LEWISVILLE CITY COUNCIL

REGULAR SESSION

MARCH 16, 2020

Present:

Rudy Durham, Mayor (absent)

Council Members:

TJ Gilmore
Bob Troyer, Mayor Pro Tem
R Neil Ferguson, Deputy Mayor Pro Tem
Kristin Green
Brandon Jones

City Staff:

Donna Barron, City Manager
Eric Ferris, Deputy City Manager
Claire Powell, Assistant City Manager
Melinda Galler, Assistant City Manager
Julie Worster, City Secretary
Lizbeth Plaster, City Attorney

WORKSHOP SESSION – 5:45 P.M.

With a quorum of the Council Members present, the workshop session of the Lewisville City Council was called to order by Mayor Pro Tem Troyer at 5:45 p.m. on Monday, March 16, 2020, in the Council Chambers of the Lewisville City Hall, 151 West Church Street, Lewisville, Texas. All City Department Heads were in attendance.

Discussion of Regular Agenda Items and Consent Agenda Items **(Agenda Item A)**

Mayor Pro Tem Troyer reviewed Agenda Item A, Invocation. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item B, Pledge to the American and Texas Flags. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item C, Presentation: 1) Life Saving Award to Detention Supervisors: John Edwards and Daniel Williams; and Detention Officer John Dixon; and 2) Swearing In Ceremony for Fire Department. City Manager Barron advised that both presentations would be delayed. There was no further discussion on this item.

WORKSHOP SESSION – 5:45 P.M.

Discussion of Regular Agenda Items and Consent Agenda Items (cont'd) **(Agenda Item A)**

Mayor Pro Tem Troyer reviewed Agenda Item D-1, Public Hearing: Consideration of an Ordinance Adopting Camp Standards of Care in Compliance with Texas Administrative Code 745.115(3) Municipal for Recreational Camp Programs. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item E, Visitors/Citizens Forum. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item F-2, Approval of City Council Minutes of the March 2, 2020, Workshop Session and Regular Session. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item F-3, Approval of a Professional Services Agreement with Tonic3 in the Amount of $166,200 for 12 Months of Professional Services Related to Old Town Branding; Authorization for the City Manager to Execute the Agreement; and Approval of a Supplemental Appropriation in the Amount of $166,200 from the Hotel Motel Fund Reserve. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item F-4, Approval of Bid Awards for Annual Requirements Agreements for Mowing Services Zones of 1, 2, & 3 to Carruthers Landscape Mgt., Inc., Dallas, Texas for an Estimated Annual Amount of $853,400 and of Zones 4 & 5 to Good Earth Corporation, Dallas, TX for an Estimated Annual Amount of $95,468; and Authorization for the City Manager to Execute the Contracts. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item F-5, Acceptance of the Fiscal Year 2019 Comprehensive Annual Financial Report (CAFR). There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item F-6, Approval of a Change Order with Western Municipal Construction of Texas, LLC in the Amount of $113,872.75 for Metro Park Drainage Channel; and Authorization for the City Manager to Execute the Change Order. There was no discussion on this item.

WORKSHOP SESSION – 5:45 P.M.

Discussion of Regular Agenda Items and Consent Agenda Items (cont'd) **(Agenda Item A)**

Mayor Pro Tem Troyer reviewed Agenda Item F-7, Approval of an Amendment to the Municipal Maintenance Agreement with the Texas Department of Transportation; and the Authorization for the City Manager to Execute the Amendment. Councilmember Green stated that the mowing area has been a lot further reduced than what was discussed last summer. She asked if this included the area to be acquired within the next couple of years. City Manager Donna Barron explained that what they talked about was all the I-35 right-a-way, not within the lanes, only the right-a-way a long sides of I-35 from our southern limits to our northern limits (current limits). Parks and Recreation Director Stacie Anaya stated this amendment did not include the area to be acquired in the future. City Manager Barron said once that happens they can always go back and renegotiate. There was no further discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item F-8, Approval of a Resolution of the City Council of the City of Lewisville, Texas, Authorizing Publication of Notice of Intention to Issue Certificates of Obligation; Approving the Preparation of a Preliminary Official Statement and a Notice of Sale; and Providing for the Effective Date Thereof. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item F-9, Approval of an Interlocal Cooperation Agreement with the Denton County Transportation Authority for Maintaining the A-Train Rail Trail within the Lewisville City Limits; and Authorization for the City Manager to Execute the Agreement. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item G-10, Consideration of One Alternative Standard to the IH-35E Corridor Overlay District Section 17.5-4 Related to the Amenity Zone Landscaping Requirements Associated With a Proposed Coffee Shop on a 0.53-Acre Lot Located on the South Side of West Main Street (FM 1171) Approximately 300 Feet West of South Edmonds Lane, Legally Described as Valley Square Addition, Block A, Lot 7; Zoned General Business (GB) District, as Requested by Clay Cristy, of Clay Moore Engineering, on Behalf of LRIC Lewisville, LP, the Property Owner (Case No. ODB-2020-02-01). There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item G-11, Consideration of Appointing a Replacement Representative and an Alternate Representative to the North Central Texas Council of Governments Regional Emergency Preparedness Planning Council (EPPC). Councilmember Gilmore stated his responsibilities with DCTA overlap with his current position, therefore, he has to step down. City Manager Donna Barron advised that Councilmember Jones is currently the Alternate Representative. Upon further discussion, Councilmember Jones agreed to step up as the Representative and Councilmember Green as the Alternate Representative. There was no further discussion on this item.

WORKSHOP SESSION – 5:45 P.M.

Discussion of Regular Agenda Items and Consent Agenda Items (cont'd) **(Agenda Item A)**

Mayor Pro Tem Troyer reviewed Agenda Item H, Reports. There was no discussion on this item.

Mayor Pro Tem Troyer reviewed Agenda Item J-Closed Session. There was no discussion on this item.

Presentation of the 2019 Comprehensive Annual Financial Report (CAFR) **(Agenda Item B)**

At the request of City Manager Donna Barron, Finance Director David Erb introduced John DeBurro, Audit Partner with Weaver.

John DeBurro presented the attached PowerPoint Presentation of the 2019 Comprehensive Annual Financial Report (CAFR).

Neighborhood Bold Initiative / Neighborhood Empowerment Zone **(Agenda Item C)**

At the request of City Manager Donna Barron, Economic Development Director Jason Moore introduced Economic Development Specialist Drew Christ and Administrative Analyst Lauren Hassett who presented the attached PowerPoint presentation on Neighborhood Bold Initiative / Neighborhood Empowerment Zone.

Recommendation of Arts Advisory Board Related to Proposed Purchase of Slicker Shy Sculpture **(Agenda Item D)**

At the request of City Manager Donna Barron, Community Relations and Tourism Director James Kunke presented the attached PowerPoint of the recommendation of Arts Advisory Board related to proposed purchase of Slicker Shy Sculpture.

With no further discussion, the workshop session of the Lewisville City Council was adjourned at 6:57 p.m. on Monday, March 16, 2020.

REGULAR SESSION – 7:00 P.M.

With a quorum of the Council Members present, the regular session of the Lewisville City Council was called to order by Mayor Pro Tem Troyer at 7:00 p.m. on Monday, March 16, 2020, in the Council Chambers of the Lewisville City Hall, 151 West Church Street, Lewisville, Texas.

Invocation **(Agenda Item A)**

At the request of Mayor Pro Tem Troyer, Councilmember Jones gave the invocation.

Pledge to the American and Texas Flags **(Agenda Item B)**

At the request of Mayor Pro Tem Troyer, Deputy Mayor Pro Tem Ferguson gave the pledge to the American and Texas flags.

Presentation: Life Saving Award to Detention Supervisors: John Edwards and Daniel Williams; and Detention Officer John Dixon **(Agenda Item C-1)**

The presentation was delayed.

Presentation: Swearing In Ceremony for Fire Department **(Agenda Item C-2)**

The presentation was delayed.

Public Hearing: Consideration of Ordinance No. 0198-20-ORD Adopting Camp Standards of Care in Compliance with Texas Administrative Code 745.115(3) Municipal for Recreational Camp Programs **(Agenda Item D-1)**

The Texas Department of Family and Protective Services (DFPS) regulates various child day-care operations. Under the Texas Human Resources Code 42.041 (b)(14) and DFPS Rules, 40 TAC 745.115(3), the camps operated by the City of Lewisville Parks and Recreation Department are exempt from these regulations, provided that the City Council annually adopt Camp Standards of Care. The proposed standards are updated to reflect adjusting the minimum age for Camp Play attendees, updating the definition of a youth camp to include youth after school programs, adjusting the minimum age of camp counselors to 16 and camp leaders to 18 and adjusting language to allow camp staff to provide more comprehensive first aid care.

REGULAR SESSION – 7:00 P.M.

Public Hearing: Consideration of Ordinance No. 0198-20-ORD Adopting Camp Standards of Care in Compliance with Texas Administrative Code 745.115(3) Municipal for Recreational Camp Programs (cont'd) **(Agenda Item D-1)**

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

Stacie Anaya, Director of Parks & Recreation was present and available to answer questions posed by the City Council.

Mayor Pro Tem Troyer opened the public hearing.

MOTION: Upon a motion made by Deputy Mayor Pro Tem Ferguson and seconded by Councilmember Green, the Council voted five (5) "ayes" and no (0) "nays" to close the public hearing. The motion carried.

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

"An Ordinance of the Lewisville City Council, Amending Chapter 10, Parks and Leisure Services, of the Lewisville City Code by Creating Article VII, "Standards of Care For Youth Recreation Programs"; Providing for a Repealer; Severability; and an Effective Date; and Declaring an Emergency.."

MOTION: Upon a motion made by Deputy Mayor Pro Tem Ferguson and seconded by Councilmember Green, the Council voted five (5) "ayes" and no (0) "nays" to approve and adopt **Ordinance No. 0198-20-ORD**, as previously captioned. The motion carried.

REGULAR SESSION – 7:00 P.M.

Visitors/Citizens Forum **(Agenda Item E)**

Marq Sanchez, 2717 Vista Bluff Blvd, Lewisville, Texas 75067, spoke before the City Council regarding the special use permit for an extended stay hotel that was on the agenda and considered on February 17. The concern in his community is traffic and known crime at existing extended stays in the area. In his community, there are two schools, two senior living communities and a neighborhood community of 394 homes, which is where he lives. Their concern is traffic and potential crime. He is asking the city to consider traffic lights instead of a four way stop sign at the corner of Rockbrook and Highland Dr, as well as artificial intelligence cameras that according to Police Chief Deaver that are available. He would also like the City to consider that for each of the streets that are off of Rockbrook and Highland Drive, as well as the drive on the other end of the neighborhood on Club Ridge. He is also asking to consider street lights, because the lights would give more protection as a community and would give more lighting in the area. He would also like the city to consider a 10-foot berm to be placed between the potential extended stay hotel and their residential community as well as that between the schools. As for future planning, he would like the city to consider no extended stays with in 200 feet of these communities to protect the children and the elderly.

Charles Beachley, 397 Ridge Meade Drive, Lewisville, Texas 75067, also spoke before the City Council in opposition of the extended stay hotel.

No one else appeared to speak at this time.

CONSENT AGENDA **(Agenda Item F)**

MOTION: Upon a motion made by Councilmember Jones and seconded by Councilmember Gilmore, the Council voted five (5) "ayes" and no (0) "nays" to approve and adopt all items on the Consent Agenda, as recommended and as follows:

2. APPROVAL OF MINUTES: City Council Minutes of the March 2, 2020, Workshop Session and Regular Session.

3. Approval of a Professional Services Agreement with Tonic3 in the Amount of $166,200 for 12 Months of Professional Services Related to Old Town Branding; Authorization for the City Manager to Execute the Agreement; and Approval of a Supplemental Appropriation in the Amount of $166,200 from the Hotel Motel Fund Reserve.

REGULAR SESSION – 7:00 P.M.

CONSENT AGENDA (cont'd) **(Agenda Item F)**

4. Approval of Bid Awards for Annual Requirements Agreements for Mowing Services Zones of 1, 2, & 3 to Carruthers Landscape Mgt., Inc., Dallas, Texas for an Estimated Annual Amount of $853,400 and of Zones 4 & 5 to Good Earth Corporation, Dallas, TX for an Estimated Annual Amount of $95,468; and Authorization for the City Manager to Execute the Contracts.

5. Acceptance of the Fiscal Year 2019 Comprehensive Annual Financial Report (CAFR).

6. Approval of a Change Order with Western Municipal Construction of Texas, LLC in the Amount of $113,872.75 for Metro Park Drainage Channel; and Authorization for the City Manager to Execute the Change Order.

7. Approval of an Amendment to the Municipal Maintenance Agreement with the Texas Department of Transportation; and the Authorization for the City Manager to Execute the Amendment.

8. Approval of **Resolution No. 0199-20-RES** of the City Council of the City of Lewisville, Texas, Authorizing Publication of Notice of Intention to Issue Certificates of Obligation; Approving the Preparation of a Preliminary Official Statement and a Notice of Sale; and Providing for the Effective Date Thereof.

9. Approval of an Interlocal Cooperation Agreement with the Denton County Transportation Authority for Maintaining the A-Train Rail Trail within the Lewisville City Limits; and Authorization for the City Manager to Execute the Agreement.

The motion carried.

END OF CONSENT AGENDA

REGULAR SESSION – 7:00 P.M.

Consideration of One Alternative Standard to the IH-35E Corridor Overlay District Section 17.5-4 Related to the Amenity Zone Landscaping Requirements Associated With a Proposed Coffee Shop on a 0.53-Acre Lot Located on the South Side of West Main Street (FM 1171) Approximately 300 Feet West of South Edmonds Lane, Legally Described as Valley Square Addition, Block A, Lot 7; Zoned General Business (GB) District, as Requested by Clay Cristy, of Clay Moore Engineering, on Behalf of LRIC Lewisville, LP, the Property Owner (Case No. ODB-2020-02-01) **(Agenda Item G-10)**

151 Coffee proposes a coffee shop with drive-through in front of the existing retail center at the southwest quadrant of West Main Street and South Edmonds Lane. The limited width of the existing TxDOT right-of-way creates practical difficulties in complying with tree location standards. As a result, the following alternative standard is requested: to allow canopy trees to be planted on the private property instead of within the right-of-way as required by Section 17.5-4(d)(1)d. The Overlay District Board recommended unanimous approval (6-0) of this alternative standard request on March 3, 2020.

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

Richard E. Luedke, Planning Director and Clay Cristy, Applicant, 1903 Central Drive Suite 406, Bedford, Texas 76021, both were present and available to answer questions posed by City Council.

MOTION: Upon a motion made by Councilmember Gilmore and seconded by Councilmember Jones, the Council voted five (5) "ayes" and no (0) "nays" to approve the following Alternative Standard to the IH 35E Corridor Overlay District Section 17.5 4 Related to the Amenity Zone Landscaping Requirements to allow canopy trees to be planted on the private property instead of within the right-of-way as required by Section 17.5-4(d)(1)d, associated with a proposed coffee shop on a 0.53 acre lot located on the south side of West Main Street (FM 1171) approximately 300 feet west of South Edmonds Lane, legally described as Valley Square Addition, Block A, Lot 7; zoned General Business (GB) District, as requested by Clay Cristy, of Clay Moore Engineering, on behalf of LRIC Lewisville, LP, the property owner (Case No. ODB 2020-02-01). The motion carried.

REGULAR SESSION – 7:00 P.M.

Consideration of Appointing a Replacement Representative and an Alternate Representative to the North Central Texas Council of Governments Regional Emergency Preparedness Planning Council (EPPC) **(Agenda Item G-11)**

Councilman TJ Gilmore was nominated by City Council on December 17, 2018 and subsequently appointed to the North Central Texas Council of Governments Regional Emergency Preparedness Planning Council (EPPC). The North Central Texas Council of Governments (NCTCOG) Executive Board appointed Councilman Gilmore to a two-year term representing population category 80,000-119,999. His current term expires on August 2021. This council meets on a quarterly basis and is composed of elected officials from participating cities and counties. Councilman Brandon Jones currently serves as the Alternate Representative for this council. Councilman Gilmore has advised he will be unable to fulfill the rest of his term on this committee. City Council will need to consider appointing a replacement representative to EPPC. City Council will also need to consider an alternate representative to fill in for the representative if needed. The nomination form for the replacement and alternate representative form needs to be returned to the NCTGOG Executive Board.

The City staff's recommendation was that the City Council consider appointing a replacement representative to EPPC and alternate representative as set forth by the caption above.

MOTION: Upon a motion made by Deputy Mayor Pro Tem Ferguson and seconded by Councilmember Green, the Council voted five (5) "ayes" and no (0) "nays" to appoint Councilmember Brandon Jones as the Representative and Councilmember Kristin Green as an Alternate Representative to the North Central Texas Council of Governments Regional Emergency Preparedness Planning Council (EPPC). The motion carried.

REGULAR SESSION – 7:00 P.M.

Reports **(Agenda Item H)**

- Councilmember Gilmore encouraged everyone to stay safe and stop hoarding stuff, to check on those neighbors that can't get out. He further encouraged everyone to be kind and patient and we will get through this.
- City Manager Donna Barron indicated that City staff has been listening to news reports and following actions that the President and Governor of Texas have both taken. City Manager Barron referenced the Mayor's Declaration of State of Health Emergency. She advised due to further developments and a lack of time to individually contact each City Councilmember she had needed to take the following action that would be in effect for up to eight weeks through Sunday, May 10, and would be re-evaluated each week based on a current risk assessment: Lewisville Public Library closes at 5 p.m. today and will remain closed through the emergency period. The drive-up window will remain open and library staff will remain accessible by phone or email. Frederick P. Herring Recreation Center remains open but limited to 50 visitors at a time. Visitors must consent to being screened before being allowed to enter, and they are expected to limit their visit to no longer than two hours. The fitness room is closed. Operating hours have been shortened to 6:30 a.m.-6:30 p.m. Monday-Friday, 8 a.m.-6 p.m. Saturday, and 1-6 p.m. Sunday. Programming at Frederick P. Herring Recreation Center is cancelled. The Senior Activity Center, located inside Music City Mall, is closed and all senior related activities at Frederick P. Herring Recreation Center are cancelled. The Visitor Information Center is closed. All special events planned through May 10, are cancelled. That includes Paws in the Park, Funny Bunny, ColorPalooza, Mariposas, KTA Jam Session, and the Bassmaster fishing tournament. Attempts will be made to reschedule some activities where possible. All events, city and private, scheduled through May 10 at Medical City Lewisville Grand Theater are cancelled. Attempts will be made to reschedule some performances where possible. LLELA remains open, but all programming is cancelled. League and tournament play on city athletic fields is suspended. City parks, including boat ramps, remain open but pavilion and other rentals are cancelled. Refunds can be requested. No new arrivals will be allowed at Lake Park campground, but current guests can remain in place at this time. City Manager Barron advised Council that staff had struggled with these decisions and it saddens her greatly to not be able to offer these services and activities, but it is a public health and safety issue and is following the lead of other governmental agencies.
- Deputy Mayor Pro Tem Ferguson stated there is no MCL events to report. He said we can still practice social distancing and get to know your neighbors and look out for each other.
- Mayor Pro Tem Troyer thanked the Police Officers for their service.

REGULAR SESSION – 7:00 P.M.

Reports (cont'd) **(Agenda Item H)**

- City Manager Donna Barron added that there has been some comments as to why this meeting was held tonight. She explained that it was late in the afternoon when Governor Abbott released us from Open Meeting requirements, and that is the reason why this meeting was held this evening. She indicated that she and City Attorney Plaster will be looking at this very carefully and how we can proceed with meetings in the future.

There were no additional reports at this time.

Return to Workshop Session if Necessary **(Agenda Item I)**

There was no need to return to Workshop Session as all the presentations were completed by staff.

Mayor Pro Tem Troyer adjourned the regular session of the Lewisville City Council into Closed Session at 7:22 p.m. Monday, March 16, 2020, in accordance with the requirements of the Open Meetings Law.

Closed Session **(Agenda Item J**

In accordance with Texas Government Code, Subchapter D, Section 551.072 (Real Estate), the Lewisville City Council convened into Closed Session at 7:22 p.m. on Monday, March 16, 2020, City Council Conference Room of the Lewisville City Hall, 151 West Church Street, Lewisville, Texas, in order to discuss matters pertaining to the following:

1. Property Acquisition

Section 551.087 (Economic Development):

2. Deliberation Regarding Economic Development Negotiations.

The Closed Session was adjourned at 8:15 p.m. on Monday, March 16, 2020.

REGULAR SESSION – 7:00 P.M.

Reconvene into Regular Session and Consider Action, if any, on Items Discussed in Closed Session **(Agenda Item K)**

Mayor Pro Tem Troyer reconvened the Regular Session of the Lewisville City Council at 8:15 p.m. on Monday, March 16, 2020, in the City Council Conference Room of the Lewisville City Hall.

Mayor Pro Tem Troyer opened the floor for action to be taken on the items discussed in the Closed Session. There was no action taken on the items discussed during the Closed Session.

Adjournment **(Agenda Item L)**

MOTION: Upon a motion made by Deputy Mayor Pro Tem Ferguson and seconded by Councilmember Gilmore, the Council voted five (5) "ayes" and no (0) "nays" to adjourn the Regular Session of the Lewisville City Council at 8:15 p.m. on Monday, March 16, 2020. The motion carried.

These minutes approved by the Lewisville City Council on the 6th day of April, 2020.

APPROVED

_____
Rudy Durham
MAYOR

ATTEST:

_____
Julie Worster
CITY SECRETARY

City of Lewisville

City Council Meeting

March 16, 2020

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Overview

- Introduction
- Audit Results
- Audit Process
- Required Communications
- Financial Highlights
- Discussion

Engagement Leadership

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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

Ben Cohen, CPA
Manager, Assurance Services

Engagement Team

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Elisa Gilbertson, CPA,
Data Analytics Manager

John DeBurro, CPA
Engagement Partner

Jerry Gaither, CPA
Concurring Partner

Ben Cohen, CPA
Manager

Michelle Staples
Senior Associate

Audit Associates and Other Supporting Staff Members

Audit Results

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Auditor 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 Uniform Grant Management Standards
  - ✓ **No findings noted**

Audit Results

Strengths & Accomplishments

- ✓ No material weaknesses in internal controls
- ✓ No material misstatements or passed adjustments
- ✓ Received **Certificate of Excellence in Financial Reporting** on the City's CAFR from the Government Finance Officer's Association (GFOA)

Audit Process

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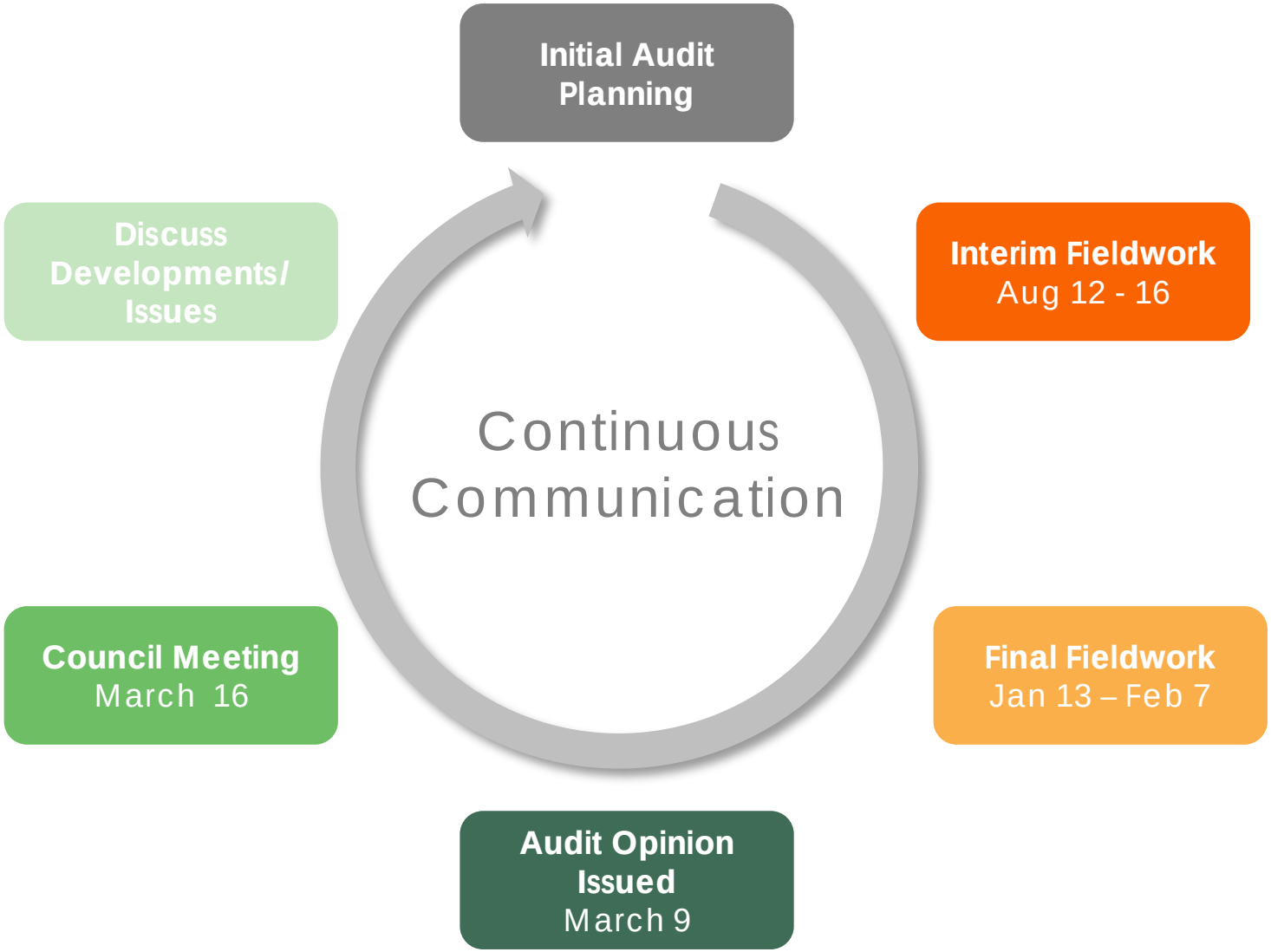
Engagement Timeline



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, and Audit Requirements for Federal Awards*** (The Uniform Guidance)
- **Uniform Grant Management Standards** (State Grants)

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)

Audit Process

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Interim fieldwork and risk assessment were performed in August 2019. Procedures included:

- Walkthroughs of accounting controls over significant transaction cycles:
  - A. Cash Disbursements and Purchases
  - B. Payroll Disbursements (including TMRS census 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

Audit Process

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Final fieldwork- performed in January / February 2020 - 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:
  - *SAFER Grant* – CFDA# 97.083 - $1,122,751
- Identification and testing of the City's major state program:
  - *Old Town Transit Orientation* – CSJ# 0918-46-261 - $2,436,565

Auditor Communications

for the year ended September 30, 2019

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Required Communications to Those in Charge of Governance

Communication	Results
Generally accepted auditing standards	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. The audit of the fiscal year 2019 financial statements is complete and we have issued an **unmodified opinion**.

Required Communications to Those in Charge of Governance

Communication	Results
Generally accepted government auditing standards	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. **No findings noted**.

Required Communications to Those in Charge of Governance

Communication	Results
Auditor's Responsibility under The Uniform Guidance (Federal) and Uniform Grants Management Standards (State)	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. The audit of the fiscal year 2019 major federal and state financial assistance programs has been completed and we have issued **unmodified opinions**.

Required Communications to Those in Charge of Governance

Communication	Results
Unusual transactions and the adoption of new accounting principles	The significant accounting policies used by the City are described in Note 1 to the financial statements. There were no new GASB pronouncements implemented during 2019 that had any significant effect on the City's financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.

Required Communications to Those in Charge of Governance

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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 passed adjustment identified during our audit. We made no significant audit adjustments as a result of our audit procedures.

Financial Highlights

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Financial Highlights

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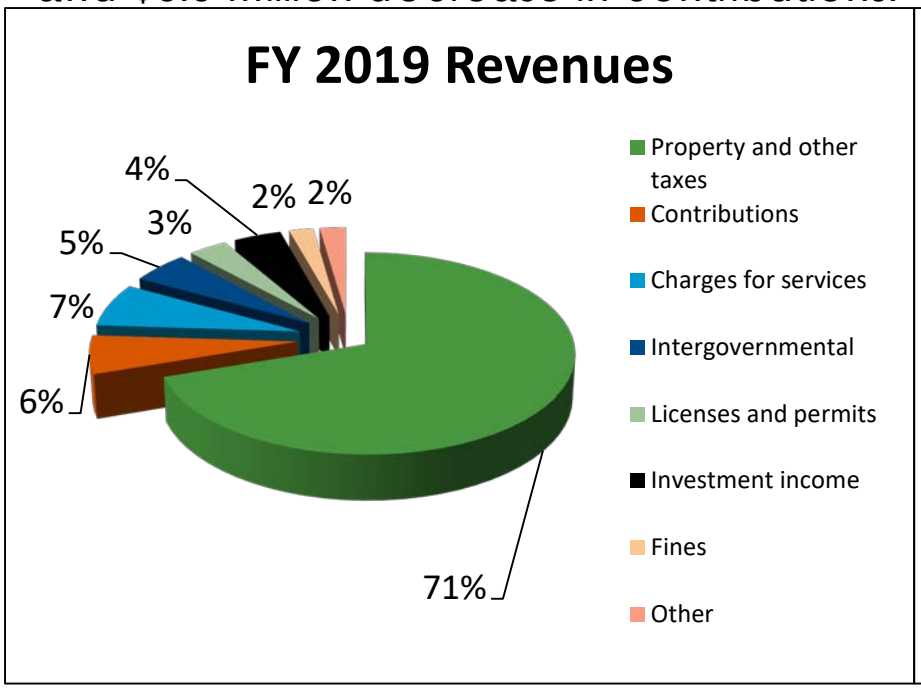
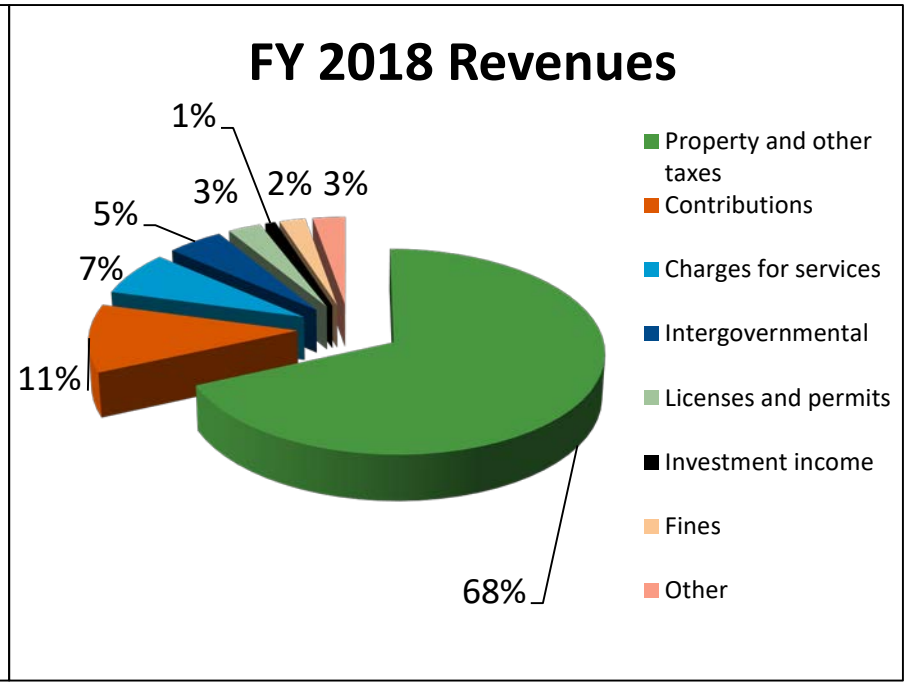
Comparison of Governmental Revenues by Source

Governmental Funds Revenues for FY 2019 totaled $137.2 million, a $3.9 million or 2.9% increase. This increase is primarily attributable to the net effect of a $5.8 million increase in property and other taxes, a $4.5 million increase in investment income, and $6.0 million decrease in contributions.





Financial Highlights

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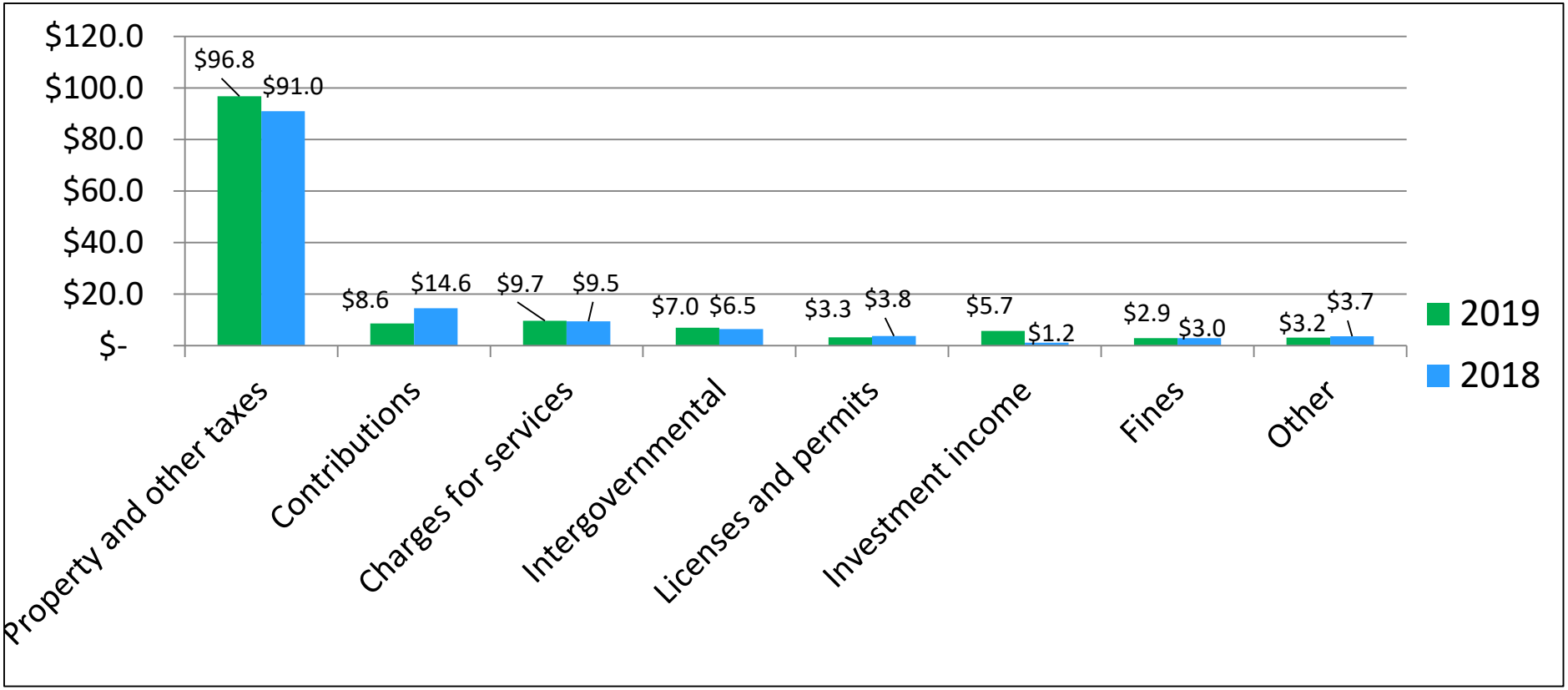
Comparison of Governmental Funds Revenues by Source



(2-year comparison in millions of dollars)

Financial Highlights

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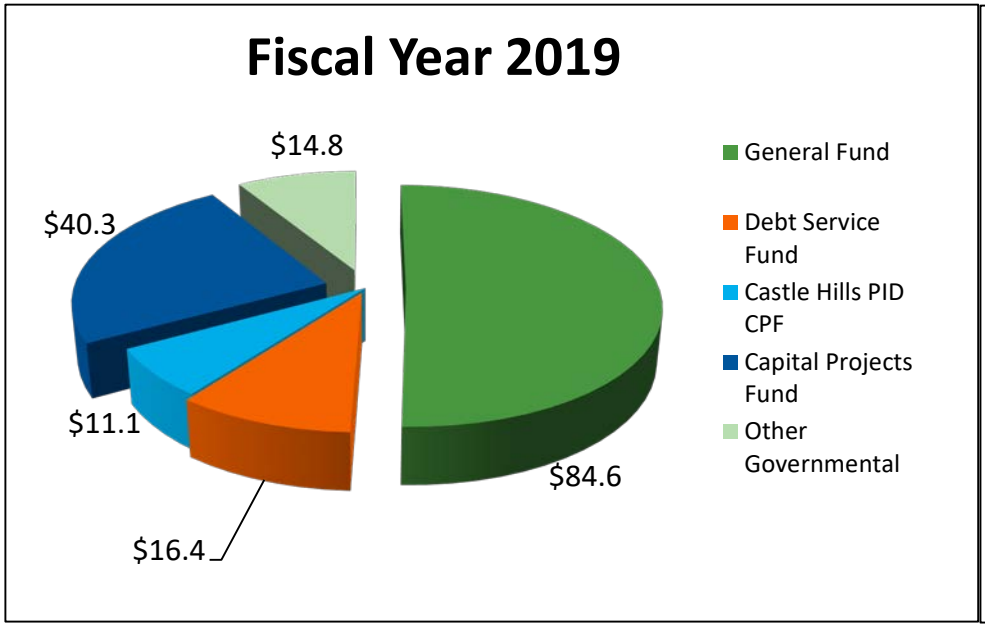
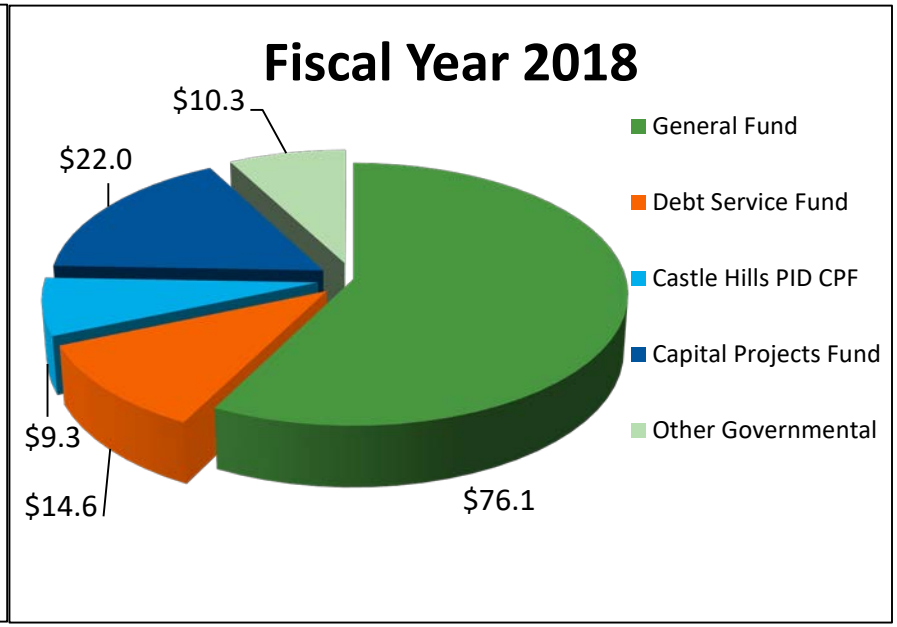
Comparison of Governmental Funds Expenditures by Fund (In millions of dollars)





Governmental Fund Expenditures for FY2019 totaled $167.2 million, a $25.7million or 18.2% increase.

- Capital outlay expenditures increased $13.2 million.
- Public safety expenditures increased $5.6 million.
- General government and debt service expenditures each increased $2.8 million.

Financial Highlights

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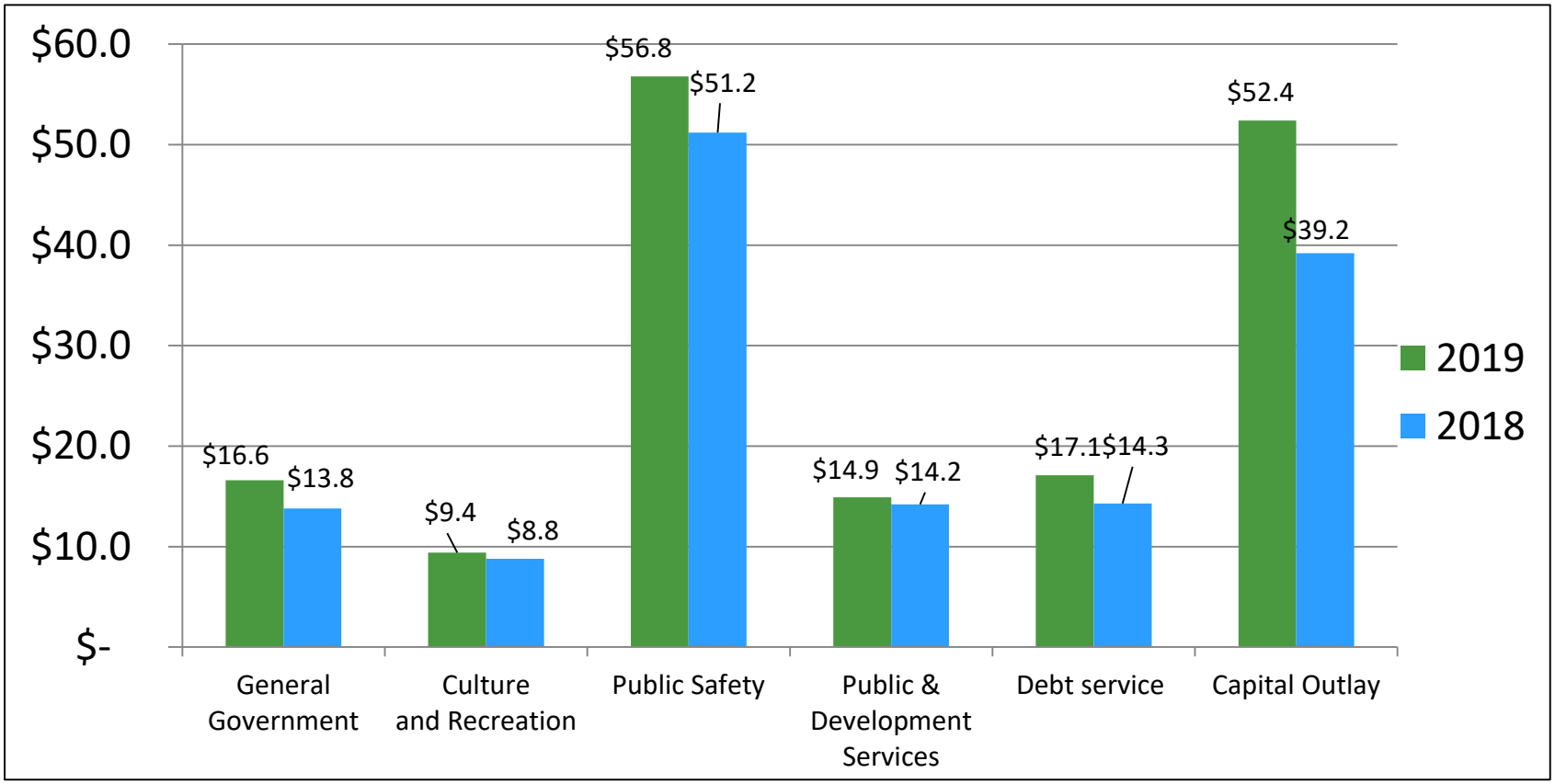
Comparison of Governmental Funds Expenditures *



*(2-year comparison in millions of dollars)

Financial Highlights

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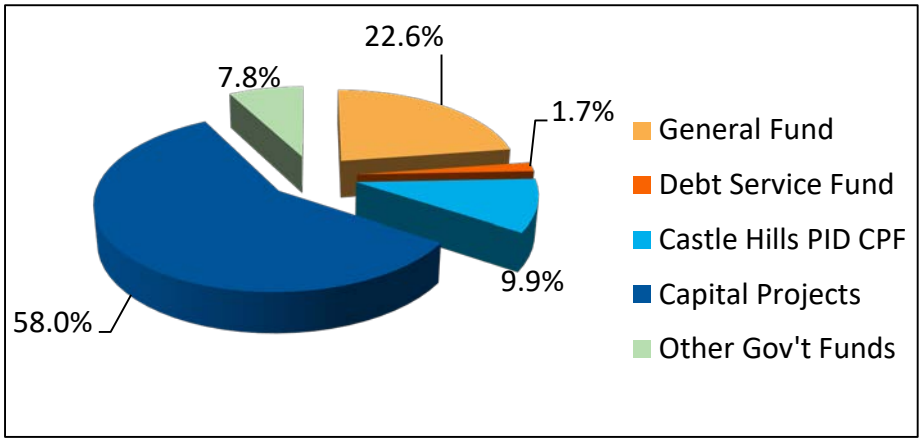
Fund Balances

Governmental Funds Fund Balance

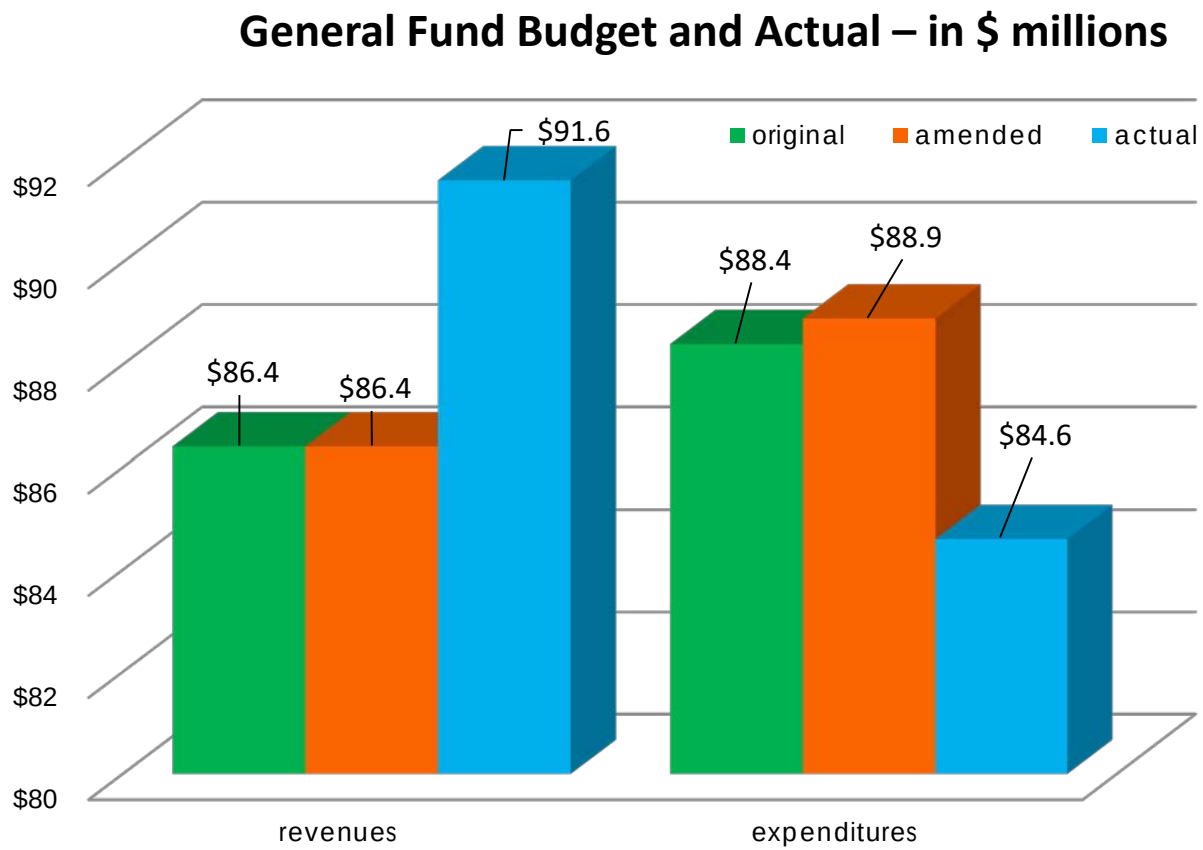
The City's governmental funds reported an ending fund balance of $162.1 million at September 30, 2019 as follows:

• General Fund	$36,712,653
• Debt Service	2,787,568
• Castle Hills PID CPF	16,029,545
• Capital Projects	93,948,330
• Other Gov't Funds	12,580,597
	$162,058,693



- Governmental Funds' fund balance increased by $34.8 million, primarily due to a $39.3 million increase in the General Capital Projects Fund, the result of the bonds issued to fund new capital projects.
- Unassigned fund balance in the General Fund ($35.6 million) represents 42% of General Fund expenditures.

General Fund Budget vs Actual



Overall, favorable budgetary variance of $9.5 million:

- Revenues exceeded budget by $5.2 million
- Expenditures were $4.3 million below budget.

Enterprise Funds- Current and Prior Year

	Statement of Revenues, Expenses and Changes in Net Position- Enterprise Funds			
	2019	2018	$ Change	% Change
Operating revenues	$ 37,815,452	$ 37,072,308	$ 743,144	2%
Operating expenses	(28,302,211)	(28,868,469)	(566,258)	-2%
Nonoperating revenues (expenses)	502,490	(1,061,008)	1,563,498	-147%
Capital contributions and transfers	8,773,578	13,760,276	(4,986,698)	-36%
Change in net position	$ 18,789,309	$ 20,903,107	(2,113,798)	-10%

Net position increased by $18.8 million over prior year:

- Operating revenues increased $743K – the net effect of a $170K decrease in the water and sewer fund and a $913K increase in the stormwater utility fund.
- Operating expenses decreased $566K – primarily due to a decrease in the cost of water purchased.
- Nonoperating revenue increased $1.6 million due to a $2.0 million increase in investment income.
- Capital contributions and transfers–decreased by $5.0 million – primarily due to a $3.3 million decrease in developer contributions (infrastructure) and a $1.2 million decrease in impact fees.

Upcoming Changes

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GASB 84:

Effective for periods beginning after 12/15/2018 (FY2020)

Fiduciary Activities

The primary objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

Upcoming Changes

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GASB 87:

Effective for periods beginning after 12/15/2019 (FY2021)

Leases

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments.

This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

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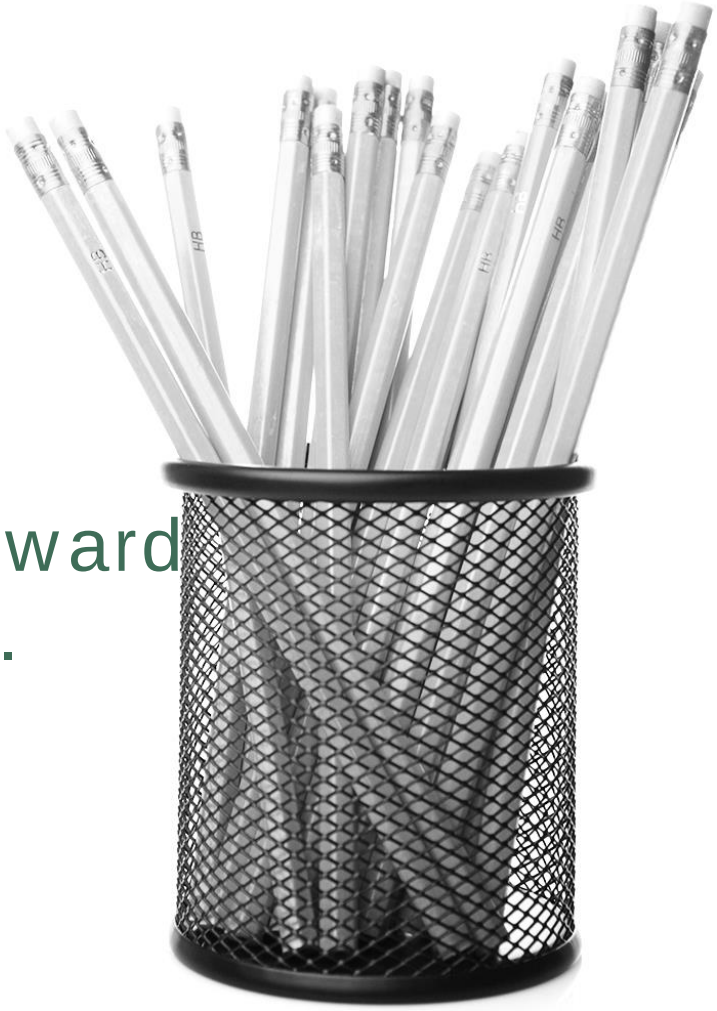
We appreciate the opportunity to work with **City of Lewisville** and look forward to our continued relationship.



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Discussion

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Neighborhood Bold Initiative

City Council Workshop
March 16, 2020

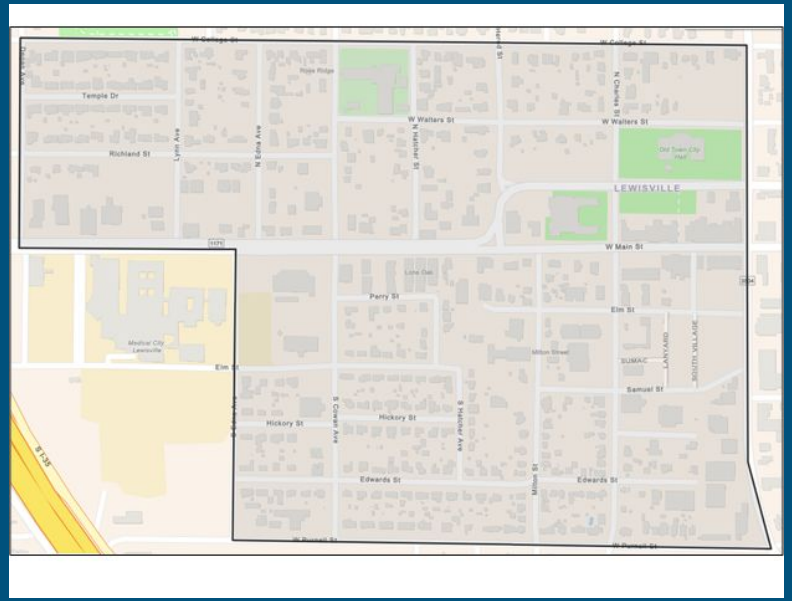
History

- 2019 Council Retreat - Councilman Jones pitched the creation of a residential program that incentivized redevelopment of aging and dilapidated housing using demolition and new construction grants
- This program would provide reimbursable grants for those property owners to demolish an existing property and rebuild a new single-family home on the same lot
- FY19-20 budget dedicated $100,000

History continued

The original pitch was for the neighborhoods adjacent to Lake Park:

But after further research and analysis, staff recommends Old Town:



The program…

The Neighborhood Bold Initiative Program supports a partnership between the City of Lewisville and residential homeowners by providing a grant of **up to a maximum $30,000** that aims to redevelop residential parcels in Old Town Lewisville. This program supports the City's 2025 Vision by encouraging sustainable, high quality residential redevelopment within Lewisville's Old Town Design District. The following incentives may be applicable per each project on a case by case basis and reviewed and approved by city staff:

- A demolition incentive equal to 100% of the demolition costs, not to exceed **$10,000**
- A sustainable design incentive, not to exceed **$15,000**
- A new residential construction incentive, not to exceed **$15,000**

Neighborhood Empowerment Zone #2

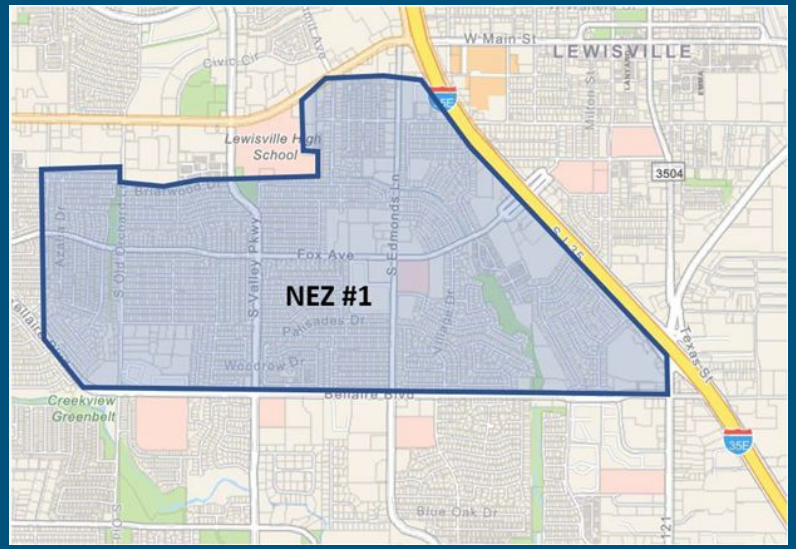
City Council Workshop
March 16, 2020

History

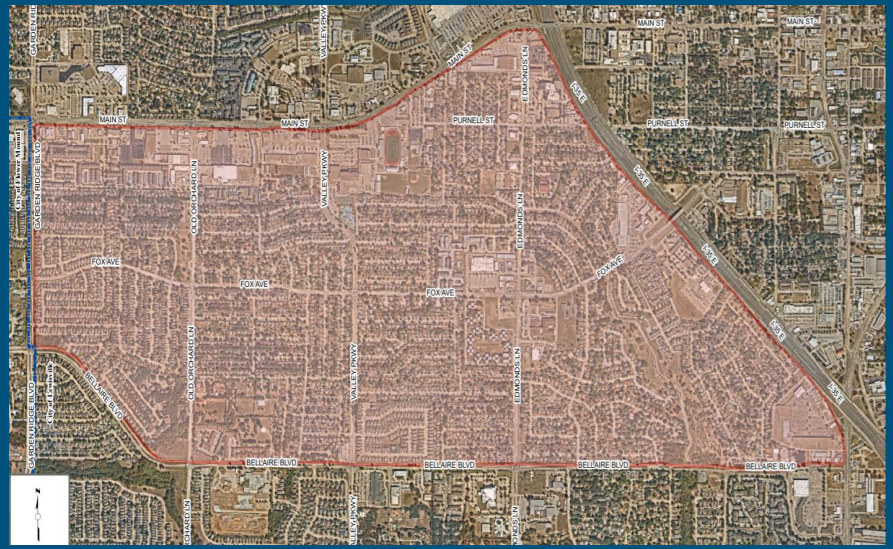
- 2019 Council Retreat - Councilman Ferguson pitched the creation of a residential Neighborhood Empowerment Zone (NEZ) for an area of town commonly referred to as the Wood Streets
- This NEZ would provide two types of reimbursable grants.
  - Code Abatement Grant: For lower income residents to abate code violations.
  - Home Rehabilitation: For any homeowner to make certain eligible exterior home improvements.
- FY19-20 budget dedicated $100,000, which was placed in a CIP account. This allows any unused funds to carry over to future budget years.
  - Exterior Home Rehabilitation - $60,000
  - Code Abatement - $40,000

History continued

The original pitch was for the area identified below



After further research and analysis, staff recommends the following boundary



Program

- Staff has worked to find the best way to implement this proposed program to streamline and leverage existing programs.
- Staff is proposing that the NEZ incentive programs be organized under Property Enhancement Program(PEP)
  - PEP Plus (Exterior Home Rehabilitation)
  - Minor Code Abatement

PEP Plus

- Eligible applicants (at any income level) with eligible projects may be approved for a 25% matching grant, capped at $20,000.
- Once completed and payment is disbursed, no additional assistance may be requested for two fiscal years.
- A minimum grant amount greater than $4,000.
- Applicants have to invest a minimum of $16,000.

Code Compliance PEP Grant

- Eligible applicants may be approved for up to $7,500 without a match requirement.
- An eligible applicant:
    - Property owner
    - Household gross income is at or below the 80% MFI (Median Family Income)
- Eligible project:
    - Referred by a Code Enforcement Officer
    - Is necessary to bring into compliance
- Eligible projects could also include the removal of graffiti, junk vehicles or unsightly material.
- Once completed and the payment is disbursed, no additional assistance may be requested for one fiscal year.

	PEP	PEP Plus	Code Abatement
Matching Requirement	50%	25%	100%
Minimum Grant	$250	$4,000	$250
Maximum Grant	$1,000/$5,000	$20,000	$7,500
Minimum Project Cost	$500	$16,000	$250
Location	Citywide	NEZ#2	NEZ#2 + Code Referral

Questions?

City Hall Monument Sculpture

Slicker Shy purchase opportunity
March 16, 2020

ABOUT THE ARTIST:
Slicker Shy is an original bronze monument sculpture by noted Western artist Herb Mignery. Herb is a member of the Cowboy Artists of America as well as the National Sculpture Society of America. His small scale and monumental bronze sculptures are in private and corporate collections across the country.

ABOUT THE SCULPTURE:
Created in 1998. It is 10 feet wide at the base, 18 feet tall, and weighs more than 5,500 pounds. It depicts a cowboy being thrown from a rearing horse. It illustrates experiences from Mignery's childhood on a ranch when horses would spook at the sound of a rider's wind-whipped rain slicker.

"I feel that our attitude and our view of our future can only be determined by an examination of our ancestors, and the society they created. Just as a weather vane points toward the source of the wind, it must also point to the direction the wind is going. Likewise, we must focus our attention both ways to avoid losing those valuable lessons so painstakingly learned by those before us." - Herb Mignery

SLICKER SHY IN LEWISVILLE

The sculpture was loaned to the City of Lewisville by an art broker, SculptureWorks. It was installed in front of City Hall in August 2010.

The installation received significant media coverage, including front-page treatment in the Lewisville Leader and the NeighborsGo section of the Dallas Morning News. It also received some television coverage. (City Cable LVTV video of installation - https://www.youtube.com/watch?v=RjcWVmwhD2w)

Slicker Shy was in place during five Western Days festivals (2010-2014). It also was featured on the cover of the Chamber of Commerce Community Directory in 2011 and the local Yellowbook telephone book in 2012. Photos of the sculpture were placed in at least three local restaurants (Jason's Deli, Pizza Inn, Applebee's). It was a frequent photo spot for visitors.

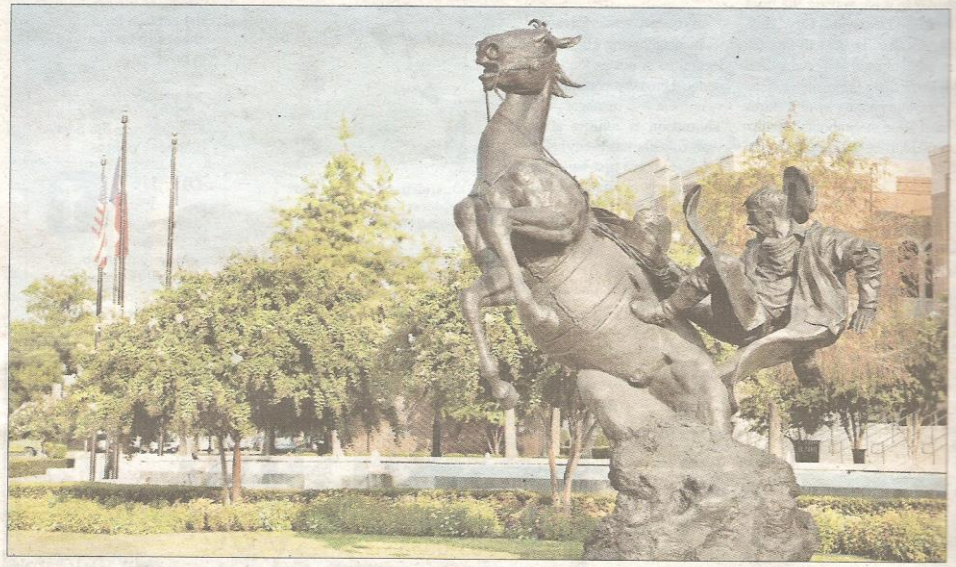
The city ultimately negotiated a discounted purchase price of $325,000. The sculpture was removed by SculptureWorks in October 2014 after the attempt to purchase the piece fell through. The city did receive negative feedback from the public after the sculpture was removed, with many people saying they thought the piece belonged to the city rather than being on loan. As recently as 2017, the city received a social media comment asking about the location of Slicker Shy.

Flower Mound | Highland Village | The Colony

Lewisville

neighborsgocom—Post online, get in print

The Dallas



End of the trail

Bronze cowboy sculpture 'Slicker Shy' finds a new home in Lewisville 17

Dallas Morning News – Neighbors Go

Cowboy culture

By BOB KOWALSKI
rkowalski@neighborsgo.com

An 18-foot-tall cowboy put his roots down in Lewisville.

Slicker Shy, a 5,800-pound bronze sculpture by Nebraska-born artist Herb Mignery, was dedicated Aug. 26 at Lewisville City Hall. The work, which depicts a horse throwing its rider, is on loan to the city from the Dallas Sheraton until a buyer can be found.

The statue, valued at more than $450,000, stands a few blocks from the $10 million Lewisville Center for the Creative Arts, which is scheduled to open at the end of the year and is another example of the growing cultural evolution of the city of 105,000 residents.

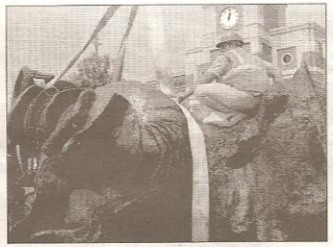
"Lewisville is one of those communities that's becoming a bigger place," said Jim Wear, the city's art center manager. "One of the things that happens when a city reaches its cultural maturity is that it starts to acquire artwork and culture like this."

The sculpture stood in the lobby of the Sheraton Dallas hotel for more than eight years and became a meeting place and point of reference, Sheraton general manager Ray Hammer said. It now can serve the same purpose in the heart of Old Town Lewisville.

"We wanted to find it a great destination for it to have a great home. We couldn't have found a better place," Hammer said while standing a few feet from the artwork on the lawn in front of City Hall, 151 W. Church St. "It seems to fit here, it seems to make sense."

The piece also fits well with the city's western heritage, said councilman Lathan Watts, and was installed in time for the city's annual Western Days festival, scheduled for Sept. 24-25 in Old Town

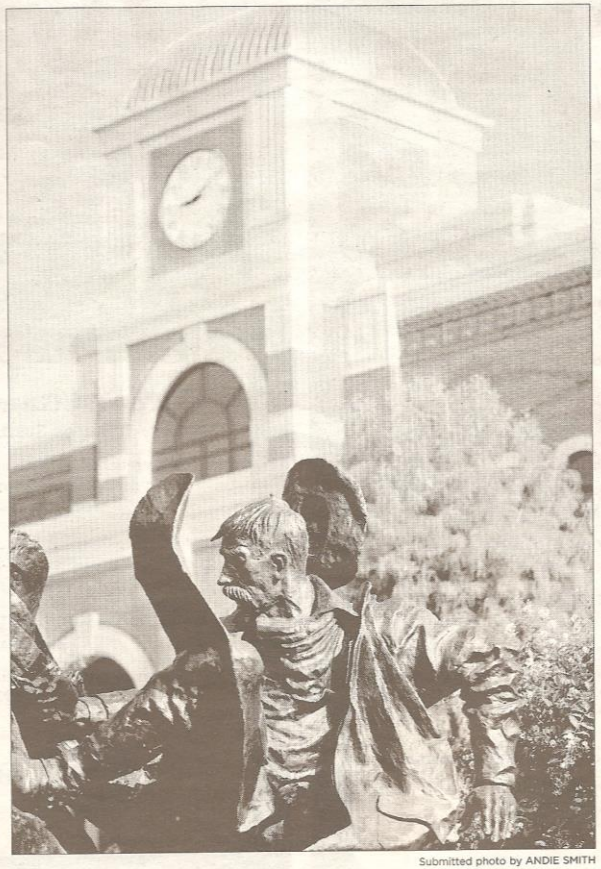
***Slicker Shy* stands in front of Lewisvil**
around the corner," councilman Lathar



From left to right: Jim Wear, Lewisville's Arts Center manager, acknowledged the creativity and cooperation required in the 18-month effort to relocate the statue; artist Herb Mignery, who created *Slicker Shy* is noted for his bronzes depicting life in the early American West (submitted photos by ANDIE SMITH). Work crews lifted *Slicker Shy* onto his concrete base using a crane on Aug. 23 (submitted photo by TIM PHILLIPS).

culture

Lewisville's downtown sculpture merges art with city's western heritage



Submitted photo by ANDIE SMITH

***Slicker Shy* stands in front of Lewisville City Hall** and "grabs your eye as you come around the corner," councilman Lathan Watts said.

MORE INFO

SLICKER SHY
- To see the video of how *Slicker Shy* checked out of the Dallas Sheraton, visit **neighborsgo.com/video/2695**.
- For more photos from the dedication, visit **tinyurl.com/slickershy**.

WESTERN DAYS FESTIVAL
- When: Sept. 24-25
- Where: Old Town Lewisville
- Tickets: Free, available at **lewisvillewesterndays.com**

Lewisville.

Hurst-based Sculptureworks helped arrange for the statue to land in Lewisville. When the Sheraton was being remodeled and needed *Slicker Shy* to be removed, it contacted the company, which at the time had a piece of art on display in the Lewisville Public Library, said David Wiegand, president of Sculptureworks. Wiegand met with city leaders, who studied the statue and put the wheels in motion to relocate it to Lewisville with help from the Lewisville Old Town Business Association.

Amanda Ferguson of OTBA sees the arts center and statue as a starting point and hopes the city eventually adds art to the rail depot being built on East Main Street.

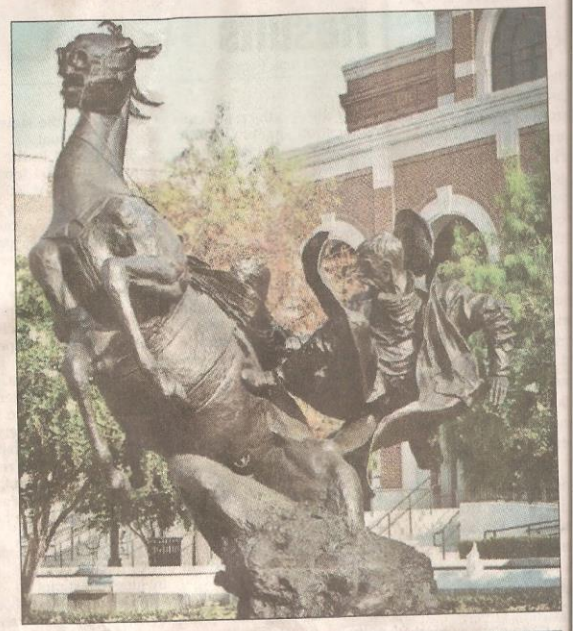
"I'd love to get some more public art pieces commissioned for downtown," Ferguson said.

Wiegand, whose firm places artwork across the country, understands the sentiment.

"It opens people's hearts," Wiegand said. "It's a soul-toucher."

Bob Kowalski is the Lewisville neighborsgo editor.

'Slicker Shy' statue installed in Lewisville



KELLY BLACKALL/SPECIAL TO THE LEADER

On Aug. 24, the 18-foot-tall, 5,500-pound "Slicker Shy" statue was set in place in front of Lewisville city hall using an industrial crane. The statue was sculpted by Herb Mignery. "Slicker Shy," was originally commissioned by the Adam's Mark Hotel in 1998 and was housed in the main lobby of the downtown Dallas hotel. The hotel was reflagged in 2008 as a Sheraton and underwent a $90 million renovation. As part of the renovation, the statue was removed and the hotel's owners are placing it in Lewisville on consignment until a buyer is found.

Lewisville Leader

Local Phone Book

Applebee’s

Jason’s Deli

Pizza Inn

FACEBOOK CONVERSATION (August 7, 2014)

Selected samples from among more than 100 comments:

- Oh, no! I knew this was probably his temporary home, but hoped his owners would forget where he was. He's such a perfect fixture at City Hall.
- This is extremely disappointing to me. I wish I had the money to buy this for the city. We need big art at City Hall.
- I admit I was skeptical at first of purchasing the work, but it had become accepted as a part of the city and it fit in well where it was.
- Hindsight is always 20/20. I hate to see it go. Can we keep it?
- I'm really sad to be losing this. It is a huge part of Old Town and the city.
- Working on "Save Slicker" tshirts.
- I'm thinking that we missed an opportunity. Slicker Shy has become a landmark.
- We should organize a sit in. Or a sit on. Save Slicker!
- Is there a petition? Who should we be talking to if we want to keep the sculpture?
- Question is, can we get all of Lewisville to chip in and Save Our Slicker?
- I'm going to cry and my four grandkids are going to cry and we'll all be miserable and embarrassed that we let our landmark get away.
- If everyone who ever took a picture with Slicker had paid $1, he'd have been bought before now.
- There HAS to be something that can be done.

Responding to:

"Might as well say goodbye to Slicker Shy. He'll probably be gone before Western Days."

NEW PURCHASE OPPORTUNITY

The owner of the sculpture, Chartres Lodging, offered in October 2019 to sell the sculpture to Lewisville for $400,000 or to lease it to the city for 30 years at a cost of $25,000 per year plus an annual 4% increase to that fee (resulting in a total cost of more than $1.4 million). Neither of these fit within the Public Art Program budget structure, so a counter was prepared and submitted by Arts Advisory Board Chairman Ken Lannin.

In February, the owner agreed in concept to the City's counter of a $100,000 upfront payment and six annual payments of $50,000 each, for a total cost of $400,000. This would be an outright purchase, not a lease. This purchase structure would leave money in the annual Public Art Program budget for additional projects and purchases. The total cost would be less than a professional appraisal performed in 2014 by Pam Campbell that valued the sculpture at between $450,000 and $650,000.

As a comparison, the total cost of the proposed purchase would be equal to a $325,000 loan (the negotiated purchase price in 2014) paid over six years at an interest rate of 6.275 percent.

Herb Mignery has retired, so there will never be another new monument-scale sculpture by him. Herb has expressed interest in seeing the work back in Lewisville even though he is not involved in this proposed transaction. Staff would invite him to any installation or dedication ceremony and perhaps could arrange to have other works by him on display in MCL Grand in a special exhibition.

campbell
FINE ART APPRAISAL AND CONSULTING LLC
4935 Byers Avenue Fort Worth, Texas 76107
817.737.9566 cfaac@yahoo.com

April 17, 2014

City of Lewisville
Attn: Jim Wear
100 N. Charles St.
Lewisville, TX 75057

Dear Mr. Ware;

In accordance with your request, I have conducted an inspection of one (1) work of art understood to be property belonging to the Sheraton Hotel in Dallas, Texas. This work was personally inspected on March 20, 2014 at its current location, the East Lawn of City Hall, Lewisville, Texas, where it is on loan for purchasing consideration. It was inspected in the presence of Jim Ware. The objective of this appraiser has been to prepare an Appraisal Report giving this appraiser's best opinion as to the Market Value on this work of art for the function of determining a fair purchase price. The value found on this work represents my best opinion based on market data research and the opinions of others knowledgeable about work by the subject artist, Herb Mignery.

Based upon the physical inspection, the appropriate research and analysis undertaken and subject to the assumptions and limiting conditions contained herein, this appraiser's opinion of the Market Value range for the work of art included in this report is: **$450,000.00 – 650,000.00**

In estimating the value on the subject property, Market Value was considered.

Market Value is defined as:

> "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
> 1. buyer and seller are typically motivated;
> 2. both parties are well informed or well advised, and each acting in what he considers his own best interest;
> 3. a reasonable time is allowed for exposure in the open market;
> 4. payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and
> 5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

In estimating the Market Value of the subject property the Sales Comparison Approach was used. An analysis of available market data was made and the value conclusion was based upon 1) the consideration of documented sales at auction of comparable works by the subject artist; 2) estimates of value for the subject property by specialists in the subject artist's work, genre or period and 3) comparable works of art by the subject artist and/or works by comparable artists that may be currently offered in the marketplace. As no two properties are precisely comparable, adjustments must be taken into account for discernible differences.

In using the Sales Comparison (or Market Data) Approach to estimate the Market Value of the subject property, valuation is considered relative to the appropriate market level(s) where this type of artwork would most commonly

American Society of Appraisers ASA
Pam Campbell
American Society of Appraisers – Accredited Senior Appraiser
International Society of Appraisers – Certified Appraiser of Personal Property
ISA International Society of Appraisers Certified Member

be sold to the public; i. e. the price at which this work would most commonly be purchased by the public at retail.

The Sales Comparison Approach is defined as:

> "... research and analysis comparing sales of property similar enough to the property being appraised to permit detailed comparison, estimating value by comparison with properties sold in the relevant market, with adjustments made for all differences which affect value, such as differences in characteristics of value and in time."[1]

The cost approach was considered to the extent of obtaining prices at galleries offering comparable works of art.

The Cost Approach is defined as:

> "...research and analysis of the cost of a substitute property with equivalent function and desirability, providing an estimate of the depreciated reproduction, reproduction new or replacement cost new of the property."[2]

The income approach was considered and determined to be inappropriate for the function of this appraisal, as it will not be used to produce a stream of future income.

The Income Approach is defined as:

> "…research and analysis of the present worth of future income."[3]

The most common market in which monumental sculpture by Herb Mignery would normally be sold to the public is in the primary market through dealers and/or galleries representing his work. In this particular case, however, the subject work is being offered in the secondary market through Sculptureworks of Hurst, TX. No other *monumental* sculpture by Herb Mignery was found currently available through galleries. The market for work by Herb Mignery was reported to be strong.

In researching the Market Value on the subject work, I consulted with dealers who handle works by Herb Mignery, David Wiegand of Sculptureworks, and the artist. The dealers consulted were Nedra Matteucci Galleries, Altermann Galleries, Trailside Gallery and Settler's West gallery; each one being very well recognized in the western art field. Following is the information gathered from each individual or gallery with whom I consulted.

David Wiegand, who is handling the potential sale on behalf of the owner, stated that the subject piece is insured for $450,000., though it is being offered to the City of Lewisville for $325,000.

Tony Altermann, Altermann Galleries in Santa Fe, Scottsdale, & Dallas - Mr. Altermann is familiar with the subject sculpture and reported that he felt the asking price of $325,000.00 was, in his opinion, a fair price.

Trailside Gallery in Scottsdale, Arizona. I consulted with Joan Griffith, Director of Trailside Gallery. She reported that they have represented Herb Mignery off and on over the years, though they have never handled any of his monumental installations. Ms. Griffith stated that the artist's valuation on a work such as *Slicker Shy* would be 'the best bet', as 'many of his larger works are private commissions.' My initial correspondence at Trailside gallery was with a gentleman named Stan. He reported a sale of Mignery's *Gauging the Crosswinds*, 48" tall, $25,000. in 2007.

Nedra Matteucci Gallery – Dustin Belyeu, Director, stated that they had not had any monumental works by Mignery, though they have sold and currently have works that are considered large. In 2013, Nedra Matteucci Gallery sold a work titled *Call of the Bison,* 2005, cast bronze in an edition of 9, 54" x 37 ½" x 46 ¼". This work was sold for $39,000.00. They currently have a larger work in their inventory, *The Hungry Loop,* 2012, cast bronze, 104" x 93" x 32", and priced at $125,000.00. *The Hungry Loop* is also from an edition of 3. Works that are cast in editions, as opposed to being one of a kind, unique castings, are typically comparatively lower priced. The subject sculpture, *Slicker Shy,* is more than twice the size of *The Hungry Loop* and considerably more complex. According to the

[1] The Appraisal of Personal Property; Principles, Theories and practice Methods for the Professional Appraiser. Patricia C. Soucy, FASA and Janella N. Smyth, ASA; Co-Editors. American Society of Appraisers. 1994.
[2] ibid.
[3] ibid.

Conventional Loan

Interest Rate: 6.275% Real APR: 6.101%

Amount Financed	**$325,000.00**
Upfront Out-of-Pocket Fees	**$0.00**
Payment Every Year	**$66,664.99**
Total of 6 Payments	**$399,989.94**
Total Interest	**$74,989.94**
All Payments and Fees	**$399,989.94**

ARTS ADVISORY BOARD:

At its February called meeting, the board voted unanimously to recommend the purchase of Slicker Shy for installation in front of Lewisville City Hall.

Questions?