

# LEWISVILLE CITY COUNCIL

## REGULAR SESSION

March 17, 2025

6:15 P.M.

### **Present:**

TJ Gilmore, Mayor

### **Council Members:**

Patrick Kelly, Mayor Pro Tem - absent

Ronni Cade, Deputy Mayor Pro Tem

Bob Troyer

William Meridith

Brandon Jones

Kristin Green

### **City Staff:**

Claire Powell, City Manager

Gina McGrath, Deputy City Manager

Shante Akafia, Assistant City Manager

Jim Proce, Assistant City Manager - absent

Liz Plaster, City Attorney

Lauren Crawford, Deputy City Attorney

Jennifer Malone, Acting City Secretary

With a quorum of the Council Members present, the workshop session of the Lewisville City Council was called to order by Mayor Gilmore at 6:15 p.m. on Monday, March 17, 2025, in the City Council Conference Room of Lewisville City Hall, 151 West Church Street, Lewisville, Texas. City Department Heads were also in attendance.

## **WORKSHOP SESSION**

### **Discussion of Regular Agenda Items and Consent Agenda Items**

**(Agenda Item A)**

Mayor Gilmore led a discussion of regular agenda items and consent agenda items and received questions and comments from City Council and City staff. Public Services Director Aaron Russell answered questions and comments from the City Council regarding Item No. F-6. Planning Director Richard Luedke answered questions and comments from the City Council regarding Item No. G-10. City Manager Claire Powell and Planning Director Richard Luedke answered questions and comments from the City Council regarding Item No. G-11. There was discussion among the City Council regarding Item No. G-12.

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**Review Annual Comprehensive Financial  
Report & Popular Annual Financial Report  
for FY2024**

**(Agenda Item C)**

At the request of Mayor Gilmore, Director of Finance Dave Erb and John DeBurro and Lauren Fitch with Weaver, gave a presentation on Review Annual Comprehensive Financial Report & Popular Annual Financial Report for FY2024 and received questions and comments from City Council and City staff.

**Emergency Management Updates**

**(Agenda Item B)**

At the request of Mayor Gilmore, Emergency Management Specialist Sydney Casey and Emergency Management Coordinator Russell Marshall gave a presentation on Emergency Management Updates and received questions and comments from City Council and City staff.

Mayor Gilmore RECESSED into Closed Session at 6:56 p.m.

*In Accordance with Texas Government Code, Subchapter D,*

*1. Section 551.071 (Consultation with Attorney)*

Mayor Gilmore RECONVENED into Workshop Session at 6:59 p.m.

Mayor Gilmore RECESSED Workshop Session at 6:59 p.m.

**REGULAR SESSION**

With a quorum of the Council Members present, the regular session of the Lewisville City Council was called to order by Mayor Gilmore at 7:02 p.m. on Monday, March 17, 2025.

**Invocation**

**(Agenda Item A)**

Mayor TJ Gilmore gave the invocation.

**Pledge to the American and Texas Flags**

**(Agenda Item B)**

At the request of Mayor Gilmore, Council Member William Meridith gave the pledge to the United States and Texas flags.

Mayor Gilmore RECESSED Regular Session at 7:04 p.m.

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**Return to Workshop Session if Necessary**

**(Agenda Item I)**

Mayor Gilmore RECONVENED Workshop Session at 7:05 p.m.

**Emergency Management Updates**

**(Agenda Item B)**

At the request of Mayor Gilmore, Emergency Management Coordinator Russell Marshall continued the presentation on Emergency Management Updates and received questions and comments from City Council and City staff.

Mayor Gilmore RECESSED Workshop Session at 7:14 p.m.

Mayor Gilmore RECONVENED Regular Session at 7:15 p.m.

**Proclamation Declaring March 25, 2025, as  
"Denton County Alumnae Chapter of Delta  
Sigma Theta Sorority, Inc. Day."**

**(Agenda Item C-1)**

Mayor Gilmore presented the proclamation to Shalanda Gordan-Robinson. Ms. Gordan-Robinson spoke regarding the organization.

**Recognition of José Marines for Being  
Selected to the 2025 National Recreation and  
Park Association (NRPA) 30 Under 30  
Young Professional Class.**

**(Agenda Item C-2)**

Mayor Gilmore presented the recognition to Jose Marines. Mr. Marines spoke regarding the recognition and the Parks and Recreation Department.

**Recognition of the Muggles, Magic and  
Mischief Program as the Winner of the  
TRAPS Lone Star Programming  
Achievement Award.**

**(Agenda Item C-3)**

Mayor Gilmore presented the recognition to Thrive Recreation Specialist Miranda Maloy. Ms. Maloy spoke regarding the recognition and the Muggles, Magic and Mischief Program.

**Public Hearing: Consideration of Ordinance  
No. 0743-25-SUP, an Ordinance Granting a  
Special Use Permit for Commercial  
Amusement (Outdoor); on an  
Approximately 1.10 Acre Tract Out of the  
H.H. Smith Survey, Abstract No. 1576;**

Located on the South Side of West Vista Ridge Mall Drive, Approximately 200 Feet West of Highview Lane, Zoned Light Industrial District (LI); as Requested by Mathew Thomas, of Thomas Site Development Engineering, Inc. on Behalf of Harish Reddy, of Feathers Smash LLC, the Property Owner. (Case No. 23-05-8-SUP)

(Agenda Item D-1)

Feathers Smash LLC operates Vistara Sports, an indoor badminton facility that was originally developed in 2020 at 400 West Vista Ridge Mall Drive. The developer is requesting a special use permit (SUP) to allow the use of commercial amusement (outdoor), specifically to add outdoor pickleball courts, on an adjacent 1.10 acre tract of land. An interlocal agreement between the City of Lewisville and the City of Coppell was executed on December 10, 2019 regarding the original development and was amended on February 3, 2025 to allow a sewer connection to Coppell for the 1.10 acre property. The Planning & Zoning Commission recommended unanimous approval (5-0) on February 18, 2025.

The City staff's recommendation was that the City Council approve the ordinance as set forth in the caption above.

Planning Director Richard Luedke was available for questions posed by the City Council.

Mayor Gilmore opened the public hearing at 7:26 p.m.

**MOTION:** Upon a motion made by Council Member Green and seconded by Council Member Meridith, the Council voted five (5) "ayes" and no (0) "nays" to close the public hearing. The motion carried.

Mayor Gilmore closed the public hearing at 7:27 p.m.

City Attorney Liz Plaster read the ordinance caption into the record as follows:

"An Ordinance of the Lewisville City Council, Amending the Zoning Ordinance by Granting a Special Use Permit for Commercial Amusement (Outdoor) on Approximately 1.10 Acres out of the H. H. Smith Survey, Abstract Number 1576, Located on the South Side of West Vista Ridge Mall Drive, Approximately 200-Feet West of Highview Lane, and Zoned Light Industrial (LI) District; Providing for a Savings Clause, Repealer, Severability, Penalty, and an Effective Date; and Declaring an Emergency."

**MOTION:** Upon a motion made by Council Member Meridith and seconded by Council member Troyer, the Council voted five (5) "ayes" and no (0) "nays" to approve **Ordinance No. 0743-25-SUP** as set forth in the caption. The motion carried.

**Visitors Forum**

**(Agenda Item E)**

There were no speakers for Visitors Forum.

**CONSENT AGENDA**

**(Agenda Item F)**

- MOTION:** Upon a motion made by Council Member Jones and seconded by Council Member Troyer, the Council voted five (5) “ayes” and no (0) “nays” to approve the Consent Agenda as presented.
2. Approval of Minutes: City Council Minutes of the March 3, 2025, Workshop Session, and Regular Session.
  3. Approval of an Interlocal Agreement (ILA) Authorizing the City of Lewisville to Enter Into an Area Law Enforcement Mutual Aid Task Force Agreement With the Denton County Constable Precinct 3; and Authorization for the City Manager, or Her Designee, to Execute the Agreement
  4. Approval of a Professional Services Agreement Between the City of Lewisville and TreanorHL Inc. for Design Services Related to the Preservation and Repair of the Minor Porter Log House and Accompanying Structures at Lewisville Lake Environmental Learning Area (LLELA) in the Amount of \$127,875; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.
  5. Approval of a Professional Services Agreement with OCMI, Inc., Richardson, TX, in the Amount of \$361,991.05 for Project Control Services for the Midway Branch Lift Station Project; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.
  6. Approval of a Bid Award for the Midway Branch Lift Station Project to Red River Construction, in the Amount of \$15,802,768; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.
  7. Approval of Supplemental Appropriations to the General Fund in the Amount of \$2,000,000, the Self Insurance Risk Fund in the Amount of \$4,353,454, and the Health Benefit Trust Fund in the Amount of \$2,450,611 to Transfer Funds to the Other Post Employment Benefits Fund in Order to Implement the Updated Retiree Health Insurance Program.
  8. Approval of Revised Policy Statement 2.0 Human Resources, Section XII Comprehensive Group Medical Plan.

9. Acceptance of the Fiscal Year 2024 Annual Comprehensive Financial Report (ACFR).

The motion carried.

**Consideration of Five Alternative Standards Related to Parking, Landscaping, Pedestrian Circulation, Architecture, and Screening Standards of the IH 35E Corridor Overlay District; on a 1.05 Acre Tract of Land out of the J. Sutton Survey, Abstract Number 1155 and the E. Pickett Survey, Abstract Number 1014; Located on the North Corner of the IH 35E Frontage Road and Fox Avenue, as Requested by Emily Zoellner, P.E. of Manhard Consulting, on Behalf of Runtime Centers 1 LLC, the Property Owner. (Case No. 24-09-14 AltStd)**

**(Agenda Item G-10)**

Runtime Centers, a business that specializes in quick serve restaurants with a focus on food delivery, is proposed on the subject site. The following five alternative standards are requested to allow the proposed development of the site: a) to allow 24 parking spaces in lieu of the required 42; b) to reduce the landscape buffer from 20 feet to 5 feet along the IH 35E frontage road; c) to waive the secondary walkway requirement, d) to allow live screening in lieu of the required 8 foot masonry screening wall on the northern property boundary; and e) to reduce the glass building material requirement along the IH 35E frontage road from 40% to 0%. The Planning and Zoning Commission recommended approval (4 1) of the alternative standards on February 18, 2025. Due to revisions in the building elevations, the Planning and Zoning Commission reviewed the item again on March 4, 2025 and recommended unanimous approval (7-0) for the architecture alternative standard.

The City staff's recommendation was that the City Council approve the alternative standard as set forth in the caption above.

Planning Director Richard Luedke was available for questions posed by the City Council.

**MOTION:** Upon a motion made by Council Member Green seconded by Deputy Mayor Pro Tem Cade, the Council voted five (5) "ayes" and no (0) "nays" to approve the five alternative standards as set forth in the caption. The motion carried.

**Consideration of an Alternative Standard Associated With Landscaping Standards; on 0.935 Acres, Located at 591 Benjamin's Way,**

**Legally Described as Lots 4, 6 and 8, Pinnell  
Subdivision, Phase 4; Zoned Light Industrial  
(LI), as Requested by Steven Homeyer, of  
Homeyer Engineering, Inc., on Behalf of the  
Owner, Zindel Holdings, LLC. (25 01 2 AltStd)**

**(Agenda Item G-11))**

The subject site contains an existing 10,800 square foot commercial building with a metal exterior. Parking and paving associated with this development was previously expanded without permits. The applicant has submitted an engineering site plan to account for the previous work as well as propose five additional parking spaces and a dumpster enclosure to bring the site to a higher level of compliance with the Unified Development Code. The applicant is requesting an alternative standard to allow the existing 10 foot landscape strip to remain in lieu of the required 30 foot landscape strip and to plant two additional trees. The Planning and Zoning Commission recommended unanimous approval (7-0) on March 4, 2025.

The City staff's recommendation was that the City Council approve the alternative standard as set forth in the caption above.

Planning Director Richard Luedke was available for questions posed by the City Council.

**MOTION:** Upon a motion made by Council Member Jones and seconded by Council Member Meridith, the Council voted five (5) "ayes" and no (0) "nays" to approve the alternative standard as set forth in the caption. The motion carried.

**Consideration of the Acceptance of the  
Resignation of Thomas Smith; Declaring a  
Vacancy Exists; and an Appointment to Place  
No. 7 on the Arts Advisory Board.**

**(Agenda Item G-12)**

A resignation was received from Thomas Smith, Place No. 7, on the Arts Advisory Board. Five (5) applications have been submitted meeting the qualifications for service in this position.

The City staff's recommendation was that the City Council accept the resignation, declare a vacancy exists and consider an appointment to the Arts Advisory Board as set forth in the caption above.

**MOTION:** Upon a motion made by Council Member Meridith and seconded by Deputy Mayor Pro Tem Cade, the Council voted five (5) "ayes" and no (0) "nays" to accept the resignation, declare a vacancy exists and appoint Ken Purcell to the Arts Advisory Board as set forth in the caption approve as set forth in the caption. The motion carried.

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**Reports**

**(Agenda Item H-1)**

- Council Member Green thanked staff for the work they did for the festival over the weekend.
- Council Member Meridith also thanked staff for the work for the festival and reported on upcoming Lewisville Library activities.
- Council Member Troyer reported on upcoming events at the Lewisville Grand Theater.
- Director of Public Services Aaron Russell reported on the lake level.
- Director of Neighborhood and Inspection Services Chris McGinn reported that the First Time Homebuyers Class 101 will be held on Thursday, March 20 at Serve Lewisville. Registration is free and the link can be found on the City website under the Homebuyer Resource page.
- Police Chief Brook Rollins reported that Assistant Police Chief Bill Wawro graduated from the FBI National Academy.
- Mayor Gilmore encouraged residents to go to the City's website and sign up for events and activities.

**Closed Session**

**(Agenda Item J)**

Mayor Gilmore RECESSED into Closed Session at 6:56 p.m.

*In Accordance with Texas Government Code, Subchapter D,*

1. *Section 551.071 (Consultation with Attorney)*

Mayor Gilmore RECESSED into Closed Session at 7:42 p.m.

*In Accordance with Texas Government Code, Subchapter D,*

1. *Section 551.071 (Consultation with Attorney/Pending Litigation): City of Lewisville, Texas v. Masumeen Mission, Case No. CV 2023 03139; City of Lewisville, Texas v. Mohsin R. Ravjani, Case No. CV 2023 03136; and City of Lewisville, Texas v. City of Knowledge and Masumeen Mission; Case No. CV 2023 03138; all Proceedings in Eminent Domain in the County Court at Law No. 2 of Denton County, Texas.*
2. *Section 551.072 (Real Estate): Property Acquisition*
3. *Section 551.087 (Economic Development): Deliberation Regarding Economic Development Negotiations.*



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**Reconvene and Consider Action, if any, on  
Items Discussed in Closed Session**

**(Agenda Item K)**

Mayor Gilmore RECONVENED into Workshop Session at 6:59 p.m.

Mayor Gilmore RECONVENED into Regular Session at 7:45 p.m.

**MOTION:** Upon a motion made by Council Member Meridith and seconded by Council Member Troyer, the Council voted five (5) “ayes” and no (0) “nays” to approve the following motion: “I move to settle City of Lewisville, Texas v. Masumeen Mission, Case No. CV-2023-03139; City of Lewisville, Texas v. Mohsin R. Ravjani, Case No. CV-2023-03136; and City of Lewisville, Texas v. City of Knowledge and Masumeen Mission; Case No. CV-2023-03138, all proceedings in eminent domain in the County Court at Law No. 2 of Denton County, Texas, to resolve all claims related to the above-referenced matter and the City’s condemnation of the right-of-way, three permanent slope easements, and associated twenty-four month and forty-eight month temporary construction easements for a total of \$1,056,000.00 to be paid jointly to Masumeen Mission, Mohsin R . Ravjani, City of Knowledge, and Reza Ventures, LLC, or their designees, and to authorize the City Manager or her designee and the City Attorney or her designee to execute any necessary documents.” The motion carried.

**Adjournment**

**(Agenda Item L)**

There being no further business to come before the Council, Mayor Gilmore adjourned the meeting of the Lewisville City Council at 7:47 p.m. on Monday, March 17, 2025.

These minutes approved by the Lewisville City Council on the 7<sup>th</sup> of April, 2025.

APPROVED

\_\_\_\_\_  
TJ Gilmore  
MAYOR

ATTEST:

\_\_\_\_\_  
Jennifer Malone  
ACTING CITY SECRETARY



# Lewisville City Council Meeting

March 17, 2025

Emergency Management Updates

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# *Emergency Management Updates*

Lessons Learned & Future Initiatives

Sydney Casey & Russell Marshall



# *How We Communicated The Issue*

February 2nd Boil Water Notice



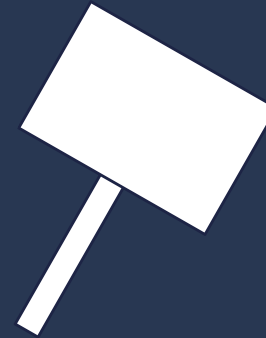
Citizen Alert



Social Media



Nextdoor



Street Signs



Website

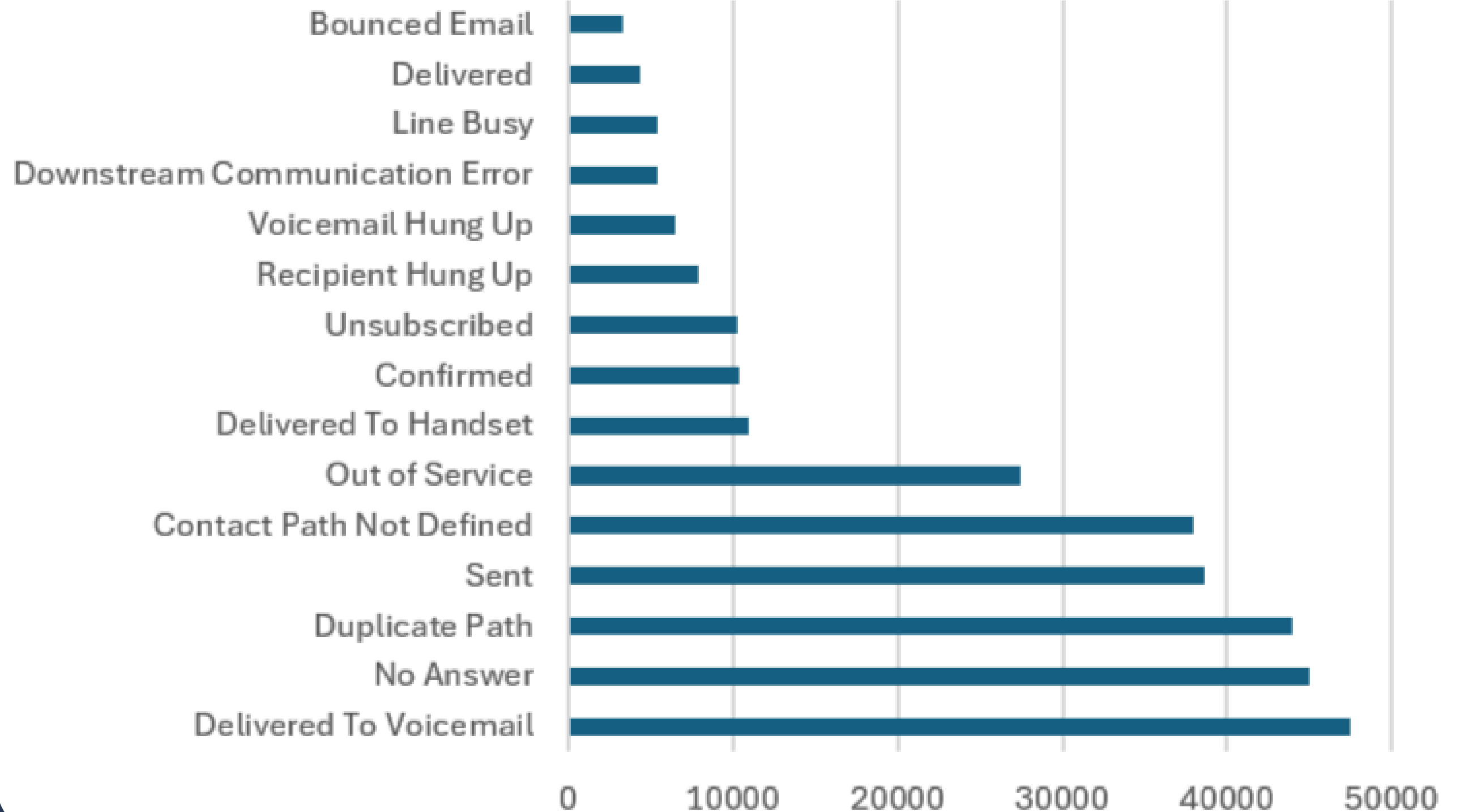


News Outlets

# Everbridge Performance

A Snapshot of All Call Results from February 2nd and 3rd

Out of over  
300,000  
notification  
attempts, there  
was only one  
system error.



# Challenges



Only people signed up for text & email received the first message



Geofencing skewed the audience



Our messages were too long for SMS



Many citizens had only subscribed to weather alerts, which are sent out by the National Weather Service

# *Subscriber Issues*



*Jake*



*Julie*



*Kelly*



*Charlie*

# *Jake*

Bad address



Jake subscribed to Citizen Alert while living in Castle Hills, but after moving to Old Town, he never updated his address. As a result, he was excluded from the geofencing and did not receive the boil water notice.



# Julie

E-mail & text unavailable, voicemail full



Julie did not provide an email or a mobile number capable of receiving texts. Instead, she listed a landline and didn't learn about the boil water notice until the second update on February 3rd. Unfortunately, her voicemail was also full, so she had to be there to answer the phone.

# Kelly

Old numbers



Kelly signed up years ago but has since changed her phone number and stopped using her old email. Unable to access her account or reset her password, she has no idea how to update her preferences and start receiving alerts again. All she remembers is signing up once—and not hearing anything for a long time.

# Charlie

Only subscribed to Hazard Alerts



Charlie signed up for Citizen Alert in 2018 and only subscribed to weather alerts. He didn't realize only the National Weather Service uses that platform and has never received a message from the City of Lewisville. Since he received the same information from other apps, he marked the alerts as spam in 2021 and hasn't received one since.

# *Best Practices Gained*



Use every contact method possible



Use caution geofencing



Shorten texts to accommodate sms messages



Education campaign for current & new subscribers



Change naming conventions in Member Portal

# Education Campaign



Citizen Alert booth at community events



Mailers in water bill



Feature in the Lewisville Horizon Newsletter



Informational video coming soon

# Member Portal Updates

## Current Subscriptions

Subscriptions

Checking or unchecking a subscription will also apply that change to any subgroups within that subscription

Alert Subscriptions

☐ Community Alerts

☐ Alerts you would like to receive: (7)

☐ Informative Fire Department Alerts

☐ Informative Law Enforcement Alerts

☐ Power Outages

☐ Public Meeting Alerts

☐ Public Works Alerts

☐ Traffic Information-Closures

☐ Water Outages

☒ Hazard Alerts (expand to select)

☒ Wind (1)

☒ Flood (5)

☒ Winter (4)

☒ Non-Precipitation (2)

☒ Fire (2)

☒ Severe (4)

## Proposed Changes

Subscriptions

Checking or unchecking a subscription will also apply that change to any subgroups within that subscription.

Alert Subscriptions

☐ National Weather Service Alerts

☐ Lewisville Emergency Alerts

☐ Lewisville Community Events

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# *Questions?*

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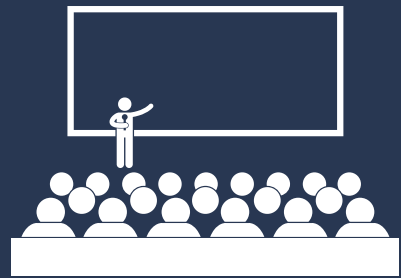
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*future initiatives:*  
Community Champions





# *Community Champions*



Seminar based



Teaching essential preparedness



Improving neighborhood resilience



Building community advocates

# *Phase 1: Recruitment*



Recruitment  
will target  
specific  
neighborhoods  
& HOAs



# *Phase 2: Delivery*

Seminars will be held on a monthly basis.



Building an emergency kit for your home



Utility safety, weather awareness and first aid



Identifying resources and vulnerabilities

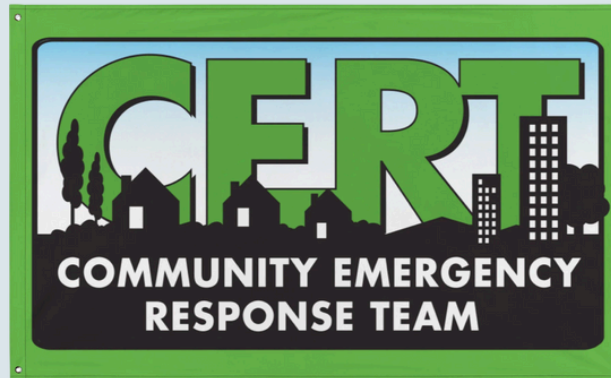


The first 72 hours after a disaster

# Timeline



# Comparing Programs



- Nationwide program with a Denton County Team.
- CERT trains volunteers in disaster response and preparedness skills.
- Volunteers are all vetted, background checked, and continuously trained.
- Engages volunteers to support communities after an emergency or during planned events.



## Community Champions

- A unique program designed by our staff.
- An education based initiative to build resilience before and after disaster strikes.
- No volunteer component.
- Provides a link between the Office of Emergency Management and our neighborhoods.

# Questions?



We look forward to collaborating with city departments and industry experts to execute this vision. We appreciate the continued support from the City Council and City Manager's Office.





# Lewisville City Council Meeting

March 17, 2025

Review Annual Comprehensive Financial Report &  
Popular Annual Financial Report for FY2024

# City of Lewisville

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## City Council Meeting

March 17, 2025





# Overview

- ▶ Introduction
- ▶ Audit Results
- ▶ Audit Process
- ▶ Required Communications
- ▶ Financial Highlights
- ▶ Upcoming Changes
- ▶ Discussion

# Engagement Leadership



We know your questions don't end when the audit does, so the team leadership remains available to you throughout the year.

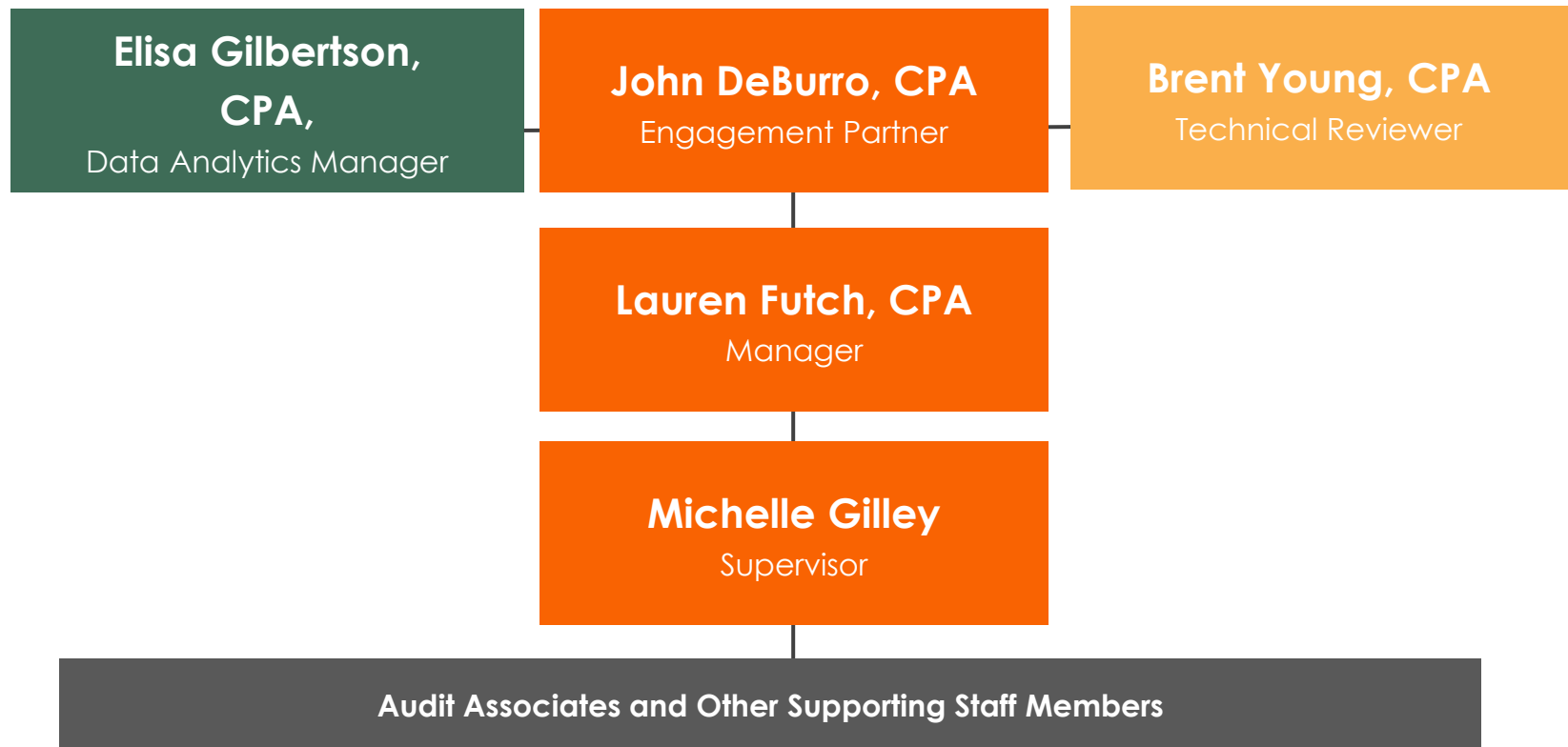
**John DeBurro, CPA**

Partner, Assurance Services

**Lauren Futch, CPA**

Manager,  
Assurance Services

# Engagement Team



The background of the slide features a close-up, sepia-toned photograph of a pencil tip resting on a piece of paper. A semi-transparent green horizontal band is positioned across the upper portion of the image, serving as a backdrop for the title text.

# Audit Results

Weaver**Views**

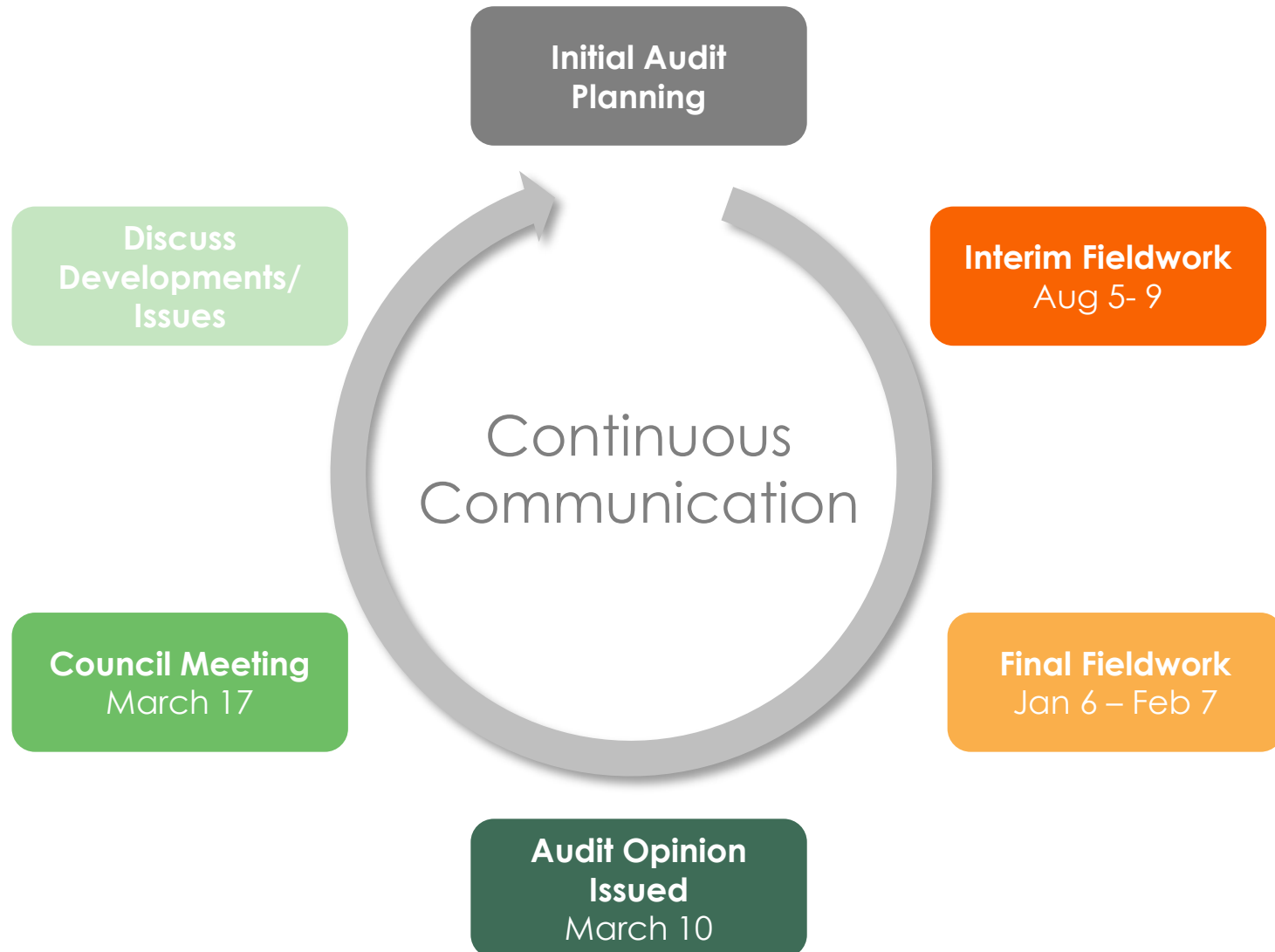
# Audit Results

- We issued the Independent Auditor's Report on the financial statements
  - ✓ **Unmodified Opinion**
- We issued the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
  - ✓ **No findings noted**
- We issued the Independent Auditor's Reports on Compliance for Each Major Federal and State Program and Reports on Internal Control over Compliance and on the Schedules of Expenditures of Federal and State Awards in Accordance with The Uniform Guidance and Texas Grant Management Standards
  - ✓ **No findings noted**
  - ✓ **Unmodified Opinion**

# Audit Process



# Engagement Timeline



# Audit Process

- The audit was performed in accordance with **Generally Accepted Auditing Standards (GAAS)**, **Generally Accepted Government Auditing Standards (GAGAS)**, **Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards** (The Uniform Guidance) and **State Awards** (Texas Grant Management Standards)
- The audit process was a **risk-based approach** in which we identified potential areas of risk that could lead to material misstatement of the financial statements. We tailored our audit programs and resources to specifically address areas of risk, such as:
  - Revenue recognition and related receivables
  - Federal and state grant revenues and expenditures
  - Capital projects, purchasing and compliance with bidding procedures
  - Payables, accrued liabilities, and expenditures
  - Long-term liabilities (i.e. bonds payable)





## Interim fieldwork and risk assessment were performed in August 2024. Procedures included:

- **Interim fieldwork** included:
  - Walkthroughs of accounting controls over significant transaction cycles:
    - A. Cash Disbursements and Purchases
    - B. Payroll Disbursements (including TMRS data)
    - C. Investments
    - D. Receipts - Municipal Court, Utility Billing, Taxes, Permits
    - E. Budget and Financial Close Process
  - **Tests of compliance** with the Public Funds Investment Act
  - **Control testing** over cash disbursements and payroll transactions
  - **Testing** of capital projects

## Final fieldwork- performed in January / February 2025

### - Procedures included:

- **Testing account balances and current year activity** using a combination of:
  - analytics,
  - vouching of material transactions, and
  - Sampling
- **Evaluating estimates** for reasonableness
- Identification and testing of the City's **major federal program**:
  - **Coronavirus State and Local Fiscal Recovery Funds**– CFDA# 21.027 - \$9,934,323
- Identification and testing of the City's **major state programs**:
  - **I35 Utility Relocation**- \$7,603,919
  - **Regional Toll Revenue (RTR) Transportation Projects** - \$19,704,146



# Auditor Communications

for the year ended September 30, 2024



Weaver**Views**

# Required Communications to Those in Charge of Governance

Communication	Results
Generally accepted auditing standards	<p>The financial statements are the responsibility of the City. Our audit was designed to provide for reasonable rather than absolute assurance that the financial statements are free of material misstatement. Our responsibility is to express an opinion about whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>The audit of the fiscal year 2024 financial statements has been completed, and we have issued an <b>unmodified (clean) opinion</b>.</p>

# Required Communications to Those in Charge of Governance

Communication	Results
Generally accepted government auditing standards	<p>In addition to the GAAS responsibilities, we are required to issue a written report on our consideration of internal controls and identify significant deficiencies, including material weaknesses, if any. Our reports do not provide assurance on internal controls. We design our audit to provide reasonable assurance of detecting material misstatements resulting from noncompliance with provisions of contracts or grant agreements that have a direct or material effect on the financial statements. We issue a written report on the results of these procedures; however, our report does not express an opinion on compliance.</p> <p><b>No findings noted.</b></p>

# Required Communications to Those in Charge of Governance

Communication	Results
Auditor's Responsibility under The Uniform Guidance (Federal) and Texas Grants Management Standards (State)	<p>Our testing includes all major federal and state financial assistance programs. We report on such testing and disclose any significant deficiencies in internal control over compliance, including material weaknesses we identify. Our reports do not provide assurance on internal control over compliance. We perform procedures for the purpose of expressing opinions on whether major federal and state financial assistance programs have been administered in compliance with applicable laws and regulations.</p> <p>The audits of the fiscal year 2024 major federal and state financial assistance programs have been completed, and we have issued <b>unmodified (clean) opinions</b>.</p>

# Required Communications to Those in Charge of Governance

Communication	Results
Unusual transactions and the adoption of new accounting principles	<p>The significant accounting policies used by the City are described in Note 1 to the financial statements.</p> <p>During fiscal year 2024, the City implemented GASB Statement No. 100, “<i>Accounting Changes and Error Corrections</i>” which enhances accounting and financial reporting requirements for accounting changes and error corrections.</p> <p>As a result of implementing this pronouncement, various disclosures were added, and financial statements were amended for the following changes:</p> <ul style="list-style-type: none"><li>• Grant Fund changed from a major governmental fund to a nonmajor governmental fund; and</li><li>• TIRZ No. 1 changed from a discretely-presented component unit to a blended component unit (nonmajor governmental fund)</li></ul>

# Required Communications to Those in Charge of Governance

Communication	Results
Fraud and illegal acts	No material errors, irregularities, or illegal acts were noted.
Material weakness in internal control	No material weaknesses noted.
Other information contained in documents containing audited financial statements	We provided an “in relation to opinion” on supplementary information accompanying the financial statements. We performed limited procedures on the required supplementary information. We did not provide any assurance on this information. The Introductory and Statistical sections were both unaudited.
Management judgments and accounting estimates	Management's estimates of Incurred-but-not-reported (IBNR) workers' comp, health, and dental claims; net pension and OPEB liabilities; allowance for uncollectible receivables; and estimated useful lives for capital assets were evaluated and determined to be reasonable in relation to the financial statements as a whole.



# Required Communications to Those in Charge of Governance

Communication	Results
Difficulties encountered	No difficulties or disagreements arose during the course of our audit.
Management representations	We requested certain representations from management that were included in the management representation letter.
Management consultations	We are not aware of management consulting with other accountants for a second opinion.
Auditor independence	No independence issues noted.
Audit adjustments	Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected misstatements made as a result of our audit procedures. There was one passed adjustment regarding subscription-based IT arrangements (SBITA) that was determined to be immaterial.



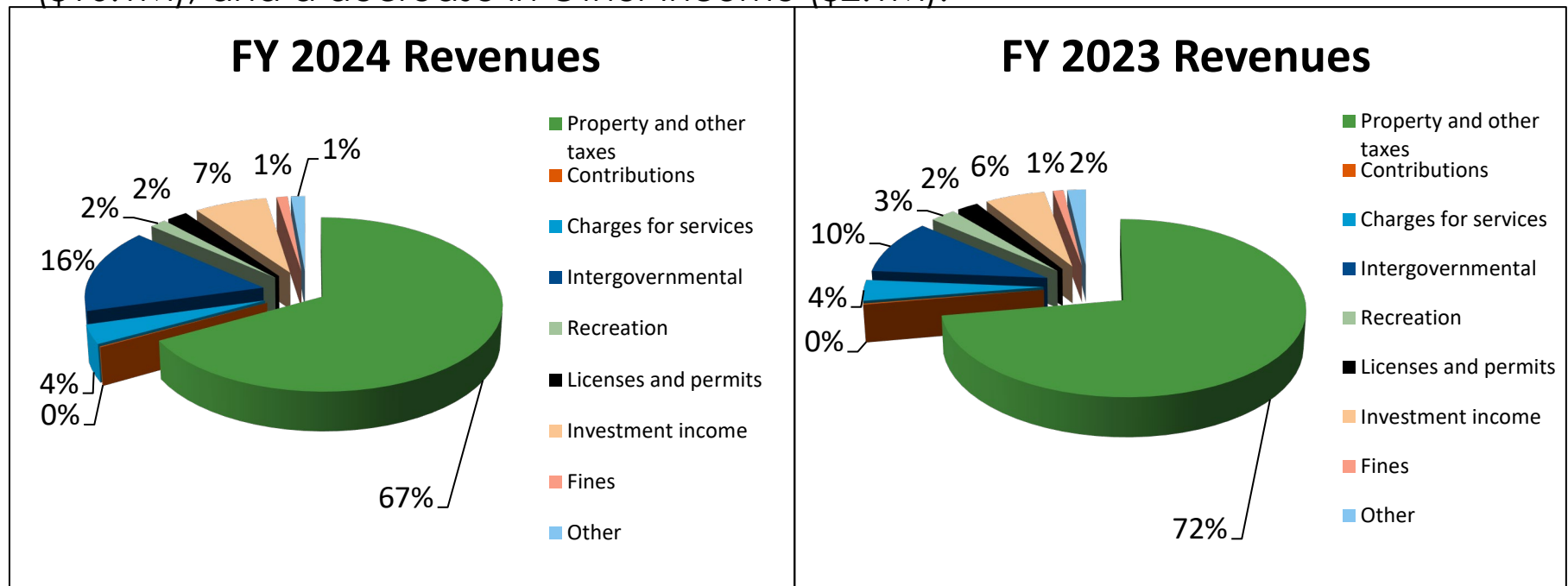
# Financial Highlights

Weaver**Views**

# Financial Highlights

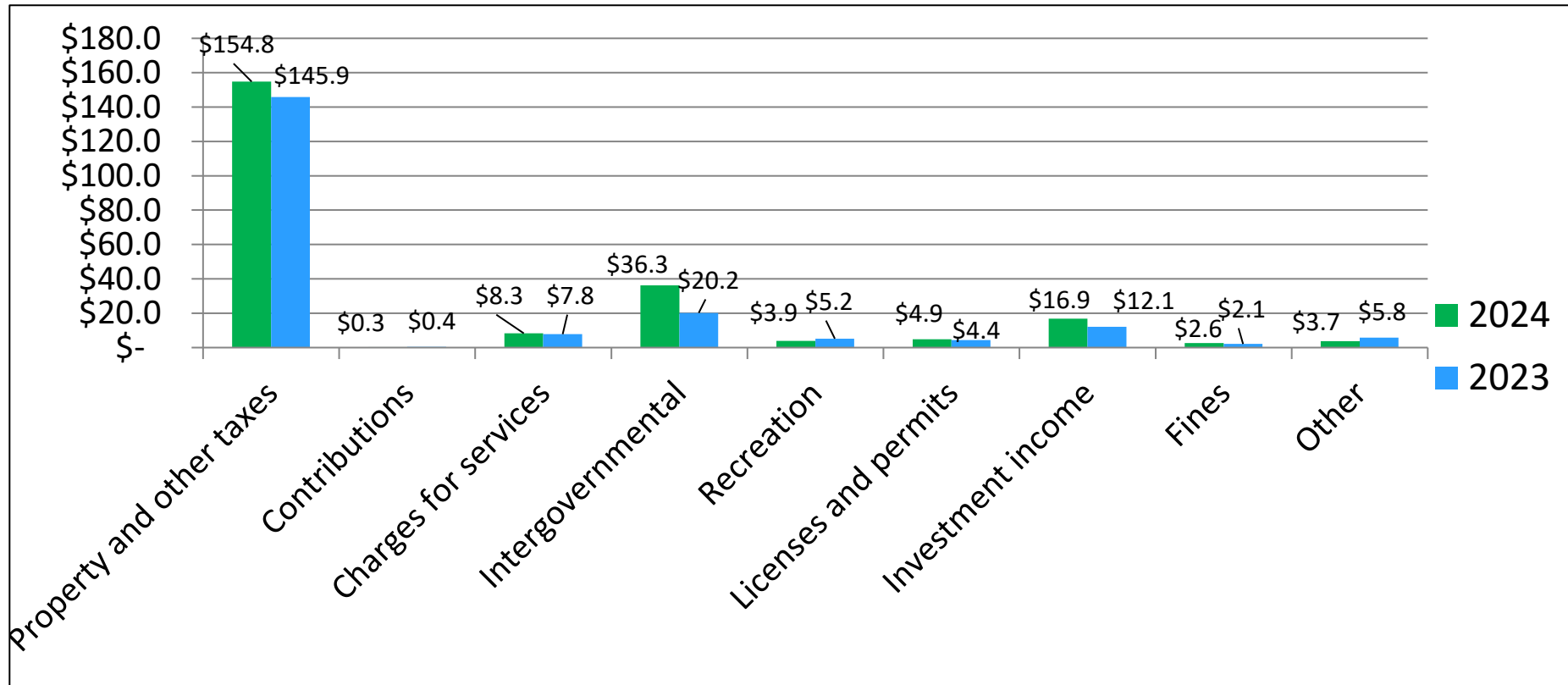
## Comparison of Governmental Revenues by Source

Governmental Funds Revenues for the FY 2024 totaled \$231.7 million, a \$27.8 million or 13.6% increase. This increase is primarily the net effect of increases in Property and Other Taxes (\$8.9M), Investment Income (\$4.8M), and Intergovernmental Revenue (\$16.1M), and a decrease in Other Income (\$2.1M).



# Financial Highlights

## Comparison of Governmental Funds Revenues by Source

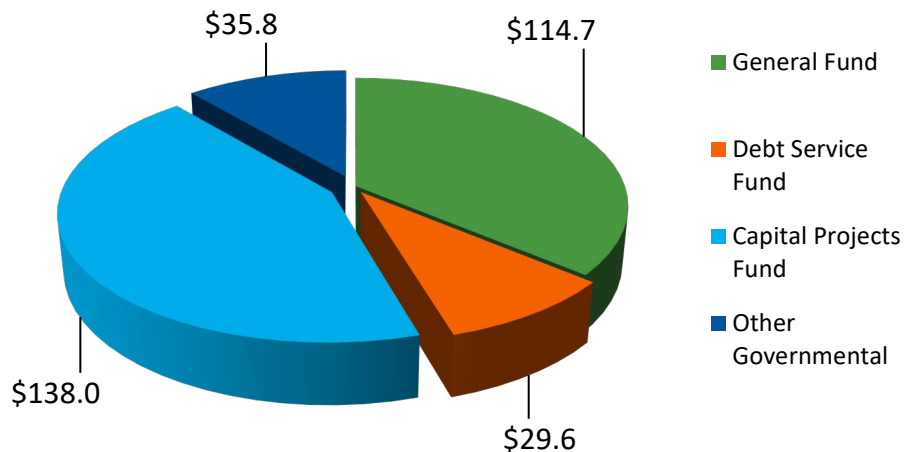


(2-year comparison in millions of dollars)

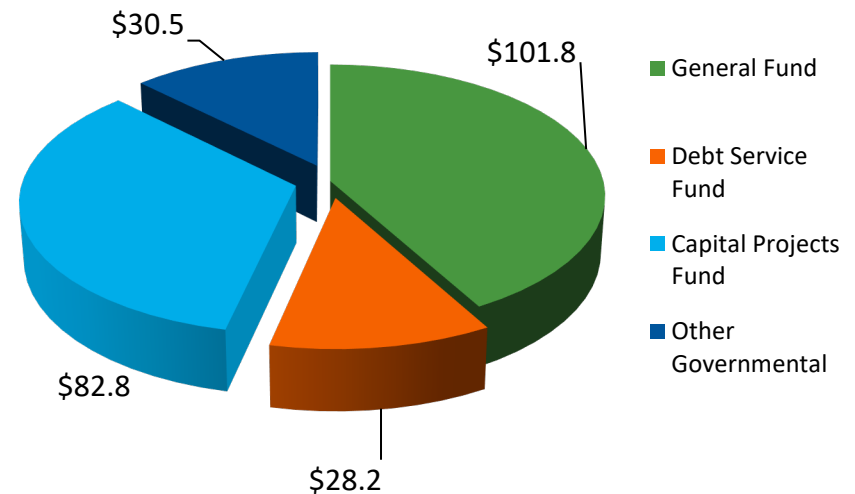
# Financial Highlights

## Comparison of Governmental Funds Expenditures by Fund (In millions of dollars)

**Fiscal Year 2024**



**Fiscal Year 2023**

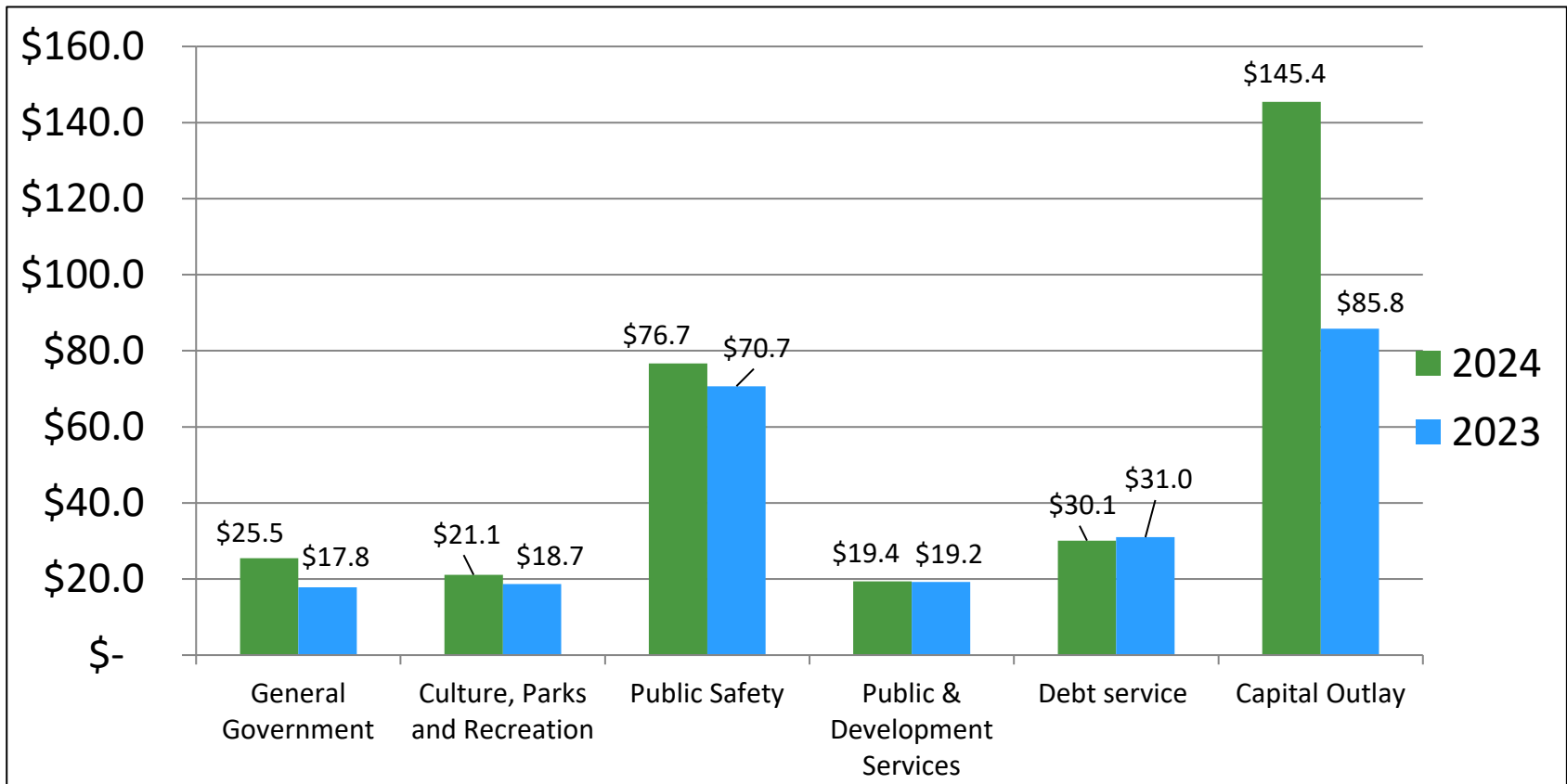


**Governmental Fund Expenditures for FY2024 totaled \$318.2 million, a \$74.9 million or 30.8% increase. This increase is primarily the result of:**

- Capital outlay expenditures increased \$59.6 million.
- Public safety expenditures increased \$6.0 million.
- General Government expenditures increased \$7.7 million.

# Financial Highlights

## Comparison of Governmental Funds Expenditures \*



\*(2-year comparison in millions of dollars)

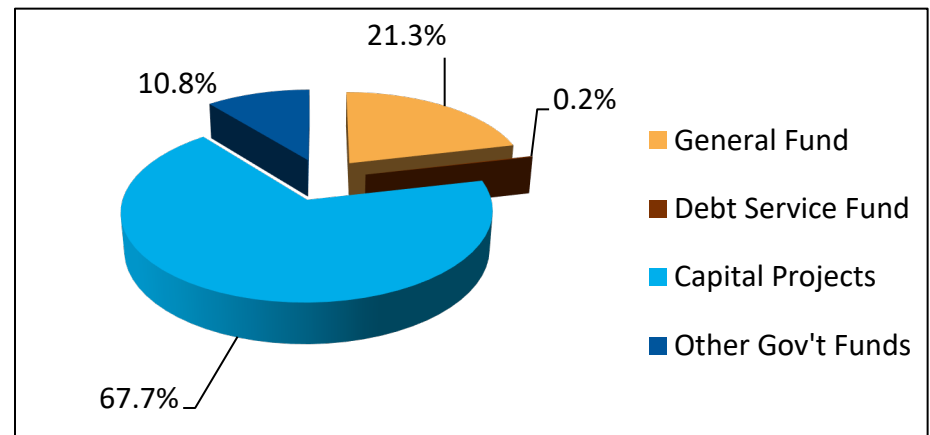
# Financial Highlights

## Fund Balances

### Governmental Funds Fund Balance

The City's governmental funds reported an ending fund balance of \$233.1 million at September 30, 2024 as follows:

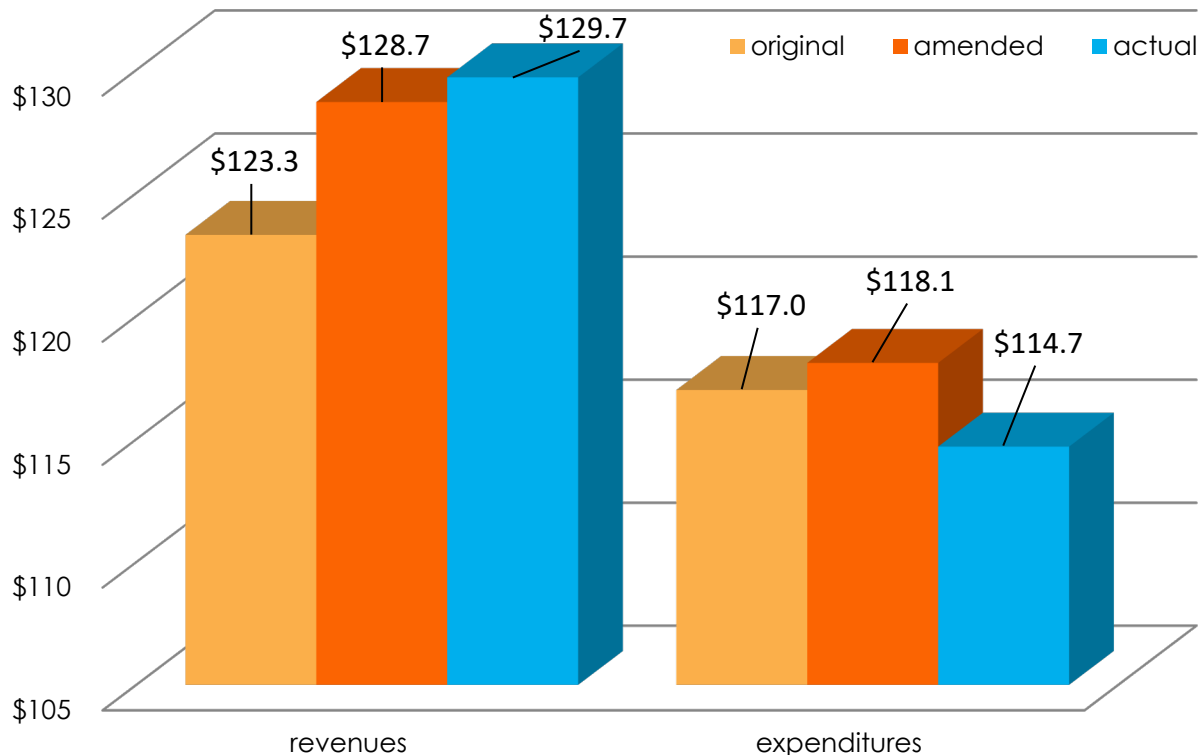
• General Fund	\$49,646,512
• Debt Service	417,804
• Capital Projects	157,839,887
• Other Gov't Funds	<u>25,167,361</u>
	<u>\$233,071,564</u>



- Governmental Funds' fund balance decreased by \$53.4M, primarily due to the net effect of a \$54.1M decrease in the General Capital Projects Fund and a \$1.3M increase in the General Fund.
- Unassigned fund balance in the General Fund (\$47.5M) represents 41.4% of General Fund expenditures.

# General Fund Budget vs Actual

**FY2024 General Fund Budget and Actual – in \$ millions**



Overall, favorable budgetary variance of \$4.9 million:

- Revenues exceeded budget by \$0.9 million.
- Expenditures were \$3.4 million below budget.
- Other Financing Uses (net) were below budget by \$0.6 million.



# Enterprise Funds- Current and Prior Year



## Statement of Revenues, Expenses and Changes in Net Position- Enterprise Funds

	2024	2023	\$ Change	% Change
Operating revenues	\$ 57,913,054	\$ 59,400,493	\$ (1,487,439)	-3%
Operating expenses	(42,196,570)	(40,233,480)	1,963,090	5%
(Net)Nonoperating revenue	5,720,373	2,840,766	2,879,607	101%
Capital contributions and transfers	12,390,201	(1,270,427)	13,660,628	-1075%
Change in net position	<u>\$ 33,827,058</u>	<u>\$ 20,737,352</u>	<u>13,089,706</u>	<u>63%</u>

Net position increased by \$33.8 million over prior year:

- Operating revenues decreased \$1.5 million –primarily due to a decrease in water consumption.
- Operating expenses increased \$2.0 million – primarily due to an increase in cost of water purchases
- Net Nonoperating revenues increased \$2.9 million – primarily due to an increase in investment earnings over the prior year.
- Capital contributions and transfers–increased by \$13.7 million – primarily due to increases in developer contributions and impact fees.

# Upcoming Changes

## **GASB 101:**

Effective for  
periods  
beginning  
after  
12/15/2023  
(FY2025)

### ***Compensated Absences***

- GASB 101 improves the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures.
- This statement requires that a liability for certain types of compensated absences, not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.



We appreciate the opportunity to work with **City of Lewisville** and look forward to our continued relationship.

# Discussion

## Contact Us

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