. [RES 24-82](#) Discuss, consider and act to approve regarding Resolution 24-82 authorizing a Master Interlocal Cooperative Purchasing Agreement between the Town of Westlake and the City of Southlake (Cheryl Taylor, P.E., Director of Public Works)
- G.5. [WA RES 24-37](#) Discuss, consider and act to approve WA Resolution 24-37 adopting the revised 2024-2025 Westlake Academy Personnel Manual (Sandy Garza, Director of Human Resources)
- G.6. [RES 24-77](#) Discuss, consider and act regarding Resolution 24-77 approving a Policy for Preventing Use of Prohibited Technology (Jason Power, IT Director)

H. REGULAR AGENDA ITEMS

- H.1. [Res 24-74](#) Discuss, consider and act to approve Resolution 24-74 accepting the Town of Westlake 2023 Audit Report; and take appropriate action (Cayce Lay Lamas, Director of Finance)
- H.2. [WA RES 24-40](#) Discuss, consider and act to approve WA Resolution 24-40 Approving the FY 2023-2024 Annual Financial Report for Westlake Academy from BrooksWatson & Co., PLLC, CPAs (Cayce Lay Lamas, Finance Director)

- H.3. [RES 24-78](#) Discuss, consider and act to cast the Town of Westlake's allocated votes for appointment to the Tarrant Appraisal District Board of Directors (Wade Carroll, Town Manager)
- H.4. [RES 24-79](#) Discuss, consider and act to cast the Town of Westlake's allocated vote for appointment to the Denton Central Appraisal District Board of Directors (Wade Carroll, Town Manager)
- H.5. [ORD 1012](#) Discuss, consider and act to adopt Ordinance 1012, Amending the Master Fee Schedule (Cayce Lay Lamas, Director of Finance)
- H.6. [ORD 1014](#) Discuss, consider and act to adopt Ordinance 1014, Amending the Water and Sewer Rates (Cayce Lay Lamas, Finance Director)
- H.7. [24-368](#) Discuss, consider and act to excuse Mayor and Council absence(s), if any.

I. EXECUTIVE SESSION

The Town Council/Board of Trustees reserves the right to adjourn into Executive Session during the course of the meeting to seek legal advice from its attorney regarding any agenda item listed herein as authorized by Section 551.071 of the Local Government Code. Additionally, pursuant to the provision of Chapter 551 of the Texas Government Code, the Town Council/Board of Trustees may adjourn into Executive Session, in accordance with the authority contained in:

- I.1. [24-363](#) Section 551.087: Deliberation regarding Economic Development Negotiations to deliberate the offer of a financial or other incentive to a business prospect.
- I.2. [24-367](#) Section 551.071: Consultation with and legal advice from the Town Attorney regarding pending litigation - Vertical Bridge v. Town of Westlake

J. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS

K. FUTURE AGENDA ITEMS

L. STAFF RECAP OF COUNCIL DIRECTION

M. ADJOURNMENT

CERTIFICATION

I certify that the above notice was posted on the bulletin board at Town of Westlake, Town Hall, located at 1500 Solana Blvd., Building 7, Suite 7100, Westlake, TX 76262, in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.



Town Secretary

Disabilities Notice: If you plan to attend the meeting and have a disability that requires special needs, please contact the Town Secretary's Office 48 hours in advance at Ph. 817-490-5711 and reasonable accommodations will be made to assist you.



Town of Westlake

Staff Report

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

File #: 24-254

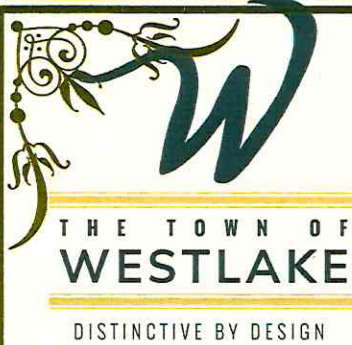
Agenda Date: 8/5/2024

Agenda #: D.1.

TOWN STAFF REPORT RECOMMENDATION

Veterans Day Proclamation (Mayor Kim Greaves)

STAFF: Kim Greaves, Mayor



Town of Westlake Proclamation

VETERANS DAY NOVEMBER 11, 2024

WHEREAS, since the founding of our republic, patriotic men and women have fought for our freedoms by building an honorable tradition of faithful and dedicated service to our great nation; and

WHEREAS, the gallant and selfless service of our Soldiers, Sailors, Airmen, Marines, Coast Guardsmen, and Merchant Mariners through the years has given us much to be proud of; and

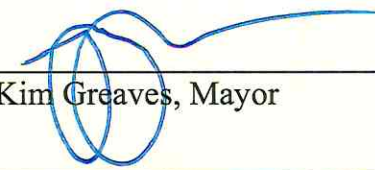
WHEREAS, Veterans Day honors these great American patriots who answered the call of duty, often serving in harm's way to preserve our freedoms; and

WHEREAS, we continue to be inspired by the patriotism and dedication of those in uniform who continue to defend the principles on which our nation was founded; and

WHEREAS, in honor of these dedicated men and women, we pledge our continued defense of our nation so that their sacrifice will stand before the entire world as a tribute to the spirit and determination of a people dedicated to the principles of freedom and democracy.

NOW, THEREFORE, I, Kim Greaves, Mayor of the Town of Westlake, Texas, do hereby call upon Westlake residents to observe Monday November 11, 2024, as Veterans Day, in tribute to those who have thus added strength to the Nation and in renewed dedication to their work, building peace with honor among all nations.

ISSUED: November 11, 2024



Kim Greaves, Mayor





Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: 24-355

Agenda Date: 11/11/2024

Agenda #: E.1.

TOWN STAFF REPORT RECOMMENDATIONS

Items of Community Interest (Communications Director Jon Sasser)

STAFF: Communications Director Jon Sasser

BACKGROUND:

Pursuant to Texas Government Code Section 551.0415 the Town Council (and or designee) may report on the following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming Town Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

NOTABLE ITEMS AND UPCOMING EVENTS:

Planning & Zoning Meeting-CANCELED

Tuesday, November 12, 2024; 5 pm
1500 Solana Blvd, Westlake

Chamber Luncheon

Thursday, November 14, 2024; 11-1 pm
Texas Motor Speedway

Westlake Town Hall/Municipal Court CLOSED

November 28,29: Thanksgiving Holiday

Planning & Zoning Meeting

Tuesday, December 3, 2024; 5 pm
1500 Solana Blvd, Westlake

Westlake Together Tree Lighting

Wednesday, December 4, 2024; 6-8 pm
1500 Solana Blvd, Westlake

Town Council Meeting

Monday, December 9, 2024; 4 pm
1500 Solana Blvd, Westlake

ADDITIONAL ITEMS:

- Concert Recap



Town of Westlake

1500 Solana Blvd
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Staff Report

File #: 24-362

Agenda Date: 11/11/2024

Agenda #: F.1.

WESTLAKE ACADEMY STAFF REPORT RECOMMENDATIONS

Exploring the International Baccalaureate (IB): Inquiry at Westlake Academy (Michelle Briggs, Westlake Academy Director of Innovation and Development)

STAFF:

(Michelle Briggs, Westlake Academy Director of Innovation and Development)



Town of Westlake

Staff Report

1500 Solana Blvd
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File #: 24-364

Agenda Date: 11/11/2024

Agenda #: F.2.

TOWN STAFF REPORT RECOMMENDATIONS

Presentation regarding Water System Lead and Copper Testing (Cheryl Taylor, P.E., Public Works Director)

STAFF: Cheryl Taylor, Public Works Director



Town of Westlake

Staff Report

1500 Solana Blvd
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File #: 24-365

Agenda Date: 11/11/2024

Agenda #: G.1.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to approve the Town Council/Board of Trustees Minutes for the October 21, 2024 Regular Meeting (Dianna Buchanan, Town Secretary)

STAFF: Town Secretary Dianna Buchanan

BACKGROUND:

The Town Council Board of Trustees Minutes from the October 21, 2024 Regular Meeting are attached for review and consideration of approval.

Once approved, all meeting minutes will be executed and uploaded to the Town of Westlake website for transparency and Laserfiche software for state retention compliance.

ATTACHMENTS:

10.21.2024 TC/BOT Regular Meeting Minutes

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve minutes, as presented.
- 2) Motion to approve the minutes with the following corrections/changes (please state corrections/changes in motion)
- 3) Motion to table
- 4) Motion to deny



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
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Town Council/Board of Trustees Meeting Minutes - Draft

Monday, October 21, 2024

4:00 PM

Council Chamber

A. CALL REGULAR MEETING TO ORDER AND ANNOUNCE A QUORUM PRESENT

Mayor Greaves called the meeting to order at 4:00 pm and announced a quorum present.

PRESENT:

Mayor Kim Greaves
Mayor Pro Tem Tammy Reeves
Council Member Anna White
Council Member Todd Gautier
Council Member Mike Asselta
Council Member Michael Yackira

STAFF PRESENT:

Town Manager Wade Carroll
Fire Chief John Ard
Innovation & Dev. Director Michelle Briggs
Town Attorney Stan Lowry
PYP Principal Beth Hughes
Town Secretary Dianna Buchanan
Human Resources Director Sandy Garza
Academic Finance Manager Marlene Rutledge
Asst. Public Works Director Kyle Flanagan
Comm. Specialist Alexa Guadian
Secondary Librarian Katie Estrada

Head of School Dr. Kelly Ritchie
High School Principal Dr. James Owen
Communications Director Jon Sasser
School Attorney Janet Bubert
Middle School Principal Maxwell Ituah
Public Works Director Cheryl Taylor
IT Director Jason Power
Finance Director Cayce Lay Lamas
Muni Finance Manager Katrina Jackson
Development/GIS Manager Nick Ford
PYP Librarian Amber Bernard

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Pastor Clayton Reed, Southlake Baptist Church, provided the invocation. Mayor Greaves and Westlake Academy Head of School Dr. Kelly Ritchie introduced Westlake Academy students Josh Chitando (6th grade), Amelia Dempsey (4th grade) and Adeline Dempsey (6th grade), to assist with leading the pledges to the U.S. Flag and the Texas Flag.

C. CITIZEN/PARENT COMMENTS

There was no one to comment at this time.

D. ITEMS OF COMMUNITY INTEREST

D.1. [24-333](#) Items of Community Interest (Communications Director Jon Sasser)

Communications Director Jon Sasser provided an overview of upcoming events and items of community interest.

E. PRESENTATIONS WITH ACTION ITEMS

E.1. [24-349](#) Exploring the International Baccalaureate (IB): Inquiry at Westlake Academy (Michelle Briggs, Westlake Academy Director of Innovation and Development)

Due to a technical issue, this video will be emailed to the Town Council/Board of Trustees and presented during a meeting at a later date.

E.2. [WA RES 24-39](#) Receive presentation, discuss, consider and act to approve WA Resolution 24-39 adopting the Westlake Academy Library Materials Collection Development Policy (Katie Estrada, Secondary Librarian)

Presentation received from Secondary Librarian Katie Estrada and PYP Librarian Amber Bernard. This policy is to implement House Bill 900 and while there is not a deadline for compliance, all districts are required to “approve and institute a collection development policy that describes the processes and standards by which a school library acquires, maintains, and withdraws materials.” Motion by Council Member White and Motion Second by Council Member Yackira to approve WA Resolution 24-39 adopting the Westlake Academy Library Materials Collection Development Policy as presented. Mayor Greaves called for the vote. **MOTION TO APPROVE WA RESOLUTION 24-39 AS PRESENTED APPROVED UNANIMOUSLY.**

E.3. [RES 24-71](#) Receive presentation, discuss, consider and act to approve Resolution 24-71 approving a Professional Services Agreement with Freese and Nichols for a Water, Wastewater, and Roadway Impact Fee Study in an amount not to exceed \$118,000 (Cheryl Taylor, P.E., Director of Public Works)

Public Works Director Cheryl Taylor detailed the importance of conducting an Impact Fee Study that will provide an analysis to develop Water, Wastewater and Roadway Impact Fees. Ms. Taylor introduced Mr. Andrew Franko, Freese and Nichols, who provided an overview of the proposed study and scope of work that will analyze land use assumptions, update the capital improvement plan, conduct impact fee calculations and advise on establishing a Capital Improvements Advisory Committee that will meet a minimum of twice a year. The final proposed impact fees will require Town Council to hold two public hearings for approval of the ordinance to adopt them. The cost for Freese & Nichols to conduct the study is not to exceed \$118,000. The project kickoff will be at the first of the year with a completion time of 9 months. Mr. Franko also provided information about options for using reclaimed water as a follow up to questions he received at a previously held meeting. Motion by Council Member White and Motion Second by Council Member Yackira to approve Resolution 24-71 approving a Professional Services Agreement with Freese and Nichols for a Water, Wastewater, and Roadway Impact Fee Study in an amount not to exceed \$118,000. Mayor Greaves called for the vote.

MOTION TO APPROVE RESOLUTION 24-71 AS PRESENTED APPROVED UNANIMOUSLY.

F. CONSENT AGENDA

Item F.7. was removed from the consent agenda for individual discussion and consideration at the request of Mayor Greaves.

- F.1. [24-334](#) Discuss, consider and act to approve the Town Council/Board of Trustees Minutes for the October 7, 2024 Regular Meeting (Dianna Buchanan, Town Secretary)
- F.2. [RES 24-70](#) Discuss, consider and act to approve Resolution 24-70 authorizing participation in the North Central Texas Council Governments' (NCTCOG) North Texas Share Program (Kyle Flanagan, Deputy Director of Public Works)
- F.3. [RES 24-72](#) Discuss, consider and act to approve Resolution 24-72 authorizing the purchase of a hydro excavation trailer from the Witch Equipment Company, Inc. in the amount of \$118,440.49 (Cheryl Taylor, P.E., Director of Public Works)
- F.4. [WA RES 24-38](#) Discuss, consider and act to approve WA Resolution 24-38 amending the Westlake Academy Annual Operating Budget for fiscal year ending June 30, 2025, and take appropriate action (Cayce Lay Lamas, Director of Finance)
- F.5. [RES 24-75](#) Discuss, consider and act to approve Resolution 24-75 authorizing the Town Manager to utilize approved FY25 budgeted funds to lease network security equipment, licensing, software, services, maintenance, and support in an amount not to exceed \$65,000 per year for 5 years; purchase one-time installation and professional services in an amount not to exceed \$39,000; and take appropriate action. (Jason Power, Director of Information Technology)
- F.6. [ORD-1013](#) Discuss, consider and act to adopt Ordinance 1013 amending the Town of Westlake Municipal Budget for fiscal year 2024; and take appropriate action (Cayce Lay Lamas, Director of Finance).

Motion by Council Member Yackira and Motion Second by Council Member White to approve the Consent Agenda except Item F.7. which was pulled for individual consideration. Mayor Greaves called for the vote.

MOTION TO APPROVE CONSENT AGENDA APPROVED UNANIMOUSLY.

ITEM REMOVED FROM CONSENT AGENDA

- F.7. [RES 24-76](#) Discuss, consider and act to approve Resolution 24-76 authorizing the expenditure of funds for providing pavement markings and other necessary traffic control devices from Stripe A Zone in an amount not to exceed \$85,000. (Cheryl Taylor, P.E., Director of Public Works).

This item was removed from the Consent Agenda for discussion at the request of Mayor Greaves. Discussion held. Mayor Greaves has received several requests from residents to install a crosswalk at Solana and Granada for people leaving Entrada and joining the trail system. Council Member White would also like to add a pedestrian crosswalk at Roanoke Road for Stagecoach residents. Town Manager Carroll said staff would have the vendor prepare estimates and provide the information to Council at a later date. Motion by Council Member White and Motion Second by Mayor Pro Tem Reeves to approve Resolution 24-76 to contract with

Stripe A Zone to provide pavement markings and other necessary traffic control devices as presented. Mayor Greaves called for the vote.

MOTION TO APPROVE RESOLUTION 24-76 AS PRESENTED APPROVED UNANIMOUSLY.

G. REGULAR AGENDA BUSINESS ITEMS

G.1. WARES 24-35

Discuss, consider and act to approve WA Resolution 24-35 to rescind WA Resolution 24-33 regarding the contract with NWN Carousel and Single Wire for a Mass Notification System at Westlake Academy (Jason Power, IT Director)

Mayor Greaves called Items G.1. and G.2. together. IT Director Jason Power presented the items. G.1. will rescind the previously approved resolution for a contract to purchase and install a mass notification system for Westlake Academy that was not ever executed. G.2. will approve contracting for a mass notification system with panic buttons for Westlake Academy that provides a better solution and a reduced expense. Mayor Greaves asked for a motion for Item G.1. Motion by Council Member White and Motion Second by Mayor Pro Tem Reeves to approve WA Resolution 24-35 as presented. Mayor Greaves called for the vote. **MOTION TO APPROVE WA RESOLUTION 24-35 TO RESCIND WA RESOLUTION 24-33 APPROVED UNANIMOUSLY.**

G.2. WARES 24-36

Discuss, consider and act to approve WA Resolution 24-36 approving the purchase and installation of a security and mass notification system for Westlake Academy utilizing Security System Grant funds from the State of Texas and Westlake Academy general funds in an amount not to exceed \$100,000 (IT Director Jason Power)

This item was called for discussion with Item G.1 IT Director Jason Power presented an overview of the item that will approve the purchase and installation of a security and mass notification system for Westlake Academy utilizing Security System Grant funds from the State of Texas and Westlake Academy general funds. Motion by Council Member White and Motion Second by Council Member Yackira to approve WA Resolution 24-36 as presented. Mayor Greaves called for the vote. **MOTION TO APPROVE WA RESOLUTION 24-36 AS PRESENTED APPROVED UNANIMOUSLY.**

G.3. RES 24-73

Discuss, consider and act to approve Resolution 24-73 authorizing the expenditure of funds for the purchase of water meters and utility parts from Atlas Utility Supply Company in an amount not to exceed \$100,000. (Cheryl Taylor, P.E., Director of Public Works).

Director of Public Works Cheryl Taylor, P.E., provided an overview of the item. Motion by Council Member White and Motion Second by Council Member Asselta to approve the purchase of water meters and utility parts from Atlas Utility Supply as presented. Mayor Greaves called for the vote. **MOTION TO APPROVE RESOLUTION 24-73 AS PRESENTED APPROVED UNANIMOUSLY.**

Mayor Greaves recessed the Regular Meeting at 5:33 p.m. to conduct Executive Session as allowed by Section 551.071 of the Local Government Code to seek legal advice from the Town Attorney for any agenda item listed herein.

Mayor Greaves reconvened the Regular Meeting from Executive Session at 5:58 p.m. Head of School Dr. Kelly Ritchie did not return to the meeting after Executive Session. Mayor Greaves called Item G.4. for consideration.

G.4. [24-351](#)

Discuss, consider, and act to regarding a request from Bernal Homes, Inc. to deviate from certain building aesthetic, design, and material standards contained within the Entrada Design Guidelines (Deputy Town Manager Jason Alexander, AICP, CEcD)

Planning Consultant Helen-Eve Beadle provided the item presentation. Bernal Homes, Inc., is the Developer and builder of a five-story mixed-use building on Lot 1, Block N, within Entrada and has requested a deviation from the material requirements for exterior walls as contained in the guidelines for Entrada because the stone used above the second story of this building is not capable of structurally supporting cast stone, stone or other material with similar characteristics and properties. The requestor, Israel Bernal, and his representative, Michael White, addressed Council and answered questions. The Planning and Zoning Commission recommended granting the requested deviation from Bernal Homes, Inc. by a vote of 6 in favor and 1 nay. Staff recommends approval of the requested deviation. Motion by Council Member White and Motion Second by Council Member Asselta to approve granting the deviation request for the five-story mixed-use building on Lot 1, Block N, within Entrada to Bernal Homes. Mayor Greaves called for the vote. **MOTION TO APPROVE THE DEVIATION REQUEST FROM BERNAL HOMES, INC. APPROVED UNANIMOUSLY.**

G.5. [24-352](#)

Consider and act to excuse Mayor and Council absence(s), if any.

Motion by Council Member White and Motion Second by Council Member Yackira to excuse Council Member Asselta's absence from the October 7, 2024 Town Council/Board of Trustees meeting. Mayor Greaves called for the vote. **MOTION APPROVED UNANIMOUSLY.**

H. PUBLIC HEARINGS WITH ACTION ITEMS

H.1. [ORD-1010](#)

Hold public hearing, discuss, consider and act to adopt Ordinance 1010 Amending Chapter 102, "Zoning", Article VII "Planned Development Regulations", Division 2, "Planned Development District Procedures" Section 102-269, "Amendment of Plans", Modifying Provision for Minor Modifications to PD Site Plans (Deputy Town Manager Jason Alexander, AICP, CeCD)

Item presented by Helen-Eve Beadle, Planning Consultant. The requested change would allow the Town Manager to delegate authority to review, consider, and to approve reductions to minimum yards and setbacks for practical reasons or access for fire, utilities or other infrastructure. This will improve efficiency and increase expediency of development review and approval. The Planning and Zoning Commission considered the item at their regular meeting on October 8, 2024 and recommended Town Council approval unanimously. Staff also recommends approval. Mayor Greaves opened the public hearing and asked if there was anyone to speak regarding the item. There was no one to speak. Mayor Greaves closed the public hearing. Motion by Council Member White and Motion Second by Council Member Yackira to adopt Ordinance 1010 Amending Chapter 102, "Zoning",

Article VII "Planned Development Regulations", Division 2, "Planned Development District Procedures" Section 102-269, "Amendment of Plans", Modifying Provision for Minor Modifications to PD Site Plans as presented. Mayor Greaves called for the vote. **MOTION TO ADOPT ORDINANCE 1010 AS PRESENTED APPROVED UNANIMOUSLY.**

H.2. ORD-1011

Hold public hearing, discuss, consider and act to adopt Ordinance 1011 Amending Chapter 102, "Zoning", Article V, "Parking and Loading", Section 102-153, "General Provisions", Modifying Regulations relating to Paving Materials and Providing New Regulations for Temporary Parking (Deputy Town Manager Jason Alexander, AICP CEcD)

Item presented by Helen-Eve Beadle, Planning Consultant. The proposed text amendments will add specific rules and regulations and performance standards for temporary parking areas. The Planning and Zoning Commission considered the item at their regular meeting on October 8, 2024 and recommended Town Council approval unanimously. Staff also recommends approval. Mayor Greaves opened the public hearing and asked if there was anyone to speak regarding the item. There was no one to speak. Mayor Greaves closed the public hearing. Motion by Mayor Pro Tem Reeves and Motion Second by Council Member Yackira to adopt Ordinance 1011 Amending Chapter 102 "Zoning", Article V, "Parking and Loading", Section 102-153, "General Provisions", Modifying Regulations relating to Paving Materials and Providing New Regulations for Temporary Parking with the stipulation to include additional language as part of the amendment to provide that tree protection will be in place during construction of any temporary parking lot. Mayor Greaves called for the vote. **MOTION TO ADOPT ORDINANCE 1010 WITH ADDITION OF TREE PROTECTION REGULATIONS APPROVED UNANIMOUSLY.**

I. EXECUTIVE SESSION

Executive Session was held earlier in the meeting.

J. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS

No action as a result of the Executive Session which was held earlier in the meeting.

K. FUTURE AGENDA ITEMS

Town Manager Wade Carroll noted that there is no change to the list and two items remain for completion.

L. STAFF RECAP OF COUNCIL DIRECTION

Town Manager Wade Carroll noted that staff will work to resolve the video technical issue from tonight so the Westlake Academy latest I.B. video can be played and the Westlake Academy View Book should also be ready for Council at the next meeting. Council would like to revisit the Westlake Academy Library Materials Collection Development Policy in a year's time to get an update on its effectiveness. Staff will take a look at our tap fees in conjunction with the Impact Fee Study to be sure we are not overlapping there and are assessing those fees accurately and appropriately. Staff will get pricing for two additional intersection crosswalks under our striping contract--one at Solana and Granada and one on Roanoke Road. Staff will be adding the safety fence requirement around mature trees as part of the temporary parking ordinance amendment.

M. ADJOURNMENT

Mayor Greaves adjourned the meeting at 6:24 p.m.

Kim Greaves, Mayor

ATTEST:

Town Secretary Dianna Buchanan



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: RES 24-80

Agenda Date: 11/11/2024

Agenda #: G.2.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act regarding Resolution 24-80 to approve an amendment to the Interlocal Agreement for Vehicle Maintenance and Repairs with the City of Watauga (Town Manager Wade Carroll)

STAFF: Wade Carroll, Town Manager

BACKGROUND:

The Town Council approved an Interlocal Agreement (ILA) for Vehicle Maintenance and Repairs with the City of Watauga (Resolution 24-61) on September 3, 2024. The ILA approved by Town Council did not contain the final version of "Terms and Conditions, 4. Rate Schedule, h.". The City of Watauga provided an edit prior to consideration of approval to change the annual increase for the Rate Schedule to read as follows:

"4. RATE SCHEDULE

h. Each new budget year, the rate schedule shall be increased by three percent (3.0%). The increase shall be automatically accepted unless each City/Town Manager agrees to other provisions prior to the final budget being accepted by the City/Town Council of both entities."

DISCUSSION:

Attached for consideration of approval is Resolution 24-80 amending the Interlocal Agreement for Vehicle Maintenance and Repairs with the City of Watauga to change "Terms and Conditions, 4. Rate Schedule, h." as approved by the Watauga City Council and to correct section numbering (9. was duplicated). The redlined ILA is attached to illustrate the requested amendment.

The previously approved Resolution had an annual increase in rate schedule mirroring CIP rates however there are many CIP stats surrounding many areas of the economy and to provide a more predictable rate schedule and for easier budgeting the City of Watauga decided upon a 3% annual increase.

FISCAL IMPACT:

The current approved rate schedule was a part of the FY25 budget so there will be no immediate impact on the budget.

STAFF RECOMMENDATION:

Staff recommends approval of Resolution 24-80 as presented.

ATTACHMENT(S):

Resolution 24-80 with Exhibit A - ILA with changes accepted

Redlined ILA

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve
- 2) Motion to amend with the following stipulations (please state stipulations in motion)
- 3) Motion to table
- 4) Motion to deny

EXHIBIT A

STATE OF TEXAS

INTERLOCAL AGREEMENT

TARRANT COUNTY

This Interlocal Agreement (the “**Agreement**”) is made and entered into by and, between The City of Watauga, Texas, a municipal corporation (hereinafter “**WATAUGA**”) and The Town of WESTLAKE, Texas, a municipal corporation (hereinafter “**WESTLAKE**”).

WHEREAS, both WATAUGA and WESTLAKE has the authority to enter into this Agreement pursuant to Chapter 791, Texas Government Code; and

WHEREAS, the service agreement for Vehicle Maintenance (“Service Level Agreement”) contemplated under this Agreement is of mutual interest and benefit to WESTLAKE and WATAUGA and will further the objectives of both parties in a manner consistent with the objectives of political subdivisions of the State of Texas; Watauga will provide vehicle maintenance services to WESTLAKE, for a defined fee detailed below; and

WHEREAS, it is mutually beneficial to both parties to execute this Agreement whereby each entity can achieve common objectives relating to the services regarding vehicle maintenance and in the interest of saving taxpayer funding; and

WHEREAS, all payments collected by WATAUGA from vehicle maintenance services provided to WESTLAKE will be considered revenue to WATAUGA and that WESTLAKE shall pay all invoices presented, as statutorily prescribed by Texas Government Code Chapter 2251 (Prompt Payment Act); and

WHEREAS, WESTLAKE agrees to utilize the non-exclusive vehicle maintenance services provided by WATAUGA, in this agreement for the purposes of vehicle maintenance to WESTLAKE vehicles and equipment, and

NOW, THEREFORE, in consideration of the mutual representations, terms and covenants hereafter set forth, the parties hereby agree as follows:

TERMS AND CONDITIONS

1. STATEMENT OF WORK

WATAUGA agrees to use reasonable efforts to perform the vehicle maintenance services described in the Service Level Agreement listed below in Section 2.

2. SERVICE LEVEL AGREEMENT – Services provided by WATAUGA:

- a. Schedule vehicle maintenance and repairs when notified by WESTLAKE;
- b. Provide vehicle preventative maintenance and general repair services in a timely manner; and
- c. Process monthly repair invoices for payment.

3. WARRANTY – WATAUGA

Fleet Services will warrant repair labor for a period of 60 days;

- a. Parts will be warranted for 90 days, defective or failed parts will be replaced at no charge during warranty period;
- b. All vehicle batteries will have an eighteen (18) month free replacement period.
- c. Other than the foregoing warranties, WATAUGA makes no other warranties, guaranties or representations regarding parts or labor.

4. RATE SCHEDULE

Services provided by WATAUGA at the following rates – Preventive Maintenance (PM) services flat rated based on vehicle class as follows:

- a. Light duty PM - \$139.22 + parts
- b. Heavy duty PM - \$2,497.87 + parts
- c. Other repairs invoiced at cost plus labor rate of \$139.22 per hour + parts
- d. Parts invoiced at cost plus 25%
- e. Transporting of equipment shall be billed out at the hourly rate of \$139.22 an hour.
- f. Dispatch Watauga Service truck to repair equipment in field will be charged a \$69.61 service call - \$174.02/hr + parts during normal working business days from 7:00 am till 4:00 pm or \$208.82/hr for afterhours + parts
- g. Dispatch third party vendors to truck in field (flat tires, etc.) – Third party costs + 25%
- h. Each new budget year, the rate schedule shall be increased by three percent (3.0%). The increase shall be automatically accepted unless each City/Town Manager agrees to other provisions prior to the final budget being accepted by the City/Town Council of both entities.

5. CONTRACT PAYMENTS

WESTLAKE shall reimburse WATAUGA per Section 4 on a monthly basis.

Payments shall be sent to the following address:

City of Watauga
Finance Department
7105 Whitley Road

Watauga, TX 76148
Attention: Accounts Payable

Phone: 817-514-5800
Email: accountspayable@wataugatx.org

6. THIRD PARTY

This contract shall not be interpreted to inure to the benefit of a third party not a party to this contract. This contract may not be interpreted to waive any statutory or common law defense, immunity, including governmental and sovereign immunity, or any limitation of liability, responsibility, or damage of any party to this contract, party's agent, or party's employee, otherwise provided by law.

7. JOINT VENTURE & AGENCY

The relationship between the parties to this Agreement does not create a partnership or joint venture between the parties. This Agreement does not appoint any party as agent for the other party.

8. EFFECTIVE DATE

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed.

9. TERM

The initial term of this Agreement shall be for Fiscal 2024/2025 budget year, beginning on October 1, 2024 and expiring on September 30, 2025. Following the Initial Term, unless written notice is given by either party hereto to the other not less than ninety (90) day before the expiration of this Agreement, it shall be automatically renewed for another additional period of twelve (12) months from such expiration date and shall be automatically renewed thereafter indefinitely. In the event of termination by either party, neither party shall have any further obligations to the other party under this Agreement, except that WESTLAKE remains liable to WATAUGA for any outstanding invoices, if any.

10. TERMINATION

Notwithstanding anything to the contrary, either party may terminate this Agreement at any time by providing ninety (90) days written notice to the other party. Any failure by WESTLAKE to timely pay any amounts due under the provisions of this Agreement shall be a material breach of this Agreement and WATAUGA may, in addition to any other remedy, terminate this Agreement for such breach immediately.

11. RIGHTS AND OBLIGATIONS OF WATAUGA

- a. WATAUGA shall provide the Services at Watauga Fleet Maintenance Garage for in-house repairs.
- b. WATAUGA shall instruct any third-party certified vehicle and equipment maintenance providers to provide the same level of service to WESTLAKE vehicles and equipment as it does for WATAUGA.
- c. The certified vehicle and equipment maintenance provider will bill WATAUGA directly for services provided.
- d. WATAUGA will provide services from Certified Vehicle Technicians.
- e. Watauga will drive equipment to third party maintenance providers.
- f. Watauga will inspect third party repairs prior to returning unit to WESTLAKE.

12. RIGHTS AND OBLIGATIONS OF WESTLAKE

- a. WESTLAKE shall pay invoices received in accordance with the Texas Prompt Payment Act, and expressly waives immunity from suit in any action by Watauga to recover past due amounts. Westlake holds harmless, releases and waives Watauga from and against any and all claims, losses damages and liability arising under this Agreement and the services provided hereunder.
- b. WESTLAKE shall at all times be responsible for submitting the appropriate documents with a request for Services to WATAUGA.
- c. WESTLAKE shall be responsible for the delivery and pick-up of vehicles or equipment requiring services.
- d. WESTLAKE shall be responsible for insuring vehicles and equipment.

13. SOVEREIGN IMMUNITY

Except as otherwise provided herein, neither party to this Agreement waives any claim of sovereign immunity because of its participation in this Agreement. Nothing in this Agreement shall be construed as creating any right or obligation to any third party.

14. AMENDMENT

This Agreement may be amended by the mutual written agreement of both parties hereto. The parties agree to enter an amended Agreement in order to comply with any legislative changes related to this Agreement, or due to a determination by a court of competent jurisdiction of other government authority that would cause any provision of this Agreement to be out of compliance with the current law.

15. SEVERABILITY

In the event anyone or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

16. GOVERNING LAW

The validity of this Agreement and any of its terms and provisions as well as rights and duties of the parties shall be governed by the laws of the State of Texas; and venue for any such action concerning this Agreement shall be and remain in the State District Court of Tarrant County, Texas.

17. FORCE MAJEURE

In the event that any party shall be prevented from performing any of its obligations under this Agreement by any act of God, war, riot, civil commotion, strikes, fires, flood, disease, epidemic, pandemic, quarantine, act of government, state of emergency, or by the occurrence of any event beyond the control of such party, then such party shall be excused from the performance of the obligations under this Agreement but only during such period of Force Majeure.

18. ENTIRE AGREEMENT

This Agreement represents the entire agreement among the parties with respect to the subject matter covered by this Agreement. There is no other collateral, oral, or written agreement between the parties that in any manner relates to the subject matter of this Agreement.

THE TOWN OF WESTLAKE

Kim Greaves, Mayor

Date: _____

Wade Carroll
Town Manager

Date: _____

ATTEST:

Dianna Buchanan, Town Secretary

APPROVED AS TO FORM

L. Stan Lowry, Town Attorney

THE CITY OF WATAUGA

Sandra Gibson, Interim City Manager

Date: _____

Paul Hackleman, P.E.
Director of Public Works

Date: _____

ATTEST:

APPROVED AS TO FORM AND LEGALITY

City Attorney

STATE OF TEXAS

ILA AS APPROVED BY RESOLUTION 24-61
WITH PROPOSED AMENDMENT OF 4.h. (Pg. 2) REDLINED
and numbering corrections

INTERLOCAL AGREEMENT

TARRANT COUNTY

This Interlocal Agreement (the "**Agreement**") is made and entered into by and, between The City of Watauga, Texas, a municipal corporation (hereinafter "**WATAUGA**") and The Town of WESTLAKE, Texas, a municipal corporation (hereinafter "**WESTLAKE**").

WHEREAS, both WATAUGA and WESTLAKE has the authority to enter into this Agreement pursuant to Chapter 791, Texas Government Code; and

WHEREAS, the service agreement for Vehicle Maintenance ("Service Level Agreement") contemplated under this Agreement is of mutual interest and benefit to WESTLAKE and WATAUGA and will further the objectives of both parties in a manner consistent with the objectives of political subdivisions of the State of Texas; Watauga will provide vehicle maintenance services to WESTLAKE, for a defined fee detailed below; and

WHEREAS, it is mutually beneficial to both parties to execute this Agreement whereby each entity can achieve common objectives relating to the services regarding vehicle maintenance and in the interest of saving taxpayer funding; and

WHEREAS, all payments collected by WATAUGA from vehicle maintenance services provided to WESTLAKE will be considered revenue to WATAUGA and that WESTLAKE shall pay all invoices presented, as statutorily prescribed by Texas Government Code Chapter 2251 (Prompt Payment Act); and

WHEREAS, WESTLAKE agrees to utilize the non-exclusive vehicle maintenance services provided by WATAUGA, in this agreement for the purposes of vehicle maintenance to WESTLAKE vehicles and equipment, and

NOW, THEREFORE, in consideration of the mutual representations, terms and covenants hereafter set forth, the parties hereby agree as follows:

TERMS AND CONDITIONS

1. STATEMENT OF WORK.

WATAUGA agrees to use reasonable efforts to perform the vehicle maintenance services described in the Service Level Agreement listed below in Section 2.

2. SERVICE LEVEL AGREEMENT – Services provided by WATAUGA:

- a. Schedule vehicle maintenance and repairs when notified by WESTLAKE;
- b. Provide vehicle preventative maintenance and general repair services in a timely manner; and
- c. Process monthly repair invoices for payment.

3. WARRANTY – WATAUGA

Fleet Services will warrant repair labor for a period of 60 days;

- a. Parts will be warranted for 90 days, defective or failed parts will be replaced at no charge during warranty period;
- b. All vehicle batteries will have an eighteen (18) month free replacement period.
- c. Other than the foregoing warranties, WATAUGA makes no other warranties, guaranties or representations regarding parts or labor.

4. RATE SCHEDULE

Services provided by WATAUGA at the following rates – Preventive Maintenance (PM) services flat rated based on vehicle class as follows:

- a. Light duty PM - \$139.22 + parts
- b. Heavy duty PM - \$2,497.87 + parts
- c. Other repairs invoiced at cost plus labor rate of \$139.22 per hour + parts
- d. Parts invoiced at cost plus 25%
- e. Transporting of equipment shall be billed out at the hourly rate of \$139.22 an hour.
- f. Dispatch Watauga Service truck to repair equipment in field will be charged a \$69.61 service call - \$174.02/hr + parts during normal working business days from 7:00 am till 4:00 pm or \$208.82/hr for afterhours + parts
- g. Dispatch third party vendors to truck in field (flat tires, etc.) – Third party costs + 25%
- h. Each new budget year ~~after the first year~~, the rate schedule shall be increased ~~per the Consumer Price Index for All Urban Consumers (CPI-U) for Series Title, Motor Vehicle repair in the U.S. city average, all urban consumers (Series ID CUSR0000SETD03) as reported in April of each year based on the percent change. In the event of a decrease, the rate schedule shall remain the same. The April 2024 CPI-U for this series was 268.324, by three percent (3.0%).~~ The increase shall be automatically accepted unless each City/Town Manager agrees to other provisions prior to the final budget being accepted by the City/Town Council of both entities.

5. CONTRACT PAYMENTS

WESTLAKE shall reimburse WATAUGA per Section 4 on a monthly basis.

Payments shall be sent to the following address:

City of Watauga
Finance Department
7105 Whitley Road
Watauga, TX 76148
Attention: Accounts Payable

Phone: 817-514-5800
Email: accountspayable@wataugatx.org

6. THIRD PARTY

This contract shall not be interpreted to inure to the benefit of a third party not a party to this contract. This contract may not be interpreted to waive any statutory or common law defense, immunity, including governmental and sovereign immunity, or any limitation of liability, responsibility, or damage of any party to this contract, party's agent, or party's employee, otherwise provided by law.

7. JOINT VENTURE & AGENCY

The relationship between the parties to this Agreement does not create a partnership or joint venture between the parties. This Agreement does not appoint any party as agent for the other party.

8. EFFECTIVE DATE

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed.

9. TERM

The initial term of this Agreement shall be for Fiscal 2024/2025 budget year, beginning on October 1, 2024 and expiring on September 30, 2025. Following the Initial Term, unless written notice is given by either party hereto to the other not less than ninety (90) day before the expiration of this Agreement, it shall be automatically renewed for another additional period of twelve (12) months from such expiration date and shall be automatically renewed thereafter indefinitely. In the event of termination by either party, neither party shall have any further obligations to the other party under this Agreement, except that WESTLAKE remains liable to WATAUGA for any outstanding invoices, if any.

109. TERMINATION

Notwithstanding anything to the contrary, either party may terminate this Agreement at any time by providing ninety (90) days written notice to the other party. Any failure by WESTLAKE to timely pay any amounts due under the provisions of this Agreement shall be a material breach of this Agreement and WATAUGA may, in addition to any other remedy, terminate this Agreement for such breach immediately.

101. RIGHTS AND OBLIGATIONS OF WATAUGA

- a. WATAUGA shall provide the Services at Watauga Fleet Maintenance Garage for in-house repairs.
- b. WATAUGA shall instruct any third-party certified vehicle and equipment maintenance providers to provide the same level of service to WESTLAKE vehicles and equipment as it does for WATAUGA.
- c. The certified vehicle and equipment maintenance provider will bill WATAUGA directly for services provided.
- d. WATAUGA will provide services from Certified Vehicle Technicians.
- e. Watauga will drive equipment to third party maintenance providers.
- f. Watauga will inspect third party repairs prior to returning unit to WESTLAKE.

124. RIGHTS AND OBLIGATIONS OF WESTLAKE

- a. WESTLAKE shall pay invoices received in accordance with the Texas Prompt Payment Act, and expressly waives immunity from suit in any action by Watauga to recover past due amounts. Westlake holds harmless, releases and waives Watauga from and against any and all claims, losses damages and liability arising under this Agreement and the services provided hereunder.
- b. WESTLAKE shall at all times be responsible for submitting the appropriate documents with a request for Services to WATAUGA.
- c. WESTLAKE shall be responsible for the delivery and pick-up of vehicles or equipment requiring services.
- d. WESTLAKE shall be responsible for insuring vehicles and equipment.

132. SOVEREIGN IMMUNITY

Except as otherwise provided herein, neither party to this Agreement waives any claim of sovereign immunity because of its participation in this Agreement. Nothing in this Agreement shall be construed as creating any right or obligation to any third party.

143. AMENDMENT

This Agreement may be amended by the mutual written agreement of both parties hereto. The parties agree to enter an amended Agreement in order to comply with any legislative changes related to this Agreement, or due to a determination by a court of competent jurisdiction of other

government authority that would cause any provision of this Agreement to be out of compliance with the current law.

154. SEVERABILITY

In the event anyone or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

156. GOVERNING LAW

The validity of this Agreement and any of its terms and provisions as well as rights and duties of the parties shall be governed by the laws of the State of Texas; and venue for any such action concerning this Agreement shall be and remain in the State District Court of Tarrant County, Texas.

176. FORCE MAJEURE

In the event that any party shall be prevented from performing any of its obligations under this Agreement by any act of God, war, riot, civil commotion, strikes, fires, flood, disease, epidemic, pandemic, quarantine, act of government, state of emergency, or by the occurrence of any event beyond the control of such party, then such party shall be excused from the performance of the obligations under this Agreement but only during such period of Force Majeure.

187. ENTIRE AGREEMENT

This Agreement represents the entire agreement among the parties with respect to the subject matter covered by this Agreement. There is no other collateral, oral, or written agreement between the parties that in any manner relates to the subject matter of this Agreement.

THE TOWN OF WESTLAKE

Kim Greaves, Mayor

Date: _____

Wade Carroll
Town Manager

Date: _____

ATTEST:

Dianna Buchanan, Town Secretary

APPROVED AS TO FORM

L. Stan Lowry, Town Attorney

THE CITY OF WATAUGA

Sandra Gibson, Interim City Manager

Date: _____

Paul Hackleman, P.E.
Director of Public Works

Date: _____

ATTEST:

APPROVED AS TO FORM AND LEGALITY

City Attorney



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: Res 24-81

Agenda Date: 11/11/2024

Agenda #: G.3.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to approve Resolution 24-81 authorizing the expenditure of funds for the purchase of a Ford F-450 flatbed truck from Silsbee Ford in an amount not to exceed \$108,578.75. (Cheryl Taylor, P.E., Director of Public Works).

STAFF: Cheryl Taylor, P.E., Director of Public Works

BACKGROUND:

This TIPS Cooperative vehicle purchasing agreement with Silsbee Ford will allow Public Works staff to purchase a vehicle needed to haul heavy items and materials to and from job sites for typical infrastructure maintenance. The flatbed truck replaces the need to rent or purchase a small dump truck in the future. This purchase continues the effort of Public Works to provide the annual maintenance required of our infrastructure. The replacement or repairs of major lines or equipment will continue to be outsourced reducing the Town's need to purchase equipment like dump trucks and large excavators.

DISCUSSION:

Public Works staff are responsible for the maintenance of the Town's public water, sanitary sewer, streets and storm drainage systems. The flatbed truck will be utilized by Public Works staff to tow the hydro excavation trailer, haul heavy tools, parts, and materials to and from job sites daily for typical infrastructure maintenance, and can be used to sand roads for proactive winter weather preparation.

A cooperative agreement with TIPS allows the Town of Westlake to contract with Silsbee Ford for the purchase of a flatbed truck in an amount not to exceed \$108,578.75, which exceeds the Town Manager's signatory approval and requires Town Council approval. As part of the Town's vehicle replacement program, a 2015 Ford F-350 service truck with over 100,000 miles will be traded in for \$7,000.00 credit towards the purchase of the new flatbed F-450 truck. The truck was scheduled for replacement in the previous year however the purchase and delivery was not able to be completed in FY24 and therefore the purchase is being moved forward to the FY25 budget. A future budget amendment will be required, as this purchase was originally budgeted in Fiscal Year 2024 but was not completed prior to October 1, 2024 deadline.

FISCAL IMPACT:

Funding for this agreement in an amount not to exceed \$108,578.75 will be from the Public Works approved Utility Fund operating budgets for fiscal year 2024-2025. A future budget amendment will be required to move the funds from fiscal year 2023-2024 due to the timing of the purchase.

STAFF RECOMMENDATION:

Staff recommends approval of Resolution 24-81 authorizing the expenditure of funds for the purchase of a Ford

F-450 flatbed truck from Silsbee Ford in an amount not to exceed \$108,578.75.

ATTACHMENT(S):

1. Resolution 24-81
2. Silsbee Ford contract with the TIPS for Ford vehicles

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve
- 2) Motion to amend with the following stipulations (please state stipulations in motion)
- 3) Motion to table
- 4) Motion to deny

TOWN OF WESTLAKE

RESOLUTION NO. 24-81

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, AUTHORIZING THE EXPENDITURE OF FUNDS FOR THE PURCHASE OF A FORD F-450 FLATBED TRUCK FROM SILSBEE FORD IN AN AMOUNT TO EXCEED \$108,578.75

WHEREAS, the Town Council of the Town of Westlake recognizes the need to maintain and protect public infrastructure to serve its residents; and,

WHEREAS, the leaders of the Town of Westlake desire to improve quality of life in the town; and,

WHEREAS, the Town Council recognizes that the replacement program for Town vehicles and equipment outlines the parameters for age and miles when the vehicle or equipment is no longer safe and is in need of replacement to perform daily operational maintenance of public infrastructure; and,

WHEREAS, the Town Council finds that the passage of this Resolution is in the best interest of the citizens of Westlake.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Town Council for the Town of Westlake does hereby approve the expenditure of funds to Silsbee Ford through the TIPS Cooperative Program for the purchase of a Ford F-450 Flatbed Truck to perform daily maintenance on the water, wastewater, streets, drainage and park systems.

SECTION 2: That the funding for the replacement of a 2015 ford F-350 service truck with over 100,000 miles in an amount not to exceed \$108,578.75 will be paid from the Utility Fund operating budget for fiscal year 2024-2025. A future budget amendment will be required to move the funds from fiscal year 2023-2024.

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this Resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11TH DAY OF NOVEMBER 2024.

Kim Greaves, Mayor

ATTEST:

Dianna Buchanan, Town Secretary

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney

EXHIBIT A



PRODUCT PRICING SUMMARY

TIPS USA 210907 AUTOMOBILES

VENDOR- Silsbee Ford, 1211 Hwy 96 N., Silsbee TX 77656

End User: TOWN OF WESTLAKE

Prepared by: RICHARD HYDER

Contact: KYLE FLANAGAN 817.996.6793

Phone: 409.300.1385

Email: KFLANAGAN@WESTLAKETX.GOV

Email: RHYDER.COWBOYFLEET@GMAIL.COM

Product Description: FORD F450 CREW CAB CHASSIS

Date: October 14, 2024

A. Bid Item: 44

A. Base Price: \$ 55,975.00

B. Factory Options

Code	Description	Bid Price	Code	Description	Bid Price
W4G/W4H	2025 F450 CREW CAB CHASSIS 4X4 84" CA	\$ 6,395.00		CRUISE	\$ -
Z1	EXTERIOR WHITE	\$ -	18B	PLATFORM RUNNING BOARDS	\$ 445.00
AS	INTERIOR GRAY VINYL	\$ -	872	REAR VIEW CAMERA KIT	\$ 415.00
99T	6.7L V8 DIESEL	\$ 10,495.00	76C	BACKUP ALARM	\$ 175.00
X4N	4.10 LIMITED SLIP AXLE	\$ 395.00	512	SPARE TIRE	\$ 350.00
	POWER EQUIPMENT GROUP	\$ -			
	VINYL FLOORING	\$ -			
	BLUETOOTH	\$ -			

Total of B. Published Options: \$ 18,670.00

Published Option Discount (5%): \$ (933.50)

C. Unpublished Options

Description	Bid Price	Options	Bid Price
HITECH DES08262401--12' DUMP BODY WITH	\$ 36,537.00		
SIDE MOUNT LIFTGATE, UNDERBODY TOOLBOX,			
4 ECCO WORK LIGHTS			
4 KEYS	\$ 300.00		
INSTALLATION	\$ 810.00		
WHELEN AMBER/BUE LIGHTBAR TO SPEC	\$ 3,295.00		
WHELEN AMBER/BUE REAR LEDS X2 BUMPER	\$ 200.00		
TINT WINDOWS	\$ 195.00		

Total of C. Unpublished Options: \$ 41,337.00

D. Floor Plan Interest (for in-stock and/or equipped vehicles):

\$ -

E. Lot Insurance (for in-stock and/or equipped vehicles):

\$ -

F. Contract Price Adjustment:

\$ -

G. Additional Delivery Charge: 303 miles

\$ 530.25

H. Subtotal:

\$ 115,578.75

I. Quantity Ordered 1 **x H =**

\$ 115,578.75

J. Trade in: 2015 F350 1FT8W3B68FEC55933

\$ (7,000.00)

K. Total Purchase Price

\$ 108,578.75



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: RES 24-82

Agenda Date: 11/11/2024

Agenda #: G.4.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to approve regarding Resolution 24-82 authorizing a Master Interlocal Cooperative Purchasing Agreement between the Town of Westlake and the City of Southlake (Cheryl Taylor, P.E., Director of Public Works)

STAFF: Cheryl Taylor, P.E., Director of Public Works

BACKGROUND:

The Town of Westlake seeks approval to utilize an open contract from the City of Southlake for the procurement of goods and services taking advantage of economies of scale.

DISCUSSION:

The Town of Westlake utilizes interlocal agreements (ILAs) with other governmental entities to procure goods and services at advantageous terms that have been directly negotiated between vendors and other entities. The City of Southlake is a reputable government entity that follows best practices within their purchasing and bidding practices.

Public Works staff has identified several contracts with the City of Southlake that could be beneficial to the Town of Westlake including water well services, landscaping, tree trimming and maintenance, and manhole rehabilitation services. The ILA with Southlake will allow the Town to use favorable pricing due to the purchasing power of a larger city.

FISCAL IMPACT:

N/A

STAFF RECOMMENDATION:

Staff recommends approval of Resolution 24-82 authorizing a Master Interlocal Cooperative Purchasing Agreement with The City of Southlake.

ATTACHMENT(S):

Resolution 24-82

Master Interlocal Cooperative Purchasing Agreement between the Town of Westlake and City of Southlake

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve

- 2) Motion to amend with the following stipulations (please state stipulations in motion)
- 3) Motion to table
- 4) Motion to deny

TOWN OF WESTLAKE

RESOLUTION NO. 24-82

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, AUTHORIZING A MASTER INTERLOCAL COOPERATIVE PURCHASING AGREEMENT BETWEEN THE TOWN OF WESTLAKE AND THE CITY OF SOUTHLAKE.

WHEREAS, Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act, and Chapter 271. 102 of the Texas Local Government Code authorize all local governments to contract with each other to perform governmental functions or services including administrative functions normally associated with the operation of government such as purchasing of necessary equipment, supplies and services; and,

WHEREAS, the Town of Westlake (the " Town") City of Southlake (Southlake) desire to enter into this Agreement for the purpose of fulfilling and implementing their respective public and governmental purposes, needs, objectives, programs and services; and,

WHEREAS, The Town and Southlake represent that each are independently authorized to perform the functions or services contemplated by this Agreement; and,

WHEREAS, it is deemed in the best interest of all participating governments that said governments do enter into a mutually satisfactory agreement for the purchase of necessary equipment, supplies, and services; and,

WHEREAS, the participating governments are of the opinion that cooperation in the purchasing of equipment, supplies, services and auctions will be beneficial to the taxpayers of the Governments through the efficiencies and potential savings to be realized; and,

WHEREAS, the Town Council finds that the passage of this Resolution is in the best interest of the citizens of Westlake.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: The Town and Southlake are authorized to participate in each other's current and/or future contracts for goods and services. Said contracts shall have been established in accordance with all appropriate procedures governing competitive bids and competitive proposals, if required.

SECTION 3: The Town and Southlake agree that the ordering of goods and services is the responsibility of the local government seeking to obtain such goods and services under the established contract, and that participating government shall deal directly with the vendor in obtaining the goods and services and payment therefore. The participating government shall be liable to the vendor only for goods and services ordered and received by it, and shall not, by the execution of this Agreement, assume any additional liability. Neither the Town nor Southlake warrants, or is responsible for, the quality or delivery of goods or services from the vendor under contract. Should a dispute arise between a participating government and a vendor, the same shall be handled by and between that participating government and the vendor.

SECTION 4: That the Town Council for the Town of Westlake does hereby approve a Master Interlocal Cooperative Purchasing Agreement between the Town of Westlake and the City of Southlake to utilize any contracts for goods and services available thereunder, and authorizes the Town Manager or designee to execute Interlocal Agreement attached hereto as “Exhibit A”.

SECTION 5: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this Resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11TH DAY OF NOVEMBER 2024.

Kim Greaves, Mayor

ATTEST:

Dianna Buchanan, Town Secretary

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney

EXHIBIT A

**MASTER INTERLOCAL COOPERATIVE PURCHASING AGREEMENT
BETWEEN THE TOWN OF WESTLAKE AND CITY OF SOUTHLAKE**10/21/21

WHEREAS, Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act, and Chapter 271.102 of the Texas Local Government Code authorize all local governments to contract with each other to perform governmental functions or services including administrative functions normally associated with the operation of government such as purchasing of necessary equipment, supplies and services;

WHEREAS, The Town of Westlake (the "Town") City of Southlake (Southlake) desire to enter into this Agreement for the purpose of fulfilling and implementing their respective public and governmental purposes, needs, objectives, programs and services;

WHEREAS, The Town and Southlake represent that each are independently authorized to perform the functions or services contemplated by this Agreement;

WHEREAS, it is deemed in the best interest of all participating governments that said governments do enter into a mutually satisfactory agreement for the purchase of necessary equipment, supplies, and services;

WHEREAS, the participating governments are of the opinion that cooperation in the purchasing of equipment, supplies, services and auctions will be beneficial to the taxpayers of the governments through the efficiencies and potential savings to be realized; and

WHEREAS, each party has sufficient resources to perform the functions contemplated by this Agreement;

NOW THEREFORE, the parties hereto, in consideration of the mutual covenants and conditions contained herein, promise and agree as to each of the other as follows:

1. The Town and Southlake are authorized to participate in each other's current and/or future contracts for goods and services. Said contracts shall have been established in accordance with all appropriate procedures governing competitive bids and competitive proposals, if required.
2. The Town and Southlake agree that the ordering of goods and services is the responsibility of the local government seeking to obtain such goods and services under the established contract, and that participating government shall deal directly with the vendor in obtaining the goods and services and payment therefore. The participating government shall be liable to the vendor only for goods and services ordered and received by it, and shall not, by the execution of this Agreement, assume any additional liability. Neither the Town nor Southlake warrants, or is responsible for, the quality or delivery of goods or services from the vendor under contract. Should a dispute arise between a participating government and a vendor, the same shall be handled by and between that participating government and the vendor.

3. Each government shall pay invoices directly to the providers of goods and services that are invoiced and delivered directly to each respective government.
4. Participation of either government in any cooperative purchasing activity is strictly voluntary. Nothing in this Agreement shall prevent either governments from purchasing and/or accepting and awarding bids, proposals and contracts subject to this Agreement on its own behalf.
5. Each government shall ensure that all applicable laws and ordinances have been satisfied.
6. **Effective Date and Term.** This Agreement shall be effective when the last party signing causes the Agreement to be fully executed and will remain in full force and effect indefinitely. Any party may modify and/or terminate this Agreement in accordance with Paragraphs 7 and 8, respectively.
7. **Modification.** The terms and conditions of this Agreement may be modified upon the mutual consent of all parties. Mutual consent will be demonstrated by approval of the governing body of each party hereto. No modification to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of all parties.
8. **Termination.** This Agreement may be terminated at any time by the Town or Southlake, with or without cause, upon thirty (30) days written notice to the other party in accordance with Paragraph 11 herein.
9. **Hold Harmless.** To the extent allowed by law, the Town and Southlake agree to hold each other harmless from and against any and all claims, losses, damages, causes of action, suits and liabilities of every kind, including all expenses of litigation, court costs and attorney's fees, for injury or death of any person, for damage to any property, or for any breach of contract, arising out of or in connection with the work done under this Agreement.
10. **Invalidity.** If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the respective provision or provisions of this Agreement with legal terms and conditions approximating the original intent of the parties.
11. **Written Notice.** Unless otherwise specified, written notice shall be deemed to have been duly served if delivered in person, sent by email, by fax with successful send confirmation, or by certified mail to the last business address as listed herein.

Town of Westlake:

Town of Westlake
Attn.: Procurement
1500 Solana Blvd.
Building 7
Suite 7200
Westlake, TX 76262
Phone: (817) 430-0941
Fax: (817) 430-1812

Entity:

Purchasing Department
Attn: Tim Slifka, Purchasing
Manager
City of Southlake
1400 Main St. Suite 420
Southlake, TEXAS 76092
Phone: 817-748-8312
TSlifka@ci.southlake.tx.us

12. **Entire Agreement.** It is understood that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises, or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent, or employee of any party before or after the execution of this Agreement shall affect or modify any of the terms or obligations hereunder.
13. **Amendment.** No Amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.
14. **Texas Law.** This Agreement has been made under and shall be governed by the laws of the State of Texas.
15. **Place of Performance.** Performance and all matters related thereto shall be in the County of the government originating the bid. This shall be Tarrant County, Texas, United States of America for Southlake and shall be Tarrant County, Texas, United States of America for the Town.
16. **Authority to Enter Contract.** Each party has the full power and authority to enter into and perform this Agreement and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective Government.

17. **Waiver.** Failure of any party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in anyway affect the validity of this Agreement, any part hereof, or the right of either party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.
18. **Agreement Read.** The parties acknowledge that they understand and intend to be bound by the terms and conditions of this Agreement.
19. **Multiple Originals.** It is understood and agreed that this Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes.

[Handwritten mark]

TOWN OF WESTLAKE

CITY OF SOUTHLAKE

BY: _____
Town Manager

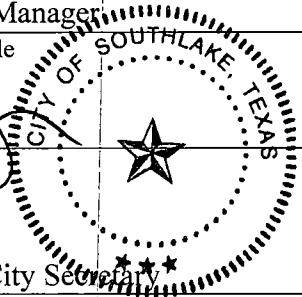
BY: *[Signature]* _____
City Manager

DATE: _____

Alison Ortowski, City Manager
"BY" Printed Name and Title

ATTEST: _____
Town Secretary

ATTEST: *[Signature]* _____
City Secretary



DATE: _____

Amy Shelley, TMRC City Secretary
"ATTEST" Printed Name and Title

APPROVED AS TO FORM:

Town Attorney

RESOLUTION No. 12-049

A RESOLUTION OF THE CITY OF SOUTHLAKE, TEXAS AUTHORIZING THE CITY MANAGER OR HIS OR HER DESIGNEE TO ENTER INTO COOPERATIVE PURCHASING AGREEMENTS WITH OTHER GOVERNMENTAL ENTITIES AND OTHER COOPERATIVE PURCHASING ORGANIZATIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, it is necessary for the City of Southlake to make purchases of supplies, equipment, materials and other things requisite for public purposes; and

WHEREAS, the City cannot normally obtain the best possible purchase price for materials and supplies acting individually and without cooperation; and

WHEREAS, it is deemed in the best interest of the City to enter into mutually satisfactory agreements for the purchase of certain materials and supplies; and

WHEREAS, in order to obtain the best purchase price available in a timely manner, it is also deemed in the best interest of the City to authorize the city manager or his or her designee to enter into cooperative purchasing agreements with other governmental entities.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTHLAKE, TEXAS THAT:

SECTION 1.

The City Manager or her designee is hereby authorized to enter into agreements for cooperative purchasing with other governmental entities and other cooperative purchasing organizations and to take such other actions as may be necessary to implement those agreements.

SECTION 2.

The authorization granted by this Resolution does not affect the City Council's exclusive power and responsibility to make all purchases where the amount of the expenditure is over \$50,000.00

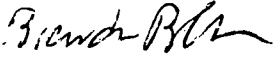
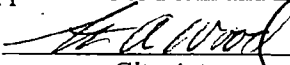
SECTION 3.

This Resolution shall be effective immediately upon its adoption and approval.

PASSED AND APPROVED THIS THE 16TH DAY OF October, 2012.

ATTEST:

A circular seal for the City of Southlake, Texas. It features a five-pointed star in the center, surrounded by the words "CITY OF SOUTHLAKE, TEXAS". Below the star are three small stars. The seal is partially obscured by the signature of Alicia Richardson.
Alicia Richardson
Alicia Richardson TRME, City Secretary


John Terrell, Mayor Pro Tem
Brandon Bledsoe
Approved as to Form and Legality:

City Attorney



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: WA RES 24-37

Agenda Date: 11/11/2024

Agenda #: G.5.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to approve WA Resolution 24-37 adopting the revised 2024-2025 Westlake Academy Personnel Manual (Sandy Garza, Director of Human Resources)

STAFF: Director of Human Resources Sandy Garza

BACKGROUND:

The Westlake Academy Personnel Manual is a written compilation of the Academy's employee policies, procedures, and benefits. It is a comprehensive document which must be updated annually in response to changing laws, employment trends, as well as internal changes to policies and procedures.

DISCUSSION:

The Head of School, Legal and Staff have reviewed and updated the Personnel Manual as required by law and best practices.

FISCAL IMPACT:

N/A

STAFF RECOMMENDATION:

Staff recommends approval of the WA Resolution 24-37 adopting the 2024-2025 Personnel Manual as presented.

ATTACHMENT(S):

Draft 2024-2025 Personnel Manual

WA Resolution 24-37

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve
- 2) Motion to amend with the following stipulations (please state stipulations in motion)
- 3) Motion to table
- 4) Motion to deny

WESTLAKE ACADEMY

RESOLUTION NO. 24-37

**A RESOLUTION OF THE WESTLAKE ACADEMY BOARD OF TRUSTEES
AMENDING PERSONNEL POLICIES AND ADOPTING THE 2024-2025 WESTLAKE
ACADEMY PERSONNEL MANUAL.**

WHEREAS, Westlake Academy recognizes that ongoing updates to the Academy's personnel manual are necessary to ensure best practices; and,

WHEREAS, the leaders of Westlake Academy desire to promote professionalism, safety, security, and high standards of performance in the workplace; and,

WHEREAS, Westlake Academy desires is to provide employees with a personnel manual that reflects the goals and vision of the Academy's leaders; and,

WHEREAS, the Board of Trustees finds that the passage of this Resolution is in the best interest of the citizens of Westlake as well as the students, their parents, and faculty of Westlake Academy.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF
WESTLAKE ACADEMY:**

SECTION 1: that, all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Westlake Academy Board of Trustees does hereby adopt the 2024-2025 Westlake Academy Personnel Manual as presented.

SECTION 3: That the Westlake Academy Board of Trustees authorize the Head of School to revise and/or supplement the Manual as may be necessary throughout the year in response to changes in law or to clarify policies and procedures adopted herein.

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11TH DAY OF NOVEMBER 2024.

ATTEST:

Kim Greaves, Board President

Dianna Buchanan, Board Secretary

APPROVED AS TO FORM:

Janet S. Bubert, School Attorney



Westlake Academy

2024-2025 Personnel Manual

Adopted _____, 2024

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Introduction

The purpose of the Westlake Academy Personnel Manual is to provide information that will help with questions and pave the way for a successful year. Not all Westlake Academy policies and procedures are included. Some policies have been summarized. Employees are responsible for reviewing and following all Westlake Academy policies adopted by the Town Council/Board of Trustees. Suggestions for additions and improvements to this handbook are welcome and may be sent to the Westlake Academy Human Resources Office, located at 1500 Solana Blvd., Building 7, Suite 7200, phone (817) 490-5734.

This handbook is neither a contract nor is it intended to alter the at-will status of non-contract employees in any way. Rather, it is a guide providing an explanation of Westlake Academy's employee policies and procedures. These policies and procedures may change at any time; and such changes shall supersede any handbook provisions that are not consistent with the change. For more information, employees may contact the Human Resources Office.



Westlake Academy Information

Description of Westlake Academy

Westlake Academy is an Open Enrollment Charter School which opened in the fall of 2003 in Westlake, Texas. Westlake Academy distinguishes itself among neighboring educational offerings with a particular focus on international-style academics. The programs of the International Baccalaureate Organization (PYP, MYP, and Diploma) have been certified as the educational model. Educational technology is pervasive and infuses the classroom curriculum.

Westlake Academy Mission, Vision & Values

Westlake Academy is a public charter school offering the International Baccalaureate (IB) curriculum. Founded in 2003, with a mission to achieve academic excellence and develop life-long learners who become well-balanced, responsible global citizens, Westlake Academy is the first and only municipally-owned school in the state to receive a charter designation. Westlake Academy is the fifth school of only ten in the United States, and the only public school, to offer the full IB curriculum for grades K-12.

Great care and consideration were given to the mission and vision of the Academy and the impact that these have on both the long-term goals of the Academy and its day-to-day operations. The vision and mission statements represent the outcome of this discussion and evidence the Board's continued dedication to academic excellence and personal achievement. The values statements are currently being reviewed by the Board and are listed here for reference only.

MISSION STATEMENT:

"Westlake Academy is an IB World School whose mission is to provide students with an internationally minded education of the highest quality, so they are well-balanced and respectful life-long learners."

VISION STATEMENT:

"Westlake Academy inspires college bound students to achieve their highest individual potential in a nurturing environment that fosters the traits found in the IB Learner Profile."

*~ Inquirers, Knowledgeable, Thinkers, Communicators,
Principled, Open-minded, Caring, Risk-takers, Balanced, and
Reflective~*

VALUES

Maximizing Personal Development
Academic Excellence
Respect for Self and Others
Personal Responsibility
Compassion and
Understanding

The following desired outcomes summarize the goals and objectives established by the Board of Trustees and leadership staff at the Academy.



Desired Outcomes

High Student Achievement
Strong Parent & Community Connections
Financial Stewardship & Sustainability
Student Engagement-Extracurricular Activities
Effective Educators & Staff

Governing Board

The Texas Education Agency (TEA) granted the Town of Westlake the charter to operate Westlake Academy. The TEA charter recognizes the Town Council as the governing board, and the members of the Town Council serve as the Board of Trustees, responsible for overseeing the management of Westlake Academy. The Board is the policy-making body within the Academy and has overall responsibility for the annual budget, employment of the Head of School, and providing necessary facilities for the Academy. The Board is responsible for the successful operation of the Academy within the limits established by state and federal laws and regulations.

The Town Council/Board of Trustees is elected by registered voters of the Town of Westlake to represent the community's commitment to a strong educational program for our students. Trustees are elected every year in May and serve staggered two-year terms. Trustees serve without compensation, must be registered voters, and must reside within the Town of Westlake.

Westlake Academy 2024-2025 Board of Trustees

Kim Greaves, President
Dr. Anna White, Trustee
Tammy Reeves, Trustee
Mike Asselta, Trustee
Todd Gautier, Trustee
Michael Yackira, Trustee

Westlake Academy Administrative Officials

The Board of Trustees meets regularly in the council chambers of Westlake Town Hall, located at 1500 Solana Blvd., Building 7, Suite 7100, Westlake, Texas 76262. Notice is posted for regular and special meetings on the Westlake Town Hall bulletin board and at the Westlake Academy Central Administration Office, 2600 JT Ottinger Road, Westlake, Texas 76262, at least 72 hours before the scheduled meeting time. The written notice will show the date, time, place, and subjects of each meeting, clearly identifying Westlake Academy agenda items. In emergencies, a meeting may be held with a two-hour notice. Meeting notice is also posted on the Town of Westlake website at <https://westlake-tx.legistar.com/Calendar.aspx> and on the Westlake Academy website at <https://www.westlakeacademy.org/about-us/board-of-trustees>.

All meetings are open to the public and are conducted in accordance with the Texas Open Meetings Act. In certain circumstances, Texas law permits the Board to go into a closed session. A Closed session may occur for such things as discussing prospective gifts or donations, real-property acquisition, certain personnel issues, security matters, matters that identify personally identifiable student information, to consult with attorneys regarding pending litigation, or other matters as allowed by law.



Helpful Contacts

From time to time, employees have questions or concerns. The contacts for various Westlake Academy Departments are listed below. A complete list of staff telephone extensions is available in the Academy's Main Office.

Dr. Kelly Ritchie, Head of School
Beth Hughes, Elementary Principal
Erin Wood, Elementary Asst. Principal
Maxwell Ituah, Middle School Principal
Jennifer Phillips, Middle School Asst. Principal
Dr. James Owen, High School Principal
Serena McMillon, High School Asst. Principal
Michelle Briggs, Director of Innovation
Darcy McFarlane, Director of Accountability
Shelly Myers, Exec. Director of the WAF/Director of Development
Gary Ponder, Interim Director of Athletics
Alison Schneider, PYP Coordinator
Sarah Stack, MYP Coordinator
Brandon Llewellyn, DP Coordinator
Maria Miller, Facilities Manager

*Cayce Lay Lamas, Director of Finance
*Jon Sasser, Director of Communications
*Sandy Garza, Director of Human Resources
*Jason Power, Director of Technology

**Asterisk denotes shared services personnel between Westlake Academy and the Town of Westlake*

Employment

Equal Employment Opportunity

Westlake Academy does not discriminate against any employee or applicant for employment on the basis of race, color or national origin; religion; sex; age; disability; genetic information; military status; or on any other basis prohibited by law. Employment decisions will be made on the basis of each applicant's job qualifications, experience, and abilities.

In accordance with Title IX, no person, on the basis of sex, shall be excluded from participation in, denied the benefits of, or be subjected to discrimination by the Academy. Inquiries about the application of Title IX may be referred to the Academy's Title IX coordinator, to the Assistant Secretary for Civil Rights of the Department of Education, or both.

The Academy designates and authorizes the following employee as the Title IX coordinator for concerns or inquiries regarding discrimination based on sex, including sexual harassment: Michelle Briggs, mbriggs@westlakeacademy.org, 817-490-5767.



Reports can be made at any time and by any person, including during non-business hours, email, or phone. During Academy business hours, reports may also be made in person.

The Academy designates and authorizes the following employee as the ADA/Section 504 coordinator for concerns regarding discrimination on the basis of a disability: Sandy M. Garza, Director of Human Resources, 1500 Solana Blvd., Bldg. 7, Ste. 7201, sgarza@westlake-tx.org, and 817-490-5734.

Questions or concerns relating to discrimination for any other reason should be directed to the Head of Schools.

Job Vacancy Announcements

Announcements of job vacancies will be made by one or more of the following methods: through email for internal postings and/or on the Academy's website for external postings.

Employment after Retirement

Individuals receiving retirement benefits from the Teacher Retirement System (TRS) may be employed in limited circumstances on a full- or part-time basis without affecting their benefits, according to TRS rules and state law. Detailed information about employment after retirement is available in the TRS publication *Employment After Retirement*. Employees can contact TRS for additional information by calling 800-223-8778. Information is also available on the TRS Web Site (<https://www.trs.texas.gov/Pages/Homepage.aspx>).

Contract and Noncontract Employment

Certain provisions in the Texas Education Code are not applicable to open-enrollment charter schools. For example, as an open-enrollment charter school, Westlake Academy is not required by state law to employ professional employees under a contract subject to Chapter 21 of the Texas Education Code.

Noncertified professional and administrative employees

Employees in professional and administrative positions (such as non-instructional administrators) may be employed under an employment contract or at-will at the discretion of the Head of School.

Paraprofessional and auxiliary employees

All paraprofessional and auxiliary employees, regardless of certification, are employed at-will and not by contract. Employment is not for any specified term and may be terminated at any time by either the employee or by the Academy with or without cause.

Other Employees

Employees in all other Academy positions are employed at-will and may be terminated at any time by the Academy, with or without cause.

Certification and Licenses

Professional employees employed in positions that require SBEC certification or professional license are responsible for taking actions to ensure their certifications or permits do not lapse. Employees must submit documentation they have passed the required certification exam for their assigned position and/or obtained or renewed their certification or permits to the Human Resources Office in a timely manner.



A certified employee's contract is voidable if the individual does not hold a valid certificate or fails to fulfill the requirements necessary to renew or extend a temporary certificate, emergency certificate, probationary certificate, or permit. A contract is also voidable if SBEC suspends or revokes certification because of an individual's failure to comply with criminal history background checks. Contact the Human Resources Office if you have any questions regarding certification or licensure requirements.

Recertification of Employment Authorization

At the time of hire all employees must complete the Employment Eligibility Verification Form (Form I-9) and present documents to verify identity and employment authorization. Employees whose immigration status, employment authorization, or employment authorization documents have expired must present new documents that show current employment authorization. Employees should file the necessary application or petition sufficiently in advance to ensure that they maintain continuous employment authorization or valid employment authorization documents. Contact the Human Resources Office if you have any questions regarding verification of employment authorization.

Employee Searches and Drug/Alcohol Testing

Non-investigatory searches in the workplace, including accessing an employee's desk, file cabinets, locker, or work area to obtain information needed for usual business purposes may occur when an employee is unavailable. Therefore, employees are hereby notified that they have no legitimate expectation of privacy in those places. In addition, the Academy reserves the right to conduct searches when there is reasonable cause to believe a search will uncover evidence of work-related misconduct. Such an investigatory search may include drug and alcohol testing if the suspected violation relates to drug or alcohol use. When the Academy has reasonable suspicion to believe a search will uncover evidence of work-related misconduct, the Academy may search the employee, the employee's personal items, work areas, lockers, and private vehicles parked on Academy premises or work sites or used in Academy business. This policy also applies to school-sponsored trips and offsite training programs attended by employees.

Constitutional Rights of Employees

Westlake Academy respects the constitutional rights of its employees. All actions taken by Academy officials shall be consistent with the Constitution and laws of the United States and the State of Texas.

Notification of Supervisor of Authorized Drug Use

Each employee shall report the use of medically authorized drugs or other substances that can impair job performance to the employee's immediate supervisor and provide proper written medical authorization to work from a physician. It is the employee's responsibility to determine from the physician whether or not the drug would impair employee job performance depending on the nature of the employee's job. Failure to report the use of such drugs or other substances or failure to provide proper evidence of medical authorization will result in disciplinary action. Any information received from an employee under this provision will be kept confidential except to the extent it may be shared with individuals who are in a need-to-know position.

Westlake Academy reserves the right to have a physician of its own choice determine if the medication produces hazardous effects at the prescribed dosage and may restrict the employee's work activity.



Additional Employee Responsibilities

Employees are expected to be fit for duty upon reporting to work. Each Academy employee who observes or has knowledge of another employee in an impaired condition to perform his or her job duties or who poses a hazard to the safety and welfare of the employee or others shall promptly report this fact to the immediate supervisor. The employee making the observation must file a written report to the suspected employee's supervisor within 24 hours of observing or learning of the condition. The supervisor will also forward the employee's written report immediately to the Head of School in a confidential manner. Any employee failing to make such a report will be subject to disciplinary action, including suspension or termination.

If, after investigating a report of an employee's impaired condition, the supervisor finds that the reporting employee has knowingly provided false information regarding the suspected employee, disciplinary action may be taken against the individual who filed the report and knowingly gave such false information.

All employees are responsible for recognizing reasonable suspicion of drug or alcohol use by employees, and for carrying out the provisions of this policy.

Drug and/or Alcohol Testing

When there is reasonable suspicion that an employee is under the influence of alcohol or drugs used in violation of Academy policy, the employee may be required to undergo a controlled substance and/or alcohol test at the Academy's expense. The exam shall consist of a urine and/or breath and/or blood test and may include a physical examination by a physician. Any employee who is required to undergo a drug or alcohol test shall be given the opportunity to provide relevant information about prescription or nonprescription medications that may affect the screening.

An employee who fails to comply with a directive to submit to testing based upon reasonable suspicion shall be subject to disciplinary action, which may include termination. Additional information on testing procedures and consideration of test results is included as Exhibit A of this Personnel Manual.

Employee Cooperation

All employees are expected to cooperate with a request for drug or alcohol testing. Refusal to submit to testing or refusal to sign the consent form will be considered cause for termination. Failure to provide adequate breath or urine specimens for testing without a valid medical explanation is also considered a refusal to submit to testing. Any conduct that clearly obstructs the testing process, such as tampering with a specimen or the testing procedure, including the use of adulterants, may result in termination.

Operation of Vehicles and Equipment

Under no circumstances shall an employee operate motor vehicle or motorized equipment while under the influence of drugs or alcohol or under the influence of medication that may affect the employee's ability to operate such equipment. Additionally, when the supervisor has information from another employee when reasonable suspicion exists, an employee shall not be allowed to operate any motor vehicle or motorized equipment until the supervisor has investigated the situation and determined if testing for drugs or alcohol is warranted. If the supervisor determines that reasonable suspicion does not exist, the employee will be allowed to return to his or her regular duties.



Health Safety Training

Certain employees who are involved in physical activities for students may be required to maintain and submit to the Academy proof of current certification in first aid, cardiopulmonary resuscitation (CPR), the use of an automated external defibrillator (AED), concussion, and extracurricular athletic activity safety. Certification must be issued by the American Red Cross, the American Heart Association, or another organization that provides equivalent training and certification. Employees subject to this requirement must submit their certification to the Human Resources Office within 30 days of the date of hire.

School nurses and employees with regular contact with students must complete a Texas Education Agency approved, online training regarding seizure disorder awareness, recognition, and related first aid.

Reassignments and transfers

All personnel are subject to assignment and reassignment by the Head of School or designee. Employees with extracurricular or supplemental duty assignments may be reassigned or removed from extracurricular or supplemental duty assignments at any time. Employees who object to a reassignment may follow the process for employee grievances as outlined in this handbook.

Workload and Work Schedules

Professional Employees

Professional employees and academic administrators are exempt from overtime pay and are employed according to the work schedules set by the Academy. A school calendar is adopted each year designating the work schedule for Academy employees and all school holidays. Notice of work schedules including required days of service and scheduled holidays will be distributed each school year. To ensure the effective operation of the Academy, exempt employees are generally expected to limit any off-duty lunch break to thirty (30) minutes during the school day.

Paraprofessional and Auxiliary employees

Support employees are employed at-will and will be notified of the required duty days, holidays, and hours of work for their position on an annual basis. Paraprofessional and auxiliary employees are not exempt from overtime and are not authorized to work in excess of their assigned schedule without prior approval from their supervisor.

Breaks for Expression of Breast Milk

Westlake Academy supports the practice of expressing breast milk and makes reasonable accommodations for the needs of employees who express breast milk. The Academy shall provide a lactation location that is not a bathroom, is shielded from view and free from intrusion from other employees and the public, and is functional for pumping.

A reasonable amount of break time will be provided each time the employee has a need to express milk. For nonexempt employees, these breaks are unpaid and employees are completely relieved from duties during the entirety of the break. Employees should meet with their supervisor to discuss their needs and arrange break times.

Notification to Parents Regarding Qualifications

Texas law requires that parents be notified if their child is assigned for more than 30 consecutive instructional days to a teacher who does not hold an appropriate teaching certificate. Inappropriately



certified or uncertified teachers include individuals on an emergency permit (including individuals waiting to take a certification exam) or individuals who do not hold any certificate or permit. Information relating to teacher certification will be made available to the public upon request.

Outside employment and tutoring

Employees who wish to accept outside employment during the school year or engage in other activities for profit, including tutoring, must obtain prior written approval from the Head of School in advance. Approval from the Head of School will be based on whether outside employment interferes with regularly assigned duties, that no conflict of interest exists, or other factors as determined by the Head of School. No paid tutoring will be allowed on the Westlake Academy campus. Teachers may not receive payment from families for tutoring Westlake Academy students at any time.

Performance evaluations

Evaluation of an employee's job performance is a continual process that focuses on improvement. Performance evaluation is based on an employee's assigned job duties and other job-related criteria. Ongoing evaluation of employees will occur throughout the school year for the purposes of providing feedback or correcting performance problems. Written evaluations will be completed on forms approved by the Head of School or designee. Reports, correspondence, and memoranda may be used to document performance information. Employees will receive a copy of their written evaluation, have a performance conference with their supervisor, and have an opportunity to respond to the evaluation. Employee evaluations will be retained in the employee's personnel file, located in the Human Resources Office.

Staff Development

Staff development activities are organized to meet the needs of employees and the Academy. Staff development for instructional personnel is related to achieving performance objectives and approved by the Head of School. Staff development for noninstructional personnel is designed to meet specific licensing requirements, and continued employee skill development. Individuals holding renewable certificates from the State Board of Educator Certification (SBEC) are responsible for obtaining the required training hours and maintaining appropriate documentation. All teachers will receive the necessary training required to familiarize themselves with the IB educational model and provide a basis for continued professional development.

Enrollment of Employee's Child at Westlake Academy

A full-time employee of Westlake Academy may submit an application for their child to enroll at the Academy regardless of whether the child resides in the geographic area served by the school. Applications submitted by full-time employees are exempt from the lottery process and are given priority in admission to Westlake Academy subject to the limitations identified in the Westlake Academy Admission Policy. Once enrolled in the Academy, the child of a full-time employee retains the right to re-enrollment only if the student's parent continues to be employed by the Academy on a full-time basis.

Compensation and Benefits

Salaries, Wages, and Stipends

Employees are paid in accordance with the compensation plan approved annually by the Board of



Trustees. All positions are classified as exempt or non-exempt according to federal law. Professional employees and academic administrators employed by contract are generally classified as exempt and are paid annual salaries and are not entitled to overtime compensation. Other employees are generally classified as non- exempt and are paid based on hourly wages or provided compensatory time for each authorized overtime hour worked (See *Overtime*, page ____).

Notice of work schedules including required days of service and scheduled holidays will be distributed each school year as well as salary schedules. Contract employees who perform extracurricular or supplemental duties may be paid a stipend in addition to their salary

Employees should contact the Human Resources Office for more information about the Academy's compensation plan or their own pay.

Paychecks and Wage and Earnings Statement

All employees are paid bi-weekly on every other Friday. Wage and Earnings statements may be reviewed online through the Employee Access Center using the link provided at time of hire. Wage and Earnings statement or paychecks will not be released to any person other than the Academy employee named on the check without the employee's written authorization, except as required by law. An employee's wage and earning statement contains detailed information including earnings, deductions, and withholding information.

Supervisors will review and approve electronic timesheets before submitting the timesheets for payroll processing. Approved timesheets must be received by the Human Resources Department no later than 10:00 a.m. on the Monday preceding payday.

Direct Payroll Deposit

Employees are encouraged to have their paychecks electronically deposited into their bank account. A notification period of at least 7 business days prior to the next scheduled payday is necessary to activate this service. With direct deposit, an employee's pay is immediately available on the pay date. Contact the Human Resources Office for more information about the direct payroll deposit.

Payroll Deductions

Automatic payroll deductions for the Teacher Retirement System of Texas (TRS) and federal income tax are required for all full-time employees. Medicare tax deductions also are required for all employees hired after March 31, 1986. Temporary and part-time employees who are not eligible for TRS membership must have their Social Security contributions deducted.

Other payroll deductions employees may elect include deductions for the employee's share of premiums for health, dental, life, and vision insurance; annuities; and other employer-sponsored benefits. Salary deductions are automatically made for unauthorized or unpaid leave.

Annualized Compensation

The Academy pays all salaried employees over a 12-month period regardless of the number of days employed during the school year. Salaried employees will be paid in equal bi-weekly payments, beginning with the first pay period of the school year. Employees that separate after the last day of instruction will continue to receive paychecks through the end of July.



Timekeeping

Accurately recording time worked is the responsibility of every employee, and records must represent actual time worked on the job performing assigned duties. Federal and state law requires that Westlake Academy keep accurate records of time worked in order to calculate employee pay and benefits.

Non-exempt (hourly) employees are required to record actual time worked to their supervisor on a weekly basis, using the Academy's electronic timekeeping system. It is the immediate supervisor's responsibility to accurately document and/or verify the time his or her subordinates begin and end their work period, each meal period, split shift, and departure from work for personal reasons.

Supervisors will review and approve electronic timesheets before submitting for payroll processing. Timesheets must be approved and received by the Human Resources Department no later than 12:00 p.m. on the Monday preceding payday. Each timesheet must be submitted by the employee for supervisor approval, and submission constitutes an electronic signature by the employee indicating that the time recorded is correct. Falsification of a timesheet may be punishable by disciplinary action, up to and including termination.

All Westlake Academy employees are required to record absences in the Aesop system, regardless of exemption status. Employees leaving the campus for any period of time must record their time out when leaving campus and record their time in upon returning.

Overtime Compensation

Westlake Academy will compensate non-exempt (hourly) employees for all overtime hours worked in accordance with federal wage and hour laws. Only non-exempt employees (hourly employees and paraprofessional employees) are entitled to overtime compensation. Non-exempt employees are not authorized to work overtime hours without advance written approval from their supervisor. A non-exempt employee who works overtime without prior approval may be subject to disciplinary action.

Overtime is legally defined as all hours worked in excess of 40 hours in a work week and is not measured by the day or by the employee's regular work schedule. For the purpose of calculating overtime, a workweek begins at 12:00 a.m. on Monday and ends at 11:59 p.m. on Sunday.

Employees may be compensated for overtime at time-and-a-half rate with compensatory time off (comp time) or direct pay. The following applies to all nonexempt employees:

- Employees can accumulate up to 60 hours of comp time.
- Comp time must be used in the duty year that it is earned.
- Use of comp time may be at the employee's request with supervisor approval as workload permits, or at the supervisor's direction.
- An employee may be required to use comp time before using any other available paid leave (e.g., sick, personal, vacation).
- Weekly time records will be maintained on all nonexempt employees for the purpose of wage and salary administration.
- Comp-time balances cannot be carried over from one school year to the next. Employees will be required to receive a cash payment at their current hourly rate at the end of each school year for unused comp time.

Health, dental, and life insurance

Group health insurance coverage is provided through TRS-ActiveCare, the statewide public school health insurance program. The Academy's contribution to employee insurance premiums is determined annually by the Board of Trustees.



Employees eligible for benefits must work twenty (20) or more hours per week and work in a TRS eligible position.

TRS retirees who are enrolled in TRS-Care (retiree health insurance program) and employees who are not contributing TRS members who are regularly scheduled to work less than 20 hours per week are not eligible to participate in TRS-ActiveCare.

The insurance plan year is from September 1 through August 31. Current employees can make changes in their insurance coverage during open enrollment each year or when they experience a qualifying event (e.g., marriage, divorce, birth). Detailed descriptions of insurance coverage, employee cost, and eligibility requirements are provided to all employees electronically. Employees should contact the Human Resources Office for more information.

Supplemental Insurance Benefits

Employees may enroll in supplemental insurance programs at their own expense through the Region 11 Benefits Cooperative. Premiums for these programs are paid by payroll deduction. Employees should contact the HR Office for more information.

Cafeteria Plan (Section 125)

Employees may be eligible to participate in the Cafeteria Plan (Section 125) and, under IRS regulations, must either accept or reject this benefit. This plan enables eligible employees to pay certain insurance premiums on a pretax basis (i.e., dental, disability, accidental death and dismemberment, cancer insurance, and additional term life insurance). Pre-tax deduction eligibility is for each policy by IRS guidelines. New employees must accept or reject this benefit during their first month of employment. All employees must accept or reject this benefit on an annual basis and during the specified open enrollment period.

Unemployment Compensation Insurance

Employees who have been laid off or terminated through no fault of their own may be eligible for unemployment compensation benefits. Employees are not eligible to collect unemployment benefits during regularly scheduled breaks in the school year or the summer months. Employees with questions about unemployment benefits should contact the Human Resources Office.

Teacher Retirement (TRS)

All personnel employed on at least a half-time basis for at least four and one-half months are members of the Teacher Retirement System of Texas (TRS). Substitutes not receiving TRS service retirement benefits who work at least 90 days a year are eligible to purchase a year of creditable service in TRS. TRS provides members with an annual statement of their account showing all deposits and the total account balance for the year ending August 31, as well as an estimate of their retirement benefits.

Employees who plan to retire under TRS should notify the Human Resources Office as soon as possible. Information on the application procedures for TRS benefits are available in the Human Resources Office. Additional inquiries should be addressed to: Teacher Retirement System of Texas, 1000 Red River Street, Austin, TX 78701-2698, or call 800-223-8778 or 512-542-6400. TRS information is also available on the Web (www.trs.state.tx.us).



Leaves and Absences

Westlake Academy offers employees paid and unpaid leaves of absence in times of personal need. This personnel manual describes the basic types of leave available and restrictions on leaves of absence. Employees who have personal needs that will require an absence of five (5) days or more are required to notify the Human Resources Office as well as their campus administrator or supervisor. When the need for a long leave is foreseeable, employees must provide a 30-day advance notice.

Employees who take an approved unpaid leave of absence may continue their insurance benefits at their own expense. Health care benefits for employees on authorized leave under the Family and Medical Leave Act will be paid by the Academy, to the same extent as when the employee is working. Otherwise, the Academy does not make benefit contributions for employees who are on unpaid leave.

Personal leave is earned on an annual basis. Regular full-time and part-time employees (as opposed to temporary, substitute or seasonal) earn personal leave. Leave is available for the employee's use at the beginning of the school/contract year. If an employee leaves the Academy before the end of the work year, the cost of any unearned leave days already taken shall be deducted from the employee's final paycheck.

An employee earns ten (10) days of personal leave per year – five (5) state leave days and five (5) local leave days. A day of personal leave is equivalent to the number of hours per day in an employee's usual assignment, whether full-time or part-time.

Unless an employee requests a different order, available leave will be used in the following order:

- Earned Comp Time
- Local Leave
- State Leave

Employees **must** follow the Academy procedures to report or request any leave of absence and complete the appropriate form or certification. Unauthorized absences will result in payroll deductions for any day(s) missed.

Immediate Family. For purposes of leave other than family and medical leave, immediate family is defined as the following:

- Spouse
- Son or daughter, including a biological, adopted, or foster child, a son- or daughter-in-law, a stepchild, a legal ward, or a child for whom the employee stands in loco parentis.
- Parent, stepparent, parent-in-law, or another individual who stands in loco parentis to the employee.
- Sibling, stepsibling, and sibling-in-law
- Grandparent and grandchild
- Any person residing in the employee's household at the time of illness or death

For purposes of family and medical leave, the definition of family is limited to spouse, parent, son or daughter, and next of kin.

Medical Certification. Any employee who is absent more than 5 days because of a personal or family illness may be required to submit a medical certification from a qualified health care provider confirming the specific dates of the illness, the reason for the illness, and—in the case of personal



illness—the employee’s fitness to return to work.

The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits covered employers from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by this law. To comply with this law, we ask that employees and health care providers do not provide any genetic information in any medical certification. ‘Genetic information,’ as defined by GINA, includes an individual’s family medical history, the results of an individual’s or family member’s genetic tests, the fact that an individual or an individual’s family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual’s family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

Continuation of Health Insurance. Employees on an approved leave of absence other than family and medical leave may continue their insurance benefits at their own expense. Health insurance benefits for employees on paid leave and leave designated under the Family and Medical Leave Act will be paid by the Academy as they were prior to the leave. Otherwise, the Academy does not pay any portion of insurance premiums for employees who are on unpaid leave. Under TRS-Active Care rules, an employee is no longer eligible for insurance through the Academy after six months of unpaid leave other than FML. If an employee’s unpaid leave extends for more than six months, the Academy will provide the employee with notice of COBRA rights.

State Personal Leave

State law entitles all employees to five days of paid personal leave per year. Personal leave is available for use at the beginning of the year. A day of personal leave is equivalent to the number of hours per day in an employee’s usual assignment, whether full-time or part-time an assigned workday. State personal leave accumulates without limit, is transferable to other Texas school districts, and generally transfers to education service centers. Personal leave may be used for two general purposes: nondiscretionary and discretionary.

Nondiscretionary: Leave that is taken for personal or family illness, emergency, a death in the family, or active military service is considered nondiscretionary leave. This type of leave allows very little or no advance planning and will be granted to employees in the same manner as sick leave.

Discretionary: Leave that is taken at an employee’s discretion and that can be scheduled in advance is considered discretionary leave. An employee wishing to take discretionary personal leave must submit a notice of the request five (5) days in advance of the anticipated absence to his or her principal or supervisor. The effect of the employee’s absence on the educational program, as well as the availability of substitutes, will be considered by his or her principal or supervisor.

Use of discretionary personal leave shall be considered granted unless the principal or supervisor notifies the employee to the contrary, within a reasonable period of time prior to the anticipated absence and stating the reason for denial.

Discretionary personal leave may not be taken for more than five consecutive workdays except in extenuating circumstances as approved by the principal or supervisor.

Discretionary leave shall not be allowed on the day before a school holiday, the day after a school holiday, days scheduled for end-of-semester or end-of-year exams, days scheduled for exams, state tests (ex: STAAR tests), the first or last day of instruction, nor on professional or staff development days, except with prior approval of the principal or supervisor.



Leave Proration: If an employee separates from employment with the Academy before his or her last duty day of the year, or begins employment after the first duty day, state personal leave will be prorated based on the actual time employed. When an employee separates from employment before the last duty day of the school year, the employee's final paycheck will be reduced by the amount of state personal leave the employee used beyond his or her pro rata entitlement for the school year.

Local Personal Leave

Local leave is earned at a rate of one-half workday for each 18.7 days of employment, up to a maximum of five (5) days per year. A day of earned local leave is equivalent to an assigned workday. There is no limit on the accumulation of local leave, and local leave is not transferable to other Texas school districts or education service centers. Local leave can be used only in whole or half-day increments, except when coordinated with family and medical leave taken on an intermittent or reduced-schedule basis, or with Workers' Compensation benefits.

Local personal leave may not be taken for more than five consecutive workdays except in extenuating circumstances as approved by the principal or supervisor. Local leave cannot be combined with scheduled holidays, staff development days, or days scheduled for state tests (ex: STAAR tests).

Other Local Leave (Community Sick Leave Program)

The Academy will establish a sick leave bank that full-time employees may join through contribution of state or local personal leave days.

Leave contributed to the bank shall be solely for the use of participating full-time employees. An employee who is a member of the bank may request leave from the bank if the employee experiences a catastrophic illness or injury and has exhausted all paid leave and any applicable compensatory time.

The Head of School shall develop regulations for the operation of the sick leave bank that address the following:

- Membership in the sick leave bank, including the number of days an employee must contribute to become a member;
- Procedures to request leave from the sick leave bank;
- The maximum number of days per school year a member employee may receive from the sick leave bank;
- The committee or administrator authorized to consider requests for leave from the sick leave bank and criteria for granting requests; and
- Other procedures deemed necessary for the operation of the sick leave bank.

An employee may appeal a decision regarding the sick leave bank in accordance with the employee grievance policy beginning with the appropriate administrator.

Compensated Holidays

All non-exempt (hourly) employees who are regularly scheduled to work the entire school year will receive eleven (11) paid holidays throughout the school year. Employees shall be compensated at their regular hourly rate and for the regularly scheduled number of hours.

Observed holidays for non-exempt employees include the following:

Labor Day, 1st Monday of September
Thanksgiving Day in November
Friday after Thanksgiving in November



Christmas Eve, December 24th
Christmas Day, December 25th
New Year's Day, January 1st
Martin Luther King, Jr. Day in January
President's Day in February
Good Friday in March/April*
Memorial Day in May
Juneteenth Day in June
Independence Day, July 4th

*This additional holiday will be observed only if the Westlake Academy calendar also observes as a non-workday.

Holidays that fall on Saturday shall normally be observed on the preceding Friday and holidays that fall on Sunday shall normally be observed on the following Monday.

Non-exempt employees working less than the full academic year are not eligible to receive paid holidays.

Family Medical Leave (FMLA) – General Provisions

The following text is from the federal notice, *Employee Rights and Responsibilities Under the Family and Medical Leave Act*. Specific information that the Academy has adopted to implement the FMLA follows this general notice.

FMLA Leave Entitlements. FMLA requires covered employers to provide eligible employees who work for a covered employer can take up to 12 weeks of unpaid, job-protected leave in a 12-month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within 1 year of the child's birth or placement);
- To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;
- For qualifying exigencies related to the foreign deployment of a military member who is the employee's spouse, child, or parent.

An eligible employee who is a covered servicemember's spouse, child, parent, or next of kin may also take up to 26 weeks of FMLA leave in a single 12-month period to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings to care for the servicemember with a serious injury or illness.

An employee does not need to use leave in one block. When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule.

Employees may choose, or an employer may require, use of accrued paid leave while taking FMLA leave. If an employee substitutes accrued paid leave for FMLA leave, the employee must comply with the employer's normal paid leave policies.



Benefits and Protections. While employees are on FMLA leave, the employer must maintain the employee's health coverage as if the employee were not on leave. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

An employer may not interfere with an individual's FMLA rights or retaliate against someone for using or trying to use FMLA leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA.

Eligibility Requirements. An employee who works for a covered employer must meet three criteria in order to be eligible for FMLA leave. The employee must:

- Have worked for the employer for at least 12 months;
- Have at least 1,250 hours of service in the 12 months before taking leave; and
- Work at a location where the employer has at least 50 employees within 75 miles of the employee's worksite.

Definition of Serious Health Condition. A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Requesting Leave. Generally, employees must give 30-days' advance notice of the need for FMLA leave. If it is not possible to give 30-days' notice, an employee must notify the employer as soon as possible and, generally, follow the employer's usual procedures.

Employees do not have to share a medical diagnosis, but must provide enough information to the employer so it can determine if the leave qualifies for FMLA protection.

Sufficient information could include informing an employer that the employee is or will be unable to perform his or her job functions, that a family member cannot perform daily activities, or that hospitalization or continuing medical treatment is necessary. Employees must inform the employer if the need for leave is for a reason for which FMLA leave was previously taken or certified.

Employers can require a certification or periodic recertification supporting the need for leave. If the employer determines that the certification is incomplete, it must provide a written notice indicating what additional information is required.

Employer Responsibilities. Once an employer becomes aware that an employee's need for leave is for a reason that may qualify under the FMLA, the employer must notify the employee if he or she is eligible

for FMLA leave and, if eligible, must also provide a notice of rights and responsibilities under the FMLA. If the employee is not eligible, the employer must provide a reason for ineligibility.

Employers must notify its employees if leave will be designated as FMLA leave, and if so, how much leave will be designated as FMLA leave.



Enforcement. Employees may file a complaint with the U.S. Department of Labor, Wage and Hour Division, or may bring a private lawsuit against an employer.

The FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulations 29 C.F.R. § 825.300 (a) may require additional disclosures.

For additional information:

1-866-4US-WAGE (1-866-487-9243) TTY: 1-877-889-5627
www.wagehour.dol.gov

Local Family and Medical Leave Provisions

Eligible employees can take up to 12 weeks of unpaid leave in the 12-month period measured forward from the date an individual employee's first FML begins.

Use of Paid Leave. FML runs concurrently with accrued sick and personal leave, temporary disability leave, compensatory time, assault leave, and absences due to a work-related illness or injury. Westlake Academy will designate the leave as FML, if applicable, and notify the employee that accumulated leave will run concurrently.

Combined Leave for Spouses. Spouses who are both employed by Westlake Academy are limited to a combined total of 12 weeks of FML to care for a parent with a serious health condition; or for the birth, adoption, or foster placement of a child. Military caregiver leave for spouses is limited to a combined total of 26 weeks.

Intermittent Leave. When medically necessary or in the case of a qualifying exigency, an employee may take leave intermittently or on a reduced schedule. Westlake Academy does not permit the use of intermittent or reduced-schedule leave for the care of a newborn child or for adoption or placement of a child with the employee.

Fitness for Duty. An employee that takes FML due to the employee's own serious health condition shall provide, before resuming work, a fitness-for-duty certification from the health care provider. When leave is taken for the employee's own serious health condition, the certification must address the employee's ability to perform essential job functions. The Academy shall provide a list of essential job functions (e.g., job description) to the employee with the FML designation notice to share with the health care provider.

Reinstatement. An employee returning to work at the end of FML will be returned to the same position held when the leave began or to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

In certain cases, instructional employees desiring to return to work at or near the conclusion of a semester may be required to continue on family and medical leave until the end of the semester. The additional time off is not counted against the employee's FML entitlement, and the Academy will maintain the employees group health insurance and reinstate the employee at the end of the leave.

Failure to Return. If, at the expiration of FML, the employee is able to return to work but chooses not to do so, the Academy may require the employee to reimburse the employer's share of insurance premiums paid during any portion of FML when the employee was on unpaid leave. If the employee fails to return to work for a reason beyond the employee's control, such as a continuing personal or family serious health condition or a spouse being unexpectedly transferred more than 75 miles from the



Academy, the Academy may not require the employee to reimburse the employer's share of premiums paid.

Contact Information. Employees that require FML or have questions should contact the Human Resources Department for details on eligibility, requirements, and limitations.

Workers' Compensation Insurance

Westlake Academy, in accordance with state law, provides Workers' Compensation benefits to employees who suffer a work-related illness or are injured on the job. The Academy has Workers' Compensation coverage from Accident Fund Insurance, effective August 31, 2021. Worker's Compensation benefits help pay for medical treatment and make up for part of the employee's income lost while recovering. Specific benefits are prescribed by law depending on the circumstances of each case.

All work-related accidents or injuries should be reported immediately to the Human Resources Office. Employees who are unable to work due to a work-related injury will be notified of their rights and responsibilities under the Texas Labor Code.

Workers' Compensation Benefits

An employee absent from duty because of a job-related illness or injury may be eligible for workers' compensation weekly income benefits if the absence exceeds seven calendar days.

An employee receiving workers' compensation wage benefits for a job-related illness or injury may choose to use accumulated paid leave benefits. An employee choosing to use paid leave will not receive workers' compensation weekly income benefits until all paid leave is exhausted or to the extent that paid leave does not equal the pre-illness or -injury wage. If the use of paid leave is not elected, then the employee will only receive workers' compensation wage benefits for any absence resulting from a work-related illness or injury, which may not equal his or her pre-illness or pre-injury wage.

In the event of illness or injury, employees are required to utilize medical service providers within the workers' compensation insurance network. In the event an employee chooses to use an out-of-network provider (except in life-threatening, emergency situations), that employee may be responsible for any charges that exceed the network-approved amount. All employees will be required to sign an acknowledgement form affirming this requirement prior to beginning employment.

Assault leave

Assault leave provides extended job income and benefits protection to an employee who is injured as the result of a physical assault suffered during the performance of his or her job. An incident involving as assault is a work-related injury and should be immediately reported to the Head of School and the Human Resources Office.

An injury is treated as an assault if the person causing the injury could be prosecuted for assault or could not be prosecuted only because that person's age or mental capacity renders the person non-responsible for purposes of criminal liability.

An employee who is physically assaulted at work may take all the leave time medically necessary (up to one year) to recover from the physical injuries he or she sustained. At the request of an employee, the Academy will immediately assign the employee to assault leave. Days of leave granted under the assault leave provision will not be deducted from accrued personal leave and must be coordinated with workers'



compensation benefits. Upon investigation the Academy may change the assault leave status and charge leave used against the employee's accrued paid leave. The employee's pay will be deducted if accrued paid leave is not available.

Bereavement Leave

Use of state leave and/or local sick leave for death in the immediate family shall not exceed five (5) workdays per occurrence, subject to the approval of the Head of School.

Jury Duty

The Academy provides paid leave to employees who are summoned to jury duty including service on a grand jury. The Academy will not discharge, threaten to discharge, intimidate, or coerce any regular employee because of juror or grand juror service or for the employee's attendance or scheduled attendance in connection with the service in any court in the United States. Employees who report to the court for jury duty may keep any compensation the court provides. An employee should report a summons for jury duty to his or her supervisor as soon as it is received and may be required to provide the Academy a copy of the summons to document the need for leave.

An employee may be required to report back to work as soon as they are released from jury duty. The supervisor may consider the travel time required and the nature of the individual's position when determining the need to report to work. A copy of the release from jury duty or documentation of time spent at the court may be required.

Compliance with a Subpoena

Employees will be paid while on leave to comply with a valid subpoena to appear in a civil, criminal, legislative, or administrative proceeding for a school-related appearance and will not be required to use personal leave. Employees may be required to submit documentation of their need for leave for court appearances.

Religious Observance

The Academy will reasonably accommodate an employee's request for absence for a religious holiday or observance. Accommodations such as changes to work schedules or approving a day of absence will be made unless they pose an undue hardship to the Academy. The employee may use any accumulated personal leave for this purpose. Employees who have exhausted applicable paid leave may be granted an unpaid day of absence.

Military leave

Paid leave for military service. Any employee who is a member of the Texas National Guard, Texas State Guard, or reserve component of the United States Armed Forces, or a member of a state or federally authorized Urban Search and Rescue Team will be granted a paid leave of absence without loss of any accumulated leave for authorized training or duty orders. Paid military leave will not exceed 15 days each federal fiscal year (September 1–August 31). In addition, an employee is entitled to use available state and local personal or sick leave during a time of active military service.

Reemployment after military leave. Employees who leave the Academy to enter into the United States uniformed services or who are ordered to active state military duty (Texas National Guard or Texas State Guard) may return to employment if they are honorably discharged. Employees who wish



to return to the Academy will be reemployed provided they can be qualified to perform the required duties. To be eligible for reemployment, employees must provide notice of their obligation or intent to perform military service, provide evidence of honorable discharge or release, and submit an application for reemployment to the Head of School or the Human Resources Office. In most cases, the length of federal military service cannot exceed five years.

Continuation of health insurance. Employees who perform service in the uniformed services may elect to continue their health plan coverage at their own cost for a period not to exceed 24 months. Employees should contact the Human Resources Office for details on eligibility, requirements, and limitations.

Employee Relations and Communications

Employee recognition and appreciation

Continuous efforts are made throughout the year to recognize employees who make an extra effort to contribute to the success of the Academy. Employees are recognized at board meetings, and through special events and activities.

Employee Grievance Procedures

In an effort to hear and resolve employee concerns or complaints in a timely manner and at the lowest administrative level possible, the Academy has adopted the following grievance process. Employees are encouraged to discuss their concerns or complaints with their supervisors or an appropriate administrator at any time.

Neither the Board of Trustees nor any Westlake Academy employee shall unlawfully retaliate against an employee for bringing a concern or complaint. The purpose of the grievance process is to resolve conflicts in an efficient and expeditious manner. All employees are entitled to utilize the grievance process, but employees involved in the process are expected to be courteous to one another and adhere to the Code of Ethics and Standard Practices for Texas Educators.

Initiating a Formal Grievance

A grievance must specify the harm alleged by the employee, describe the circumstances that led to the alleged harm, and identify the remedy sought. An employee is prohibited from bringing separate or serial grievances regarding the same event or action. Multiple grievances may be consolidated at the Academy's discretion.

All time limits shall be strictly complied with unless modified by mutual consent. Costs of any grievance shall be paid by the party incurring them. For purposes of this section, "days" means business days when the Academy's administrative offices are open. The Academy reserves the right to assign a designee to consider complaints based on the scope and subject matter of the complaint and/or to escalate the complaint to the appropriate level based on the requested relief.

Except for sexual harassment complaints where the Principal or Supervisor is the subject of the complaint, all employees shall first bring their work-related complaints or concerns to their immediate Principal/Supervisor. A formal written complaint must be submitted to the appropriate Academy Principal/Supervisor within ten (10) days of the date the employee knew or should have known of the event(s) or incident(s) giving rise to the complaint. The Principal/Supervisor or designee may schedule a conference with the employee to obtain additional information about the basis for the complaint. The



Principal/Supervisor or designee shall provide the employee with a written response to the complaint and a decision regarding the requested relief within ten (10) days of the date the grievance is filed or the date of the grievance conference, whichever is later.

Appeal to Head of School

If an employee is not satisfied with the decision of the Principal/Supervisor or if no decision is received within the timeline identified above, the employee may appeal the decision, or lack thereof, to the Head of School. An appeal must be in writing, must include the specific reasons the employee disagrees with the lower-level response and must be received by the Head of School within five (5) days of the date the lower-level response is received or due from the Principal/Supervisor. The Head of School or her designee shall schedule a conference with the employee to discuss the complaint and reasons for appeal. The Head of School or designee will then respond in writing within ten (10) days of the appeal conference.

Review by Board of Trustees

Employees who are dissatisfied with the response of the Head of School may request a review of the Head of School's decision by the Board of Trustees. Any such request for review must be submitted to the Director of Human Resources within five (5) days of receiving the Head of School's decision, or if no written decision is received from the Head of School, no later than five (5) days from the date such decision was due. The request for review must include a copy of the original written complaint and any responses received at lower levels.

The Board of Trustees will consider whether the complaint is appropriate for its review based on the record of the complaint and the requested relief. If the complaint is appropriate for review, the Board will place the matter on an upcoming agenda within the next 60 days to the extent practicable. The Board may uphold the decision by the Head of School, overturn the decision and grant the requested relief or some other relief the Board determines is appropriate, or the Board may take no action. The failure of the Board of Trustees to act on a complaint has the effect of upholding the preceding decision.

Employee Conduct and Welfare

Standards of Conduct

The attitude and behavior of all employees is seen as a direct reflection of Westlake Academy, its programs and policies. Employees should at all times present themselves in such a manner as to promote good will and a favorable attitude of the general public toward Westlake Academy. All employees are expected to work together in a cooperative and professional manner to serve the best interests of the Academy and to be courteous to students, one another, and the public. In addition to the following, all Academy employees are expected to comply with the standards identified in the Texas Educators Code of Ethics, included as Exhibit B. Expectations of professional conduct for employees, include, but are not limited to, the following:

- Demonstrate professional conduct and courtesy at all times in the workplace and in public.
- Recognize and respect the rights and property of the public, students, and co-workers and maintain confidentiality in all matters relating to students and co-workers.
- Report to work according to the assigned schedule.
- Follow proper protocols in accordance with the Academy's policies, procedures, and organizational structure.
- Faithfully perform all assigned duties with high ethical standards.



- Notify immediate supervisors in advance (or as early as possible) if absent or late. Unauthorized absences, chronic absenteeism, tardiness, and failure to follow procedures for reporting an absence may be cause for disciplinary action.
- Know and comply with all Academy procedures and policies.
- Observe all safety rules and regulations and report injuries or unsafe conditions to a supervisor immediately.
- Use Academy time, funds, and property for authorized Academy business or activities only.
- Discuss or share information related to Academy business to appropriate or authorized parties only.

Unprofessional Behavior and Misconduct

Unprofessional behavior and/or misconduct compromises the best interests of the Academy and the safety of all students, staff, parents, and visitors. Violation of any provision of this policy may result in disciplinary action, up to and including termination of employment. Examples of misconduct include, but are not limited to, the following:

- Violation of Academy rules, regulations, policies or procedures.
- Unsatisfactory performance or conduct.
- Theft of, unauthorized removal of, or unauthorized possession or use of school property.
- Falsification, unauthorized use, or unauthorized disclosure of official Academy documents, records, or information.
- Being unruly, disruptive, threatening violence, or fighting.
- Willful disobedience of a legal directive issued by a supervisor.
- Displaying any disrespectful, insolent, or abusive acts towards another employee, parent, volunteer, or member of the Westlake Academy Board of Trustees.
- Wasting or damaging school equipment, property, supplies, or resources.
- Unauthorized absence from the workstation or classroom.
- Use of any Westlake Academy resource for personal benefit.
- Unlawful treatment of persons protected by federal law due to their sex, age, religion, race, ethnic background, or disability status.
- Sexual or other form of unlawful harassment.
- Conviction of a felony or any other criminal history that is prohibited by Academy policy.
- Insubordination.
- Fraudulent timekeeping.
- Use, possession, or being under the influence of a controlled substance without proper written medical authorization; misuse of prescribed medication, possessing, consuming, or being under the influence of an alcoholic beverage in an Academy-owned, leased, or rented vehicle, while operating Academy equipment, or while on call or on standby duty; possessing or consuming an alcoholic beverage during working hours or on Academy property.
- Unauthorized or improper use of official authority.
- Illegal, unethical, abusive, or unsafe acts.
- Failure to use available safety equipment, including seat belts, or disregard for the safety of others.
- Refusal to sign a form acknowledging receipt of the Westlake Academy Personnel Manual or job description.
- Use of cell phones or other non-educational electronic devices outside of break times without prior authorization.
- Disruptive or distracting behavior during staff meetings, workshops, or training sessions.
- Possession of contraband while at work or on Westlake Academy property, which includes but is not limited to: drug paraphernalia, illegal or prohibited weapons, firearms, explosives, incendiaries, stolen property, and counterfeit money.
- Making false accusations or knowingly providing false information about a student's or another employee's behavior or actions.



- Unauthorized absences, chronic absenteeism, tardiness, or failure to follow procedures for reporting absences.
- Violation of any of the provisions of this Handbook.

All Academy employees should perform their duties in accordance with state and federal law, Academy policies and procedures, and ethical standards. Violation of policies, regulations, or guidelines, including intentionally making a false claim, offering false statements, or refusing to cooperate with a Academy investigation may result in disciplinary action, including termination. Alleged incidents of certain misconduct by educators, including having a criminal record, must be reported to SBEC not later than the seventh day after the Head of School knew of the incident. See *Reports to Texas Education Agency*, page 43 for additional information.

Dress Standards

Westlake Academy is a public service organization; employees are in constant contact with students, parents, guests, citizens, outside business/professional representatives, and the general public. Employees shall act as role models by exemplifying the highest standard of professional appearance for the educational purposes of teaching community values and proper grooming and hygiene. Grooming standards will not discriminate against a hair texture or protective hairstyle commonly or historically associated with race.

Dress and Grooming: General Guidelines:

Dress and grooming expectations for Westlake Academy employees shall be consistent with professional dress standards in a manner appropriate for their assignment, while maintaining the high expectations applied to Academy students and in accordance with the following standards:

- Dresses, skirts, and all outer garments should be of a professional length, falling at or just above the knee or longer. Skirts or any clothes that are too tight, too short or too revealing are not appropriate for the workplace
- Halters, tank tops, see-through garments, or clothing with revealing/provocative necklines, bare backs, bare midriff, or spaghetti straps shall not be permitted. In addition, clothing with symbols, phrases, or slogans advertising tobacco, alcohol products, or any controlled substances are unacceptable.
- No hats, caps or other head coverings should be worn inside the building.
- Hair should be clean, neatly trimmed, and well-groomed.
- Beards and mustaches must be neatly trimmed.
- No flip flops or slippers are permitted.
- Clothing that reveals undergarments is prohibited.
- Shorts, leggings, warm-ups, spandex or similar tight pants, exercise clothes, or any garment that may appear to be an undergarment are unacceptable.
- Jeans may be worn on days designated by the Head of School, which may include spirit days and teacher in-service days.
- Jewelry shall not be worn in a visible pierced area other than the ear.

Exceptions to Guidelines

The following exceptions apply to these guidelines:

- Physical Education staff may wear attire approved by the Head of School or designee, during the physical education instructional periods.
- Instructors in certain courses, such as art or science courses, may wear aprons, smocks, or



- other protective garments during instructional periods when such garments are appropriate.
- Auxiliary employees in maintenance, custodial, transportation, food service, and positions requiring uniforms are exempted from the general guidelines but shall comply with dress and grooming guidelines specified by their supervisors.

Exceptions to these general guidelines may be made by the Head of School or designee, as necessary. Employee requests for such exceptions shall be made in writing and will be considered on a case-by-case basis. This policy may be revised by the Head of School at any time.

Discrimination, Harassment, and Retaliation

It is the policy of Westlake Academy to prohibit harassment, including sexual harassment, in the workplace by any person in any form. Employees shall not engage in prohibited harassment, including sexual harassment, of other employees, unpaid interns, student teachers, or students. While acting in the course of their employment, employees shall not engage in prohibited harassment of other persons, including board members, vendors, contractors, volunteers, students, or parents. A substantiated charge of harassment will result in disciplinary action.

Sexual harassment is a form of misconduct that undermines the integrity of the employment relationship. No employee, either male or female, should be subjected to unsolicited and unwelcome sexual overtures or conduct, either verbal, written, visual or physical. It refers to behavior that is not welcome, that is personally offensive, that lowers morale, and that, therefore, interferes with our work effectiveness. Sexual harassment is also a violation of Title VII of the Civil Rights Act of 1964, **and thus it is illegal for any employee to sexually harass another.** Examples of sexual harassment include, but are not limited to the following:

Verbal

- unwelcome comments about appearance
- sexual jokes
- sexually explicit, derogatory, or otherwise offensive language
- humor and jokes about sex or gender-specific traits
- unwelcome and repeated flirtations, propositions, or advances

Non-Verbal

- suggestive or insulting sounds
- leering
- whistling
- obscene gestures
- display in the workplace of sexually suggestive objects or pictures that use gender-based stereotypes in a derogatory manner.

Physical

- touching
- pinching
- "brushing" the body
- coerced sexual intercourse
- other sexual contact

Written

- suggestive notes or other written/electronic communications



Employees who believe they have been discriminated against, retaliated against, or harassed are encouraged to promptly report such incidents to the Head of School or the Human Resources Office. A complaint against the Head of School may be made directly to the Board of Trustees. All complaints shall be investigated in a timely manner. If appropriate, the Academy shall promptly take interim action to prevent harassment during the course of an investigation. The investigation may be conducted by the Director of Human Resources or by a third party designated by the Academy. The investigation may consist of personal interviews with the person making the report, the person against whom the report is filed, and others with knowledge of the circumstances surrounding the allegations. The investigation may also include analysis of other information or documents related to the allegations.

The Academy's obligation to conduct an investigation is not satisfied by the fact that a criminal or regulatory investigation regarding the same or similar allegations is pending. Absent extenuating circumstances, the investigation should be completed within 10 (ten) business days from the date of the report; however, the investigator shall take additional time if necessary to complete a thorough investigation. In the event that a thorough investigation of an alleged incident of sexual harassment reveals that an employee has engaged in actions or conduct constituting sexual harassment, disciplinary action will be taken, up to and including termination.

Given the nature of this type of discrimination, false accusations of sexual harassment can have serious effects on innocent employees. All employees should act responsibly in making such accusations. False accusations that are determined to be intentional in nature will be investigated and will be subject to the same disciplinary actions. Employees will be required to attend a sexual harassment training session during their introductory period of employment.

Harassment of Students

Harassment in any form is prohibited, including but not limited to verbal, psychological, sexual, and physical harassment. Sexual and other harassment of students by employees are forms of discrimination and are prohibited by law. Romantic or inappropriate social relationships between students and Academy employees are prohibited.

Employees who suspect a student may have experienced prohibited harassment are obligated to report their concerns to the Head of School or another appropriate Academy official. Any Academy employee who suspects or receives direct or indirect notice that a student or group of students has or may have experienced prohibited conduct based on sex, including sexual harassment, of a student shall immediately notify the Academy's Title IX coordinator, the ADA/Section 504 coordinator, or Head of School and take any other steps required by Academy policy.

All allegations of harassment or abuse of a student will be reported to the student's parents and promptly investigated.

An employee who knows of or suspects has reasonable cause to believe that child abuse or neglect occurred must also report his or her knowledge or suspicion to the appropriate authorities as required by law.

See *Reporting Suspected Child Abuse*, page 28 for additional information. The Academy's policy that includes definitions and procedures for reporting and investigating harassment of students is as follows:

Sexual harassment of a student by an Academy employee includes both welcome and unwelcome sexual advances; requests for sexual favors; sexually motivated physical, verbal, or nonverbal conduct; or other conduct or communication of a sexual nature when:

1. An Academy employee causes the student to believe that the student must submit to the



conduct in order to participate in a school program or activity, or that the employee will make an educational decision based on whether or not the student submits to the conduct; or

2. The conduct is so severe, persistent, or pervasive that it:
 - a. Affects the student's ability to participate in or benefit from an educational program or activity, or otherwise adversely affects the student's educational opportunities; or
 - b. Creates an intimidating, threatening, hostile, or abusive educational environment.

Romantic or inappropriate social relationships between students and Academy employees are prohibited. Any sexual relationship between a student and an Academy employee is always prohibited. Sexual harassment of a student, including harassment committed by another student, includes unwelcome sexual advances; requests for sexual favors; or sexually motivated physical, verbal, or nonverbal conduct when the conduct is so severe, persistent, or pervasive that it:

1. Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, hostile, or offensive educational environment;
2. Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or
3. Otherwise adversely affects the student's educational opportunities.

Examples of sexual harassment of a student may include, but are not limited to, sexual advances; touching intimate body parts or coercing physical contact that is sexual in nature; jokes or conversations of a sexual nature; and other sexually motivated conduct, communications, or contact. Necessary or permissible physical contact such as assisting a child by taking the child's hand, comforting a child with a hug, or other physical contact not reasonably construed as sexual in nature is not sexual harassment.

Any student who believes that he or she has experienced harassment should immediately report the alleged acts to a teacher, counselor, or other Academy employee. Any Academy employee who receives notice that a student has or may have experienced harassment is required to immediately report the alleged acts to the Head of School. Any other person who knows or believes that a student has experienced harassment should immediately report the alleged acts to the Head of School.

Reports of known or suspected child abuse or neglect shall be made as required by law and shall be made as soon as possible after the alleged acts. A failure to promptly report alleged harassment may impair the Academy's ability to investigate and address the harassment allegation. Oral or written reports of prohibited harassment shall normally be made to the Head of School. A person shall not be required to report harassment to the alleged harasser; nothing in this policy prevents a person from reporting harassment directly to the Head of School.

A report against the Head of School may be made to the Board. Upon receipt of a report of harassment, the Board shall promptly notify the parents of any student alleged to have experienced prohibited harassment by an Academy employee or another adult associated with the school. In cases of student-to-student harassment, the Academy shall promptly notify the parents of any student alleged to have experienced harassment when the allegations presented, if proven, would constitute sexual harassment or other prohibited harassment as defined by the Academy's policy.

To the extent allowed by law, the Academy shall respect the privacy of the complainant, persons against whom a report is filed, and witnesses. Limited disclosures may be necessary in order to conduct a thorough investigation and comply with applicable law. The Head of School may request a written report. If a report is made orally, the Head of School shall reduce the report to written form.

Upon receipt or notification of a report, the Head of School shall determine whether the allegations,



if proven, would constitute sexual harassment or other harassment as defined by this policy. If so, the Head of School shall immediately authorize or undertake an investigation.

If appropriate, the Academy shall promptly take interim action to prevent harassment during the course of an investigation. The investigation may be conducted by Head of School, or by a third party designated by the Academy. The investigation may consist of personal interviews with the person making the report, the person against whom the report is filed, and others with knowledge of the circumstances surrounding the allegations. The investigation may also include analysis of other information or documents related to the allegations.

The Academy's obligation to conduct an investigation is not satisfied by the fact that a criminal or regulatory investigation regarding the same or similar allegations is pending. Absent extenuating circumstances, the investigation should be completed within ten business days from the date of the report; however, the investigator shall take additional time if necessary to complete a thorough investigation.

Reporting Suspected Child Abuse

All employees with reasonable cause to believe that a child's physical or mental health or welfare has been adversely affected by abuse or neglect, as defined by Texas Family Code §261.001, are required by state law to make a report to a law enforcement agency, Child Protective Services (CPS), or appropriate state agency (e.g., state agency operating, licensing, certifying, or registering the facility) within 48 hours of the event that led to the suspicion. Alleged abuse or neglect involving a person responsible for the care, custody, or welfare of the child (including a teacher) must be reported to CPS.

Employees are also required to make a report if they have reasonable cause to believe that an adult was a victim of abuse or neglect as a child and they determine in good faith that the disclosure of the information is necessary to protect the health and safety of another child, elderly person, or person with a disability.

Reports to Child Protective Services can be made online at <https://www.txabusehotline.org/Login/Default.aspx> to a local field office or to the Texas Abuse Hotline (800-252-5400). State law specifies that an employee may not delegate to or rely on another person or administrator to make the report.

Under state law, any person reporting or assisting in the investigation of reported child abuse or neglect is immune from liability unless the report is made in bad faith or with malicious intent. In addition, the Academy is prohibited from retaliating against an employee who, in good faith, reports child abuse or neglect or who participates in an investigation regarding an allegation of child abuse or neglect.

An employee's failure to report suspected child abuse may result in prosecution as a Class A misdemeanor. The offense of failure to report by a professional may be a state jail felony if it is shown the individual intended to conceal the abuse or neglect. In addition, a certified employee's failure to report suspected child abuse may result in disciplinary procedures by SBEC for a violation of the Texas Educators' Code of Ethics.

Employees who suspect that a student has been or may be abused or neglected should also report their concerns to the campus principal. This includes students with disabilities who are no longer minors. Employees are not required to report their concern to the principal before making a report to the appropriate agency.

Reporting the concern to the principal does not relieve the employee of the requirement to report it to the appropriate state agency. In addition, employees must cooperate with investigators of child abuse and neglect. Interference with a child abuse investigation by denying an interviewer's request to interview a student at school or requiring the presence of a parent or school administrator against the desires of the



duly authorized investigator is prohibited.

Child Sexual Abuse and Maltreatment of Children

As an employee, it is important for you to be aware of warning signs that could indicate a child may have been or is being sexually abused or maltreated. Sexual abuse in the Texas Family Code is defined as any sexual conduct harmful to a child's mental, emotional, or physical welfare as well as a failure to make a reasonable effort to prevent sexual conduct with a child. Maltreatment is defined as abuse or neglect. Anyone who has reasonable cause to believe that a child has been or may be abused or neglected has a legal responsibility under state law for reporting the suspected abuse by following the procedures described above in *Reporting Suspected Child Abuse*.

Reporting Crime

The Texas Whistleblower Act protects employees who make good faith reports of violations of law by the Academy to an appropriate law enforcement authority. The Academy is prohibited from suspending, terminating the employment of, or taking other adverse personnel action against, an employee who makes a report under the Act. State law also provides employees with the right to report a crime witnessed at the school to any peace officer with authority to investigate the crime.

Personal Use of Electronic Communications and Equipment

Electronic media includes all forms of social media, such as text messaging, instant messaging, electronic mail (e-mail), Web logs (blogs), wikis, electronic forums (chat rooms), video-sharing websites (e.g., YouTube), editorial comments posted on the Internet, and social network sites (e.g., Facebook, X, Instagram, LinkedIn). Electronic media also includes all forms of telecommunication such as landlines, cell phones, and Web-based applications.

As role models for the Academy's students, employees are responsible for their public conduct even when they are not acting as Academy employees. Employees will be held to the same professional standards in their public use of electronic media as they are for any other public conduct. If an employee's use of electronic media interferes with the employee's ability to perform his or her job duties effectively, the employee is subject to disciplinary action, up to and including termination of employment. If an employee wishes to use a social network site or similar media for personal purposes, the employee is responsible for the content on the employee's page, including content added by the employee, the employee's friends, or members of the public who can access the employee's page, and for Web links on the employee's page. The employee is also responsible for maintaining privacy settings that are appropriate to the content.

An employee who uses electronic media for personal purposes shall observe the following:

- The employee shall not use the Academy's logo or other copyrighted material of the Academy without express, written consent.
- The employee shall limit use of personal electronic communication devices to send or receive calls, text messages, pictures, and videos to breaks, meal times, and before and after scheduled work hours, unless there is an emergency or the use is authorized by a supervisor to conduct Westlake Academy business.
- An employee may not share or post, in any format, information, videos, or pictures obtained while on duty or on district business unless the employee first obtains written approval from the employee's immediate supervisor. Employees should be cognizant that they have access to information and images that, if transmitted to the public, could violate privacy concerns.
- The employee continues to be subject to applicable state and federal laws, local policies, administrative regulations, and the Code of Ethics and Standard Practices for Texas Educators, even when communicating regarding personal and private matters, regardless of whether the



employee is using private or public equipment, on or off campus. These restrictions include:

- i. Confidentiality of student records.
- ii. Confidentiality of health or personnel information concerning colleagues, unless disclosure serves lawful professional purposes or is required by law.
- iii. Confidentiality of Academy records, including educator evaluations and private e-mail addresses.
- iv. Copyright law
- v. Prohibition against harming others by knowingly making false statements about a colleague or the school system.

See *Use of Electronic Communications with Students*, on page 35, for regulations on employee communication with students through electronic media.

Information Technology Systems Policy

This policy establishes rules governing the use of Information Technology systems. These systems include Internet services, electronic communication systems, telephone communication systems, email, voicemail, facsimiles, cellular phones, computer networks, and computer directories and files.

Westlake Academy provides Information Technology Systems for business use. Employees should not expect privacy with respect to any of their activities using these systems. Westlake Academy reserves the right to review any files, messages, or communications sent, received or stored on its computer, telephone, and electronic systems. This policy also applies to third-party offsite services provided by the Academy for official business use.

Westlake Academy's prohibition against sexual, racial, and other forms of harassment is extended to include the use of electronic and telecommunications systems. Offensive, harassing, vulgar, obscene, or threatening communications are strictly prohibited, as are sexually oriented messages or images.

Privileged or confidential material, which includes, but is not limited to, attorney-client communications, should not be exchanged haphazardly by e-mail, facsimiles, instant messaging or other means.

Use of Information Technology must be conducted in accordance with local, state and federal law; engaging in illegal, fraudulent, or malicious conduct is prohibited. Violation of any provisions of this policy may result in disciplinary action, up to and including termination.

Governance

- All Westlake Academy employees who are granted a system account to access the Academy's network are responsible for the proper use of the account at all times.
- Teachers may apply for a class account and, in doing so, are ultimately responsible for using it.
- The Academy will require that all passwords be changed on a regular basis and as necessary. All passwords must remain confidential and may not be shared.
- Any system user identified as a security risk or as having violated Academy any provisions of this policy may be denied access to the Academy's network, services and systems.
- All users will be required to sign a user agreement annually each August for issuance or renewal of an account. Academy employees in violation of the user agreement or the Academy's Technology Policy may be subject to disciplinary action, up to and including termination of employment.
- All Academy electronic communication systems are business assets and are not private. The Academy may access and review all Web pages and e-mails sent to and from employees, during transmission or storage.



System User Responsibilities

The following standards will apply to all users of Westlake Academy's Information Technology systems:

- The individual in whose name a system account is issued will be responsible at all times for its proper use.
- The system may not be used for illegal purposes, in support of illegal activities, or for any other activity prohibited by Academy policy or guidelines.
- System users may not disable or attempt to disable a filtering device on the Academy's Information Technology system.
- Communications may not be encrypted so as to avoid security review by system administrators.
- System users may not use another person's system account without written permission from the Head of School or designate, as appropriate.
- Employees should ensure that students do not distribute personal information about themselves or others by means of the electronic communications system; this includes, but is not limited to, personal addresses and telephone numbers.
- System users must purge and/or make hard copies of electronic mail and file such in accordance with established retention guidelines.
- System users may not redistribute copyrighted programs or data except with the written permission of the copyright holder or designee. Such permission must be specified in the document or must be obtained directly from the copyright holder or designee in accordance with applicable copyright law, Academy policy, and administrative regulations.
- System users should avoid actions that are likely to increase the risk of introducing viruses to the system, such as opening e-mail messages from unknown senders and loading data from unprotected computers.
- System users may not send or post messages that are abusive, obscene, pornographic, sexually oriented, threatening, harassing, damaging to another's reputation, or illegal.
- System users may not purposefully access materials that are abusive, obscene, pornographic, sexually oriented, threatening, harassing, damaging to another's reputation, or illegal.
- System users should be mindful that use of school-related electronic mail addresses might cause some recipients or other readers of that mail to assume they represent the school, whether or not that was the user's intention.
- System users may not waste Academy resources related to the electronic communications system.
- System users may not gain unauthorized access to resources or information.
- System users understand and agree that all documents and communications are the property of the Academy. As such, a system user may not copy, download, disseminate, e-mail, or disclose Academy property to third parties not directly related to Academy business without the express written authority of the Head of School or designate.

Prohibited Activities

- Engaging in illegal, fraudulent, or malicious conduct.
- Harassing individuals.
- Transmitting or storing material that is threatening, obscene, sexually explicit or disparaging of others based on race, national origin, sex, sexual orientation, age, disability, religious or political beliefs.
- Communication of Westlake Academy-related business to any party through social networking websites (such as Facebook, Instagram, X, etc.).
- Obtaining unauthorized access to any computer system.
- Using another individual's account or identity without explicit authorization.
- Academy employees shall not provide or allow access to a nonemployee for any Academy or Town systems without an express written agreement approved by the Head of School or Town.



Manager.

- Conducting political campaigns or other prohibited activity.
- Gambling or playing a game for money or other stakes.
- Downloading software products from internet sites is prohibited without prior approval of the Head of School or designee.
- Except where approved exceptions apply, the use or installation of the social media service TikTok or any successor application or service developed or provided by ByteDance Limited, or an entity owned by ByteDance Limited is prohibited on all Academy-owned or -leased devices, including cell phones, tablets, desktop and laptop computers, and other internet-capable devices. The Academy will identify, track, and manage all Academy-owned or -leased devices, including mobile phones, tablets, laptops, desktop computers, or any other internet-capable device to:
 - a. Prohibit the installation of a covered application.
 - b. Prohibit the use of a covered application.
 - c. Remove a covered application from an Academy-owned or -leased device that was on the device prior to the passage of S.B. 1893 (88th Leg, R.S.).
 - d. Remove an application from an Academy-owned or -leased device if the Governor issues a proclamation identifying it as a covered application.
- The Academy may permit exceptions authorizing the installation and use of a covered application on Academy-owned or leased devices consistent with the authority provided by Government Code Chapter 620. Government Code Section 620.004 only allows the Academy to install and use a covered application on an applicable device to the extent necessary for: (1) Providing law enforcement; or (2) Developing or implementing information security issues.
- The Academy will verify compliance with this policy through various methods, including but not limited to IT/security system reports and feedback to leadership.
- An employee found to have violated this policy may be subject to disciplinary action, including termination of employment.

Personal Computers and Electronic Equipment

A personal computer and access to Westlake Academy's internal network is provided to an employee for the purpose of conducting Academy business and improving productivity.

All computers and electronic equipment issued to employees are the property of Westlake Academy. Employees should utilize these resources for business purposes, and very limited or incidental personal use is acceptable. Such use must be infrequent. Personal use must not:

- Involve any illegal activity or any prohibited activity listed above.
- Interfere with the productivity of the employee or co-workers.
- Consume system resources bandwidth or storage capacity on an on-going basis.

All Academy-related files, emails, and other communications stored on any computer are property of Westlake Academy. All files should be considered public information, and subject to the Academy's established electronic retention schedule. Employees are prohibited from deleting any files without the express consent of the Head of School or designate.

Employees are required to return any Westlake Academy equipment issued to them prior to terminating employment. Employees will be required to sign for all equipment prior to issuance. Failure to return any equipment may result in disciplinary action, up to and including termination of employment, and/or payroll deduction for the fair-market value of any missing, lost, or equipment that is unaccounted for. Westlake Academy reserves the right to repossess any electronic equipment issued to an employee at any time.

Internet Access and Email

The Internet is a powerful communication tool and a valuable source of information. Internet service



includes but is not limited to e-mail, file transfer protocol (FTP), web browsing and newsgroups.

Employees should be aware that information transmitted over the internet is potentially not secure. Internet communication systems may accommodate the use of passwords for security, however the reliability of such for maintaining confidentiality cannot be guaranteed. (Employees should assume that someone other than the intended recipient could read any and all Internet communications).

Westlake Academy reserves the right to filter incoming and outgoing network communications for the purpose of securing the network, restricting access to inappropriate content or to determine compliance with this policy. Web page requests may also be filtered to restrict access to questionable or inappropriate content. Requests to access content restricted by the filtering mechanism must be approved by the Head of School or designee.

Westlake Academy maintains an electronic mail system, commonly called e-mail, to assist in conducting business and as a means to enhance the ability of employees to communicate. All employees must be aware that the use of e-mail messages creates a public record and is subject to public record regulations with respect to inspection, disclosure, scheduled retention, and disposition.

The Academy reserves the right to retrieve and read any message composed, sent, or received and also reserves the right to filter email for the purpose of security and to restrict inappropriate usage.

Employees are expected to use a high-level of professional discretion when communicating by email. Privileged, confidential, or sensitive information may not be secure when transmitted by email. Additionally, email should not be used to communicate information as an alternative to a personal meeting, when appropriate.

Social Media

An employee's use of social media, both on-duty and off-duty, must not interfere with or conflict with the employee's duties or job performance, reflect negatively on the Academy or violate any Academy policy. The intent of these standards is to regulate the creation and distribution of information concerning the Academy, its employees, and citizens through electronic media, including, but not limited to online forums, instant messaging and internet social media and blogging sites. Employees have the right to speak out as private citizens on matters of public concern, so long as the speech does not unduly disrupt the operations or mission of the Academy. This policy is designed to protect the Academy's reputation and ensure that an employee's communications not only reflect positively on the employee as an individual, but also on the Academy. Online behavior, whether on- or off-duty, must not otherwise cause harm to or misrepresent the Academy or its interests. Harassing, bullying, or demeaning coworkers, or otherwise creating a hostile work environment for any employee through online posting, violates this policy.

The term "social media" encompasses: X, Facebook, LinkedIn, blogs, and other online journals and diaries; bulletin boards and chat rooms, microblogging and all other social networking sites, instant messaging, and the posting of video on YouTube and similar media.

Use of Westlake Academy's Social Media During Work Time

- Any blogging or posting of information on the Internet or other Academy social media sites must comply with the Academy's guidelines, regardless of where the blogging or posting is done.
- Blogging or posting information of a personal nature on the Internet or other Academy social media sites is prohibited during work hours unless it promotes the Academy's best interest. Employees are not permitted to engage in social networking of a personal nature while using any of the Academy's electronic social media sites.
- Employees must obtain written authorization from the Head of School or the Communications



Director to update or post on social media sites on behalf of the Academy and all content must be approved prior to posting. All the employee's time spent updating or posting on Academy social media sites as part of the employee's job duties is compensable time that must be reported and counted in the calculation of overtime.

- No use of social media on work time and on Academy equipment on Academy-operated networks is considered private or confidential, even if password protected or otherwise restricted. The Academy reserves the right to access, intercept, monitor and review all information accessed, posted, sent, stored, printed, or received through its communications systems or equipment at any time.
- Never disclose any confidential information concerning another employee of the Academy in a blog or other posting to the Internet. Posting confidential information may violate state law and subject the user to criminal penalty. All requests for Academy documents must be processed through the Public Information Act.
- Employees must abide by all federal and state law and policies of the Academy regarding information sent through the Academy's Internet.
- Individual supervisors do not have the authority to make exceptions to these guidelines.

Use of Personal Social Media While Off Duty

- The Academy recognizes that many Academy employees utilize social media when not at work. The Academy requires that employees be aware of guidelines regarding posting work-related information on personal social media sites, and they are listed below.
- If the employee's social networking includes any information related to the Academy, the employee must make it clear to the readers that the views expressed are the employee's alone and not reflective of the views of the Academy.
- Employees are encouraged to act responsibly on and off duty, and to exercise good judgment when using social media. Recognize that postings on your social media site, even if done off premises and while off duty, could have an adverse effect on the Academy's legitimate business interests.
- Respect coworkers and the Academy. Do not put anything on your personal social media site that may defame, embarrass, insult, demean or damage the reputation of the Academy or any of its employees.
- Do not put anything on your personal social media site that may constitute violation of the Academy's Harassment policy. Do not post any pornographic pictures of any type that could identify you as an employee of the Academy. Be mindful that the Academy's harassment policy covers both work and non-work time, including postings on social media sites.
- Do not post pictures of yourself or others on your personal social media site containing images of Academy uniforms or insignia, Academy logos, Academy equipment or Academy work sites.
- Do not post information on your personal social media site that could adversely impact the Academy and/or an employee of the Academy.
- Do not permit or fail to remove postings violating this policy, even when placed by others on your social media site.

Information from Third Parties

Employees with access to the Academy's Information Technology system should be aware that, despite the Academy's use of technology protection measures as required by law, use of the system may provide access to other electronic communications systems in the global electronic network that may contain inaccurate and/or objectionable material.

Any student or employee who gains access to such material is expected to discontinue the access as quickly as possible and to report the incident to a supervisor.



An employee knowingly bringing prohibited materials into the school's electronic environment will be subject to disciplinary action in accordance with Academy policies.

Disclaimers

Opinions, advice, services, and all other information expressed by system users, information providers, service providers, or other third-party individuals in the system are those of the providers and not Westlake Academy.

Westlake Academy will cooperate fully with local, state, or federal officials in any investigation concerning or relating to misuse of the Academy's electronic Information Technology systems.

Use of Cell Phones

Cell phones are to be turned off and put away during instruction periods. The Head of School or designee may grant exceptions to this policy upon request in the event of extenuating circumstances.

Use of Electronic Communications with Students

A certified or licensed employee, or any other employee designated in writing by the Head of School or a campus principal, may communicate through electronic media with students who are currently enrolled in the Academy consistent with the procedures identified below. Electronic communications between all other employees and students who are enrolled in the Academy are prohibited. Employees are not required to provide students with their personal phone number or e-mail address.

An employee is not subject to these provisions for personal, non-school-related communications that occur due to an employee's social or family relationship with a student. For example, an employee may have a relationship with a niece or nephew, a student who is the child of an adult friend, a student who is a friend of the employee's child, or a member or participant in the same civic, social, recreational, or religious organization.

An employee who claims an exception based on a social relationship shall provide written consent from the student's parent. The written consent shall include an acknowledgement by the parent that:

- The employee has provided the parent with a copy of this protocol
- The employee and the student have a social relationship outside of school;
- The parent understands that the employee's communications with the student are excepted from Academy regulation; and
- The parent is solely responsible for monitoring electronic communications between the employee and the student.

The following definitions apply for the use of electronic media with students:

- *Electronic communications* means any communication facilitated by the use of any electronic device, including a telephone, cellular telephone, computer, or computer network. The term includes e-mail, text messages, instant messages, and any communication made through an Internet website, including a social media website or a social networking website.
- *Communicate* means to convey information and includes a one-way communication as well as a dialogue between two or more people. A public communication by an employee that is not targeted at students (e.g., a posting on the employee's personal social network page or a blog) is not a *communication*; however, the employee may be subject to Academy regulations on personal electronic communications. See *Personal Use of Electronic Communications and Equipment*, on page 29. Unsolicited contact from a student through electronic means is not a communication for purposes of this policy, but any response to unsolicited contact is subject to



this policy.

- *Certified or licensed employee* means a person employed in a position requiring SBEC certification or a professional license, and whose job duties may require the employee to communicate electronically with students. The term includes classroom teachers, counselors, principals, librarians, paraprofessionals, nurses, educational diagnosticians, licensed therapists, and athletic trainers.

An employee who communicates electronically with students shall observe the following:

The employee may use any form of electronic media **except** text messaging. Only a teacher, trainer, or other employee who has an extracurricular duty may use text messaging, and then only to communicate with students who participate in the extracurricular activity over which the employee has responsibility. An employee who communicates with a student using text messaging shall comply with the following protocol:

- The employee shall include at least one of the student's parents or guardians whenever possible as a recipient on each text message to the student so that the student and parent receive the same message; and the employee shall always include his or her immediate supervisor as a recipient on each text message to a student so that the student and supervisor receive the same message.
- For each text message addressed to one or more students, the employee shall send a copy of the text message to the employee's Westlake Academy e-mail address.
- The employee shall limit communications to matters within the scope of the employee's professional responsibilities (e.g., for classroom teachers, matters relating to class work, homework, and tests; for an employee with an extracurricular duty, matters relating to the extracurricular activity).
- The employee is prohibited from knowingly communicating with students through a personal social network page; the employee must create a separate social network page ("professional page") for the purpose of communicating with students. The employee must enable administration and parents to access the employee's professional page.
- The employee shall not communicate directly with any student between the hours of 5 p.m. and 7 a.m. An employee may, however, make public posts to a social network site, blog, or similar application at any time.
- The employee does not have a right to privacy with respect to communications with students and parents.
- The employee continues to be subject to applicable state and federal laws, local policies, administrative regulations, and the Code of Ethics and Standard Practices for Texas Educators, including:
 - Compliance with the Public Information Act and the Family Educational Rights and Privacy Act (FERPA), including retention and confidentiality of student records.
 - Copyright law
 - Prohibitions against soliciting or engaging in sexual conduct or a romantic relationship with a student.
- Prohibitions against soliciting or engaging in sexual conduct or a romantic relationship with a student.
- Upon request from administration, an employee will provide the phone number(s), social network site(s), or other information regarding the method(s) of electronic media the employee uses to communicate with one or more currently enrolled students.
- Upon written request from a parent or student, the employee shall discontinue communicating with the student through e-mail, text messaging, instant messaging, or any other form of one-to-one communication.



An employee may request an exception from one or more of the limitations above by submitting a written request to his or her immediate supervisor.

Criminal History Background Checks

Employees may be subject to a review of their criminal history record information at any time during employment. National criminal history checks based on an individual's fingerprints, photo, and other identification will be conducted on certain employees as required by state law and entered into the Texas Department of Public Safety (DPS) Clearinghouse. This database provides the Academy and the Texas Education Agency with access to an employee's current national criminal history and updates to the employee's subsequent criminal history.

Employee Arrests and Convictions

An employee must notify his or her principal or immediate supervisor within three calendar days of any arrest, indictment, conviction, no contest or guilty plea, or other adjudication of any felony, and any of the other offenses listed below:

- Crimes involving school property or funds
- Crimes involving attempt by fraudulent or unauthorized means to obtain or alter any certificate or permit that would entitle any person to hold or obtain a position as an educator
- Crimes that occur wholly or in part on school property or at a school-sponsored activity
- Crimes involving moral turpitude

Moral turpitude includes the following:

- Dishonesty
- Fraud/Theft
- Deceit/Misrepresentation
- Deliberate violence
- Base, vile, or depraved acts that are intended to arouse or gratify the sexual desire of the actor
- Crimes involving any felony possession or conspiracy to possess, or any misdemeanor or felony transfer, sale, distribution, or conspiracy to transfer, sell, or distribute any controlled substance
- Felonies involving driving while intoxicated (DWI)
- Acts constituting abuse or neglect under the Texas Family Code.

If an educator is arrested or criminally charged, the Head of School is also required to report the educators' criminal history to the Division of Investigations at TEA.

Drug Abuse Prevention

Westlake Academy is committed to maintaining an alcohol and drug-free environment and will not tolerate the use of alcohol and illegal drugs in the workplace or on school property. This policy does not prevent the consumption of alcohol at school-related events held offsite, outside of regular business hours, and not attended by children.

Employees who use or are under the influence of alcohol or illegal drugs as defined by the Texas Controlled Substances Act during working hours may be terminated. The Academy's policy regarding employee drug use is as follows:

Employees shall not manufacture, distribute, dispense, possess, use, or be under the influence of any of the following substances during working hours while at school or at school-related activities during or



outside of usual working hours:

1. Any controlled substance or dangerous drug as defined by law, including but not limited to marijuana, narcotics, hallucinogens, stimulants, depressants, amphetamines, or barbiturates.
2. Alcohol or any alcoholic beverages.
3. Any abusable glue, aerosol paints, or any other chemical substance for inhalation.
4. Any other intoxicant, or mood-changing, mind-altering, or behavior-altering drugs.

An employee need not be legally intoxicated to be considered "under the influence" of a controlled substance. An employee who possesses or dispenses a substance listed above as part of the employee's job responsibilities, or who uses a drug authorized by a licensed physician prescribed for the employee's personal use shall not be considered to have violated this policy.

Drug-Free Schools Requirements

Westlake Academy prohibits the unlawful distribution, possession, or use of illegal drugs, inhalants, and alcohol on school premises or as part of any of the Academy's activities. Employees who violate this prohibition shall be subject to disciplinary sanctions. Such sanctions may include referral to drug and alcohol counseling or rehabilitation programs or employee assistance programs, termination from employment with the Academy, and referral to appropriate law enforcement officials for prosecution. (41 U.S.C. 702(a)(1)(A); 28 TAC 169.2)

Compliance with these requirements and prohibitions is mandatory and is a condition of employment. [This notice complies with notice requirements imposed by the federal Drug-Free Schools and Communities Act Amendments of 1989 (20 U.S.C. 3224a and 34 CFR 86.201)]

Tobacco Use and E-Cigarette Use

State law prohibits smoking, using tobacco products, or e-cigarettes on all Westlake Academy property and at school-related or school-sanctioned activities, on or off school property. This includes all buildings, playground areas, parking facilities, and facilities used for athletics and other activities. Drivers of Academy-owned vehicles are prohibited from smoking, using tobacco products, or e-cigarettes while inside the vehicle.

Fraud and Financial Impropriety

All employees should act with integrity and diligence in duties involving the Academy's financial resources. The Academy prohibits fraud and financial impropriety, as defined below. Fraud and financial impropriety include the following:

- Forgery or unauthorized alteration of any document or account belonging to the Academy
- Forgery or unauthorized alteration of a check, bank draft, or any other financial document
- Misappropriation of funds, securities, supplies, other Academy assets, including employee time
- Impropriety in the handling of money or reporting of the Academy's financial transactions
- Profiteering as a result of insider knowledge of school information or activities
- Unauthorized disclosure of confidential or proprietary information to outside parties
- Unauthorized disclosure of investment activities engaged in or contemplated by the Academy
- Accepting or seeking anything of material value from contractors, vendors, or other persons providing services or materials to the Academy
- Inappropriately destroying, removing, using records, furniture, fixtures, or equipment
- Failing to provide financial records required by state or local entities
- Failure to disclose conflicts of interest as required by policy
- Any other dishonest act regarding the finances of the Academy
- Failure to comply with requirements imposed by law, the awarding agency, or a pass-



through entity for state and federal awards

Conflict of Interest

Employees are required to disclose in writing to their supervisor any situation that creates a potential or real conflict of interest with proper discharge of assigned duties and responsibilities or creates a potential or real conflict of interest with the best interests of the Academy. This includes, but is not limited to, the following:

- A personal financial interest
- A business interest
- Any other obligation or relationship
- Non-school employment

Gifts and Favors

Employees may not accept gifts or favors that could influence, or be construed to influence, the employee's discharge of assigned duties. The acceptance of a gift, favor, or service by any employee that might reasonably tend to influence the selection of textbooks may result in prosecution of a Class B misdemeanor offense. This does not include staff development, teacher training, or instructional materials that convey information to students or contribute to the learning process.

It is a serious violation of standards for any employee to use his or her position with the Academy to seek personal or professional advantages through the acceptance of gifts, gratuities, entertainment, or other favors. Westlake Academy employees are prohibited from accepting anything of value or benefit, including but not limited to entertainment, travel, food, and lodging, from any one person, student, parent, or entity the employee knows is interested in or likely to become interested in any contract, purchase, payment, claim, or transaction with the Academy. This provision shall not apply to gifts or things of value or benefit to which the employee is lawfully entitled or when the individual is acting in a capacity other than as an Academy employee. This provision also does not apply to employees receiving gifts of nominal value from students which are intended to convey personal appreciation.

Participation is allowed in the activities of widely attended events, such as luncheons, dinners, hospitality rooms, and similar gatherings for the discussion of matters of mutual interest to the Academy. Employees may accept expense-paid trips that are part of the normal business activities of the Academy. Trips taken by employees shall be approved in advance by the Head of School.

Copyrighted Materials

Employees are expected to comply with the provisions of copyright law relating to the unauthorized use, reproduction, distribution, performance, or display of copyrighted materials (i.e., printed material, videos, computer data and programs, etc.) Electronic media, including motion pictures and other audiovisual works, are to be used in the classroom for educational purposes only. Duplication or backups of computer programs and data must be made within the provisions of the purchase agreement.

Associations and Political Activities

Westlake Academy will not discourage or prohibit employees from participating in political affairs outside of duty hours or require any employee to join any group, club, committee, organization, or association. Employees may join or refuse to join any professional association or organization.

An individual's employment will not be affected by membership or a decision not to be a member of any



employee organization that exists for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work. Use of the Academy's resources, including work time, for political activities is prohibited.

Safety

The Academy has developed and promotes a comprehensive program to ensure the safety of its employees, students, and visitors. The safety program includes guidelines and procedures for responding to emergencies and activities to help reduce the frequency of accidents and injuries. To prevent or minimize injuries to employees, coworkers, and students and to protect and conserve Academy equipment, employees must comply with the following requirements:

- Observe all safety rules.
- Keep work areas clean and orderly at all times.
- Immediately report all accidents or incidents to their supervisor.
- Operate only equipment or machines for which they have training and authorization.

Employees with questions or concerns relating to safety and issues can contact the Head of School's office or the Human Resources Office.

Possession of Firearms and Weapons

Employees, visitors, and students, including those with a license to carry a handgun, are prohibited from bringing firearms, knives, clubs or other prohibited weapons onto school premises (i.e., building or portion of a building) or any grounds or building where a school-sponsored activity takes place. A person, including an employee, who holds a license to carry a handgun may transport or store a handgun or other firearm or ammunition in a locked vehicle in a parking lot, garage, or other school provided parking area, provided the handgun or firearm or ammunition is properly stored, and not in plain view. To ensure the safety of all persons, employees who observe or suspect a violation of the Academy's weapons policy should report it to the school office immediately.

Visitors in the Workplace

All visitors are expected to enter any Academy facility through the main entrance and sign in or report to the building's main office. Authorized visitors will receive directions or be escorted to their destination. Employees who observe an unauthorized individual on the Academy premises should immediately direct him or her to the main office or contact the Head of School.

Pest Control Treatment

Employees are prohibited from applying any pesticide or herbicide without appropriate training and prior approval of the integrated pest management (IPM) coordinator. Any application of pesticide or herbicide must be done in a manner prescribed by law and the Academy's integrated pest management program.

Notices of planned pest control treatment will be posted in affected building(s) 48 hours before the treatment begins. Notices are generally located in the Teacher's lounge. In addition, individual employees may request in writing to be notified of pesticide applications. An employee who requests individualized notice will be notified by telephone, written or electric means. Pest control information sheets are available from the Director of Facilities upon request.



General Procedures

Bad Weather Closing

The Academy may close because of bad weather or emergency conditions. When such conditions exist, the Head of School or designee will make the official decision concerning the closing of the Academy's facilities. When it becomes necessary to open late or to release students early, notifications will be posted on the Academy's website. Every effort will be made to provide timely notice of closures to local media.

Emergencies

All employees should be familiar with the safety procedures for responding to emergencies, including medical emergencies. Employees should locate evacuation diagrams posted in their work areas and be familiar with shelter in place, lockout, and lockdown procedures. Emergency drills will be conducted to familiarize employees and students with safety and evacuation procedures. Each building is equipped with an automatic external defibrillator. Fire extinguishers are located throughout all buildings. Employees should know the location of these devices and procedures for their use.

Purchasing Procedures

All requests for purchases must be submitted to the Head of School. The Academy will not reimburse employees or assume responsibility for purchases made without prior authorization. Employees are not permitted to purchase supplies or equipment for personal use through the Academy's business office. Contact the Head of School or Finance Director for additional information on purchasing procedures.

Name and Address Changes

It is important that employment records be kept up to date. Employees must notify the Human Resources Office if there are any changes or corrections pertaining to their name, home address, home telephone number, marital status, emergency contacts, or beneficiary. Forms to process a change in personal information can be obtained from the Human Resources Office.

Personnel Records

Most Academy records, including personnel records, are public information and must be released upon request. In most cases, an employee's personal e-mail address is confidential and may not be released without the employee's permission. Employees may choose to have the following personal information withheld:

- Address
- Phone number, including personal cell phone number
- Information that reveals whether they have family members
- Personal e-mail address

The choice to not allow public access to this information or change an existing choice may be made at any time by submitting a written request to the Human Resources Office. New or terminated employees have fourteen (14) days after hire or termination to submit a request. Otherwise, personal information may be released to the public until a request to withhold the information is submitted or another exception to release of information applies. An employee is responsible for notifying the Human Resources Office if he or she is subject to an exception for disclosure of personal information.



Travel Policy/Expense Reimbursement

Before any travel expenses are incurred, an employee must obtain advance written approval for such expenses from the Head of School or designee. For approved travel, employees will be reimbursed in accordance with the procedures described in Exhibit C.

For additional information or questions about travel and/or reimbursement procedures, please contact the Director of Finance at 817-490-5721.

Building Use

To schedule the use of school facilities for academic or extracurricular activities, employees should submit a request through School Dude. Questions about facility use may be directed to the Facilities Manager at 817-490-5856. Non-school use of Academy facilities must be scheduled in compliance with the Board Policy on Use of Academy Facilities by Non-School Related Groups.

Separation of Employment

Resignations

Contract Employees. Contract employees may resign their position by delivering to the Head of School written notice of such intent to terminate their contract at least 45 calendar days prior to the termination date. A written notice of resignation should be submitted to the Head of School.

The principal is required to notify the Head of School of an educator's resignation within seven business days following an alleged incident of misconduct for any of the acts listed in *Reports to Texas Education Agency* on page 60. The Head of School will notify SBEC when an employee resigns and there is evidence to indicate that the employee has engaged in such misconduct.

Noncontract Employees. Noncontract employees may resign their positions at any time. A written notice of resignation should be submitted to the Head of School and the Human Resources office at least two weeks prior to the effective date. Employees are encouraged to include the reasons for leaving in the letter of resignation but are not required to do so.

The principal is required to notify the Head of School of a non-certified employee's resignation or termination within seven business days following an alleged incident of misconduct of abuse of a student or was involved in a romantic relationship with or solicited or engaged in sexual conduct with a student or minor. The Head of School will notify TEA within seven business days of receiving a report from a principal, or of knowing about an employee's resignation or termination following an alleged incident of misconduct described above.

Dismissal of Contract Employees

Employees on professional contracts can be terminated by providing written notice to the employee at least 45 calendar days prior to the termination date. Contract employees dismissed during the school year, suspended without pay, or subject to a reduction in force shall receive notice of the recommended action, an explanation of the charges or reasons and an opportunity for appropriate process and review. Timelines and procedures to be followed will be provided when written notice of the pending action is issued.

The principal is required to notify the Head of School of an educator's termination within seven business



days following an alleged incident of misconduct for any of the acts listed in *Reports to Texas Education Agency* on page 60. The Head of School will notify SBEC when an employee is terminated and there is evidence to indicate that the employee has engaged in such misconduct.

Advance notification will not apply when a contract employee is dismissed for failing to obtain or maintain appropriate certification or when the employee's certification is revoked for misconduct.

Suspension/Administrative Leave of Contract Employees

Contract employees may be suspended with pay or placed on administrative leave by the Head of School during an investigation of alleged misconduct by the employee, or at any time that the Head of School determines that the Academy's best interest will be served by suspension or administrative leave.

Dismissal of Noncontract Employees

Noncontract employees are employed at will and may be dismissed without notice, a description of the reasons for dismissal, or a hearing. It is unlawful for the Academy to dismiss any employee for reasons of race, religion, sex, national origin, disability, military status, any other basis protected by law, or in retaliation for the exercise of certain protected legal rights. Noncontract employees who are dismissed have the right to grieve the termination. The dismissed employee must follow the process outlined in this handbook when pursuing the grievance. (See *Complaints and Grievances* policy, page 31)

The principal is required to notify the Head of School of a non-certified employee's resignation or termination within seven business days following an alleged incident of misconduct of abuse of a student or was involved in a romantic relationship with or solicited or engaged in sexual conduct with a student or minor. The Head of School will notify TEA within seven business days of receiving a report from the principal or knew about an employee's resignation or termination following an alleged incident of misconduct described above.

Exit Interviews and Procedures

Exit interviews will be scheduled for all employees leaving the Academy by the Human Resources Office. Information on the continuation of benefits, release of information, and procedures for requesting references will be provided at this time. Separating employees are asked to provide the Academy with a forwarding address and phone number and complete a questionnaire that provides the Academy with feedback on his or her employment experience.

All Academy keys, books, property, and equipment must be returned upon separation from employment. The Academy may withhold the cost of any unreturned items from the final paycheck.

Reports to the Texas Education Agency

Certified Employees. The Head of School shall notify SBEC if an education has a criminal record and the Academy learned of the criminal record by a means other than the criminal history clearinghouse. The dismissal of a certified employee must be reported to the Division of Investigations at TEA whenever the termination is based on evidence the employee:

- abused or otherwise committed an unlawful act with a student or minor;
- was involved in a romantic relationship with or solicited or engaged in sexual contact with a student or minor;
- possessed, transferred, sold, or distributed a controlled substance, as defined by Chapter 481, Health



and Safety Code, or by 21 U.S.C. Section 801 *et seq.*;

- illegally transferred, appropriated, or expended funds or other property of the school district, district of innovation, charter school, other charter entity, service center, or shared services arrangement;
- attempted by fraudulent or unauthorized means to obtain or alter a professional certificate or license for the purpose of promotion or additional compensation; or
- committed a criminal offense or any part of a criminal offense on school property or at a school-sponsored event;

The Head of School is also required to notify SBEC when a certified employee resigns and there is evidence that the educator engaged in the conduct listed above. Finally, the Head of School must also notify SBEC when an employee engages in conduct that violates assessment instrument security procedures.

Noncertified Employees. The voluntary or involuntary separation of a noncertified employee from the Academy must be reported to the Division of Investigations at TEA by the Head of School if there is evidence the employee abused or otherwise committed an unlawful act with a student or minor, was involved in a romantic relationship with a student or minor or solicited or engaged in sexual contact with a student or minor.

Reports Concerning Court-Ordered Withholding

The Academy is required to report the termination of employees that are under court order or writ of withholding for child support or spousal maintenance to the court and the individual receiving the support (Texas Family Code §8.210, 158.211). Notice of the following must be sent to the court and support recipient:

- Termination of employment not later than the seventh day after the date of termination
- Employee's last known address
- Name and address of the employee's new employer, if known

Student Issues

Equal Educational Opportunities

Westlake Academy does not discriminate on the basis of race, color, religion, national origin, gender, or disability in providing education services, activities, and programs, including vocational programs, in accordance with Title VI of the Civil Rights Act of 1964, as amended; Title IX of the Educational Amendments of 1972; and Section 504 of the Rehabilitation Act of 1973, as amended.

Questions or concerns about discrimination of students on the basis of race, color, religion, sex, disability, or national origin should be directed to the Head of School or designee.

Student Records

Student records are confidential and are protected from unauthorized inspection or use. Employees should take precautions to maintain the confidentiality of all student records. Only the following individuals are authorized to have general access to a student's records:

- Parents of a minor or of a student who is a dependent for tax purposes
- The student (if 18 or older or attending an institution of postsecondary education)



- School officials with legitimate educational interests

The Parent/Student Handbook provides parents and students with detailed information on student records. Parents or students who want to review student records should be directed to the Head of School for assistance.

Parent and Student Complaints

In an effort to hear and resolve parent and student complaints in a timely manner and at the lowest administrative level possible, the Academy has adopted a parent complaint procedure. The Head of School's office can provide parents and students with information on filing a complaint.

Parents are encouraged to discuss problems or complaints with the teachers at any time. Parents and students with complaints that cannot be resolved should be directed to the Head of School. The formal complaint process provides parents and students with a multi-tiered opportunity for review if they are dissatisfied with the initial response. Additional information is available in the Parent/Student Handbook.

Administering Medication to Students

Only designated employees can administer prescription medication, nonprescription medication, and herbal or dietary supplements to students. Exceptions apply to the self-administration of asthma medication, medication for anaphylaxis (e.g., EpiPen®), and medication for diabetes management, if the medication is self-administered in accordance with Academy policy and procedures.

A student who must take medication during the school day must bring a written request from his or her parent and the medicine, in its original, properly labeled container. Contact the Head of School or the school nurse for information on procedures that must be followed when administering medication to students.

Dietary Supplements

Westlake Academy employees are prohibited by state law from knowingly selling, marketing, or distributing a dietary supplement that contains performance-enhancing compounds to a student with whom the employee has contact as part of his or her Academy duties. In addition, employees may not knowingly endorse or suggest the ingestion, intranasal application, or inhalation of a performance-enhancing dietary supplement to any student.

Psychotropic Drugs

A psychotropic drug is a substance used in the diagnosis, treatment, or prevention of a disease or as a component of a medication. It is intended to have an altering effect on perception, emotion, or behavior and is commonly described as a mood- or behavior-altering substance.

Academy employees are prohibited by state law from doing the following:

- Recommending that a student use a psychotropic drug
- Suggesting a particular diagnosis
- Excluding from class or school-related activity a student whose parent refuses to consent to a psychiatric evaluation or to authorize the administration of a psychotropic drug to a student

Student Conduct and Discipline



Students are expected to follow the classroom rules, and rules listed in the Parent/Student Handbook. Teachers and administrators are responsible for taking disciplinary action based on a range of discipline management strategies that have been adopted by the Academy. Other employees that have concerns about a particular student's conduct should contact the classroom teacher or Head of School.

Teachers must file a written report with the Head of School or another appropriate administrator when they have knowledge that a student has violated the Student Code of Conduct. A copy of this report will be sent by the Head of School to the student's parents within 24 hours.

Student Attendance

Teachers and staff should be familiar with the Academy's policies and procedures for attendance accounting. These procedures require minor students to have parental consent before they are allowed to leave the Academy campus. When absent from school, the student, upon returning to school, must bring a note signed by the parent that describes the reason for the absence. These requirements are addressed in campus training and in the Parent/Student Handbook. Contact the Principal's office for additional information.

Bullying

Bullying is defined by TEC §37.0832. All employees are required to report student complaints of bullying, including cyberbullying, to the Head of School or designee. The Academy's policy containing definitions and procedures for reporting and investigating bullying of students may be found in the Westlake Academy Parent/Student Handbook.

Hazing

Students must have prior approval from the Head of School or designee for any type of "initiation rites" of a school club or organization. While most initiation rites are permissible, engaging in or permitting "hazing" is a criminal offense.

"Hazing" means any intentional, knowing, or reckless act, occurring on or off the campus of an educational institution, by one person alone or acting with others, directed against a student for the purpose of pledging, being initiated into, affiliating with, holding office in, or maintaining membership in an organization if the act:

- (A) is any type of physical brutality, such as whipping, beating, striking, branding, electronic shocking, placing of a harmful substance on the body, or similar activity;
- (B) involves sleep deprivation, exposure to the elements, confinement in a small space, calisthenics, or other similar activity that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student;
- (C) involves consumption of a food, liquid, alcoholic beverage, liquor, drug, or other substance, other than as described by Paragraph (E), that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student;
- (D) is any activity that induces, causes, or requires the student to perform a duty or task that involves a violation of the Penal Code; or
- (E) involves coercing, as defined by Section 1.07, Penal Code, the student to consume:
 - (i) a drug; or
 - (ii) an alcoholic beverage or liquor in an amount that would lead a reasonable person to believe that the student is intoxicated, as defined by Section 49.01, Penal Code.

Any teacher, administrator, or employee who observes a student engaged in any form of hazing, who has



reason to know or suspect that a student intends to engage in hazing or has engaged in hazing must report that fact or suspicion to the Head of School or designee.



EXHIBIT A

Employee Drug and/or Alcohol Testing Standards & Procedures

When there is reasonable suspicion that an employee is under the influence of alcohol or drugs used in violation of Academy policy, the employee may be required to undergo a controlled substance and/or alcohol test at the Academy's expense.

Reasonable Suspicion Considerations

Indications of possible impairment or intoxication include, but are not limited to, the following:

- Slurred speech
- Disorientation
- Job impairment (inability to perform the job in a routine manner)
- Odor of alcoholic beverages
- Odor of other substances
- Unsteady gait or balance
- Glassy eyes
- Drowsiness
- Euphoria
- Mood swings
- Inattentiveness
- Excitement or confusion
- Irritability
- Aggressiveness
- Other erratic behavior

If an on-the-job accident or an accident occurs and the supervisor determines that reasonable suspicion exists to warrant testing, the employee will be tested for both drugs and alcohol as soon as possible. The employee will provide the necessary authorization for the Academy to obtain these results. In a medical emergency, the first consideration will be the health and welfare of the employee.

Drug and Alcohol Policy Definitions

Adulterant means a masking agent that prevents the detection of drug use in a drug testing specimen or any other substance used to tamper with the specimen.

Alcoholic beverage means alcohol, or any beverage, containing more than one-half of one percent alcohol by volume, which is capable of use for beverage purposes, either alone or when diluted.

Alcohol concentration (or content) means the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an Evidential Breath Test (EBT).

Contraband means any article, the possession of which on Academy premises or while on Academy business causes an employee to be in violation of an Academy rule or penal law. Contraband includes illegal drugs and open containers of alcoholic beverages, drug paraphernalia, illegal or prohibited weapons, firearms, explosives, incendiaries, stolen property, and counterfeit money. Nothing shall



preclude the possession of contraband for the purposes of educational instruction pursuant to the employee's job responsibilities.

Controlled substances means any drug, substance, or immediate precursor listed in Schedules I-V or Penalty Groups 1-4 of the Controlled Substances Act of 1988 as it may be revised from time to time.

Drug or Illegal drug means any drug in any detectable amount that is not legally obtainable; any drug that is legally obtainable but has not been legally obtained; any prescribed drug not legally obtained; any prescribed drug not being used for the prescribed purpose; any over-the-counter drug being used at a dosage level different than recommended by the manufacturer or being used for a purpose other than intended by the manufacturer; and any drug being used for a purpose not in accordance with bona fide medical therapy. Examples of illegal drugs are cannabis substances such as marijuana and hashish, cocaine, heroin, phencyclidine (PCP), and so-called designer drugs and look-alike drugs.

Drug Paraphernalia means equipment, a product or material that is used or intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, or concealing a controlled substance in violation of this policy or in injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance.

Medical Review Officer (MRO) means a licensed physician (doctor or doctor of osteopathy) responsible for receiving laboratory results generated by an employer's drug testing program who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive or adulterated test result together with his or her medical history and any other relevant biomedical information.

Physician means a physician licensed by the State Board of Medical Examiners.

Proper medical authorization means a prescription or other written approval from a physician for the use of a drug in the course of medical treatment. It must include the name of the substance, quantity/amount to be taken, the period of authorization, and whether the prescribed medication may impair the employee's job performance. This requirement also applies to refills of prescription drugs.

Refusal to submit to alcohol or drug test means that an employee:

- Refuses to sign a consent to testing form;
- Fails to provide adequate breath or urine for testing without a valid medical explanation after he or she has received notice of the requirement for testing;
- Engages in conduct that clearly obstructs the testing process;
- Uses adulterants to prevent the detection of drug use in a drug-testing specimen or uses any other substance to tamper with the specimen. Any refusal to submit to testing will be treated the same as a positive controlled substances test result.

Substance abuse is exemplified by, but not limited to, the following:

- Ingestion, inhalation, or injection of a controlled substance without proper written medical authorization;
- Ingestion of an alcoholic beverage during working hours or on Academy property;



- Ingestion of an alcoholic beverage while operating Academy equipment;
- Ingestion, inhalation, or injection of a controlled substance without proper medical authorization, or ingestion of an alcoholic beverage during non-working hours, which causes an employee to be unable to work in a safe and effective manner during working hours;
- Use of prescription or over-the-counter medication in a manner for which it was not intended.

Testing facility means a hospital, clinic, or laboratory approved by the Academy to be used to collect body fluid or breath samples to be analyzed for specific controlled substances or alcohol. The facility will have all required personnel, materials, equipment, and supervision for the collection, security, temporary storage, and transportation of samples to the testing lab, or to conduct alcohol testing.

Under the influence or Impaired is defined as abnormal behavior during working hours or during Academy-sponsored events outside of normal working hours which results from indulging in an alcoholic beverage, controlled substance, or drug which may limit an employee's ability to safely and efficiently perform his or her duties or poses a threat to the safety of the employee or others.

Working hours means from the time the employee arrives at the job site until the time the employee leaves, including all lunch or other types of breaks.

Drug Testing Procedures

A copy of the Westlake Academy Drug and Alcohol Policy (contained in this handbook) shall be provided to the testing facility before any tests are conducted.

A supervisor shall transport the employee to the testing facility where the employee will be required to show positive picture identification. Consequently, employees are required to carry their valid driver's license with them while at work.

The employee shall complete a consent form prior to testing. If the employee does not understand what he or she is signing, the supervisor shall explain the form to the employee. The form authorizes the

exam/test and the release of medical information regarding the employee's medical condition and any test results. Failure to sign a consent form will be regarded the same as a positive drug test result.

The medical facility staff member shall provide the employee with a container. A portion of the urine placed in this container shall be used for a second test in case the employee requests a re-test of an initial positive or adulterated result. The specimen shall be produced in a location that provides privacy.

Alcohol Testing Procedures

The employee shall complete a consent form prior to testing. If the employee does not understand what he or she is signing, the supervisor shall explain the form to the employee. The form authorizes the exam/test and the release of medical information regarding the employee's medical condition and any test results. Failure to sign a consent form will be regarded the same as a breath alcohol content equal to or greater than 0.04.



The employee's breath alcohol content shall be analyzed using an Evidential Breath Testing device (EBT) operated by a Breath Alcohol Technician (BAT). The test shall be conducted in a private setting.

Medical Examination

If the employee is unable to provide adequate breath or urine to conduct testing, the Academy may require the individual to undergo a medical evaluation to develop pertinent information concerning whether the individual's inability to provide a specimen is genuine or constitutes a refusal to test. The cost of the medical exam shall be paid by the Academy and the employee will remain in a leave without pay status while awaiting the results of the medical exam.

Post-Test Procedure

The supervisor who makes a determination that reasonable suspicion exists to conduct a drug or alcohol test will prepare a written record of the observations leading to the test.

At the conclusion of an alcohol test, the supervisor will provide instructions to the employee based on the test results and shall immediately hand-deliver the employer's copy of the results to the Head of School and the Human Resources Department in a confidential manner.

When a drug test is conducted, the employee shall remain off-duty in a leave without pay status pending the results of the exam and any other type of investigation the Academy may conduct. Exam results will be sent confidentially to the Head of School and the Human Resources Department.

Any time a drug test is conducted or when an alcohol test produces a breath alcohol content equal to or greater than 0.02, the supervisor shall ensure that the employee does not drive him or herself home.

Exam Results Confidentiality

The results of any drug or alcohol test shall be strictly confidential and shall not be disclosed without the prior written approval of the employee tested unless otherwise required by law. However, nothing in this paragraph will prohibit the lab, the MRO, or testing facility from releasing information relevant to an employee's test results to the Head of School and the Human Resources Department. Additionally, only those persons in management directly involved in the decision-making process related to the tested employee will obtain any drug or alcohol testing information retained by the Academy. There may be some instances where overriding public health or safety concerns may require the release of information otherwise considered confidential. All records of the Academy are subject to the provisions of the Texas Open Records Act.

A copy of the results of the exam shall be supplied to the employee examined, and the original exam results shall be maintained in a locked cabinet in the Human Resources office for a period of at least two years, after which time they may be destroyed. The Human resources Office may, however, maintain the exam results and any reports on individuals who have violated this policy for the purpose of recording the number of violations.

Management and supervisory personnel who are authorized to have access to alcohol or drug test results or medical information pertaining to this policy will maintain complete confidentiality



regarding this information.

Drug and Alcohol Testing Results

The employee shall remain off-duty in a leave without pay status until the results of testing are received by the Head of School and Human Resources Department and until any other investigative procedures are complete. If the results are negative and unadulterated, no disciplinary hearing will be held, and the employee will be given backpay as though the employee worked as scheduled.



EXHIBIT B

Texas Educators' Code of Ethics

The following standards of ethical conduct shall apply to all Westlake Academy employees regardless of the individual's position.

Purpose and Scope

The Texas educator shall comply with standard practices and ethical conduct toward students, professional colleagues, school officials, parents, and members of the community and shall safeguard academic freedom. The Texas educator, in maintaining the dignity of the profession, shall respect and obey the law, demonstrate personal integrity, and exemplify honesty and good moral character. The Texas educator, in exemplifying ethical relations with colleagues, shall extend just and equitable treatment to all members of the profession. The Texas educator, in accepting a position of public trust, shall measure success by the progress of each student toward realization of his or her potential as an effective citizen. The Texas educator, in fulfilling responsibilities in the community, shall cooperate with parents and others to improve the public schools of the community. (19 Tex. Admin. Code Section 247.1(b))

Professional Standards

1. Professional Ethical Conduct, Practices, and Performance

Standard 1.1

The educator shall not intentionally, knowingly, or recklessly engage in deceptive practices regarding official policies of the Academy, educational institution, educator preparation program, the Texas Education Agency, or the State Board for Educator Certification (SBEC) and its certification process.

Standard 1.2

The educator shall not knowingly misappropriate, divert, or use monies, personnel, property, or equipment committed to his or her charge for personal gain or advantage.

Standard 1.3

The educator shall not submit fraudulent requests for reimbursement, expenses, or pay.

Standard 1.4

The educator shall not use institutional or professional privileges for personal or partisan advantage.

Standard 1.5

The educator shall neither accept nor offer gratuities, gifts, or favors that impair professional judgment or to obtain special advantage. This standard shall not restrict the acceptance of gifts or tokens offered and accepted openly from students, parents of students, or other persons or organizations in recognition or appreciation of service.

Standard 1.6

The educator shall not falsify records, or direct or coerce others to do so.

Standard 1.7

The educator shall comply with state regulations, written local school board policies, and other state and federal laws.

Standard 1.8

The educator shall apply for, accept, offer, or assign a position or a responsibility on the basis of



professional qualifications.

Standard 1.9

The educator shall not make threats of violence against school Academy employees, school board members, students, or parents of students.

Standard 1.10

The educator shall be of good moral character and be worthy to instruct or supervise the youth of this state.

Standard 1.11

The educator shall not intentionally or knowingly misrepresent his or her employment history, criminal history, and/or disciplinary record when applying for subsequent employment.

Standard 1.12

The educator shall refrain from the illegal use or distribution of controlled substances and/or abuse of prescription drugs and toxic inhalants.

Standard 1.13

The educator shall not be under the influence of alcohol or consume alcoholic beverages on school property or during school activities when students are present.

Standard 1.14

The educator shall not assist another educator, school employee, contractor, or agent in obtaining a new job as an educator or in a school, apart from the routine transmission of administrative and personnel files, if the educator knows or has probable cause to believe that such person engaged in sexual misconduct regarding a minor or student in violation of the law.

2. Ethical Conduct toward Professional Colleagues

Standard 2.1

The educator shall not reveal confidential health or personnel information concerning colleagues unless disclosure serves lawful professional purposes or is required by law.

Standard 2.2

The educator shall not harm others by knowingly making false statements about a colleague or the school system.

Standard 2.3

The educator shall adhere to written local school board policies and state and federal laws regarding the hiring, evaluation, and dismissal of personnel.

Standard 2.4

The educator shall not interfere with a colleague's exercise of political, professional, or citizenship rights and responsibilities.

Standard 2.5

The educator shall not discriminate against or coerce a colleague on the basis of race, color, religion, national origin, age, gender, disability, family status, or sexual orientation.

Standard 2.6

The educator shall not use coercive means or promise of special treatment in order to influence professional decisions or colleagues.

Standard 2.7

The educator shall not retaliate against any individual who has filed a complaint with the SBEC or provides information for a disciplinary investigation or proceeding under this chapter.



3. Ethical Conduct toward Students

Standard 3.1

The educator shall not reveal confidential information concerning students unless disclosure serves lawful professional purposes or is required by law.

Standard 3.2

The educator shall not intentionally, knowingly, or recklessly treat a student or minor in a manner that adversely affects or endangers the learning, physical health, mental health, or safety of the student or minor.

Standard 3.3

The educator shall not intentionally, knowingly, or recklessly misrepresent facts regarding a student.

Standard 3.4

The educator shall not exclude a student from participation in a program, deny benefits to a student, or grant an advantage to a student on the basis of race, color, gender, disability, national origin, religion, family status, or sexual orientation.

Standard 3.5

The educator shall not intentionally, knowingly, or recklessly engage in physical mistreatment, neglect, or abuse of a student or minor.

Standard 3.6

The educator shall not solicit or engage in sexual conduct or a romantic relationship with a student or minor.

Standard 3.7

The educator shall not furnish alcohol or illegal/unauthorized drugs to any person under 21 years of age unless the educator is a parent or guardian of that child or knowingly allow any person under 21 years of age unless the educator is a parent or guardian of that child to consume alcohol or illegal/unauthorized drugs in the presence of the educator.

Standard 3.8

The educator shall maintain appropriate professional educator-student relationships and boundaries based on a reasonably prudent educator standard.

Standard 3.9

The educator shall refrain from inappropriate communication with a student or minor, including, but not limited to, electronic communication such as cell phone, text messaging, email, instant messaging, blogging, or other social network communication.

Factors that may be considered in assessing whether the communication is inappropriate include, but are not limited to:

- (i) the nature, purpose, timing, and amount of the communication;
- (ii) the subject matter of the communication;
- (iii) whether the communication was made openly or the educator attempted to conceal the communication;
- (iv) whether the communication could be reasonably interpreted as soliciting sexual contact or a romantic relationship;
- (v) whether the communication was sexually explicit; and
- (vi) whether the communication involved discussion(s) of the physical or sexual attractiveness or the sexual history, activities, preferences, or fantasies of either the educator or the student.



EXHIBIT C

Travel & Training Policy

The Town of Westlake and Westlake Academy are committed to the development of staff and students. In support of this commitment, both entities include funds in their respective budgets to support appropriate and job-specific training opportunities to increase the capabilities of both staff and students.

Scope

This policy applies to all travel and/or training attended by Town of Westlake/Westlake Academy staff. It is effective with the respective 2024-2025 fiscal year of the entity. If this policy does not provide direction on a travel/training scenario, advance written approval from the Town Manager/Head of School is required.

Allowable Travel & Training

All travel and training must be approved and budgeted prior to staff registration, any payments, and/or the commencement of the activity. Travel/training should have minimal disruption to an employee's workload, relate to their job function and development goals, and provide a benefit to Westlake.

Examples of generally allowed travel & training include:

- Continuing education related to a job requirement
- Activities mandated by the State, Federal government, or other oversight bureau
- Education to stay current on industry standards & changes
- Active participation in industry organizations
- Opportunities to increase knowledge in line with defined development goals
- Activities that support partner relationships
- Social events or excursions subsidized to a minimal cost by the conference organizer

There may be occasions when staff identifies a travel/training opportunity that does not directly relate to their job, is unbudgeted, and/or does not provide a benefit to Westlake. In those instances, the employee may be allowed to take leave (either using paid vacation or unpaid leave) to attend the training. Westlake will not pay for nor reimburse these activities. Advance written approval is required from the Town Manager/Head of School.

Per Diem/Reimbursement/Compensation

To be eligible for any per diem, reimbursable expenses, or compensation adjustments, staff must have a travel/training estimate approved by the appropriate level of oversight, as laid out in this policy, prior to incurring any expenses. Requests made by the listed approver for per diem, reimbursement, or compensation adjustments require their supervisor's approval. Travel/training for Town Manager/Head of School require approval from the Director of Finance.

Per Diem

Westlake utilizes per diem rates established by the US General Services Administration (GSA) for meals and incidentals within the continental United States, the US Department of Defense (DOD) for meals and incidentals in non-foreign areas outside the continental United States, and the US Department of State for meals and incidentals outside the United States. First and last days of travel are paid at 75% of the daily rate. Per diems are provided for all meals not covered by the conference or travel/training event, including taxes and tips. Incidentals are defined here as any fees or tips provided to staff assisting with travel, food and beverages outside the normal daily three meals, and any costs associated with a hotel stay outside the room and applicable taxes or fees. Per diems are required for all overnight travel. When a per diem is required,



meals and incidentals are prohibited to be purchased via p-card and will not be eligible for reimbursement. Failure to disclose “double-dipping” (regardless of employee intention) equates to theft of public funds and is punishable by termination and prosecution. Per diems can be paid up to two weeks prior to travel or as part of the travel/training summary report. Per diems disbursed prior to travel are subject to claw back for instances when a Westlake p-card is used for a covered expense or a meal is provided as part of the conference itinerary.

Westlake prefers staff utilize an issued p-card for all non-per diem expenses whenever possible. Charges made on a personal card when the employee has access to a p-card may not be reimbursed without documented explanation and supervisor approval. All reimbursements require an itemized receipt.

Reimbursement

Reimbursement for costs incurred outside of the per diem will be paid after the travel/training has occurred. Staff is required to submit a travel/training summary, with the appropriate supporting documentation, within 10 days of returning. If the employee has unapproved expenses for which Westlake needs to be reimbursed, those funds must be remitted with the summary or subtracted from the amount due to the employee. Reimbursement is issued by the Accounts Payable process, not Payroll.

Compensation

Westlake recognizes that travel/training opportunities may interrupt the employee’s regular work schedule or occur outside of it. However, travel/training opportunities are a benefit that Westlake chooses to extend to staff and may not be mandated outside regular work schedules. Therefore, Westlake views participation as not generally eligible for additional compensation above an employee’s regular work schedule. This extends to travel time outside the employee’s regular schedule, events lasting longer than the employee’s normal hours in a day, or additional days worked outside their contract. As such, non-exempt employees are discouraged from participating in activities that require travel outside the metroplex or overnight stays. Comp or flex time may be granted if a training event falls on a holiday observed by the employee’s organization (Town or Academy). It is the employee's responsibility to confirm any adjustments to compensation as part of the initial approval estimate. Additional hours or days worked, including travel time, may not be paid without preapproval, per the Texas Constitution (Article III, Section 44, 51, 53). Whenever possible and appropriate, staff is encouraged to time manage in the same week. Employees are not compensated for optional or non-attended portions of an itinerary, including, but not limited to, networking events, training courses/sessions the employee elected to skip for non-business reasons, or social events.

Onsite & Virtual Trainings

Onsite and virtual training options are viewed as a low cost benefit to staff. Per diems are not granted for these. Westlake prefers that non-exempt employees utilize these options before traveling offsite.

Onsite training may be offered throughout the year. Staff will organize these offerings to ensure maximum exposure with minimal cost and schedule disruption for the general employee body. These offerings may be mandatory. It is the responsibility of staff to confirm with their supervisor prior to attending the impact on compensation. Leadership may provide food or beverage options during these events; these should be budgeted and a p-card should be used. Because it is generally scheduled by leadership staff, onsite training is the only exception to providing a travel/training estimate for appropriate approval.

Virtual trainings are generally the lowest cost, most efficient delivery method for staff technical training. When possible, staff is encouraged to utilize these offerings to allow for the maximum use of public funds. Approved virtual training should be scheduled within the employee’s regular work schedule whenever possible. It is the responsibility of staff to confirm with their supervisor prior to registration or payment whether there will be any impact on compensation. A travel/training estimate approved by their supervisor is required for participation.



Local/DFW Metroplex

The local area considered for this policy is 30 miles from the centrally-located Fire Station at 2900 Dove Road, Westlake, TX 76262. The DFW metroplex is defined in this context as Tarrant, Denton, Dallas, and Collin counties. Offsite training within the local/DFW area requires a travel/training estimate approved by Department Directors/Principals prior to registration, payment, and/or attendance.

Per Diem

It is expected that employees participating in travel/training within the local/DFW area do not require lodging and are therefore ineligible for per diem. Exceptions for overnight stays and corresponding per diem will be considered on a case-by-case basis; exceptions must be budgeted and approved by the Town Manager/Head of School.

Reimbursement

For travel/training within the local/DFW area, reimbursements for mileage, parking/tolls, and lunch are considered allowable. Mileage reimbursement is calculated as the miles traveled over the employee's normal commute when not traveling from/back to Westlake. Lunch expenses are limited to the Arlington/Fort Worth/Grapevine lunch GSA rate plus 20% gratuity. Exceptions may be made for activities in which options are not available under the GSA rate or outside parties are involved; this will require documentation and supervisor approval prior to expense.

For routine business meetings outside of Westlake, reimbursement for mileage, parking/tolls, and meals are allowable without a travel/training estimate. Reimbursement requests must be approved by the Department Director/Principal.

State of Texas

Travel and training outside the local area or DFW metroplex, but within state limits, requires a travel/training estimate to be approved by the Department Director/Principal.

Per Diem

Westlake uses a per diem rate based on location from the GSA for meals and incidentals. Lodging does not use the GSA rate; employees should select either the conference hotel or most economical option. In instances where an employee chooses not to utilize these options, neither reimbursement nor Westlake funds will be granted. If an employee has access to a p-card, they are required to use it for lodging.

Reimbursement

Due to the size of Texas, the most economical method of transportation may be driving one's vehicle, renting a vehicle through Westlake's Enterprise account, or flight. Mileage to/from the training, car rental pickup/drop off, or airport is calculated as the miles traveled over the employee's normal commute when not traveling from/back to Westlake. Mileage will be paid for one-way only when employees are being dropped off or picked up. Employees leaving a personal vehicle at the airport must use the remote parking option. Ride share or taxi usage is allowed; tipping up to 20% of the trip is allowed. Employees may choose the method of travel that best aligns with their purpose and schedule, as long as they remain within budget and receive preapproval.

Outside Texas, within the US

For travel and training outside the state of Texas, the Town Manager/Head of School is required to approve the travel/training estimate.

Per Diem

Westlake uses a per diem rate based on location from the GSA (or DOD for non-continental US travel) for meals and incidentals. Lodging does not use the GSA rate; employees should select either the conference



hotel or most economical option. Depending on the location of the conference and starting/ending times, it may be necessary to arrive a day early or stay a day late; Westlake will pay for lodging in those scenarios with documentation and appropriate approval. In instances where an employee chooses not to utilize these options, neither reimbursement nor use of Westlake funds will be granted. If an employee has access to a p-card, they are required to use it for lodging.

Reimbursement

Mileage to/from the airport is calculated as the miles traveled over the employee's normal commute when not traveling from/back to Westlake. Mileage will be paid for one-way only when employees are being dropped off or picked up. Employees leaving a personal vehicle at the airport must use the remote parking option. Ride share or taxi usage is allowed; tipping up to 20% of the trip is allowed. Employees have access to the Enterprise account if a rental car is necessary during a stay. Local transportation, including public transit, ride share, or taxi usage is allowed. Employees may choose the method of travel that best aligns with their purpose and schedule, as long as they remain within budget and receive preapproval.

Extending Travel

Employees are allowed to extend out-of-state travel for personal experiences. Vacation leave must be used, as appropriate. If an employee chooses to arrive early or stay late when there is no business purpose, all lodging, meals, and incidentals are the responsibility of the employee. Westlake will pay only the equivalent costs of round-trip travel; this must be documented.

International

For travel and training outside the United States, the Town Manager/Head of School is required to approve the travel/training estimate. Employees are responsible for their passport requirements. Westlake will pay for travel visas or other destination-specific costs, such as tourist fees, that would not be otherwise incurred. All allowable expenses for international travel will be reimbursed in US dollars at the closing exchange rate on the last day of travel, as listed on the WSJ website.

Per Diem

Westlake uses a per diem based on location from the Department of State for meals and incidentals. There are no currency conversions provided for per diem. Lodging does not use the Department of State rate; employees will utilize the most economical choice based on their itinerary.

Reimbursement

Mileage to/from the airport is calculated as the miles traveled over the employee's normal commute when not traveling from/back to Westlake. Mileage will be paid for one-way only when employees are being dropped off or picked up. Employees leaving a personal vehicle at the airport must use the remote parking option. Ride share or taxi usage is allowed; tipping up to 20% of the trip is allowed. Local transportation, including public transit, ride share, or taxi usage is allowed. Employees may choose the method of travel that best aligns with their purpose and schedule, as long as they remain within budget and receive preapproval. For cellular or internet service with \$10 limit

Extending Travel

Employees are allowed to extend foreign travel for personal experiences. Vacation leave must be used. If an employee chooses to arrive early or stay late when there is no business purpose, Westlake will pay only the equivalent costs of round-trip travel; this must be documented.

Travel with Westlake Academy Students

Staff is occasionally responsible for the custody of Westlake Academy students for sanctioned travel in support of the IB curriculum. Travel with students does not exempt employees from any part of this policy. Refer to the appropriate section based on destination.



All travel with students requires a travel/training estimate be approved by the Head of School prior to any activities occurring. Student trips typically have fundraised or donated funds in student activity funds; this must be disclosed in the estimate and funds must be available prior to travel. Staff is responsible for ensuring all students participating have signed authorization from their parent/guardian.

Per Diem

Per diem is required to be requested by employees for any travel including at least one overnight stay, even when all meals are included, to provide for the appropriate incidental expenses. Reimbursement for these items will not be permitted under normal circumstances. Students are not eligible for per diem or any kind of reimbursement for trip expenses from Westlake operating funds.

Compensation Adjustments

Compensation adjustments are only considered for full days outside the contracted number of days. They must be requested on the initial travel/training estimate approved by the Head of School. Because this travel is completed on a voluntary basis and not a job requirement, adjustments will likely not be granted.

Emergency Purchases

Due to the nature of chaperoning students, occasions may occur when an employee must make an emergency purchase (defined here as an expense required to preserve the safety or well-being of a student). These purchases can be made on an employee p-card or reimbursement requested upon return. A memo documenting the emergency must accompany the itemized receipt.

Extending Travel

Extending travel when chaperoning students is generally not allowed.

Prohibited Activities/Expenses

The following is a non-comprehensive list of activities or expenses that are not allowed:

- Using Westlake funds for alcohol or entertainment
- Using a scooter, bicycle, e-bike or equivalent transportation
- Travel upgrades including, but not limited to, non-economy airline tickets, paid seat choice, fees for early or late check-ins, internet or phone service when free options are available or use is not required and it must be preapproved, additional baggage handling, valet parking when self-parking is available, non-standard lodging, upgraded airline/TSA status
- Avoidable late bookings or change fees
- Travel insurance for individual arrangement bookings
- Using a personal rewards account for group bookings
- Using a personal payment method when a p-card or purchase order is an available option
- Guest travel expenses
- Using a p-card for meals and incidentals when a per diem is disbursed
- Claiming a per diem for a meal included with registration costs

Misapplication, abuse, or disregard of this policy is expressly prohibited and can result in actions including written reprimand, revoked permission to participate in future opportunities, probation, termination, or referral to the district attorney or Texas Ethics Commission.



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: RES 24-77

Agenda Date: 11/11/2024

Agenda #: G.6.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act regarding Resolution 24-77 approving a Policy for Preventing Use of Prohibited Technology (Jason Power, IT Director)

STAFF: Jason Power, IT Director

BACKGROUND:

On June 14, 2023, Governor Greg Abbott required all municipal governments to ban the video-sharing application TikTok from all government-owned and government-issued devices and networks over the Chinese Communist Party's ability to use the application for surveilling Texans. Following the issuance of the Governor's directive, the 88th Texas Legislature passed Senate Bill 1893, which prohibits the use of covered applications on governmental entity devices. Although the bill went into effect immediately upon being signed by the governor in 2023, the requirement that a city adopt a policy described above did not apply until the Department of Information Resources (DIR) and the Department of Public Safety (DPS) jointly developed a model policy for governmental entities to use in developing their own local policy. The DIR/DPS model policy was recently released on September 16, 2024. DIR guidance provides that governmental entities, including cities, have until November 20, 2024 to adopt their local policies required by S.B. 1893. In addition to TikTok, the Town of Westlake may add other software and hardware products with security concerns to this policy and will be required to remove prohibited technologies which are on the DIR prohibited technology list.

FISCAL IMPACT:

No fiscal impact.

STAFF RECOMMENDATION:

Staff recommends approval of Resolution 24-77 approving a Policy for Preventing Use of Prohibited Technology.

ATTACHMENT(S):

Resolution 24-77

Town of Westlake Prohibited Technology Policy

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve
- 2) Motion to amend with the following stipulations (please state stipulations in motion)

- 3) Motion to table
- 4) Motion to deny

TOWN OF WESTLAKE

RESOLUTION NO. 24-77

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, APPROVING A POLICY FOR PREVENTING USE OF PROHIBITED TECHNOLOGY

WHEREAS, On June 14, 2023, Governor Greg Abbott required all municipal governments to ban the video-sharing application TikTok from all government-owned and government-issued devices and networks over the Chinese Communist Party's ability to use the application for surveilling Texans.; and

WHEREAS, Following the issuance of the Governor's directive, the 88th Texas Legislature passed Senate Bill 1893, which prohibits the use of covered applications on governmental entity devices.; and

WHEREAS, Although the bill went into effect immediately upon being signed by the governor in 2023, the requirement that a city adopt a policy described above did not apply until the Department of Information Resources (DIR) and the Department of Public Safety (DPS) jointly developed a model policy for governmental entities to use in developing their own local policy.; and

WHEREAS, The DIR/DPS model policy was recently released on September 16, 2024, and provides guidance that governmental entities, including cities, have until November 20, 2024 to adopt their local policies required by S.B. 1893.; and

WHEREAS, the Town Council finds that the passage of this Resolution is in the best interest of the citizens of Westlake.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Town Council of the Town of Westlake, Texas, hereby adopts the Town of Westlake Prohibited Technology Policy.

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11TH DAY OF NOVEMBER 2024.

ATTEST:

Kim Greaves, Mayor

Dianna Buchanan, Town Secretary

Wade Carroll, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney

TOWN OF WESTLAKE

PROHIBITED TECHNOLOGY POLICY

Purpose

On June 14, 2023, Governor Greg Abbott required (<https://capitol.texas.gov/BillLookup/History.aspx?LegSess=88R&Bill=SB1893>) all municipal governments to ban the video-sharing application TikTok from all government-owned and government-issued devices and networks over the Chinese Communist Party's ability to use the application for surveilling Texans. Following the issuance of the Governor's directive, the 88th Texas Legislature passed Senate Bill 1893 (<https://capitol.texas.gov/tlodocs/88R/billtext/html/SB01893F.htm>), which prohibits the use of covered applications on governmental entity devices.

In addition to TikTok, the Town of Westlake may add other software and hardware products with security concerns to this policy and will be required to remove prohibited technologies which are on the DIR prohibited technology list. Throughout this Policy, "Prohibited Technologies" shall refer to TikTok and any additional hardware or software products added to this Policy.

Scope

This policy applies to all Town of Westlake full and part-time employees, including contractors, paid or unpaid interns, and users of local government networks. All Town of Westlake employees are responsible for complying with the terms and conditions of this policy.

A covered application is:

The social media service TikTok or any successor application or service developed or provided by ByteDance Limited, or an entity owned by ByteDance Limited.

A social media application or service specified by proclamation of the governor under Government Code Section 620.005.

Ownership

The Director of Information Technology is responsible for implementing and maintaining this policy.

Policy Statement

Town-Owned Devices

Except where approved exceptions apply, the use or download of prohibited applications or websites is prohibited on all city-owned devices, including cell phones, tablets, desktop and laptop computers, and other internet-capable devices.

The Town of Westlake must identify, track, and control city-owned devices to prohibit the installation of or access to all prohibited applications. This includes the various prohibited applications for mobile, desktop, or other internet-capable devices.

The Town of Westlake must manage all city-issued mobile devices by implementing the security controls listed below:

- Restrict access to “app stores” or non-authorized software repositories to prevent the install of unauthorized applications.
- Maintain the ability to remotely wipe non-compliant or compromised mobile devices.
- Maintain the ability to remotely uninstall unauthorized software from mobile devices.
- Deploy secure baseline configurations, for mobile devices, as determined by the Town of Westlake.

Network Restrictions

DIR has blocked access to prohibited technologies on the state network. To ensure multiple layers of protection, the Town of Westlake will also implement additional network-based restrictions to include:

- Configure agency firewalls to block access to statewide prohibited services on all agency technology infrastructures, including local networks, WAN, and VPN connections except where allowed by Exception below.

Ongoing And Emerging Technology Threats

To provide protection against ongoing and emerging technological threats to the state’s sensitive information and critical infrastructure, DPS and DIR will regularly monitor and evaluate additional technologies posing concerns for inclusion in this policy.

DIR will host a site that lists all prohibited technologies including apps, software, hardware, or technology providers. The up-to-date list of prohibited technologies is published at <https://dir.texas.gov/information-security/prohibited-technologies>. The following list is current as of January 23, 2023.

Prohibited Software/Applications/Developers (as of 1/23/23)

- TikTok
- Kaspersky
- ByteDance Ltd.
- Tencent Holdings Ltd.
- Alipay
- CamScanner
- QQ Wallet
- SHAREit
- VMate
- WeChat
- WeChat Pay
- WPS Office
- Any subsidiary or affiliate an entity listed above.

Prohibited Hardware/Equipment/Manufacturers (as of 1/23/23)

- Dahua Technology Company
- Huawei Technologies Company
- Hangzhou Hikvision Digital Technology Company
- Hytera Communications Corporation
- SZ DJI Technology Company

- ZTE Corporation
- Any subsidiary or affiliate of an entity listed above.

New technologies will be added to the list after consultation between DIR and DPS.

The Town of Westlake will implement the removal and prohibition of any listed technology. In addition to those identified by DIR and DPS, the Town of Westlake may prohibit other technology threats.

Exceptions

Exceptions to the ban on prohibited technologies may only be approved by the Town Manager of the Town of Westlake or a designee.

Exceptions to the policy will only be considered when the use of prohibited technologies is required for a specific business need, such as enabling criminal or civil investigations or for sharing of information to the public during an emergency. To the extent practicable, exception-based use should only be performed on devices that are not used for other town business and on non-town networks.

Approval History



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: Res 24-74

Agenda Date: 11/11/2024

Agenda #: H.1.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to approve Resolution 24-74 accepting the Town of Westlake 2023 Audit Report; and take appropriate action (Cayce Lay Lamas, Director of Finance)

STAFF: Cayce Lay Lamas, Director of Finance

BACKGROUND:

The Town of Westlake is required by State law to engage an independent accountant to perform an audit on the Town's financials. The Fiscal Year 2022-2023 audit was performed by Brooks Watson for the second year in a three-year engagement. Brooks Watson was also engaged to audit Westlake Academy and Westlake Academy Foundation; the Academy audit has been completed.

The result of the audit for Fiscal Year 2022-2023, as presented for Council's acceptance, is an unmodified opinion. This means that the auditors have found that the financial statements present fairly, in all material aspects, the financial position of the Town of Westlake at September 30, 2023.

DISCUSSION:

The Town of Westlake experienced an delay in receiving the audit report due to the issues converting to a new financial software at the Academy and challenges for the auditor to perform due diligence on the discreetly presented component unit. The final report, dated October 31, 2024, consists of the audited financial statements and narrative overview to communicate the Town's financial performance for Fiscal Year 2023. Highlights include:

- The assets and deferred outflows of the Town exceed its liabilities and deferred inflows by \$90,402,476.
- The total net position increased by \$17,511,488; the majority is invested in capital assets or restricted for specific purposes.
- The Town's governmental funds reported combined ending fund balances of \$46,173,278, which is an increase of \$9,808,079 from the prior fiscal year.
- Unassigned fund balance for the General Fund was \$30,834,998, as of the fiscal year end.

The Town's financials include Westlake Academy operating activities, as a blended component unit, presented as a major governmental fund. Separate from these operating financial statements, the Town's financials also include expenditures within the General Fund, capital expenditures within the Capital Projects Funds, and long-term financing obligations within the Debt Service Funds in support of the Academy.

The implementation of a new Governmental Accounting Standards Board Statement, No. 101 (Compensated

Absences) will be effective with FY2025 and has no bearing on the F2023 audit presented.

In addition to the financial report, Brooks Watson is required to provide information to the governing body on material weaknesses and significant deficiencies. The auditors communicated specific areas of concern, all of which have been evaluated, were determined to have occurred prior to current staff assuming responsibilities, and all have been addressed with a review of processes and implementation of updated standard operating policies and procedures.

Documents included in the Council packet are in draft form; final versions will be available in hard copy at the meeting. There will not be any material changes to the information.

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends Council approve the resolution to accept the audit for Fiscal Year 2023.

ATTACHMENT(S):

- Resolution 24-74
- Fiscal Year 2022-2023 Audit Report (Draft)
- Brooks Watson Letter to Council (Draft)
- Statement of Material Weaknesses & Significant Deficiencies (Draft)

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve Resolution 24-74, as presented.
- 2) Motion to amend with the following stipulations (please state stipulations in motion)
- 3) Motion to table
- 4) Motion to deny

TOWN OF WESTLAKE

RESOLUTION NO. 24-74

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, ACCEPTING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT PRESENTED BY BROOKS WATSON & CO., FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023.

WHEREAS, Section 103.001 of the Local Government Code requires that a municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit; and

WHEREAS, Section 103.002 of the Local Government Code requires that a municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct the audit and to prepare the annual financial statements; and

WHEREAS, the Town Council finds that the passage of this Resolution is in the best interest of the citizens of Westlake.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE:

SECTION 1: That, all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Town Council does hereby accept the Annual Comprehensive Financial Report from Brooks Watson & Co., for the fiscal year ended September 30, 2023, attached as *Exhibit "A"*.

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11th DAY OF NOVEMBER, 2025.

ATTEST:

Kim Greaves, Mayor

Dianna Buchanan, Town Secretary

Wade Carroll, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney



***ANNUAL COMPREHENSIVE
FINANCIAL REPORT***

of the

Town of Westlake, Texas

**For the Year Ended
September 30, 2023**

Prepared by

Wade Carroll
Town Manager

Cayce Lay Lamas, CPA
Director of Finance



Town of Westlake, Texas

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INTRODUCTORY SECTION

DRAFT





Honorable Mayor, Council Members, and Citizens of the Town of Westlake,

The Town of Westlake (the "Town") Fiscal and Budgetary Policies require that the Town's Finance Department prepare a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Accordingly, the Annual Comprehensive Financial Report for the Town of Westlake, Texas for the fiscal year ended September 30, 2023, is hereby issued.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making representations, the Town established a comprehensive internal control framework that was designed both to protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than an absolute, assurance that the financial statements will be free from material misstatements. As management, we assert that this financial report is complete and reliable in all material respects to the best of our knowledge and belief.

The Town's financial statements have been audited by BrooksWatson & Company, PLLC. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended September 30, 2023, were free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town's financial statements for the fiscal year ended September 30, 2023, were fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The Town of Westlake's MD&A can be found immediately following the independent auditor's report. The Statistical Section includes financial and demographic information relevant to readers of the Town's financial statements and is generally presented on a multi-year basis.

Profile of the Town

Westlake is certainly distinctive by design. As a result of this intentional design, our community is an oasis of natural beauty that maintains open spaces in balance with one-of-a-kind developments, trails, and quality of life amenities amidst an ever-expanding urban landscape.

Nestled in the Dallas-Fort Worth (DFW) Metroplex, Westlake is designated as both a Platinum Level Scenic City and a Tree City USA.

Extraordinary residential developments and architecturally vibrant corporate campuses find harmony among our meandering roads and trails, lined with native oaks and stone walls. Westlake is a leader in education, known for our innovative partnerships between the Town-operated Charter school and our corporate neighbors.

We strive to maintain strong aesthetic standards and preserve the natural beauty in our community where hospitality finds its home. Westlake is family-friendly, welcoming, fully involved and invested in our rich heritage, with a vibrant present and sustainable future.

Ideally located minutes from downtown Fort Worth, Alliance Airport, and the Dallas/Fort Worth International Airport, the Town of Westlake is home to several prestigious residential communities, Fortune 500 companies, and corporate headquarters, all of which possess a unique character and charm. There is a common ideal shared by our corporate and individual residents of support for the existing character and charm of the Westlake community as well as a commitment to excellence in new development.

The Town geographically lies in both northeast Tarrant County and southern Denton County and may be conveniently accessed by several major thoroughfares, including SH 114, SH 170 and US 377. Westlake occupies approximately seven (7) square miles and serves a population of approximately 1,922. In 2023, the average size of new home construction was 7,906 square feet, with an average estimated construction cost of \$3.3 million.

Westlake, incorporated in 1956, is considered a Type A general-law municipality. The Town operates under the Council-Manager form of government. The Council is comprised of a mayor and five (5) council members and is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the Town Manager. The Town Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the Town and appointing and supervising heads of various departments. The Mayor and Town Council members serve two (2) year terms. All elected officials are elected at-large for a two-year staggered term each May.

The financial reporting entity (the government) includes all funds of the primary government (i.e. the Town of Westlake), as well as all its component units. Component units are legally separate entities for which the primary government is financially accountable. The following entities are considered blended component units:

Lone Star Public Facilities Corporation is a Texas nonprofit corporation that acts on behalf of the Town to further the public purposes under the Public Facilities Corporation Act, as its duly constituted authority and instrumentality. The board of directors, appointed by the Town's governing body, is comprised of seven members, of whom five must be members of the Town's governing body.

4B Economic Development Corporation is a Texas nonprofit industrial corporation under the Development Corporation Act of 1979 formed to promote economic development within the Town and the State of Texas to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the Town by developing, implementing, financing, and providing one or more projects defined and permitted under Section 4B of the Act. The board of directors is composed of seven (7) persons appointed by the members of the Town Council. Four of the members of the board of directors are members of the Town Council.

Westlake Academy (Academy) is an open-enrollment charter school, as provided by Subchapter D, Chapter 12, of the Texas Education Code. The Town of Westlake ("Charter Holder") applied for and became the first municipality in Texas to ever receive this special charter designation. The Academy had 867 students in FY 22-23 and serves Kindergarten thru 12th grade. The Academy graduated their first class in FY 09-10. The Board consists of six (6) trustees, appointed by the Town's governing body. Currently, all members of the Academy Board are members of the Town's governing body. The Academy's year-end is changing from August 31 to June 30 with FY 23-24.

Discretely presented component units are legally separate entities and not part of the primary government's operations. These component units are as follows: Texas Student Housing Corporation-Denton Project, Texas Student Housing Corporation-College Station Project, and Texas Student Housing Authority.

Services Provided

Westlake's value proposition is found in the excellent municipal and academic services that are provided to our residents – all at an exceptional price. Our community has high expectations for service delivery – both in accessibility, responsiveness, financial stewardship, amenities, distinctive developments, open spaces and education.

Major services provided under the general government and enterprise functions are: Fire and emergency medical services, police, water and sewer utility services, park and recreational facilities, street improvements, education, and administrative services. The Town utilizes a combination of direct service delivery along with outsourced services for its service delivery. The decision as to which service to deliver directly versus outsourcing is based on analysis of cost-effectiveness, citizen responsiveness, and customer service quality.

Economic Conditions and Outlook

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the Town operates.

The Town staff is aware that the Town of Westlake does not create wealth but instead is entrusted with public dollars collected on behalf of our citizens. We are stewards who are fully vested in the success of the Town of Westlake and Westlake Academy. We exist as a municipal entity for one reason and one reason only: to prioritize and deliver the best services possible with the resources provided to achieve an exceptional quality of life. This is a challenge the staff takes very seriously, one that we pursue with vigor every day. Over the previous fiscal year, the Town's continued work and focus on important initiatives and projects allows us to balance our "distinctive development, trails, and quality of life amenities amidst an ever-expanding urban landscape."

The current and potential development within our community provides both an exciting and challenging time in Westlake. Adhering to the Town's vision remains the key to Westlake's success in managing the significant growth. While growth has steadily continued, it continues to present very clear opportunities for our community if we wish to maintain the elements of Westlake that make it so distinctive. These community attributes include our beautiful neighborhoods with high quality residences, strong aesthetic standards, an exemplary Town-owned IB World K-12 charter school, open space preservation, streetscaping, emphasis on proactive planning, and maintaining our view corridors. The impending change that surrounds Westlake involves not only our current internal development but also the growth opportunities planned and now underway for the State Highway corridors (SH 114 and SH 170) in northeast Tarrant County and into southern Denton County. Our neighboring communities have also experienced significant growth and are nearing a fully developed condition that will only add pressure from developers as they look to a relatively undeveloped Westlake.

- **Westlake's Permanent Population Growth:** This is the portion of our population considered to be our permanent residents. From the 1990 population of 185 to the 2023 population of 1,922, our Town saw an increase of 82 additional residents in the past year. We will monitor and plan for the anticipated increase in these numbers, currently expected not to exceed 5,000 residents.
- **Traffic Demands Due to Growth in Westlake and Surrounding Areas:** The four (4) municipalities surrounding Westlake (Keller, Southlake, Trophy Club, and Roanoke) are projected to have a combined population of 215,000 people by 2040. The growth in these communities will generate additional traffic that commutes through our Town. And with the projected level of residents (5,000) and existing zoning entitlements (if executed), we would expect an estimated 300,000 vehicle trips per day. Local impacts associated with this level of growth affect our street infrastructure, water and sewer system capital investment requirements, as well as demand for daily municipal services. Policies, and the provided estimates above, established in our Comprehensive Plan will be essential for addressing this issue via the Town's thoroughfare plan as it pertains to development in the community.
- **Housing Start Increases and Maintaining Westlake's High-Quality Residential Housing:** We continue to see strong single-family residential construction demand, with the majority of the growth in the Granada (now nearing completion), Quail Hollow, Vaquero, Entrada, and The Knolls of Solana neighborhoods.

The Entrada mixed-use development continues to progress, albeit slowly, with both residential and commercial projects under construction. Entrada's infrastructure is financed with a Town-approved Public Improvement District (PID), the bonds for which are paid back by assessments on development within Entrada. When the infrastructure is complete, it will add (over time) a wide variety of 322 residential units to Westlake - including single-family homes, villas, condominiums, and townhomes.

Our residential construction activity remains steady with an increase in building permits for housing. Housing starts in Westlake, due to our homes' high value, add significant taxable value to our taxing base; however, this also impacts the demand for municipal services, including the Town's K-12 public charter school, Westlake Academy.

As the area economy continues to outperform the global economic downturn of a pandemic, and Westlake and our surrounding communities continue to experience commercial development, this will further attract individuals who work for and own these businesses. As our housing stock expands in response to these forces, we will need to manage our developments to ensure we maintain our distinctive community as an 'oasis of natural beauty' and achieve high-end housing options as identified in the Housing element of our Comprehensive Plan. The Town issued 28 single family home construction permits in FY23 for an approximate total of \$96,367,351.

Local Challenges Involving Commercial Growth

- **Commercial Development, Economic Development, and Daytime Population Growth:** Because Westlake is the home to major corporate office campuses, its Monday-Friday daytime population continues to grow and is conservatively estimated to grow to an approximate 15,000 individuals, post-COVID. These office complexes are comprised of notable corporate clients that include Deloitte LLP, Fidelity Investments, and Charles Schwab, among other Fortune 500 companies.

Most commercial construction was finish out or remodel projects, totaling 23 permits issued with a total valuation of \$19,405,825. In addition, two new commercial permits were issued, totaling in valuation of about \$37,295,648.28. This includes the expansion at the Deloitte corporate campus. Eighteen (18) Certificate of Occupancies were issued as well.

- **Commercial Development in Entrada:** The mixed-use development of Entrada, located at FM1938/Davis Boulevard and SH114, slowly continues to create growth in our commercial tax base. During the past budget year, no significant development occurred.
- **Economic Development:** The Town has pursued the ideas advanced in the Economic Development element of the Comprehensive Plan. That is, where appropriate, to pursue businesses that ultimately expand the Town's tax base with high quality office buildings, and at the same time, compliments our financial services industry hub which has already been created through our corporate residents of Fidelity, Deloitte, and Charles Schwab. Further, we pursue the types of businesses interested in high quality office campus development and creating well-paying employees' positions. The completion of Charles Schwab and its merger with TD Ameritrade's complex in Southlake firmly establishes us as a leading financial services corridor within the DFW Metroplex. Additionally, the Town has an economic development agreement with Deloitte, LLP for expansion of their international learning and innovation center.
- **Balanced Growth to Impact Cost of Municipal Services:** Likewise, the ability to fund municipal services utilizing a cost-effective revenue format requires balanced growth that provides for commercial development and a diversified tax base, while maintaining the community's open space and pastoral atmosphere. At the same time, we must continue to ensure the policy direction of the Town is focused on growth paying for the infrastructure for which it creates the demand.

Staff will continue to monitor our corporate stakeholders and attempt to identify avenues to strengthen these relationships and assist in attracting new corporations to Westlake. The expansion of commercial development will continue to grow Westlake's daytime population.

Local Challenges – Other

There are other local challenges involving both financial and physical site planning, strategic forecasting, residential feedback through our survey instruments and the Town's public charter school, Westlake Academy. As we look to regional or state issues and opportunities, we will monitor these issues among others:

- **Water Usage and Demand:** As water demand continues to be a high priority for our entire region, the Town has worked diligently over the last few years to secure the necessary infrastructure and resources for our future needs with the addition of a 30-inch water line and an N-1 sewer line. These improvements are estimated to meet the projected development needs at final build-out of the Town, along with our neighboring communities in northeast Tarrant County.
- **Westlake's Residential Growth Impact on the Academy:** Planning for Academy growth in the face of residential development remains a consistent focus and challenge for us. Wherever possible, the Town enters into an economic development agreement with residential developers to provide funding for Westlake Academy facilities and lessen the impact of their residential development on the school's enrollment.
- **Pursuit of Infrastructure and Services Reinvestment While Combating Certain Cost Increases:** With our continued growth comes the need to allocate capital spending as we continue to reinvest in our infrastructure, including water and sewer utilities, trail, and roadway improvements. The Fiscal Year 2022-2023 budget included \$2.5 million for these capital improvement costs.

As our community and those surrounding us continue to develop, Staff will strengthen our partnerships and/or opportunities to help in the improvement of mobility within the community without compromising the design standards and expectations of our residents. East/West traffic continues to be an area of concern along with our surrounding highway capacity for transient vehicles. Town staff continues the work with TxDOT, and our counties, as the construction of the new SH 114 service road between FM 1938 and Dove Road in Southlake, and the SH 170 main lanes from SH 114 west to I-35, have now begun. These improvements are expected to be complete within the next 12-24 months.

Users of this transmittal letter, as well as others interested in the programs and services offered by the Town of Westlake, are encouraged to read the Town's Fiscal Year 2022-2023 Budget. The budget details the Town's long-term goals and financial policies and describes program accomplishments and initiatives.

Other Information

The Government Finance Officers Association of the United States of America and Canada (GFOA) last awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Westlake for its annual comprehensive financial report for the fiscal year ended September 30, 2021. Due to 100% Town Finance Department staff turnover, the change in audit firms, and the implementation of a new enterprise resource planning system for the Academy, an audit was not completed in time to qualify for the award for the fiscal years 2021-2022 or 2022-2023. We plan to submit the FY 23-24 to GFOA for another certificate.

Westlake Academy has received recognition from the Association of School Business Officials International as a recipient of the International Award for Budget Excellence for the past ten years.

Acknowledgements

The preparation of this report could not have been accomplished without the dedicated services of the entire Finance Department staff. Appreciation is expressed to all Town employees, especially those employees who were instrumental in the successful completion of this report.

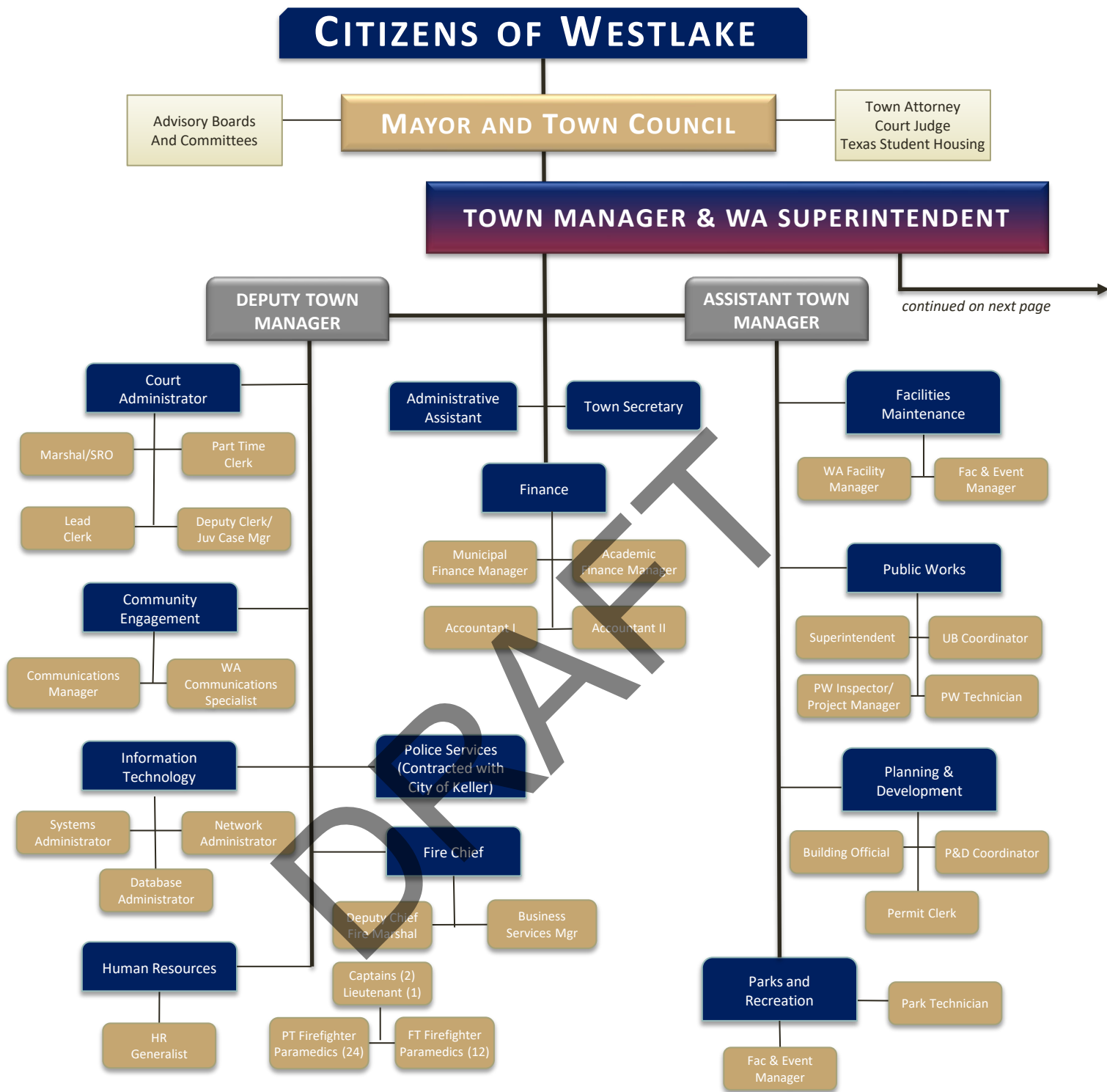
Town Staff would sincerely like to thank the Mayor and Council for their conservative leadership and steadfast support through their transparent governance of the Town's financial operations in a responsible and progressive manner.

Respectfully Submitted,

Wade Carroll
Town Manager

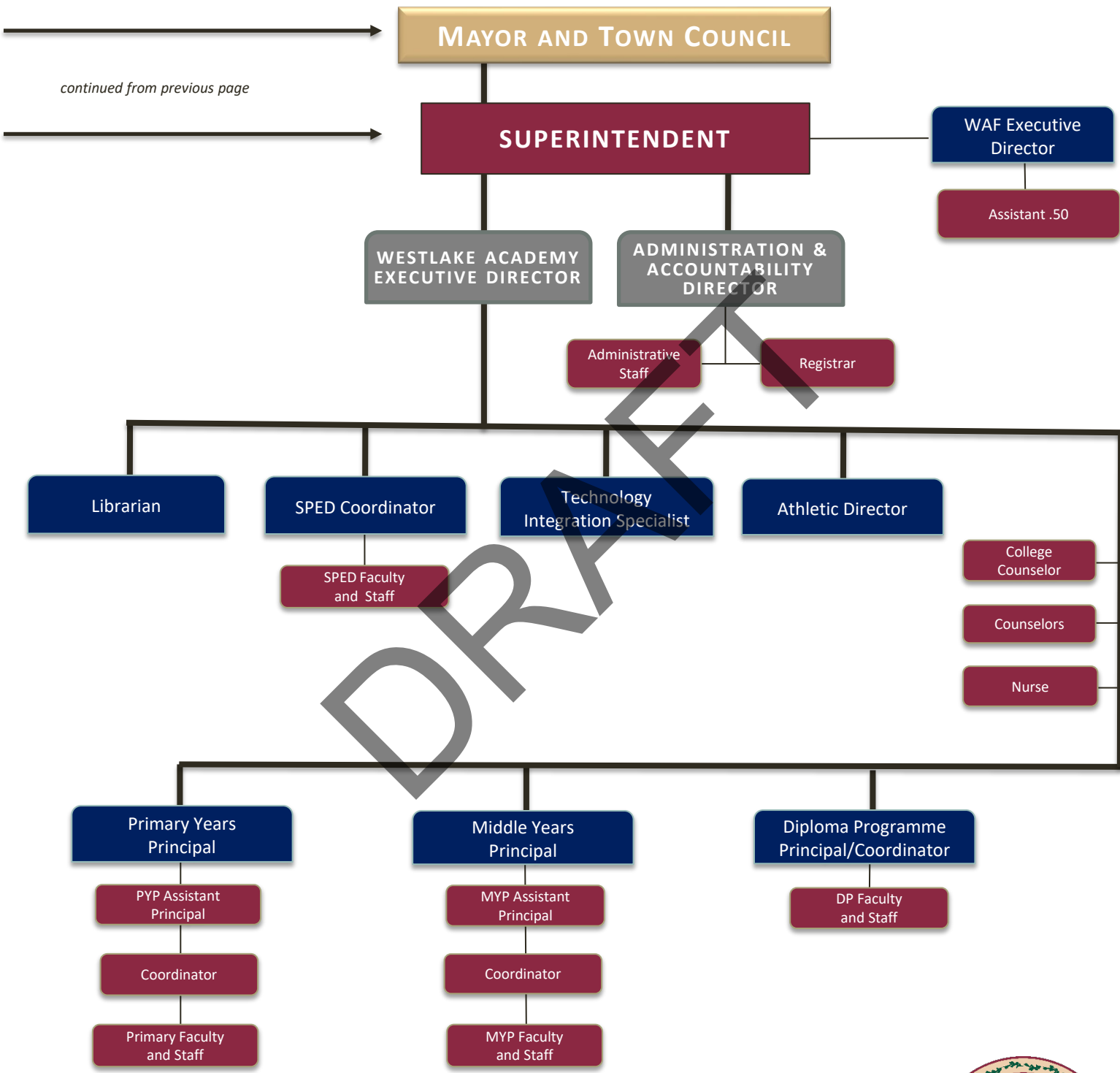
Cayce Lay Lamas, CPA
Director of Finance

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WESTLAKE ACADEMY ORGANIZATIONAL CHART



ELECTED COUNCIL MEMBERS – FY2023 BUDGET ADOPTION

Mayor
Sean Kilbride

Mayor Pro-Tem
David Quint

Councilmembers
Chandrika Dasgupta
Kim Greaves
Tim Shiner
Anna White

BOARDS & COMMISSIONS

Planning & Zoning Commission
Westlake Academy Foundation
4B Economic Development Board
Texas Student Housing Authority

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Town Council
Town of Westlake, Texas:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Westlake, Texas (the "Town") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Westlake, Texas, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Town of Westlake, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Emphasis of Matter

Regarding Going Concern

The accompanying financial statements have been prepared assuming the discretely presented component units will continue as going concerns. As discussed in Note 5. I. to the financial statements, the discretely presented component units Texas Student Housing Authority – College Station Project and Texas Student Housing

Corporation – Denton Project are in default on their bonds due to failure to meet certain bond covenants. This gives bond holders the right to accelerate and demand payment on the bonds in full. This condition raises substantial doubt about the discretely presented component units' ability to continue as going concerns. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Blended Component Unit Year End

As discussed in Note 1.B. to the financial statements, the blended component unit, Westlake Academy, has a year end of August 31, 2023. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of employer contributions to pension plan, schedule of changes in other postemployment benefits liability and related ratios, and budgetary comparison 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 the Town's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This accompanying supplementary 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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.

Brooks Watson & Co.

Brooks Watson & Co.
Certified Public Accountants
Houston, Texas

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*MANAGEMENT'S DISCUSSION
AND ANALYSIS*

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Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2023

As management of the Town of Westlake, Texas (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii-x of this report.

Financial Highlights

- The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows (net position) at September 30, 2023 by \$90,402,476.
- The Town's total net position increased by \$17,511,488. The majority of the Town's net position is invested in capital assets or restricted for specific purposes.
- The Town's governmental funds reported combined ending fund balances of \$46,173,278 at September 30, 2023, an increase of \$9,808,079 from the prior fiscal year; this includes an increase of \$9,703,446 in the general fund, a decrease of \$267,699 in the debt service fund, a decrease of \$833,591 in the capital projects fund, an increase of \$2,109,694 in the 4B EDC fund, a decrease of \$567,842 in the Westlake Academy fund, a decrease of \$319,461 in the Westlake Academy expansion capital projects fund, and a decrease of \$16,468 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$30,834,998 or 268% of total general fund expenditures.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. Two statements, the Statement of Net Position and the Statement of Activities, are utilized to provide this financial overview.

The *statement of net position* presents information on all of the Town's assets and liabilities. The difference between the two is 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 Town is improving or deteriorating. Other non-financial factors, such as the Town's property tax base and the condition of the Town's infrastructure, need to be considered in order to assess the overall health of the Town.

Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2023

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, cultural recreation, streets, public works, visitor services, and education. Normally, these operations are financed by property taxes, sales taxes, and franchise fees. The business-type activities of the Town include water/sewer (utility) and cemetery operations.

The government-wide financial statements include not only the Town itself (known as the *primary government*), but also the legally separate component units including the three Texas Student Housing entities, which are discretely presented in the government-wide statements. Financial information for these component units are reported separately from the financial information presented for the primary government itself. In addition, the Town has the following blended component units: Lone Star Public Facilities Corporation, 4B Economic Development Corporation, and Westlake Academy, an open enrollment charter school owned and operated by the Town of Westlake. The Town is financially accountable for all these component units.

The government-wide financial statements can be found on pages 20-25 of this report.

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 Town, 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 Town 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. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing

Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2023

decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, the capital projects fund, the 4B EDC fund, Westlake Academy, and the Westlake Academy Expansion Capital Projects fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

The Town adopted an annual appropriated budget for each fund, with the exception of the Solana PID capital projects fund and the Public Arts Fund. A budgetary comparison statement has been provided for each fund with an adopted budget to demonstrate compliance with their respective budget.

The basic governmental fund financial statements can be found on pages 26-35 of this report.

Proprietary Funds

The Town's proprietary funds are all enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses an enterprise fund to account for its water/sewer and cemetery operations. All activities associated with providing such services are accounted for in these funds, including administration, operation, maintenance, debt service, capital improvements, and billing and collection expenses. The Town's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Utility fund and Cemetery fund, both of which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found on pages 36-41 of this report.

Component Units

The Town maintains the accounting and financial statements for three discretely presented component units. Texas Student Housing Authority, Texas Student Housing Authority – College Station Project, and Texas Student Housing Corporation – Denton Project are all discretely presented component units displayed on the government-wide financial statements. The 4B EDC fund and Westlake Academy are presented as blended component units and included in the basic governmental fund statements.

Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

September 30, 2023

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is similar to the accounting used for proprietary funds. The Town of Westlake maintains one fiduciary fund, the Solana PID Private Purpose Trust Fund.

Notes to Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 45-100 of this report.

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, Westlake Academy (general fund), schedule of changes in the net pension liability/OPEB liability and related ratios and schedule of employer contributions for the Texas Municipal Retirement System and the Teacher Retirement System of Texas. RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the Town's financial position. For the Town of Westlake, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by \$90,402,476 as of September 30, 2023, in the primary government.

The largest portion of the Town's net position, \$38,840,545 reflects its investments in capital assets (e.g., land, buildings, water system, machinery and equipment, construction in progress), less any debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town'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 assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Westlake, Texas' net position of \$15,291,173 represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the Town of Westlake, Texas is able to report positive balances in all reported categories of net position for the primary government, both for the government as a whole,

Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2023

as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 48,287,422	\$ 12,698,415	\$ 60,985,837	\$ 38,789,002	\$ 11,763,951	\$ 50,552,953
Capital assets, net	82,850,444	9,113,104	91,963,548	76,594,338	9,679,734	86,274,072
Total Assets	131,137,866	21,811,519	152,949,385	115,383,340	21,443,685	136,827,025
Deferred Outflows of Resources	4,445,850	84,963	4,530,813	3,099,217	63,769	3,162,986
Current liabilities	5,186,905	1,814,482	7,001,387	5,151,074	3,520,036	8,671,110
Long-term liabilities	39,335,452	17,717,641	57,053,093	36,137,668	18,250,974	54,388,642
Total Liabilities	44,522,357	19,532,123	64,054,480	41,288,742	21,771,010	63,059,752
Deferred Inflows of Resources	2,932,142	91,100	3,023,242	3,885,560	153,711	4,039,271
Net Position:						
Net investment in capital assets	47,867,860	(9,027,315)	38,840,545	42,897,544	(9,008,946)	33,888,598
Restricted	15,241,173	50,000	15,291,173	15,018,115	50,000	15,068,115
Unrestricted	25,020,184	11,250,574	36,270,758	15,392,596	8,541,679	23,934,275
Total Net Position	\$ 88,129,217	\$ 2,273,259	\$ 90,402,476	\$ 73,308,255	\$ (417,267)	\$ 72,890,988

Total current and other assets of the primary government were \$60,985,837 and \$50,552,953 as of September 30, 2023 and September 30, 2022, respectively. The increase is primarily due to greater interest-bearing account balances held at the end of the year due to an operating surplus. Current liabilities of business-type activities were \$1,814,482 and \$3,520,036 as of September 30, 2023 and September 30, 2022, respectively. The decrease was primarily due to nonrecurring utility billing refunding in the prior year. Long-term liabilities for governmental activities increased by \$3,197,784 or 9% due to nonrecurring debt issuance in the current year. Deferred outflows and inflows of resources experienced changes due to market fluctuation and the changes in investment returns impacting pension liability balances.

Town of Westlake, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

Statement of Activities:

The following table provides a summary of the Town's changes in net position:

	For the Year Ended September 30, 2023			For the Year Ended September 30, 2022		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 2,936,035	\$ 7,976,355	\$ 10,912,390	\$ 4,674,797	\$ 6,956,590	\$ 11,631,387
Operating grants/contri.	16,081,255	-	16,081,255	13,436,151	-	13,436,151
Capital grants/contri.	-	-	-	-	-	-
General revenues:						
Property tax	3,507,970	-	3,507,970	2,871,396	-	2,871,396
Sales tax	16,650,960	-	16,650,960	11,469,156	-	11,469,156
Franchise and local taxes	915,742	-	915,742	786,549	-	786,549
Occupancy/mixed bev. tax	556,830	-	556,830	486,344	-	486,344
Investment income	1,546,860	430,626	1,977,486	180,490	61,467	241,957
Other revenues	60,496	151,413	211,909	35,945	290,276	326,221
Total Revenues	42,256,148	8,558,394	50,814,542	33,940,828	7,308,333	41,249,161
Expenses						
General government	5,773,925	-	5,773,925	6,700,763	-	6,700,763
Public safety	4,827,695	-	4,827,695	4,268,432	-	4,268,432
Cultural and recreation	193,022	-	193,022	290,006	-	290,006
Public works	1,443,969	-	1,443,969	1,733,858	-	1,733,858
Visitor services	548,735	-	548,735	870,761	-	870,761
Education	13,545,889	-	13,545,889	11,009,311	-	11,009,311
Interest on long-term debt	1,101,951	-	1,101,951	1,084,741	-	1,084,741
Utility	-	5,857,895	5,857,895	-	5,660,733	5,660,733
Cemetery	-	9,973	9,973	-	9,886	9,886
Total Expenses	27,435,186	5,867,868	33,303,054	25,957,872	5,670,619	31,628,491
Change in Net Position Before Transfers	14,820,962	2,690,526	17,511,488	7,982,956	1,637,714	9,620,670
Transfers	-	-	-	157,758	(157,758)	-
Total	-	-	-	157,758	(157,758)	-
Change in Net Position	14,820,962	2,690,526	17,511,488	8,140,714	1,479,956	9,620,670
Beginning Net Position	73,308,255	(417,267)	72,890,988	65,167,541	(1,897,223)	63,270,318
Ending Net Position	\$ 88,129,217	\$ 2,273,259	\$ 90,402,476	\$ 73,308,255	\$ (417,267)	\$ 72,890,988

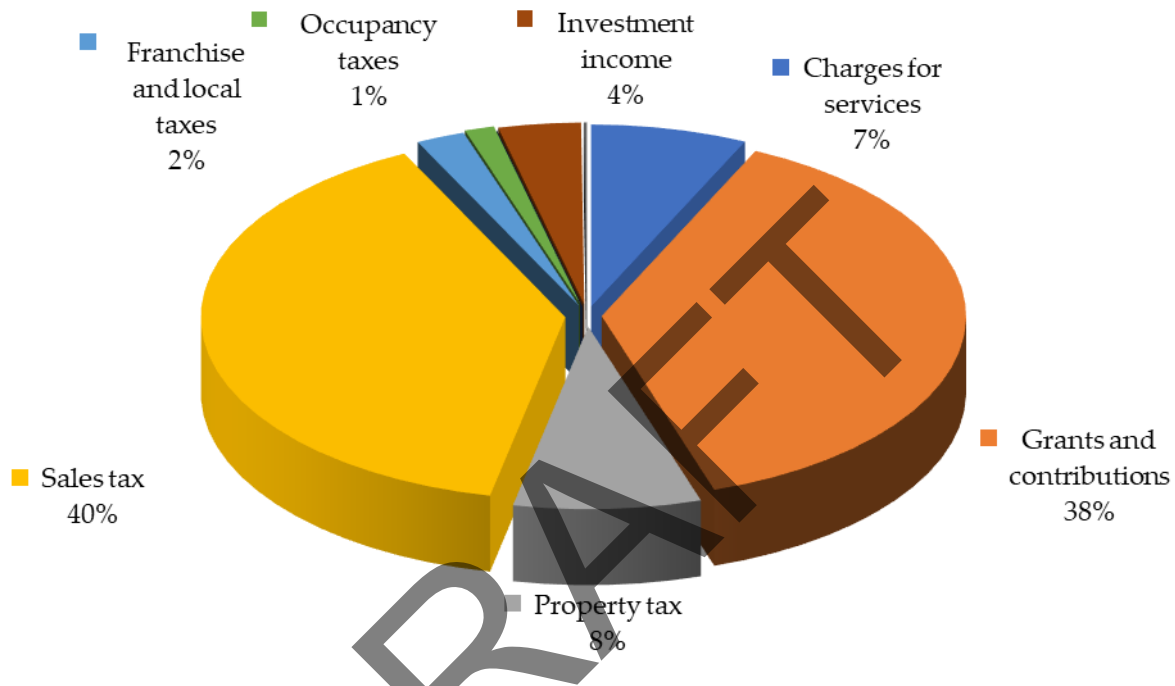
Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2023

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the Town's activities.

Governmental Activities – Revenues

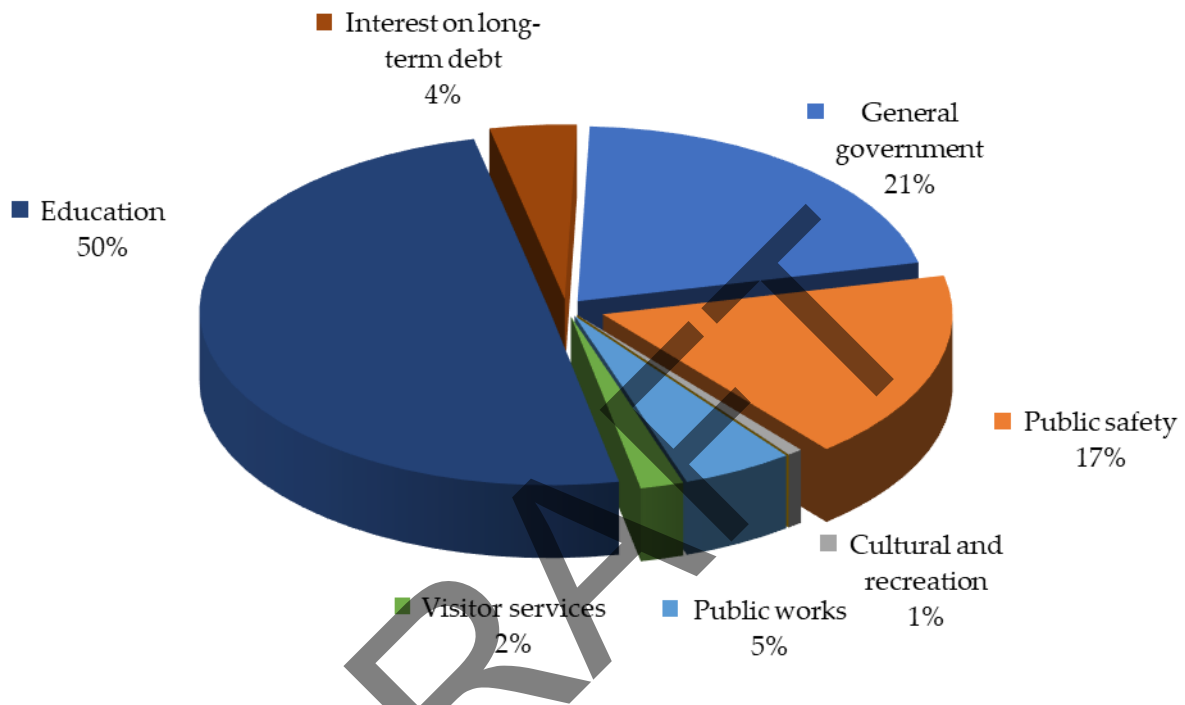


For the year ended September 30, 2023, revenues from governmental activities totaled \$42,256,148. Sales tax and grants and contributions are the Town's largest general revenue sources. Overall revenue increased \$8,315,320 or 24% from the prior year. Charges for services decreased by \$1,738,762 or 37% due primarily to nonrecurring license and permit revenues in the prior year, which was a result of prior year construction projects and permit fee increase. Grants and contributions increased by \$2,645,104 or 20% primarily due to nonrecurring donations received from Deloitte in lieu of land dedication and nonrecurring reimbursements from Denton County in the current year. Property taxes increased by \$636,574 or 22% due to greater appraised values in the current year. Sales taxes increased by \$5,181,804 or 45% primarily due to local economic growth in the current year. Franchise and local taxes increased by \$129,193 or 16% due to greater electricity usage and miscellaneous franchise revenues received in the current year. Occupancy taxes increased by \$70,486 or 14% due to greater tourism activity over the course of the year. Investment income increased by \$1,366,370 or over 100% due to greater interest-bearing accounts and the realization of higher interest rates. Other revenues increased by \$24,551 or 68% as a result in part of nonrecurring opioid abatement settlements received in the prior year. All other revenues remained relatively stable when compared to the previous year.

Town of Westlake, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

This graph shows the governmental function expenses of the Town:

Governmental Activities – Expenses

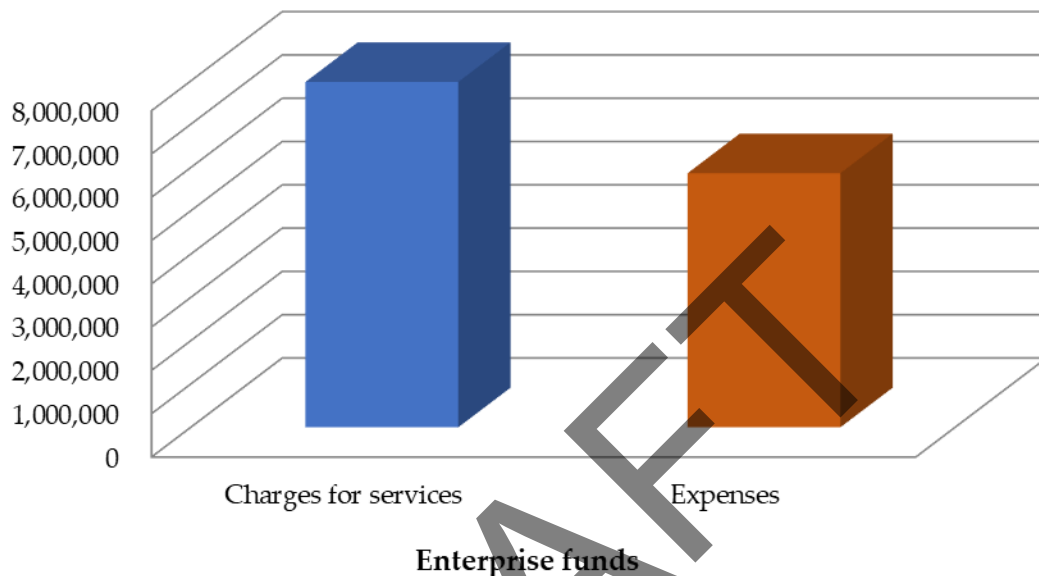


For the year ended September 30, 2023, expenses for governmental activities totaled \$27,435,186. This represents an increase of \$1,477,314 or 6% from the prior year. The Town's largest expense category is education and the operating expenses of Westlake Academy, which totaled \$13,545,889 at year-end. Education expenses increased by \$2,536,578 or 23% primarily as a result of reclassification of education expenses in the general fund. In addition, the Academy hired a new superintendent and incurred greater expenses related to athletic and academic stipends paid in the current year. General government expenses decreased by \$926,838 or 14% due to nonrecurring court technology and server and facility maintenance expenses incurred in the prior year. Cultural and recreation expenses decreased by \$96,984 or 33% primarily due to nonrecurring right of way repairs and maintenance in the prior year. Public works expenses decreased by \$289,889 or 17% due to nonrecurring street maintenance and roadside irrigation costs incurred in the prior year. Visitor services decreased by \$322,026 or 37% due nonrecurring personnel costs, new public art display purchases and zoning/planning contract expenses incurred in the prior year. All other expenses remained relatively consistent when compared to the previous year.

Town of Westlake, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

Business-type activities are shown comparing operating costs to revenues generated by related services.

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2023, charges for services by business-type activities totaled \$7,976,355. This is an increase of \$1,019,765 or 15% from the previous year. The increase was primarily due to greater water consumption and an increase in active customer accounts over the course of the year.

Utility service expenses increased by \$197,162 or 3%. The increase is considered relatively consistent to the prior year.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

At September 30, 2023, the Town's governmental funds reported combined fund balances of \$46,173,278, an increase of \$9,808,079 in comparison with the prior year. Approximately 66% of this amount, \$30,566,298, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable*, *restricted* or *committed* to indicate that it is 1) not in spendable form totaled \$204,032, 2) restricted for particular purposes totaled \$15,241,173 or 3) committed for Westlake Academy campus activities totaled \$161,775.

Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2023

As of the end of the year the general fund reflected a total fund balance of \$31,279,143. General fund balance increased by \$9,703,446 during the current year. This increase can be attributed to greater than anticipated revenues, caused primarily by sales tax revenues. In addition, current year expenditures were less than appropriations, primarily in general government and education.

The debt service fund had a deficit fund balance of \$268,700 at September 30, 2023, a decrease of \$267,699 when compared to the previous year. The decrease in fund balance is mostly related to greater transfers out of the fund in the current year. During the year, the fund recorded total principal and interest payments of \$2,916,996 and property tax revenue of \$1,316,147.

The capital projects fund had an ending fund balance of \$6,334,647. The capital projects fund decreased by \$833,591 when compared to the previous year. The decrease was a direct result of greater than anticipated capital expenditures exceeding current year revenues.

The 4B EDC fund reflected an ending fund balance of \$3,332,182. The fund balance increased by \$2,109,694, which is primarily a result of greater than expected sale tax revenues in the current year.

The Westlake Academy fund reflected an ending fund balance of \$1,043,344, a decrease of \$567,842 compared to the prior year. The decrease is primarily a result of current year expenditures exceeding revenues during the year.

The Westlake Academy expansion capital projects fund reflected an ending fund balance of \$3,432,883, a decrease \$319,461. The decrease is a direct result of capital expenditures exceeding current year revenues and other financing sources.

Proprietary Funds - The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position in the Town's utility fund totaled \$1,833,468. Unrestricted net position at the close of the fiscal year for both the Town's proprietary funds amounted to \$11,250,574, an increase of \$2,708,895 over the previous year. Total investment in capital assets, net of related debt was a deficit of \$9,027,315, and capital assets, net of depreciation totaled \$9,113,104.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted revenues of \$17,558,018 were less than actual revenues of \$20,407,931, resulting in a positive revenue variance of \$2,849,913. The positive variance was primarily the result of greater than expected sales taxes and grants and contributions. Total budgeted expenditures of \$13,524,898 were greater than actual expenditures of \$11,491,054, resulting in a positive expenditure variance of \$2,033,844. The variance in total expenditures was primarily due to positive variances within the general government, public safety, and education departments. Expenditures did not exceed appropriations at the legal level of control.

Town of Westlake, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

September 30, 2023

CAPITAL ASSETS

As of the end of the year, the Town's governmental activities funds had invested \$82,850,444 in a variety of capital assets and infrastructure, net of accumulated depreciation. The Town's business-type activities funds had invested \$9,113,104 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, machinery and equipment, water and sewer system, and infrastructure.

Major capital asset events during the current year include the following:

- Purchase of new public safety equipment for \$392,637.
- Purchased new network, phone, and server equipment totaling \$176,225.
- Began phase one on the Modular Building improvements for \$3,668,442.
- Made street improvements for \$3,783,983.
- Gym renovations totaling \$1,030,644.

More detailed information about the Town's capital assets is presented in note 4.C to the financial statements.

LONG-TERM DEBT

The Town's outstanding general obligation bonds, certificate of obligation bonds, contractual obligations, tax notes, notes payable, and lease liabilities, net of all premiums and discounts increased by \$1,010,059 for governmental activities and decreased by \$574,778 for business-type activities from the prior year. During the year, the Town issued Series 2023 Tax Notes totaling \$3,552,000 under governmental activities. The total outstanding debt at the close of the fiscal year, was \$34,960,833 for governmental-activities and \$18,113,902 for business-type activities.

More detailed information about the Town's long-term liabilities is presented in note 4.E to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Mayor and Town Council are committed to maintaining and improving the overall wellbeing of the Town of Westlake, and improving services provided to their citizens. The Town is budgeting for steady economic growth in the upcoming year.

Town of Westlake, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
September 30, 2023

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Westlake Director of Finance, 1500 Solana Blvd., Westlake, Texas, 76262. This information can also be accessed on the Town of Westlake's website at www.westlaketx.org.

DRAFT

BASIC FINANCIAL STATEMENTS

DRAFT

Town of Westlake, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
September 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 41,096,675	\$ 11,347,414	\$ 52,444,089	\$ 3,027,431
Restricted cash	423,156	-	423,156	2,946,678
Receivables, net	6,563,559	1,269,318	7,832,877	379,473
Inventory	-	81,683	81,683	-
Prepaid and other assets	204,032	-	204,032	110,100
Total Current Assets	48,287,422	12,698,415	60,985,837	6,463,682
Noncurrent assets:				
Capital assets:				
Non-depreciable	13,017,275	329,030	13,346,305	5,101,164
Net depreciable capital assets	69,833,169	8,784,074	78,617,243	21,766,437
Total Noncurrent Assets	82,850,444	9,113,104	91,963,548	26,867,601
Total Assets	131,137,866	21,811,519	152,949,385	33,331,283
<u>Deferred Outflows of Resources</u>				
Deferred outflows - TMRS pension	1,127,190	84,843	1,212,033	-
Deferred outflows - TMRS OPEB	1,590	120	1,710	-
Deferred outflows - TRS pension	2,242,340	-	2,242,340	-
Deferred outflows - TRS OPEB	742,160	-	742,160	-
Deferred loss on refunding	332,570	-	332,570	-
Total Deferred Outflows of	4,445,850	84,963	4,530,813	-

Town of Westlake, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
September 30, 2023

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Liabilities				
Current liabilities:				
Accounts payable	\$ 1,049,770	\$ 487,877	\$ 1,537,647	\$ 1,069,466
Accrued liabilities	363,489	16,095	379,584	-
Customer deposits	-	286,792	286,792	-
Accrued interest payable	123,350	74,645	197,995	44,483,999
Unearned revenue	431,969	366,541	798,510	194,869
Compensated absences - current	341,694	20,696	362,390	-
Long-term debt due within one year	2,876,633	561,836	3,438,469	54,086,323
Total Current Liabilities	5,186,905	1,814,482	7,001,387	99,834,657
Noncurrent liabilities:				
Long-term debt due in more than one year	32,084,200	17,552,066	49,636,266	-
Compensated absences - noncurrent	37,966	2,299	40,265	-
OPEB liability - TRS	1,578,920	-	1,578,920	-
OPEB liability - TMRS	82,058	6,176	88,234	-
Net pension liability - TMRS	2,087,192	157,100	2,244,292	-
Net pension liability - TRS	3,465,116	-	3,465,116	-
Total Noncurrent Liabilities	39,335,452	17,717,641	57,053,093	-
Total Liabilities	44,522,357	19,532,123	64,054,480	99,834,657
Deferred Inflows of Resources				
Deferred inflows - TMRS pension	26,326	1,982	28,308	-
Deferred inflows - TMRS OPEB	22,086	1,662	23,748	-
Deferred inflows - TRS pension	371,554	-	371,554	-
Deferred inflows - TRS OPEB	2,417,940	-	2,417,940	-
Deferred gain on refunding	94,236	87,456	181,692	-
Total Deferred Inflows of Resources	2,932,142	91,100	3,023,242	-
Net Position				
Net investment in capital assets	47,867,860	(9,027,315)	38,840,545	5,411,795
Restricted for:				
Donor stipulations	2,630	-	2,630	-
Capital projects	10,374,751	-	10,374,751	-
Public safety	423,156	-	423,156	-
Education	771,173	-	771,173	-
Capital items	-	-	-	-
Visitor services	274,173	-	274,173	-
Future projects	3,395,290	-	3,395,290	-
Improvements	-	50,000	50,000	-
Unrestricted	25,020,184	11,250,574	36,270,758	(71,915,169)
Total Net Position	\$ 88,129,217	\$ 2,273,259	\$ 90,402,476	\$ (66,503,374)

See Notes to Financial Statements.



Town of Westlake, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Primary Government			Component Units
				Governmental Activities	Business-Type Activities	Total	
Primary Government							
Governmental Activities							
General government	\$ 5,773,925	\$ -	\$ 5,232,841	\$ (541,084)	\$ -	\$ (541,084)	\$ -
Public safety	4,827,695	515,287	-	(4,312,408)	-	(4,312,408)	-
Cultural recreation	193,022	-	-	(193,022)	-	(193,022)	-
Public works	1,443,969	2,212,024	-	768,055	-	768,055	-
Visitor services	548,735	-	-	(548,735)	-	(548,735)	-
Education	13,545,889	208,724	10,848,414	(2,488,751)	-	(2,488,751)	-
Interest on long-term debt	1,101,951	-	-	(1,101,951)	-	(1,101,951)	-
Total Governmental Activities	<u>27,435,186</u>	<u>2,936,035</u>	<u>16,081,255</u>	<u>(8,417,896)</u>	<u>-</u>	<u>(8,417,896)</u>	<u>-</u>
Business-Type Activities							
Water and sewer	5,857,895	7,888,135	-	-	2,030,240	2,030,240	-
Cemetery	9,973	88,220	-	-	78,247	78,247	-
Total Business-Type Activities	<u>5,867,868</u>	<u>7,976,355</u>	<u>-</u>	<u>-</u>	<u>2,108,487</u>	<u>2,108,487</u>	<u>-</u>
Total Primary Government	<u>\$ 33,303,054</u>	<u>\$ 10,912,390</u>	<u>\$ 16,081,255</u>	<u>(8,417,896)</u>	<u>2,108,487</u>	<u>(6,309,409)</u>	<u>-</u>
Westlake component units	12,856,136	468,216	-				(12,387,920)
Discretely Presented Component Units	<u>\$ 13,249,207</u>	<u>\$ 468,216</u>	<u>\$ -</u>				<u>(12,387,920)</u>
General Revenues:							
Taxes							
Property taxes				3,507,970	-	3,507,970	-
Sales tax				16,650,960	-	16,650,960	-
Franchise and local taxes				915,742	-	915,742	-
Occupancy tax				556,830	-	556,830	-
Rental income				-	-	-	5,030,459
Other revenues				60,496	151,413	211,909	98,108
Investment income				1,546,860	430,626	1,977,486	14,918
Total General Revenues and Transfers				<u>23,238,858</u>	<u>582,039</u>	<u>23,820,897</u>	<u>5,143,485</u>
Change in Net Position				<u>14,820,962</u>	<u>2,690,526</u>	<u>17,511,488</u>	<u>(7,244,435)</u>
Beginning Net Position				73,308,255	(417,267)	72,890,988	(59,258,939)
Ending Net Position				<u>\$ 88,129,217</u>	<u>\$ 2,273,259</u>	<u>\$ 90,402,476</u>	<u>\$ (66,503,374)</u>

See Notes to Financial Statements.

Town of Westlake, Texas

BALANCE SHEET GOVERNMENTAL FUNDS

September 30, 2023

	General	Debt Service	Capital Projects	4B EDC
<u>Assets</u>				
Cash and cash equivalents	\$ 27,412,793	\$ -	\$ 5,800,859	\$ 2,463,220
Restricted cash	423,156	-	-	-
Accounts receivable, net	3,096,973	1,413	1,516,780	868,962
Due from other governments	-	-	-	-
Due from other funds	1,304,710	-	-	-
Prepays	20,989	-	68,951	-
Total Assets	\$ 32,258,621	\$ 1,413	\$ 7,386,590	\$ 3,332,182
<u>Liabilities</u>				
Accounts payable	\$ 368,744	\$ -	\$ 12,301	\$ -
Accrued liabilities	180,400	-	3,631	-
Due to other funds	-	268,699	1,036,011	-
Unearned revenue	427,057	-	-	-
Total Liabilities	976,201	268,699	1,051,943	-
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	3,277	1,414	-	-
Unavailable revenue - due from state	-	-	-	-
Total Deferred Inflows of Resources	3,277	1,414	-	-
<u>Fund Balances</u>				
Nonspendable:				
Prepays	20,989	-	68,951	-
Restricted for:				
Donor stipulations	-	-	-	-
Capital projects	-	-	6,265,696	-
Public safety	423,156	-	-	-
Visitor services	-	-	-	-
Future projects	-	-	-	3,332,182
Education	-	-	-	-
Committed for:				
Campus activities	-	-	-	-
Unassigned	30,834,998	(268,700)	-	-
Total Fund Balances	31,279,143	(268,700)	6,334,647	3,332,182
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 32,258,621	\$ 1,413	\$ 7,386,590	\$ 3,332,182

See Notes to Financial Statements.

Westlake Academy	* Westlake Academy Expansion Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 705,343	\$ 3,545,744	\$ 1,168,716	\$ 41,096,675
-	-	-	423,156
203,252	-	55,991	5,743,371
811,211	-	8,977	820,188
324,969	-	-	1,629,679
107,766	-	6,326	204,032
<u>\$ 2,152,541</u>	<u>\$ 3,545,744</u>	<u>\$ 1,240,010</u>	<u>\$ 49,917,101</u>
\$ 347,080	\$ 112,861	\$ 208,784	\$ 1,049,770
172,923	-	6,535	363,489
324,969	-	-	1,629,679
-	-	4,912	431,969
<u>844,972</u>	<u>112,861</u>	<u>220,231</u>	<u>3,474,907</u>
-	-	-	4,691
264,225	-	-	264,225
<u>264,225</u>	<u>-</u>	<u>-</u>	<u>268,916</u>
107,766	-	6,326	204,032
2,630	-	-	2,630
-	3,432,883	676,172	10,374,751
-	-	-	423,156
-	-	274,173	274,173
-	-	63,108	3,395,290
771,173	-	-	771,173
161,775	-	-	161,775
-	-	-	30,566,298
<u>1,043,344</u>	<u>3,432,883</u>	<u>1,019,779</u>	<u>46,173,278</u>
<u>\$ 2,152,541</u>	<u>\$ 3,545,744</u>	<u>\$ 1,240,010</u>	<u>\$ 49,917,101</u>

* Note: As of August 31, 2023



Town of Westlake, Texas

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

September 30, 2023

Fund Balances - Total Governmental Funds	\$ 46,173,278
Adjustments for the Statement of Net Position:	
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.	
Capital assets - non-depreciable	13,017,275
Capital assets - net depreciable	69,833,169
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	
	268,916
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - TMRS pension	1,127,190
Deferred outflows - TMRS OPEB	1,590
Deferred outflows - TRS pension	2,242,340
Deferred outflows - TRS OPEB	742,160
Deferred inflows - TMRS pension	(26,326)
Deferred inflows - TMRS OPEB	(22,086)
Deferred inflows - TRS pension	(371,554)
Deferred inflows - TRS OPEB	(2,417,940)
Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.	
Accrued interest	(123,350)
Deferred charges on bond refunding, net	238,334
Bond premium	(1,285,606)
Net pension liability - TMRS	(2,087,192)
Net pension liability - TRS	(3,465,116)
OPEB liability - TMRS	(82,058)
OPEB liability - TRS	(1,578,920)
Compensated absences	(379,660)
Non-current liabilities due in one year	(2,876,633)
Non-current liabilities due in more than one year	(30,798,594)
Net Position of Governmental Activities	\$ 88,129,217

See Notes to Financial Statements.

Town of Westlake, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS (Page 1 of 2)

For the Year Ended September 30, 2023

	General	Debt Service	Capital Projects	4B EDC
<u>Revenues</u>				
Taxes				
Property tax	\$ 2,191,823	\$ 1,316,147	\$ -	\$ -
Sales tax	12,488,220	-	-	4,162,740
Occupancy tax	-	-	-	-
Franchise and local taxes	915,742	-	-	-
State program revenues	-	-	-	-
Federal program revenues	-	-	-	-
License and permits	2,212,024	-	-	-
Grants/contributions	1,002,740	-	3,052,133	-
Local and intermediate sources	-	-	-	-
Fines and forfeitures	414,603	-	-	-
Investment income	1,025,198	-	247,870	69,673
Other revenue	157,581	-	-	-
Total Revenues	20,407,931	1,316,147	3,300,003	4,232,413
<u>Expenditures</u>				
Current:				
General government	4,128,302	-	-	-
Public safety	4,163,956	-	-	-
Cultural recreation	170,930	-	-	-
Public works	565,424	-	-	-
Visitor services	-	-	-	-
Education	1,886,779	-	-	-
Debt Service:				
Principal	339,384	1,836,700	-	-
Interest and fiscal charges	15,082	1,080,296	-	-
Bond issuance costs	-	3,000	-	-
Capital outlay	221,197	-	4,133,594	-
Total Expenditures	11,491,054	2,919,996	4,133,594	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,916,877	(1,603,849)	(833,591)	4,232,413

<u>Westlake Academy</u>	<u>* Westlake Academy Expansion Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 3,507,970
-	-	-	16,650,960
-	-	556,830	556,830
-	-	-	915,742
8,046,091	-	-	8,046,091
208,724	-	-	208,724
-	-	-	2,212,024
-	1,162,968	15,000	5,232,841
2,641,482	-	-	2,641,482
-	-	-	414,603
-	191,200	12,919	1,546,860
-	-	3,599	161,180
<u>10,896,297</u>	<u>1,354,168</u>	<u>588,348</u>	<u>42,095,307</u>
-	-	-	4,128,302
-	-	-	4,163,956
-	-	-	170,930
-	-	-	565,424
-	-	548,735	548,735
11,255,784	-	-	13,142,563
185,083	-	53,419	2,414,586
23,272	-	2,662	1,121,312
-	52,000	-	55,000
-	5,173,629	-	9,528,420
<u>11,464,139</u>	<u>5,225,629</u>	<u>604,816</u>	<u>35,839,228</u>
(567,842)	(3,871,461)	(16,468)	6,256,079

Town of Westlake, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS (Page 2 of 2)

For the Year Ended September 30, 2023

	General	Debt Service	Capital Projects	4B EDC
<u>Other Financing Sources (Uses)</u>				
Transfers in	\$ 786,569	\$ 2,122,719	\$ -	\$ -
Transfers (out)	-	(786,569)	-	(2,122,719)
Bond issuance	-	-	-	-
Total Other Financing Sources				
(Uses)	786,569	1,336,150	-	(2,122,719)
Net Change in Fund Balances	9,703,446	(267,699)	(833,591)	2,109,694
Beginning fund balances	21,575,697	(1,001)	7,168,238	1,222,488
Ending Fund Balances	<u>\$ 31,279,143</u>	<u>\$ (268,700)</u>	<u>\$ 6,334,647</u>	<u>3,332,182</u>

See Notes to Financial Statements.

Westlake Academy	*	Westlake Academy Expansion Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ -		\$ -	\$ -	\$ 2,909,288
-		-	-	(2,909,288)
-		3,552,000	-	3,552,000
-		3,552,000	-	3,552,000
(567,842)		(319,461)	(16,468)	9,808,079
1,611,186		3,752,344	1,036,247	36,365,199
1,043,344		\$ 3,432,883	\$ 1,019,779	\$ 46,173,278

* For the fiscal year ended August 31, 2023



Town of Westlake, Texas

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

For the Year Ended September 30, 2023

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

Net changes in fund balances - total governmental funds	\$ 9,808,079
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 expense.	
Capital outlay	9,126,282
Depreciation expense	(2,870,176)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	160,841
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	(53,819)
Accrued interest	34,230
Pension expense	(491,715)
OPEB expense	204,523
The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Amortization of deferred loss on refunding	(87,224)
Amortization of premium	127,355
Principal payments on long-term debt	2,414,586
Bond issuance	(3,552,000)
Change in Net Position of Governmental Activities	\$ 14,820,962

See Notes to Financial Statements.

Town of Westlake, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
PROPRIETARY FUNDS
September 30, 2023

	Utility Fund	Nonmajor Cemetery Fund	Total
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 10,986,825	\$ 360,589	\$ 11,347,414
Accounts receivable, net	1,268,898	420	1,269,318
Inventory	-	81,683	81,683
Total Current Assets	12,255,723	442,692	12,698,415
<u>Noncurrent Assets</u>			
Capital assets:			
Non-depreciable capital assets	329,030	-	329,030
Net depreciable capital assets	8,784,074	-	8,784,074
Total Noncurrent Assets	9,113,104	-	9,113,104
Total Assets	21,368,827	442,692	21,811,519
<u>Deferred Outflows of Resources</u>			
Deferred outflows - TMRS pension	84,843	-	84,843
Deferred outflows - TMRS OPEB	120	-	120
Total Deferred Outflows of Resources	84,963	-	84,963

Town of Westlake, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
PROPRIETARY FUNDS
September 30, 2023

	Utility Fund	Nonmajor Cemetery Fund	Total
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 484,976	\$ 2,901	\$ 487,877
Accrued liabilities	16,095	-	16,095
Customer deposits payable	286,792	-	286,792
Accrued interest	74,645	-	74,645
Unearned revenue	366,541	-	366,541
Compensated absences, current	20,696	-	20,696
Long-term debt due within one year	561,836	-	561,836
Total Current Liabilities	1,811,581	2,901	1,814,482
<u>Noncurrent Liabilities</u>			
Net pension liability - TMRS	157,100	-	157,100
OPEB liability - TMRS	6,176	-	6,176
Compensated absences, noncurrent	2,299	-	2,299
Long-term debt due in more than one year	17,552,066	-	17,552,066
Total Liabilities	19,529,222	2,901	19,532,123
<u>Deferred Inflows of Resources</u>			
Pension inflows	1,982	-	1,982
OPEB inflows	1,662	-	1,662
Deferred gain on refunding	87,456	-	87,456
Total Deferred Inflows	91,100	-	91,100
<u>Net Position</u>			
Net investment in capital assets	(9,027,315)	-	(9,027,315)
Restricted for improvements	-	50,000	50,000
Unrestricted	10,860,783	389,791	11,250,574
Total Net Position	\$ 1,833,468	\$ 439,791	\$ 2,273,259

See Notes to Financial Statements.



Town of Westlake, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS

For the Year Ended September 30, 2023

	Utility Fund	Nonmajor Cemetery Fund	Total
<u>Operating Revenues</u>			
Charges for services	\$ 7,888,135	\$ 88,220	\$ 7,976,355
Other revenues	151,413	-	151,413
Total Operating Revenues	8,039,548	88,220	8,127,768
<u>Operating Expenses</u>			
Salaries and benefits	275,892	-	275,892
Supplies and materials	110,350	5,820	116,170
Repairs and maintenance	2,132,917	278	2,133,195
Utilities	2,114,259	-	2,114,259
Other operating expenses	117,702	3,875	121,577
Depreciation	566,630	-	566,630
Total Operating Expenses	5,317,750	9,973	5,327,723
Operating Income (Loss)	2,721,798	78,247	2,800,045
<u>Nonoperating Revenues (Expenses)</u>			
Investment income	418,125	12,501	430,626
Interest and fiscal expense	(540,145)	-	(540,145)
Total Nonoperating Revenues (Expenses)	(122,020)	12,501	(109,519)
Change in Net Position	2,599,778	90,748	2,690,526
Beginning net position	(766,310)	349,043	(417,267)
Ending Net Position	\$ 1,833,468	\$ 439,791	\$ 2,273,259

See Notes to Financial Statements.

Town of Westlake, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2) For the Year Ended September 30, 2023

	Utility Fund	Nonmajor Cemetery Fund	Total
<u>Cash Flows from Operating Activities</u>			
Payments to employees	\$ (354,565)	\$ -	\$ (354,565)
Payments to suppliers	(6,103,853)	(6,577)	(6,110,430)
Receipts from customers	7,597,744	88,220	7,685,964
Net Cash Provided (Used) by Operating Activities	1,139,326	81,643	1,220,969
<u>Cash Flows from Capital and Related Financing Activities</u>			
Interest paid on capital debt	(574,848)	-	(574,848)
Principal paid on capital debt	(543,719)	-	(543,719)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,118,567)	-	(1,118,567)
<u>Cash Flows from Investing Activities</u>			
Interest on investments	418,125	12,501	430,626
Net Cash Provided by Investing Activities	418,125	12,501	430,626
Net Increase (Decrease) in Cash and Cash Equivalents	438,884	94,144	533,028
Beginning cash and cash equivalents	10,547,941	266,445	10,814,386
Ending Cash and Cash Equivalents	\$ 10,986,825	\$ 360,589	\$ 11,347,414

See Notes to Financial Statements.

Town of Westlake, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 2 of 2) For the Year Ended September 30, 2023

	Utility Fund	Nonmajor Cemetery Fund	Total
<u>Reconciliation of Operating Income (Loss)</u>			
<u>to Net Cash Provided (Used) by Operating Activities</u>			
Operating Income (Loss)	\$ 2,721,798	\$ 78,247	\$ 2,800,045
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	566,630	-	566,630
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(405,312)	-	(405,312)
Inventory	-	3,876	3,876
Increase (Decrease) in:			
Accounts payable	(1,626,061)	(480)	(1,626,541)
Accrued liabilities	(2,564)	-	(2,564)
Unearned revenue	(46,697)	-	(46,697)
Pension outflows	(23,499)	-	(23,499)
OPEB outflows	2,305	-	2,305
Pension inflows	(60,552)	-	(60,552)
OPEB inflows	1,585	-	1,585
Compensated absences	(64,527)	-	(64,527)
Net pension liability - TMRS	72,076	-	72,076
OPEB liability - TMRS	(6,061)	-	(6,061)
Customer deposits	10,205	-	10,205
Net Cash Provided (Used) by Operating Activities	\$ 1,139,326	\$ 81,643	\$ 1,220,969

See Notes to Financial Statements.

Town of Westlake
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2023

	Solana PID Private Purpose Trust Fund
<u>Assets</u>	
Cash and cash equivalents	\$ 5,616,091
Special assessment receivable	23,850,000
Total Assets	<u>29,466,091</u>
<u>Liabilities</u>	
Long-term debt	23,850,000
Total Liabilities	<u>23,850,000</u>
<u>Net Position</u>	
Restricted for public improvement district	5,616,091
Total Net Position	<u><u>\$ 5,616,091</u></u>

See Notes to Financial Statements.

Town of Westlake

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Year Ended September 30, 2023

	Solana PID Private Purpose Trust Fund
<u>Additions</u>	
Investment earnings	\$ 230,246
Special assessment collections	3,612,569
Total Additions	3,842,815
<u>Deductions</u>	
Payment to developer	2,121,366
Administrative expenses	119,082
Interest expenses	1,505,250
Total Deductions	3,745,698
Change in Net Position	97,117
Beginning net position	5,518,974
Ending Net Position	\$ 5,616,091

See Notes to Financial Statements.



Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Westlake, Texas (the “Town”) was incorporated under the provisions of the laws of the State of Texas on December 26, 1956. The Town operates under a Council - Manager form of government and provides the following services as authorized by the laws of the State of Texas: public safety; cultural and recreation; and economic development.

The accounting and reporting policies of the Town relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally Accepted Accounting Principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (“GASB”). The more significant accounting policies of the Town are described below.

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Financial Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations. Discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the government.

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization’s governing body and either it is able to impose its will on that

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government.

Blended Component Units

4B Economic Development Corporation

4B Economic Development Corporation is a Texas nonprofit industrial corporation under the Development Corporation Act of 1979 formed to promote economic development within the Town and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the Town by developing, implementing, financing, and providing one or more projects defined and permitted under Section 4B of the Act. The board of directors is composed of seven persons appointed by the members of the Town's governing board. Four of the members of the board of directors are members of the Town's governing board. Since the board of directors is substantively the same as the Town's governing body, and a financial benefit relationship exists, the entity has been reported as a blended component unit of the Town. This component unit is presented as a major governmental fund for the current fiscal year.

Westlake Academy

Westlake Academy (the "Academy") is an open-enrollment charter school, as provided by Subchapter D, Chapter 12, of the Texas Education Code. The Town of Westlake (Charter Holder) applied for and became the first municipality in Texas to ever receive this special charter designation. The board consists of six trustees and is appointed by the Town's governing body. Currently, all the members of the board of trustees are members of the Town's governing body. Since the board of directors is substantively the same as the Town's governing body, and a financial benefit relationship exists, the entity has been reported as a

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

blended component unit of the Town. The Academy's year-end is August 31. This component unit is presented as a major governmental fund for the current fiscal year.

Discretely Presented Component Units

Texas Student Housing Entities

The Texas Student Housing ("TSH") Authority, Texas Student Housing Authority – College Station Project, and Texas Student Housing Corporation – Denton Project (collectively, Texas Student Housing Entities) are Texas nonprofit organizations as a duly constituted authority of the Town pursuant to Section 53.35(b) of the Texas Education Code, as amended (Act). Texas Student Housing Entities' primary purpose is to construct, own, and operate student housing facilities on college campuses in Texas. The board consists of seven directors which are appointed by the Town's governing body and has the ability to remove at will the appointed members; thus, the governing body can impose its will on the organizations. However, the board is not substantively the same as the Town's governing body; therefore, the Texas Student Housing Entities are reported as discretely presented component units (enterprise funds). The Town is not responsible for the long-term debt of the Texas Student Housing Entities. The Texas Student Housing Entities' year-end is August 31.

C. Basis of Presentation - Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As discussed earlier, the government has three discretely presented component units which are shown in separate columns in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The fund financial statements provide information about the government's funds, including its blended component units. Separate statements for each fund category; governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed. The government reports the following major governmental funds:

General Fund

The General Fund is the main operating fund of the Town. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund. The General Fund includes the Town's Major Maintenance and Replacement Fund, Vehicle Replacement Fund, and PID (local) Fund.

Debt Service Fund

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

Capital Projects Fund

The Capital Projects Fund is used to account for proceeds from long-term financing and revenue and expenditures related to authorized construction and other capital asset acquisitions other than those related to the expansion of Westlake Academy facilities.

4B EDC Fund

The 4B EDC Fund accounts for the economic development corporation's activity, a blended component unit.

Westlake Academy Fund

The Westlake Academy Fund accounts for the education activities of the blended component unit.

Westlake Academy Expansion Capital Projects Fund

The Westlake Academy Expansion Capital Projects Fund is used to account for proceeds from long-term financing and revenue and expenditures related to authorized

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

construction related to the expansion of Westlake Academy facilities.

Proprietary Fund Types

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues include charges for services. Operating expenses include costs of materials, contracts, personnel, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types follow GAAP prescribed by the Governmental Accounting Standards Board (GASB) and all Financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the Town accounts for its enterprise funds as presented by GASB. The proprietary fund types used by the Town include enterprise funds.

The government reports the following major proprietary funds:

Utility Fund

The Utility fund is utilized to account for revenues and expenses related to providing water and sewer services to the general public on a continuing basis.

Additionally, the Town reports the following fund types:

Special Revenue Funds

The Town accounts for resources restricted to, or designed for, specific purposes in a special revenue fund.

Fiduciary Funds

The Solana PID private purpose trust fund accounts for bond proceeds, assessments, and related debt associated with bonds issued by the Town as an agent for the Solana Public Improvement District.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The 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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary, pension and other postemployment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Custodial funds use the economic resources measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

E. Assets, Liabilities, Deferred Outflows/Inflows, and Fund Equity or Net Position

1. Deposits and Investments

The Town's cash and cash equivalents includes cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Because the Town, at its option, can withdraw funds within a twenty-four hour period from TexPool and Texas Class, these investments are considered to be cash equivalents.

State statutes authorize the Town to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (B) secured by obligations that are described by (1) – (4); or, (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with third party selected or approved by the Town, and placed through a primary government securities dealer. The Town's investments are governed by the same state statutes.

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2. Fair Value

The Town has applied Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds are offset by a nonspendable fund balance account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventory is carried at historical cost using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

5. Restricted Assets

Certain proceeds of governmental and enterprise fund cash and investments are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants, legal restrictions, or restrictions in place by outside parties.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than \$5,000 and an estimated useful life of three years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession are recorded at acquisition value on the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

Buildings	20-50 Years
Improvements other than buildings	5-30 Years
Machinery and equipment	3-30 Years
Information systems and software	3 Years
Infrastructure (water and sewer system)	10-50 Years

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows / inflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government only has three items that qualify for reporting in this category. One example is the deferred charge on refunding reported in the government-wide statement of net position. 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.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, fines and forfeitures and ambulance fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

8. Compensated Absences

The Town's policy provides vacation and sick leave to be accrued at the start of employment. Employees earn 10 days of vacation and 10 days of sick leave between one year and five years of service. After completion of 5 years of service, 15 days of vacation and 15 days of sick leave per year are earned. After completion of 10 years of service, 20 days of vacation and 20 days of sick leave per year are earned. Unused vacation hours are paid upon termination or retirement at the employee's normal hourly rate.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

9. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed when incurred.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

10. Leases

The Town is a lessee for a noncancellable lease of a building and office equipment. The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an individual value of \$10,000 or more.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

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

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

11. Pensions

For purposes of measuring the net pension liabilities, related deferred outflows and inflows of resources, and pension expense, the Town's specific information about its Fiduciary Net Position in the Texas Municipal Retirement System ("TMRS") and Teachers Retirement System ("TRS") and additions to/deductions from the Town's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS and TRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For TMRS, information regarding the Town's Total Pension Liability is obtained from TMRS through reports prepared for the Town by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

For TRS, information regarding the Town's Total Pension Liability is obtained from TRS which is a cost-sharing multi-employer defined benefit plan. Reports prepared are in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68.

12. Other Postemployment Benefits ("OPEB")

The Town has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDB covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDB is considered to be an unfunded OPEB plan. For purposes of reporting under GASB No. 75, the retiree portion of the SDB is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. 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 on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

For TRS, information regarding the Town's Total OPEB Liability is obtained from TRS which is a cost-sharing multi-employer defined benefit plan. Reports prepared are in compliance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

13. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

14. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

15. Fund Balance Policies

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (Council) has by resolution authorized the Director of Finance and Financial Services to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment. The general fund is the only fund that reports a positive unassigned fund balance amount.

16. 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the Town.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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. The principal operating revenues of the utility fund, golf course fund, and storm water utility funds are charges to customers for sales and services. The utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, “the issuance of long-term debt (e.g., bonds) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP) for all governmental funds, with the exception of Solana PID capital projects, which is a project-length based budget. The original budget is adopted by the Town Council prior to the beginning of the year. The legal level of control as defined by the Council-approved policy is the fund level. No funds can be transferred or added which affect the total fund expenditures without Town Council approval. Appropriations lapse at the end of the year.

As of September 30, 2023, expenditures exceeded appropriations at the legal level of control (fund level) as follows:

Westlake Academy (General Fund):	\$ 9,225
4B Economic Development Corporation	499,929
Debt Service Fund	786,569
Capital Projects Fund	2,652,561
Westlake Academy Expansion Capital Projects:	75,629

A. Restricted Net Position

The Town records restricted net position on amounts with externally imposed restrictions (e.g., through debt covenants or by grantors) or restrictions imposed by law through constitutional provisions or enabling legislation. Total restricted net position for the primary government was \$15,291,173. Of which, \$423,156 is restricted by enabling legislation.

B. Deficit Equity

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

At September 30, 2023, the debt service fund had a deficit fund balance of \$268,700. The deficit balance will be eliminated in the future through reduction of expenses, increase in revenues, or reimbursements from other funds.

NOTE 4. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits - 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 market value of not less than the principal amount of the deposits. The Town's cash deposits at September 30, 2023 and during the year ended September 30, 2023 were entirely covered by FDIC insurance or by pledged collateral held by the Town's agent bank in the Town's name.

Legal and contractual provisions governing deposits and investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Town to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity, allowed based on the stated maturity date for the portfolio, and (8) investment staff quality and capabilities.

The Act also requires the Town to have independent auditors perform test procedures related to investment practices as provided by the Act. The Town is in substantial compliance with the requirements of the Act and with local policies.

As of September 30, 2023, the Town had the following investments:

Investment Type	Carrying Value	Weighted Average Maturity (Years)
TexPool investment	\$ 105	0.08
TexasClass investment	25,174,124	0.13
Total fair value	<u>\$ 25,174,229</u>	
Portfolio weighted average maturity		0.13

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Interest rate risk: In compliance with the Town's Investment Policy, as of September 30, 2023, the Town minimized the interest rate risk, related to current events market turmoil in the portfolio by: In order to limit interest and market rate risk from changes in interest rates, the Town's investment policy sets a maximum stated maturity limit of two years for obligations of the United States Government, its agencies and instrumentalities (excluding mortgage backed securities) and one year for fully insured or collateralized certificates of deposit. No more than 80% of the Town's monthly average balance may be invested in money market funds. Additionally, the Town invests in an investment pool that purchases a combination of shorter-term investments with an average maturity of 37 days thus reducing the interest rate risk.

Credit risk: The Town's investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than "A" or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAAm, or equivalent, by at least one nationally recognized rating service. As of September 30, 2023, all of the Town's purchased investments in U.S. Agencies Obligations were rated AA+, AAA and Aaa by Standard & Poors, Fitch and Moody's, respectively.

Custodial credit risk – deposits: In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or 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 market value of not less than the principal amount of the deposits. As of September 30, 2023, the market values of pledged securities and FDIC exceeded bank balances.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investment policy requires that it will seek to safeguard securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the Town's safeguard account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. At September 30, 2023, the fair value of the position in TexPool approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

Texas CLASS

The Texas Cooperative Liquid Assets Securities System Trust ("Texas CLASS") was created as a local government investment pool pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code (PFIA). Per state code, entities may pool any of their funds, or funds under their control, to preserve principal, maintain the liquidity of the funds, and maximize yield. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and Wells Fargo Bank Texas, N.A. as Custodian. Finally, Standard & Poor's rate Texas CLASS AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. There were no limitations or restrictions on withdrawals.

B. Receivables

The following comprise receivable balances of the primary government at year end:

	Governmental Activities						Total
	General	Westlake Academy	Debt Service	Capital Projects	4B EDC	Nonmajor Governmental	
Property taxes	\$ 4,370	\$ -	\$ 1,884	\$ -	\$ -	\$ -	\$ 6,254
Sales tax	2,606,888	-	-	-	868,962	-	3,475,850
Franchise taxes	180,710	-	-	-	-	-	180,710
Hotel occupancy	-	-	-	-	-	55,991	55,991
Due from other govts.	-	811,211	-	-	-	-	811,211
Accounts	8,238	-	-	1,516,780	-	-	1,525,018
Other	405,050	203,252	-	-	-	-	608,302
Allowance	(108,283)	-	(471)	-	-	-	(108,754)
Total	\$ 3,096,973	\$ 1,014,463	\$ 1,413	\$ 1,516,780	\$ 868,962	\$ 55,991	\$ 6,554,582

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

		Business-Type Activities		
		Utility	Cemetery	Total
		Fund	Fund	
Accounts		\$ 1,268,898	\$ 420	\$ 1,269,318
	Total	\$ 1,268,898	\$ 420	\$ 1,269,318

The following comprise receivable balances of the component units at year end:

	TSH Authority	TSH Corp. - College Station	TSH Corp. - Denton Project	Total
Tenants	\$ -	\$ 9,690	\$ -	\$ 9,690
Cambridge	344,338	-	-	344,338
Other	-	212	25,739	25,951
Allowance	-	(506)	-	(506)
Total	\$ 344,338	\$ 9,396	\$ 25,739	\$ 379,473

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

C. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 12,446,059	\$ -	\$ -	\$ 12,446,059
Construction in progress	645,568	-	(74,352)	571,216
Total capital assets not being depreciated	<u>13,091,627</u>	<u>-</u>	<u>(74,352)</u>	<u>13,017,275</u>
Capital assets, being depreciated:				
Capital improvements	36,287,179	3,858,335	74,352	40,219,866
Buildings	43,289,707	5,028,962	(329,877)	47,988,792
Machinery and equipment	5,484,935	392,637	-	5,877,572
Information systems and software	1,326,817	176,225	-	1,503,042
Right of use assets - Town	2,160,094	-	-	2,160,094
Right of use assets - Academy	840,769	-	-	840,769
Total capital assets being depreciated	<u>89,389,501</u>	<u>9,456,159</u>	<u>(255,525)</u>	<u>98,590,135</u>
Less accumulated depreciation				
Capital improvements	9,138,949	1,110,124	-	10,249,073
Buildings	10,682,383	1,078,013	(252,546)	11,507,850
Machinery and equipment	4,548,826	279,237	-	4,828,063
Information systems and software	901,247	137,429	-	1,038,676
Right of use assets - Town	324,014	193,905	-	517,919
Right of use assets - Academy	291,371	324,014	-	615,385
Total accumulated depreciation	<u>25,886,790</u>	<u>3,122,722</u>	<u>(252,546)</u>	<u>28,756,966</u>
Net capital assets being depreciated	63,502,711	6,333,437	(2,979)	69,833,169
Total capital assets	<u><u>\$ 76,594,338</u></u>	<u><u>\$ 6,333,437</u></u>	<u><u>\$ (77,331)</u></u>	<u><u>\$ 82,850,444</u></u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 1,418,031
Public safety	573,057
Public works	937,729
Education	193,905
Total Governmental Activities Depreciation Expense	<u><u>\$ 3,122,722</u></u>

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

A summary of changes in business-type activities capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Construction in progress	\$ 329,030	\$ -	\$ -	\$ 329,030
Total capital assets not being depreciated	<u>329,030</u>	<u>-</u>	<u>-</u>	<u>329,030</u>
Capital assets, being depreciated:				
Capital improvements	14,899,416	-	-	14,899,416
Wastewater treatment rights	635,199	-	-	635,199
Machinery and equipment	3,804,045	-	-	3,804,045
Right to use assets	381,193	-	-	381,193
Total capital assets being depreciated	<u>19,719,853</u>	<u>-</u>	<u>-</u>	<u>19,719,853</u>
Less accumulated depreciation				
Capital improvements	6,972,376	359,463	-	7,331,839
Wastewater treatment rights	635,199	-	-	635,199
Machinery and equipment	2,704,395	153,748	-	2,858,143
Right to use assets	57,179	53,419	-	110,598
Total accumulated depreciation	<u>10,369,149</u>	<u>566,630</u>	<u>-</u>	<u>10,935,779</u>
Net capital assets being depreciated	<u>9,350,704</u>	<u>(566,630)</u>	<u>-</u>	<u>8,784,074</u>
Total capital assets	<u>\$ 9,679,734</u>	<u>\$ (566,630)</u>	<u>\$ -</u>	<u>\$ 9,113,104</u>

Depreciation expense was charged to business-type activities as follows:

Water and sewer	\$ 566,630
Total Business-Type Activities Depreciation Expense	<u>\$ 566,630</u>

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

A summary of changes in capital assets for the Town's discretely presented component units, as of the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 5,099,597	\$ -	\$ -	\$ 5,099,597
Construction in progress	1,567	-	-	1,567
Total capital assets not being depreciated	5,101,164	-	-	5,101,164
Capital assets, being depreciated:				
Buildings and improvements	56,796,011	-	-	56,796,011
Furniture and equipment	4,100,267	-	-	4,100,267
Total capital assets being depreciated	60,896,278	-	-	60,896,278
Less accumulated depreciation				
Buildings and improvements	35,286,669	-	-	35,286,669
Furniture and equipment	3,843,172	-	-	3,843,172
Total accumulated depreciation	39,129,841	-	-	39,129,841
Net capital assets being depreciated	21,766,437	-	-	21,766,437
Total capital assets	\$ 26,867,601	\$ -	\$ -	\$ 26,867,601

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

D. Other Long-term Liabilities

The following summarizes the changes in other long-term liabilities of the primary government during the year. The general and utility fund has typically been used to liquidate the liability for compensated absences for governmental activities and business-type activities, respectively.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 325,841	\$ 306,167	\$ (252,348)	\$ 379,660	\$ 341,694
Total Governmental Activities	<u>\$ 325,841</u>	<u>\$ 306,167</u>	<u>\$ (252,348)</u>	<u>\$ 379,660</u>	<u>\$ 341,694</u>
Long-term Liabilities Due in More than One Year				<u>\$ 37,966</u>	
Business-Type Activities:					
Compensated Absences	\$ 87,522	\$ 10,675	\$ (75,202)	\$ 22,995	\$ 20,696
Total Business-Type Activities	<u>\$ 87,522</u>	<u>\$ 10,675</u>	<u>\$ (75,202)</u>	<u>\$ 22,995</u>	<u>\$ 20,696</u>
Long-term Liabilities Due in More than One Year				<u>\$ 2,299</u>	

E. Long-term Debt

The Town periodically issues general obligation bonds, certificates of obligation, and tax notes to provide for the acquisition and construction of major capital facilities and infrastructure. Combination tax and revenue certificates of obligation are issued for both governmental and business-type activities. General obligation bonds, governmental revenue bonds and tax notes pledge the full faith and credit of the Town. The Town also periodically utilizes notes and leases to provide financing for general government purposes. In general, the Town uses the debt service fund and general fund to liquidate governmental long-term liabilities.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

The following is a summary of changes in the Town's total long-term liabilities for the year ended September 30, 2023.

	Beginning Balance	Additions	Refundings/ Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 11,655,000	\$ -	\$ (1,055,000)	\$ 10,600,000	\$ 1,090,000
Certificates of Obligation	17,952,300	-	(554,700)	17,397,600	573,600
Tax Notes	459,000	3,552,000	(227,000)	3,784,000	686,000
Less deferred amounts:					
For premiums	1,412,961	-	(127,355)	1,285,606	-
Lease liabilities - Academy	549,343	-	(185,083)	364,260	194,552
Lease liabilities - Town	1,867,151	-	(356,126)	1,511,025	314,139
Notes payable	55,019	-	(36,677)	18,342	18,342
Total Governmental Activities	<u>\$ 33,950,774</u>	<u>\$ 3,552,000</u>	<u>\$ (2,541,941)</u>	<u>\$ 34,960,833</u>	<u>\$ 2,876,633</u>
Long-term liabilities due in more than one year				<u>\$ 32,084,200</u>	
Business-Type Activities:					
Certificates of Obligation	\$ 2,662,700	\$ -	\$ (120,300)	\$ 2,542,400	\$ 121,400
General Obligation Refunding Bonds	14,920,000	-	(370,000)	14,550,000	385,000
Lease liabilities - Town	329,497	-	(53,419)	276,078	55,436
Less deferred amounts:					
For premiums	776,483	-	(31,059)	745,424	-
Total Business-Type Activities	<u>18,688,680</u>	<u>-</u>	<u>(574,778)</u>	<u>18,113,902</u>	<u>561,836</u>
Long-term liabilities due in more than one year				<u>\$ 17,552,066</u>	
Component Unit Activities:					
Revenue Bonds - Denton Project	\$ 21,380,000	\$ -	\$ -	\$ 21,380,000	\$ 21,380,000
Revenue Certificates - College Station	28,205,000	-	-	28,205,000	28,205,000
Line of credit	-	4,798,797	-	4,798,797	4,798,797
Less deferred amounts:					
For discounts	(334,959)	-	37,485	(297,474)	(297,474)
Total Component Unit Activities	<u>\$ 49,250,041</u>	<u>\$ 4,798,797</u>	<u>\$ 37,485</u>	<u>\$ 54,086,323</u>	<u>\$ 54,086,323</u>

Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. The proprietary fund type long-term debt will be repaid, plus accrued interest, from operating revenues of the respective fund. Leases are secured by the

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

underlying asset. In the event of default, the lender may demand immediate payment or take possession of the asset.

At year end, long-term debt of governmental activities was comprised of the following debt issues:

Governmental Activities:

Description	Interest Rate		Final Maturity	Original Amount	Balance 9/30/2022
General Obligation Bonds:					
Refunding, Series 2013	2.23	%	2028	\$ 2,200,000	\$ 785,000
Refunding, Series 2014	3.47	%	2032	1,910,000	1,505,000
Refunding, Series 2017	3.93	%	2032	5,795,000	5,595,000
Refunding, Series 2021	0.61	%	2031	4,430,000	2,715,000
				<u>\$ 14,335,000</u>	<u>\$ 10,600,000</u>
Certificates of Obligation:					
Series 2013	3.42	%	2043	9,320,000	6,532,600
Series 2016	3.39	%	2046	9,180,000	7,895,000
Series 2021	1.63	%	2041	3,215,000	2,970,000
				<u>\$ 21,715,000</u>	<u>\$ 17,397,600</u>
Tax Notes					
Tax Note, Series 2017	3.47	%	2024	1,530,000	232,000
Tax Note, Series 2023	3.59	%	2030	3,552,000	3,552,000
				<u>\$ 5,082,000</u>	<u>\$ 3,784,000</u>
Notes Payable					
Bennett, Benner, Pettit	0.00	%	2024	\$ 366,774	\$ 18,342
				<u>\$ 366,774</u>	<u>\$ 18,342</u>
Lease liabilities					
Academy	5.00	%	2025	\$ 581,716	\$ 364,260
Town - Terrace at Solana	1.00	%	2028	2,160,094	1,511,025
				<u>\$ 2,741,810</u>	<u>\$ 1,875,285</u>
			Total	<u>\$ 44,240,584</u>	<u>\$ 33,675,227</u>

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Business-type Activities:

<u>Description</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Balance 9/30/2022</u>
General Obligation Bonds:				
Refunding, Series 2022	3.00 %	2047	\$ 14,920,000	\$ 14,550,000
			<u>\$ 14,920,000</u>	<u>\$ 14,550,000</u>
Certificates of Obligations:				
Series 2013	2.00 - 4.00 %	2043	\$ 9,320,000	\$ 807,400
Series 2018	1.98 - 3.06 %	2028	2,100,000	1,735,000
			<u>\$ 11,420,000</u>	<u>\$ 2,542,400</u>
Lease Liabilities				
Town - Terrace at Solana	1.00 %	2028	\$ 381,193	\$ 276,078
			<u>\$ 381,193</u>	<u>\$ 276,078</u>
		Total	<u>\$ 26,721,193</u>	<u>\$ 17,368,478</u>

Component Unit Activities:

<u>Description</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Balance 9/30/2022</u>
Revenue Bonds:				
2001 A Bonds	5.0 - 11.0 %	2031	\$ 26,955,000	\$ 18,140,000
2001 B Bonds	5.0 - 11.0	2031	3,240,000	3,240,000
			<u>\$ 30,195,000</u>	<u>\$ 21,380,000</u>
Revenue Certificates:				
2004 A Bonds	7.0 %	2040	17,500,000	15,135,000
2004 B Bonds	9.7	2024	4,900,000	3,000,000
2004 C Bonds	7.0	2039	4,820,000	4,690,000
2004 D Bonds	7.0	2040	5,380,000	5,380,000
			<u>\$ 32,600,000</u>	<u>\$ 28,205,000</u>
Line of credit:				
Bondholder advances	10.0 %	n/a	-	\$ 4,798,797
			<u>\$ -</u>	<u>\$ 4,798,797</u>
		Total	<u>\$ 62,795,000</u>	<u>\$ 54,383,797</u>

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

The annual requirements to amortize long-term debt outstanding of governmental activities as of September 30, 2023, are as follows:

Year Ending September 30,	General Obligation Refunding Bonds		Total Requirements
	Principal	Interest	
2024	\$ 1,090,000	\$ 373,040	\$ 1,463,040
2025	1,105,000	338,260	1,443,260
2026	1,135,000	299,513	1,434,513
2027	1,170,000	259,370	1,429,370
2028	1,215,000	217,765	1,432,765
2029-2032	4,885,000	397,924	5,282,924
Total	<u>\$ 10,600,000</u>	<u>\$ 1,885,872</u>	<u>\$ 12,485,872</u>

Year Ending September 30,	Certificates of Obligation		Total Requirements
	Principal	Interest	
2024	\$ 573,600	\$ 590,206	\$ 1,163,806
2025	588,600	571,498	1,160,098
2026	611,950	552,165	1,164,115
2027	631,400	531,851	1,163,251
2028	650,300	510,611	1,160,911
2029-2033	4,146,800	2,152,332	6,299,132
2034-2038	4,203,100	1,480,107	5,683,207
2039-2043	4,551,850	714,598	5,266,448
2044-2046	1,440,000	88,000	1,528,000
Total	<u>\$ 17,397,600</u>	<u>\$ 7,103,368</u>	<u>\$ 23,060,968</u>

Year Ending September 30,	Tax Notes		Total Requirements
	Principal	Interest	
2024	\$ 686,000	\$ 121,468	\$ 807,468
2025	471,000	102,764	573,764
2026	488,000	85,550	573,550
2027	506,000	67,707	573,707
2028	525,000	49,201	574,201
2029-2030	1,108,000	40,136	1,148,136
Total	<u>\$ 3,784,000</u>	<u>\$ 466,826</u>	<u>\$ 4,250,826</u>

Year Ending September 30,	Notes Payable		Total Requirements
	Principal	Interest	
2024	\$ 18,342	\$ -	\$ 18,342
Total	<u>\$ 18,342</u>	<u>\$ -</u>	<u>\$ 18,342</u>

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Year Ending September 30,	Lease Liabilities - Town		Total Requirements
	Principal	Interest	
2024	\$ 314,139	\$ 12,397	\$ 326,536
2025	312,316	9,612	321,928
2026	323,949	6,725	330,674
2027	335,683	3,737	339,420
2028	224,937	780	225,717
Total	<u>\$ 1,511,024</u>	<u>\$ 33,251</u>	<u>\$ 1,544,275</u>

As of September 30, 2023, the total net carrying value of the Town's right to use assets was \$1,512,066.

Year Ending September 30,	Lease Liabilities - Academy		Total Requirements
	Principal	Interest	
2024	\$ 194,552	\$ 13,795	\$ 208,347
2025	169,708	3,913	173,621
Total	<u>\$ 364,260</u>	<u>\$ 17,708</u>	<u>\$ 381,968</u>

As of September 30, 2023, the total net carrying value of the Academy's right to use assets was \$355,493.

The annual requirements to amortize long-term debt outstanding of business-type activities as of September 30, 2023, are as follows:

Business-Type Activities

Year Ending September 30,	Certificates of Obligation		Total Requirements
	Principal	Interest	
2024	\$ 121,400	\$ 78,075	\$ 199,475
2025	121,400	74,884	196,284
2026	128,050	71,542	199,592
2027	133,600	67,950	201,550
2028	134,700	64,189	198,889
2029-2033	808,200	285,168	1,093,368
2034-2038	856,900	125,968	982,868
2039-2043	238,150	24,503	262,653
Total	<u>\$ 2,542,400</u>	<u>\$ 792,279</u>	<u>\$ 3,334,679</u>

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Year Ending September 30,	Contractual Obligations		Total Requirements
	Principal	Interest	
2024	\$ 385,000	\$ 481,000	\$ 866,000
2025	400,000	465,300	865,300
2026	420,000	448,900	868,900
2027	435,000	431,800	866,800
2028	450,000	414,100	864,100
2029-2033	2,555,000	1,778,400	4,333,400
2034-2038	3,070,000	1,264,075	4,334,075
2039-2043	3,565,000	764,325	4,329,325
2044-2047	3,270,000	199,950	3,469,950
Total	<u>\$ 14,550,000</u>	<u>\$ 6,247,850</u>	<u>\$ 20,797,850</u>

Year Ending September 30,	Lease Liabilities - Town		Total Requirements
	Principal	Interest	
2024	\$ 55,436	\$ 2,188	\$ 57,624
2025	57,471	1,696	59,167
2026	59,524	1,187	60,711
2027	61,595	660	62,255
2028	42,052	780	42,832
Total	<u>\$ 276,078</u>	<u>\$ 6,511</u>	<u>\$ 282,589</u>

As of September 30, 2023, the total net carrying value of the Town's right to use assets was \$215,139.

The following are the annual requirements to amortize long-term debt outstanding of the component units as of September 30, 2023. However, as the components have not met the compliance requirements and are in default, the entire balance is considered a current liability.

Component Unit Activities - Denton Project

Year Ending September 30,	Revenue Bonds		Total Requirements
	Principal	Interest	
Past due	\$ 4,090,000	\$ 11,855,071	\$ 15,945,071
2023	1,430,000	1,418,433	2,848,433
2024	1,535,000	1,303,813	2,838,813
2025	1,645,000	1,180,485	2,825,485
2026	1,765,000	1,047,350	2,812,350
2027	1,890,000	903,723	2,793,723
2028 - 2031	9,025,000	1,943,038	10,968,038
Total	<u>\$ 21,380,000</u>	<u>\$ 19,651,913</u>	<u>\$ 41,031,913</u>

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

The Bonds are payable solely from the revenues generated by the Denton Property and are secured by the revenues pledged and assigned under the terms of the Trust Indenture. The Town of Westlake does not have any liability for the payment of the bonds as the bonds are non-recourse to both the Town of Westlake and Texas Student Housing Authority. Interest rates on the bonds range from 5.00% to 11.00% and are payable semi-annually on July 1 and January 1 of each year thereafter.

At August 31, 2022, the Project was not in compliance with certain covenants of the Indenture including insufficient funds in some of the required funds and a fixed charges ratio less than 1.25. In addition, all required principal payments on the Series B bonds had not been made as of August 31, 2022. Upon certain events of default either the trustee, or owners of not less than 25% in aggregate principal of the bonds then outstanding, may declare the principal and all interest then due to be immediately due and payable.

Component Unit Activities - College Station Project			
Year Ending September 30,	Revenue Bonds		Total
	Principal	Interest	Requirements
Past due	\$ 4,110,800	\$ 30,280,465	\$ 34,391,265
2023	495,000	1,410,935	1,905,935
2024	530,000	1,372,495	1,902,495
2025	570,000	1,331,160	1,901,160
2026	615,000	1,286,580	1,901,580
2027 - 2031	4,130,000	4,626,153	8,756,153
2032 - 2036	5,975,000	4,275,367	10,250,367
2037 - 2040	11,779,200	1,854,218	13,633,418
Total	\$ 28,205,000	\$ 46,437,373	\$ 74,642,373

Class C and D bonds are in default and the property does not generate enough revenue to pay the debt obligations. All of the Class C and D bonds issued remain outstanding as of August 31, 2022.

Each class has certain rights and privileges, as contained in the private placement memorandum. As a part of the offering, the Project entered into a trust agreement with The Bank of New York (the Trustee) for the purpose of determining that each class is paid in accordance with the private placement memorandum.

At August 31, 2022, the Project was not in compliance with the fixed charge coverage ratio. As a result, the lender may accelerate the maturity of the unpaid portion of the principal payable under the installment sale agreement. However, the Authority does not anticipate this event will occur, since foreclosure by private interests would result in the loss of tax-exempt status for the Project. Currently, the series A, C, and D bonds are held by EMET Capital who does not plan to call the bonds as they have infused cash into the project to stabilize the property in an effort to see operating gains going forward.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

The Town of Westlake does not have any liability for the payment of debt of the discretely presented component units as the bonds are non-recourse to both the Town and Texas Student Housing Authority.

The component unit, Texas Student Housing Authority College Station Project signed a loan agreement on October 18, 2021. This agreement establishes a committed revolving line of credit, allowing the Borrower to request advances from the Lender until the Expiration Date. The advances accrue interest at 10%. The total outstanding amount under this arrangement shall not exceed \$5,000,000, referred to as the "Line of Credit," of which \$4,798,797 was recorded as proceeds during the year.

F. Unearned Revenue

Unearned revenue in the proprietary fund of \$366,541 relates to the collection of the entire amount due on sixteen Ductbank leases as follows: five leases with AT&T local network services ranging from 5 – 30 years; five leases with Verizon Southwest ranging from 5-30 years; one five-year leases with MCI Metro; and one five-year lease with L3 Communications for use of the Town's Ductbank.

Governmental funds also reported unearned revenues. Governmental unearned revenues include \$431,969 of State and Local Fiscal Recovery Funds. These funds were received in advance of funds being earned.

G. Deferred Charges on Refunding

A deferred charge resulting from the issuance of the 2010 and 2015 general obligation refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. The net balance outstanding as of September 30, 2023 was \$332,570 for government-type activity reflected in the government-wide statements. Current year amortization expense totaled \$106,071.

H. Deferred Gain on Refunding

A deferred gain resulting from the issuance of the 2021 and 2022 general obligation refunding bonds has been recorded as deferred inflow of resources. The net balance outstanding as of September 30, 2023 was \$94,236 and \$87,456 for governmental activities and business-type activities, respectively. Current year amortization expense totaled \$18,847 and \$3,644, respectively.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

I. Interfund Transactions

The compositions of interfund balances as of the year ended September 30, 2023 were as follows:

<u>Due From (Receivable Fund):</u>	<u>Due To (Payable Fund):</u>		<u>Total</u>
	<u>Debt</u>	<u>Capital</u>	
	<u>Service</u>	<u>Projects</u>	
General fund	\$ 268,699	\$ 1,036,011	\$ 1,304,710
Total	\$ 268,699	\$ 1,036,011	\$ 1,304,710

Interfund receivables and payables are used to cover operational and capital expenditures.

Transfers between funds during the year are as follows:

	Transfer In:		
	Debt		
Transfer Out:	General	Service	Total
Debt service	\$ 786,569	\$ -	\$ 786,569
4B EDC	-	2,122,719	2,122,719
Total	\$ 786,569	\$ 2,122,719	\$ 2,909,288

Transfers were primarily used to support debt services and expenditures, as well as general administrative costs.

NOTE 5. OTHER INFORMATION

A. Risk Management

The Town 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. The Town's general liability, workers' compensation liability, law enforcement liability, errors and omissions liability, and automobile liability coverage is insured by the Texas Municipal League, a public entity risk pool. The Town's only responsibility to the Texas Municipal League is to pay premiums for insurance and related deductible amounts of these policies. Other risk of loss is covered by commercial insurance. Settlements of claims have not exceeded coverage in the past three years.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

B. Contingent Liabilities & Commitments

Litigation

Various claims and lawsuits are pending against the Town. In the opinion of Town management, after consultation with legal counsel, the potential loss on these claims and lawsuits will not materially affect the Town's financial position.

In the instance of one case, while the final result cannot be predicted, the range of possible loss is estimated to be between \$0 and \$165,000.

Interlocal Agreement with the City of Southlake

In August 1995, the Town entered into an agreement with the City of Southlake to allow the Town to utilize capacity in a sewer line and to set forth their respective rights and obligations with respect to the sewer line owned by the City of Southlake. The Town is obligated to share in the cost of construction, operation and maintenance of the sewer line. The sewer line was constructed in 2000. Additionally, the Town must pay the City of Southlake all transportation, treatment and related costs allocable to the metered flow of sewage from the Town into the sewer line. Costs associated with this agreement for the year ended September 30, 2023, were \$1,052,078.

Water Purchase Contract

The Town has a contract with the City of Fort Worth, Texas, to purchase water. Under the contract, the Town may obtain from the City of Fort Worth, a supply of potable water at a reasonable rate based on water usage. The rate charges are subject to minimum annual contract payments. Water expense for the year ended September 30, 2023, was \$1,410,352.

C. Defined Benefit Pension Plans

Texas Municipal Retirement System

Plan Description

The Town of Westlake, Texas participates as one of 919 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the system with a six-member board of trustees. Although the Governor, with the advice and consent of the Senate, appoints the board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available Comprehensive Annual Financial Report (CAFR) that can be obtained at www.tmr.com.

All eligible employees of the Town 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 Town, 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 town-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial lump sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the Town, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Plan provisions for the Town were as follows:

	<u>Plan Year 2021</u>	<u>Plan Year 2022</u>
Employee deposit rate	7%	7%
Matching ratio (town to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	0% of CPI repeating	0% of CPI repeating

The Town also participates in Social Security.

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	21
Inactive employees entitled to but not yet receiving benefits	36
Active employees	48
Total	105

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the Town matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the Town. Under the state law governing TMRS, the contribution rate for each town 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 Town of Westlake, Texas were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Town of Westlake, Texas were 11.71% and 12.08% in calendar years 2022 and 2023, respectively. The Town's contributions to

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

TMRS for the year ended September 30, 2023, were \$571,341 and were more than the required contributions.

Net Pension Liability

The Town's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4- year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum. The town should insert the plan provisions that they have adopted. For example, the town may include retirement eligibility, employee and employer deposit rates, vesting requirements, and other provisions such as cost-of-living adjustments or updated service credit. Plan provisions, by town, are available on the website under For Cities | Resources | Plan Design. The town may also want to refer to TMRS' Plan Description footnote, in the Annual Report, to obtain additional language regarding the pension plan. 78 16 mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

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

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	7.7%
Core Fixed Income	6.0%	4.9%
Non-Core Fixed Income	20.0%	8.7%
Other Public and Private Markets	12.0%	8.1%
Real Estate	12.0%	5.8%
Hedge Funds	5.0%	6.9%
Private Equity	10.0%	11.8%
Total	100.0%	

Discount Rate

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

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Changes in Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/21	\$ 11,966,759	\$ 11,116,519	\$ 850,240
Changes for the year:			
Service Cost	809,933	-	809,933
Interest	822,373	-	822,373
Difference between expected and actual experience	(125,512)	-	(125,512)
Changes of assumptions	-	-	-
Contributions – employer	-	577,669	(577,669)
Contributions – employee	-	348,894	(348,894)
Net investment income	-	(815,178)	815,178
Benefit payments, including refunds of emp. contributions	(376,833)	(376,833)	-
Administrative expense	-	(7,022)	7,022
Other changes	-	8,379	(8,379)
Net changes	1,129,961	(264,091)	1,394,052
Balance at 12/31/22	\$ 13,096,720	\$ 10,852,428	\$ 2,244,292

The Town uses the general fund to liquidate pension liabilities.

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

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

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 4,215,758	\$ 2,244,292	\$ 629,114

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2023, the Town recognized a pension expense of \$769,729. This amount is included as part of expenses within the functional program activities.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

At September 30, 2023, the Town reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Primary Government:		
Difference between projected and actual investment earnings	\$ -	\$ (28,308)
Changes in actuarial assumptions	19,993	-
Differences between expected and actual economic experience	755,888	-
Contributions subsequent to the measurement date	436,152	-
Total	\$ 1,212,033	\$ (28,308)

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$436,152 will be recognized as a reduction of the net pension liability for the year ending September 30, 2024.

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

Year ended December 31:		
2023	\$	101,330
2024		178,036
2025		182,164
2026		288,496
2027		(2,453)
Thereafter		-
	\$	747,573

Texas Retirement System of Texas

Plan Description

The Academy participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

TRS Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the online at https://www.trs.texas.gov/Pages/about_archive_cafr.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with five years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with five years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic postemployment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Employee contribution rates are set in state statute, Texas

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Government Code 825.402. The Texas Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased both employee and employer contribution rates for plan years 2020 through 2025.

Schedule of Contribution Rates

Contribution Rates	2022 (Rate)	2023 (Rate)
Member	8.00%	8.00%
Non-employer contributing entity (State)	7.75%	8.00%
Employers	7.75%	8.00%

The employer and member contributions for the Academy's fiscal year 2023 amounted to \$328,385 and \$532,216, respectively. The State's contributions for plan year 2022 (measurement year) amounted to \$316,825.

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50 percent of the state contribution rate for certain instructional or administrative employees; and 100 percent of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

- All public schools, charter schools, and regional educational service centers must contribute 1.6 percent of the member's salary beginning in fiscal year 2021, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The Total Pension Liability in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022
Actuarial Cost Method	Individual entry age normal
Asset Valuation Method	Market value
Single Discount Rate	7.00%
Investment Rate of Return	7.25%
Municipal Bond Rate as of August 2020	2.33% as reported in Fidelity Index's 20-year Municipal GO
Inflation	2.30% per year
Overall payroll growth	3.05% to 9.05%, including inflation
Active mortality rates	Based on 90% of the RP 2014 Employing Mortality Tables for males and females with full generational mortality. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Health Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projective scale U-MP.

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For a full description of these assumptions please see the actuarial valuation report dated November 12, 2021.

Discount Rate

A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class as of August 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Geometric)	Expected Contribution to Long-Term Portfolio Returns
Global Equity	54.0%	22.6%	4.32%
Stable Value	21.0%	8.10%	0.40%
Real Return	21.0%	12.8%	1.31%
Risk Parity	8.0%	4.6%	0.43%
Asset Allocation Leverage	(4.0) %	6.6 %	(0.04)%
Inflation			2.70%
Volatility Drag			(0.91) %
Total	100.0%		

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Discount Rate Sensitivity Analysis

The following presents the net pension liability of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

1% Decrease 6.00%	Current Single Rate Assumption 7.00%	1% Increase 8.00%
\$ 5,390,407	\$ 3,465,116	\$ 1,904,578

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

At August 31, 2023, the Academy reported a liability of \$3,465,116 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the Academy. The amount recognized by the Academy as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Academy were as follows:

Academy's proportionate share of the collective net pension liability	\$3,465,116
State's proportionate share that is associated with Academy	<u>4,030,833</u>
Total	<u>\$7,495,949</u>

The net pension liability was measured as of August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportion of the net pension liability was based on the Academy's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 thru August 31, 2022.

At August 31, 2023, the employer's proportion of the collective net pension liability was 0.0058367% which was a decrease of 0.000656% from its proportion measured as of August 31, 2022.

Changes since the Prior Measurement Date

There were no changes in assumptions or benefit terms that affected measurement of the total pension liability since the prior measurement date.

For the year ended August 31, 2023, the Academy recognized pension expense of \$995,002 and revenue of \$385,302 for support provided by the State.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

At August 31, 2023, the Academy reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Primary Government:		
Difference between projected and actual investment earnings	\$ 342,343	\$ -
Changes in actuarial assumptions	645,664	(160,917)
Differences between expected and actual economic experience	50,244	(75,546)
Changes in proportion and differences in contributions	875,704	(135,091)
Contributions subsequent to the measurement date	328,385	-
Total	<u>\$ 2,242,340</u>	<u>\$ (371,554)</u>

Deferred outflows of resources related to pensions resulting from Academy contributions subsequent to the measurement date of \$328,385 will be recognized as a reduction of the net pension liability for the year ending August 31, 2024.

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

Year ended August 31:

2024	\$ 428,344
2025	324,843
2026	240,311
2027	469,979
2028	78,923
Thereafter	<u>1</u>
	<u>\$ 1,542,401</u>

D. Postemployment Benefits Other Than Pensions

The Town also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The Town elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The Town may terminate

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

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.

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); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB. The SDBF covers both active and retiree benefits with no segregation of assets and, therefore, doesn't meet the definition of a trust under GASB No. 75, paragraph 4b, (i.e., no assets are accumulated for OPEB). As such, the SDBF is considered to be a single-employer unfunded OPEB plan (and not a cost sharing plan) with benefit payments treated as being equal to the employer's yearly contributions for retirees.

The Town offers supplemental death to:	Plan Year 2021	Plan Year 2022
Active employees (yes or no)	Yes	Yes
Retirees (yes or no)	Yes	Yes

The Town contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	3
Active employees	48
Total	67

The Town's contributions to the TMRS SDBF for the years ended 2023 and 2022 were \$1,452, \$1,269, respectively, which equaled the required contributions each year.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Schedule of Contribution Rates
(RETIREE-only portion of the rate)

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2021	0.01%	0.01%	100.0%
2022	0.03%	0.03%	100.0%
2023	0.03%	0.03%	100.0%

Total OPEB Liability

The Town's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2022, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%, including inflation per year
Discount rate	4.05%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

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.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 4.05%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town, calculated using the discount rate of 4.05%, as well as what the Town's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.05%) or 1-percentage-point higher (5.05%) than the current rate:

1% Decrease 3.05%	Current Single Rate Assumption 4.05%	1% Increase 5.05%
\$ 106,743	\$ 88,234	\$ 73,699

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/21	\$ 122,372
Changes for the year:	
Service Cost	11,962
Interest	2,348
Difference between expected and actual experience	1,428
Changes of assumptions	(48,381)
Benefit payments	(1,495)
Net changes	(34,138)
Balance at 12/31/22	\$ 88,234

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the Town recognized OPEB expense of \$12,825.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

At September 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Differences between expected and actual economic experience	\$ 608	-
Changes in assumptions	-	(23,748)
Contributions subsequent to measurement date	1,102	-
Total	<u>\$ 1,710</u>	<u>\$ (23,748)</u>

The Town reported \$1,102 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2024.

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:		
2023	\$	(1,485)
2024		(1,885)
2025		(1,582)
2026		(2,028)
2027		(5,748)
Thereafter		(10,412)
	<u>\$</u>	<u>(23,140)</u>

E. Defined Other Post Employment Benefit Plan

Texas Retirement System – Care

Plan Description

The Academy participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

TRS-Care Plan Fiduciary Net Position

Detail information about the TRS-Care's fiduciary net position is available in the separately issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the online at https://www.trs.texas.gov/Pages/about_archive_cafr.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided

TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational academies who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for a retiree with and without Medicare coverage.

TRS-Care Monthly Premium Rates			
	Medicare		Non-Medicare
Retiree or Surviving Spouse	\$	135	\$ 200
Retiree and Spouse		529	689
Retiree or Surviving Spouse and Children		468	408
Retiree and Family		1,020	999

Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

from the state, active employees, and Academy based upon Academy payroll. The TRS Board of Trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Schedule of Contribution Rates

Contribution Rates	2022 (Rate)	2023 (Rate)
Active employee	0.65%	0.65%
Non-employer contributing entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding	1.25%	1.25%

The employer and member contributions for the Academy's fiscal year 2023 amounted to \$58,196 and \$43,241, respectively. The State's contributions for plan year 2022 (measurement year) amounted to \$66,068.

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$83,000,000 in fiscal year 2022 for consumer protections against medical and health care billing by certain out-of-network providers.

Actuarial assumptions:

The actuarial valuation of the total OPEB liability was performed as of August 31, 2022. The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

The following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2022 TRS annual pension actuarial valuation and used to calculate the net OPEB liability as of that date.

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the mortality projection scale MP-2018.

Actuarial cost method	Individual entry age normal
Inflation	2.3% per year
Discount rate	3.91%, as reported in Fidelity Index's 20-year Municipal GO AA Index as of August 31, 2021
Election rates	Normal Retirement; 65% participation prior to age 65 and 40% after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Healthcare trend rates	9% for Medicare retirees and 7.30% for non-Medicare retirees
Administrative expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.

Discount Rate

A single discount rate of 3.91% was used to measure the total OPEB liability at August 31, 2022. This was an increase of 1.96% in the discount rate since the previous measurement date. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal Page | 4 to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the nonemployer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity "20-year Municipal GO AA Index" as of August 31, 2022 using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the Academy, calculated using the discount rate of 3.91%, as well as what the Academy's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.91%) or 1-percentage-point higher (4.91%) than the current rate:

	1% Decrease 2.91%	Discount Rate 3.91%	1% Increase 4.91%
Academy's proportionate share of the net OPEB liability	\$ 1,861,672	\$ 1,578,920	\$ 1,349,854

Healthcare Trend Rates Sensitivity Analysis

The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease in Trend Rate	Trend Rate	1% Increase in Trend Rate
Academy's proportionate share of the net OPEB liability	\$ 1,301,037	\$ 1,578,920	\$ 1,939,159

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At August 31, 2023, the Academy reported a liability of \$1,578,920 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the Academy. The amount recognized by the Academy as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the Academy were as follows:

Academy's proportionate share of the collective net pension liability	\$1,578,920
State's proportionate share that is associated with Academy	<u>1,926,034</u>
Total	<u>\$3,504,954</u>

The Net OPEB Liability was measured as of August 31, 2022 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to

Town of Westlake, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 thru August 31, 2022.

At August 31, 2022 the employer's proportion of the collective Net OPEB Liability was .0065942% which was an increase of .000051724% the same proportion measured as of August 31, 2021.

Changes Since the Prior Actuarial Valuation

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period.

- The discount rate decreased from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change increased the total OPEB liability.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

For the year ended August 31, 2022, the Academy recognized OPEB expense of (\$181,577) and revenue of (\$273,320) for support provided by the State.

At August 31, 2023, the Academy reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences between expected and actual economic experience	\$ 87,782	\$ (1,315,382)
Changes in actuarial assumptions	240,501	(1,096,940)
Difference between projected and actual investment earnings	4,703	-
Changes in proportion and difference between the employer's contributions and proportionate share of contributions	350,978	(5,618)
Contributions subsequent to the measurement date	58,196	-
Total	\$ 742,160	\$ (2,417,940)

The Academy reported \$58,196 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability for the year ending August 31, 2024.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

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

Year ended August 31:		
2024	\$	(339,639)
2025		(339,622)
2026		(272,665)
2027		(182,017)
2028		(211,879)
Thereafter		(388,154)
	\$	<u>(1,733,976)</u>

F. Health Care Coverage

During the period ended August 31, 2022, employees of the Academy who met minimum eligibility requirements were covered by a state-wide health care plan, TRS Active Care. The Academy's participation in this plan is renewed annually. The Academy paid into the Plan \$397 per month per employee and \$322 per month when the employee works less than 30 hours per week if eligible to enroll in TRS Active Care. Employees, at their option, pay premiums for any coverage above these amounts as well as for dependent coverage.

The Teacher Retirement System (TRS) manages TRS Active Care. The medical plan is administered by Aetna, and Caremark Health administers the prescription drug plan. The latest financial information on the state-wide plan may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, www.trs.state.tx.us, under the TRS Publications heading.

G. Solana Public Improvement District

On February 24, 2014, the Town Council granted a petition by Maguire Partners-Solana Land, LP in resolution 14-07 to authorize and provide for the creation of a public improvement district, The Solana Public Improvement District ("the District"). The District encompasses approximately 85 acres currently being developed as a master-planned mixed-use development known as "Westlake Entrada" that is expected to include, among other things, condominiums, residential villas, hotels, office, retail, commercial, institutional and hospitality uses, and a wedding event center. The District was created in accordance with Chapter 372 of the Texas Local Government Code.

On February 5, 2015, the Town Council approved issuance of \$26,175,000 of Special Assessment Revenue Bonds, Series 2015 related to the District. The Public Improvement District Bonds (The

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

Bonds) are special and limited obligations of the Town payable solely from the pledged revenues and other funds comprising the Trust Estate, as and to the extent provided in the indenture. The bonds do not give rise to a charge against the general credit or taxing power of the Town and are payable solely from the sources identified in the indenture. The owners of the bonds shall never have the right to demand payment thereof out of money raised or to be raised by taxation, or out of any funds of the Town other than the Trust Estate, as and to the extent provided in the indenture; and, no owner of the bonds shall have the right to demand any exercise of the Town's taxing power to pay the principal of the bonds or the interest or redemption premium, if any, thereon. The Town shall have no legal or moral obligation to pay the bonds out of any funds of the Town other than the Trust Estate in accordance with the Texas Local Government Code.

The proceeds from the bond issue are being used as follows: payment of a portion of the costs of construction, acquisition, or purchase of certain water, wastewater and roadway public improvements for the special benefit of the District; funding a reserve fund; funding capitalized interest; payment of a portion of the costs incidental to the organization of the District; and payment of the cost of issuance of the bonds. The Town is not, and will not be obligated to provide any funds to finance construction of authorized improvements. All design and construction costs of the District's authorized public improvements will be paid from the District assessments and from other sources of funds, if any, to the extent provided in the Trust Indenture.

H. Tax Abatements

The Town enters into economic development agreements authorized under Chapter 380 of the Texas Local Government Code and Chapter 312 of the Texas Tax Code. These agreements are planning tools designed to stimulate economic activity, redevelopment, community improvement, and provide a return on investment for the community. These programs abate or rebate property and/or sales and hotel/motel taxes and may include other incentive payments such as fee reductions or construction costs reimbursements. Economic development agreements are considered on a case-by-case basis by the Town Council and generally contain recapture provisions, which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

I. Going Concern

These 2023 financial statements were prepared assuming the Texas Student Housing entities will continue as going concerns. The Texas Student Housing entities' bonds payable are considered to be in default due to not making full principal and interest payments and, therefore, are reported as current liabilities. This is considered an event of default by the Trustees, which gives the bondholders the right to accelerate and demand payment of the bonds in full. Management and the property managers are in the process of developing and implementing plans to increase occupancy and rental rates at the properties to improve their financial performance.

Town of Westlake, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

J. Subsequent Events

There were no material subsequent events through , the date the financial statements were issued.

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REQUIRED SUPPLEMENTARY INFORMATION

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Town of Westlake, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2) GENERAL FUND

For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property tax	\$ 2,004,100	\$ 2,189,100	\$ 2,191,823	\$ 2,723
Sales tax	4,638,709	10,154,709	12,488,220	2,333,511
Franchise and local taxes	589,135	985,135	915,742	(69,393)
License and permits	2,331,278	2,331,278	2,212,024	(119,254)
Grants/contributions	-	-	1,002,740	1,002,740
Fines and forfeitures	470,885	470,885	414,603	(56,282)
Investment income	29,800	789,800	1,025,198	235,398
Other revenue	624,066	637,111	157,581	(479,530)
Total Revenues	10,687,973	17,558,018	20,407,931	2,849,913
<u>Expenditures</u>				
Current:				
General government				
General service	994,279	1,057,279	866,601	190,678
Town manager	533,707	533,707	338,156	195,551
Planning and development	765,138	885,138	920,907	(35,769)
Town secretary	16,335	16,335	78,754	(62,419)
Municipal Court	584,572	584,572	406,010	178,562
Facilities/Maintenance	520,291	520,291	314,091	206,200
Finance	319,255	419,255	410,264	8,991
HR	137,990	137,990	166,392	(28,402)
Communications	614,966	614,966	627,127	(12,161)
Total general government	4,486,533	4,769,533	4,128,302	641,231
Public safety				
Fire/Ems	3,296,717	3,269,717	2,923,335	346,382
Police Service	1,032,869	1,242,869	1,240,621	2,248
Total Public Safety	4,329,586	4,512,586	4,163,956	348,630
Cultural and recreation				
	411,237	411,237	170,930	240,307
Public works				
	850,476	850,476	565,424	285,052
Education				
	2,472,641	2,472,641	1,886,779	585,862
Debt service:				
Principal	36,680	36,680	339,384	(302,704)
Interest and fiscal charges	-	-	15,082	(15,082)
Capital outlay				
	751,745	471,745	221,197	250,548
Total Expenditures	13,338,898	13,524,898	11,491,054	2,033,844
Revenues Over (Under)				
Expenditures	(2,650,925)	4,033,120	8,916,877	4,883,757

Town of Westlake, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2) GENERAL FUND

For the Year Ended September 30, 2023

	Original Budget	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Other Financing Sources (Uses)</u>				
Transfers in	\$ 67,225	\$ 67,225	\$ 786,569	\$ 719,344
Transfers (out)	(1,260,100)	(1,610,100)	-	1,610,100
Total Other Financing Sources (Uses)	(1,192,875)	(1,542,875)	786,569	2,329,444
Net Change in Fund Balance	\$ (3,843,800)	\$ 2,490,245	9,703,446	\$ 7,213,201
Beginning fund balance			21,575,697	
Ending Fund Balance			\$ 31,279,143	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).



Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
WESTLAKE ACADEMY - GENERAL FUND
For the Year Ended August 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Local and intermediate sources	\$ 2,400,690	\$ 2,412,880	\$ 2,641,482	\$ 228,602
State program revenues	8,118,808	8,194,589	8,046,091	(148,498)
Federal program revenues	208,724	208,724	208,724	-
Total Revenues	10,728,222	10,816,193	10,896,297	80,104
<u>Expenditures</u>				
Current:				
Education	10,575,106	11,246,559	11,255,784	(9,225)
Debt service:				
Principal	202,216	185,083	185,083	-
Interest	23,272	23,272	23,272	-
Total Expenditures	10,800,594	11,454,914	11,464,139	(9,225) *
Revenues Over (Under)				
Expenditures	(72,372)	(638,721)	(567,842)	70,879
Net Change in Fund Balance	\$ (72,372)	\$ (638,721)	(567,842)	\$ 70,879
Beginning fund balance			1,611,186	
Ending Fund Balance			\$ 1,043,344	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level on control.

Town of Westlake, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	12/31/2022	12/31/2021	12/31/2020	12/31/2019
Total pension liability				
Service cost	\$ 809,933	\$ 696,815	\$ 683,693	\$ 651,255
Interest	822,373	738,265	660,928	570,598
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(125,512)	78,164	(5,405)	131,635
Changes of assumptions	-	-	-	89,534
Benefit payments, including refunds of participant contributions	(376,833)	(270,676)	(129,398)	(112,642)
Net change in total pension liability	1,129,961	1,242,568	1,209,818	1,330,380
Total pension liability - beginning	11,966,759	10,724,191	9,514,373	8,183,993
Total pension liability - ending (a)	13,096,720	11,966,759	10,724,191	9,514,373
Plan fiduciary net position				
Contributions - employer	\$ 577,669	\$ 510,997	\$ 500,613	\$ 470,903
Contributions - members	348,894	303,907	297,813	279,349
Net investment income	(815,178)	1,224,062	615,040	999,440
Benefit payments, including refunds of participant contributions	(376,833)	(270,676)	(129,398)	(112,642)
Administrative expenses	(7,022)	(5,642)	(3,966)	(5,628)
Other	8,379	39	(155)	(169)
Net change in plan fiduciary net position	(264,091)	1,762,687	1,279,947	1,631,253
Plan fiduciary net position - beginning	11,116,519	9,353,832	8,073,885	6,442,632
Plan fiduciary net position - ending (b)	\$ 10,852,428	\$ 11,116,519	\$ 9,353,832	\$ 8,073,885
Fund's net pension liability - ending (a) - (b)	\$ 2,244,292	\$ 850,240	\$ 1,370,359	\$ 1,440,488
Plan fiduciary net position as a percentage of the total pension liability	82.86%	92.89%	87.22%	84.86%
Covered payroll	\$ 4,984,204	\$ 4,341,524	\$ 4,254,465	\$ 3,961,404
Fund's net pension liability as a percentage of covered payroll	45.03%	19.58%	32.21%	36.36%

Notes to schedule:

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014 ¹
\$ 605,453	\$ 566,643	\$ 483,414	435,146	\$ 288,923
493,022	439,725	371,753	317,982	264,994
-	-	-	-	-
126,691	(120,557)	212,434	96,226	176,965
-	-	-	139,579	-
(84,942)	(146,316)	(58,144)	(38,289)	(55,762)
1,140,224	739,495	1,009,457	950,644	675,120
7,043,769	6,304,274	5,294,817	4,344,173	3,669,053
8,183,993	7,043,769	6,304,274	5,294,817	4,344,173
\$ 472,011	\$ 400,684	\$ 330,604	290,278	\$ 172,064
257,327	232,776	203,359	188,725	152,077
(179,608)	670,195	276,056	5,368	182,430
(84,942)	(146,316)	(58,144)	(38,289)	(55,762)
(3,463)	(3,468)	(3,113)	(3,268)	(1,904)
(181)	(176)	(168)	(191)	(127)
461,144	1,153,695	748,594	442,623	448,778
5,981,488	4,827,793	4,079,199	3,636,576	3,187,798
\$ 6,442,632	\$ 5,981,488	\$ 4,827,793	4,079,199	\$ 3,636,576
\$ 1,741,361	\$ 1,062,281	\$ 1,476,481	1,215,618	\$ 707,597
78.72%	84.92%	76.58%	77.04%	83.71%
\$ 3,676,095	\$ 3,325,369	\$ 2,905,134	\$ 2,696,072	\$ 2,172,525
47.37%	31.94%	50.82%	45.09%	32.57%

Town of Westlake, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>
Actuarially determined employer contributions	\$ 569,334	\$ 587,595	\$ 524,995	\$ 478,059
Contributions in relation to the actuarially determined contribution	\$ (571,341)	\$ (587,595)	\$ (524,995)	\$ (478,059)
Contribution deficiency (excess)	\$ (2,007)	\$ -	\$ -	\$ -
Annual covered payroll	\$ 4,840,837	\$ 5,050,700	\$ 4,460,447	\$ 4,058,942
Employer contributions as a percentage of covered payroll	11.80%	11.63%	11.77%	11.78%

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

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	22 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the Town's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018

Mortality Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes There were no benefit changes during the year.

<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u> ¹
\$ 473,030	\$ 454,421	\$ 419,720	\$ 31,618	\$ 277,651
<u>\$ (473,030)</u>	<u>\$ (454,421)</u>	<u>\$ (419,720)</u>	<u>\$ (316,618)</u>	<u>\$ (277,651)</u>
\$ -	\$ -	\$ -	\$ (285,000)	\$ -
\$ 3,920,565	\$ 3,676,094	\$ 3,325,369	\$ 2,821,349	\$ 2,778,776
12.07%	12.36%	12.62%	11.22%	9.99%

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Town of Westlake, Texas

SCHEDULE OF ACADEMY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY TEACHER RETIREMENT SYSTEM OF TEXAS

Years Ended:

	8/31/2022	8/31/2021	8/31/2020
Academy's proportion of the net pension liability	0.5836700%	0.0051806%	0.0055779%
Academy's proportionate share of net pension liability	\$ 3,465,116	\$ 1,319,306	\$ 2,987,427
State's proportionate share of net pension liability associated with Westlake Academy	4,030,833	1,996,109	4,112,478
Total	\$ 7,495,949	\$ 3,315,415	\$ 7,099,905
Covered payroll	\$ 6,248,867	\$ 6,119,043	\$ 5,984,542
Academy's proportionate share of net pension liability as a percentage of covered payroll	55.45%	21.56%	49.92%
Plan fiduciary net position as a percentage of total pension liability	75.62%	88.79%	75.54%

Notes to schedule:

1) Only eight years of data is presented in accordance with GASB #68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement.

<u>8/31/2019</u>	<u>8/31/2018</u>	<u>8/31/2017</u>	<u>8/31/2016</u>	<u>8/31/2015</u>	<u>8/31/2014</u>	¹
0.0028912%	0.0027061%	0.0028012%	0.0027822%	0.0030945%	0.0007190%	
\$ 1,502,914	\$ 1,489,525	\$ 895,663	\$ 1,051,346	\$ 1,093,865	\$ 192,056	
5,272,547	5,571,598	3,480,057	4,035,754	3,667,893	2,965,583	
<u>\$ 6,775,461</u>	<u>\$ 7,061,123</u>	<u>\$ 4,375,720</u>	<u>\$ 5,087,100</u>	<u>\$ 4,761,758</u>	<u>\$ 3,157,639</u>	
\$ 5,534,431	\$ 5,289,916	\$ 5,391,515	\$ 5,094,571	\$ 4,784,695	\$ 4,300,931	
27.16%	28.16%	16.61%	20.64%	22.86%	4.47%	
75.24%	73.74%	82.17%	78.00%	78.43%	83.25%	

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Town of Westlake, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018 ¹
Total OPEB liability					
Service cost	\$ 11,962	\$ 10,420	\$ 8,934	\$ 7,131	\$ 7,720
Interest	2,348	2,272	2,388	2,146	1,844
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	1,428	(2,401)	(80)	3,831	(2,126)
Changes of assumptions	(48,381)	3,924	15,184	15,394	(4,632)
Benefit payments, including refunds of participant contributions	(1,495)	(434)	(425)	(396)	(5,184)
Net changes	(34,138)	13,781	26,001	28,106	(2,378)
Total OPEB liability - beginning	122,372	108,591	82,590	54,484	56,862
Total OPEB liability - ending	\$ 88,234	\$ 122,372	\$ 108,591	\$ 82,590	\$ 54,484 ²
 Covered employee payroll	 \$ 4,984,204	 \$ 4,341,524	 \$ 4,254,464	 \$ 3,961,404	 \$ 3,676,094
percentage of covered employee payroll	1.77%	2.82%	2.55%	2.08%	1.48%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

Town of Westlake, Texas
SCHEDULE OF ACADEMY'S PROPORTIONATE SHARE OF
NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM (TRS) CARE PLAN
Years Ended:

	<u>8/31/2022</u>	<u>8/31/2021</u>	<u>8/31/2020</u>	<u>8/31/2019</u>
Academy's proportion of the net OPEB liability	0.6594200%	0.0060770%	0.0060887%	0.0059857%
Academy's proportionate share of net OPEB liability	\$ 1,578,920	\$ 2,344,162	\$ 2,314,571	\$ 2,830,719
State's proportionate share of net OPEB liability associated with Westlake Academy	1,926,034	3,140,655	3,110,229	3,761,390
Total	<u><u>\$ 3,504,954</u></u>	<u><u>\$ 5,484,817</u></u>	<u><u>\$ 5,424,800</u></u>	<u><u>\$ 6,592,109</u></u>
Covered payroll	\$ 6,248,867	\$ 5,264,791	\$ 5,984,542	\$ 5,534,431
OPEB liability as a percentage of covered payroll	25.27%	44.53%	38.68%	51.15%
Plan fiduciary net position as a percentage of total OPEB liability	11.52%	6.18%	4.99%	2.66%

<u>8/31/2018</u>	<u>8/31/2017</u>	¹
0.0059093%	0.0058830%	
\$ 2,950,588	\$ 2,558,314	
4,695,104	4,406,333	
<u>\$ 7,645,692</u>	<u>\$ 6,964,647</u>	
\$ 5,289,916	\$ 5,391,515	
55.78%	47.45%	
1.57%	0.91%	

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***OTHER SUPPLEMENTARY INFORMATION
COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES***

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Town of Westlake, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Visitors Association	Lone Star Public Facilities Corp. Fund	Economic Development	Public Arts	Solana PID Capital Projects	Total
<u>Assets</u>						
Cash and cash equivalents	\$ 240,661	\$ 15,457	\$ 35,427	\$ 646,503	\$ 230,668	\$ 1,168,716
Accounts receivable, net	43,767	-	12,224	-	-	55,991
Due from other governments	8,977	-	-	-	-	8,977
Prepays	6,326	-	-	-	-	6,326
Total Assets	\$ 299,731	\$ 15,457	\$ 47,651	\$ 646,503	\$ 230,668	\$ 1,240,010
<u>Liabilities</u>						
Accounts payable	\$ 7,785	\$ -	\$ -	\$ -	\$ 200,999	\$ 208,784
Accrued Liabilities	6,535	-	-	-	-	6,535
Unearned revenue	4,912	-	-	-	-	4,912
Total Liabilities	19,232	-	-	-	200,999	220,231
<u>Fund Balances</u>						
Nonspendable:						
Prepays	6,326	-	-	-	-	6,326
Restricted for:						
Visitor services	274,173	-	-	-	-	274,173
Capital items	-	-	-	646,503	29,669	676,172
Future projects	-	15,457	47,651	-	-	63,108
Total Fund Balances	280,499	15,457	47,651	646,503	29,669	1,019,779
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 299,731	\$ 15,457	\$ 47,651	\$ 646,503	\$ 230,668	\$ 1,240,010

See notes to the financial statements

Town of Westlake, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2023

	Visitors Association	Lone Star Public Facilities Corp. Fund	Economic Development	Public Arts	Solana PID Capital Projects	Total
<u>Revenues</u>						
Occupancy tax	\$ 524,179	\$ -	\$ 32,651	\$ -	\$ -	\$ 556,830
Grants/contributions	-	-	15,000	-	-	15,000
Investment income	12,166	620	-	-	133	12,919
Other revenue	3,599	-	-	-	-	3,599
Total Revenues	539,944	620	47,651	-	133	588,348
<u>Expenditures</u>						
Current:						
Tourism	548,735	-	-	-	-	548,735
Debt service:						
Principal	53,419	-	-	-	-	53,419
Interest and fiscal charges	2,662	-	-	-	-	2,662
Total Expenditures	604,816	-	-	-	-	604,816
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,872)	620	47,651	-	133	(16,468)
Net Change in Fund Balances	(64,872)	620	47,651	-	133	(16,468)
Beginning fund balances	345,371	14,837	-	646,503	29,536	1,036,247
Ending Fund Balances	\$ 280,499	\$ 15,457	\$ 47,651	\$ 646,503	\$ 29,669	\$ 1,019,779

See Notes to the financial statements



Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
VISITORS ASSOCIATION FUND
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Occupancy taxes	\$ 446,000	\$ 495,000	\$ 524,179	\$ 29,179
Investment income	75	10,075	12,166	2,091
Other revenue	5,200	5,200	3,599	(1,601)
Total Revenues	451,275	510,275	539,944	29,669
<u>Expenditures</u>				
Tourism	949,150	949,150	548,735	400,415
Debt service:				
Principal	-	-	53,419	(53,419)
Interest and fiscal charges	-	-	2,662	(2,662)
Total Expenditures	949,150	949,150	604,816	344,334
Revenues Over (Under) Expenditures	(497,875)	(438,875)	(64,872)	374,003
<u>Other Financing (Uses)</u>				
Transfers in	250,000	250,000	-	(250,000)
Total Other Financing (Uses)	250,000	250,000	-	(250,000)
Net Change in Fund Balances	\$ (247,875)	\$ (188,875)	(64,872)	\$ 124,003
Beginning fund balances			345,371	
Ending Fund Balances			\$ 280,499	

Notes to Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LONE STAR PUBLIC FACILITIES CORPORATION
For the Year Ended September 30, 2023

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 25	\$ 620	\$ 595
Total Revenues	<u>25</u>	<u>620</u>	<u>595</u>
Beginning fund balances		14,837	
Ending Fund Balances		<u><u>\$ 15,457</u></u>	

Notes to Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
For the Year Ended September 30, 2023

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Occupancy taxes	\$ 10,000	\$ 32,651	\$ 22,651
Grants and contributions	606,535	15,000	(591,535)
Total Revenues	616,535	47,651	(568,884)
<u>Expenditures</u>			
Public works	141,535	-	141,535
Total Expenditures	141,535	-	141,535
Revenues Over (Under) Expenditures	475,000	47,651	(427,349)
<u>Other Financing (Uses)</u>			
Transfers (out)	(475,000)	-	475,000
Total Other Financing (Uses)	(475,000)	-	475,000
Net Change in Fund Balances	\$ -	47,651	\$ 47,651
Beginning fund balances		-	
Ending Fund Balances		\$ 47,651	

Notes to Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
4B ECONOMIC DEVELOPMENT CORPORATION
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Sales tax	\$ 1,784,481	\$ 3,284,481	\$ 4,162,740	\$ 878,259
Investment earnings	-	50,000	69,673	19,673
Total Revenues	<u>1,784,481</u>	<u>3,334,481</u>	<u>4,232,413</u>	<u>897,932</u>
 Revenues Over (Under) Expenditures	 <u>1,784,481</u>	 <u>3,334,481</u>	 <u>4,232,413</u>	 <u>897,932</u>
<u>Other Financing Sources (Uses)</u>				
Transfers (out)	(1,622,790)	(1,622,790)	(2,122,719)	(499,929) *
Total Other Financing Sources(Uses)	<u>(1,622,790)</u>	<u>(1,622,790)</u>	<u>(2,122,719)</u>	<u>(499,929)</u>
 Net Change in Fund Balances	 <u>\$ 161,691</u>	 <u>\$ 1,711,691</u>	 <u>2,109,694</u>	 <u>\$ 398,003</u>
 Beginning fund balances			<u>1,222,488</u>	
Ending Fund Balances			<u><u>\$ 3,332,182</u></u>	

Notes to Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level of control.

Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property taxes	\$ 1,202,967	\$ 1,302,967	\$ 1,316,147	\$ 13,180
Total Revenues	1,202,967	1,302,967	1,316,147	13,180
<u>Expenditures</u>				
Debt Service:				
Principal	1,836,700	1,836,700	1,836,700	-
Interest and fiscal charges	1,018,675	1,080,309	1,080,296	13
Bond issuance costs	3,070	3,070	3,000	70
Total Expenditures	2,858,445	2,920,079	2,919,996	83
Revenues Over (Under) Expenditures	(1,655,478)	(1,617,112)	(1,603,849)	13,263
<u>Other Financing Sources (Uses)</u>				
Transfers in	1,622,790	2,257,790	2,122,719	(135,071)
Transfers (out)	-	-	(786,569)	(786,569) *
Total Other Financing Sources (Uses)	1,622,790	2,257,790	1,336,150	(921,640)
Net Change in Fund Balances	\$ (32,688)	\$ 640,678	(267,699)	\$ (908,377)
Beginning fund balances			(1,001)	
Ending Fund Balances			\$ (268,700)	

Notes to Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level of control.

Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Investment income	\$ 15,000	\$ 198,000	\$ 247,870	\$ 49,870
Grant revenue	-	-	3,052,133	3,052,133
Total Revenues	15,000	198,000	3,300,003	3,102,003
<u>Expenditures</u>				
Capital outlay	1,465,033	1,481,033	4,133,594	(2,652,561)
Total Expenditures	1,465,033	1,481,033	4,133,594	(2,652,561) *
Revenues Over (Under) Expenditures	(1,450,033)	(1,283,033)	(833,591)	449,442
<u>Other Financing Sources (Uses)</u>				
Transfer in	1,260,100	1,260,100	-	(1,260,100)
Total Other Financing Sources (Uses)	1,260,100	1,260,100	-	(1,260,100)
Net Change in Fund Balances	\$ (189,933)	\$ (22,933)	(833,591)	\$ (810,658)
Beginning fund balances			7,168,238	
Ending Fund Balances			\$ 6,334,647	

Notes to Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level of control.

Town of Westlake, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
WESTLAKE ACADEMY EXPANSION CAPITAL PROJECTS
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Contributions and donations	\$ -	\$ 1,162,968	\$ 1,162,968	\$ -
Investment income	5,000	155,000	191,200	36,200
Total Revenues	5,000	1,317,968	1,354,168	36,200
<u>Expenditures</u>				
Capital outlay	800,000	5,150,000	5,173,629	(23,629)
Bond issuance costs	-	-	52,000	(52,000)
Total Expenditures	800,000	5,150,000	5,225,629	(75,629) *
Revenues Over (Under) Expenditures	(795,000)	(3,832,032)	(3,871,461)	(39,429)
<u>Other Financing Sources (Uses)</u>				
Transfers in	475,000	825,000	-	(825,000)
Transfers (out)	(250,000)	(250,000)	-	250,000
Bond issuance	-	3,552,000	3,552,000	-
Total Other Financing Sources (Uses)	225,000	4,127,000	3,552,000	(575,000)
Net Change in Fund Balances	\$ (570,000)	\$ 294,968	(319,461)	\$ (614,429)
Beginning fund balances			3,752,344	
Ending Fund Balances			\$ 3,432,883	

Notes to Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level of control.

Town of Westlake, Texas
COMBINING SCHEDULE OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
September 30, 2023

	Texas Student Housing (a) Authority	TSH Authority College Station Project	TSH Corporation - Denton Project	Total
	*	*	*	
<u>Assets</u>				
Cash and cash equivalents	\$ 2,373,427	\$ 173,548	\$ 480,456	\$ 3,027,431
Restricted assets - cash	-	-	2,946,678	2,946,678
Receivables, net	344,338	9,396	25,739	379,473
Prepays	-	28,881	81,219	110,100
Total Current Assets	2,717,765	211,825	3,534,092	6,463,682
Capital assets:				
Non-depreciable	-	2,901,164	2,200,000	5,101,164
Net depreciable capital assets	-	14,206,290	7,560,147	21,766,437
Total Noncurrent Assets	-	17,107,454	9,760,147	26,867,601
Total Assets	2,717,765	17,319,279	13,294,239	33,331,283
<u>Liabilities</u>				
Accounts payable and accrued liabilities	5,808	214,357	849,301	1,069,466
Unearned revenue	-	48,638	146,231	194,869
Accrued interest	-	32,628,928	11,855,071	44,483,999
Debt due within one year	-	28,205,000	21,082,526	49,287,526
Line of credit	-	4,798,797	-	4,798,797
Total Current Liabilities	5,808	65,895,720	33,933,129	99,834,657
Noncurrent liabilities:				
Debt due in more than one year	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-
Total Liabilities	5,808	65,895,720	33,933,129	99,834,657
<u>Net Position</u>				
Net investment in capital assets	-	17,069,275	(11,657,480)	5,411,795
Restricted				
Economic development	-	-	-	-
Unrestricted	2,711,957	(65,645,716)	(8,981,410)	(71,915,169)
Total Net Position	\$ 2,711,957	\$ (48,576,441)	\$ (20,638,890)	\$ (66,503,374)

(a) Also referred to as "TSH" in the Financial Statements

* Note: As of August 31, 2023

See Notes to Financial Statements.

Town of Westlake, Texas
COMBINING SCHEDULE OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Texas Student Housing (a) Authority *	TSH Authority College Station Project *	TSH Corporation - Denton Project *	Total
Component Units								
Component Unit Activities								
Texas Student Housing ("TSH") Authority	\$ 393,071	\$ 148,750	\$ -	\$ -	\$ (244,321)	\$ -	\$ -	\$ (244,321)
TSH Authority - College Station	7,064,746	-	-	-	-	(7,064,746)	-	(7,064,746)
TSH Corporation - Denton Project	5,398,319	319,466	-	-	-	-	(5,078,853)	(5,078,853)
Total Component Unit Activities	12,856,136	468,216	-	-	(244,321)	(7,064,746)	(5,078,853)	(12,387,920)
Total Component Units	\$ 12,856,136	\$ 468,216	\$ -	\$ -	\$ (244,321)	\$ (7,064,746)	\$ (5,078,853)	\$ (12,387,920)
General Revenues:								
			Investment income		14,918	-	-	14,918
			Rental income		-	995,062	4,035,397	5,030,459
			Other revenues		29	79,075	19,004	98,108
			Total General Revenues		14,947	1,074,137	4,054,401	5,143,485
			Change in Net Position		(229,374)	(5,990,609)	(1,024,452)	(7,244,435)
			Beginning Net Position		2,941,331	(42,585,832)	(19,614,438)	(59,258,939)
			Ending Net Position		\$ 2,711,957	\$ (48,576,441)	\$ (20,638,890)	\$ (66,503,374)

(a) Also referred to as "TSH" in the Financial Statements

* Note: For the year ended August 31, 2023.

See Notes to Financial Statements.



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STATISTICAL SECTION

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Town of Westlake's overall financial health.

FINANCIAL TRENDS INFORMATION

These schedule contain trend information to help the reader understand how the Town's Financial performance and well-being have changed over time

- 1 Net Position by component
- 2 Changes in net assets
- 3 Fund balances, governmental funds
- 4 Changes in fund balance, governmental funds

REVENUE CAPACITY INFORMATION

These schedules contain information to help the reader assess the Town's most significant revenue source, the property tax.

- 5 Assessed value and actual value of taxable property
- 6 Principal property tax payers
- 7 Property tax levies and collections
- 8 Property Tax Rtes - Direct and Overlapping Governments
- 9 Taxable Sales by Industry Type

DEBT CAPACITY INFORMATION

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

- 10 Ratios of general bonded debt outstanding
- 11 Ratios of outstanding debt
- 12 Direct and overlapping governmental activities debt

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand how the environment within which the Town's financial activities take place.

- 13 Demographic and economic statistics
- 14 Principal employers

OPERATING INFORMATION

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

- 15 Full-time equivalent Town government employees by function/program
- 16 Operating indicators by function/program
- 17 Capital asset statistics by function/program

Town of Westlake, Texas

NET POSITION BY COMPONENT

Last Ten Years

(Accrual Basis of Accounting)

	2014	2015	2016	2017
Governmental activities:				
Net investment in capital assets	\$ 32,048,991	\$ 29,633,298	\$ 38,299,337	\$ 46,499,873
Restricted	2,284,947	17,827,177	7,489,048	2,034,916
Unrestricted	(910,977)	7,108,101	9,260,572	9,513,643
Total governmental activities net position	\$ 33,422,961	\$ 54,568,576	\$ 55,048,957	\$ 58,048,432
Business-type activities:				
Net investment in capital assets	\$ 6,734,414	\$ 6,410,547	\$ 6,044,363	\$ 5,583,570
Restricted	-	-	-	-
Unrestricted	(1,272,014)	(2,608,315)	(4,041,360)	(3,746,696)
Total business-type activities net position	\$ 5,462,400	\$ 3,802,232	\$ 2,003,003	\$ 1,836,874
Primary government:				
Net investment in capital assets	\$ 38,783,405	\$ 36,043,845	\$ 44,343,700	\$ 52,083,443
Restricted	2,284,947	17,827,177	7,489,048	2,034,916
Unrestricted	(2,182,991)	4,499,786	5,219,212	5,766,947
Total primary government net position	\$ 38,885,361	\$ 58,370,808	\$ 57,051,960	\$ 59,885,306

Source: Annual Financial Reports

Table 1

2018	2019	2020	2021	2022	2023
\$ 47,629,452	\$ 48,030,010	\$ 46,633,638	\$ 48,565,384	\$ 42,897,544	\$ 47,867,860
1,077,646	3,786,893	3,653,143	2,684,375	15,018,115	15,241,173
6,537,845	10,775,740	12,350,020	13,917,782	15,392,596	25,020,184
<u>\$ 55,244,943</u>	<u>\$ 62,592,643</u>	<u>\$ 62,636,801</u>	<u>\$ 65,167,541</u>	<u>\$ 73,308,255</u>	<u>\$ 88,129,217</u>
\$ 5,293,188	\$ 4,909,471	\$ 4,672,681	\$ (6,770,797)	\$ (9,008,946)	\$ (9,027,315)
-	-	50,000	50,000	50,000	50,000
(4,685,810)	(6,548,934)	(6,328,176)	4,823,574	8,541,679	11,250,574
<u>\$ 607,378</u>	<u>\$ (1,639,463)</u>	<u>\$ (1,605,495)</u>	<u>\$ (1,897,223)</u>	<u>\$ (417,267)</u>	<u>\$ 2,273,259</u>
\$ 52,922,640	\$ 52,939,481	\$ 51,306,319	\$ 41,794,587	\$ 33,888,598	\$ 38,840,545
1,077,646	3,786,893	3,703,143	2,734,375	15,068,115	15,291,173
1,852,035	4,226,806	6,021,844	18,741,356	23,934,275	36,270,758
<u>\$ 55,852,321</u>	<u>\$ 60,953,180</u>	<u>\$ 61,031,306</u>	<u>\$ 63,270,318</u>	<u>\$ 72,890,988</u>	<u>\$ 90,402,476</u>

Town of Westlake, Texas

CHANGES IN NET POSITION

Last Ten Years

(Accrual Basis of Accounting)

	2014	2015	2016	2017
Expenses				
Governmental activities:				
General government	\$ 2,784,587	\$ 3,145,716	\$ 4,491,557	\$ 5,716,302
Public safety	2,190,050	2,381,437	2,737,084	3,063,003
Cultural and recreation	123,541	129,970	187,274	217,489
Public works	955,794	1,081,996	1,102,636	1,634,549
Economic Development	147,680	171,757	141,779	163,578
Visitor services	493,087	665,936	740,835	737,071
Education	7,147,411	8,598,261	9,516,287	8,566,295
Interest on long-term debt	998,951	1,022,201	990,413	1,401,199
Total governmental activities expenses	14,841,101	17,197,274	19,907,865	21,499,486
Business-type activities:				
Utility	\$ 3,690,137	\$ 4,861,529	\$ 5,519,116	\$ 4,893,075
Cemetery	7,121	7,297	7,831	8,021
Total business-type activities expenses	3,697,258	4,868,826	5,526,947	4,901,096
Total primary government expenses	\$ 18,538,359	\$ 22,066,100	\$ 25,434,812	\$ 26,400,582
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 33,975	\$ 110,778	\$ 789,457	\$ 73,180
Public safety	848,772	887,919	932,017	783,681
Public works	1,022,769	936,245	1,789,776	3,338,541
Education	222,270	531,090	283,077	275,759
Operating grants and contributions	6,592,642	7,615,653	7,863,168	8,047,113
Capital grants and contributions	80,472	19,983,078	269,185	3,485,255
Total governmental activities program revenues	\$ 8,800,900	\$ 30,064,763	\$ 11,926,680	\$ 16,003,529
Business-type activities:				
Charges for services:				
Utility	3,428,702	3,549,775	3,968,086	4,815,635
Cemetery	7,749	13,620	11,115	9,964
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	50,000
Total business-type activities program revenues	3,436,451	3,563,395	3,979,201	4,875,599
Total primary government program revenues	\$ 12,237,351	\$ 33,628,158	\$ 15,905,881	\$ 20,879,128
Net (expense) revenue:				
Governmental activities	\$ (6,040,201)	\$ 12,867,489	\$ (7,981,185)	\$ (5,495,957)
Business-type activities	(260,807)	(1,305,431)	(1,547,746)	(25,497)
Total primary government net (expense)	\$ (6,301,008)	\$ 11,562,058	\$ (9,528,931)	\$ (5,521,454)

Table 2

2018	2019	2020	2021	2022	2023
\$ 4,776,131	\$ 6,091,403	\$ 6,555,048	\$ 6,101,168	\$ 6,700,763	\$ 5,773,925
3,133,733	3,489,071	3,991,114	4,011,699	4,268,432	4,827,695
184,685	299,815	282,512	182,503	290,006	193,022
1,820,908	1,368,049	1,326,090	1,297,821	1,733,858	1,443,969
469,852	306,982	150,037	-	-	-
885,654	927,670	802,244	451,392	870,761	548,735
6,568,453	9,523,906	9,979,674	9,972,935	11,009,311	13,545,889
1,184,818	1,131,485	1,103,925	1,141,125	1,084,741	1,101,951
19,024,234	23,138,381	24,190,644	23,158,643	25,957,872	27,435,186
\$ 7,049,946	\$ 7,544,125	\$ 6,407,650	\$ 5,184,455	\$ 5,660,733	\$ 5,857,895
9,754	10,628	21,734	8,438	9,886	9,973
7,059,700	7,554,753	6,429,384	5,192,893	5,670,619	5,867,868
\$ 26,083,934	\$ 30,693,134	\$ 30,620,028	\$ 28,351,536	\$ 31,628,491	\$ 33,303,054
\$ 137,805	\$ 91,845	\$ 318,140	\$ 218,922	\$ -	\$ -
782,833	984,268	649,795	724,198	598,746	515,287
2,027,613	5,419,039	1,587,839	2,251,832	3,809,047	2,212,024
247,721	313,741	90,123	110,327	267,004	208,724
7,044,597	9,166,821	9,725,263	10,240,349	13,436,151	16,081,255
424,948	1,861,623	280,000	1,537,500	-	-
\$ 10,665,517	\$ 17,837,337	\$ 12,651,160	\$ 15,083,128	\$ 18,110,948	\$ 19,017,290
5,794,818	5,374,118	6,410,755	5,069,595	6,924,690	7,888,135
29,440	30,745	67,578	25,145	31,900	88,220
-	-	-	-	-	-
1,271	54	-	-	-	-
5,825,529	5,404,917	6,478,333	5,094,740	6,956,590	7,976,355
\$ 16,491,046	\$ 23,242,254	\$ 19,129,493	\$ 20,177,868	\$ 25,067,538	\$ 26,993,645
\$ (8,358,717)	\$ (5,301,044)	\$ (11,539,484)	\$ (8,075,515)	\$ (7,846,924)	\$ (8,417,896)
(1,234,171)	(2,149,836)	48,949	(98,153)	1,285,971	2,108,487
\$ (9,592,888)	\$ (7,450,880)	\$ (11,490,535)	\$ (8,173,668)	\$ (6,560,953)	\$ (6,309,409)

Town of Westlake, Texas
CHANGES IN NET POSITION (Continued)
Last Ten Years
(Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Sales	\$ 4,725,845	\$ 4,925,428	\$ 4,609,523	\$ 4,650,744
Property	1,367,069	1,438,969	1,476,355	1,576,750
Hotel Occupancy	796,481	872,179	822,490	751,601
Mixed Beverage	51,602	59,184	61,476	68,432
Franchise	795,322	963,040	930,043	818,423
Investment earnings	26,713	28,904	55,600	182,095
Miscellaneous	246,633	198,199	241,501	278,071
Transfers	43,399	323,100	264,578	169,316
Total governmental activities	<u>\$ 8,053,064</u>	<u>\$ 8,809,003</u>	<u>\$ 8,461,566</u>	<u>\$ 8,495,432</u>
Business-type activities:				
Investment earnings	\$ 7,114	\$ 7,083	\$ 13,095	\$ 28,684
Miscellaneous	50,000	50,000	-	-
Transfers	(43,399)	(323,100)	(264,578)	(169,316)
Total business-type activities	<u>13,715</u>	<u>(266,017)</u>	<u>(251,483)</u>	<u>(140,632)</u>
Total primary government	<u>\$ 8,066,779</u>	<u>\$ 8,542,986</u>	<u>\$ 8,210,083</u>	<u>\$ 8,354,800</u>
Change in net position:				
Governmental activities	\$ 2,012,863	\$ 21,676,492	\$ 480,381	\$ 2,999,475
Business-type activities	(247,092)	(1,571,448)	(1,799,229)	(166,129)
Total primary government net (expense) revenue	<u>\$ 1,765,771</u>	<u>\$ 20,105,044</u>	<u>\$ (1,318,848)</u>	<u>\$ 2,833,346</u>

Source: Annual Financial Reports

2018	2019	2020	2021	2022	2023
\$ 6,003,605	\$ 8,032,671	\$ 7,378,900	\$ 6,372,366	\$ 11,469,156	\$ 16,650,960
1,629,640	1,956,630	2,411,279	2,708,091	2,871,396	3,507,970
849,167	861,710	369,145	222,937	438,255	556,830
62,347	66,923	41,949	23,269	48,089	53,042
779,506	964,239	972,520	735,263	786,549	862,700
356,076	517,128	260,003	38,381	180,490	1,546,860
215,076	142,230	72,688	91,890	35,945	60,496
71,466	207,213	77,158	205,014	157,758	-
<u>\$ 9,966,883</u>	<u>\$ 12,748,744</u>	<u>\$ 11,583,642</u>	<u>\$ 10,397,211</u>	<u>\$ 15,987,638</u>	<u>\$ 23,238,858</u>
\$ 79,961	\$ 110,208	\$ 62,177	\$ 11,439	\$ 61,467	\$ 430,626
-	-	-	-	290,276	151,413
(71,466)	(207,213)	(77,158)	(205,014)	(157,758)	-
8,495	(97,005)	(14,981)	(193,575)	193,985	582,039
<u>\$ 9,975,378</u>	<u>\$ 12,651,739</u>	<u>\$ 11,568,661</u>	<u>\$ 10,203,636</u>	<u>\$ 16,181,623</u>	<u>\$ 23,820,897</u>
\$ 1,608,166	\$ 7,447,700	\$ 44,158	\$ 2,321,696	\$ 8,140,714	\$ 14,820,962
(1,225,676)	(2,246,841)	33,968	(291,728)	1,479,956	2,690,526
<u>\$ 382,490</u>	<u>\$ 5,200,859</u>	<u>\$ 78,126</u>	<u>\$ 2,029,968</u>	<u>\$ 9,620,670</u>	<u>\$ 17,511,488</u>

Town of Westlake, Texas
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund				
Nonspendable:				
Prepaid items	\$ 8,821	\$ 13,334	\$ 12,794	\$ 18,705
Restricted for:				
Court security and technology	193,082	203,173	238,636	219,693
Public safety	-	-	-	-
Committed for:				
Future projects	80,442	80,442	335,322	335,392
Assigned for:				
Future equipment	-	-	-	-
Unassigned	7,671,173	7,383,601	9,092,721	10,363,702
Total general fund	<u>\$ 7,953,518</u>	<u>\$ 7,680,550</u>	<u>\$ 9,679,473</u>	<u>\$ 10,937,492</u>
All other governmental funds				
Nonspendable:				
Prepaid items	\$ 80,118	\$ 83,359	\$ 68,718	\$ 243,401
Restricted for:				
Donor stipulations	-	-	-	-
Visitor services	1,107,520	1,081,009	1,003,636	791,308
Future projects	1,751,405	13,632	13,679	13,789
Debt service	1,081	20,916	30,468	11,963
Education	993,998	1,592,227	1,098,359	729,709
Capital projects	-	17,713,788	8,501,489	15,080,456
Committed	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 3,934,122</u>	<u>\$ 20,504,931</u>	<u>\$ 10,716,349</u>	<u>\$ 16,870,626</u>

Note: Economic Development Funds were classified as special revenue funds through FY 2002 and considered discretely presented component units through FY 2007. Upon further consideration, the 4B Economic Development Corporation and Lone Star Public Facility Corporation funds are now classified as blended component units.

Source: Annual financial reports

Table 3

2018	2019	2020	2021	2022	2023
\$ 19,253	\$ 19,302	\$ 41,586	\$ 38,889	\$ 52,952	\$ 20,989
203,173	237,804	203,173	239,576	-	-
-	-	-	-	423,156	423,156
80,442	80,442	80,442	80,442	-	-
-	-	-	-	-	-
10,493,380	14,900,650	16,265,309	17,854,010	21,099,589	30,834,998
<u>\$ 10,796,248</u>	<u>\$ 15,238,198</u>	<u>\$ 16,590,510</u>	<u>\$ 18,212,917</u>	<u>\$ 21,575,697</u>	<u>\$ 31,279,143</u>
\$ 56,397	\$ 196,074	\$ 83,440	\$ 156,157	\$ 89,089	\$ 183,043
-	-	-	-	1,818	2,630
781,775	734,938	416,064	97,684	339,045	274,173
14,141	14,543	14,719	14,813	1,237,325	3,395,290
28,798	44,683	150,518	103,993	-	-
1,068,117	1,323,663	1,685,116	1,898,618	1,425,775	771,173
7,292,917	6,070,774	4,580,448	8,467,427	11,590,996	10,374,751
-	-	-	-	106,455	161,775
-	-	-	-	(1,001)	(268,700)
<u>\$ 9,242,145</u>	<u>\$ 8,384,675</u>	<u>\$ 6,930,305</u>	<u>\$ 10,738,692</u>	<u>\$ 14,789,502</u>	<u>\$ 14,894,135</u>

Town of Westlake, Texas
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues				
Taxes	\$ 7,722,606	\$ 8,252,748	\$ 7,902,983	\$ 7,867,015
Licenses, fees and permits	1,175,075	1,200,790	2,715,236	3,521,686
Fines and forfeitures	730,441	734,152	796,014	673,716
State program revenues	5,269,641	6,173,418	6,543,782	6,603,358
Federal program revenues	80,103	87,797	98,564	140,152
Investment earnings	26,713	28,904	55,600	182,095
Grants/contributions	82,446	18,785,953	283,684	728,887
Other revenues	1,665,003	2,471,191	1,542,835	2,863,801
Total revenues	<u>\$ 16,752,028</u>	<u>\$ 37,734,953</u>	<u>\$ 19,938,698</u>	<u>\$ 22,580,710</u>
Expenditures				
Current:				
General government	\$ 2,236,360	\$ 2,411,239	\$ 3,280,507	\$ 4,596,827
Public safety	2,146,587	2,490,551	2,453,857	2,684,244
Cultural and recreation	123,541	130,322	185,923	164,720
Public works	615,781	744,028	773,751	784,279
Economic development	147,685	171,757	141,779	163,578
Visitor services	493,082	670,157	725,971	717,055
Education	7,143,678	7,938,501	9,245,592	8,819,174
Capital outlay	9,964,047	5,274,282	9,561,954	7,082,844
Debt service:				
Principal	1,004,677	1,130,762	1,150,490	1,124,697
Interest and other fiscal charges	1,116,489	977,412	947,411	1,105,376
Bond issuance cost	69,283	-	-	368,278
Total expenditures	<u>\$ 25,061,210</u>	<u>\$ 21,939,011</u>	<u>\$ 28,467,235</u>	<u>\$ 27,611,072</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>\$ (8,309,182)</u>	<u>\$ 15,795,942</u>	<u>\$ (8,528,537)</u>	<u>\$ (5,030,362)</u>

Table 4

2018	2019	2020	2021	2022	2023
\$ 9,321,321	\$ 11,881,784	\$ 11,174,378	\$ 10,065,684	\$ 15,614,508	\$ 21,631,502
2,314,933	5,873,529	1,996,834	2,612,098	3,809,047	2,212,024
633,318	616,451	492,435	582,854	492,485	414,603
7,217,383	7,415,219	8,011,061	8,482,552	8,130,551	8,046,091
114,797	110,248	137,910	121,678	267,004	208,724
356,076	517,128	260,003	38,381	180,490	1,546,860
494,131	1,253,200	292,860	1,800,000	5,202,216	7,874,323
1,735,201	1,804,309	1,837,744	1,512,867	142,206	161,180
<u>\$ 22,187,160</u>	<u>\$ 29,471,868</u>	<u>\$ 24,203,225</u>	<u>\$ 25,216,114</u>	<u>\$ 33,838,507</u>	<u>\$ 42,095,307</u>
\$ 3,672,933	\$ 5,330,174	\$ 5,169,038	\$ 5,052,010	\$ 5,479,973	\$ 4,128,302
2,992,727	3,269,778	3,512,456	3,546,694	4,204,025	4,163,956
183,816	272,146	264,248	182,253	314,978	170,930
675,550	593,830	622,307	601,562	728,837	565,424
469,852	306,982	203,407	-	-	-
875,322	904,689	781,883	448,414	870,761	548,735
9,012,348	8,996,714	9,845,684	9,557,739	10,662,696	13,142,563
9,407,447	3,525,437	1,627,548	1,129,642	1,375,517	9,528,420
1,555,677	1,766,131	1,837,638	1,883,135	2,429,296	2,414,586
1,182,679	1,128,720	1,103,853	1,052,653	1,098,308	1,121,312
-	-	-	130,029	-	55,000
<u>\$ 30,028,351</u>	<u>\$ 26,094,601</u>	<u>\$ 24,968,062</u>	<u>\$ 23,584,131</u>	<u>\$ 27,164,391</u>	<u>\$ 35,839,228</u>
<u>\$ (7,841,191)</u>	<u>\$ 3,377,267</u>	<u>\$ (764,837)</u>	<u>\$ 1,631,983</u>	<u>\$ 6,674,116</u>	<u>\$ 6,256,079</u>

Town of Westlake

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (Continued)

Last Ten Years

(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017
Other Financing Sources (Uses)				
Sale of assets	-	-	-	1,200,000
Issuance of debt	-	-	-	-
Premium on CO issued	-	-	-	-
Refunding bonds issued	1,910,000	-	-	5,795,000
Premium on refunding bonds issued	84,598	-	-	1,020,809
Payments to bond escrow agent	(1,925,315)	-	-	(6,452,467)
Lease issuance	239,009	16,740	474,300	-
Notes payable issued	401,484	162,059	-	-
Certificate of obligations issued	-	-	-	10,710,000
Special item	-	-	-	-
Extraordinary item	-	-	-	-
Transfers in	3,094,211	4,617,896	2,485,227	3,621,066
Transfers (out)	(3,050,812)	(4,294,796)	(2,220,649)	(3,451,750)
Total Other Financing Sources (Uses)	<u>753,175</u>	<u>501,899</u>	<u>738,878</u>	<u>12,442,658</u>
Net Change in Fund Balances	<u>\$ (7,556,007)</u>	<u>\$ 16,297,841</u>	<u>\$ (7,789,659)</u>	<u>\$ 7,412,296</u>
Debt service as a percentage of noncapital expenditures	14.5%	12.7%	11.1%	12.7%

Note: Economic Development Funds were classified as special revenue funds through FY 2002 and considered discretely presented component units through FY 2007. Upon further consideration, the 4B Economic Development Corporation and Lone Star Public Facility Corporation funds are now classified as blended component units.

Source: Annual Financial Reports

2018	2019	2020	2021	2022	2023
-	-	-	-	-	-
-	-	-	-	-	3,552,000
-	-	-	249,742	-	-
-	-	-	4,430,000	-	-
-	-	-	337,298	-	-
-	-	-	(4,694,366)	-	-
-	-	585,623	-	581,716	-
-	-	-	-	-	-
-	-	-	3,215,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,949,085	3,902,325	2,673,972	3,155,275	5,092,559	2,909,288
(3,877,619)	(3,695,112)	(2,596,814)	(2,950,261)	(4,934,801)	(2,909,288)
71,466	207,213	662,781	3,742,688	739,474	3,552,000
\$ (7,769,725)	\$ 3,584,480	\$ (102,056)	\$ 5,374,671	\$ 7,413,590	\$ 9,808,079
13.3%	12.8%	12.6%	13.7%	13.7%	13.6%



Town of Westlake, Texas
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Years

Fiscal Year	Appraised Value		Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2014	\$ 1,091,142,760	\$ 151,927,427	\$ 346,730,543	\$ 896,339,644	\$ 0.15634
2015	1,123,354,430	139,936,507	342,248,275	921,042,662	0.15634
2016	1,175,230,336	107,537,466	336,770,136	945,997,666	0.15634
2017	1,468,274,115	132,422,540	437,293,366	1,163,403,289	0.13695
2018	1,517,833,356	133,680,163	442,433,216	1,209,080,303	0.13615
2019	1,558,408,769	139,762,420	400,628,631	1,297,542,558	0.15600
2020	1,652,355,031	149,841,592	935,964,493	866,232,130	0.16018
2021	2,042,984,947	161,717,042	564,511,494	1,640,190,495	0.16788
2022	2,414,982,032	157,888,720	752,658,487	1,820,212,265	0.16788
2023	2,675,522,050	278,777,229	790,588,739	2,163,710,540	0.16788

Source: Appraisal District

Town of Westlake, Texas
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

2023			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
DCLI, LLC	\$ 127,611,105	1	7.01%
Cellco Partnership	126,522,638	2	6.95%
FMR Texas Ltd. Partnership	106,785,863	3	5.87%
SOL Westlake LP	99,042,851	4	5.44%
MRW Investors LLC	52,295,547	5	2.87%
Albany Road-Solana LLC	45,482,412	6	2.50%
Fidelity Investments, Inc.	28,085,670	7	1.54%
Marsh USA, Inc.	26,667,228	8	1.47%
BRE Solana LLC	25,400,000	9	1.40%
CT West Park No. 1 LTD	15,530,000	10	0.85%
Total	<u>\$ 653,423,314</u>		<u>35.90%</u>

Source: Tarrant County Appraisal District
Note:

- (1) Prior to fiscal year ended September 30, 2011, the Town of Westlake did not assess an ad valorem tax.
- (2) Total Taxable Assessed Value including real and personal property for tax year 2011 (fiscal year 2012) is \$945,488,875.
- (3) Total Taxable Assessed Value including real and personal property for tax year 2020 (fiscal year 2021) is \$1,640,190,495

Table 6

2014			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
5 Village Circle Holdings LP	\$ 140,613,560	1	15.87%
FMR Texas, LLC/LTD Partnership	71,938,529	2	8.12%
DCLI, LLC	52,633,131	3	5.94%
Fidelity Investments	26,383,422	4	2.98%
Marsh USA, Inc.	21,098,171	5	2.38%
Lexington TNI Westlake LP	14,700,000	6	1.66%
Corelogic Solutions LLC	14,473,635	7	1.63%
Prince Whipple Trust	6,850,000	8	0.77%
Levi Strauss & Company	5,903,735	9	0.67%
Vaquero Club, Inc.	5,383,415	10	0.61%
Total	<u>\$ 359,977,598</u>		<u>40.62%</u>

Town of Westlake, Texas
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year		Adjustments to Levy	Adjusted Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy				
					Amount	Percent of Levy			
2014	\$	1,351,608	\$	9,450	\$	1,361,058	\$	1,350,639	99.23%
2015		1,394,914		11,812		1,406,726		1,401,149	99.60%
2016		1,428,932		13,883		1,442,815		1,440,607	99.85%
2017		1,480,120		60,401		1,540,521		1,536,921	99.77%
2018		1,476,611		153,680		1,630,291		1,624,655	99.65%
2019		1,966,661		(3,931)		1,962,730		1,953,575	99.53%
2020		2,365,878		34,399		2,400,277		2,392,470	99.67%
2021		2,369,205		335,571		2,704,776		2,699,328	99.80%
2022		2,713,447		150,777		2,864,224		2,860,396	99.87%
2023		3,235,278		235,108		3,470,386		3,462,134	99.76%

Source: Tarrant County Appraisal District
Denton Central Appraisal District

Table 7

Collections/ Refunds in Subsequent Years		Total Collections to Date	
		Amount	Percentage of Levy
\$	10,049	\$ 1,360,688	99.97%
	5,603	1,406,752	100.00%
	2,208	1,442,815	100.00%
	3,600	1,540,521	100.00%
	5,462	1,630,117	99.99%
	9,039	1,962,614	99.99%
	7,683	2,400,153	99.99%
	5,443	2,704,771	100.00%
	3,829	2,864,225	100.00%
	-	3,462,134	99.76%

Town of Westlake, Texas

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Years

Fiscal Year	Town Direct Rates			Overlapping Rates		
	Operating/ General Fund	Debt Service Fund	Total (A) Direct	School Districts		
				Carroll ISD	Northwest ISD	Keller ISD
2014	\$ 0.13710	\$ 0.01924	\$ 0.15634	\$ 1.40000	\$ 1.45250	\$ 1.54000
2015	0.13710	0.01924	0.15634	1.40000	1.45250	1.54000
2016	0.13947	0.01687	0.15634	1.40000	1.45250	1.54000
2017	0.12882	0.00813	0.13695	1.39000	1.45250	1.52000
2018	0.11133	0.02482	0.13615	1.38500	1.49000	1.52000
2019	0.13201	0.02399	0.15600	1.38000	1.49000	1.51000
2020	0.11453	0.04565	0.16018	1.30000	1.42000	1.40830
2021	0.12490	0.04298	0.16788	1.28640	1.33630	1.39470
2022	0.12490	0.04298	0.16788	1.26860	1.29200	1.34400
2023	0.10284	0.06504	0.16788	1.21880	1.27460	1.27290

Notes: Overlapping rates are those of local and county governments that apply to property owners within the Town of Westlake. Not all overlapping rates apply to all Town's property owners (e.g., the rates for the counties and school districts apply only to the proportion of the Town's property owners whose property is located within the geographic boundaries of the county and school district)

Source: Tarrant County Appraisal District
Denton Central Appraisal District

Table 8

Overlapping Rates											
Counties				Tarrant	Tarrant	Trophy	Total				
Denton		Tarrant		County	County	Club	Direct and				
County		County		College Dist	Hospital Dist.	MUD #1	Overlapping				
\$	0.27220	\$	0.26400	\$	0.14950	\$	0.22790	\$	0.13339	\$	5.59583
	0.27220		0.26400		0.14950		0.22790		0.13339		5.59583
	0.27220		0.26400		0.14950		0.22790		0.13339		5.59583
	0.24841		0.25400		0.14473		0.22790		0.12722		5.50171
	0.23781		0.24400		0.14006		0.22443		0.12021		5.49766
	0.22499		0.23400		0.13607		0.22443		0.11618		5.47166
	0.22578		0.23400		0.13607		0.22443		0.11618		5.22494
	0.22499		0.23400		0.13017		0.22443		0.10774		5.10661
	0.23309		0.22900		0.13017		0.22443		0.10588		4.99505
	0.21754		0.22400		0.13017		0.22429		0.09134		4.82152

Town of Westlake, Texas

TAXABLE SALES BY INDUSTRY TYPE

Last Ten Years

NAICS	Industry Type	2014	2015	2016
11	Agriculture, Forestry, Fishing and Hunting	\$ 731	\$ 775	\$ 2,083
21	Mining	15	714	655
22	Utilities	204,280	191,031	138,331
23	Construction	239,888	216,546	230,067
31-33	Manufacturing	375,905	234,651	209,128
42	Wholesale Trade	421,371	515,602	356,946
44-45	Retail	962,244	1,332,659	415,356
48-49	Transportation and Warehousing	1,962	3,550	1,107
51	Information	623,828	567,685	551,172
52	Financial and Insurance	505,585	295,622	754,386
53	Real Estate and Rental and Leasing	493,570	708,747	940,971
54	Professional, Scientific, and Technical Services	242,069	193,145	287,066
56	Admin and Support and Waste Mgmt & Rem Srv	103,340	50,264	125,033
61	Education Services	153,279	201,761	230,775
62	Health Care and Social Assistance	11,018	2,887	228
71	Arts, Entertainment and Recreation	191,343	189,027	201,391
72	Accommodation and Food Services	221,061	246,755	230,615
81	Other Services (except Public Administration)	17,412	8,965	3,167
92	Public Administration	27,243	-	-
		<u>\$ 4,796,144</u>	<u>\$ 4,960,386</u>	<u>\$ 4,678,477</u>
	Town direct sales tax rate	2.00%	2.00%	2.00%

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the Town's sales tax revenue.

Source: Texas State Comptroller reports

Table 9

2017	2018	2019	2020	2021	2022	2023
\$ 1,685	\$ 4,303	\$ 336	\$ 196	\$ 808	\$ 258	\$ 1,537
128	5	-	11	20	-	-
147,000	180,564	183,347	179,545	206,392	265,341	343,837
340,077	1,294,092	2,249,378	1,385,998	667,542	565,978	803,382
86,798	113,487	284,939	350,447	343,715	407,905	520,825
339,854	278,054	533,723	406,321	597,218	481,305	444,526
458,833	428,355	523,021	737,764	942,782	698,459	809,683
1,133	567	624	1,723	731	1,789	1,380
387,714	817,086	793,755	764,753	1,985,535	5,943,401	6,288,810
509,201	709,787	835,150	352,872	141,787	690,168	2,419,260
999,118	675,273	928,259	884,229	174,719	170,707	2,331,425
261,704	309,704	519,447	596,913	1,014,951	720,804	1,232,370
85,430	93,967	98,927	76,437	154,815	120,659	14,957
220,078	555,159	577,530	424,882	153,277	437,497	419,534
398	999	592	692	673	616	546
241,107	216,403	266,915	460,281	379,180	626,503	467,120
233,769	228,003	226,361	122,585	135,043	215,823	390,694
2,963	2,772	2,329	4,285	4,089	6,254	25,571
1	1,391	1,656	1,717	2,427	2,029	2,198
<u>\$ 4,316,991</u>	<u>\$ 5,909,971</u>	<u>\$ 8,026,289</u>	<u>\$ 6,751,651</u>	<u>\$ 6,905,704</u>	<u>\$ 11,355,496</u>	<u>\$ 16,517,655</u>
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

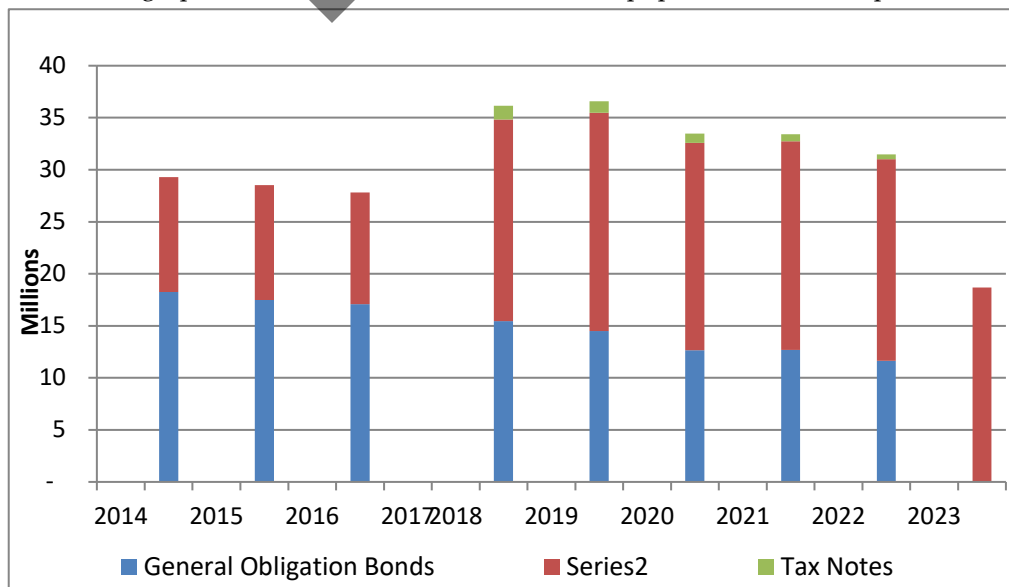


Town of Westlake, Texas
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 Last Ten Years

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Sales	(1) Per Capita
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Total		
2014	\$ 18,260,000	\$ 11,044,000	\$ -	\$ 29,304,000	\$ 12.40%	\$ 24,750
2015	17,480,000	11,046,131	-	28,526,131	11.58%	22,409
2016	17,091,659	10,739,306	-	27,830,965	12.08%	20,080
2017	15,267,000	18,460,700	1,530,000	35,257,700	15.16%	23,727
2018	15,457,018	19,361,251	1,328,000	36,146,269	12.04%	23,200
2019	14,504,400	20,957,422	1,116,000	36,577,822	9.11%	22,719
2020	12,660,000	19,914,365	901,000	33,475,365	9.07%	20,117
2021	12,690,000	20,042,866	682,000	33,414,866	10.49%	18,772
2022	11,655,000	19,365,261	459,000	31,479,261	5.49%	17,108
2023	10,600,000	18,683,206	3,784,000	33,067,206	3.97%	17,205

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

(1) See Demographic and Economic Statistics table for population data and personal income.



Town of Westlake, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Years

Fiscal Year	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Lease Liabilities	Loans
2014	\$ 18,260,000	\$ 11,044,000	\$ -	\$ 237,378	\$ 437,253
2015	17,480,000	11,046,131	-	154,347	357,041
2016	17,091,659	10,739,306	-	563,045	275,101
2017	15,267,000	18,460,700	1,530,000	162,004	238,404
2018	15,457,018	18,432,779	1,328,000	-	201,737
2019	14,504,400	17,930,135	1,116,000	-	165,050
2020	12,660,000	16,996,900	901,000	398,012	128,372
2021	12,690,000	20,042,866	682,000	2,419,147	91,696
2022	11,655,000	19,365,261	459,000	2,416,494	55,019
2023	10,600,000	18,683,206	3,784,000	1,875,285	18,342

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

(1) See Demographic and Economic Statistics table for population data and personal income.

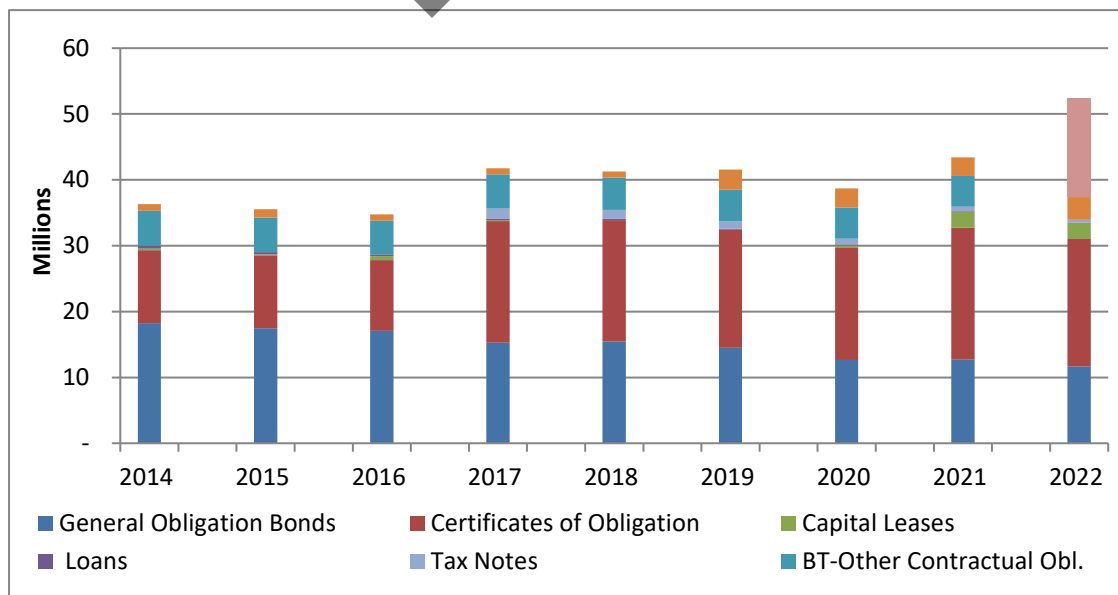


Table 11

Business-Type Activities						
Other Contractual Obligations	Lease Liabilities	Certificates of Obligation	General Obligation Bonds	Total Primary Government	(1) Percentage of Personal Income	(1) Per Capita
5,320,824	\$ -	\$ 1,014,200	\$ -	\$ 36,313,655	23%	\$ 30,670
5,226,294	-	1,286,881	-	35,550,694	23%	27,927
5,126,958	-	971,300	-	34,767,369	20%	25,085
5,156,839	-	949,300	-	41,764,247	22%	28,105
4,913,865	-	927,300	-	41,260,699	20%	26,483
4,800,109	-	3,027,287	-	41,542,981	19%	25,803
4,679,944	-	2,917,465	-	38,681,693	16%	23,246
4,679,944	381,193	2,802,643	-	43,789,489	17%	24,601
-	329,497	3,439,183	14,920,000	52,639,454	19%	28,608
-	276,078	3,287,824	14,550,000	53,074,735	15%	27,614

Town of Westlake , Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2023

Taxing Body	Amount of Debt Outstanding	As of	Overlapping	
			Percent (1)	Amount
Carroll ISD	\$ 288,580,000	9/30/2023	7.68%	\$ 22,162,944
Denton County	624,655,000	9/30/2023	0.25%	1,561,638
Keller ISD	782,924,989	9/30/2023	4.18%	32,726,265
Northwest ISD	1,807,155,334	9/30/2023	2.17%	39,215,271
Tarrant County	376,120,000	9/30/2023	0.77%	2,896,124
Tarrant County College District	591,230,000	9/30/2023	0.80%	4,729,840
Tarrant County Hospital District	448,410,000	9/30/2023	0.80%	3,587,280
Trophy Club MUD#1	4,700,000	9/30/2023	20.53%	964,910
Total Overlapping Debt				107,844,271
Town of Westlake Outstanding Debt				34,960,833
Total Direct & Overlapping Debt				<u>\$ 142,805,104</u>

Source: Texas Municipal Report prepared by employees of the Municipal Advisory Council of Texas ("MAC")

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of Westlake. This process recognized that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the resident and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1)

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the entity's taxable assessed value that is within the Town's boundaries and dividing it by the entities' total taxable assessed value.

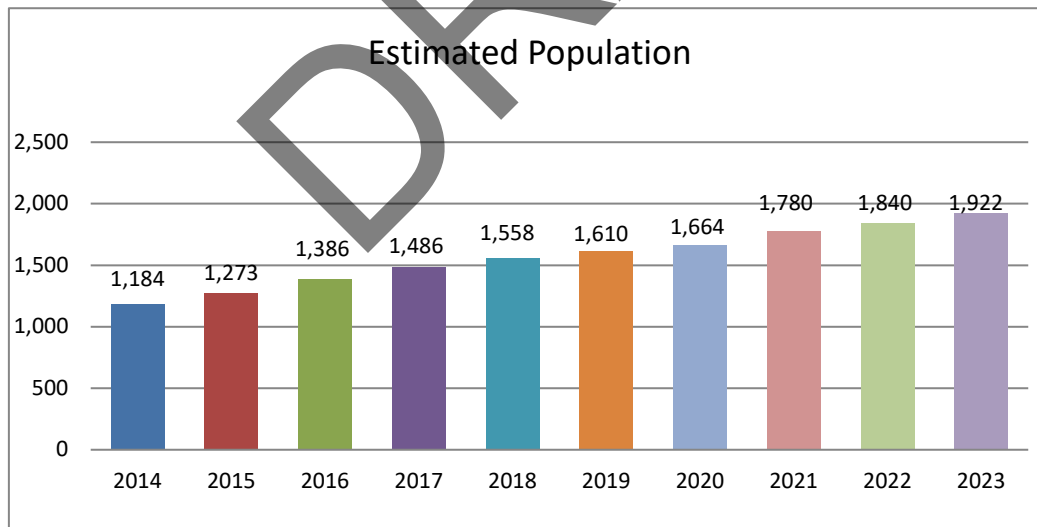
Town of Westlake, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Years

Year	Estimated Population	Per Capita Personal Income	Personal Income	Median Age	School Enrollment	Tarrant County Unemployment Rate
2014	1,184	\$ 119,560	\$ 160,462,095	46.2	697	5.00%
2015	1,273	123,147	156,765,839	41.8	811	4.20%
2016	1,386	126,841	173,419,076	41.7	808	4.20%
2017	1,486	130,646	194,140,564	41.5	830	3.50%
2018	1,558	134,566	209,653,518	44.0	856	3.50%
2019	1,610	138,603	223,150,468	45.6	869	3.20%
2020	1,664	142,761	237,554,069	45.6	889	7.10%
2021	1,780	147,044	261,737,758	45.6	855	4.70%
2022	1,840	151,455	278,677,190	43.7	874	3.50%
2023	1,922	155,999	362,189,368	47.8	867	3.80%

Sources: Tarrant County Unemployment Rate information taken from Texas Workforce Commission.
Municipal Advisory Council of Texas - Population
USA.com - Per Capita Income source
North Central Texas Council of Governments
United States Census - Median Age



Town of Westlake, Texas

PRINCIPAL EMPLOYERS

Current and Nine Years Ago - Unaudited

2023		
Employer	Employees	Percentage of Estimated Total Town Employment
Fidelity Investments	7,000	41.22%
Charles Schwab	4,765	28.06%
Goosehead	800	4.71%
Wells Fargo	787	4.63%
Coremark	500	2.94%
Deloitte University	500	2.94%
Robinhood	500	2.94%
Circle T Ranch	527	3.10%
Kiewitt	497	2.93%
ECI Solutions	307	1.81%
Sound Physicians	200	1.18%
Town of Westlake/Westlake Academy	175	1.03%
Verizon	164	0.97%
Marriott at Solana	132	0.78%
Virbac	130	0.77%
Total	16,984	100%

Table 14

2014		
Employer	Employees	Percentage of Estimated Total Town Employment
Fidelity Investments	5,003	29.46%
Core Logic	1,790	10.54%
Wells Fargo	574	3.38%
Deloitte	478	2.81%
TD Auto Finance	390	2.30%
Sabre JLL Facilities	317	1.87%
First American Title	262	1.54%
Verizon Wireless	331	1.95%
Town of Westlake/Westlake Academy	128	0.75%
Vaquero Country Club	123	0.72%
Marriott Solana Hotel	108	0.64%
Travelocity	90	0.53%
Lev Strauss	80	0.47%
Total	9,674	57%

Town of Westlake, Texas
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
Last Ten Fiscal Years - Unaudited

Function/Program	2014	2015	2016	2017
General government				
Town Manager	1.00	1.00	1.00	1.00
Deputy Town Manager				
Assistant Town Manager	0.90	1.00	0.90	1.00
Assistant to Town Manager	0.00	0.00	0.50	0.50
Administrative	0.50	0.50	0.00	1.50
Planning & Development	1.66	1.66	3.17	4.00
Town secretary	1.00	1.25	1.25	1.50
Facilities/Grounds maintenance	1.09	1.34	1.58	0.50
Municipal	5.10	5.00	4.60	4.00
Finance	4.00	4.00	4.25	4.00
Payroll/Human Resources	2.00	2.00	2.00	2.00
Information Technology	1.00	1.00	1.00	1.00
Public safety (EMS)	13.25	14.25	14.25	11.00
Culture and recreation	0.84	0.84	0.84	0.50
Public works	2.66	2.66	2.67	3.00
Marketing and public affairs	2.00	2.00	2.00	2.00
Education	91.18	93.65	95.31	95.05
Total	<u>128.18</u>	<u>132.15</u>	<u>135.32</u>	<u>132.55</u>

Source: Prior Town budgets and Academy personnel records

Note: A full time municipal employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Fulltime equivalent employment is calculated by dividing total labor hours by 2,080. A full time education employee is scheduled

Table 15

2018	2019	2020	2021	2022	2023
1.00	1.00	1.00	1.00	1.00	1.00
0.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
0.75	0.00	1.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
4.00	4.00	4.00	4.00	4.00	4.00
1.50	1.50	1.00	1.00	1.00	1.00
1.75	1.00	0.83	0.83	0.83	0.50
3.50	4.25	4.75	4.75	4.75	5.75
4.00	4.00	3.00	5.00	5.00	6.00
2.00	2.00	2.00	1.00	2.00	2.00
2.00	2.00	2.00	2.00	3.00	4.00
15.50	15.50	15.00	18.00	18.00	20.00
0.50	1.00	0.83	0.83	0.83	0.50
4.00	4.00	4.33	4.33	4.33	4.00
2.00	2.00	2.00	2.00	2.00	3.00
98.00	95.00	100.26	103.51	103.51	106.26
142.50	140.25	145.00	151.25	153.25	161.01

Town of Westlake, Texas
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years - Unaudited

Function/Program	2014	2015	2016	2017
General government				
Permits issued	144	159	218	217
Permit values	\$ 59,358,904	\$ 80,011,354	\$ 87,307,794	\$ 262,690,940
Police (Contract with Keller PD)				
Motor vehicle stops	9,579	10,432	11,109	10,718
Traffic accident investigations	341	398	461	386
Part I crimes	15	20	13	22
DWI arrests	55	62	66	70
Fire/EMS				
Fire runs	211	211	257	248
Ambulance runs	240	253	288	269
Inspections	286	261	246	290
Public Works - General				
Street resurfacing (LF)	-	-	-	6,000
Potholes repaired	6	20	20	10
Public Works - Utility				
Number of water accounts	651	713	752	810
Water main breaks	1	1	-	-
Avg daily consumption MG (water)	1.045	1.021	1.122	1.233
Peak daily consumption MG (water)	2.690	2.770	1.586	1.646
System capacity - MG (water)	2.685	2.685	2.685	2.685
Water purchased (in gallons x 000)	381,482	372,838	409,817	450,208
Water sold (in gallons x 1000)	347,148	360,000	350,000	419,520
Wastewater				
Number of new sewer connections	350	384	403	454
Avg daily sewage treatment (thousands of gallons)	0.208	0.166	0.132	0.172

Source: Various Town departments

Notes: N/A represents information that is unavailable.

Table 16

2018	2019	2020	2021	2022	2023
259	250	193	221	370	332
\$ 311,013,915	\$ 332,197,798	\$ 65,739,881	\$ 109,039,264	\$ 196,266,935	\$ 303,086,673
8,339	7,729	7,457	7,049	7,351	5,016
333	327	219	254	310	265
31	14	48	48	34	28
50	25	33	36	47	30
320	235	308	371	412	359
202	206	128	272	227	179
188	227	103	165	150	227
-	-	5,012	8,820	4,345	-
5	8	10	15	25	-
835	762	773	853	995	9
1	2	4	2	3	3
1,400	1,209	1,000	1,250	1,550	1,818
1,564	2,709	2,709	2,789	3,125	3,975
2,685	2,685	2,685	2,685	2,685	2,685
510,931	441,352	462,529	248,329	476,230	686,822
470,168	422,635	492,379	463,536	555,200	663,481
503	541	545	579	750	7
0.170	0.190	0.210	0.191	0.235	0.235

Town of Westlake, Texas
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years - Unaudited

Function/Program	2014	2015	2016	2017
Fire				
Stations	1	1	1	1
Public Works - Utility				
Pump station	1	1	1	1
Lift station	3	3	3	3
Telecommunications Duct Bank (LF)	59,936	66,084	66,084	82,231
Telecommunications Duct Bank Manholes	122	140	140	140
Water				
Water mains (LF)	142,694	148,117	148,117	181,393
Fire hydrants	201	214	214	256
Storage capacity MG	2,685	2,685	2,685	2,685
Wastewater				
Sanitary sewers (LF)	98,964	104,373	104,373	123,168
Manholes	326	355	355	444
Public Works - Utility				
Streets (miles)	10.25	10.50	10.42	10.42
Traffic signals (school zone flashers)	2	2	2	2
Parks and recreation				
Open Space (acres)	27	27	27	27
Playgrounds	2	2	2	2
Softball/soccer field	1	1	1	1
Football field	1	1	1	1
Public trails (miles)	7.0	8.5	8.5	8.5

Source: Various Town departments

Note: No capital asset indicators are available for the general government.
The amount of roads decreased in FY 2011-2012 due to a portion of road being dedicated to TxDot

Table 17

2018	2019	2020	2021	2022	2023
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
82,231	82,231	86,711	86,711	86,711	
140	140	160	160	180	
181,393	181,393	188,387	188,387	189,475	
256	256	267	267	275	275
2,685	2,685	2,685	2,685	2,685	2,685
123,168	123,168	128,923	128,923	129,985	
444	444	467	467	480	
10.42	10.84	10.84	10.84	10.84	11.14
2	2	2	4	4	4
27	27	27	27	27	27
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
15.0	16.0	16.0	16.0	16.0	16.0



DATE TBD

To the Honorable Mayor,
Members of the Town Council
and Management of the
Town of Westlake, Texas

We have audited the financial statements of the Town of Westlake, Texas (the "Town"), for the year ended September 30, 2023, and have issued our report thereon dated . Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility under Government Auditing Standards

As communicated in our engagement letter dated July 5, 2022, our responsibility, as described by professional standards, is to plan and perform our audit to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity 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 Town of Westlake 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.

We have provided our findings regarding significant control deficiencies over financial reporting and material weaknesses, and other matters noted during our audit in a separate letter to you dated .

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, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

In relation to all nonattest services provided, such as preparation of the financial statements and supporting schedules, the Town has assigned an individual with adequate skills, knowledge, and experience to oversee this service.

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 Town of Westlake is included in Note I to the financial statements. The Town has adopted GASB Statement No. 96, Subscription Based Information Technology Arrangements, during the year end September 30, 2023; 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:

- Estimates inherent within the projection of the future pension obligation used to calculate the net pension liability.
- Estimated useful lives for capital assets

Management's estimates inherent within the projection of future pension obligation are based on experience studies and observations by the actuaries hired by TMRS. We evaluated the key factors and assumptions used to develop these estimates and determined they appeared reasonable in

relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimates for the useful lives of capital assets are based on experience and industry standards. We evaluated the key factors and assumptions used to develop these estimates and determined they appeared 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 Town of Westlake's financial statements relate to capital assets and long-term debt.

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. There were no uncorrected 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. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management: see Exhibit 1.

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 Town of Westlake's 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 attached letter **dated**.

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.

Modification of the Auditor's Report

Our audit opinion includes an emphasis-of-a-matter paragraph. As discussed in Note 5.J to the financial statements, there was a restatement of beginning net position within the governmental activities caused by the implementation of GOSB 87, as well as a restatement of the beginning net position within the utility fund and business-type activities as a result of utility billing corrections.

Other Significant Findings or Issues

In the normal course of our professional association with the Town of Westlake, 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 Town of Westlake, Texas's auditors.

Other Information in Documents Containing Audited Financial Statements (if applicable)

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Town of Westlake, Texas's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the Town of Westlake, Texas and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, slightly stylized font.

Brooks Watson & Co., PLLC

Exhibit 1

Audit Journal Entries

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To adjust sales tax receivable and sales tax revenue			
100-10500-00-000	Sales Tax Receivable	2,606,887.76	
100-31311-10-000	Sales Tax Revenue >4B200	2,204,612.91	
200-10500-00-000	Sales Tax Receivable	868,962.59	
100-31310-10-000	Sales Tax Revenue 100		4,811,500.68
200-31310-10-000	Sales Tax		868,962.58
Total		5,680,463.26	5,680,463.26
Adjusting Journal Entries JE # 2			
To book the hotel receivable properly in FY2023			
210-10502-00-000	Hotel Tax Receivable	5,971.88	
220-10502-00-000	Hotel Tax Receivable	21,027.28	
220-31320-10-002	Deloitte Hotel Occupancy Tax	10,516.54	
210-31320-10-000	Hotel Occupancy Tax		5,971.89
220-31320-10-001	Marriott Hotel Occupancy Tax		31,543.81
Total		37,515.70	37,515.70
Adjusting Journal Entries JE # 3			
BBFBF			
500-11501-00-000	Accrued Billing Receivable	1,041,609.41	
500-11502-00-000	Bad Debt Allowance	97,421.65	
500-11500-00-000	Accounts Receivable		181,125.53
500-34410-16-000	Water Revenue		789,646.60
500-34420-16-000	Sewer Revenue - Westlake		168,258.93
Total		1,139,031.06	1,139,031.06
Adjusting Journal Entries JE # 4			
To book unrecorded AP			
100-31826-10-000	Tri-County Electric	5,466.54	
100-43215-12-000	Engineering	6,704.00	
100-43245-12-000	Consultant Fees	46,050.00	
100-43353-16-000	Sanitation/Waste Removal	8,662.55	
412-43245-40-000-000088	Consultant Fees-WA Sport Renov	16,036.53	
100-20200-00-000	Accounts Payable		66,883.09
412-20200-00-000	Accounts Payable		16,036.53
Total		82,919.62	82,919.62
Adjusting Journal Entries JE # 5			

To book the accrued wages payable properly

100-41110-10-000	Full-Time Regular	47,151.18	
100-22731-00-000	Accrued Wages Payable		47,151.18
Total		47,151.18	47,151.18

Adjusting Journal Entries JE # 6

To record the prepaid and expense properly

410-14300-00-000	Prepaid Items	25,330.37	
410-73000-20-000-000086	Software Upgrades for WA		25,330.37
Total		25,330.37	25,330.37

Adjusting Journal Entries JE # 7

To adjust debt payment and amortization of premium

500-23100-16-000-000025	Bonds Payable LT - 2022 GORB	385,000.00	
500-23100-16-000-000036	Bonds Payable LT - 2013 CO	26,400.00	
500-23100-16-000-000042	Bonds Payable LT - 2018 CO	95,000.00	
500-23101-16-000-000025	Bonds Payable CY - 2022 GORB	370,000.00	
500-23101-16-000-000036	Bonds Payable CY - 2013 CO	25,300.00	
500-23101-16-000-000042	Bonds Payable CY - 2018 CO	95,000.00	
500-23200-16-000-000025	Bond Premiums 2022 GORB	3,644.00	
500-75004-16-000-000025	Bond Premium 2022 GO	31,059.34	
500-23101-16-000-000025	Bonds Payable CY - 2022 GORB		385,000.00
500-23101-16-000-000036	Bonds Payable CY - 2013 CO		26,400.00
500-23101-16-000-000042	Bonds Payable CY - 2018 CO		95,000.00
500-48840-16-000-000025	DS Principal 2022 GORB		370,000.00
500-48840-16-000-000036	DS Principal 2013 CO GS Tank		25,300.00
500-48840-16-000-000042	DS-Bond Principal 2018 CO		95,000.00
500-48850-16-998 Audit	Bond Premium Amortization		34,703.34
Total		1,031,403.34	1,031,403.34

Adjusting Journal Entries JE # 8

To correct the Franchise Receivable in FY23

100-31826-10-000	Tri-County Electric	3,781.19	
100-31828-10-000	Misc. Franchise Fees	16,296.67	
100-12100-00-000	Franchise Tax Receivable		20,077.86
Total		20,077.86	20,077.86

Adjusting Journal Entries JE # 9

To adjust beginning balance

415-25300-00-000	Fund Balance Unreserved	133.00	
500-25300-00-000	Fund Balance Unreserved	776,483.00	
715-25300-00-000	Fund Balance Unreserved	3,420,855.18	
415-36110-00-000	Earned Interest		133.00
500-75004-16-000-000025	Bond Premium 2022 GO		776,483.00

715-10140-00-000	Cash-USB PID Fiduciary	3,420,855.18	
Total		4,197,471.18	4,197,471.18

Adjusting Journal Entries JE # 10

To record PID activity

715-10140-00-000	Cash-USB PID Fiduciary	97,116.70	
715-48840-00-000	Payments to Special Assessment Bond Holders	3,742,898.14	
BWC 715-43205-00	Administrative Expense	2,800.00	
BWC 715.36110.00	Interest Income		230,246.13
BWC 715-31300-00	Special Assessment Collections		3,612,568.71
Total		3,842,814.84	3,842,814.84

Adjusting Journal Entries JE # 11

To adjust the TMRS pension balances as of year end

500-18030-00-000	Deferred Outflow Actual Exper	115,446.00	
500-18010-00-000	Deferred Outflow Contribution		13,721.00
500-18020-00-000	Deferred Outflow Pension Inves		15,336.00
500-18040-00-000	Deferred Outflow Chg in Assump		
500-23810-00-000	Net Pension Liability		72,076.00
500-24010-00-000	Deferred Inflow Actual Exper		2,338.00
500-46190-99 Audit JE	Change in Pension and OPEB		11,975.00
Total		115,446.00	115,446.00

Adjusting Journal Entries JE # 12

To adjust OPEB balance at year end

500-23811-00-000	OPEB TMRS Liability	6,061.00	
500-18050-00-000	OPEB TMRS Direct Outflow		2,305.00
500-24011-00-000	OPEB TMRS Direct Inflow		1,585.00
500-46190-99 Audit JE	Change in Pension and OPEB		2,171.00
Total		6,061.00	6,061.00

Adjusting Journal Entries JE # 13

To book the compensated absences properly in the CY

500-22733-10-000	Compensated Absence LT	76,470.59	
500-22734-10-000	Compensated Absence ST		11,942.73
500-41770-10-000	Compensated Absence Adjustment		64,527.86
Total		76,470.59	76,470.59

Adjusting Journal Entries JE # 14

Book depreciation for utility fund

500-47105-16-000	Depreciation Expense	566,630.00	
500-16599-00-000	Accumulated Depreciation		566,630.00
Total		566,630.00	566,630.00

Adjusting Journal Entries JE # 15

To correct cash in capital outlay accounts and recognize Denton Co. reimbursements/payments for Parish Lane project

410-73000-00-000-000096	Parish Lane Project	3,928,694.26	
412-46195-00-000-000097	Construction Exp-WA Modular	80,839.26	
410-10110-00-000	Cash-CP 410 Unassigned		876,561.16
410-11500-00-000-000096	Accounts Receivable-Parish Lan		
410-75002-00-099	Other Sources - Denton Co. Reimbursement		3,052,133.10
412-10110-00-000	Cash-FFB WAE 412 Operating		80,839.26
Total		4,009,533.52	4,009,533.52

Reclassifying Journal Entries JE # 9001

To clear out negative retainage in 600 fund

600-20200-00-000	Accounts Payable	558.45	
600-20202-17-000-000032	Construction Retainage Payable		558.45
Total		558.45	558.45

Reclassifying Journal Entries JE # 9002

To reclass principal and interest payments for ROU leases

100-47190 audit	Principal Pmt - ROU Asset Office Rent	302,707.00	
100-48900 audit	Lease Liability - ROU - Interest expense	15,082.00	
220-47190 audit	Principal Pmt - ROU Asset Office Rent	53,419.00	
220-48900 audit	Lease Liability - ROU - Interest expense	2,662.00	
500-23109-00-000	Lease Liability-ROU Office	53,419.00	
500-48900 audit	Lease Liability - ROU - Interest expense	2,662.00	
100-44410-10.2 audit	Office Rent - Contra Expense		317,789.00
220-44410-10.2 audit	Office Rent - Contra Expense		56,081.00
500-44410-10-000	Office Rent		56,081.00
Total		429,951.00	429,951.00

Reclassifying Journal Entries JE # 9003

To reclass amounts due to Academy for FY23 YE

100-10508-00-001	Misc Income Receivable Vaq	40,646.10	
100-10508-00-002	Misc Income Receivable QH	47,248.48	
100-20820-00-000	Due to Academy	88,032.75	
100-11500-00-000	Accounts Receivable		23,684.13
100-13020-00-000	Due from Academy		64,210.45
100-22750-00-000	Federal W/H Liability		60,435.17
100-22755-00-000	SS/Medicare Liability		27,597.58
Total		175,927.33	175,927.33

Reclassifying Journal Entries JE # 9004

To eliminate negative cash presentation

BWC 100-11999-99-999	Due from Other Funds	1,304,710.32	
BWC 300-10100-99-999	Contra Cash	268,698.97	
BWC 410-10100-99-999	Contra Cash	1,036,011.35	
BWC 100-10100-99-999	Contra Cash		1,304,710.32
BWC 300-29999-99-999	Due to General Fund		268,698.97
BWC 410-29999-99-999	Due to General Fund		1,036,011.35
Total		<u>2,609,420.64</u>	<u>2,609,420.64</u>

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To the Town Council and Management
Town of Westlake, Texas

In planning and performing our audit of the financial statements of the Town of Westlake, Texas (the "Town"), as of and for the year ended September 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. The below item was not considered to be a material weakness, however it is considered to be a deficiency that should be considered and addressed if feasible.

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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

We consider the following deficiency to be a material weakness:

1. FINANCIAL REPORTING

Finding

As a part of our audit, we proposed adjustments to certain accounts to be consistent with Generally Accepted Accounting Principles "GAAP". These adjustments are listed in the audit communication letter provided to the Town Council.

Recommendation

We recommend that management review the existing policies, procedures, and controls over these areas to ensure that all information is recorded and reported properly.

Management Response: Director of Finance has continued to improve upon the year end processes, thereby reducing the need for audit adjustments.

Other matters are any additional noteworthy items that are unrelated to internal control such as compliance with laws and regulations. The following other matters were noted:

2. POOLED CASH

Finding

The town's pooled cash account was not being reconciled consistently throughout the year. It was corrected by year-end; however, there were some large reconciling items discovered during the audit. In addition, several funds had a negative claim on cash balance at year-end before correction.

Recommendation

The Town should reconcile the pooled cash account to the individual funds' claim on cash accounts monthly to ensure no major reconciling items exist.

Management response: The Town has prioritized this since shortly after fiscal year end 2023.

3. PURCHASING CARD (P-CARD) PROCESS

Finding

At the time of testing, there were not signed P-card agreements from employees that had purchasing cards. There was also a lack of review of invoices/receipts/purchases. Also, for 2 of 10 transactions tested, there was no receipt. It has been noted by the auditor that those two employees are no longer employed by the Town.

Recommendation

Management should evaluate the purchase card review and approval process and consider requiring invoices over a reasonable threshold require department head approval and finance director approval.

Management response: This process has already been revamped by the current Finance Director and requires receipts, review and approvals from the appropriate levels. An agreement must now be signed by an employee before they can have a P-Card.

The following are additional noteworthy items concerning recent laws, regulations or accounting pronouncements that may impact the Town's operations and procedures:

4. NEW ACCOUNTING STANDARD – GASB NO. 101 – COMPENSATED ABSENCES

Finding

GASB 101, *Compensated Absences*, replaces GASB 16, *Accounting Compensated Absences*. The goal of the standard is to create a more consistent model for accounting for compensated absences that can be applied to all types of compensated absence arrangements. GASB Statement No. 101 is effective for fiscal years beginning after December 15, 2023. For September 30th governments that means on October 1, 2024.

The new guidance introduces three criteria for recording a liability in financial statements prepared using the economic resources measurement focus (often referred to as a "full accrual" basis). A liability should be recognized for leave that has not been used if all of the following are true:

- The leave is attributable to services already rendered.
- The leave accumulates.
- The leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means (likelihood of more than 50 percent).

The most significant impact will be the change to sick leave and how it is accounted for. Under GASB 16, governments have two options in accounting for sick leave, both of which only require the government to accrue for sick time that will be paid in the form of a termination payment. Under GASB 101, sick leave will be calculated in the same manner as any other type of compensated absence. Governments will be required to accrue for time that has accumulated and is likely to be used, even if the employee will never be eligible for a termination payment related to unused time. In addition, the threshold for when to recognize a liability related to expected future payment (or use under GASB 101) decreased from "probable" (likely) to "more likely than not" (likelihood of 50% or higher).

Recommendation

The Town should begin planning for an increase in their compensated absence liability if Sick Leave has not previously been accrued. In addition, the Town should begin assessing the approach and assessment of the likelihood that compensated absences will be utilized and therefore accrued

Management Response: The town is considering how this will affect the compensated absences in FY2024 and planning accordingly.

This communication is intended solely for the information and use of the Town Council and management, and others within the Town, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, slightly stylized font.

BrooksWatson & Co., PLLC

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Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: WA RES 24-40

Agenda Date: 11/11/2024

Agenda #: H.2.

TOWN STAFF REPORT RECOMMENDATION

Discuss, consider and act to approve WA Resolution 24-40 Approving the FY 2023-2024 Annual Financial Report for Westlake Academy from BrooksWatson & Co., PLLC, CPAs (Cayce Lay Lamas, Finance Director)

STAFF: Cayce Lay Lamas, Director of Finance

BACKGROUND:

One of the main objectives of the Finance Department is to provide the Board of Trustees with an Annual Financial Report (AFR) for Westlake Academy for review, discussion, and approval. In compliance with the accounting requirements established by the Governmental Accounting Standards Board (GASB), the purpose of the AFR is to provide useful and transparent information on the financial position of the Academy, both at the Government-Wide and General Fund levels.

At the June 21, 2022 Town Council meeting, BrooksWatson & Co., PLLC was approved to perform Westlake Academy's independent auditing services for a 3-year period. For fiscal year ending June 30, 2024, BrooksWatson provided an Annual Financial Report in draft format on November 7, 2024, and staff has been able to summarize information and completed the detailed Management Data & Analysis (MD&A) section of the audit report.

A significant change in the 2023-24 AFR is the move from an August 31st year-end to a June 30th year-end. On May 30, 2023, the Board of Trustees approved this change, effective with the 2023-24 fiscal year (WA Res 23-11). The Texas Education Agency (TEA) approved this change on June 21, 2023. Therefore, the 2023-24 AFR will report 10-months of financial operations (September 1, 2023 through June 30, 2024). All future years will report 12-months of financial data.

The Texas Education Agency requires the AFR to be approved by the Board of Trustees and submitted to TEA no later than the 150th day following the end of the fiscal year (TEC, §44.008), or November 27, 2024.

DISCUSSION:

The Annual Financial Report had no findings, reportable conditions, nor material weaknesses that are reported to the Texas Education Agency (TEA) for fiscal year ending June 30, 2024. This was verbally confirmed with Louis Breedlove, Senior Audit Manager with BrooksWatson, on November 8, 2024. Findings may include material weaknesses in TEA compliance or insufficient internal controls, etc. Any findings require an explanation with corrective measures be submitted to TEA along with the annual financial report and reviewed in subsequent years to ensure correction and/or compliance in the area of the reported weakness.

The documents included in the Council packet are in draft form; final versions will be available in hard copy at the meeting. There will not be any material changes to the information.

BrooksWatson's Senior Audit Manager, Louis Breedlove, will present an overview and summary report

regarding the Westlake Academy Annual Financial Report. The Board of Trustees will have the option to discuss and ask Mr. Breedlove and/or the Finance Department any questions regarding the audit. A resolution is presented for the Board's consideration.

FISCAL IMPACT:

\$19,100 for audit services

STAFF RECOMMENDATION:

Staff recommends approval of WA Resolution 24-40, as presented.

ATTACHMENT(S):

WA Resolution 24-40

Certificate of Board Approval (TEA Required)

Westlake Academy Annual Financial Report for fiscal year ending June 30, 2024

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve WA Resolution 24-40
- 2) Motion to amend with the following stipulations (please state stipulations in motion)
- 3) Motion to table
- 4) Motion to deny

WESTLAKE ACADEMY

RESOLUTION NO. 24-40

A RESOLUTION OF THE WESTLAKE ACADEMY BOARD OF TRUSTEES APPROVING THE FISCAL YEAR 2023-2024 ANNUAL AUDIT REPORT FROM BROOKSWATSON & CO., PLLC, CERTIFIED PUBLIC ACCOUNTANTS.

WHEREAS, Under Title 19 Chapter 109.23(d) of the Texas Administrative Code, the district must hire at its own expense an independent auditor to conduct an independent audit of its financial statements and provide an opinion on its Annual Financial Report, and

WHEREAS, Under Section 44.008(d) of the Texas Education Code, the annual financial audit is due no later than the 150th day after the end of the fiscal year (November 27th for the June 30th fiscal year), and

WHEREAS, the audit report must be approved by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF WESTLAKE ACADEMY:

SECTION 1: That all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Board of Trustees of Westlake Academy does hereby approve the Fiscal Year 2023-2024 annual audit report from BrooksWatson & Co., PLLC, Certified Public Accountants attached hereto as *Exhibit "A"*.

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Board of Trustees hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11th DAY OF NOVEMBER 2024.

Kim Greaves, President

ATTEST:

Dianna Buchanan, Board Secretary

Dr. Kelly Ritchie, Head of School

APPROVED AS TO FORM:

Janet S. Bubert, School Attorney

EXHIBIT A

Certificate of Board

WESTLAKE ACADEMY
Name of School

TARRANT
County

220-810
Co-District Number

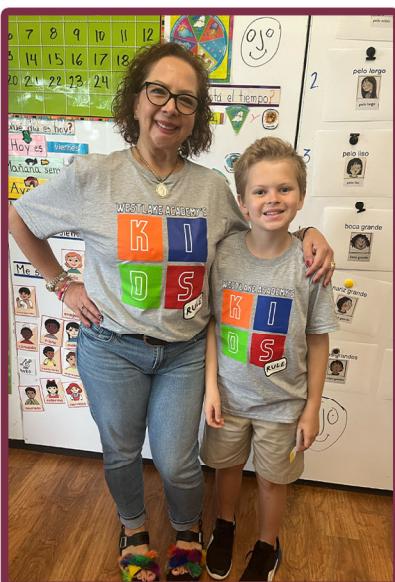
We, the undersigned, certify that the attached annual financial reports of the above-named school were reviewed and (check one) _____ approved _____ disapproved for the year ended June 30, 2024, at a meeting of the Board of Trustees of such school on the 11th day of November, 2024.

Board Secretary Dianna Buchanan

Board President Kim Greaves

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):

(Attach list as necessary)



Annual Financial Report

Fiscal Year Ended June 30, 2024



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Westlake Academy

(A Component Unit of the Town of Westlake)

Annual Financial Report

For the Ten-Month Period Ended June 30, 2024

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Certificate of Board

WESTLAKE ACADEMY

Name of School

TARRANT

County

220-810

County District Number

We the undersigned, certify that the attached annual financial reports of the above named school were reviewed and (check one) ___approved___disapproved for the year ended August 31, 2023 at a meeting of the Board of Trustees of such school on the 11th day of November, 2024.

Board Secretary

Signature of Board President

If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving it is(are):

(Attach list as necessary)

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Westlake Academy:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Westlake Academy (the "Academy") as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Westlake Academy, as of August 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We are required to be independent of Westlake Academy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Emphasis of Matter

As discussed in Note 5.H to the financial statements, due to prior year accounting corrections, the Academy restated beginning net position/fund balance for governmental activities, the general fund, and one nonmajor governmental fund. Our opinion is not modified with respect to these matters.

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, schedules of the Academy's proportionate share of the net pension liability and the net OPEB liability, and schedules of Academy pension and OPEB contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB 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 the Academy's basic financial statements. The nonmajor governmental funds combining statements are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The nonmajor governmental funds combining statements are the responsibility of management and were derived from and relate 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 nonmajor governmental funds combining statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 8, 2024, on our consideration of the Academy'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Academy's internal control over financial reporting and compliance.



BrooksWatson & Co.
Certified Public Accountants
Houston, Texas
November 8, 2024



Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

This section of the Westlake Academy (the "Academy") annual financial report presents our discussion and analysis of the Academy's financial performance during the fiscal year ended August 31, 2024. Please read it in conjunction with the Academy's financial statements. In reviewing this report, readers should be mindful that it is often necessary for management to make and use estimates in the preparation of financial statements. Examples of the use of such estimates may be found in amounts reported for depreciation, receivable allowances, and net pension/OPEB liability.

Financial Highlights

- The liabilities and deferred inflows of the Academy exceeded its assets and deferred outflows (net position) at June 30, 2024 by \$3,230,370.
- The Academy's total net position increased by \$346,442.
- The Academy reported \$12,579,457 in expenses related to governmental activities, of which \$5,326,372 of these expenses were offset by program-specific charges for services or grants and contributions.
- At the end of the fiscal year, the general fund reported a fund balance of \$1,993,503, an increase of \$720,250.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the Academy's basic financial statements. The Academy's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The government-wide statements report information about the Academy as a whole using accounting methods similar to those used by private-sector companies. Its primary objective is to show whether the Academy is better or worse off as a result of the year's activities. The statement of net position includes all of the Academy's assets and liabilities, deferred inflows and outflows of resources. The facilities used in the Academy's operations are included in the Town of Westlake's financial statements.

All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The Academy's revenue is divided into those provided by outside parties who share the costs of some programs, such as payments received from extracurricular activities and grants provided by the U.S.

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

Department of Education to assist children with disabilities (program revenue), and general revenue provided by donations from the public or by Texas Education Agency (TEA) in equalization funding processes (general revenue). All the Academy's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

The two government-wide statements report the Academy's net position and how it has changed. Net position-the difference between the Academy's assets, deferred outflows of resources, and liabilities and deferred inflows of resources-is one way to measure the Academy's financial health or position.

- Over time, increases or decreases in the Academy's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Academy, one should consider additional non-financial factors such as changes in the Academy's average daily attendance and the condition of the Academy's facilities.

The government-wide financial statements of the Academy include the Governmental activities. Most of the Academy's basic services are included here, such as instruction, curriculum and staff development, extracurricular activities, maintenance, health services and general administration. State funds, donations and grants finance most of these activities.

The government-wide financial statements can be found on pages 18-20 of this report.

FUND FINANCIAL STATEMENTS

The fund financial statements begin on page 21 and provide more detailed information about the Academy's most significant funds, not the Academy as a whole. Funds are accounting devices that the Academy uses to keep track of specific sources of funding and spending for particular purposes. All of the funds of the Academy can be divided into two categories: governmental funds and fiduciary funds.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

Governmental Funds

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

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

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

The Academy maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the ESSER fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

The Board of Trustees adopts a budget for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with their respective budget.

The basic governmental fund financial statements can be found on pages 21-24 of this report.

Fiduciary Funds

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

The Academy maintains one fiduciary fund, the Student Activity Fund. The *custodial fund* accounts for resources held for others in a custodial capacity.

Component Unit

The government-wide financial statements also present the activity of Westlake Academy Foundation, a discretely presented component unit. The Foundation was organized exclusively for charitable and educational purposes and provides funds to help support the Academy. During the ten-month fiscal period ending June 30, 2024, the Foundation contributed \$1,129,384 to the Academy to enhance educational opportunities. These contributions are recorded as operating grants and contributions in the Statement of Activities.

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

June 30, 2024

Notes to Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 27-56 of this report.

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, schedule of changes in the net pension/OPEB liability and related ratios and schedule of employer contributions for the Teacher Retirement System of Texas. RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the Academy's financial position. For the Westlake Academy liabilities exceeded assets by \$3,230,370 as of June 30, 2024, in the primary government.

A portion of the Academy's net position, a deficit of \$82,126 reflects its investments in capital assets (e.g. right to use assets), less any debt used to acquire those assets that are still outstanding. The Academy uses these capital assets to provide services to its teachers and students; consequently, these assets are not available for future spending. Although the Academy'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 assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Westlake Academy's net position of \$2,834 represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the Westlake Academy reported negative balances for unrestricted net position for the primary government. The same situation held true for the prior fiscal year.

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	Governmental Activities			
	6/30/2024	8/31/2023	\$ Change	% Change
Current and				
other assets	\$ 2,534,650	\$ 1,824,072	\$ 710,578	39%
Capital assets, net	120,678	282,266	(161,588)	-57%
Total Assets	2,655,328	2,106,338	548,990	26%
Deferred Outflows of				
Resources	3,754,840	2,984,500	770,340	26%
Current liabilities	581,527	664,412	(82,885)	-12%
Long-term liabilities	5,907,783	5,213,744	694,039	13%
Total Liabilities	6,489,310	5,878,156	611,154	10%
Deferred Inflows of				
Resources	3,151,228	2,789,494	361,734	13%
Net Position:				
Net investment in				
capital assets	(82,126)	(81,994)	(132)	100%
Restricted	2,834	2,630	204	8%
Unrestricted	(3,151,078)	(3,497,448)	346,370	-10%
Total Net Position	\$ (3,230,370)	\$ (3,576,812)	\$ 346,442	\$ -10%

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

June 30, 2024

Statement of Activities:

The following table provides a summary of the Academy's changes in net position:

	Governmental Activities			
	9/1/23 - 6/30/24	8/31/2023	\$ Change	% Change
Revenues				
Program revenues:				
Charges for services	\$ 76,985	\$ 116,869	\$ (39,884)	\$ -34%
Operating grants and contributions	3,953,345	3,302,992	650,353	20%
Capital grants and contributions	1,296,042	804,638	491,404	61%
General revenues:				
State aid & formula grants	7,558,907	7,602,771	(43,864)	-1%
Investment earnings (losses)	40,620	34,506	6,114	18%
Total Revenues	12,925,899	11,861,776	1,064,123	9%
Expenses				
Instruction	6,490,445	6,075,612	414,833	7%
Instruction resources and media services	207,863	201,983	5,880	3%
Curriculum and staff development	44,715	82,243	(37,528)	-46%
Instructional leadership	274,618	251,874	22,744	9%
School leadership	1,183,030	1,266,403	(83,373)	-7%
Guidance, counseling and evaluations	688,698	593,571	95,127	16%
Health services	117,809	153,614	(35,805)	-23%
Food service	83,884	51,499	32,385	63%
Extracurricular activities	844,810	867,508	(22,698)	-3%
General administration	641,714	655,856	(14,142)	-2%
Facilities maint. and oper.	1,272,118	1,340,628	(68,510)	-5%
Security and monitoring	126,030	49,908	76,122	153%
Data processing services	418,406	389,645	28,761	7%
Community services	164,895	166,746	(1,851)	-1%
Debt service - interest	20,422	23,272	(2,850)	-12%
Total Expenses	12,579,457	12,170,362	409,095	3%
Change in Net Position	346,442	(308,586)	655,028	
Beginning Net Position	(3,576,812)	(3,268,226)	(308,586)	9%
Ending Net Position	\$ (3,230,370)	\$ (3,576,812)	\$ 346,442	\$ -10%

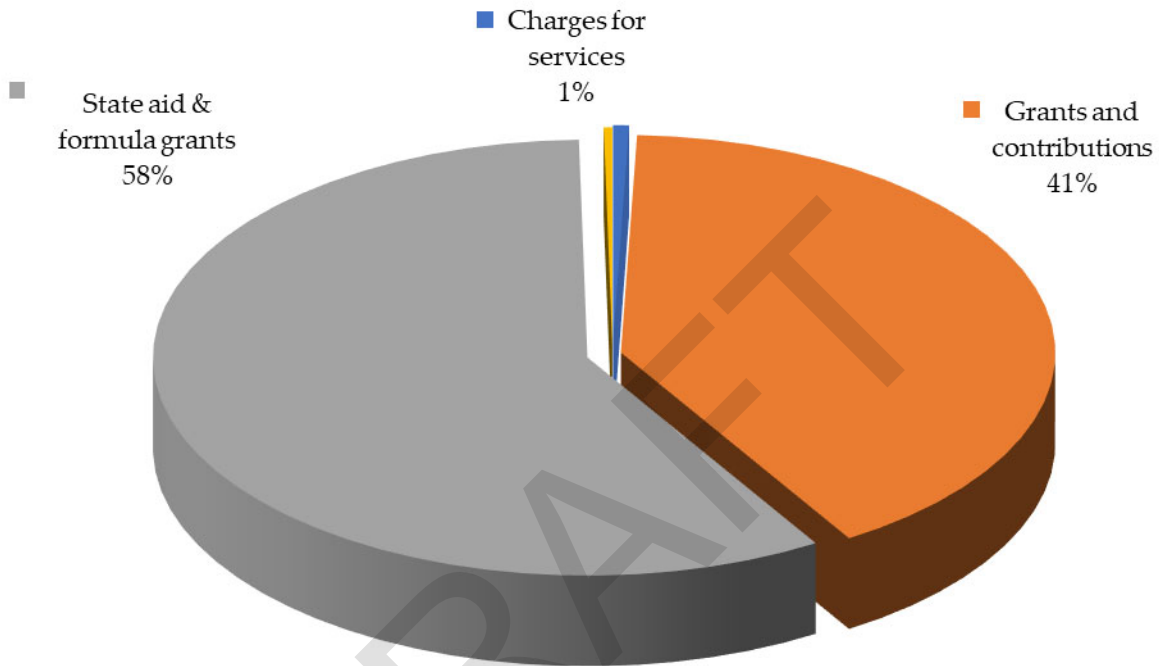
Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the Academy's activities.

Governmental Activities – Revenues



For the year ended June 30, 2024, revenues from governmental activities totaled \$12,925,899. Overall revenue increased \$1,064,123 or 9% from the prior year. The increase was primarily due to nonrecurring contributions received from the Town of Westlake. These contributions were given to the Academy as a subsidy to balance the budget.

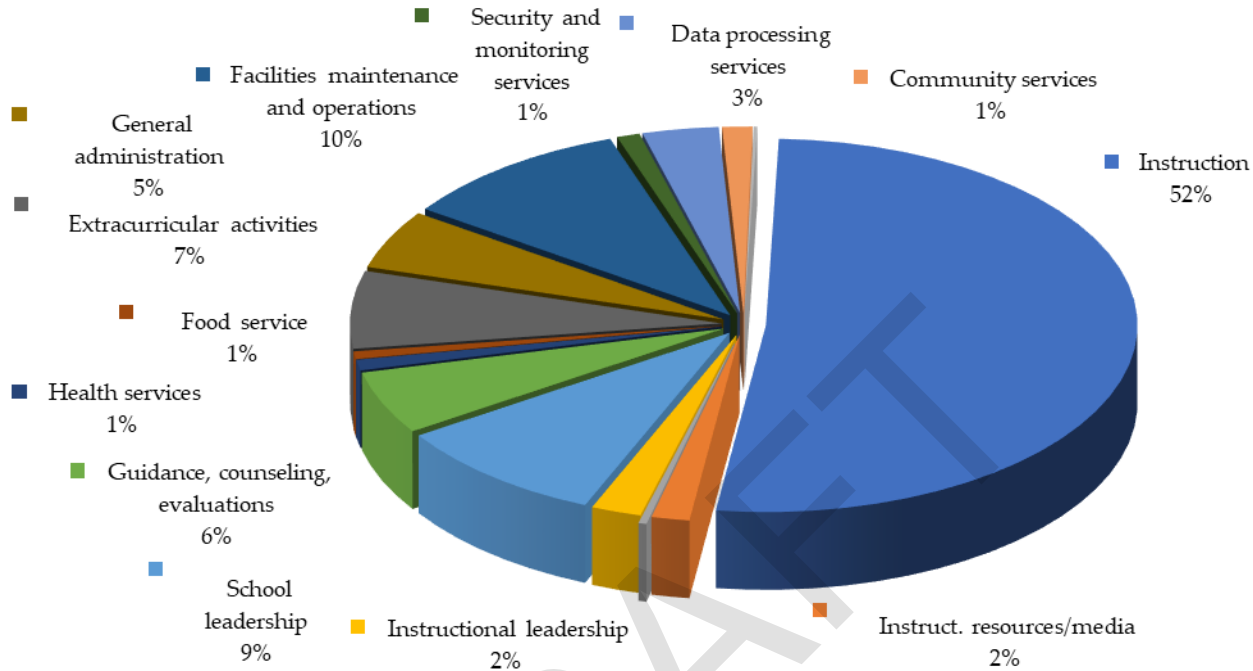
Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

This graph shows the governmental function expenses of the Academy:

Governmental Activities – Expenses



For the year ended June 30, 2024, expenses for governmental activities totaled \$12,579,457. This represents an increase of \$409,095 or 3% from the prior fiscal year ending August 31, 2023. This overall increase is primarily due to greater personnel costs, resulting from the Academy hiring new employees in the current year.

The Academy elected to change their fiscal year end from an August 31st year end to a June 30th year end, effective for the fiscal year ending June 30, 2024. The comparative balances displayed in the condensed financial statements above are as of August 31, 2023. The current year audited financial statements span ten months – September 1, 2023, through June 30, 2024.

Certain expense categories are noted to have decreased when compared to the prior fiscal year ending August 31, 2023. This is primarily the result of ten months of expenses being incurred in the current fiscal year (September 1, 2023, through June 10, 2024) compared to twelve months of expenses being incurred in the prior fiscal year.

FINANCIAL ANALYSIS OF THE ACADEMY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

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

At June 30, 2024, the Academy's governmental funds reported combined fund balances of \$2,080,386, an increase of \$990,399 in comparison with the prior year. Approximately 90% of this amount, \$1,866,207, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable, restricted or committed* to indicate that it is 1) not in spendable form \$39,590 or 2) committed for particular purposes \$171,755 or 3) restricted for donor stipulations \$2,834.

As of the end of the year the general fund reflected a total fund balance of \$1,993,503. General fund balance increased by \$720,250 during the current year. The increase is primarily due to local sources and state program revenues exceeding current year expenditures.

The ESSER fund had an ending fund deficit of \$27,609 at June 30, 2024. The fund balance increased by \$264,225. The increase is primarily due to federal program revenues not being offset by any expenditures in the current year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted revenues of \$10,978,420 were more than actual revenues of \$10,746,156, resulting in a negative revenue variance of \$232,264. The negative variance was primarily the result of less than expected local revenue sources and state program revenues. Total budgeted expenditures of \$11,590,952 were more than actual expenditures of \$10,025,906, resulting in a positive expenditure variance of \$1,565,046. The variance in total expenditures was primarily due to positive variances within all departments, with the exception of, debt service – interest expenses.

CAPITAL ASSETS

As of the end of the year, the Academy's governmental activities had invested \$120,678 in right to use assets. This investment in assets includes a lease financing agreement for Apple TV equipment, Apple Macbooks, iPads, and Pro iOS software licenses. The Academy did not purchase new capital assets during the year. Current year depreciation amounted to \$161,588.

More detailed information about the Academy's capital assets is presented in note 4.E to the financial statements.

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

LONG-TERM DEBT

The Academy's outstanding lease payable balance at the end of the current year was \$202,804. During the year, principal payments totaling \$161,456 were made on the outstanding lease obligations.

More detailed information about the Academy's long-term liabilities is presented in note 4.E to the financial statements.

CURRENT CONDITIONS AND FUTURE CONSIDERATIONS

Westlake Academy serves as a premier institution of learning for the children of Westlake and surrounding areas. As one of the only IB continuum schools in Texas, our focus is on providing an engaging, college-preparatory education in a public charter school setting. Our campus has upgraded the safety equipment at the school by installing over 80 new cameras with AI detection, new panic buttons with remote monitoring, and new access monitoring for doors. We lead with a focus on the holistic nature of education in a safe, welcoming environment.

Westlake Population Growth: Over the past several years, our community has grown through the addition of new residential subdivisions and the construction of new homes within our existing neighborhoods. We are also within the heart of the Fort Worth-Dallas Metroplex, which has also experienced tremendous growth in residential units. This type of growth within our own community results in potentially greater enrollment of primary boundary students (those who live in the Westlake community). The regional growth will ultimately affect the extended boundary lottery wait list as more families seek admittance through the lottery.

Public Education Funding: Funding of public education continues to remain a topic of discussion across the state and will be discussed in the 2025 Legislative Session. As we receive the majority of our funding from the State of Texas, we will continue to work with Westlake Academy administrators and our elected officials to identify key revenue and expenditure drivers for the Academy while assessing historical financial trends and their impact upon our financial stability.

Change in Fiscal Year End: On June 21, 2023, the Texas Education Agency approved changing the Academy's fiscal year from beginning on September 1st and ending on August 31st to beginning on July 1st and ending on June 30th, effective September 1, 2023. In the first year of implementation, the financial accounting period will span 10 months, with an annual operating budget prepared on a 12-month basis. The financial data reported through the PEIMS collection system must also be on a 12-month basis, matching the 12-month budget and maintaining comparability with previous fiscal years. However, the audited financial statements will reflect only the 10-month activity.

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Fiscal Year 2024-2025 budget was prepared with conservative revenue projections and expenditures that are targeted to create an exceptional learning environment designed for student success, supporting a culture where all Westlake Academy students, faculty and staff are able to continuously develop their knowledge and skills. Student enrollment projections for budgeting purposes remains at the 2023-2024 level of 875 students.

General Fund revenues are budgeted at \$11,510,063, an increase of \$763,906, or 14% over the actual revenues realized in FY23 due to the following increases and additions:

- Increase in participation and donations through the Blacksmith Annual Campaign,
- Increase in Municipal contributions for Westlake Academy operations,
- Increase in State revenue due to student attendance and special population programs.

Total appropriations within the General Fund budget are estimated to reach \$11,510,063, which is a cumulative increase \$1,480,203, or 15%, over actual expenditures in FY24. This change is primarily due to the salary increases and related payroll benefits and service level adjustments of \$58,790. Changes in the Fiscal Year 2024-2025 adopted budget include:

Payroll

- Salary increases of 2% of mid-point plus step for positions listed on the step plan (teachers, librarians, counselors, nurses, diagnosticians), and 2% for those excluded from the step plan.
- Adding the following positions, which increased the total full-time equivalents (FTEs) to 119.51:
 - (1.0) Special Education Teacher
 - (.75) Building Technician (this position will be split-funded between the Town of Westlake at 25% and Westlake Academy at 75%)

Professional & Contracted Services

- These costs are related to services rendered to the Academy by firms, individuals, and other organizations. A 21% decrease in expenditures compared to prior year actuals was the result of Principal and Leadership reviews and decreasing costs where applicable without hindering instructional service delivery. Other notable changes include:
 - Increase in Athletic league membership fees and the addition of HUDL technology for all sports.
 - An addition of a one-time cost for the IB Curriculum Evaluation for Primary Years Programme, Middle Years Programme, and the Diploma Programme. This occurs every five years.
 - Changes in student support contracts for autism intervention, audiological, and physical therapy due to the changing needs in Special Education and 504 assessments.

Westlake Academy

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

June 30, 2024

Materials & Supplies

- A 34% increase in expenditures over prior year actuals is associated with consumables used in the classroom and in the general operations of the campus, including:
 - Increases in program-specific instructional supplies,
 - Increases in technology-related supplies, including the replacement of SMART TVs in classrooms

Miscellaneous Operating Costs

- A 22% increase in expenditures over the prior year actuals is associated with insurance, professional development travel, membership fees and dues, and other miscellaneous costs, including:
 - Travel and related professional development training for teachers and administrators
 - Professional and organizational dues,
 - Increase in liability and health insurance

Debt Service

- Costs related to the lease for iPads could possibly increase by 31% over the prior year actuals due to the following:
 - Increase due to property taxes on leased property,
 - Additional estimated costs due to the close out of the 3-year lease in Spring 2025,
 - I-Pad maintenance and repair costs are self-funded through a \$99 annual technology use fee paid by each student at the beginning of the school year.

If the FY 2024-2025 budget estimates are realized, the Academy's General Fund's budgetary fund balance may see slight changes. The audited ending fund balance in General Fund as of June 30, 2024 will increase by \$720,250 for a total ending balance of \$1,993,503, equating to 45 operating days. This increase is due to changing the fiscal year end from August 31st to June 30th. The 2023-24 fiscal year was the transition year auditing 10-months of operational activity.

CONTACTING THE ACADEMY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Academy's finances and to demonstrate the Academy's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance at (817) 490-5721 or the Academic Finance Manager at (817) 490-5737, or by writing to 1500 Solana Blvd, Building 7, Suite 7200, Westlake, Texas 76262.

BASIC FINANCIAL STATEMENTS

Westlake Academy
STATEMENT OF NET POSITION (Page 1 of 2)
June 30, 2024

Exhibit A-1

Data Control Codes		1	4
		Primary Governmental Activities	Component Unit
<u>Assets</u>			
Current assets:			
1110	Cash and cash equivalents	\$ 1,090,272	\$ 627,992
1120	Current investments	-	2,550,253
1240	Due from other governments	1,339,781	-
1290	Other receivables, net	65,007	-
1410	Prepays	39,590	-
Total Current Assets		2,534,650	3,178,245
Noncurrent assets:			
Capital assets:			
Net depreciable capital assets		120,678	-
Total Noncurrent Assets		120,678	-
1000	Total Assets	2,655,328	3,178,245
<u>Deferred Outflows of Resources</u>			
1705	Pension outflows	3,075,092	-
1705	OPEB outflows	679,748	-
1700	Total Deferred Outflows of Resources	3,754,840	-

Westlake Academy

STATEMENT OF NET POSITION (Page 2 of 2)

June 30, 2024

Data Control Codes		1	4
		Primary Government Governmental Activities	Component Unit
	<u>Liabilities</u>		
	Current liabilities:		
2110	Accounts payable	\$ 98,730	\$ 33,899
2160	Accrued wages payable	296,452	-
2200	Accrued expenditures	16,636	-
2501	Long-term debt due within one year	169,709	-
	Total Current Liabilities	581,527	33,899
	Noncurrent liabilities:		
2502	Long-term debt due in more than one year	33,095	-
2540	Net pension liability	4,390,064	-
2545	OPEB liability	1,484,624	-
	Total Noncurrent Liabilities	5,907,783	-
2000	Total Liabilities	6,489,310	33,899
	<u>Deferred Inflows of Resources</u>		
2605	Pension inflows	988,289	-
2605	OPEB inflows	2,162,939	-
2600	Total Deferred Inflows of Resources	3,151,228	-
	<u>Net Position</u>		
3200	Net investment in capital assets	(82,126)	-
	Restricted for:		
3890	Donor stipulations	2,834	317,809
3900	Unrestricted	(3,151,078)	2,826,537
3000	Total Net Position	\$ (3,230,370)	\$ 3,144,346

See Notes to Financial Statements.

Westlake Academy

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

Exhibit B-1

Data Control Codes	Functions/Programs	Program Revenues			Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		1	3	4	5	6	9	
		Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit	
Primary Government								
Governmental Activities								
11	Instruction	\$ 6,490,445	\$ 32,048	\$ 3,040,613	\$ 816,515	\$ (2,601,269)	\$ -	
12	Instructional resources and media	207,863	13,150	3,931	53,961	(136,821)	-	
13	Curriculum and staff development	44,715	-	331,765	-	287,050	-	
21	Instructional leadership	274,618	-	7,862	-	(266,756)	-	
23	School leadership	1,183,030	-	44,100	26,048	(1,112,882)	-	
31	Guidance, counseling, evaluations	688,698	-	28,376	6,642	(653,680)	-	
33	Health services	117,809	-	3,931	20,735	(93,143)	-	
35	Food service	83,884	8,168	41,329	83,884	49,497	-	
36	Extracurricular activities	844,810	22,006	277,071	66,900	(478,833)	-	
41	General administration	641,714	1,613	39,311	15,648	(585,142)	-	
51	Facilities maintenance and operations	1,272,118	-	115,400	186,215	(970,503)	-	
52	Security and monitoring services	126,030	-	15,725	-	(110,305)	-	
53	Data processing services	418,406	-	3,931	15,354	(399,121)	-	
61	Community services	164,895	-	-	4,140	(160,755)	-	
71	Debt service - interest	20,422	-	-	-	(20,422)	-	
	Total Primary Government	\$ 12,579,457	\$ 76,985	\$ 3,953,345	\$ 1,296,042	\$ (7,253,085)	\$ -	
Component Unit								
IC	Westlake Academy Foundation	1,654,297	-	1,399,810	-	-	(254,487)	
	Total Component Units	\$ 1,654,297	\$ -	\$ 1,399,810	\$ -	\$ -	(254,487)	
Data Control Codes								
General Revenues:								
	SF			State aid-formula grants		7,558,907	-	
	IE			Investment income		40,620	295,769	
	TR			Total General Revenues		7,599,527	295,769	
	CN			Change in Net Position		346,442	41,282	
	NB			Beginning Net Position		(3,576,812)	3,103,064	
	NE			Ending Net Position		\$ (3,230,370)	\$ 3,144,346	

See Notes to Financial Statements.

Westlake Academy

BALANCE SHEET GOVERNMENTAL FUNDS

June 30, 2024

Exhibit C-1

Data Control Codes		10	283	Nonmajor	98
		General	ESSER Fund	Governmental Funds	Total Governmental Funds
	<u>Assets</u>				
1100	Cash and cash equivalents	\$ 865,254	\$ 50,633	\$ 174,385	\$ 1,090,272
1240	Due from other governments	1,339,781	-	-	1,339,781
1260	Due from other funds	168,547	-	-	168,547
1290	Other receivables, net	23,700	-	41,307	65,007
1410	Prepays	39,590	-	-	39,590
	Total Assets	\$ 2,436,872	\$ 50,633	\$ 215,692	\$ 2,703,197
	<u>Liabilities</u>				
2110	Accounts payable	\$ 98,730	\$ -	\$ -	\$ 98,730
2160	Accrued wages payable	296,452	-	-	296,452
2170	Due to other funds	-	78,242	90,305	168,547
2200	Accrued expenditures	16,636	-	-	16,636
	Total Liabilities	411,818	78,242	90,305	580,365
	<u>Deferred Inflows of Resources</u>				
	Unavailable revenue				
	- due from state	31,551	-	10,895	42,446
	Total Deferred Inflows of Resources	31,551	-	10,895	42,446
	<u>Fund Balances</u>				
	Nonspendable:				
3430	Prepaid items	39,590	-	-	39,590
	Restricted for:				
3490	Donor stipulations	-	-	2,834	2,834
	Committed for:				
3545	Campus activities	-	-	171,755	171,755
3600	Unassigned	1,953,913	(27,609)	(60,097)	1,866,207
3000	Total Fund Balances	1,993,503	(27,609)	114,492	2,080,386
	Total Liabilities, Deferred				
4000	Inflows, and Fund Balances	\$ 2,436,872	\$ 50,633	\$ 215,692	\$ 2,703,197

See Notes to Financial Statements.

Westlake Academy

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

June 30, 2024

Exhibit C-2

Fund Balances - Total Governmental Funds	\$ 2,080,386
Adjustments for the Statement of Net Position:	
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.	
Capital assets - net depreciable	120,678
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds	42,446
Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time	
Pension inflows	(988,289)
OPEB inflows	(2,162,939)
Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditures) until then	
Pension outflows	3,075,092
OPEB outflows	679,748
Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.	
Net pension liability	(4,390,064)
OPEB liability	(1,484,624)
Leases payable, current	(169,709)
Leases payable, noncurrent	(33,095)
Net Position of Governmental Activities	<u><u>\$ (3,230,370)</u></u>

Westlake Academy

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS For the Year Ended June 30, 2024

Exhibit C-3

		10	283	98	
Data				Nonmajor	Total
Control			ESSER	Governmental	Governmental
Codes		General	Fund	Funds	Funds
<u>Revenues</u>					
5700	Local and intermediate sources	\$ 2,794,135	\$ -	\$ 566,439	\$ 3,360,574
5800	State program revenues	7,952,021	-	141,174	8,093,195
5900	Federal program revenues	-	264,225	133,642	397,867
5020	Total Revenues	10,746,156	264,225	841,255	11,851,636
<u>Expenditures</u>					
Current:					
0011	Instruction	5,026,310	-	246,807	5,273,117
0012	Instructional resources and media	148,801	-	-	148,801
0013	Curriculum and staff development	40,545	-	4,170	44,715
0021	Instructional leadership	263,775	-	-	263,775
0023	School leadership	1,070,164	-	5,139	1,075,303
0031	Guidance, counseling, evaluations	644,878	-	3,783	648,661
0033	Health services	94,216	-	-	94,216
0036	Extracurricular activities	329,640	-	442,370	772,010
0041	General administration	584,578	-	23,493	608,071
0051	Facilities maintenance and operations	1,082,288	-	-	1,082,288
0052	Security and monitoring services	16,461	-	109,569	126,030
0053	Data processing services	390,180	-	-	390,180
0061	Community services	152,192	-	-	152,192
Debt Service:					
0071	Principal	161,456	-	-	161,456
0072	Interest and fiscal charges	20,422	-	-	20,422
	Total Expenditures	10,025,906	-	835,331	10,861,237
1100	Excess of Revenues				
	Over (Under) Expenditures	720,250	264,225	5,924	990,399
1200	Net Change in Fund Balances	720,250	264,225	5,924	990,399
0100	Beginning fund balances	1,273,253	(291,834)	108,568	1,089,987
3000	(Deficit) Ending Fund Balances	\$ 1,993,503	\$ (27,609)	\$ 114,492	\$ 2,080,386

See Notes to Financial Statements.

Westlake Academy

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

For the Year Ended June 30, 2024

Exhibit C-4

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

Net changes in fund balances - total governmental funds	\$	990,399
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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 expense.

Depreciation expense	(161,588)
----------------------	-----------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(221,779)
--	-----------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Pension expense	(708,931)
-----------------	-----------

OPEB expense	286,885
--------------	---------

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on leases	161,456
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Change in Net Position of Governmental Activities	\$ 346,442
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See Notes to Financial Statements.

Westlake Academy
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2024

Exhibit D-1

	Custodial Fund
	Student Activity Fund
<u>Assets</u>	
Cash and cash equivalents	\$ 29,286
Prepays	315
Total Assets	29,601
<u>Net Position</u>	
Held for student activities	29,601
Total Net Position	\$ 29,601

The notes to the financial statements are an integral part of this statement.

Westlake Academy

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

June 30, 2024

Exhibit D-2

		Custodial Fund
		Student Activity Fund
<u>Additions</u>		
Local and intermediate sources		\$ 46,182
	Total Additions	46,182
<u>Deductions</u>		
Extracurricular activities		48,936
	Total Deductions	48,936
	Change in Fiduciary Net Position	(2,754)
Beginning net position		32,355
	Ending Net Position	\$ 29,601

The notes to the financial statements are an integral part of this statement.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Westlake Academy (the “Academy”), a blended component unit of the Town of Westlake (the “Town”), is a Texas nonprofit corporation under Chapter 12, Subchapter D of the Education Code to provide education. The Town Council consists of six members and serves as the governing body for the Academy. Currently, all members of the Board are members of the Town's governing body. The Academy prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (the “GASB”) and other authoritative sources identified in Statement on Auditing Standards No. 69 of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's Financial Accountability System Resource Guide (the “Resource Guide”) and the requirements of contracts and grants of agencies from which it receives funds.

The Town Council has the authority to set policy direction, appoint the Superintendent, and evaluate the success of the academic service delivery efforts. It also has the primary accountability for fiscal matters. Therefore, the Academy is a financial reporting entity as defined by the GASB in its Statement No.14, “The Financial Reporting Entity”, as modified by GASB Statements No. 39 and 61.

The Academy elected to change their fiscal year end from an August 31st year end to a June 30th year end, effective for the fiscal year ending June 30, 2024. The beginning balances displayed within are as of August 31, 2023. The current year audited financial statements span ten months – August 31, 2023 through June 30, 2024.

The more significant accounting policies of the Academy are described below.

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Financial Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the government.

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, collect grants, set rates or charges, or issue bonded debt without approval by the primary government.

Discretely Presented Component Units

Westlake Academy Foundation

The Westlake Academy Foundation (the "Foundation") is a 501(c)(3) nonprofit organization which was established exclusively for the purpose of supporting the Academy. This includes fundraising for and contributing raised funds to the Academy. The Foundation has been discretely presented in the accompanying financial statements and reported in a separate column to emphasize that it is legally separate from the Academy. Separate audited financial statements of the Foundation are available from the Academy/Town Finance Director's office, 1500 Solana Blvd, Building 7, Suite 7200, Westlake, Texas 76262.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

C. Basis of Presentation - Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Academy's nonfiduciary activities with most of the interfund activities removed. Governmental activities include programs supported primarily by state and federal grants, the Foundation, and the Town. The Academy has no business-type activities that rely to a significant extent, on fees and charges for support.

Neither fiduciary funds nor component units that are fiduciary in nature are included.

The Statement of Activities demonstrates how other people or entities that participate in programs the Academy operates have shared in the payment of the direct costs. Direct expenses are those that are clearly identifiable with a specific function or segment. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the Academy. The primary example is charges for athletic registration fees. The "grants and contributions" column includes amounts paid by organizations outside the Academy to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not program revenue, it is general revenue used to support all of the Academy's functions.

Interfund activities between governmental funds appear as due to and due from on the Governmental Fund Balance Sheet and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. All interfund transactions between governmental funds are eliminated on the government-wide statements.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories: governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for Academy operations, they are not included in the government-wide statements. The Academy considers some governmental funds major and reports their financial condition and results of operations in a separate column.

D. Measurement Focus – Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets,

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2024

current liabilities, deferred inflows of resources, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e. revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The Academy considers all revenues available if they are collectible within 60 days after year-end.

Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred inflows until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the Academy to refund all or part of the unused amount.

The fiduciary funds utilize the accrual basis of accounting for purposes of asset and liability recognition.

With this basis of accounting, all assets and all liabilities associated with the operation of these funds are included on the Statement of Fiduciary Net Position.

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed. The government reports the following major governmental funds:

General Fund

The General Fund is the main operating fund of the Academy. This fund is used to account for all financial resources not accounted for in other funds.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

ESSER Fund

The ESSER Fund accounts for federal stimulus ESSER III-Supplemental funds granted to the LEAs through the CRSSA Act to support the LEA's ability to operate, instruct its students, address learning loss, prepare schools for reopening, test, repair, and upgrade projects to improve air quality in school buildings during the coronavirus pandemic.

Additionally, the Academy reports for the following nonmajor governmental funds:

Nonmajor Governmental Funds

These nonmajor *Special Revenue Funds* account for resources restricted to, or committed for, specific purposes by the Academy or a grantor in a Special Revenue Fund. Most federal and some state financial assistance is accounted for in a Special Revenue Fund and sometimes unused balances must be returned to the grantor at the close of specified project period.

Fiduciary Funds

Custodial Funds account for resources held for others in a custodial capacity. Fiduciary funds are reported in the fiduciary fund financial statements. However, because these assets are not available to support Academy programs, these funds are not included in the government-wide statements. The Academy's Custodial Fund is a Student Activity Fund. These activities are excluded from the school's government-wide financial statements because they cannot use these assets to finance their operations.

D. Other Accounting Policies

1. The State of Texas (the "State") has created a state minimum personal leave program consisting of five days per year personal leave with no limit on accumulation and transferability among districts is provided for employees in accordance with 19 TAC §153.1021(d)(8). Each district's local board is required to establish a personal leave plan. It is the Academy's policy to permit employees to accumulate earned but unused state and local personal leave. There is no liability for unpaid accumulated personal leave since the Academy does not have a policy to pay any amounts when employees separate from service with the Academy.
2. The Data Control Codes refer to the account code structure prescribed by the Texas Education Agency (TEA) in the Financial Accountability System Resource Guide. TEA requires the Academy to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plan.
3. When an expenditure is incurred for purposes for which both restricted or unrestricted fund balance is available, the Academy considers restricted funds to have been spent first. When

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Academy considers amounts to have been spent first out of committed funds, then assigned funds, and finally, unassigned funds.

4. 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 Academy 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.
- 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 board resolution of the School Board, the Academy's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the School Board 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 Academy's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Finance Director and Superintendent.
- 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.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

E. Assets, Liabilities, Deferred Outflows/Inflows, and Fund Equity or Net Position

1. Cash and Investments

The funds of the Academy must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the Academy's agent bank in an amount sufficient to protect Academy funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At June 30, 2024, the carrying amount of the Academy's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments), including \$29,286 recorded in the Custodial fund, was \$807,054 and the bank balance was \$1,136,772. The carrying amount of the Foundation's deposits was \$627,992 as of June 30, 2024 and the bank balance was \$607,097. The Academy cash deposits at June 30, 2024 and during the year then ended was entirely covered by FDIC insurance or the pledged collateral held by the Academy's agent bank in the Town of Westlake's name.

The following is disclosed regarding the combined balances on the date of highest deposit:

- a. Depository: First Financial Bank
- b. The market value of securities pledged to the Town (inclusive of the Academy) as of the date of the highest combined balance on deposit on \$44,865,782.
- c. The highest combined balances of cash, savings, and time deposit accounts amounted to \$41,873,766 (\$1,135,423 of which belonged to the Academy) on June 27, 2024.
- d. Total amount of FDIC coverage at the time of the highest combined balance was \$250,000.

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Academy to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the Academy to invest in (1) obligations of the U. S. Treasury, certain U. S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the Academy to have independent auditors perform

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2024

test procedures related to investment practices as provided by the Act. The Academy is in substantial compliance with the requirements of the Act and with local policies.

2. Fair Value

The Academy has applied Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds” in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as “due to/from component unit/primary government.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

5. Capital Assets

As the Academy constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in note E.7. below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Capital assets are generally procured by the Town of Westlake and reported in the Town's financial statements.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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.

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 that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds may report unavailable revenues from grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

7. Leases

The Academy is a lessee for a noncancellable lease of office equipment. The Academy recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Academy recognizes lease liabilities with an individual value of \$10,000 or more.

At the commencement of a lease, the Academy initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

- The Academy uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Academy generally uses its estimated incremental borrowing rate as the discount rate for leases.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Academy is reasonably certain to exercise.

The Academy monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

8. Pensions and OPEB (“Other Post-Employment Benefits”)

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, pension/OPEB expense, and information about assets, liabilities and additions to/deductions from TRS fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

10. 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

F. Revenues and Expenditures/Expenses

Amounts reported as program revenues include 1) charges to services or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All grants, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, “the issuance of long-term debt (e.g., bonds) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Board of Trustees adopts an “appropriated budget” on a Generally Accepted Accounting Principles (GAAP) basis for the general fund. The general fund budget appears in Exhibit E-1. Prior to August 25 of the preceding fiscal year, the Academy prepares a budget for the next succeeding fiscal year beginning September 1. Prior to September 1, the budget is legally enacted through resolution by the Board. Once a budget is approved, it can only be amended at the object level by the staff. The function and fund level must be amended by approval of a majority of the members of the Board. Westlake Academy employees can amend the budget within each function as long as the total function expenditure remains the same as of the adopted budget. If the total budgeted function expenditure is amended and different from the adopted budget, the

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Board must approve that amendment. Appropriations lapse at the end of the year. During the fiscal year ended June 30, 2024, several supplemental budget appropriations were made.

As of June 30, 2024, general fund expenditures did not exceed appropriations at the legal level of control.

A. Restricted Net Position

The Academy records restricted net position on amounts with externally imposed restrictions (e.g., through donor stipulations) or restrictions imposed by law through constitutional provisions or enabling legislation. Total restricted net position for the primary government was \$2,834.

B. Deficit Fund Equity & Net Position

At June 30, 2024, the ESSER fund, IMA fund, and Local Grants fund had a deficit fund balances of \$27,609, \$11,310, and \$48,787, respectively. The deficit balances will be eliminated in the future by decreasing expenditures and receiving additional grant funding. The Academy's net position had a deficit net position of \$3,230,370, primarily as a result of the pension and OPEB liabilities.

NOTE 4. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of June 30, 2024, the Academy had the following investments:

Investment Type	Carrying Value	Weighted Average Maturity (Years)
External investment pools	\$ 116	0.08
Total fair value	\$ 116	
Portfolio weighted average maturity		0.08

See the Westlake Academy Foundation's annual report for their weighted average to maturity.

Credit risk: The Academy's investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than "A" or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAAM, or equivalent, by at least one nationally

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

recognized rating service. As of June 30, 2024, TexPool's investments credit quality rating was AAAm (Standard & Poor's).

Custodial credit risk – deposits: In the case of deposits, this is the risk that in the event of a bank failure, the Academy's deposits may not be returned to it. As of June 30, 2024, the Academy's deposits with financial institutions in excess of federal depository insurance were fully collateralized by the FDIC insurance and pledged collateral held by the Academy's agent bank in the Town of Westlake's name.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the Academy will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Academy's investment policy requires that it will seek to safeguard securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the Academy's safeguard account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both 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. Finally, Standard & Poor's rate TexPool AAAm. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. At June 30, 2024, the fair value of the position in TexPool approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

B. Fair Value Measurements

The Foundation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
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Westlake Academy

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2024

- Level 2 Inputs to the valuation methodology include
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability; and
 - inputs that are derived principally from our corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024.

Marketable Equity Securities: Valued at the last reported daily price

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumption to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Component Unit's fair value measurements at June 30, 2024.

Investment Type	Level 1	Level 2	Level 3	Total
<i>Marketable equity securities:</i>				
Equity	\$ 1,570,442	\$ -	\$ -	\$ 1,570,442
Fixed income	979,811	-	-	979,811
Total assets measured at fair value:	<u>\$ 2,550,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,550,253</u>

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

C. Receivables

The following comprise receivable balances of the primary government at year end:

	General	Nonmajor Govt.	Total
Due to other governments			
State entitlements	\$ 1,339,781	\$ -	1,339,781
Other	23,700	41,307	65,007
Total	\$ 1,363,481	\$ 41,307	1,404,788

D. Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balances *	Increases	Disposals / Reclassifications	Ending Balances
Capital assets, being depreciated:				
Right to use leased equipment	581,716	-	-	581,716
Total capital assets being depreciated	581,716	-	-	581,716
Less accumulated depreciation				
Right to use leased equipment	299,450	161,588	-	461,038
Total accumulated depreciation	299,450	161,588	-	461,038
Net capital assets being depreciated	282,266	(161,588)	-	120,678
Total Capital Assets	\$ 282,266 *	\$ (161,588)	\$ -	\$ 120,678

*Beginning balances are stated as of August 31, 2023. Current year activity spans 10 months due to the Academy's fiscal year end change to June 30.

Depreciation was charged to governmental functions as follows:

0011	Instruction	\$ 161,588
Total Governmental Activities Depreciation Expense		\$ 161,588

E. Long-term Debt – Lease Payable

The Academy entered into a three-year lease agreement on July 1, 2022, as lessee for the acquisition and use of various Apple products and software licenses. The total initial lease liability for the agreement was recorded in the amount of \$581,716. As of June 30, 2024, the value of the lease liability was \$202,804. The Academy is required to make monthly principal/interest payments of \$17,362. The lease has an interest rate of 5%. In addition, the

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

office equipment has a three-year estimated useful life. The value of the right-to-use assets as of the end of the current fiscal year was \$840,769 and had accumulated amortization of \$461,038.

The following summarizes the changes in lease payable during the year.

	Beginning Balance *	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Leases	\$ 364,260	\$ -	\$ (161,456)	\$ 202,804	\$ 169,709
Total Governmental Activities	<u>\$ 364,260</u>	<u>\$ -</u>	<u>\$ (161,456)</u>	<u>\$ 202,804</u>	<u>\$ 169,709</u>
Long-term Liabilities Due in More than One Year				<u>\$ 33,095</u>	

*Beginning balances are stated as of August 31, 2023. Current year activity spans 10 months due to the Academy's fiscal year end change to June 30.

The annual requirements to amortize lease obligations as of June 30, 2024, are as follows:

<u>Governmental Activities</u>			
Year Ending August 31,	Leases		Total Requirements
	Principal	Interest	
2025	\$ 169,709	\$ 3,913	\$ 173,622
2026	33,095	-	33,095
Total	<u>\$ 202,804</u>	<u>\$ 3,913</u>	<u>\$ 206,717</u>

F. Interfund Transactions

The composition of interfund balances as of the year ended June 30, 2024 were as follows:

Due from:	Due to:		
	Nonmajor		Total
	ESSER	Govt.	
General fund	\$ 78,242	\$ 90,305	\$ 168,547
Total	<u>\$ 78,242</u>	<u>\$ 90,305</u>	<u>\$ 168,547</u>

Interfund balances resulted from the timing difference between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All balances are expected to be paid in the subsequent year.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

NOTE 5. OTHER INFORMATION

A. Risk Management

The Academy is exposed to various risk of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Academy carries commercial insurance. There were no settlements exceeding insurance coverage in the current fiscal year.

B. Litigation and Contingencies

The Academy is a party to various legal actions none of which is believed by administration to have a material effect on the financial condition of the Academy. Accordingly, no provision for losses has been recorded in the accompanying combined financial statements for such contingencies.

The Academy participates in state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Academy has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. In the opinion of the Academy, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

C. Defined Benefit Pension Plan

Plan Description

The Westlake Academy participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position

Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/TRS%20Documents/2023%20ACFR%20Final%2011-20-2023.pdf>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (A) above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the system during the fiscal year.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 thru 2025.

Schedule of Contribution Rates

Contribution Rates	2023 (Rate)	2024 (Rate)
Member	8.00%	8.25%
Non-employer contributing entity (State)	8.00%	8.25%
Employers	8.00%	8.25%

The employer and member contributions for the Academy's fiscal year 2024 amounted to \$295,372 and \$490,370, respectively. The State's contributions for plan year 2023 (measurement year) amounted to \$299,155.

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50 percent of the state contribution rate for certain instructional or administrative employees; and 100 percent of the state contribution rate for all other employees

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

- All public schools, charter schools, and regional educational service centers must contribute 1.8 percent of the member's salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The Total Pension Liability in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022 (rolled forward to August 31, 2023)
Actuarial Cost Method	Individual entry age normal
Asset Valuation Method	Market value
Single Discount Rate	7.00%
Investment Rate of Return	7.25%
Municipal Bond Rate as of August 2020	2.33% as reported in Fidelity Index's 20-year Municipal GO
Inflation	2.30% per year
Overall payroll growth	3.05% to 9.05%, including inflation
Active mortality rates	Based on 90% of the RP 2014 Employing Mortality Tables for males and females with full generational mortality. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Health Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projective scale U-MP.

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2022. For a full description of these assumptions please see the actuarial valuation report dated November 12, 2022.

Discount Rate

A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.50 percent of payroll in fiscal year 2024 gradually increasing to 9.56 percent in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class as of August 31, 2023 (see page 56 of the TRS ACFR) are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Geometric)	Expected Contribution to Long-Term Portfolio Returns
Global Equity	54.0 %	20.3 %	4.10 %
Stable Value	21.0	10.2	0.70
Real Return	21.0	4.9	1.50
Risk Parity	8.0	4.5	0.40
Asset Allocation Leverage	(4.0)	8.10	(0.10)
Inflation			2.30
Volatility Drag			(0.90)
Total	100.0%		8.00%

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Discount Rate Sensitivity Analysis

The following table presents the Net Pension Liability of the plan using the discount rate of 7.00%, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Academy's proportionate share of the net pension	\$ 6,563,389	\$ 4,390,064	\$ 2,582,943

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

At June 30, 2024, the Academy reported a liability of \$4,390,064 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the Academy. The amount recognized by the Academy as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Academy were as follows:

Academy's proportionate share of the collective net pension liability	\$4,390,064
State's proportionate share that is associated with Academy	<u>3,997,690</u>
Total	<u>\$8,387,754</u>

The net pension liability was measured as of August 31, 2022 (and rolled forward to August 31, 2023) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportion of the net pension liability was based on the Academy's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

At August 31, 2023, the employer's proportion of the collective net pension liability was 0.0063911%, which was an increase of 0.0005543632% from its proportion measured as of August 31, 2022.

Changes since the Prior Measurement Date

The actuarial assumptions and methods are the same as used in the determination of the prior year's net pension liability.

The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the net pension liability of TRS. In addition, the Legislature also provided for a cost-of-living adjustment (COLA) to retirees which was approved during the November 2023 election which will be paid in January 2024. Therefore, this contingent liability was not reflected as of June 30, 2024.

For the year ended June 30, 2024, the Academy recognized pension expense of \$1,607,920 and revenue of \$603,617 for support provided by the State.

At June 30, 2024, the Academy 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	\$ 156,419	\$ 53,159
Changes in actuarial assumptions	415,214	101,612
Difference between projected and actual investment earnings	1,371,762	732,901
Changes in proportion and difference between the employer's contributions and proportionate share of contributions	836,325	100,617
Contributions subsequent to the measurement date	295,372	-
Total	\$ 3,075,092	\$ 988,289

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$295,372 will be recognized as a reduction of the net pension liability for the year ending June 30, 2025.

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

Year ended June 30:	
2025	\$ 479,211
2026	387,001
2027	651,270
2028	227,797
2029	46,152
Thereafter	-
	\$ 1,791,431

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

D. Health Care Coverage

During the period ended June 30, 2024, employees of the Academy who met minimum eligibility requirements were covered by a state-wide health care plan, TRS Active Care. The Academy's participation in this plan is renewed annually. The Academy paid into the Plan \$397 per month per employee and \$322 per month when the employee works less than 30 hours per week if eligible to enroll in TRS Active Care. Employees, at their option, pay premiums for any coverage above these amounts as well as for dependent coverage.

The Teacher Retirement System (TRS) manages TRS Active Care. The medical plan is administered by Aetna, and Caremark Health administers the prescription drug plan. The latest financial information on the state-wide plan may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, www.trs.state.tx.us, under the TRS Publications heading.

E. Defined Other Post Employment Benefit Plan

Plan Description

The Academy participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing, defined benefit OPEB plan with a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature. The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position

Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/TRS%20Documents/2023%20ACFR%20Final%2011-20-2023.pdf>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Benefits Provided

TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational academies who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for a retiree with and without Medicare coverage.

TRS-Care Monthly Premium Rates		
	Medicare	Non-Medicare
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and schools based upon school payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Schedule of Contribution Rates

Contribution Rates	2023 (Rate)	2024 (Rate)
Active employee	0.65%	0.65%
Non-employer contributing entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding	1.25%	1.25%

The employer and member contributions for the Academy's fiscal year 2023 amounted to \$50,495 and \$38,634, respectively. The State's contributions for plan year 2022 (measurement year) amounted to \$70,196.

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$21.3 million in fiscal year 2023 provided by Rider 14 of the Senate Bill GAA of the 87th Legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care funds in excess of the state's actual obligation and then transferred to TRS-Care.

Actuarial assumptions:

The actuarial valuation of the total OPEB liability was performed as of August 31, 2022. Update procedures were used to roll forward the total OPEB liability to August 31, 2023. The actuarial valuation was determined using the following actuarial assumptions: *Actuarial Assumptions can be found in the 2023 TRS ACFR, Note 9, page 79.*

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2021. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

The active mortality rates were based on PUB(2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males). The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2021.

Actuarial cost method	Individual entry age normal
Inflation	2.3% per year
Discount rate	3.91%, as reported in Fidelity Index's 20-year Municipal GO AA Index as of August 31, 2022
Election rates	Normal Retirement; 65% participation prior to age 65 and 40% after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Healthcare trend rates	9% for Medicare retirees and 7.30% for non-Medicare retirees
Administrative expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.

Discount Rate:

A single discount rate of 4.13% was used to measure the total OPEB liability at August 31, 2023. This was an increase of 0.22% in the discount rate since the previous measurement date.

Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the Single Discount Rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Fidelity "20-year Municipal GO AA Index" as of August 31, 2023 using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the Academy, calculated using the discount rate of 4.13%, as well as what the Academy's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13%) or 1-percentage-point higher (5.13%) than the current rate:

	1% Decrease 3.13%	Discount Rate 4.13%	1% Increase 5.13%
Academy's proportionate share of the net OPEB liability	\$ 1,748,578	\$ 1,484,624	\$ 1,269,231

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

Healthcare Cost Trend Rates Sensitivity Analysis

The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease in Trend Rate	Trend Rate	1% Increase in Trend Rate
Academy's proportionate share of the net OPEB liability	\$ 1,222,513	\$ 1,484,624	\$ 1,821,830

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At June 30, 2024, the Academy reported a liability of \$1,484,624 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the Academy. The amount recognized by the Academy as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the Academy were as follows:

Academy's proportionate share of the collective net OPEB liability	\$1,484,624
State's proportionate share that is associated with Academy	<u>1,791,427</u>
Total	<u>\$3,276,051</u>

The Net OPEB Liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

At August 31, 2023 the employer's proportion of the collective Net OPEB Liability was .006706%, which was an increase of .00011191% the same proportion measured as of August 31, 2022.

Changes Since the Prior Actuarial Valuation

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period.

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

- The discount rate increased from 3.91% as of August 31, 2022 to 4.13% as of August 31, 2023. This change decreased the total OPEB liability.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

For the year ended June 30, 2024, the Academy recognized OPEB expense of (\$619,359) and revenue of (\$382,969) for support provided by the State.

At June 30, 2024, the Academy reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences between expected and actual economic experience	\$ 67,168	\$ 1,249,030
Changes in actuarial assumptions	202,640	909,075
Difference between projected and actual investment earnings	641	-
Changes in proportion and difference between the employer's contributions and proportionate share of contributions	358,804	4,834
Contributions subsequent to the measurement date	50,495	-
Total	\$ 679,748	\$ 2,162,939

The Academy reported \$50,495 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability for the year ending June 30, 2025.

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	\$ (359,984)
2026	(291,890)
2027	(199,703)
2028	(230,043)
2029	(193,930)
Thereafter	(258,136)
	\$ (1,533,686)

Westlake Academy

NOTES TO FINANCIAL STATEMENTS, *Continued*

June 30, 2024

F. Related Party Transactions

The Westlake Academy Foundation contributed \$1,182,624 to the Academy during the ten-month fiscal year ended June 30, 2024.

The Westlake Academy Foundation made \$181,210 of in-kind contributions (i.e. meals, grant supplies, travel/training reimbursements) to the Academy for instructional grant related activities.

G. Donated Use of Facilities

The Academy currently operates in facilities that are capital assets of the Town. The Academy is not required by the Town to pay rent for the use of those facilities; however, the Academy recognizes the value of the use received, \$1,296,042, in the government-wide statement of activities as capital grants and contributions and as expense allocated to the various functions.

H. Restatements

Due to corrections to prior year accrued liabilities, capital assets, and receivables from Town of Westlake, the Academy restated beginning net position/fund balance governmental activities, the general fund, and one nonmajor governmental fund. The restatement of beginning fund balance/net position is as follows:

	<u>Governmental Activities</u>	<u>General</u>	<u>Nonmajor Governmental</u>
Prior year ending net position/fund balance, as reported	\$ (3,450,477)	\$ 1,137,035	\$ 112,068
Adjustment to unemployment liability	61,985	61,985	-
Accrued liability error	74,233	74,233	-
Correction to Due to Town of Westlake	(3,500)	-	(3,500)
Correction to capital assets	(259,053)	-	-
Restated beginning net position/fund balance	<u>\$ (3,576,812)</u>	<u>\$ 1,273,253</u>	<u>\$ 108,568</u>

I. Subsequent Events

There were no other material subsequent events through November 8, 2024, the date the financial statements were issued.

Westlake Academy

SCHEDULE OF RELATED PARTY TRANSACTIONS

June 30, 2024

Exhibit B.20

Related Party	Relation to the Related Party	Type of Transaction	Description of Terms and Conditions	Source of Funds Used	Payment Frequency	Total Paid	Principal Balance Due
						During Fiscal Year	
Westlake Academy Foundation (WAF)	WAF is an Education Foundation, financially supporting the instructional initiatives of Westlake Academy. WAF is reported as a component unit of the Academy	Donations	None	Local	Various	\$ 1,129,384	-
		Instructional Grants: In-Kind Transactions (paid directly by WAF)	None	Local	Various	181,210	-
		Instructional Grants: Transactions paid directly by WA and reimbursed by WAF	None	Local	Various	53,240	-
		Total					\$ 1,363,834



REQUIRED SUPPLEMENTARY INFORMATION



Westlake Academy

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

For the Year Ended June 30, 2024

Exhibit E-1

Data Control Codes		Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	Revenues				
5700	Local and intermediate sources	\$ 3,076,581	\$ 2,918,882	\$ 2,794,135	\$ (124,747)
5800	State program revenues	8,059,538	8,059,538	7,952,021	(107,517)
5020	Total Revenues	11,136,119	10,978,420	10,746,156	(232,264)
	Expenditures				
	Current:				
0011	Instruction	5,817,470	5,862,523	5,026,310	836,213
0012	Instructional resources and media	193,746	198,077	148,801	49,276
0013	Curriculum and staff development	63,400	67,000	40,545	26,455
0021	Instructional leadership	288,937	294,337	263,775	30,562
0023	School leadership	1,300,586	1,340,786	1,070,164	270,622
0031	Guidance, counseling, evaluations	586,991	690,041	644,878	45,163
0033	Health services	133,600	101,950	94,216	7,734
0036	Extracurricular activities	450,493	452,983	329,640	123,343
0041	General administration	485,332	601,019	584,578	16,441
0051	Facilities maintenance and operations	1,029,456	1,153,566	1,082,288	71,278
0052	Security and monitoring services	56,400	30,900	16,461	14,439
0053	Data processing services	345,341	400,904	390,180	10,724
0061	Community services	157,699	161,699	152,192	9,507
	Debt service:				
0071	Principal	214,495	222,994	161,456	61,538
0072	Interest	12,173	12,173	20,422	(8,249)
	Total Expenditures	11,136,119	11,590,952	10,025,906	1,565,046
	Revenues Over (Under)				
1100	Expenditures	-	(612,532)	720,250	1,332,782
1200	Net Change in Fund Balance	\$ -	\$ (612,532)	720,250	\$ 1,332,782
0100	Beginning fund balance			1,273,253	
3000	Ending Fund Balance			\$ 1,993,503	

Notes to Required Supplementary Information

- Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).



Westlake Academy

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2024

Budgetary Information

The Board of Trustees adopts an “appropriated budget” on a GAAP basis for the General Fund. The Academy is required to present the adopted and final amended budgeted revenues and expenditures for this fund. The General Fund budget appears in Exhibit E-1.

The following procedures are followed in establishing the budgetary data:

1. Prior to August 25 of the preceding fiscal year, the Academy prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board of Trustees is then called for the purpose of adopting the proposed budget.
3. Prior to September 1, the budget is legally enacted through resolution by the Board. Once a budget is approved, it can only be amended at the object by the staff, function and fund level must be amended by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment made before the fact, is reflected in the official minutes of the Board, and is not made after fiscal year end.
4. Westlake Academy employees can amend the budget within each function as long as the total function expenditure remains the same as adopted budget. If the total budgeted function expenditure is amended and different from adopted budget, the Board must approve the amendment. All budget appropriations lapse at year end.

Westlake Academy

SCHEDULE OF ACADEMY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY TEACHER RETIREMENT SYSTEM OF TEXAS

Years Ended:
Exhibit E-2

	8/31/2013	8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015	8/31/2014	¹
Academy's proportion of the net pension liability	0.0063911%	0.0058367%	0.0051806%	0.0055779%	0.0028912%	0.0027061%	0.0028012%	0.0027822%	0.0030945%	0.0007190%	
Academy's proportionate share of net pension liability	\$ 4,390,064	\$ 3,465,116	\$ 1,319,306	\$ 2,987,427	\$ 1,502,914	\$ 1,489,525	\$ 895,663	\$ 1,051,346	\$ 1,093,865	\$ 192,056	
State's proportionate share of net pension liability associated with Westlake Academy	3,997,690	4,030,833	1,996,109	4,112,478	5,272,547	5,571,598	3,480,057	4,035,754	3,667,893	2,965,583	
Total	\$ 8,387,754	\$ 7,495,949	\$ 3,315,415	\$ 7,099,905	\$ 6,775,461	\$ 7,061,123	\$ 4,375,720	\$ 5,087,100	\$ 4,761,758	\$ 3,157,639	
Covered payroll	\$ 6,648,972	\$ 6,248,867	\$ 6,119,043	\$ 5,984,542	\$ 5,534,431	\$ 5,289,916	\$ 5,391,515	\$ 5,094,571	\$ 4,784,695	\$ 4,300,931	
Academy's proportionate share of net pension liability as a percentage of covered payroll	66.03%	55.45%	21.56%	49.92%	27.16%	28.16%	16.61%	20.64%	22.86%	4.47%	
Plan fiduciary net position as a percentage of total pension liability	73.15%	75.62%	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%	

Notes to schedule:

1) Ten years of data is presented in accordance with GASB #68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement.

Westlake Academy

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN TEACHER RETIREMENT SYSTEM OF TEXAS

Years Ended:

Exhibit E-3

	6/30/2024	8/31/2023	8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015	¹
Statutorily required contributions	\$ 295,372	\$ 328,385	\$ 272,001	\$ 222,306	\$ 230,148	\$ 100,311	\$ 91,593	\$ 131,436	\$ 88,399	\$ 92,325	
Actual contributions in relation to											
statutorily required contributions	\$ 295,372	\$ 328,385	\$ 272,001	\$ 222,306	\$ 230,148	\$ 100,311	\$ 91,593	\$ 131,436	\$ 88,399	\$ 92,325	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Academy's covered payroll	\$ 5,948,482	\$ 6,648,972	\$ 6,248,867	\$ 6,119,043	\$ 5,984,542	\$ 5,534,431	\$ 5,289,515	\$ 5,391,515	\$ 5,094,571	\$ 4,784,695	
Contributions as a percentage of											
Academy's covered payroll	4.97%	4.94%	4.35%	3.63%	3.85%	1.81%	1.73%	2.44%	1.74%	1.93%	

1) Only eight years of data is presented in accordance with GASB #68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement.

2) GASB 68, Paragraph 81.2.b requires that the data in this schedule be presented as of the Academy's current fiscal year as opposed to the time period covered by the measurement date.

Westlake Academy

SCHEDULE OF ACADEMY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY

TEACHER RETIREMENT SYSTEM CARE PLAN

Years Ended:

Exhibit E-4

	8/31/2023	8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017 ¹
Academy's proportion of the net OPEB liability	0.0067061%	0.0065942%	0.0060770%	0.0060887%	0.0059857%	0.0059093%	0.0058830%
Academy's proportionate share of net OPEB liability	\$ 1,484,624	\$ 1,578,920	\$ 2,344,162	\$ 2,314,571	\$ 2,830,719	\$ 2,950,588	\$ 2,558,314
State's proportionate share of net OPEB liability associated with Westlake Academy	1,791,427	1,926,034	3,140,655	3,110,229	3,761,390	4,695,104	4,406,333
Total	\$ 3,276,051	\$ 3,504,954	\$ 5,484,817	\$ 5,424,800	\$ 6,592,109	\$ 7,645,692	\$ 6,964,647
Covered payroll	\$ 6,248,867	\$ 6,248,867	\$ 5,264,791	\$ 5,984,542	\$ 5,534,431	\$ 5,289,916	\$ 5,391,515
Academy's proportionate share of net OPEB liability as a percentage of covered payroll	23.76%	25.27%	44.53%	38.68%	51.15%	55.78%	47.45%
Plan fiduciary net position as a percentage of total OPEB liability	14.94%	11.52%	6.18%	4.99%	2.66%	1.57%	0.91%

Notes to schedule:

¹ Only seven years of data is presented in accordance with GASB #75. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

Westlake Academy

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN TEACHER RETIREMENT SYSTEM OF TEXAS

Exhibit E-5

Years Ended:

	8/31/2024	8/31/2023	8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	¹
Statutorily required contributions	\$ 50,495	\$ 58,196	\$ 54,054	\$ 46,994	\$ 46,278	\$ 46,703	\$ 46,204	
Actual contributions in relation to statutorily required contributions	\$ 50,495	\$ 58,196	\$ 54,054	\$ 46,994	\$ 46,278	\$ 46,703	\$ 46,204	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Academy's covered payroll	\$ 5,948,482	\$ 6,648,972	\$ 6,248,867	\$ 6,102,222	\$ 5,984,542	\$ 5,534,431	\$ 5,289,916	
Contributions as a percentage of Academy's covered payroll	0.85%	0.88%	0.87%	0.77%	0.77%	0.84%	0.87%	

1) Only seven years of data is presented in accordance with GASB #75. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

2) GASB 75 requires that the data in this schedule be presented as of the Academy's current fiscal year as opposed to the time period covered by the measurement date.



OTHER SUPPLEMENTARY INFORMATION
COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES

DRAFT

Westlake Academy

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2024

Exhibit H-3

Data Control I Codes	224	397	410	429	461	484	Total
	IDEA Part B Formula	Advanced Placement Initiatives	IMA	Silent Panic Alert	Campus Activity Funds	Local Grants	
<u>Assets</u>							
1100 Cash and cash equivalents	\$ -	\$ 2,630	\$ -	\$ -	\$ 171,755	\$ -	\$ 174,385
1290 Other receivables, net	30,208	204	10,895	-	-	-	41,307
1000	\$ 30,208	\$ 2,834	\$ 10,895	\$ -	\$ 171,755	\$ -	\$ 215,692
Total Assets							
<u>Liabilities</u>							
2170 Due to other funds	\$ 30,208	\$ -	\$ 11,310	\$ -	\$ -	\$ 48,787	\$ 90,305
2000	30,208	-	11,310	-	-	48,787	90,305
Total Liabilities							
<u>Deferred Inflows of Resources</u>							
Unavailable revenue - due from state	-	-	10,895	-	-	-	10,895
Total Deferred Inflows of Resources							
<u>Fund Balances</u>							
Restricted for:							
3490 Donor stipulations	-	2,834	-	-	-	-	2,834
Committed for:							
3545 Campus activities	-	-	-	-	171,755	-	171,755
3600 Unassigned	-	-	(11,310)	-	-	(48,787)	(60,097)
3000	-	2,834	(11,310)	-	171,755	(48,787)	114,492
Total Fund Balances							
Total Liabilities, Deferred Inflows, and Fund Balances							
4000	\$ 30,208	\$ 2,834	\$ 10,895	\$ -	\$ 171,755	\$ -	\$ 215,692

See notes to the financial statements

Westlake Academy

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2024

Exhibit H-4

Data Contro		224		397		410		429		461		484		
		IDEA Part B Formula		Advanced Placement Initiatives		IMA		Silent Panic Alert		Campus Activity Funds		Local Grants	Total	
<u>Revenues</u>														
5700	Local and intermediate sources	\$	-	\$	-	\$	-	\$	-	\$	326,976	\$	239,463	\$ 566,439
5800	State program revenues		-		204		29,501		111,469		-		-	141,174
5900	Federal program revenues		133,642		-		-		-		-		-	133,642
	Total Revenues		133,642		204		29,501		111,469		326,976		239,463	841,255
<u>Expenditures</u>														
Current:														
0011	Instruction		133,642		-		37,489		-		-		75,676	246,807
0013	Curriculum and staff development		-		-		-		-		-		4,170	4,170
0031	Guidance, counseling & evaluation		-		-		-		-		-		3,783	3,783
0036	Extracurricular activities		-		-		-		-		290,003		152,367	442,370
0041	General administration		-		-		-		-		23,493		-	23,493
0052	Security and monitoring services		-		-		-		109,569		-		-	109,569
	Total Expenditures		133,642		-		37,489		109,569		313,496		241,135	835,331
Excess (Deficiency) of Revenues Over (Under) Expenditures														
1100			-		204		(7,988)		1,900		13,480		(1,672)	5,924
Net Change in Fund Balances														
1200			-		204		(7,988)		1,900		13,480		(1,672)	5,924
0100	Beginning fund balances		-		2,630		(3,322)		(1,900)		158,275		(47,115)	108,568
3000	Ending Fund Balances	\$	-	\$	2,834	\$	(11,310)	\$	-	\$	171,755	\$	(48,787)	\$ 114,492

See notes to the financial statements

Westlake Academy

USE OF FUNDS REPORT

June 30, 2024

Exhibit J-4

Data Control Codes	Section A : Compensatory Education Programs	Column 1 Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year	\$ 31,185
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 23,328
Section B : Bilingual Education Programs		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 19,006
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 82,802



November 8, 2024

To the Members of the Board of Trustees
and Management of Westlake Academy,

We have audited the financial statements of the Westlake Academy (the "Academy"), for the year ended June 30, 2024, and have issued our report thereon dated **November 8, 2024**. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility under Government Auditing Standards

As communicated in our engagement letter dated August 7, 2024, our responsibility, as described by professional standards, is to plan and perform our audit to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity 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 Westlake Academy 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.

We have provided our findings regarding significant control deficiencies over financial reporting and material weaknesses, and other matters noted during our audit in a separate letter to you dated November 8, 2024.

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, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

In relation to the nonattest services provided, such as preparation of the financial statements and supporting schedules, the Academy has assigned an individual with adequate skills, knowledge, and experience to oversee this service.

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 Westlake Academy is included in Note I 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 year ended June 30, 2024. 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 the estimates inherent within the projection of the future pension obligation used to calculate the net pension liability.

Management's estimates inherent within the projection of future pension obligation are based on experience studies and observations by the actuaries hired by TRS. We evaluated the key factors and assumptions used to develop these estimates and determined they appeared 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 Westlake Academy's financial statements relate to capital assets and long-term debt.

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. There were no uncorrected 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. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management: see Exhibit 1.

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 Westlake Academy's 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 attached letter dated November 8, 2024.

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.

Modification of the Auditor's Report

Our audit opinion includes an emphasis-of-a-matter paragraph. As discussed in Note 5.H to the financial statements, there was a restatement of beginning net position within governmental type activities to properly reflect the implementation of GASB-87 and changes to right to use assets in the prior year.

Other Significant Findings or Issues

In the normal course of our professional association with the Westlake Academy, 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 Westlake Academy's auditors.

Other Information in Documents Containing Audited Financial Statements (*if applicable*)

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Westlake Academy's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the Westlake Academy and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, flowing script.

BrooksWatson & Co., PLLC

Exhibit 1

Audit Journal Entries

The following entries were proposed from the result of audit procedures and accepted by management.

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To defer revenue revenue received beyond 60 days from year-end. Record as of 6/30/24 and reverse as of 7/1/24.			
199-00-00-000-00-000-5812	GEN OP FOUNDATION SCHOOL PRGM	31,551.00	
199-2310cpa	DEFERRED REVENUE		31,551.00
Total		31,551.00	31,551.00

Reclassification Entries

The following entries are reclassifying entries recorded for reporting purposes and are not required entries to be recorded by the Academy.

Account	Description	Debit	Credit
Reclassifying Journal Entries JE # 1000			
To reclass lease payments			
199-71-00-001-99-000-6523	CAPITAL LEASE INTEREST	12,173.00	
199-71-00-001-99-000-6512	GEN OP 1-TO-1 IPAD INITIATIVE PRINCIPAL		12,173.00
Total		12,173.00	12,173.00

Reclassifying Journal Entries JE # 1001

To reclass net deficit cash for reporting purposes.

197-1110	TRNSP CASH & CASH EQUIVALENTS	53,373.94	
198-1110	ATH CASH & CASH EQUIVALENTS	28,867.88	
199-1262	GEN OP DUE FROM SP REVENUE FND	178,079.91	
224-1110	IDEA-B FORMULA CASH & CASH EQUIVALENTS	30,208.04	
410-1110	IMA CASH & CASH EQUIVALENTS	16,842.73	
484-1110	LOCAL GRNTS CASH & CASH EQUIVALENTS	48,787.32	
197-2171	DT GENERAL FUND		53,373.94
198-2171	DT GENERAL FUND		28,867.88
199-1110	GEN OP CASH & CASH EQUIVALENTS		178,079.91
224-2171	DT GENERAL FUND		30,208.04
410-2171	INSTR MAT DUE TO GEN FND		16,842.73
484-2171	DT GENERAL FUND		48,787.32
Total		356,159.82	356,159.82

Reclassifying Journal Entries JE # 1002

Reclass cash reconciling items to Payables and Accruals

199-1110	GEN OP CASH & CASH EQUIVALENTS	31,977.28	
199-1110	GEN OP CASH & CASH EQUIVALENTS	201,780.48	
199-1110	GEN OP CASH & CASH EQUIVALENTS	26,660.07	
199-1110	GEN OP CASH & CASH EQUIVALENTS	27,057.51	
199-1110	GEN OP CASH & CASH EQUIVALENTS	24,847.64	
199-1110	GEN OP CASH & CASH EQUIVALENTS	180.78	
199-00-2155	GEN OP TRS MEMBER CONTRIB (EE)		3,775.33
199-00-2155.02	GEN OP TRS STAT MIN CONTRIB (ER)		14,573.21
199-00-2155.04	GEN OP TRS-CARE CONTRIB (EE/ER)		3,795.29
199-00-2155.06	GEN OP TRS PEN SRCHG CONTRIB (ER)		505.64
199-00-2155.06	GEN OP TRS PEN SRCHG CONTRIB (ER)		505.64
199-00-2155.07	GEN OP TRS-CARE PEN SRCHG CONTRIB (ER)		535.00
199-00-2155.08	GEN OP TRS PUB EDUC ER CONTRIB (ER)		10,274.43
199-00-2155CPA	TRS YE Adjustment		180.78
199-00-2161	GEN OP ACCRUED WAGES PAYABLE		201,780.48
199-2110	GEN OP ACCOUNTS PAYABLE		31,977.28
199-2155	GEN OP TEACHER RETIREMENT		22,359.14
199-2155	GEN OP TEACHER RETIREMENT		22,241.54
Total		312,503.76	312,503.76

BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

November 8, 2024

To the Board of Trustees and Management
of Westlake Academy

In planning and performing our audit of the financial statements of the Westlake Academy (the “Academy”), as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Academy’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy’s internal control over financial reporting.

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 over financial reporting, 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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

This communication is intended solely for the information and use of the Board of Trustees and management, and others within the Academy, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



BrooksWatson & Co., PLLC



Town of Westlake

Staff Report

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

File #: RES 24-78

Agenda Date: 11/11/2024

Agenda #: H.3.

TOWN STAFF REPORT RECOMMENDATION

Discuss, consider and act to cast the Town of Westlake's allocated votes for appointment to the Tarrant Appraisal District Board of Directors (Wade Carroll, Town Manager)

STAFF: Wade Carroll, Town Manager

BACKGROUND:

The terms of five of the current Directors of the Tarrant Appraisal District (TAD) expire December 31, 2024. Attached is correspondence from TAD regarding the process to elect board members, a list of nominated candidates and candidate bios for review.

The Town of Westlake is entitled to cast 4 votes collectively or separately for the nominated candidate(s) for the TAD Board of Directors. The Property Tax Code requires that votes be determined in an open meeting by resolution. Nominees who receive the largest cumulative vote total are elected to the Board.

STAFF RECOMMENDATION:

Staff recommends that Town Council take action to cast the Town of Westlake's 4 votes for a candidate(s) to appoint to the Tarrant Appraisal District Board of Directors.

ATTACHMENT(S):

1. TAD Letter to Taxing Units re TAD BOD Election
2. TAD Vote Allocations
3. TAD BOD Candidate Bios
4. Resolution 24-78
5. TAD Official Ballot

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to cast the Town of Westlake's allocated votes for a candidate(s) to appoint to TAD Board of Directors
- 2) Take no action



Joe Don Bobbitt
Executive Director
Chief Appraiser

September 10, 2024

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

RE: Nomination and Appointment to TAD Board of Directors

Dear [REDACTED]

The current terms of the five appointed members of the Tarrant Appraisal District Board of Directors will expire on December 31, 2024. The first step in appointing voting members for the term beginning January 1, 2025 is calculating the number of votes to which the taxing units are entitled. As required by Section 6.03 of the Property Tax Code, I have calculated and provide in the enclosed list the number of votes for each school district, city, and county entity that is entitled to participate in the appointment process. The **next step** is nomination of candidates. Taxing units are not required to submit any nominations but, if they choose to do so, the **nominations may be made only by a resolution adopted by the governing body and the presiding officer of the governing body must submit the names of the nominees to me *BEFORE* October 15, 2024, which means the nominations must be received by our office no later than October 14, 2024.**

To be eligible to serve as a voting member of the Board of Directors, an individual must have resided in Tarrant County for at least the two years immediately preceding January 1, 2025. An individual who is otherwise eligible is not ineligible because he or she is a member of the government body of a taxing unit. Texas law restricts eligibility and conduct of members of governmental bodies such as appraisal districts' board of directors. In consultation with your attorneys, please review the Property Tax Code and other applicable laws carefully for the details of those restrictions, including definitions of "substantial interest", "business entity", "deferred", "abated", and other terms used below and for the potential criminal consequences of violating certain restrictions. In summary, the Property Tax Code provides that the following are ineligible to serve as voting members of the Board of Directors:

- An individual who has been an employee of the Tarrant Appraisal District at any time during the preceding three years;
- An individual who has served as a voting member of the Board of Directors for all or part of five terms since January 1, 2022
- An individual who is an employee of a taxing unit that participates in Tarrant Appraisal District unless the individual is also a member of the governing body or an elected official of a taxing unit that participates in the District;

- An individual who, directly or through a business entity in which he or she has a substantial interest, is a party to a contract with Tarrant Appraisal District or a taxing unit that participates in the District, if the contract relates to the performance of any activity governed by the Property Tax Code;
- An individual who has engaged in the business of appraising property for compensation for use in proceedings under the Property Tax Code at any time during the preceding three years;
- An individual who has engaged in the business of representing property owners for compensation in proceedings under the Property Tax Code in Tarrant County at any time during the preceding three years;
- An individual who is related by blood or marriage to an individual who is engaged in the business of appraising property for compensation for use in proceedings under the Property Tax Code or of representing property owners for compensation in proceedings under the Property Tax Code in Tarrant County, if the relationship is within the 1st or 2nd degrees on the following chart;

Degrees of Consanguinity and Affinity

1 st DEGREE	2 nd DEGREE	3 rd DEGREE
By Consanguinity • Parents • Children By Affinity • Spouses of relatives listed under first degree consanguinity • Spouse • Spouse's parents • Spouse's children • Stepparents • Stepchildren	By Consanguinity • Grandparents • Grandchildren • Brothers & sisters By Affinity • Spouses of relatives listed by second degree consanguinity • Spouse's grandparents • Spouse's grandchildren • Spouse's brothers & sisters	By Consanguinity • Great grandparents • Great grandchildren • Nieces & nephews • Aunts & uncles By Affinity • No prohibitions

- an individual who owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless the delinquent taxes, penalty, and interest are being paid under an installment plan or a suit to collect the delinquent taxes is deferred or abated.

When submitting nominations to jwooddell@tad.org, please include not only the full name of each candidate, but also his or her complete residence address and a current biography. From timely submitted nominations, I will prepare and distribute before October 30th a ballot to each



Letter to Taxing Units
Appointments to Board of Directors
September 10, 2024

taxing unit entitled to participate in the appointment process. The appointment process may be summarized as follows:

before October 01, 2024	Chief Appraiser calculates numbers of votes and notifies taxing units
before October 15, 2024	Governing bodies of taxing units nominate candidates by resolution and send names to Chief Appraiser
before October 30, 2024	Chief Appraiser prepares ballot and sends it to taxing units
before December 15, 2024 for most taxing units but see the different requirements in section 6.03(k-1) that applies only to “each taxing unit entitled to cast at least five percent of the total votes”, which in this appointment cycle means 250 or more votes on the enclosed list	Governing bodies of taxing units determine their votes by resolution and send votes to Chief Appraiser
before December 31, 2024	Chief Appraiser counts votes, determines which 5 candidates received the most votes, and submits results to taxing units
January 01, 2025	new term begins

Copies of the Nomination Letter, the Ballot Letter, and the Results Letter and enclosures will be posted at www.tad.org/Board-Appointment-Process for your convenience. Entity nominations, nominee biographies, and entity votes will be uploaded as submitted. Please bookmark this communication tool in lieu of PIA requests and phone inquiries. If you have any questions, please do not hesitate to call.

Sincerely,



Joe Don Bobbitt
Executive Director
Chief Appraiser

JDB:jw
Enclosure



TARRANT APPRAISAL DISTRICT
2024 Calculation of Taxing Entity Votes for Board of Directors
Per Section 6.03(d) of Texas Property Tax Code

	2023 TAXES IMPOSED	% OF TOTAL	2024 VOTES
School Districts:			
Aledo ISD	6,131,473	0.11075%	6
Arlington ISD	449,339,758	8.11586%	406
Azle ISD	26,757,803	0.48329%	24
Birdville ISD	178,756,575	3.22866%	161
Burleson ISD	29,051,705	0.52472%	26
Carroll ISD	126,974,245	2.29338%	115
Castleberry ISD	16,163,500	0.29194%	15
Crowley ISD	141,730,903	2.55991%	128
Eagle Mountain/Saginaw ISD	197,162,524	3.56110%	178
Everman ISD	25,800,708	0.46601%	23
Fort Worth ISD	593,404,765	10.71793%	536
Godley ISD	1,285,755	0.02322%	1
Grapevine/Colleyville ISD	188,683,742	3.40796%	170
Hurst/Euless/Bedford ISD	188,555,828	3.40565%	170
Keller ISD	278,949,682	5.03832%	252
Kennedale ISD	24,972,025	0.45104%	23
Lake Worth ISD	19,932,270	0.36001%	18
Lewisville ISD	6,486,148	0.11715%	6
Mansfield ISD	225,674,872	4.07608%	204
Northwest ISD	161,450,254	2.91607%	146
White Settlement ISD	40,321,570	0.72828%	36
Total Schools	\$ 2,927,586,104	52.87733%	2644
Cities:			
City of Arlington	234,044,834	4.22726%	211
City of Azle	7,311,615	0.13206%	7
City of Bedford	29,123,128	0.52601%	26
City of Benbrook	18,003,459	0.32517%	16
City of Blue Mound	1,867,773	0.03374%	2
City of Burleson	6,585,215	0.11894%	6
City of Colleyville	19,359,700	0.34967%	17
City of Crowley	11,329,035	0.20462%	10
City of Dalworthington Gardens	2,683,830	0.04847%	2
Edgecliff Village	918,338	0.01659%	1
City of Euless	30,920,591	0.55848%	28
City of Everman	3,597,742	0.06498%	3
City of Flower Mound	2,207,765	0.03988%	2

City of Forest Hill	7,061,450	0.12754%	6
City of Fort Worth	730,749,438	13.19861%	660
City of Grand Prairie	70,893,423	1.28046%	64
City of Grapevine	30,588,773	0.55249%	28
City of Haltom City	22,894,575	0.41352%	21
City of Haslet	5,622,782	0.10156%	5
City of Hurst	23,713,609	0.42831%	21
City of Keller	24,518,629	0.44285%	22
City of Kennedale	8,649,162	0.15622%	8
Town of Lakeside	1,076,854	0.01945%	1
City of Lake Worth	2,754,231	0.04975%	2
City of Mansfield	63,492,884	1.14679%	57
City of N. Richland Hills	41,212,868	0.74438%	37
Town of Pantego	2,529,168	0.04568%	2
City of Pelican Bay	957,767	0.01730%	1
City of Reno	52,401	0.00095%	0
City of Richland Hills	4,960,043	0.08959%	4
City of River Oaks	3,589,961	0.06484%	3
City of Roanoke	493,962	0.00892%	0
City of Saginaw	15,125,861	0.27320%	14
City of Sansom Park	2,190,078	0.03956%	2
City of Southlake	35,285,741	0.63732%	32
Town of Trophy Club	666,770	0.01204%	1
City of Watauga	11,730,967	0.21188%	11
Town of Westlake	3,896,972	0.07039%	4
City of Westover Hills	3,303,687	0.05967%	3
Westworth Village	2,395,613	0.04327%	2
City of White Settlement	9,970,052	0.18008%	9
Total Cities	<u>\$ 1,498,330,747</u>	<u>27.06248%</u>	<u>1353</u>
Other:			
Tarrant County	551,272,993	9.95696%	498
Tarrant County College	559,372,168	10.10324%	505
Total Other	<u>\$ 1,110,645,161</u>	<u>20.06020%</u>	<u>1003</u>
Total All	\$ 5,536,562,012	100%	5000

TAD BOARD OF DIRECTOR ELECTION

CANDIDATE BIOS



Alan Blaylock

City - Cell: 817-233-2940, Email: Alan.Blaylock@fortworthtexas.gov

City of Fort Worth Councilmember Alan Blaylock is a dedicated community leader who has significantly contributed to his hometown, Fort Worth, Texas. In his short time as council member, he has achieved significant victories that have positively impacted the lives of families and businesses in the area. With an unwavering commitment to serving the public, Alan has personally addressed constituent concerns and continues to be a staunch advocate for the needs and well-being of those he serves.

A strong advocate for public safety, Alan has taken decisive actions to strengthen the Police and Fire departments. Alan voted to fund new positions and provide essential training to ensure the community's safety. Under his leadership, the number of unfilled public safety positions significantly decreased, contributing to a safer environment for residents. The Fort Worth Police Officers Association and the Fort Worth Professional Firefighters Association recognize Alan and endorse his initiatives.

Recognizing the burden of property taxes on Fort Worth taxpayers, Alan emerged as the leading proponent of responsible fiscal policies. As a council member, he has supported the "no new revenue rate," a crucial measure to prevent taxes from rising with appraisal values. His commitment to preserving and improving neighborhoods and infrastructure was evident in his efforts to revise Transportation Impact Fees, secure the establishment of the first H-E-B Grocery in Fort Worth, and pass the Short-Term Rental Ordinance to safeguard the community's residential areas. Alan continues to play an active role in Zoning. He diligently strives to maintain harmony between development projects and neighborhood interests.

Homelessness and city management are equally critical areas of focus for Alan. He secured substantial funding to enhance the city's capabilities and staff in addressing homelessness and its associated challenges, including panhandling. His efforts to implement measures, such as "no panhandling" signs, the Shopping Cart Ordinance, and the purchase of street sweepers, reflect his commitment to maintaining a clean and safe city.

Before being elected into office, Alan served as Senior Product Manager at Nokia for several years, previously holding Lead Software Developer and Project Manager positions at Owen Oil Tools.

As a family man deeply connected to Fort Worth, Alan's love for the city is evident in his actions and decisions as a city council member. He prioritizes delivering tangible results rather than engaging in political grandstanding. His business insight enables him to cut wasteful spending and identify efficiencies, ensuring taxpayer money is utilized effectively without compromising essential city services. Alan is committed to improving the quality of life for his constituents, focusing on infrastructure and roads, public safety, and lowering taxes.

Alan and his wife, Mindy, are proud parents of two daughters and active supporters of The Children's Miracle Network and The Leukemia & Lymphoma Society.

Alan has a record of community service, participating in the following:

- Heritage Homeowners Association Board
- Crime Control and Prevention District Advisory Committee
- Public Improvement District Advisory Committee
- Arts Council of Fort Worth Advisory Committee
- Eagle Ridge Elementary Parent Teacher Board (PTA)
- Foundation of a Regional Youth Swim Team

Currently, he holds positions on several vital committees and boards within the City of Fort Worth:

- CFW – Audit: Chair
- CFW – Mobility: Infrastructure & Transportation: Member
- RTC – Regional Transportation Council: Member
- CFW – Research & Innovation Local Government Corp.: Board of Directors
- CFW – Fort Worth Local Development Corporation: Board of Directors, Vice President
- CFW – Central City Local Government Corporation: Board of Trustees
- CFW – Lone Star Local Government Corporation: Board of Directors, Vice President
- CFW – Fort Worth Housing Finance Corporation: Board of Directors, Director
- CFW – Crime Control & Prevention Board: Board of Directors

Furthermore, Alan is actively involved in several Tax Increment Financing Districts (TIFs) and continues to lead Public Improvement Districts (PIDs), holding the following positions:

- TIF 2 (The Speedway): Chair
- TIF 10 (Lonestar): Vice Chair
- PID 7 (Heritage): Currently, ex officio member (Advisory Board President) serving in the role in overseeing and supporting the functions of the PID for the benefit of the community.

As a fiscally responsible and community-oriented leader, Councilmember Blaylock leads oversight responsibilities for financial matters, while remaining dedicated to ensuring Fort Worth's improvement and its residents' overall well-being.

DARYL DAVIS (9216 Vineyard Lane, Fort Worth, TX 76123)

Mr. Davis is a native of Fort Worth and father of two. Mr. Davis has served on the School Board of Crowley ISD since 2022 and serves as the executive pastor of Inspiring Temple of Praise Church in Fort Worth. Davis has a bachelor's degree in business management and master's degree in education. He also is a graduate recruiter in Texas Christian University's Neeley School of Business and worked as a Dallas College adjunct professor. He is a member of Alpha Phi Alpha Fraternity Inc., the board chair for the Presbyterian Night Shelter, and CFO of Integrity Community Development Corporation, a group working to find solutions for homeless veterans.

Eric Crile



Eric has been a resident of Texas for 17 years. Prior to his arrival in Texas, he was raised in a small rural town in southwestern Pennsylvania. After graduating college, he decided to expand his horizons and moved to south Florida where he resided for 6 years before making his way to the great State of Texas. During the past 17 years he has lived almost exclusively in Tarrant County. This is where he met his wife, Jennifer. They were married in the summer of 2021. They are proud residents of the rapidly expanding Fort Worth/Alliance corridor. He has a beautiful stepdaughter, Jillian, who is a freshman at Eaton High School. Eric and his wife welcomed their first child together, Quintyn, this past May. They are excited for the journey ahead.

Being a strong supporter of public safety, Eric has served the citizens of Dallas for the past 17 years as a firefighter and paramedic for Dallas Fire Rescue. Prior to becoming a firefighter, he worked for the Miami-Dade State Attorney's Office-Child Support Division enforcing adjudicated court orders for child support. He looks forward to showing up for work every day, pulling up his boots, and tackling the ever-changing tasks that lie ahead.

Public education is of the utmost importance to a thriving community, and Eric strongly believes in it. His wife works for a local ISD; she is constantly talking about the funding challenges that her district faces. He has first-hand knowledge of how rapid decisions with incomplete data can have unintended consequences.

Service to the citizens of Fort Worth is also something Eric takes pride in. As a member of the Crime Control and Prevention District, Partners with a Shared Mission Initiative Community-Based Program, a sub advisory board to Fort Worth's Crime Control and Prevention District, Eric can give back to his community in a meaningful way by evaluating effective crime reduction strategies from strategic partners with limited funds to which the board has access.

On the ultimate level of local service, Eric served on his HOA board for the Parks at Willow Ridge. Recently, when the community was in an uproar over the placement of pedestals in everyone's front yard from an internet provider laying fiber optic cable, Eric engaged the provider and negotiated for the installation of inground vaults that were able to meet the aesthetic needs of the community as well as the needs of the provider.

In his free time, when his infant son allows for it, he is an avid movie watcher as well as a member of the DFW Curling Club, the only true sport on ice. As opportunities present themselves, Eric loves to travel. Not long ago he was able to cross off a bucket list item and traveled to Pamplona Spain where he participated in the annual running of the bulls. His advice, if you ever get a chance to visit the San Fermin festival, do it! What an experience!

Eric believes in hard work and realizes that is what it will take to accomplish success at the appraisal district. He wants Tarrant County to be the best at all it does. Eric wants to help create an appraisal district, with its new reality, that works for everyone: Taxpayers, Tax Entities, and the district itself.

He has developed a 5-point plan he believes can serve as a guide for him and the other directors to achieve this goal

1. Fix the Computer Assisted Mass Appraisal (CAMA) data
2. Community Education about TAD's role in tax bills
3. Legislative outreach to work toward solutions for all of TAD's partners
4. The creation of a Tax Entity Liaison
5. A pragmatic approach to problem-solving. Be proactive, not reactive

Eric is a problem solver. He has spent the last 17 years solving problems in rapid succession while realizing that rapid success is the product of a well thought out and well researched plan that takes time to develop and correct data to formulate. Eric believes in you and asks that you believe in him.

Fred Campos Jr.'s Bio



3832 Periwinkle Street
Bedford, TX 76021
817.24.6003

www.FredCampos.com
fcampos@DFWWebsiteDesigners.com
fredman@fredcampos.com

Candidate for Tarrant Appraisal District Board

Profile:

Fred Campos is a lifelong resident of the Fort Worth area. Raised in Grapevine, he eventually settled with his family in the Hurst-Euless-Bedford (HEB) community. After graduating from Grapevine High School, he pursued Computer Science at the University of North Texas. Early in his career, Fred developed a payment processing software that was later acquired by Jack Henry & Associates. Over the next 13 years, he implemented large-scale payment systems for city and county accounting departments' integration.

Following the sale of his business, Fred turned his focus to supporting small businesses in the digital realm. He now manages DFW Website Designers, based in Bedford, which services nearly 1,000 local clients. Fred and his wife Karen, an educator, live in Bedford with their three children. Since 2015, Fred has served as a trustee on the HEB ISD School Board, where he focuses on advancing technology and strengthening school finances.

Professional Experience:

DFW Website Designers: *Top Geek*

2010—Current

- Chief sales evangelist and supporter of websites for nearly 1000 local small businesses.
- Speaker and presenter of social media small business marketing classes ranging from conferences, training, seminars, webinars, and teleseminars.

Jack Henry & Associates Inc./AudioTel Corp./Remit Plus Software Inc.:

1996—2009

- Chief evangelist and payment integrator of remittance applications in more than 400+ cities, counties, churches, and other accounting and billing systems. Product expert in payments & remittance. Sales support for the entire organization.

Community Involvement:

- ***Hurst-Euless-Bedford ISD Trustee Place 7***
Publicly elected volunteer position serving 20 hours a week for the 28 schools that make up the HEBISD public school district in the five cities of Arlington, Bedford, Colleyville, Euless & Hurst.
- ***Member of the HEB Chamber of Commerce***
Serve and participate in a dozen or so community events ranging from Burgers for Books, Night of Hope, Back to School Backpacks etc.

Education:

- ***Computer Science Major/Business Information Systems Minor***
University of North Texas, Denton, TX 1991.
- ***Platforms:*** PC, Windows, DOS, UNIX, OS2, Wordpress, Hubspot, Hootsuite, CRM, IBM, Adobe
- ***Languages:*** Pascal, C, C++, Assembler, Delphi, VB, PHP, HTML

Gary M. Losada

Southlake, Texas

214-405-1416
glosada@sbcglobal.net

EXPERIENCE:

- Testified before Texas Senate Property Tax Reform Committee Hearing April 27, 2016
- Tarrant County Appraisal Review Board
- President of Office Liquidation Center and Aztec Glass
- Served on Blue Chip Review Committees for Arlington Independent School District
- Director of Human Resources, LTV Kentron International
- Assistant to Superintendent, Santa Rosa City Schools, Santa Rosa, California
- Assistant to City Manager Palo Alto, California

EDUCATION:

- M.A. Degree Education /Organization Administration, Stanford University 1974
- B.A. Degree Sociology/ Business Minor, University of San Francisco 1973

Residences:

- Southlake, Tx 2013 – Present
- Arlington, Tx 1990 – 2013

Tarrant Appraisal District – Board of Directors

2020-2021, 2024

Governing body for Central Appraisal District

Tarrant Co. Appraisal Review Board

2009 – 2015

Served as hearings committee chair all six years. Responsible for conducting hearings between Tarrant Appraisal District and taxpayers. Included residential, commercial and personal property taxes.

Opined on various exemptions and valuations of real estate.

President – GMPL Corporation

Purchased raw land for development. Presented various planned developments to city government/council and planning and zoning.

President – Office Liquidation Center/Aztec Glass Company

Purchased and sold new and used office furniture. Purchased and distributed wholesale glass imported from Mexico to florists and grocery chains.

Director of Administration – Dallas Area Rapid Transit

Hired in second year of operation in order to organize and establish various departments such as human resources, purchasing, data processing, building and office management as well as policy development.

Director of Human Resources – LTV Kentron International/Oil States Ind.

Chief Labor negotiator, responsible for corporate wide staffing and training.

Assistant to Superintendent – Santa Rosa City Schools, Santa Rosa, California

Responsible for pupil transportation, data processing, Board policy implementation and labor relations.

Assistant to City Manager – Palo Alto, California

Responsible for budget preparation, policy implementation public relations, special assignments by City Manager.

A. Gloria Peña

5102 Oak Gate Ct.
Arlington, TX 76016
817-501-9354

Experience:

Retired with 37 years of service, US Army Corps of Engineers, Southwestern Division, 2012.
Began as Student Aide at 16 years of age working at White Sands Missile Range, NM Training & Doctrine Command until 1983, with a 2-year federal break working at the University of Texas at El Paso's Contracts & Grants Office.

Employed with the US Army Corps of Engineers in 1983 in various programs, which include:

- Program Analyst, Military and Environmental Programs
- Program Analyst, Civil Works Program
- Budget Analyst, Resource Management
- Financial Analyst, Construction and Operations
- Program Specialist, Operations, Water Supply Business Line Manager

Education:

Northwood University, BBA, Management (Magna Cum Laude)

Community Involvement (past):

Secretary, Society of American Military Engineers (Dallas)
President, Vice President, Secretary of Arlington Independent School District Board of Trustees
Director, Texas Association of School Boards
Secretary, Mexican American School Board Association of Texas
Founding and Charter Member, Arlington Hispanic Chamber of Commerce
Charter Member, Arlington Classics Academy
Founder & President, IMAGE de Arlington
Charter Member, MPAC of Arlington
Vice President, United Hispanic Council of Tarrant County
Treasurer, Child Protective Services of Tarrant County Board
Chairman, City of Arlington Youth and Families Board
Vice President, Girls, Inc. of Arlington Board
Member, Boys & Girls Club of Arlington Board
Member, Latino Peace Officers Association
Youth Services Director, Rotary Club of Arlington
Education Chair, Community Relations Commission for the City of Arlington
Arlington Chamber of Commerce, Scholarship Sub-committee & Partners In Education Committee
President, Rotary Club of Arlington Foundation
... and many more

(current):

Rotary Club of Arlington, Webb Scholarship Sub-committee
Director, Water From The Rock
Member, St Vincent de Paul Women's Guild

Lee Henderson

lee.henderson@gmail.com - 817-896-4900 - Fort Worth, Texas / New York / Washington, D.C.

Highlights

Over a dozen years of political campaign and issue advocacy experience.

Leadership Roles: Director at Moms Demand Action / Everytown for Gun Safety & Texas Statewide Campaign Manager

Data Team for: President Obama's 2012 re-election, 2013 Planned Parenthood Affordable Care Act Enrollment Project, 2014 National Democratic Senate Campaign Committee, Michigan & 2014 Planned Parenthood Texas Votes PAC

As CFO of Micrin, established banking relationships, accounting & ERP systems, negotiated purchase & financing for capital equipment & real estate. Prepared forecasting models and analysis of trends, including authoring business plans for start-up ventures.

Experience

Director of Data Analytics and Engineering Everytown for Gun Safety / Moms Demand Action – 2016 to Present

Electoral and Grassroots Political Strategy; managing a team of employees, contractors and vendors.

Portfolio includes management of Applied Data Science, Staff and Consultants for Data Warehousing and Analytics, Collaborating with colleagues on: Field and Electoral Programs, Digital Fundraising, Direct Mail Fundraising, Digital Campaigning, Developing Targeting Universes for Electoral IE Work within Budget Constraints, Message Testing and Polling.

Deployed into March for Our Lives Campaign 2018; the movement begun by the Marjory Stoneman-Douglas High School Students of Parkland, Florida

- Assists in the management of the department; plans, directs, coordinates, and reviews the work plan for assigned staff; assigns work activities, projects, and programs; reviews and evaluates work products, methods, and procedures; meets with staff to identify and resolve problems.
- Serves as a technical authority on data structure for the department, and provides value-added expertise in engineering subjects and projects.
- Manages and participates in the preparation and review of a variety of reports; conducts studies and prepares reports for current and long-range engineering projects.
- Assist with the development of a result oriented engineering team to service the organization's business and its customers.
- Identifies needs that are not being addressed by current projects and heavily contributes in the development of new projects.
- Identifies and implements innovative processes for tracking baseline performance in a number of operational areas.
- Must demonstrate an ability to thrive in environments with multiple stakeholders, frequent change, and diverse objectives.
- Must demonstrate excellent strategic thinking, operations, quantitative, and qualitative skills.
- Monitors and evaluates the efficiency and effectiveness of service delivery methods and procedures; recommends, policy, appropriate service and staffing levels.
- Manage the design, build, and maintenance of data pipelines for data ingest and reporting using clean, replicable and scalable Python, R and/or SQL.
- Manage the design, build, and maintenance of Salesforce databases for organization needs, and the integration of that data into other systems as needed.
- Manage the work with the Digital Team on the data integrations necessary for execution of digital products, such as campaign websites, mobile apps, and partner data exchanges.
- Support the needs of other departments in specialty data acquisition needs, and data science infrastructure.
- Manage the data pipelines roadmap, balancing multiple priorities by working with staff throughout the organization; make design decisions that give staff and members the power to use data themselves
- Manage staff to contribute documentation for new infrastructure and contribute to the Data Team's documentation at large.
- Design the data systems architecture and manage staff that run projects to support the maintenance and building of that design.
- Maintain a security-first mindset across all facets of the job, ensuring organization's data is handled with the utmost safety and care.
- Mentor staff in professional development of skills.

Political Campaigns & Non-profit Advocacy Consulting & Contracting – 2010 to 2016

Working for a number of clients and contract positions in all facets of political and non-profit campaigns, including specialty in campaign data. Many projects required custom software development. Other specific experience transferable to business: Budgeting, Recruitment, Marketing, Vendor Management.

Highlighted Projects:

Intern Human Resources Management System (DSCC) - 2014

Utilizing Amazon Redshift (AWS Cloud Big Data), Python, PHP, & PostgreSQL: system for prospecting, recruiting, performance & dispositioning of campaign interns. Essentially highly specialized HR Software.

Historic Volunteer Data Mining Software Engineering (DSCC) - 2014

Utilizing Amazon Redshift (AWS Hosted Big Data) & Python, Project parsed confidential volunteer activity data obtained from immediate past two Presidential Campaigns and apply a data model to score & prioritize volunteer recruitment prospects.

Field Goal & Progress Data System (Obama) - 2012

Utilizing Vertica, MS Access, .NET, and Google Docs. Rapid development project to define goals, update goals and analyze granular performance data of field staff for voter contact programs based on data models, historic performance, volunteer team strength acceleration & early voting progress.

Campaign Manager at Lon Burnam for Texas Railroad Commissioner – Fort Worth, Texas – 2015 to 2016

Brought up Campaign from scratch in 10 weeks over Christmas Holidays. Recruited and directed all staff hiring and all facets of statewide Democratic Primary campaign; Super Tuesday. Handled all Press Relations directly.

Deputy Data Director at Planned Parenthood Texas Votes PAC – Austin, Texas – 2014

Designing Voter Contact Universes. Analysis of Voting Patterns, Polling & Geographic Targeting of Direct Voter Contact Designing & implementing reporting systems. Supporting & mentoring Regional Data Team members.

Data Director at Michigan Democratic Coordinated Campaign – Detroit, Michigan – 2014

Dual reporting to Coordinated Director and *Democratic Senate Campaign Committee* (DSCC) National Data Director. Managing and consulting on all facets of campaign startup. Designing & implementing automated reporting systems. Mentoring of colleagues. Pioneering use of Amazon Redshift for analytics and modeling, as a more scalable and affordable substitute for Vertica. Modeling on Obama campaign data to assign scores to previous activists for re-engagement.

Regional Data Manager at Planned Parenthood Federation of America – Dallas, Texas – 2013 - 2014

ACA Outreach paid canvass project of Planned Parenthood Federation of America. Full suite of data management duties, campaign wide special projects, leadership positions, mentoring other regions' new staff. Includes training and recruitment of canvassers.

Skills Practiced: MS Access, Data Warehouse, PostgreSQL, ETL, SQL, Scripting, MS Excel, NGP VAN, Python, UNIX, GIS, DBA

Organizer at Stand with Texas Women – Austin, Texas - 2013

As a board officer of the ACLU of Texas, organized from the genesis of a coalition, through the filibuster, bus tour, rallies & marches. Worked with Planned Parenthood, NARAL, Democratic Party & other coalition organizations. Included Media Relations, Digital Organizing, Ground Organizing & relations with elected members & capitol administration staff.

Campaign Manager at Ashley Paz for Fort Worth ISD Board – Fort Worth, Texas - 2013

Campaign required marshaling a 5 week runoff community funded campaign and rapidly planning & executing a full campaign encompassing media relations, direct mail, field - dials & knocks & block captains, social media, fundraising, events, and voter protection. Defeated a 13-year incumbent in a race with challenging regional politics.

Deputy Data Director at Obama for America / Organizing for America - New Mexico Headquarters - 2012

Voter file management (VAN), supported reporting to National HQ, supported & trained staff, analyzed statewide data for the grassroots campaign to re-elect President Obama. Created custom daily early vote report & developed field planning visualization tools in combination with data from voter contact models for state leadership, identifying areas where strategic resource re-allocation was required. Worked with Analytics on Election Day modern "bellwether" tools using intraday voting data from new Voter Convenience Centers. Team delivered a vote margin of 11.9% in a battleground state.

Campaign Advisor at Kathleen Hicks for Congress - Fort Worth, Texas - November 2011 - March 2012

Provided general consulting support in an exploratory phase up the filing for office. Continued with representing the client, issuing guidance on the Texas Redistricting process, interviewing and selecting vendors, office setup, FEC guidance, planned events, recruited interns, and successfully transitioned duties to a on-staff campaign manager and finance director.

Technology Director at Tarrant County Democratic Party - February 2008 - December 2011

Provided expertise as both a contractor and volunteer to support the communications & technology efforts of the Tarrant County Democratic Party, including voter file management, telephone systems, written communications, online presence & social media.

Field & Political at Bill White for Texas - Fort Worth, Texas - June 2010 - November 2010

Mayor of Houston, Bill White, ran a well-funded Democratic campaign for Governor of Texas.

Served as North Texas Regional Deputy consisting of a 40-county area. Later, Field Organizing based in Dallas headquarters and served as a targeted campaign liaison. Every countywide elected office won; including close D.A. and County Judge races.

Executive Consultant at Micrin - Irving, Texas - April 2009 - April 2010

Provided consulting services in operations, strategic planning, execution, information systems, finance and equipment acquisition.

Professional Experience Prior to Political Career

Chief Financial Officer at Micrin - Irving, Texas - May 2003 - March 2009

OEM Manufacturer with portfolio of technologies in wireless radio and cellular industries, diversified into metal fabrication & automotive accessories. Responsibilities for Financial Compliance, Real Property Project and Capital Equipment Financing, Long Term Planning, Financial Projections and Analysis of Business Trends.

- During tenure, took company from \$750,000 to \$17 million revenue. Board of directors. Led company strategic planning.
- Directed Cash Control, Accounting Procedures, Period Reconciling, Tax Compliance & Business Process Development.
- Executive charged with a wide variety of operations requirements, including HR policies, benefits, hiring & compensation.
- In addition to Micrin's overall business management, understanding of engineering principles and manufacturing processes; maintained a significant role in formulating long-term business and marketing strategies, and shop process improvements.

Senior Developer at Bravo Zulu Interactive - Houston, Texas - March 2000 - April 2003

New media company servicing Fortune 500 customers for integrated marketing, web presence, branding & interactive media.

- A mentor for other developers at company. Recognized for excellent consulting skills with clients.
- Heavy exposure to advertising, oil & gas, and legal industries.
- Developed several in-house software solutions, including user intelligence profile matching, CRM, Content Management, & Student Loan Processing front-end web portals.
- Also completed implementations of enterprise software for content management at client sites. Accomplished DBA (relational database administration & development.)
- Known for expertise in advanced data-query construction and set-based problem solving.
- Became fluent in a wide variety of languages, including SQL, C, C++, Java, JavaScript, PHP, ASP/VBScript, Assembly.
- Systems administration and requirements planning for deployments: UNIX, Windows & heterogeneous environments.
- Adept at graphic design principles, content development, and branding development process as team member for projects.

Education

The University of Texas at Dallas, B.S. Computer Science

SMU Caruth Institute, Entrepreneurship Certificate Program, 2007

Public Service, Honors and Awards

City of Fort Worth – Plan Commissioner 2023-Present

Volunteer Committee Chair, Fort Worth Food + Wine Festival 2022

Immediate Past President, American Civil Liberties Union of Texas

Eagle Scout, Troop 326, Fort Worth

SteerFW Civic Engagement Founding Member 2011 - Present

Webby Award for client Marathon Oil Corporation 2002

Kinko's: Highest Profit Store in Company: 1998

Selected Campaign & Management Training

Numerous Professional Management Trainings

2006, Summer - Wellstone Campaign Management Training

2007, Spring - SMU Caruth Institute, Entrepreneurship Certificate Program

2014, Spring – New Organizing Institute Data Boot Camp Coach

Selected Campaign Projects

2006 – State Representative Campaign Manager (Democratic Challenger)

2008 – Tarrant County Democratic Party – Candidate Recruitment Committee

2008 General Election – Tarrant County Democratic Party. Technology Support and Organizing

2009 Texas Democratic Gubernatorial Debate as Lead Planner & Organizer, Hosted at Texas Christian University: Participating: Tom Schieffer, Hank Gilbert, Felix Alvarado. Kinky Friedman. Also Featured: Barbara Ann Radnofsky

2010 Bill White for Texas. Deputy Regional Director for North Texas (42 County Region). Transitioned to Dallas Headquarters Organizer. (Dallas County Only)

2011, Spring – Organized a large coalition of neighborhood associations & business associations to present and plan a Fort Worth mayoral runoff debate.

2011, Spring – Partnered with Tarrant County Democratic Party & Jim Lane for Mayor on Democratic Voter Turnout project. Member of campaign cabinet for runoff.

2011, Fall - Tarrant County Democratic Party Chairman's Brunch Annual Fundraiser – Finance Director & Event Planning, local elected Democrats as speakers, Sen Davis included.

2011, Fall – Spring 2012 Kathleen Hicks Congressional Campaign Manager, Dallas/Fort Worth, Texas

2012, Spring - Tarrant County Democratic Party Senate District Gala – Finance Director & Event Planning. Gilberto Hinojosa & Sen. Kirk Watson, speakers.

2012, Fall - Organizing for America / Obama for America – Deputy Data Director for state of New Mexico

2013, Spring - Ashley Paz Campaign Manager for Fort Worth ISD Trustee challenger to 13 year incumbent. Win.

2013, Summer - Stand with Texas Women

Began lobbying efforts with ACLU of Texas prior to “citizens filibuster” and continued organizing and providing support to the coalition through the end of the vote. Included one bus stop tour as advance.

2013, Summer - Wendy Davis Campaign

Special projects in the Fort Worth campaign office.

2013, Fall to 2013, Spring - Planned Parenthood Federation of America/Community Connect

Affordable Care Act Outreach. Directed a paid canvass to put people through the ACA Application process at the door. Data Management for regional organizing & events.

2014, Spring - Primary GOTV Data Director & Election Fraud Investigation Campaign Manager for a Texas State Representative

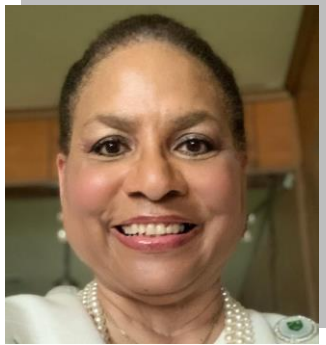
2014, Summer - Data Director Michigan Democratic Coordinated Campaign / DSCC

2014, Fall - Deputy Data Director for Planned Parenthood Texas Votes

2015, Spring - Municipal Election Clients as Campaign Advisor & Strategist in DFW area.

2015 – 2016 – Campaign Manager for top of the ticket Texas Statewide, with Contested Primary falling on Super Tuesday.

2016 – Present – Director for Everytown for Gun Safety / Moms Demand Action for Gun Sense in America



Mattie Peterson Compton

Mattie Peterson Compton, a native of Fort Worth, served 40 years as an Assistant United States Attorney for the Northern District of Texas, Fort Worth Division. During her tenure in office, she served as a line assistant, Deputy Civil Chief, and the Deputy Criminal Chief of the Asset Recovery Unit. Prior to working in the U.S. Attorney's Office, Compton clerked for the late Honorable David O. Belew, U.S. District Judge for the Northern District of Texas, and as an Assistant City Attorney for the City of Fort Worth. A member of the Tarrant County Bar Association, Compton chaired the Tarrant County Bar Foundation, is a Life Fellow of the Texas Bar Foundation, and is the 2017 recipient of the Tarrant County Bar Association's Blackstone Award, its highest honor.

Throughout her career she has also led a number of non-profits in the Fort Worth community. Among them are Easter Seals of Tarrant County, Multi-Cultural Alliance, L. Clifford Davis Legal Association, and Legal Aid of Northwest Texas (formerly West Texas Legal Services). She serves on the Board of Trustees of Smith College in Northampton, MA where she is a Vice-Chair of the Board.

She is the longtime chair of the Harriet Tubman Scholarship at Texas Christian University, Texas Wesleyan University, and Baylor University. She also has served in various capacities on the boards of a number of other non-profit and civic organizations, including United Way of Tarrant County, All Church Home (now ACH), Women's Center, and Child Study Center to name a few. She is a member of Fort Worth Rotary, where she will assume the position of Secretary of the Board of Directors on July 1, 2023.

Compton co-chairs the ACT (Acknowledge, Confess, Transform) Council at Broadway Baptist Church where she is a past chair of the Board of Deacons. She is a member of Fort Worth (TX) Chapter of The Links, Incorporated. During her 38 years of membership in that organization, she has served in a number of leadership positions at the local, area, and national levels. She is also a co-organizer of Fort Worth Dallas Metroplex (TX) Chapter of Chums, Incorporated, where she served as national parliamentarian from 2008-2021.

The recipient of an A.B. in African American studies from Smith College in Northampton, MA, Compton earned her J.D. degree at the University of Michigan School of Law in Ann Arbor, MI. She is licensed to practice law in Texas, and Michigan.

Michael Alfred Background

Mike Alfred is a 5th generation Texan who has called Tarrant County home since 2004, living first in Fort Worth and Arlington for over 10 years, and then in Colleyville for the last 8 years. Married to Caety for 21 years, they are the proud parents of a daughter, Lizzy, who is a senior at Fort Worth Christian; and a son, Colt, who attends Colleyville Middle School. Mike graduated from the University of Texas at Austin in 1995 and graduated with honors (top 10% of his class) from Southern Methodist School of Law in 2000. In 2001, he clerked for the Honorable John H. McBryde, United States District Judge for the Northern District of Texas, Fort Worth Division.

After working for a large, downtown law firm for over 20 years, Mike started his own boutique law firm in January 2023 with offices in Colleyville and Austin, Texas. His focus is on large, complex business, construction, and healthcare matters where he brings a unique skill set that includes tackling the tough cases, problem solving and simplifying complicated issues. Mike has been recognized since 2020 as a Texas Super Lawyer – an honor only given to the top 5% of practicing attorneys in Texas.

Mike's commitment to his community includes coaching youth baseball and football in Colleyville from 2017 to 2023 and serving on Leadership GCISC!, a Leadership Committee for the Grapevine Colleyville Independent School District. Mike and his family attend both The Hills Church in Keller, Texas and Legacy Church of Christ in North Richland Hills, Texas.

PHYLLIS GRISSOM (3661 Jockey Drive, Fort Worth, TX 76244)

A lifelong resident of Tarrant County, Ms. Grissom graduated from Eastern Hills High School in FWISD. She holds a bachelor's degree in journalism from Southern Methodist and a master's degree counseling from the University of North Texas. She has family ties to both Fort Worth ISD and HEB ISD and has served within the Northwest Independent School District on several committees over the last 15 years. From 2018-2024 she also served on the Fort Worth Library Advisory Board. She has also served as the National President of Tri Delta, a national women's organization, from 2012-2016. She and her husband have been married for 24 years and live in North Fort Worth where their children attend Northwest ISD.

Sayeda Bilqees Syed

Colleyville TX

Cell: (817) 913-0474
E-mail: syed4tad@gmail.com

Experience:

- **Tarrant County Appraisal Review Board (TARB)**, Member (January 2019 – March 2021). Served as a full board member, conduct protest hearing between Tarrant Appraisal District (TAD) and property owners including residential, commercial and business personal property and Mineral accounts.
- **Flood Control Engineer**, Trinity Watershed Management, City of Dallas.
- **Executive Engineer**, Progressive Manufacturing Department, Hino Motors Limited, Pakistan.
- **Program Engineer**, Army vehicle project for United Nations.
- **Lecturer, Visiting Faculty Member**, Mechanical and Manufacturing Engineering Department, N.E.D. UET.

Education:

- **ME, Mechanical Engineering** (Specialization in Manufacturing Engineering); (2005) N.E.D. University of Engineering & Technology.
- **BE, Mechanical Engineering** (2002) N.E.D. University of Engineering & Technology.

Residence:

- Colleyville, TX 2013 ~ Present
- Fort Worth, TX 2009 ~ 2013
- Bedford, TX 2007 ~ 2009

Professional Association:

- Member, American Society of Mechanical Engineers (ASME), West Texas Division, since 2012.
- Member, Society of American Engineers (SAE) International, Since 2012.

Colleyville Community Volunteer Experience:

- Planning & Zoning Commission / Capital Improvement Advisory Committee (Sept 2019 ~ Present).
- Metroport Teen Court Advisory Board (Nov 2017 ~ Present).
- Architectural Review Commission (Feb 2018 ~ Nov 2020, Commission dissolved by Colleyville City Council)
- Zoning Board of Adjustment / Sign Board of Appeals (Oct 2018 ~ Oct 2019).

Personal Information:

Born in Pakistan, migrated to United States in 2007 and proudly became US Citizen in 2011. My husband of 18 years, New York native Dr. Adnan Syed, who is a Clinical Pharmacist, he moved to Texas in 2005. Our two children, 11 years old Son Senan Syed and 9 years old daughter Safa Syed are enrolled in Grapevine Colleyville ISD.

Hello, I'm Scott Lindgren, and I am running for the Tarrant Appraisal District (TAD) Board of Directors.

I retired from AT&T after 29 years, starting as a technician and retiring as Director of Field Operations, where I managed teams of over 2,000 employees and oversaw a capital and expense budget exceeding \$250M annually. Additionally, I served as AT&T's Chief Information Officer for the AT&T Emergency Operations Center (EOC), directing disaster recovery efforts. Currently, I own and manage two small businesses and am actively involved in their daily operations.

I have served on the Haltom City Planning and Zoning Commission since 2018, including two years as chair. I am also currently serving as Place 4 on the Haltom City Council. My community involvement extends to serving on the Boy Scouts of America Fort Worth Council Board from 2009 to 2023, with a current role on its Advisory Board. Furthermore, I served on the Board of Directors for 1-800-DIG-TESS (811 for Texas) from 2007 to 2008. I have additional experience serving on various subdivision and non-profit boards. I hold two patents through AT&T Labs and have been honored with the Silver Beaver Award by the Boy Scouts. I served as lead for many mentoring circles and internships through the years, and I am an absolute believer in Servant Leadership.

My wife, Sue, and I have been longtime residents of Haltom City. Our children attended Keller School District, and two of them remain local. We frequently babysit our grandchildren and are longtime members of Milestone Church in Keller, where our children work.

I respectfully ask for your consideration in electing me to the TAD Board. Tarrant County is a wonderful place with outstanding schools, city services, and dedicated police and fire departments. I've witnessed the county's growth and the substantial increase in property values over the years. I also understand how property values impact school budgets, city budgets, hospitals, and other institutions affected by TAD decisions.

This year presents unique challenges, such as funding for school resource officers and significant changes to Tarrant County EMS. I believe the current TAD board has not fully put the forethought needed in these and other pressing issues. I bring a strong background in business and finance, as well as the perspective of a resident and property taxpayer in Tarrant County for over 24 years.

Thank you for your time and consideration.

Sincerely,

Scott Lindgren



Vince E. Puente, Sr.

Owner & President – Sales & Marketing

SOS Plaza • PO Box 612248 • D/FW, TX 75261-2248

(817) 255-8624 • vincepuente@sostexas.com



Bio – September 2024

Vince Puente is a proud native and resident of Fort Worth, Texas. He is a small business owner, who understands the balance of creating value for his clients, teammates and the community. He understands the importance of making payrolls, timely payments to his vendors and a respectable bottom-line to invest in the future. More importantly he believes the Lord and family come first and foremost.

Mr. Puente received his formal education via Fort Worth ISD and the University of Texas at Arlington. Early in his career, Mr. Puente immersed himself in education related to his skill set and industry field. It soon became apparent that this pursuit of education would be one of his ongoing, lifetime passions. As he took on additional responsibilities within **SOS**, he pursued personal education in each area. One prime example is that of marketing and advertising. With no formal education in these areas, it is safe to say Mr. Puente has built the **SOS** “brand”, resulting in **SOS** being one of the most recognizable companies in North Texas. In addition, **SOS** has received national recognition within its industry and the business community.

Mr. Puente is one who believes in active participation within his community. Currently he serves as Chairman of the **Tarrant Appraisal District** (TAD) and **Texas Values** Board of Directors. He recently rolled off the Board of Directors of the **Finance Commission of Texas** (Governor Abbott appointee), **YMCA of Metropolitan Dallas** and **Congresswoman Kay Granger’s** Hispanic Advisory Council. Mr. Puente has been previously named as Businessman of the Year for the Texas Association of Mexican American Chambers of Commerce, an Aflac Civic Leader, an Honoree for The Father of the Year Awards and State of Texas Small Business Champion.

When asked what accomplishments he feels represent his vision for excellence, one he will cite is **SOS Plaza**. This is the home of his companies, Southwest Office Systems, Inc. and Puente Brothers Investments. It is a 39,000 sq. ft., Class A facility on 2.5 acres across from the American Airlines World HQ. The document technology industry considers **SOS Plaza** to be one of the best in the nation. But what is truly amazing is that his companies and **SOS Plaza** are entirely debt-free.

However, Vince is not all business. He will tell you it is his **wife, Mona, and his kids, Vincent, Jr. and Lindsay, of which he is most proud.** His family is far more important to him than any business accomplishment he could ever desire. Vince and Mona are active members of their local Church and engaged in multiple organizations that touch our community throughout Tarrant County and the Great State of Texas!

Please see the following page

Principal Owner of:

- ❑ Southwest Office Systems, Inc. ❑ Puente Brothers Investments, LLC ❑ Harvison / Puente ETAL

Current Areas of Service:

- ❑ Tarrant Appraisal District (TAD) – Chairman - *Board of Directors*
- ❑ Texas Values – *Board of Directors*

Prior Areas of Service:

- ❑ Finance Commission of Texas – *Commissioner, Governor Abbott Appointee*
- ❑ YMCA of Metropolitan Dallas – *Executive Board of Directors*
- ❑ Congresswoman Kay Granger - *Hispanic Advisory Council*
- ❑ Dallas Regional Chamber – *Director/Executive Committee; Chair Small Business Initiative*
- ❑ Greater Irving Chamber of Commerce - *Director/Executive Committee, Chair Education Committee*
- ❑ North Dallas Chamber of Commerce – *Board of Directors*
- ❑ Big Brothers Big Sisters Lone Star – *Executive Board of Directors*
- ❑ Tarrant County Christian Prayer Breakfast - *Board of Directors, Secretary*
- ❑ Fort Worth Chamber – *Director/Executive Committee, Chair Local Business Development Committee*
- ❑ Texas Christian University – *Chancellor's Advisory Council*
- ❑ Casa Mañana Theatre – *Board of Directors*
- ❑ Camp Thurman – *Board of Directors and Immediate Past-President*
- ❑ Mercy Med-Flight – *Board of Directors*
- ❑ Congressman Joe Barton – *Hispanic Advisory Council*
- ❑ Fort Worth Hispanic Chamber of Commerce – *Board of Directors and Past Chairman*
- ❑ Greater Dallas Hispanic Chamber of Commerce – *Chair, Entrepreneur Investor Partner Committee*
- ❑ Texas Association of Mexican American Chamber of Commerce (TAMACC) – *Delegate*
- ❑ North Texas Commission – *Board of Directors*

Personal Recognition:

- ❑ Father of the Year Awards - *Honoree*
- ❑ Aflac Civic Leaders Award
- ❑ Texas Association of Mexican American Chambers of Commerce - *"Business Man of the Year"*
- ❑ Jewish Council for Public Affairs – *Israel Institute for Hispanic American Leaders*
- ❑ ESCR Bosslift – *Military Base Tours*

Company Recognition:

- ❑ Plains Capitol - *Well Managed Family Business of the Year Award*
- ❑ US Small Business Administration - *"Director's Choice" Award*
- ❑ Greater Dallas Hispanic Chamber of Commerce - *"Q & E Entrepreneur of the Year" Award* (large company)
- ❑ Fort Worth Chamber of Commerce - *"Small Business of the Year" Award* (large company)
- ❑ North Dallas Chamber of Commerce - *"Small Business of the Year" Award*
- ❑ NCTRCA – *"MBE Business of the Year" Award* (Gold Level)
- ❑ Sharp Electronics - *"Hyakuman Kai Elite" Award* – Received four (4) times
- ❑ OfficeDEALER - *"Elite Dealer" Award* – Received two (2) times
- ❑ TXU/Vistra Energy - *"Gold Star Supplier" Award*

Wendy Burgess is your Tarrant County Tax Assessor-Collector and has served since being elected in November 2018 and again in November 2020. Tarrant County is the 15th largest county by population in the US and currently has an approximate population exceeding 2.2 million people with over 1.9 million tax accounts. She is rolling off the TAD board on December 31st.

Burgess owned and operated a successful auto repair business for over 16 years. Later, she ventured into running her own IT company. She proudly served 6 years on Mansfield City Council, served her Rotary Club for 16 years, is a 2 time Paul Harris Fellow, and was Chairman of the Mansfield Chamber of Commerce after serving on the board for 7 years.

Wendy brings business experience and an understanding of the complexities of leading a current staff of over 215 employees and 8 countywide offices with an annual budget of \$18 million to benefit the people of Tarrant County. This office collects a total of \$6.5 billion annually in total revenue. The Tax Office collects for 86 taxing entities in Tarrant County and the State Comptroller predominately through property taxes, state motor vehicle sales tax, and vehicle registration. Complex accounting and reporting are critical in her operations as it is the most audited office in the county and has a stellar audit reputation. In 2023, her office was the first large county to achieve Gold recognition in the TxDMV Performance Review Process. This year-long audit focused on best practices, innovation, operational efficiencies, customer experience, and fraud prevention. Her office has become known for its #ServiceWithaSmile provided to customers in 8 branch locations throughout Tarrant County.

Tax Assessor-Collector Burgess understands the unique symbiotic relationship between the entities and taxpayers. She is eager to listen to industry experts and navigate difficult discussions related to the legal actions this board may consider. Big decisions should be made after thoughtful analysis recognizing the myriad of potential factors impacting all stakeholders.

Burgess is the longest-serving member on the TAD board and is the only subject matter expert currently proposed to serve the entities with the 4 highest designations available to Assessor-Collectors and is a Certified Property Tax Instructor. The entities know Ms. Burgess because they work with her on the collection side, where she runs a highly efficient

operation that collects \$5 billion in property tax on their behalf. The entities will recall when, after being in office for only 5 months, Ms. Burgess solved a decades-long cash flow problem for them related to recalculations, refunds, agreed judgments, and litigation that started at \$15 million and has now reached an astounding \$90 million a year. This is money that, by law, must be refunded by the Tax Office on behalf of the entity within 60 days of certification by the Chief Appraiser. In many cases, the entities have received and spent this money years ago, which is why this solution was hailed as a saving grace by so many entities over the past 5 1/2 years. This is one example of why entities need Wendy Burgess on the TAD Board.

TOWN OF WESTLAKE

RESOLUTION NO. 24-78

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS,
AUTHORIZING THE CASTING OF WESTLAKE'S ALLOCATED VOTES FOR
APPOINTMENT TO THE TARRANT APPRAISAL DISTRICT BOARD OF
DIRECTORS**

WHEREAS, the Tarrant Appraisal District is an appraisal district for the Town of Westlake, Texas and it has a governing board of directors that are selected by participating subdivisions; and

WHEREAS, the Town of Westlake is one of the participating political subdivisions within Tarrant County; and

WHEREAS, the current terms of five appointed members of the Tarrant Appraisal District Board of Directors will expire on December 31, 2024 and new appointees must be selected and appointed by election;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Mayor of the Town of Westlake, Texas is hereby authorized, on behalf of the Westlake Town Council, to cast the Town of Westlake's allocated 4 votes on the official ballot for the election of _____ to the Tarrant Appraisal District Board of Directors.

SECTION 3: A substantial copy of the official ballot is attached hereto and incorporated herein for all intents and purposes.

SECTION 4: Further, the Town Secretary is hereby directed to forward a certified copy of this resolution to Mr. Joe Don Bobbitt, Chief Appraiser, Tarrant Appraisal District, 2500 Handley Ederville Road, Fort Worth, TX 76118 or by email to jwooddell@tad.org.

SECTION 5: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions

hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 6: That this Resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11th DAY OF NOVEMBER, 2024.

Kim Greaves, Mayor

ATTEST:

Dianna Buchanan, Town Secretary

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney



OFFICIAL BALLOT

ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS TARRANT APPRAISAL DISTRICT

The following are the candidates that were timely submitted by nominating resolutions for appointment to the five (5) voting positions on the Board, listed alphabetically.

Please indicate your taxing unit's vote(s) by **entering the number of votes to the left of your candidate(s)** of choice.

VOTES FOR	Nominees
	Mr. Mike Alfred
	Mr. Alan Blaylock
	Ms. Wendy Burgess
	Mr. Fred Campos
	Ms. Mattie Peterson Compton
	Mr. Eric Crile
	Dr. Daryl Davis
	Mrs. Phyllis Grissom
	Mr. Lee Henderson
	Mr. Scott Lindgren
	Mr. Gary Losada
	Ms. Gloria Peña
	Mr. Vince Puente
	Ms. Sayeda Syed

IMPORTANT: This ballot must be returned **before December 15, 2024** to Joe Don Bobbitt, Chief Appraiser, Tarrant Appraisal District, **P. O. Box 185579, Fort Worth, Texas, 76181-0579**, by mail or by email to jwooddell@tad.org. Because December 15th falls on Sunday this year, statute permits receipt through midnight on Monday, December 16th.

Please **attach this ballot to the resolution passed by your taxing unit authorizing this vote.**



Town of Westlake

Staff Report

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

File #: RES 24-79

Agenda Date: 11/11/2024

Agenda #: H.4.

TOWN STAFF REPORT RECOMMENDATION

Discuss, consider and act to cast the Town of Westlake's allocated vote for appointment to the Denton Central Appraisal District Board of Directors (Wade Carroll, Town Manager)

STAFF: Wade Carroll, Town Manager

BACKGROUND:

The terms of five of the current Directors of the Denton Central Appraisal District (DCAD) expire December 31, 2024. Attached is correspondence from DCAD regarding the process to elect board members, a list of nominated candidates and candidate bios for review.

The Town of Westlake is entitled to cast 1 vote for a nominated candidate for the DCAD Board of Directors. The Property Tax Code requires that votes be determined in an open meeting by resolution. Nominees who receive the largest cumulative vote total are elected to the Board.

STAFF RECOMMENDATION:

Staff recommends that Town Council take action to cast the Town of Westlake's 1 vote for a candidate(s) to appoint to the Denton Central Appraisal District Board of Directors.

ATTACHMENT(S):

1. DCAD Letter to Taxing Units re DCAD BOD Election
2. DCAD Vote Allocations
3. Resolution 24-79
4. Biographies of Nominees

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to cast the Town of Westlake's allocated vote for a candidate to appoint to DCAD Board of Directors
- 2) Take no action



Denton Central Appraisal District
3911 Morse Street
Denton, TX 76208

(940) 349-3800
 www.dentoncad.com

TO: Denton County Taxing Units
FROM: Don Spencer, Chief Appraiser
DATE: October 23, 2024
SUBJECT: Candidates to the Denton CAD Board of Directors

Candidates to the Denton Central Appraisal District Board of Directors are listed below. The list is in alphabetical order by last name.

Each voting unit must cast its vote by **written resolution** and submit it to the Chief Appraiser before December 15th. Since December 15th falls on a Sunday this year, this means resolutions must be received by close of business on Friday, December 13th. The Distribution of Votes for each voting unit is included with this letter. The unit may cast all its votes for one candidate or may distribute the votes among any number of candidates. When a voting unit casts its votes, it must cast the votes for a person that was nominated and is named on the ballot. There is no provision for write-in candidates. The Tax Code does not permit the Chief Appraiser to count votes cast for someone not listed on the official ballot. The five nominees receiving the most votes will become members of the Denton CAD Board of Directors in January of 2025.

The candidates nominated by the taxing units are:

<u>Candidate</u>	<u>Nominating Unit</u>
1. Rob Altman	<i>City of Frisco, City of The Colony, Denton County, City of Roanoke Town of Northlake</i>
2. Henry Benjamin III	<i>Frisco ISD</i>
3. Alex Buck	<i>City of Highland Village, Denton County, City of Lewisville, City of Southlake</i>
4. Vicki Byrd	<i>City of Denton</i>
5. Bryan Dodson	<i>Frisco ISD</i>
6. Jared Eutsler	<i>City of Corinth</i>
7. Sean Frank	<i>Frisco ISD</i>
8. Mike Hennefer	<i>City of Carrollton, City of The Colony, Denton County, C-FB ISD</i>
9. Ray Martin	<i>Town of Providence Village, City of The Colony, City of Corinth, City of Lewisville, City of Coppell, City of Southlake</i>
10. Ann Pomykal	<i>Denton County, City of Lewisville, City of Southlake</i>
11. Sandeep Sharma	<i>Town of Flower Mound</i>
12. Charles Stafford	<i>Denton ISD, City of Denton, City of Southlake, Pilot Point ISD</i>
13. Osiris Wade	<i>Frisco ISD</i>
14. Bruce Yeager	<i>Ponder ISD</i>
15. **David Terre	<i>Nominated by City of Denton</i> <u>Does not desire to be re-elected</u>

Bio sheets on each candidate have been requested and are being gathered. If you would like further information on one(or more) of the candidates, please contact Misty Baptiste she will forward those information sheets to you as soon as they are available.

Since some of you may not be familiar with the process of selecting the Board, please do not hesitate to contact Misty Baptiste at (940) 349-3977 or misty.baptiste@dentoncad.com for clarification and/or information.

DENTON CENTRAL APPRAISAL DISTRICT				
2024 DISTRIBUTION OF VOTES				
			%OF TOTAL	NUMBER
JURISDICTIONS		2023 LEVY	LEVIES	OF VOTES
SCHOOL DISTRICTS:				
S01	ARGYLE ISD	60,114,589.31	2.1028%	105
S02	AUBREY ISD	34,321,369.54	1.2006%	60
S03	CARROLLTON-FB ISD	59,321,215.50	2.0751%	104
S04	CELINA ISD	3,146,365.81	0.1101%	6
S05	DENTON ISD	363,897,514.29	12.7291%	636
S15	ERA ISD	1,316.27	0.0000%	1
S06	FRISCO ISD	185,710,323.80	6.4962%	325
S07	KRUM ISD	22,973,409.13	0.8036%	40
S08	LAKE DALLAS ISD	38,574,582.69	1.3493%	67
S09	LEWISVILLE ISD	640,496,706.05	22.4046%	1120
S10	LITTLE ELM ISD	99,672,541.66	3.4865%	174
S11	NORTHWEST ISD	211,182,352.68	7.3872%	369
S12	PILOT POINT ISD	12,242,011.09	0.4282%	21
S13	PONDER ISD	16,192,375.42	0.5664%	28
S17	PROSPER ISD	44,883,909.88	1.5700%	79
S14	SANGER ISD	25,430,897.51	0.8896%	44
S16	SLIDELL ISD	752,781.09	0.0263%	1
SCHOOL DISTRICTS TOTALS		\$1,818,914,261.72	63.626%	3182
G01	DENTON COUNTY	\$332,669,895.73	11.64%	582
CITIES:				
C26	TOWN OF ARGYLE	4,743,192.10	0.1659%	8
C01	CITY OF AUBREY	4,743,753.36	0.1659%	8
C31	TOWN OF BARTONVILLE	1,098,332.46	0.0384%	2
C02	CITY OF CARROLLTON	66,820,813.21	2.3374%	117
C49	CITY OF CELINA	5,780,996.55	0.2022%	10
C03	CITY OF THE COLONY	49,370,888.63	1.7270%	86
C21	TOWN OF COPPELL	1,189,865.11	0.0416%	2
C27	TOWN OF COPPER CANYON	1,486,063.82	0.0520%	3
C04	CITY OF CORINTH	17,538,879.40	0.6135%	31
C20	CITY OF DALLAS	17,277,441.44	0.6044%	30
C05	CITY OF DENTON	107,856,823.32	3.7728%	189
C42	CITY OF DISH	214,089.77	0.0075%	1
C30	TOWN OF DOUBLE OAK	1,236,380.77	0.0432%	2
C47	TOWN OF CORRAL CITY	19,122.17	0.0007%	1
C07	TOWN OF FLOWER MOUND	59,647,226.67	2.0865%	104
C36	CITY OF FORT WORTH	43,511,254.84	1.5220%	75
C32	CITY OF FRISCO	77,125,010.53	2.6978%	135
C39	CITY OF GRAPEVINE	353.40	0.0000%	1
C22	TOWN OF HACKBERRY	215,931.00	0.0076%	1
C38	CITY OF HASLET	4,273.59	0.0001%	1
C19	TOWN OF HICKORY CREEK	2,513,775.76	0.0879%	4
C08	CITY OF HIGHLAND VILLAGE	16,016,996.76	0.5603%	28
C09	CITY OF JUSTIN	6,157,278.77	0.2154%	10
C18	CITY OF KRUGERVILLE	1,306,852.91	0.0457%	2
C10	CITY OF KRUM	4,569,621.33	0.1598%	8
C11	CITY OF LAKE DALLAS	4,221,993.88	0.1477%	7
C25	CITY OF LAKEWOOD VILLAGE	676,945.12	0.0237%	1
C12	CITY OF LEWISVILLE	87,690,250.13	3.0674%	153
C13	TOWN OF LITTLE ELM	45,921,404.02	1.6063%	80
C45	CITY OF NEW FAIRVIEW	57,369.53	0.0020%	1
C33	TOWN OF NORTHLAKE	8,206,500.28	0.2871%	14
C24	CITY OF OAK POINT	4,480,417.82	0.1567%	8
C14	CITY OF PILOT POINT	4,286,872.10	0.1500%	8
C29	CITY OF PLANO	7,098,097.71	0.2483%	11
C15	TOWN OF PONDER	2,180,652.92	0.0763%	3
C48	CITY OF PROSPER	12,225,453.38	0.4276%	20
C51	TOWN OF PROVIDENCE VILLAGE	5,459,672.92	0.1910%	10
C17	CITY OF ROANOKE	11,368,927.41	0.3977%	20
C16	CITY OF SANGER	8,914,071.23	0.3118%	15
C34	TOWN OF SHADY SHORES	1,555,153.67	0.0544%	2
C37	CITY OF SOUTHLAKE	824,974.30	0.0289%	1
C28	CITY OF TROPHY CLUB	11,354,591.12	0.3972%	20
C44	TOWN OF WESTLAKE	220,870.82	0.0077%	1
CITY TOTAL		\$707,189,436.03	24.74%	1236
TOTAL ALL JURISDICTIONS		\$2,858,773,593.48	100.00%	5000

TOWN OF WESTLAKE

RESOLUTION NO. 24-79

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS,
AUTHORIZING THE CASTING OF WESTLAKE'S ALLOCATED VOTE FOR
APPOINTMENT TO THE DENTON CENTRAL APPRAISAL DISTRICT BOARD OF
DIRECTORS**

WHEREAS, the Denton Central Appraisal District is an appraisal district for the Town of Westlake, Texas and it has a governing board of directors that are selected by participating subdivisions; and

WHEREAS, the Town of Westlake is one of the participating political subdivisions within Denton County; and

WHEREAS, the current terms of five appointed members of the Denton Central Appraisal District Board of Directors will expire on December 31, 2024 and new appointees must be selected and appointed by election;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Town of Westlake, Texas does cast vote(s) accordingly as represented below:

CANDIDATE NAME	NUMBER OF VOTES
_____	1

SECTION 4: Further, the Town Secretary is hereby directed to forward a certified copy of this resolution to Mr. Don Spencer, Chief Appraiser, Denton Central Appraisal District, 3911 Morse Street, Denton, TX 762088 or by email to misty.baptiste@dentoncad.com.

SECTION 5: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 6: That this Resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 11th DAY OF NOVEMBER, 2024.

Kim Greaves, Mayor

ATTEST:

Dianna Buchanan, Town Secretary

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney

Nominee Information
Denton Central Appraisal District Board of Directors

Your name has been submitted by a Denton County Entity as a candidate for the 2025 Denton CAD Board of Directors. Please complete the following information and feel free to attach any additional information. **Please return this form by October 25, 2024.**

Alex Buck

Name _____

Highland Village, TX 75077

Address/City/Zip _____

Cell Phone _____ E-mail _____

1. Are you a resident of Denton County? Yes/No
 - a. If yes, have you resided in Denton County for at least two years immediately preceding the beginning of this term? Yes/No
2. Are you, or have you ever been, an employee of a taxing unit (County, City, School, Special District) in Denton County? Yes/No
 - a. If yes, which taxing unit? _____
 - b. When? _____
3. Are you, or have you ever been an employee of Denton CAD? Yes/No
 - a. If yes, what years were you employed? _____
4. Are you currently, or have you ever served as a voting member of the Denton CAD Board of Directors? Yes/No
 - a. If yes, what years have you served? _____
5. Do you directly or through a business entity have substantial interest in a contract with Denton CAD or a taxing unit that participates in the District? Yes/No
 - a. If yes, please list: _____
6. Have you engaged in the business of appraising property for compensation for use in proceedings under the Property Tax Code during the last three years? Yes/No
7. Have you ever been engaged in the business of representing property owners for compensation in the proceedings under the Property Tax Code in Denton County in the last three years? Yes/No

8. Are you directly related to any employee of the Denton CAD? Yes/No ☒ No
a. If yes, please list the degree of relation. _____

9. Do you currently own property on which delinquent taxes have been owed to a taxing unit for more than 60 days or are part of a suit to collect the delinquent taxes that have been deferred or abated?

Yes/No ☒ No

10. Please give a brief statement on why you would be interested in serving on the Denton Central Appraisal District Board of Directors.

After serving 2 terms on the Denton CAD Board of Directors, I have seen the staff perform exceptionally well within understaffed workforce & a changing market place regarding values. The challenges in front of DCAD moving forward include: ① Continuing to increase staff at a manageable rate, ② Exploring every avenue to keep the staff's productivity maximized ③ Training the new & existing personnel ④ Exploring facilities to house expanding staff while maximizing an customer service ⑤ Being a responsible steward of our member institutions contributions.

11. Please list any additional information you believe would be beneficial for the Denton County Entities to know about you.

*As a 45 year resident of Denton County dedicated to service I am humbled to even be considered for this post. My goal is to continue to be responsive to all of our member entities needs & concerns. I have observed many of your meetings both online & in person to familiarize myself with your varied interests & points of view. I plan to continue that practice if selected for a second term.
(See attached resume)*

Return to:
Misty Baptiste - Denton Central Appraisal District
3911 Morse St.
Denton, TX 76208
misty.baptiste@dentoncad.com

ALEXANDER LARKIN BUCK

PROFESSIONAL EXPERIENCE:

Quivira Enterprises, LLC. 1993 to present.

Responsible for building, marketing and acquisition of 300,000 square feet of commercial space in Lewisville and Flower Mound targeting startup businesses. Owner & CEO.

Lomas & Nettleton: 1983-1991

Responsible for acquisition, analysis, financing, zoning, sales, and infrastructure development of approximately 8,000 acres of real estate located in 5 states. Locally these included subdivisions in Corinth, Lewisville and Coppell.

EDUCATION

Southern Methodist University, 1983. Bachelors in Business, Concentration in Finance

PERSONAL

DCAD Board of Directors, 2021-2024

Medical Center of Lewisville Board of Trustees, Chairman- 2011-2017

Rotary Club:1993 to present.

Board Member 17 years. President -2012

Lewisville Education Foundation: 1995 to present

Past President and Life time Board Member

Scholarship Reader and School Chairman 1999-present

Marcus High School Liaison, 1998-2015

Endowed Buck Family Scholarship

Endowed Eiler & Adlaine Buck Scholarship

Endowed Evelyn Buck Elementary Teacher of the Year Award

Endowed Rowena McReynolds Teacher Grant

Texas Parent Teacher Student Association (PTSA) Life Member

Lewisville Independent School District

Bond Election PAC Treasurer 2005, 2008, 2017, 2023 and 2024

Bond Oversight Committee 2011 to 2013

School Finance Advisory Member 2018-2019

Golden Apple Award, 2008.

Champion for Kids Award, 2013

Donated and built 3 playground shelters for elementary and middle schools

Marcus Volleyball Booster Club President

InCubator Ed Mentor 2018-2020

Marcus Mentorship Program 2006-2008

Lewisville Economic Development Foundation, 2004 to 2008 President -2008

Dallas Home Builders Board Member, 1997 to 2002

Denton Home Builders Board Member, 1994 to 2005
President- 1998.

Member of Highland Village Master Plan Committee, 1998

Boy Scouts of America Silver Eagle Award, 2009

Lewisville Chamber of Commerce Citizen of the Year-2011

Lewisville High School Hall of Fame, 2021

Father of the three most beautiful children in the world

Nominee Information
Denton Central Appraisal District Board of Directors

Your name has been submitted by a Denton County Entity as a candidate for the 2025 Denton CAD Board of Directors. Please complete the following information and feel free to attach any additional information. **Please return this form by October 25, 2024.**

Bryan Johnson
Name

[REDACTED], Frisco, 75033
Address/City/Zip

[REDACTED]
Cell Phone

E-mail

1. Are you a resident of Denton County? Yes/No
 - a. If yes, have you resided in Denton County for at least two years immediately preceding the beginning of this term? Yes/No
2. Are you, or have you ever been, an employee of a taxing unit (County, City, School, Special District) in Denton County? Yes/No
 - a. If yes, which taxing unit? _____
 - b. When? _____
3. Are you, or have you ever been an employee of Denton CAD? Yes/No
 - a. If yes, what years were you employed? _____
4. Are you currently, or have you ever served as a voting member of the Denton CAD Board of Directors? Yes/No
 - a. If yes, what years have you served? _____
5. Do you directly or through a business entity have substantial interest in a contract with Denton CAD or a taxing unit that participates in the District? Yes/No
 - a. If yes, please list: _____
6. Have you engaged in the business of appraising property for compensation for use in proceedings under the Property Tax Code during the last three years? Yes/No
7. Have you ever been engaged in the business of representing property owners for compensation in the proceedings under the Property Tax Code in Denton County in the last three years? Yes/No

8. Are you directly related to any employee of the Denton CAD? Yes/No No
a. If yes, please list the degree of relation. _____
9. Do you currently own property on which delinquent taxes have been owed to a taxing unit for more than 60 days or are part of a suit to collect the delinquent taxes that have been deferred or abated? Yes/No No
10. Please give a brief statement on why you would be interested in serving on the Denton Central Appraisal District Board of Directors.

AS A FORMER TRUSTEE FOR FRISCO ISD, I WAS APPROACHED ABOUT POSSIBILITY OF SERVING IN THIS ROLE, IF ELECTED. I AM HERE AND WILLING TO SERVE MY COMMUNITY IN THIS ROLE IN AN HONORABLE WAY, AS I HAVE IN THE PAST SERVING AS AN ELECTED OFFICIAL, AS WELL AS, VARIOUS BOARDS.

11. Please list any additional information you believe would be beneficial for the Denton County Entities to know about you.

SERVED ON: FRISCO ISD SCHOOL BOARD

CITY OF FRISCO CDC MEMBER

CITY OF FRISCO PLANNING & ZONING

CITY OF FRISCO BOARD OF ADJUSTMENTS

FRISCO EDUCATION FOUNDATION

MEMBER FRISCO FIRST BAPTIST

YOUTH SOCCER COACH

Return to:
Misty Baptiste - Denton Central Appraisal District
3911 Morse St.
Denton, TX 76208
misty.baptiste@dentoncad.com

RECEIVED

OCT 21 2024

Nominee Information
Denton Central Appraisal District Board of Directors

Your name has been submitted by a Denton County Entity as a candidate for the 2025 Denton CAD Board of Directors. Please complete the following information and feel free to attach any additional information. **Please return this form by October 25, 2024.**

Mike Hennefer
Name

Carrollton, TX 75010
Address/City/Zip

Cell Phone E-mail

1. Are you a resident of Denton County? **Yes/No**
 - a. If yes, have you resided in Denton County for at least two years immediately preceding the beginning of this term? **Yes/No**
2. Are you, or have you ever been, an employee of a taxing unit (County, City, School, Special District) in Denton County? **Yes/No**
 - a. If yes, which taxing unit? _____
 - b. When? _____
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 - a. If yes, what years were you employed? _____
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8. Are you directly related to any employee of the Denton CAD? **Yes/No**
a. If yes, please list the degree of relation. _____

9. Do you currently own property on which delinquent taxes have been owed to a taxing unit for more than 60 days or are part of a suit to collect the delinquent taxes that have been deferred or abated?

Yes/No

10. Please give a brief statement on why you would be interested in serving on the Denton Central Appraisal District Board of Directors.

I want to serve because I think I would be a good board member. Why? I have good experience.

I have owned a commercial property management firm since 1991. We have managed over 30 million square feet of commercial buildings. During that time I have personally handled informal protest, formal protest and even engaged some lawsuits. I understand the valuation process and the protest process.

I know how to ask questions. As an elected city councilmember (City of Carrollton) and as a business owner, I learned the value of asking questions. I'd rather be the man with the right questions instead of the man who thinks he knows all the answers.

11. Please list any additional information you believe would be beneficial for the Denton County Entities to know about you.

I tackle problems in a positive way. A good property manager looks for and fixes problems before they become serious. As a DCAD board member I will operate the same way. There are some problems. Taxed entities are not entirely satisfied with DCAD. Why?

DCAD has some problems with limited staffing and meeting deadlines. Why?

What improvements can be made to satisfy the taxed entities. What improvements

can be made to support and improve DCAD. I am willing to look seriously at these and other issues.

Return to:
Misty Baptiste - Denton Central Appraisal District
3911 Morse St.
Denton, TX 76208
misty.baptiste@dentoncad.com

MIKE HENNEFER

for DCAD BOARD OF DIRECTORS



Businessman

- Owner: Corporate USA Real Estate Services, have managed 30 million Sq. Ft. Commercial Buildings
- Owner: Corporate Contractors, Built 50 Million Sq. Ft.
- Texas Real Estate Broker since 1991
- Owner: Advanced Environmental Management

Family Man

- Lived in Denton County for 39 Years
- Raised 4 Children, Who Graduated from LISD Schools
- Married 50 Years
- 12 Grand Children

Man of Faith

- Grateful Believer in Jesus Christ
- Served in Many Callings and Positions in My Church
- Served as Program Coordinator for 60 Addiction Recovery Groups in North Texas

EXPERIENCED

- Informal Appeals
- Appraisal Review Boards
- Appraisal Lawsuits
- Elected to Carrollton City Council
- Treasurer Metrocrest Hospital Authority
- Vice Chair Trinity River Authority

SEASONED

- City of Carrollton Audit Committee
- North Texas Council of Government Emergency Preparedness Planning Council
- Dallas County Medical Reserve Corps
- Member of Transit Oriented Development
- Dallas Red Cross Liaison

Mike Hennefer Campaign
Email mike@mikehennefer.com
Cell (214) 802-1382

Nominee Information
Denton Central Appraisal District Board of Directors

Your name has been submitted by a Denton County Entity as a candidate for the 2025 Denton CAD Board of Directors. Please complete the following information and feel free to attach any additional information. **Please return this form by October 25, 2024.**

Name Raymond (Ray) Martin
Address/City/Zip [REDACTED] Lewisville, Tx 75056
[REDACTED]
Cell Phone _____ E-mail _____

1. Are you a resident of Denton County? Yes/No
 - a. If yes, have you resided in Denton County for at least two years immediately preceding the beginning of this term? Yes/No
2. Are you, or have you ever been, an employee of a taxing unit (County, City, School, Special District) in Denton County? Yes/No
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3. Are you, or have you ever been an employee of Denton CAD? Yes/No
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4. Are you currently, or have you ever served as a voting member of the Denton CAD Board of Directors? Yes/No
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10. Please give a brief statement on why you would be interested in serving on the Denton Central Appraisal District Board of Directors.
-

I have been very blessed personally and professionally and have a life goal of servant leadership, giving back and paying forward. Through this life commitment along with my residential and commercial real estate and information technology experience, and a demonstrated commitment to community service, I am excited about making meaningful contributions as a DCAD Board Member, as we together, capitalize on the opportunities and address the complex challenges facing the DCAD entities and the DCAD.

11. Please list any additional information you believe would be beneficial for the Denton County Entities to know about you.
-

As a new DCAD Board Member I would engage with the DCAD Board, the DCAD entities, and the DCAD to listen and gain an in-depth understanding of the challenges facing us. From there I would be an advocate, ensuring that the DCAD Board empowers the DCAD to successfully meet its obligations to the DCAD entities and stays true to its values of honesty, integrity, fairness, efficiency, professionalism, and transparency. I have 10+ years of residential and commercial real estate experience, and 35+ years of information technology experience in business process management, software asset management, and change management, and 25+ years of dedicated community service. My diverse experience and servant leadership along with my analytical mindset and strong problem-solving and process improvement skills would be invaluable in my role as DCAD Board Member.

Return to:
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3911 Morse St.
Denton, TX 76208
misty.baptiste@dentoncad.com

Nominee Information
Denton Central Appraisal District Board of Directors

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Ann Pomykal

Name

Corinth, TX 76210

Address/City/Zip

Cell Phone

E-mail

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10. Please give a brief statement on why you would be interested in serving on the Denton Central Appraisal District Board of Directors.

- Will bring to the Denton CAD Board of Directors the following:
1. Completed 2 terms on Denton CAD Board
 2. Strong Business Experience: 27 years at TX Instruments in Key Leadership roles, last 7 years as Ex. Director T.I. Foundation
 3. Proven track record of board leadership across the metropolitan area on Board of United Way of Denton County
 4. Strong ties to Denton County - grew up in Denton, raised children in Lewisville & grand children in Highland Village
 5. Strong commitment to learning
11. Please list any additional information you believe would be beneficial for the Denton County Entities to know about you.

- I commit myself 100% to any project I take on.
- My past commitments to education, health & human services & having served in public office including Mayor gave me a broad view of using data & other resources to make decisions.
- Being Director of Corporate Citizenship @ T.I. & the T.I. Foundations have given me a strong financial & business base for this opportunity.
- My highest priority is my family & being outdoors.

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Nominee Information

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Name

Address/City/Zip

Cell Phone

E-mail

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3911 Morse St.
Denton, TX 76208
misty.baptiste@dentoncad.com



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: ORD 1012

Agenda Date: 11/11/2024

Agenda #:

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to adopt Ordinance 1012, Amending the Master Fee Schedule (Cayce Lay Lamas, Director of Finance)

STAFF: Cayce Lay Lamas, Director of Finance

BACKGROUND:

Every year the Town of Westlake reevaluates the master fee schedule for building permits, development fees, and other miscellaneous fees of the Town to ensure that fees cover all or most of the costs associated with services provided, dependent on the proportion of the population benefitted. The most recent update for the fee schedule was adopted on September 11, 2023, under Ordinance 976.

This fee schedule evaluation also ensures the fees charged to cover the Town's administrative work, as well as any potential maintenance costs associated with the services we provide. There are no state-mandated changes because State of Texas legislature did not meet this year.

Changes from the previous fee schedule are listed below:

Building Inspection Services

- Grammatical & organizational changes to nonresidential fees.
- Inclusion of temporary certificate of occupancy fees and extensions.

Planning & Zoning Services

- Addition of fees for variance requests.

Public Works and Engineering Services

- Update to commercial water deposits and minimum service tap fees (ordinance 1014 being separately considered).

Facilities and Parks and Recreation Services

- Minimum rental charge for Council Chambers updated to match policy.
- Cemetery fees updated to reflect fees approved via Resolution 24-07.

Fire-EMS Services

- No changes

Gas Well & Oil Fees

- No changes

Administrative Services

- No changes

STAFF RECOMMENDATION:

Staff recommends approving Ordinance 1012, as presented.

ATTACHMENT(S):

1. Ordinance 1012 Master Fee Schedule

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve Ordinance 1012, as presented.

TOWN OF WESTLAKE

ORDINANCE NO. 1012

AN ORDINANCE OF THE TOWN OF WESTLAKE AMENDING ORDINANCE 976 ADOPTING THE TOWN OF WESTLAKE FEE SCHEDULE BY ADOPTING A NEW FEE SCHEDULE; PROVIDING A PENALTY; PROVIDING A CUMULATIVE CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; AUTHORIZING PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Town of Westlake, Texas is a general law Town; and

WHEREAS, the Town Council of the Town of Westlake finds it necessary for the public health, safety and welfare that development occur in a controlled and orderly manner; and

WHEREAS, the Town Council adopted the most current fee schedule for the Town of Westlake on September 11, 2023, under Ordinance 976; and

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 2: That the Town Council of the Town of Westlake, Texas does hereby adopt Ordinance 976 subject to the Fee Schedule provided in ***“Exhibit A”***.

SECTION 3: That this Ordinance shall be cumulative of all other Town Ordinances and all other provisions of other Ordinances adopted by the Town which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

SECTION 4: That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the Town of Westlake, and upon conviction shall be punishable by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 5: It is hereby declared to be the intention of the Town Council of the Town of Westlake, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance since the same would have been enacted by the Town Council of the Town of Westlake without the

incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

SECTION 6: This ordinance shall take effect immediately from and after its passage as the law in such case provides.

PASSED AND APPROVED ON THIS 11TH DAY OF NOVEMBER 2024.

ATTEST:

Kim Greaves, Mayor

Dianna Buchanan, Town Secretary

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney



THE TOWN OF
WESTLAKE

DISTINCTIVE BY DESIGN

FY25

FEE SCHEDULE

TOWN OF WESTLAKE

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End of Fee Schedule39

1. Building Inspection Services

- The review fee is collected at the time of submittal and is non-refundable unless the fee is collected in error by the Town of Westlake
- The permit fee is collected at the time of permit issuance for building permits and trade permits
- Additional fees listed are collected at the time of issuance

A. Contractor Registration

- No person shall perform any work or supply any materials without first having registered with the Town of Westlake
- All registrations are one-year registrations. Contractors registered before this timeline will keep their current two-year expiration date until renewal occurs.

<i>Contractor Type</i>	<i>1-Year Registrations</i>
General Contractor	\$125.00
Backflow Tester	\$125.00
Construction Waste	No fee
Electrician	No fee
Irrigator	\$125.00
Mechanical	No fee
Plumber	No fee
Pool	\$125.00
Roofing	\$125.00
Right of Way (ROW)	\$125.00
Signage	\$125.00
Subdivision General Contractor	\$125.00
Subdivision Utility Contractor	\$125.00
Subdivision Paving Contractor	\$125.00
Well (Water & Gas)	\$125.00

B. Residential Building Permits

- The planreview fee is collected at the time of submittal and is non-refundable unless the fee is collected in error by the Town of Westlake

B-1. New Single Family Residential

Residential Permit Fee	\$1.8846 /sq. ft.
Residential Plan Review Fee	\$0.65961 / sq. ft.
Residential Building Inspection Fee	\$0.65961 / sq. ft.
Public Works Inspection Fee	\$418.80
Residential Fire Inspection Fee	\$418.80
Drainage / Grading / Excavation Fee	\$600.00
Erosion Control Fee	\$1,500.00
Duct Bank Fee	\$3,100.00
Mechanical Fees	See Table 1.D
Electrical Fees	See Table 1.D
Plumbing Fees	See Table 1.D

B-2. Residential Additions and Accessory Structures

Residential Permit Fee	\$1.8846 /sq. ft.
Residential Plan Review Fee	\$0.65961 / sq. ft.
Residential Building Inspection Fee	\$0.65961 / sq. ft.
Residential Fire Inspection Fee	\$418.80
Mechanical Fees	See Table 1.D
Electrical Fees	See Table 1.D
Plumbing Fees	See Table 1.D

B-3. Residential Remodel Fees

Residential Permit Fee	See Table 1.B-4
Residential Plan Review Fee	\$0.65961 / sq. ft. (maximum \$250)
Residential Building Inspection Fee	\$0.65961 / sq. ft. (maximum \$250)

B-4. Residential Remodel Permit Fee

<i>Square Feet</i>	<i>Fee</i>
≤ 200 square feet	\$300.00
≤ 500 square feet	\$500.00
≤ 750 square feet	\$800.00
≤ 1,000 square feet	\$1,000.00
> 1,000 square feet	\$1,500.00
per additional sq. ft. over 1,000	\$0.01

C. Nonresidential Building Permits

- The plan review fee is collected at the time of submittal and is non-refundable unless the fee is collected in error by the Town of Westlake.
- The declared valuation shall include the fair market value of the proposed improvements, including the architectural, structural, electrical, plumbing, mechanical work, paving, parking, drive approach, and the contractor's profit. The building official may require the applicant to verify the declared value.
- The building official may also use the data provided in the most current building valuation table published by the International Code Council to determine building valuation for permit fee purposes.

C-1. Nonresidential Permit Fee

- Used to calculate the base permit fee (additional charges apply below)

Nonresidential Permit Fee	See Table 1.C-4
Nonresidential Plan Review Fee	Nonresidential Permit Fee × 65%
Nonresidential Structural Plan Review Fee	Actual Cost Incurred + 10% Administrative Costs
Nonresidential Inspection Fee	\$0.65961 / sq. ft.
Nonresidential Fire Review / Inspection Fee	See Table 1.C-5
Public Works Inspection Fee	\$400.00
Duct Bank Fee	\$3,100.00
Erosion Control Fee	\$1,500.00
Drainage / Grading / Excavation Fee	\$600.00 + \$100.00 /acre
Mechanical Fees	See Table 1.D
Electrical Fees	See Table 1.D
Plumbing Fees	See Table 1.D
Energy Compliance	See Table 1.D

C-2. Nonresidential Remodel, Repair & Alterations

- Includes Accessory Structures, Additions and Tenant Finish-Outs

Nonresidential Permit Fee	See Table 1.C-4
Nonresidential Plan Review Fee	Nonresidential Permit Fee × 65%
Nonresidential Inspection Fee	\$0.65961 / sq. ft.
Nonresidential Fire Review / Inspection Fee	See Table 1.C-5
Mechanical Fees	See Table 1.D
Electrical Fees	See Table 1.D
Plumbing Fees	See Table 1.D
Energy Compliance	See Table 1.D

C-3. New Nonresidential Whitebox

Nonresidential Permit Fee	See Table 1.C-4 with \$1,000 maximum
Nonresidential Plan Review Fee	Nonresidential Permit Fee × 65% (maximum \$500)
Nonresidential Inspection Fee	\$0.65961 / sq. ft. (maximum \$500)

C-4. Nonresidential Permit Fee

- Used to calculate the base permit fee in [Table 1.C-1](#)

<i>Total Valuation</i>	<i>Fee</i>
≤ \$1,000	\$150.00
≤ \$5,000	\$150.00
per additional \$100 over \$1,000	\$7.00
≤ \$25,000	\$430.00
per additional \$1,000 over \$5,000	\$31.50
≤ \$50,000	\$1,060.00
per additional \$1,000 over \$25,000	\$22.68
≤ \$100,000	\$1,627.00
per additional \$1,000 over \$50,000	\$15.75
≤ \$500,000	\$2,415.50
per additional \$1,000 over \$100,000	\$13.30
≤ \$1,000,000	\$7,735.50
per additional \$1,000 over \$500,000	\$11.30
≤ \$5,000,000	\$13,385.50
per additional \$1,000 over \$1,000,000	\$9.30
> \$5,000,000	\$50,588.5
per additional \$1,000 over \$5,000,000	\$7.30

C-5. Nonresidential Fire Review / Inspection Fee

- Used to calculate the nonresidential fire review / inspection fee in [Table 1.C-1](#)

<i>Square Feet</i>	<i>Fee</i>
≤ 10,000 sq. ft.	\$500.00
≤ 100,000 sq. ft.	\$500.00
per sq. ft. over 10,000	\$0.20
≤ 300,000 sq. ft.	\$18,500.00
per sq. ft. over 100,000	\$0.15
≤ 500,000 sq. ft.	\$48,500.00
per sq. ft. over 300,000	\$0.10
> 500,000 sq. ft.	\$68,500.00
per sq. ft. over 500,000	\$0.05

D. New Construction Trade Fees

- Energy compliance only applies to nonresidential permits

<i>Square Feet</i>	<i>Mechanical</i>	<i>Electrical</i>	<i>Plumbing</i>	<i>Energy</i>
≤ 5,000 square feet	\$300.00	\$300.00	\$300.00	\$300.00
≤ 10,000 square feet	\$500.00	\$500.00	\$500.00	\$500.00
≤ 25,000 square feet	\$800.00	\$800.00	\$800.00	\$800.00
≤ 50,000 square feet	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
≤ 100,000 square feet	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
> 100,000 square feet	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
per additional sq. ft. over 100,000	\$0.0010	\$0.0010	\$0.0010	\$0.00

E. Single Trade Permits

- Applies to small trade permits not categorized as new construction
- Includes, but not limited to, projects such as water heaters, A/C repair, outdoor lighting, meter releases, etc....

<i>Permit Type</i>	<i>Commercial Fees</i>	<i>Residential Fees</i>
Mechanical	1% of valuation with \$250 min	\$250.00
Electrical	1% of valuation with \$250 min	\$250.00
Plumbing	1% of valuation with \$250 min	\$250.00
Roofing / Re-roofing	1% of valuation with \$250 min	\$250.00

F. Residential Foundation Repair

<i>Square Feet</i>	<i>Fee</i>
≤ 5,000 square feet	\$300.00
≤ 10,000 square feet	\$400.00
> 10,000 square feet	\$500.00

G. Tree Removal and Mitigation

Tree Mitigation	\$200.00 /caliper inch
Tree Mitigation in the <u>Knolls at Solana</u>	\$300.00 /caliper inch
Tree Removal Application (<i>not part of new construction</i>)	\$125.00
Tree Removal Inspection (<i>not part of new construction</i>)	\$125.00
Trees Removed without Permit in a Conservation Area	\$1,000 /caliper inch

H. Sign Permits

- Fees are calculated per the number of signs requested in an application
- Signs installed without prior permit issuance will be assessed twice the permit fee required
- Signs in the ROW require a ROW License agreement and any applicable fees below

<i>Sign Type</i>	<i>Fee</i>
Monument Signs / Ground-based signs	1% of valuation with \$250 min
Nonresidential Signs - other than ground-based signs	1% of valuation with \$250 min
Temporary Real Estate Sign	\$50.00
Temporary Signage not identified that requires permit	\$50.00
Temporary Special Event Sign	No fee
Wayfinding Signs	\$100.00

I. Additional Permits

Access Control	\$200.00
Accessory Structures & Athletic Courts, including, but not limited to, tennis, pickleball, basketball, etc.	See Table 1.B-4
Antenna	\$400.00
Demolition	\$250 residential \$550 nonresidential
Drive Approach / Sidewalk / Curb Cut	\$200 without Drainage Improvements \$500 with Drainage Improvements required
Fences / Retaining Walls	1% valuation with \$250 min
Floodplain Development	See Public Works
Fountain / Water Feature / Fire Feature (24" or less in depth)	\$300.00
Drainage / Grading / Excavation Fee	\$600 residential \$600 + \$100 /acre nonresidential
Irrigation / Sprinkler	\$300.00
Miscellaneous Permits	1% of valuation with \$250 min
Moving (any building on any Town street)	\$450.00 plus all direct and indirect costs incurred by the Town including police and traffic patrol
Outdoor Display Permit – Permanent	See 2.B-Specific Use Permit
Outdoor Display Permit – Temporary	See 2.D-Temporary Use Permit
Pool / Spa	1% of valuation with \$2,000 min
ROW Construction (excluding franchised utilities)	See Public Works
Sales / Leasing Trailer	See 2.B-Specific Use Permit
Solar Panels	1% of valuation with \$250 min
Temporary Batch Plant	See 2.B-Specific Use Permit
Temporary Construction Off-Site Trailer	See 2.B-Specific Use Permit
Temporary Construction On-Site Trailer	\$250.00
Temporary Electrical Pole	\$75.00
Water Well	\$1,000.00

J. Miscellaneous Fees

<i>Fee Type</i>	<i>Fee</i>
Work Without a Permit	\$500.00 or double the original permit required
Expired Permit Extension	A permit extension fee of 100% of the original total building permit cost is required to reactivate any expired or abandoned permit where an extension was not requested and/or approved.
Re-stamp Fee	\$60.00
Violation of Permit Conditions, Restriction Limits, Times, and Location	\$250.00
Property Maintenance Fee	\$250.00
Landscape / Architectural Review Fee	\$1,000.00
Outdoor Lighting Compliance Review Fee	\$1,000.00
Legal Nonconforming Use Review	\$1,000.00

K. Miscellaneous Inspection Fees

- For any required inspection (plumbing rough, framing, etc.) a reinspection fee will be assessed after the third failed inspection and every failure thereafter
- No inspections will be performed until all reinspection fees are paid

<i>Fee Type</i>	<i>Fee</i>
Building Inspection Fee	\$0.65961 / sq. ft.
After Hours Inspections	\$150 per hour, two-hour minimum
Reinspection Fee	\$200 after third inspection
Work Covered Prior to Required Inspection	\$350.00
Additional Inspections not Identified	\$300.00
Structural Integrity Professional Engineer Inspection	Actual Cost Incurred + 10% Administrative Costs

L. Certificate of Occupancy

- Certificates of Occupancy are only issued to nonresidential uses
- Temporary Certificates of Occupancy are renewed and assessed every 15-30 days or per the requirements of the Town
- Certificates of Occupancy include, but are not limited to, New Tenants, Change of Name or Use or Owners
- If a Certificate of Occupancy is lost, a Duplicate Certificate of Occupancy charge may be assessed
- An inspection fee is charged where an inspection may be required before issuance of a Certificate of Occupancy by the Town

<i>Fee Type</i>	<i>Fee</i>
Certificate of Occupancy	\$250.00
Initial Temporary Certificate of Occupancy (TCO)	\$125.00
First 30-day Extension of TCO	\$500.00
Each TCO Extension Thereafter (not to exceed 15 days)	\$1,000.00
Duplicate Certificate of Occupancy	\$125.00
Certificate of Occupancy Inspection	\$125.00
Business Missing Certificate of Occupancy	Per <i>International Building Code</i>

M. Business License & Annual Inspection Fees

- For businesses that require a business license with the Town per Town Ordinances
- A reinstatement fee is assessed if a license has expired due to non-renewal revoked due to non-compliance

Residential Occupancies Above Two Dwelling Units (per IBC)	
Initial License Application Fee	\$150.00
Annual Business License Renewal	\$110.00
Per Room/Unit Inspected	\$25 per room/unit up to \$2,500
License Reinstatement	\$300.00
License Reinspection	\$80.00
Nonresidential Occupancies (per IBC)	
Initial License Application Fee	\$150.00
Annual Business License Renewal	\$150.00
< 10,000 square feet inspected	\$150.00
≤ 50,000 square feet inspected	\$300.00 + \$.01/sf up to maximum of \$1,000
> 50,000 square feet inspected	\$500.00 + \$.01/sf up to maximum of \$2,000
License Reinstatement	\$300.00
License Reinspection	\$100.00

N. Expedited Development Review Fees

- All standard project, permit, and plan review fees apply in addition to the below intake fees and a \$1,000.00 per hour plan review fee. Expedited development review fees shall not exceed \$5,000.00 for all projects.

N-1. Intake Fee

- An intake fee is charged at the time of request for an expedited review to ensure that all required items have been submitted correctly so an expeditious review can occur accurately and sufficiently.
- The intake fee assessed by the acreage of the site for civil construction projects and the building square footage for permit or site plan projects.
- **Failure by the applicant to submit the complete and correct documents and information may result in an expedited review application being delayed or rejected.**

<i>Square Footage</i>	<i>Acreage</i>	<i>Fee</i>
< 10,000 square feet	< 10 acres	\$500.00
< 25,000 square feet	< 25 acres	\$750.00
< 50,00 square feet	< 50 acres	\$1,000.00
> 50,000 square feet	> 50 acres	\$1,250.00

N-2. Projects Considered for Expedited Development Review

- Civil construction and site plans of nonresidential projects with an approved development plan and preliminary site evaluation;
- Civil construction and site plans of residential projects containing 30 or more lots (or dwelling units) with an approved development plan and preliminary site evaluation;
- Civil construction and site plans of mixed-use projects with an approved development plan and preliminary site evaluation;
- All nonresidential projects including new construction, additions, or accessory structures for both permitting and site planning purposes;

N-3. Projects Not Considered for Expedited Development Review

Projects that do not qualify for expedited review include, but are not limited to the following:

- Development applications requiring public hearings, change of zoning requests, development plan reviews, plat approvals, variance requests, specific use permits requests, etc.
- Projects that are not properly zoned for intended use
- Projects that do not have an approved development plan
- Projects that are not platted or can validate a legal build site
- Exterior building renovations or modifications
- Interior remodels, finish-outs, or renovations

2. Planning and Zoning

- Application fees are non-refundable unless the Town Manager or designee determines that a payment was collected in error
- Application fees are due at the time of submittal for all applications
- After a resubmission requires a 2nd Formal DRC review a resubmission fee shall be charged where applicable in this chapter

A. Subdivisions

<i>Preliminary Site Evaluation</i>	<i>Total</i>
<i>All subdivisions</i>	\$5,000.00 + \$100.00 /acre
<i>Final Subdivision Plat</i>	
<i>All subdivisions</i>	\$5,000.00 + \$100.00 /acre
<i>Replat</i>	
<i>Non-residential</i>	\$2,000.00 + \$100.00 /acre
<i>Residential</i>	\$2,000.00 + \$100.00 /lot
<i>Amended Plat</i>	
<i>Non-residential</i>	\$1,000.00 + \$100.00 /acre
<i>Residential</i>	\$1,000.00 + \$100.00 /lot
<i>Minor Plat</i>	
<i>All subdivisions</i>	\$1,000.00 + \$100.00 /lot (up to 4 lots maximum)
<i>Plat Vacation</i>	
<i>All subdivisions</i>	\$4,000.00 + \$100.00 /acre
<i>Plat Resubmission Fees</i>	
<i>Preliminary Site Evaluation</i>	5% of original fee charged
<i>All other Plats</i>	10% of original fee charged
<i>Plat Filing Fee</i>	
<i>In-person filing</i>	\$500.00
<i>E-File</i>	Actual cost incurred + 10% administrative costs

B. Change of Zoning and Specific Use Permit Requests

<i>Zoning Change</i>	<i>Total</i>	<i>Amendment</i>
< 1 acre	\$1,000.00	\$510.00
< 2 acres	\$2,000.00	\$1,020.00
< 5 acres	\$5,000.00	\$2,550.00
< 10 acres	\$7,875.00	\$4,016.25
< 25 acres	\$10,500.00	\$5,355.00
< 50 acres	\$21,000.00	\$10,710.00
≤ 100 acres	\$42,000.00	\$21,420.00
> 100 acres	\$44,000.00	\$22,440.00
+ per acre over 100 acres	\$105.00	\$53.55

<i>Specific Use Permit</i>	<i>Total</i>	<i>Amendment</i>
< 1 acre	\$500.00	\$255.00
< 2 acres	\$1,000.00	\$510.00
< 5 acres	\$1,500.00	\$765.00
≤ 10 acres	\$2,000.00	\$1,020.00
> 10 acres	\$2,500.00	\$1,275.00

C. Concept Plans, Development Plans & Site Plans

<i>Concept Plan</i>	<i>Total</i>	<i>Amendment</i>
< 10 acres	\$6,000.00	\$3,060.00
< 25 acres	\$15,000.00	\$7,650.00
< 50 acres	\$24,000.00	\$12,240.00
≤ 100 acres	\$30,000.00	\$15,300.00
> 100 acres	\$31,500.00	\$16,065.00
+ per acre over 100 acres	\$105.00	\$53.55
<i>Development Plan</i>	<i>Total</i>	<i>Amendment</i>
< 10 acres	\$6,000.00	\$3,060.00
< 25 acres	\$15,000.00	\$7,650.00
< 50 acres	\$24,000.00	\$12,240.00
≤ 100 acres	\$30,000.00	\$15,300.00
> 100 acres	\$31,500.00	\$16,065.00
+ per acre over 100 acres	\$105.00	\$53.55
<i>Site Plan</i>	<i>Total</i>	<i>Amendment</i>
< 1 acre	\$5,000.00	\$2,550.00
< 2 acres	\$6,100.00	\$3,111.00
< 5 acres	\$7,500.00	\$3,825.00
≤ 10 acres	\$10,000.00	\$5,100.00
> 10 acres	\$10,500.00	\$5,355.00
+ per acre over 10 acres	\$105.00	\$53.55
<i>Residential Site Plan</i>	<i>Total</i>	<i>Amended</i>
	\$770 / lot or unit	\$310 / lot or unit
<i>Plan Resubmission Fees</i>	<i>Plan</i>	<i>Fee</i>
	Concept Plans	10% of original fee charged
	Development Plans	10% of original fee charged
	Site Plans	10% of original fee charged

D. Miscellaneous Planning

<i>Fee Type</i>	<i>Fee</i>
Address Change	\$100.00
Architectural Review Fee	See 1.C-Site Plan
Amendment to Code of Ordinances	\$1,000.00
Amendment to Comprehensive Plan	See 1.C-Concept Plan Amendment
Amendment to Planned Development Standards	\$1,000.00
Any request not specifically listed that requires legislative approval	\$500.00
Appeal of Administrative Decision	\$110 + \$5 for each property owner listed on the public hearing notice
Comprehensive Sign Package	See 1.C-Site Plan
Consultants for inspections or plan review utilized for specific specialized projects	Cost Incurred + 10% Admin Costs
Document / Instrument Filing Fee	\$500.00 (In-person Filing) Cost incurred +10% Admin Costs (E-Filing)
Development Agreement Processing	\$2,000.00
Special District Creation (overlay, PID, MUD, TIF, TRZ, etc.)	Per Development Agreement / Economic Development Agreement
Landscaping Plan Review	See 1.C-Site Plan
Outdoor Lighting Plan Review	See 1.C-Site Plan
Park Land Dedication	Per Development Agreement
Public Art	Per Development Agreement
Street Name Change	\$1,000.00 + cost of new street signage
Subdivision Name Change	See 1.A-Amended Plat
Temporary Use Permit	\$500.00
Traffic Impact Analysis Review	Cost Incurred + 10% Admin Costs
Variance Request (Board of Adjustment)	\$2,500.00
Variance Request (Planned Development Standards)	\$1,000.00
Zoning Verification Letter	\$50.00

3. Public Works & Engineering

A. Water & Sewer Rates

- Water & Sewer Rates are approved by the Town Council through a separate Ordinance when changes are made. Rates for Water and Sewer can be found at the following link: <https://www.westlake-tx.org/323/Utility-Applications-Documents-Rates>

B. Backflow Services

- Backflow testers must register annually at <https://www.sctrackingsolutions.com/system/login.asp>

<i>Fee Type</i>	<i>Fee</i>
Backflow Tester Registration	\$125.00
Assembly Registration	\$25.00
Customer Service Inspection	\$125.00
Customer Service Reinspection	\$125.00

C. Easements

<i>Easement Type</i>	<i>Fee</i>
Easement / ROW Abandonment	\$1,000 + \$1 /linear foot
Easement / ROW Encroachment	\$1,000 + \$1 /linear foot

D. Solid Waste License

<i>Fee Type</i>	<i>Fee Description</i>
Waste Hauling License	No Fee
Waste Hauling Monthly Fee	15% of gross revenue for waste collected in WL

E. Construction Plans

- Construction Plans include, but not limited to, engineered plans such as grading, drainage, water, sewer, and right-of-way improvements.
- The construction plan application fee is assessed when there has been no development plan or zoning requested approved on the site. This fee is due at time of submittal of a construction plan application. Application fees are non-refundable unless the Town Manager or designee determines that a payment was collected in error.
- Plan review fees and model analysis fees are due at the pre-construction meeting and before a notice to proceed by the Town.
- Additional analyses may apply where the Town Engineer must conduct a model analysis of town utilities and where a TxDOT Permit is required to be reviewed.
- Inspection fees for construction are found in [Table 3.F](#) of this section.

<i>Application</i>	<i>Fee</i>
Construction Plans Application	See 2.C-Development Plan
<i>Plan Review</i>	<i>Fee</i>
First Plan Review	\$1,000 + \$150 /sheet
Additional Review (more than 3)	\$750 + \$100 /sheet
<i>Additional Analyses</i>	<i>Fee</i>
Water Model Analysis	\$1,000
Wastewater Model Analysis	\$1,000
TxDOT Permit Review	\$500.00

F. Construction Inspections

- The inspection fee will be based on actual cost incurred during inspections plus a ten percent administrative costs. Inspections include, but not limited to, public and private improvements such as streets and roads, drainage, parking lots, fire water systems, walls, fences, site grading, water features, parks, open space corridors, required landscaping, irrigation, sidewalks, trails, etc., for subdivisions improvements. The construction inspection fee is in addition to any other fees listed herein.
- Construction inspection fees are due before final acceptance of public improvements
- Construction inspection overtime is a two-hour minimum for weekdays and four-hour minimum for weekends and holidays. Inspections must be requested by noon the Wednesday before. Construction inspection overtime fees are collected before acceptance of public infrastructure.

Construction Inspections	Fee
Construction Inspection Fee	Actual Cost Incurred + 10% Administrative Costs or per Development Agreement
Additional Inspection Fees	Fee
Construction Inspection Overtime	\$150 per hour, two-hour minimum
Reinspection Fee	\$200 after third inspection
Work Covered Prior to Required Inspection	\$350.00
Additional Inspections not Identified	\$300.00
Public Works Inspection Fee	\$400.00

G. Streetlights

Fee Type	Fee Description
Installation and Maintenance of Street Lights	The developer must pay for all costs associated with installing streetlights and maintain & operate the streetlights in public ROW or per Development Agreement
Licensing of Street Lights	\$20.00 per month per pole for at least 2 years or per Development Agreement

H. Right of Way Construction

- The application and plan review fee are due at time of submittal
- The permit fees are due at the time of permit issuance
- Where a TxDOT Permit is required additional review fees may apply

<i>Fee Type</i>	<i>Fee</i>
ROW Application & Plan Review	\$500.00
ROW Permit Fee	\$500.00 + \$1 /linear feet of construction
TxDOT Permit Review	\$500.00

I. Right of Way Management (Small Cell Network Nodes)

- Where a permit is not required under [Chapter 79](#) of the Code of Ordinances, they provider is required to notify the Town a minimum of 24 hours in advance of beginning work.
- If the provider's worker requires excavation or closing of sidewalks or vehicular lanes within the public ROW, then the provider must also obtain a ROW construction permit

<i>Network Node Application</i>	<i>Total</i>
First Application (up to five locations)	\$500.00
Subsequent Application (excess of five locations)	\$250.00
<i>Support Pole Application</i>	<i>Total</i>
Network Node Support Pole	\$1,000.00 each
<i>Annual Registration</i>	<i>Total</i>
Annual Node Registration	\$250.00 per node site
Annual Pole Registration	\$250.00 per node site
Right of Way Use	\$28 per node site per month

J. Floodplain Development

- The application and plan review fee are due at time of submittal
- The permit fees are due at the time of permit issuance in addition to additional fees listed below where their review is required

<i>Fee Type</i>	<i>Fee</i>
Application / Plan Review Fee	\$500.00
Floodplain Permit Fee	\$1,000.00
Flood Study Analysis	\$3,000.00
CLOMR	\$2,700.00
LOMR (Following CLOMR)	\$1,000.00
LOMR (Without CLOMR)	\$2,700.00
Erosion Hazard Zone	\$500.00
Drainage / Grading / Excavation Fee	See Table 3.L

K. Investigation Fees

<i>Fee Type</i>	<i>Fee</i>
Work Without a Permit	\$500.00 or double the original fee required
Violation of Permit Conditions, Restriction Limits, and Times and Location on ROW Permit	\$250.00
Failure to Correct Deficiency	\$500.00

L. Miscellaneous Public Works Fees

<i>Fee Type</i>	<i>Fee</i>
Residential Grading	\$600.00
Nonresidential Grading	\$600 plus \$100 /acre
Erosion Control Inspection	\$1,500.00
Duct Bank Connection	\$3,100.00
Drive Approach / Sidewalk / Curb Cut	\$200 without drainage improvements / \$500 with drainage improvements required

4. Facilities and Parks and Recreation

A. Special Event Applications

- A coordination meeting may be required with Town of Westlake Staff before submittal of an application; and
- Proof of nonprofit status via a 501(c)(3) must be supplied at time of application; and
- Nonprofit status does not exempt additional fees or personnel standby fees; and
- Where an application is not submitted at least 30 days prior to the event start date, additional fees may apply.

<i>Application Fees</i>	<i>Fee</i>
Special Event Application	\$250.00
<i>Special Event Application, Non-profits</i>	No fee
<i>Special Event, Temporary Signage</i>	No fee
<i>Additional Fees</i>	<i>Fee</i>
Tent Permit	\$100.00
Fireworks	\$150.00
Coordination Meeting	\$100.00
<i>Personnel Standby</i>	<i>Fee</i>
Fire-EMS Personnel Standby	\$75/hr per person
Police Officer Standby	Per City of Keller PD
Administrative Staff Standby	\$75/hr per person
<i>Special Event Penalty Fees</i>	<i>Fee</i>
Application submitted under thirty (30) days before event start date	\$500.00 (regardless of charitable status)
Application submitted under five (5) days before event start date	\$1,000.00 (regardless of charitable status)
Special Event held without permit	Per Special Event Ordinance

B. Facility Rental

- For additional facility rental policies and regulations please see [Resolution 19-19](#)

<i>Facility</i>	<i>Deposit</i>	<i>Rental (3-hr min.)</i>	<i>Per hour (up to 6 hrs.)</i>	<i>Extended Use</i>
WA Cafeteria				
One day	\$500.00	\$350.00	\$100.00	\$15.00
Extended commitment	\$2,000.00	\$350.00	\$100.00	\$15.00
WA Performance Hall				
One day	\$500.00	\$475.00	\$150.00	\$15.00
Extended commitment	\$2,000.00	\$475.00	\$150.00	\$15.00
WA Gym				
One day	\$500.00	\$350.00	\$100.00	\$15.00
WA Multipurpose Hall				
One day	\$500.00	\$475.00	\$150.00	\$15.00
WA Sport Fields				
One day	\$500.00	\$150.00	\$50.00	\$15.00
Town Council Chambers/ Courtroom				
One day	\$1,000.00	\$300.00	\$100.00	-
Fire Department Administration Training Room and Mall				
One day	\$1,000.00	-	\$100.00	-

C. Westlake IOOF Cemetery

- For additional cemetery policies and regulations please see Resolution 24-07

<i>Fee Type</i>	<i>Total</i>
Adult Burial Space	\$4,000.00
Infant Burial Space	\$2,500.00
Interment Fee	\$500.00
Urn Interment Fee	\$400.00
Service Fee	\$350.00

5. Fire-EMS Services

- ¹If required, additional cost for personnel may be charged. Additional cost for expendable equipment and necessary apparatus may be incurred.
- ²Two (2) hour minimum. If required, addition cost for personnel may be charged. Additional cost for expendable equipment and necessary apparatus may be incurred.
- ³Cost is per hour per personnel utilized. Additional cost for expendable equipment and necessary apparatus may be incurred.
- ⁴Cost based on third party or contracted services provider fees. Based on agreement with the Town, fees may be paid directly to the third party or contracted services provider.

Ambulance and EMS	Total
ALS I	\$1,750.00
ALS II	\$1,750.00
BLS	\$1,750.00
ALS Disposable	N/A
BLS Disposable	N/A
Oxygen	N/A
SCT	\$1,750.00
TNT	\$200.00
Ground mileage	\$24.00
EMS – Services and Expendables ⁴	
Asbestos removal	Total
	\$100.00
Battery Systems	Total
	\$250.00
Burn Permit	Total
Non-resident	\$50.00
Resident	No Charge
Candles and Open Flame in Assembly Areas	Total
	\$50.00
Carnivals and Fairs	Total
	\$50.00 ¹
Combustible Storage	Total
High-Piled	\$50.00
Compressed Gas	Total

	\$100.00
Cryogenics	Total
	\$250.00
Dry Cleaning Operations	Total
Flammable / Combustible Liquids	\$75.00
Non-Flammable Liquids	\$50.00
Explosives or Blasting Agents	Total
Use of	\$150.00 ¹
Fireworks - Certified Events Only	Total
	\$150.00 ¹
Fueling Dispensing Station	Total
Motor Vehicle	\$50.00
Fumigation or Thermal Insecticidal Fogging	Total
	\$250.00
Hazardous Materials	Total
Storage, Dispense, Use of Mitigation ^{3,4}	\$50.00
Hot works Operations	Total
	\$50.00
Inspections	Total
After Hours Fire Inspection	\$75.00 ²
Re-inspection for fire alarm systems	\$75.00 ¹
Re-inspection for new construction	\$75.00 ¹
Re-inspection for sprinkler systems	\$75.00 ¹
Liquid Petroleum Gas	Total
LPG 25-199 WGC	\$100.00
LPG 200-1,999 WGC	\$75.00
LPG 2,000 < WGC	\$25.00
LPG fueled vehicles or equipment in assembly buildings	\$50.00
Malls – Covered	Total
	\$75.00 ¹
Personnel Stand-By	Total
Fire Watch	\$75.00 ³

Special Event	\$75.00 ³
Pesticides	Total
Highly Toxic, Storage, Use of	\$50.00
Plan Review	Total
Fire Alarm System Review ⁴	
Fire Sprinkler System Review ⁴	
Nonresidential Fire Plan Review / Inspection Fee	See Table C-2
Residential Fire Plan Review	\$400.00
Private Agency License Inspection / Certification	Total
	\$50.00
Pyrotechnic Material	Total
	\$500.00 ¹
Radioactive Materials	Total
	\$500.00
Storage Tanks	Total
Aboveground Storage Tanks (AGST)	\$150.00
Underground Storage Tanks (UST)	\$150.00
AGST & UST - Changing Contents	\$100.00
AGST and UST Removal or Temporary Out of Service	\$50.00
Trench Burning – Clearing Land or Rubbish	Total
	\$150.00
Water System Analysis / Test for Fire Suppression Systems	Total
	\$25.00

6. Gas Well & Oil Fees

A. Gas Well Pad Site Permit and Fees

Gas Well Pad Site Permit Application Fee (one-time initial, per pad site fee)	\$30,000.00
Approved Gas Well Pad Site Permit Annual Review & Renewal Fee	\$5,000.00
Fire Fighter Training & Equipment Fee (one-time initial, per approved pad site fee)	\$10,000.00
Setback Reduction Request/Property Owner Title Verification Fee	\$5,000.00 or actual cost, whichever is greater

B. Gas Well Permits and Fees

Gas Well Permit Application Fee (one-time initial, per well fee)	\$10,000.00
Gas Well Permit Amendment Application & Review Fee	\$2,500.00
Gas Well Certificate of Completion & Completion Inspection Fee	\$1,500.00
Tank Battery Completion & Annual Permit/Inspection Fee	\$1,000.00
Annual Approved Gas Well Permit Review, Inspection, & Permit Renewal Fee	\$1,500.00
Initial/Annual Insurance & Surety Review Fee (per approved gas well permit)	\$1,000.00
Annual Fire Fighter Training & Equipment Fee (per approved gas well permit)	\$2,000.00
Annual Safety/Hazardous Materials Plans & Reports Compliance Review Fee	\$1,000.00
Well Re-working Permit Fee	\$5,000.00
Gas Well Permit Transference Processing Fee	\$5,000.00
Gas Well Permit Extension Processing Fee	\$5,000.00
Well Abandonment Permit Application & Inspection Fee	\$2,500.00
Road Maintenance Agreement Review & Inspection Fee	\$5,000.00

C. Pipeline Related Permits and Fees

- All permits, fees, and/or licenses in this section are for initial installation of a new pipeline. Any extensions of this pipeline will be considered a new pipeline and subject to all applicable permits

New Pipeline Construction Permit & Inspection Fee	\$5,000.00
New Pipeline Certificate of Completion & Inspection Fee	\$1,500.00
New Pipeline ROW/Street/Road/Easement Crossing License (per crossing)	\$2,000.00
Initial/Annual Insurance & Surety Review Fee (per approved pipeline permit)	\$1,000.00
Annual Safety Report Compliance Review Fee (per approved pipeline permit)	\$1,000.00
Annual Pipeline Permit & License Renewal Fee (per new pipeline permit)	\$2,000.00
Inactive Pipeline Permit Application & Inspection Fee	\$2,500.00
Idled Pipeline Permit Application & Inspection Fee	\$2,500.00
Idled Pipeline Permit Reactivation Inspection Fee	\$2,500.00
Seismic Testing Permit Fee	\$500.00
Technical Advisor Fees	Actual costs plus 10% administrative fee

7. Administrative Services

A. Non-Sufficient Funds & Return Charges

- The maximum charge permitted under Texas law will be imposed by the Town for the collection of checks returned by the banks for the lack of funds when such checks are used in payment to the Town for deposits or obligations legally owned by the issuer of the said returned checks. The Town Manager or their designee will add the returned check charge to the other obligations owned to the Town by the issuer of the returned checks. The same charge shall be applied to electronic funds transactions in which lack of funds prevents payment from being made. The Town Manager or their designee may waive such charge if the Town was negligent in the cashing of the check or if special circumstances deem the waives as appropriate; however, in all cases of a waiver complete records must be made of the reason for the waiver.

All forms of payment | \$35.00 or max per State Law

B. Solicitation & Vendor Permits

Solicitor License	\$50.00
plus per agent	\$20.00

C. Alcohol License and Permit Fees

License / Permit Fee | Per [State Local Maximums](#)

D. Photocopy & Digital Media Charges

Media Type	Fee
Standard size 8.5" x 14"	\$0.10 per page per side
Non-standard size	\$0.50 per page per side
Specialty Paper	Actual Cost
Diskette	\$1.00 each
Rewritable CD (CD-RW)	\$1.00 each
Non-rewritable CD (CD-R)	\$1.00 each
Digital Video Disc (DVD)	\$3.00 each
Magnetic Tape	Actual Cost
Data Cartridge	Actual Cost
Tape Cartridge	Actual Cost
JAZ Drive	Actual Cost
Other electronic media	Actual Cost
VHS video cassette	\$2.50 each
Audio cassette	\$1.00 each

8. Refund Policy

- No refund shall be granted if the purchaser has paid the minimum fee established for the specific type of permit;
- No refund shall be granted if any work governed by the permit has been performed;
- No refund shall be granted if an inspection has been performed, scheduled, or requested on the permit;
- Plan review fees are non-refundable unless the Building Official determines that a payment was collected in error;
- Application fees are non-refundable unless the Town Manager or designee determines that a payment was collected in error;
- Refund claims must be submitted in writing with a copy of the permit receipt.

9. Example Calculations

A. How to Calculate Single Family Residence Submittal

Information required:

- Total square footage under roof
- See [Table 1.D](#) under Building Inspection Services for MEP ranges

Examples:

A-1. 5,200 sq. ft.

<i>Fee Type</i>	<i>Fee Calculation</i>	<i>Fee Total</i>
Residential Permit Fee	\$1.8846 x 5,200 sq. ft.	\$9,799.92
Residential Plan Review Fee	\$0.65961 x 5,200 sq. ft.	\$3,429.97
Residential Building Inspection Fee	\$0.65961 x 5,200 sq. ft.	\$3,429.97
Public Works Inspection Fee	\$418.80	\$418.80
Residential Fire Inspection Fee	\$418.80	\$418.80
Drainage / Grading / Excavation Fee	\$600.00	\$600.00
Erosion Control Fee	\$1,500.00	\$1,500.00
Duct Bank Fee	\$3,100.00	\$3,100.00
Mechanical Fees	See Table 1.D	\$500
Electrical Fees	See Table 1.D	\$500
Plumbing Fees	See Table 1.D	\$500
		\$24,197.46

B. How to Calculate a New Nonresidential Submittal

Information required:

- Total square footage under roof
- Total construction valuation
- Total site acreage
- See [Table 1.C-1](#) under Building Inspection Services for base permit fee
- See [Table 1.C-2](#) under Building Inspection Services for fire department plan review and inspection
- See [Table 1.D](#) under Building Inspection Services for MEP ranges

B-1. 10,000 sf. ft. | \$5,000,000 valuation | 1 acre

<i>Fee Type</i>	<i>Fee Calculation</i>	<i>Fee Total</i>
Nonresidential Permit Fee	See Table 1.C-1	\$50,585.50
Nonresidential Plan Review Fee	Nonresidential Permit Fee × 65%	\$32,880.58
Nonresidential Inspection Fee	\$0.65961 x 10,000 sq. ft.	\$6,596.10
Nonresidential Fire Review / Inspection Fee	See Table 1.C-2	\$500.00
Public Works Inspection Fee	\$418.80	\$418.80
Duct Bank Fee	\$3,100.00	\$3,100.00
Erosion Control Fee	\$1,500.00	\$1,500.00
Drainage / Grading / Excavation Fee	\$600.00 + (\$100.00 x 1 acres)	\$700.00
Mechanical Fees	See Table 1.D	\$500.00
Electrical Fees	See Table 1.D	\$500.00
Plumbing Fees	See Table 1.D	\$500.00
Energy Compliance	See Table 1.D	\$500.00
		\$98,280.98

End of Fee Schedule



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: ORD 1014

Agenda Date: 11/11/2024

Agenda #: H.6.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to adopt Ordinance 1014, Amending the Water and Sewer Rates (Cayce Lay Lamas, Finance Director)

STAFF: Finance Director Cayce Lay Lamas

BACKGROUND:

The Town of Westlake periodically updates its water and sewer rates to ensure financial sustainability of its infrastructure and cost to provide services. These updates are typically made at the same time as the Master Fee Schedule for consistency purposes. This update does not change the base or usage fees on which monthly utility bills are calculated and will not impact current utility customers. The only changes are to commercial water meter deposits (now matches residential) and minimum service tap fees. These changes go into effect on January 1, 2025.

FISCAL IMPACT:

The fiscal impact will be minimal and fees collected are expected to offset some of the expenses incurred by the Town.

STAFF RECOMMENDATION:

Staff recommends approval of Ordinance 1014 Amending the Water and Sewer Rates

ATTACHMENT(S):

Ordinance 1014 Amending the Water and Sewer Rates

Exhibit A Water and Sewer Rate Schedule

TOWN COUNCIL ACTION/OPTIONS:

- 1) Motion to approve
- 2) Motion to amend with the following stipulations (please state stipulations in motion)
- 3) Motion to table
- 4) Motion to deny

TOWN OF WESTLAKE

ORDINANCE NO. 1014

AN ORDINANCE OF THE TOWN OF WESTLAKE AMENDING AND ESTABLISHING A NEW WATER AND WASTEWATER RATE AND FEE SCHEDULE; REPEALING ORDINANCE 952 IN ITS ENTIRETY; PROVIDING A PENALTY; PROVIDING A CUMULATIVE CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; AUTHORIZING PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Town Council of the Town of Westlake finds the provision of water and wastewater services throughout the Town of Westlake, Texas, (the “Town”) is of vital importance to the health, safety and welfare of the citizens of the Town; and

WHEREAS, the Town Council of the Town of Westlake finds the proposed Water and Wastewater rate and fee schedule provides sufficient recovery of cost of services while maintaining an appropriate fund reserve balance in accordance with the Town’s adopted Financial Policy; and

WHEREAS, the Town Council repeals Ordinance 952 in its entirety to consolidate the Water and Wastewater rate and fee schedule; and

WHEREAS, the Town Council affirms Ordinance 998 establishing a process and fee schedule for non-payment of utility bills; and

WHEREAS, upon the recommendation of staff, the Town Council of the Town of Westlake, Texas, is of the opinion that it is in the best interests of the Town and its citizens that the proposed Water and Wastewater rates should be approved and adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 2: That the Town Council does hereby approve the Water and Wastewater rate and tap fee schedule as shown on *Exhibit “A”* hereto, which said exhibit is hereby incorporated in its entirety as if fully set forth.

SECTION 3: That all provisions of this ordinance shall remain in full force and effect.

SECTION 4: That this Ordinance shall be cumulative of all other Town Ordinances and all other provisions of other Ordinances adopted by the Town which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

SECTION 5: That any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the Town of Westlake, and upon conviction shall be punishable by a fine not to exceed the sum of five hundred dollars (\$500.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 6: It is hereby declared to be the intention of the Town Council of the Town of Westlake, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance since the same would have been enacted by the Town Council of the Town of Westlake without the incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

SECTION 7: This ordinance shall take effect January 1, 2025.

PASSED AND APPROVED ON THIS 11TH DAY OF NOVEMBER 2024.

ATTEST:

Kim Greaves, Mayor

Dianna Buchanan, Town Secretary

Wade Carroll, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney

WATER & SEWER RATES 2025

Town of Westlake * 1500 Solana Boulevard, Building 7, Suite 7200 * Westlake, TX 76262

Telephone: (817) 430-0941 * Fax: (817) 430-1812

e-mail: utilitybilling@westlaketx.gov

Rates Effective: 01/01/2025

Rates are subject to change based on site conditions.

BASE SERVICE CHARGES

Meter Size	Residential		Commercial	
	Water	Sewer	Water	Sewer
3/4"	\$52.92	\$44.77	\$57.33	\$52.80
1"	\$88.38	\$82.65	\$95.74	\$98.73
1.5"	\$176.22	\$151.53	\$190.91	\$181.38
2"	\$282.06	\$239.92	\$305.57	\$288.14
3"	\$617.58	\$517.72	\$669.04	\$621.04
4"	\$1,111.32	\$883.92	\$1,203.93	\$1,060.70
6"	\$1,822.43	\$1,830.98	\$4,247.93	\$2,033.01
8"	\$2,649.31	\$2,651.76	\$5,339.41	\$2,929.57

VOLUME CHARGES - rate per 1,000 gallons

Volume	Residential		Commercial	
	Water	Sewer	Water	Sewer
0 - 2,000 gallons	\$4.32	\$0.00	\$4.76	\$10.06
2,001 - 20,000	\$4.32	\$8.36	\$4.76	\$10.06
20,001 - 40,000	\$5.66	\$8.36	\$6.23	\$10.06
40,001 - 400,000	\$6.98	\$8.36	\$7.69	\$10.06
over 400,000 gallons	\$9.03	\$8.36	\$9.93	\$10.06

DEPOSITS

Meter Size	Residential		Commercial	
	Water	Sewer	Water	Sewer
3/4"	\$90	\$60	\$90	\$60
1"	\$150	\$100	\$150	\$100
1.5"	\$300	\$200	\$300	\$200
2"	\$480	\$320	\$480	\$320
3"	\$1,050	\$700	\$1,050	\$700
4"	\$1,800	\$1,200	\$2,500	\$1,200
6"	\$3,750	\$2,500	\$3,750	\$2,500
8"	\$5,400	\$3,600	\$5,400	\$3,600
Fire Hydrant	\$3,000	N/A	\$3,000	N/A

WATER SERVICE FEES

Meter Size	Water Meter Set Fee	Minimum Service Tap Fee **	
	Existing Service Line	Tap Fees	Steet Cut/Bore
3/4"	\$600	\$10,000	\$2,500
1"	\$650	\$10,000	\$2,500
1.5"	\$875	\$10,000	\$2,500
2" Disc	\$1,100	\$10,000	\$2,500

For 2" compound or larger, or unusual installation conditions, fee will be the actual cost to the Town plus 10%.

**Tap fees for connections installed by the Town will be actual cost plus 10%. Does not include City of Fort Worth water or other impact fees.

SEWER SERVICE FEES

Depth	Sewer Connection	Minimum Service Tap Fee **	
	Existing Service Line	Tap Fees	Steet Cut/Bore
0 - 6 feet	\$375	\$9,000	\$3,000
6 - 12 feet	\$375	\$9,000	\$3,000
12 - 18 feet	\$375	\$9,000	\$3,000

FORT WORTH IMPACT FEES (may vary based on permit date)

Meter Size	Current	Plat Date Prior to 04/01/2017
3/4"	\$2,972	\$704
1"	\$4,953	\$1,173
1.5"	\$9,905	\$2,345
2"	\$15,848	\$3,752

Winter Average: Dec-Jan-Feb & applied to March consumption bills (which are mailed out in April)



Town of Westlake

Staff Report

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

File #: 24-368

Agenda Date: 11/11/2024

Agenda #: H.7.

TOWN STAFF REPORT RECOMMENDATIONS

Discuss, consider and act to excuse Mayor and Council absence(s), if any.



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: 24-363

Agenda Date: 11/11/2024

Agenda #: I.1.

TOWN STAFF REPORT RECOMMENDATIONS

Section 551.087: Deliberation regarding Economic Development Negotiations to deliberate the offer of a financial or other incentive to a business prospect.



Town of Westlake

1500 Solana Blvd
Building 7, Suite 7100
Westlake, TX 76262

Staff Report

File #: 24-367

Agenda Date: 11/11/2024

Agenda #: I.2.

TOWN STAFF REPORT RECOMMENDATIONS

Section 551.071: Consultation with and legal advice from the Town Attorney regarding pending litigation - Vertical Bridge v. Town of Westlake