JUL 03 '20 13:45

City of Windcrest

AMENDED AGENDA

PUBLIC HEARING OF WINDCREST CITY COUNCIL & CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS
JULY 6, 2020

CITY COUNCIL CHAMBERS @ 8601 MIDCROWN **6:00 P.M.**

NOTICE IS HEREBY GIVEN THAT A CITY OF WINDCREST CITY COUNCIL PUBLIC HEARING AND CITY COUNCIL MEETING WILL BE HELD AT WINDCREST CITY HALL, 8601 MIDCROWN, WINDCREST, TEXAS ON THE 6TH DAY OF JULY 2020, STARTING AT 6:00 P.M. DURING THE MEETING THE FOLLOWING SUBJECTS WILL BE CONSIDERED AND THE CITY COUNCIL MAY TAKE ACTION ON ANY OF THE LISTED SUBJECTS.

THE CITY COUNCIL RESERVES THE OPTION TO RECESS THE MEETING DURING THE EVENING OF JULY 6, 2020, AND TO RECONVENE THE MEETING ON THE FOLLOWING DAY, JULY 7, 2020, AT 9:00 A.M. AT THE WINDCREST CITY HALL, 8601 MIDCROWN, WINDCREST, TEXAS.

NOTICE OF ASSISTANCE AT THE PUBLIC MEETING

The City of Windcrest Council Chambers are wheelchair accessible, and accessible parking spaces are available. In compliance with Americans with Disabilities Act, the City of Windcrest will provide reasonable accommodations for persons attending the meeting. To better serve you, requests should be received 48 hours prior to the meeting. Please contact the City Secretary's Office, at 210-655-0022 ext. 2150 or Fax 210-655-8776, or 711 Texas Relay.

I. **CALL TO ORDER**

II. **ROLL CALL**

III. **PLEDGE OF ALLEGIANCE AND INVOCATION**

IV. **CITIZENS TO BE HEARD**

a) Citizens may address the City Council on topics not on the agenda for no more than three (3) minutes.

b) Citizens shall also have the opportunity to address the City Council during consideration of posted agenda items for no more than six (6) minutes.

c) Only a maximum of four (4) members of the public will be permitted in the City Council Chambers at a time. All attendees will be required to be screened for present signs of COVID-19 prior to entering City Hall.

d) Four (4) hours prior to the meeting, an email to the city secretary at citysecretary@windcrest-tx.gov is required to be added to the attendee list to ensure proper physical distance seating inside and outside City Council Chambers.

e) An email statement may be sent to the City Secretary @ citysecretary@windcrest-tx.gov to be read into the meeting to City Council. Statements will be provided to Council and available to the public not in attendance after the meeting.

f) A City Official may make a statement of specific factual information in response to an inquiry made by a member of the public, or a recitation of existing policy in response to an inquiry made by a member of the public.

V. Public Hearing

Opening of Public Hearing

a) Public Hearing to receive comments on a Special Use Permit to Goodwill Industries of San Antonio, Inc. to allow the retail sales of second hand clothing in B-2 Zoning District, a retail sale restricted in Article III-Districts, General Zoning, Division 6, Section 113-220, use regulations of the City of Windcrest's Code of Ordinances, at 7702 N IH 35, BCAD# 992005.

Citizens to be Heard

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2. Citizens shall also have the opportunity to address the City Council during consideration of posted agenda items for no more than six (6) minutes.
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5. An email statement may be sent to the City Secretary @ citysecretary@windcrest-tx.gov to be read into the meeting to City Council. Statements will be provided to Council and available to the public not in attendance after the meeting.
6. A City Official may make a statement of specific factual information in response to an inquiry made by a member of the public, or a recitation of existing policy in response to an inquiry made by a member of the public.

Closing of Public Hearing

THE FOLLOWING ITEMS MAY BE CONSIDERED AT ANY TIME DURING THE REGULAR COUNCIL MEETING:

VI. PRESENTATION

a) City Council will receive a presentation from ABIP, PC and have discussion on the results of the City of Windcrest Annual Financial Report Audit for fiscal year ending September 30, 2019. [Rafael Castillo, Jr., City Manager; Don Hakala, Municipal Finance Director]

b) City Council will receive an update on the Windcrest Fire Department dorm. [Dan Kramer, Fire Chief]

VII. Ordinance

a) City Council will discuss and take action on Ordinance 2020-015 (O), an ordinance granting a Special Use Permit to Goodwill Industries of San Antonio, Inc. to allow the retail sales of second hand clothing in B-2 Zoning District, a retail sale restricted in Article III-Districts, General Zoning, Division 6, Section 113-220, use regulations of the City of Windcrest's Code of Ordinances, at 7702 N IH 35, BCAD# 992005. [Dan Reese, Mayor] **1st Reading**

VIII. Discussion & Action

a) City Council will review, discuss and may take action on the acceptance of the results of the City of Windcrest Annual Financial Report Audit for fiscal year ending September 30, 2019 from ABIP, PC. [Rafael Castillo, Jr., City Manager]

b) City Council will discuss and may take action on a proposed amendment to Chapter 2, Article III, Ethics, of the Windcrest Code of Ordinances, to provide additional authority and incorporate revisions to the Code of Ethics and Conduct. [Rafael Castillo, Jr., City Manager]

c) City Council will discuss and may take action on an ordinance adding Section 10-3, Mayor's authority to suspend certain section of the Windcrest Code of Ordinance during the time of crisis, state of emergency, or natural disaster. [Rafael Castillo, Jr., City Manager]

d) City Council will have discussion on the Windcrest Firefighter hiring initiative and process. [Greg Turner, City Councilman Place 3]

e) City Council will discuss and may take action on the newsletter ordinance. [Frank Archuleta, City Councilman Place 4]

f) City Council will have discussion on the beautification project on the corner of Midcrown and Golfcrest. [Dan Reese, Mayor]

g) City Council will discuss and may take action of the City of Windcrest social media pages, postings and restrictions. [Greg Turner, City Councilman Place 3]

IX. City Manager's Report

X. Discussion & Action Executive Session

The City Council may meet in executive session to discuss the following items pursuant to the designated section(s) of the Texas Open Meetings Act:

a) Consultation with attorney regarding litigation update on *City of Windcrest v. IN RE 438 Crestwind, Texas 78239; Jacqueline Erbach; and Arch Construction, LLC* . (Section 551.071 Consultation with attorney)

XI. Return to Open Session

Council may discuss and act on any item discussed in executive session.

XII. General Announcements & Future Agenda Items Requested

Per Ordinance No. 618, repealing Ordinance No. 593; Section 9: Every agenda shall include an item entry granting a member the opportunity to propose an item for consideration of future agendas for Regular or Special Meetings. Any member may request the inclusion of such items at any meeting.

XIII. Adjournment

JUL 03 '20 13:45

DECORUM REQUIRED: *Any disruptive behavior, including shouting or derogatory statements or comments may be ruled out of order by the Presiding Officer. Continuation of this type of behavior could result in a request by the Presiding Officer that the individual leave the meeting, and if refused, an order of removal.*

ACTION BY COUNCIL AUTHORIZED: *The City Council may vote and/or act upon any item within this Agenda. The Council reserves the right to retire into executive session concerning any of the items listed on this Agenda, pursuant to and in accordance with Texas Government Code § 551.072 (Deliberations about Real Property); § 551.073 (Deliberations about Gifts & Donations); § 551.076 (Deliberations about Security Devices); §551.087 (Economic Development); and, § 551.071to seek the advice of its attorney about pending or contemplated litigation, settlement offer or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflict with the Open Meetings Act and may invoke this right where the City Attorney, the Mayor or a majority of the Governing Body deems an executive session is necessary to allow privileged consultation between the City Attorney and the governing body, if considered necessary and legally justified under the Open Meetings Act. The attorney may appear in person, or appear in executive session by conference call in accordance with applicable state law.*

EXECUTIVE SESSIONS APPROVED BY CITY ATTORNEY: *This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.*

ATTENDANCE BY OTHER ELECTED OR APPOINTED OFFICIALS:

It is anticipated that members of the City Council, or other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the City Council of the City of Windcrest is a true and correct copy of said Notice and was posted on the bulletin board at City Hall of said City in a convenient place to the public and said Notice was posted more than seventy-two (72) hours prior to the meeting on July 6, 2020.

By: ______________________

Dusty DeHoyos, Assistant City Secretary on behalf
Of Rachel C. Dominguez, City Secretary

WINDCREST
TEXAS

Universal Development Application

(Please use separate application for each submittal)

☐ Land Use Amendment	☐ Land Study	☐ Replat
☐ Thoroughfare Amendment	☐ Final Plat	☐ Amending Plat
☐ Zoning Change (choose one)	☐ Preliminary Plat	☐ Minor Plat
☐ Straight Zoning	☑ Specific Use Permit	☐ Vacating Plat
☐ PUD (Planned Unit Development)	☐ Conditional Use Permit	☐ Site Plan
☐ Variance	☐ Exception	☐ Tree Removal Permit

Project Name: Goodwill Industries of San Antonio, Inc.

Total Acres: ______ Survey Name: ______ Abstract No.: ______

Project Location (address): 7702 N IH 35, Windcrest, Texas

Current Zoning: C2 **Current Use:** Vacant **# of Lots/Units:** 2 **For Commercial/Industrial:**

Proposed Zoning: ______ **Proposed Use:** C-2 **Please Circle One:** SF MF COMM IND OTHER **Total Proposed Sq. Ft.** 124,934

Applicant Information:

Property Owner Name: Buffet Palace Westgate, Inc.

Address: 3703 Needles Drive City: Austin St/Zip: TX 78746

Phone: 512-470-7809 Fax: ______ E-Mail: ______

Applicant (if different than Owner): Goodwill Industries of San Antonio, Inc.

Address: 406 West Commerce City: San Antonio St/Zip: TX 78207

Phone: 210-924-8582 Fax: ______ E-Mail: ______

Representative: Janice Bunch

Address: 406 West Commerce City: San Antonio St/Zip: TX 78207

Phone: ______ Fax: ______ E-Mail: jbunch@goodwillsa.org

Authorization: By signing this application, you hereby grant Staff access to your property to perform work related to your application. Also, you waive the statutory time limits in accordance with Section 211, 212 and 245 of the Texas Local Government Code.

Owner's Signature

Donghun Shim

Typed/Printed Name

Known to me to be the person whose name is subscribed to the above and foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration expressed and in the capacity herein stated. Given under my hand and seal on this 21st day of May, 20 20.

Jackson Dee Long

Notary Public

JACKSON DEE LONG
Notary Public, State of Texas
Comm. Expires 07-12-2021
Notary ID 129485369

City of Windcrest Use Only

Project No.: ______

Total Fees: ______

Payment Method: ______

Submittal Date: ______

Accepted by: ______

Background.

The Property is owned by Buffet Palace Westgate, Inc. (the "Property Owner"). The Property is under contract for sale to Goodwill Industries of San Antonio, Inc. (the "Applicant").

The Property Owner hereby appoints the Applicant to represent it and the Property in connection with the Application for Special Use Permit. The Special Use Permit is for the benefit of Applicant if Applicant becomes the owner of the Property.

1. Detailed explanation of the proposed use requiring the special use permit.

   The Property consists of a former Wal-Mart Store. In addition to the uses already permitted on the Property, Goodwill Industries of San Antonio intends to provide for the sale of second-hand clothing. Summarized below is Goodwill's planned allocation of space usage within the building located on the Property:

   - 70,000 SF Production (includes warehouse/storage)
   - 8,000 SF Sorting
   - 2,000 SF Corporate Office Space
   - 8,000 SF Electronic Repair and Retail Store
   - 12,000 SF Online Retail
   - 1,000 SF GCA / CDL Training
   - 14,000 SF Outlet Retail Store
   - 10,000 SF Excess / Growth Space (if needed)

   125,000 SF

   Goodwill plans to sell primarily hard goods within the approximately 22,000 sf designed for both eCommerce and the Outlet Retail sales. Sales of second-hand clothing from the Outlet is less than $10,000 annually. eCommerce (online retail) sells and ships approximately $400,000 in second-hand clothing to customers nationally. Second-hand clothing sales will therefore have no adverse impact on the area where the Property is located.

   The Property has been used for big box retail sales when developed originally as a Wal-Mart Store. The current use to the immediate north is big box retail; to the immediate east is Camelot subdivision fenced from the Property as required in connection with the Quitclaim of former Windsor Square Drive; to the immediate south big box thrift store retail and to the west, a credit union.

2. Location of buildings and proposed uses of each.

   Goodwill intends to occupy the existing building on the Property after making improvements required for its use. All improvements will be permitted under applicable law.

3. Ingress and egress to all public streets.

   Goodwill will utilize the existing access for ingress and egress. These include direct access to I 35, Galahad Road, the former Windsor Square Drive (abandoned and now an easement), and the Windsor Park Mall Ring Road.

4. Visual screening and/or fencing if applicable.

All second hand clothing sales will occur inside the building. Since the building exists, current screening will be utilized and current fencing including along former Windsor Square Drive will remain in place. Loading and truck resting may be fenced later.

5. Landscape and irrigation designs.

   Goodwill will utilize the existing landscaping areas and irrigation if any.

6. Listing of all property ownership within 200 feet of the property upon which the special use permit is requested.

   See schedule attached.

7. Impact of on-site and off-site drainage.

   Generally, there will be no impact as the building is currently in place. If improvements to the building are to be made, they will be made under applicable permitting requirements.

8. Off-street parking and loading facilities as applicable.

   Current off-street parking on the Property will be maintained and is greatly in excess of that which is needed. A loading area currently exists on the building. If improvements to the building are to be made, they will be made under applicable permitting requirements.

City of Windcrest
8601 Midcrown
Windcrest TX, 78239

City Secretary: Rachel C. Dominguez   Phone Number: 210-655-0022 x2150
E-mail Address: rdominguez@windcrest-tx.gov

Notice of Planning and Zoning Public Hearings regarding a Special Use Permit Application from Goodwill Industries of San Antonio, Inc.

You are invited to attend a public hearing regarding the request from Goodwill Industries of San Antonio, Inc., to permit the retail establishment for the sale of second-hand clothing. You are a property owner within 200 feet of this subject property located at 7702 N IH 35 or a representative of a registered neighborhood association. The Planning and Zoning Commission of the City of Windcrest, Texas will conduct a **PUBLIC HEARING** on **THURSDAY, JULY 2, 2020 AT 6:00 P.M.** to consider the above referenced request for a change in zoning.

THE GRANTING OF A SPECIAL USE PERMIT TO GOODWILL INDUSTRIES OF SAN ANTONIO, INC., TO ALLOW THE RETAIL SALES OF SECOND HAND CLOTHING, A RETAIL SALE RESTRICTED IN ARTICLE III – DISTRICTS, GENERAL ZONING, DIVISION 6, SECTION 113-220, USE REGULATIONS OF THE CITY OF WINDCREST OF WINDCREST'S CODE OF ORDINANCES

The Planning and Zoning Commission will hold a public hearing to consider the approval of the special use permit from Goodwill Industries of San Antonio, Inc., resulting in a recommendation to the City of Windcrest City Council on the issues mentioned above.

The City of Windcrest City Council will hold a **PUBLIC HEARING** to consider the recommendation from the Planning and Zoning Commission regarding the special use permit from Goodwill Industries of San Antonio, Inc., on **MONDAY, JULY 6, 2020 at 6:00 P.M.**

At the hearings, you will have the opportunity to express your support or opposition to the request. You may also submit written comments on the form provided below to the Office of the City Secretary listed above by mail, email or in person **no later than 4:00 P.M. the day PRIOR to the scheduled hearings.**

Meeting and Hearing Location: **8601 MIDCROWN, CITY OF WINDCREST**

CITY HALL, CITY COUNCIL CHAMBERS – 78239

The designated properties are zoned "B-2" Business District has its own regulations with a variation in the types of allowable uses and specific requirements outlined in the Zoning Chapter titled Zoning, Planning and Zoning Commission, Board of Adjustment, Article III Division 5, Section 113-190 and Division 6, Section 113-220. This chapter is found **after** Chapter 111 Subdivisions on the City of Windcrest Code of Ordinances webpage, https://library.municode.com/tx/windcrest/codes/code_of_ordinances. These zoning regulations and the types of allowable uses are available online via the City's web site at https://www.windcrest-tx.gov on the Planning and Zoning Commission and City Secretary's webpage.

The City of Windcrest Council Chambers are wheelchair accessible, and accessible parking spaces are available. In compliance with Americans with Disabilities Act, the City of Windcrest will provide reasonable accommodations for persons attending the meeting. To better serve you, requests should be received 48 hours prior to the meeting. Please contact the City Secretary's Office, at 210-655-0022 ext. 2150 or Fax 210-655-8776, or 711 Texas Relay.

Response Form for Goodwill Industries of San Antonio, Inc. Special Use Permit Request

You may use either this form to submit comments to the Office of the City Secretary at 8601 Midcrown Windcrest, Texas, 78239, or you may email your comments to the email address listed above. Include your name and address.

Comments are due by 4:00 p.m. of the day PRIOR to the scheduled hearing. Please note that all information submitted to the City is subject to the Public Information Act and may be disclosed pursuant to an open record request.

Name:____ Telephone:_______________________

Address:____

( ) In Favor ( ) In Opposition/

COMMENTS:
____
____
____
____
____

Property Owner's Signature (required):__________________________________ Date: _________________

DIVISION 5. - "B-1" NEIGHBORHOOD BUSINESS DISTRICT

Sec. 113-190. - Use regulations.

The following regulations shall apply to "B-1" Neighborhood Business District:

A building or premises shall be used only for the following purposes:

(1) Any use permitted in "O-1" Professional Office District.

(2) Signs authorized in accordance with chapter 109 of the Code.

(3) Automobile parking lots.

(4) Bakery, employing not more than five persons.

(5) Bank.

(6) Beauty parlor.

(7) Barber shop.

(8) Cleaning, pressing, and dyeing plants employing not more than five persons each.

(9) Clinic.

(10) Hotels and motels.

(11) Laundries, employing not more than five persons on the premises.

(12) Laundries, self-service.

(13) Job printing, provided total mechanical power use in operation of such printing plant shall not exceed five horsepower.

(14) Lodge halls.

(15) Offices.

(16) Radio repair and sale shops.

(17) Radio studios.

(18) Restaurant, cafes and cafeterias.

(19) Stores and shops for sale of products at retail only, but not to include second hand clothing stores, flea markets and similar establishments, public saloons, taverns or bars. The storage and/or sale of motor vehicle fuel at wholesale or retail is prohibited

If a permit has first been obtained from the city, the business which currently occupies the permanent structure on the premises from which the business is conducted may display and sell goods, wares and merchandise outside its permanent structure which are customarily displayed and sold by it inside it permanent structure. The outdoor display and sale of such merchandise shall be classified as temporary (30 days or less) or permanent (more than 30 days).

A temporary permit may be issued by the city for the display and sale of goods, wares and merchandise upon a showing by a business that the outdoor display and sale of such merchandise will not interfere with parking and access and that such activity will be safe and compatible with adjoining businesses and the neighborhood.

A permanent permit may be issued by the city for the display and sale of goods, wares and merchandise upon a showing by a business that the outdoor display and sale of such merchandise will not occur in parking areas, driveways and required landscape areas, and that such activity will be safe and compatible with the adjoining businesses and the neighborhood.

(20) Studio (art, photo, music).

(21) Recreation and entertainment facilities, (theaters, bowling alleys, billiard parlors, skating halls, gymnasiums and health or exercise centers and similar activities) excepting public saloons, taverns, or bars.

(Ord. No. 58, 8-14-1967; Ord. No. 58W, 4-12-1976; Ord. No. 58II, 9-14-1981; Ord. No. 58UU, 9-12-1983; Ord. No. 213, 12-12-1988; Ord. No. 311, 9-15-1997)

DIVISION 6. – "B-2" BUSINESS DISTRICT

Sec. 113-220. – Regulations.

The following regulations shall apply to the "B-2" Business District:

A building or premises shall be used only for the following purposes:

(1) Any use permitted in "B-1" Neighborhood Business District; outdoor sales are restricted as in section 113-151.

(2) Automobile sales and service facilities including sales, service, and installation of automobile parts, components and accessories, provided that such service and installation shall be performed completely indoors, within the retail sales establishment which has sold those items. Storage or sale of motor vehicle fuel is prohibited.

(3) Pawnshops.

(Ord. No. 2015-727(O) , 6-1-2015)

City of Windcrest
8601 Midcrown
Windcrest TX, 78239

Secretaria de la ciudad: Rachel C. Dominguez

Número de Teléfono: 210-655-0022 x2150

Dirección de Correo Electrónico: **:** rdominguez@windcrest-tx.gov

Aviso de audiencias públicas de planificación y zonificación con respecto a una solicitud de permiso de uso especial de Goodwill Industries de San Antonio, Inc.

Usted está invitado a asistir a una audiencia pública sobre la solicitud de Goodwill Industries de San Antonio, Inc., para permitir que el establecimiento minorista venda ropa de segunda mano. Usted es propietario de una propiedad dentro de los 200 pies de esta propiedad en cuestión ubicada en 7702 N IH 35 o un representante de una asociación de vecinos registrada. La Comisión de Planificación y Zonificación de la Ciudad de Windcrest, Texas llevará a cabo una **AUDIENCIA PÚBLICA** sobre **JUEVES, 2 DE JULIO DE , 2020 A LAS 6:00 PM .** considerar la solicitud mencionada anteriormente para un cambio en la zonificación.

LA OTORGAMIENTO DE UN PERMISO DE USO ESPECIAL A LAS INDUSTRIAS DE BUENA VOLUNTAD DE SAN ANTONIO, INC., PARA PERMITIR LA VENTA AL POR MENOR DE LA ROPA DE SEGUNDA MANO, UNA VENTA AL POR MENOR RESTRINGIDA EN EL ARTÍCULO III - DISTRITOS, ZONIFICACIÓN GENERAL, DIVISIÓN 6, SECCIÓN 113-220, REGLAMENTOS DE USO DE LA CIUDAD DE WINDCREST DEL CÓDIGO DE ORDENANZAS DE WINDCREST

La Comisión de Planificación y Zonificación llevará a cabo una audiencia pública para considerar la aprobación del permiso de uso especial de Goodwill Industries de San Antonio, Inc., lo que dará como resultado una recomendación al Ayuntamiento de la Ciudad de Windcrest sobre los temas mencionados anteriormente.

El Ayuntamiento de Windcrest City realizará una **AUDIENCIA PÚBLICA** para considerar la recomendación de la Comisión de Planificación y Zonificación con respecto al permiso de uso especial de Goodwill Industries de San Antonio, Inc., el **LUNES, 6 DE JULIO DE 2020 a las 6:00 PM**

En las audiencias, tendrá la oportunidad de expresar su apoyo u oposición a la solicitud. También puede enviar comentarios por escrito en el formulario que se proporciona a continuación a la Oficina del Secretario de la Ciudad mencionado anteriormente por correo, correo electrónico o en persona a **más tardar a las 4:00 p. M.**

Lugar de reunión y audiencia: **8601 MIDCROWN, CITY OF WINDCREST**

AYUNTAMIENTO , CÁMARAS DEL AYUNTAMIENTO - 78239

Las propiedades designadas están divididas en zonas. El Distrito Comercial "B-2" tiene sus propias regulaciones con una variación en los tipos de usos permitidos y los requisitos específicos descritos en el Capítulo de Zonificación titulado Comisión de Zonificación, Planificación y Zonificación, Junta de Ajuste, Artículo III División 5, Sección 113-190 y División 6, Sección 113-220. Este capítulo se encuentra **después de las** subdivisiones del Capítulo 111 en la página web del Código de Ordenanzas de la Ciudad de Windcrest, https://library.municode.com/tx/windcrest/codes/code_of_ordinances . Estas regulaciones de zonificación y los tipos de usos permitidos están disponibles en línea a través del sitio web de la Ciudad en https://www.windcrest-tx.gov en la página web de la Comisión de Planificación y Zonificación y del Secretario de la Ciudad.

Las Cámaras del Consejo de la Ciudad de Windcrest tienen acceso para sillas de ruedas y hay espacios de estacionamiento accesibles. En cumplimiento de la Ley de Estadounidenses con Discapacidades, la Ciudad de Windcrest proporcionará adaptaciones razonables para las personas que asistan a la reunión. Para servirle mejor, las solicitudes deben recibirse 48 horas antes de la reunión. Comuníquese con la Oficina de la Secretaría de la Ciudad, al 210-655-0022 ext. 2150 o Fax 210-655-8776, o 711 Texas Relay.

Formulario de respuesta para Goodwill Industries Inc. de San Antonio, Inc.

Solicitud de permiso de uso especial

Puede usar este formulario para enviar comentarios a la Oficina del Secretario de la Ciudad al 8601 Midcrown Windcrest, Texas, 78239, o puede enviar sus comentarios por correo electrónico a la dirección de correo electrónico que figura arriba. Incluya su nombre y dirección.

Los comentarios se deben enviar antes de las 4:00 p.m. del día ANTES de la audiencia programada.
Tenga en cuenta que toda la información enviada a la Ciudad está sujeta a la Ley de Información Pública y puede ser divulgada de conformidad con una solicitud de registro abierto.

Nombre:____ Teléfono:________________________

Direccion de Casa:____

( ) A Favor De ( ) En Oposición A

Comentarios:
____
____
____
____
____

Firma de los propietarios de la propiedad (requerida):____

Fecha: ______________________

DIVISION 5. - DISTRITO DE NEGOCIOS DE BARRIO "B-1"

113-190. - Usar regulaciones.

Las siguientes regulaciones se aplicarán al Distrito de Negocios Vecina "B-1":

Un edificio o local se utilizará únicamente para los siguientes fines:

(1) Cualquier uso permitido en el Distrito de Oficinas Profesionales "O-1".

(2) Señales autorizadas de conformidad con el capítulo 109 del Código.

(3) Estacionamientos para automóviles.

(4) Panadería, que emplea no a más de cinco personas.

(5) Banco.

(6) Salón de belleza.

(7) Peluquería.

(8) Plantas de limpieza, prensado y teñido que emplean no más de cinco personas cada una.

(9) Clínica.

(10) Hoteles y moteles.

(11) Lavanderías que emplean no más de cinco personas en el local.

(12) Lavanderías, autoservicio.

(13) La impresión de trabajos, siempre que el uso total de la potencia mecánica en el funcionamiento de dicha planta de impresión no supere los cinco caballos de fuerza.

(14) Salas de logia.

(15) Oficinas.

(16) Tiendas de reparación y venta de radio.

(17) Estudios de radio.

(18) Restaurante, cafeterías y cafeterías.

(19) Tiendas y tiendas para la venta de productos al por menor únicamente, pero no para incluir tiendas de ropa de segunda mano, mercadillos y establecimientos similares, salones públicos, tabernas o bares. El almacenamiento y/o venta de combustible para vehículos de motor al por mayor o al por menor está prohibido

Si se ha obtenido por primera vez un permiso de la ciudad, el negocio que actualmente ocupa la estructura permanente en los locales desde los que se lleva a cabo el negocio puede exhibir y vender bienes, mercancías y mercancías fuera de su estructura permanente que habitualmente se muestran y venden por ella dentro de ella estructura permanente. La exhibición y venta al aire libre de dicha mercancía se clasificará como temporal (30 días o menos) o permanente (más de 30 días).

Un permiso temporal puede ser emitido por la ciudad para la exhibición y venta de bienes, mercancías y mercancías en un momento evidente por una empresa que la exhibición y venta al aire libre de dicha mercancía no interferirá con el estacionamiento y el acceso y que dicha actividad será segura y compatible con los negocios adyacentes y el vecindario.

Un permiso permanente puede ser emitido por la ciudad para la exhibición y venta de bienes, mercancías y mercancías después de que un negocio demuestre que la exhibición y venta al aire libre de dicha mercancía no ocurrirá en áreas de estacionamiento, entradas y áreas de paisaje requeridas, y que dicha actividad será segura y compatible con los negocios adyacentes y el vecindario.

(20) Estudio (arte, foto, música).

(21) Instalaciones recreativas y de ocio,(teatros, boleras, salas de billar, salas de patinaje, gimnasios y centros de salud o ejercicio y actividades similares) excepto salones públicos, tabernas o bares.

(Ord. No. 58, 8-14-1967; Ord. No. 58W, 4-12-1976; Ord. No. 58II, 9-14-1981; Ord. No. 58UU, 9-12-1983; Ord. No. 213, 12-12-1988; Ord. No. 311, 9-15-1997)

DIVISION 6. – DISTRITO DE NEGOCIOS "B-2"

113-220. – Reglamento.

Las siguientes regulaciones se aplicarán al Distrito de Negocios "B-2":

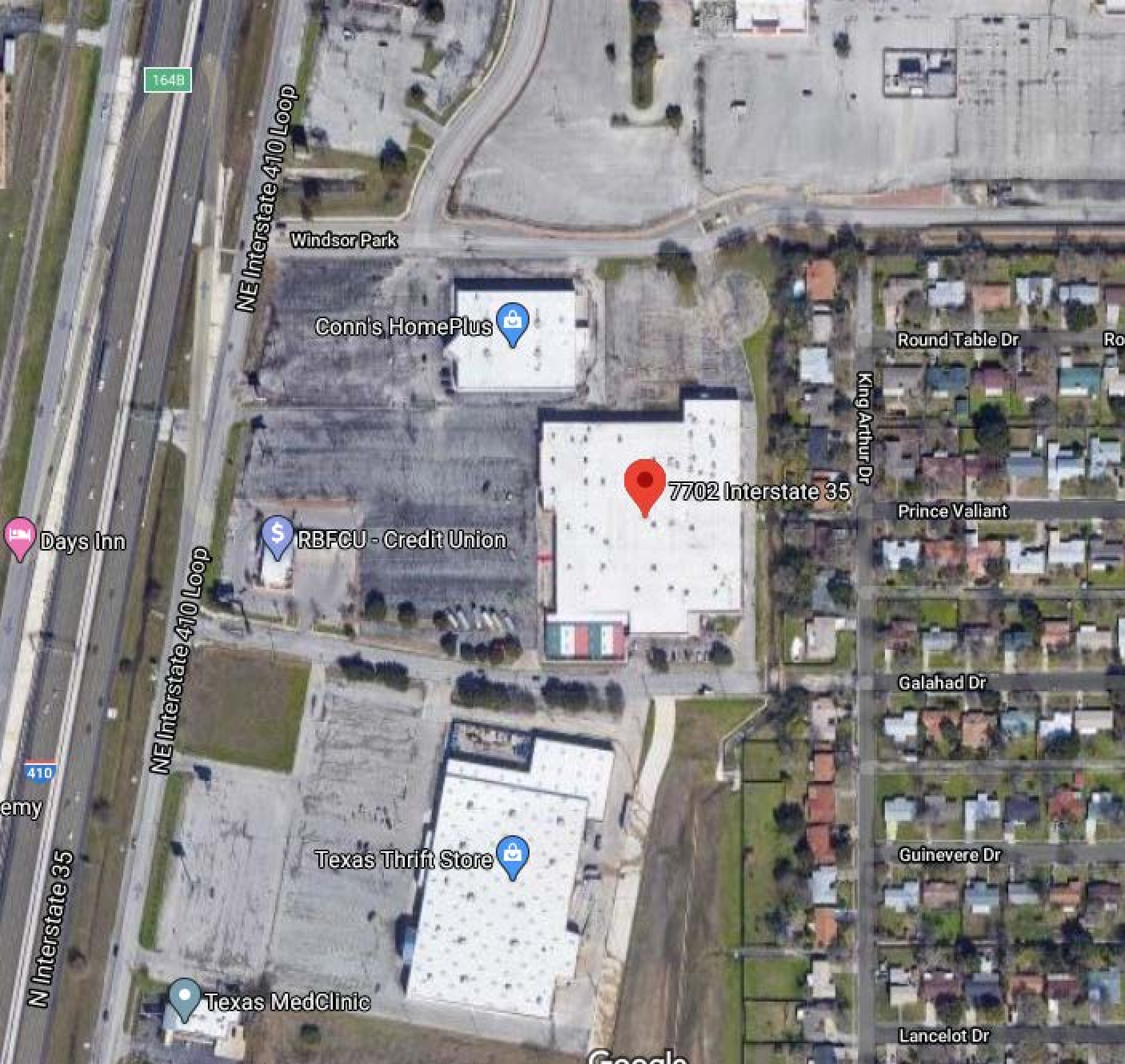
Un edificio o local se utilizará únicamente para los siguientes fines:

(1) Cualquier uso permitido en el Distrito de Negocios Vecina "B-1"; las ventas al aire libre están restringidas como en la sección 113-151.

(2) Las instalaciones de venta y servicio de automóviles, incluidas las ventas, el servicio y la instalación de piezas, componentes y accesorios de automóviles, siempre que dicho servicio e instalación se realicen completamente en interiores, dentro del establecimiento de venta al por menor que haya vendido dichos artículos. El almacenamiento o venta de combustible para vehículos de motor está prohibido.

(3) Casas de empeño.

(Ord. No. 2015-727(O) , 6-1-2015)



164B
NE Interstate 410 Loop
Windsor Park
Conn's HomePlus
Round Table Dr
King Arthur Dr
7702 Interstate 35
Prince Valiant
Days Inn
RBFCU - Credit Union
NE Interstate 410 Loop
Galahad Dr
410
emy
Texas Thrift Store
Guinevere Dr
N Interstate 35
Texas MedClinic
Lancelot Dr

LEGAL

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country.

Companies and universities — and the groups that represent them — say they are vulnerable to a wave of lawsuits if they reopen while the novel coronavirus continues to circulate widely, and they are pushing Congress for temporary legal protections they say will help get the economy running again.

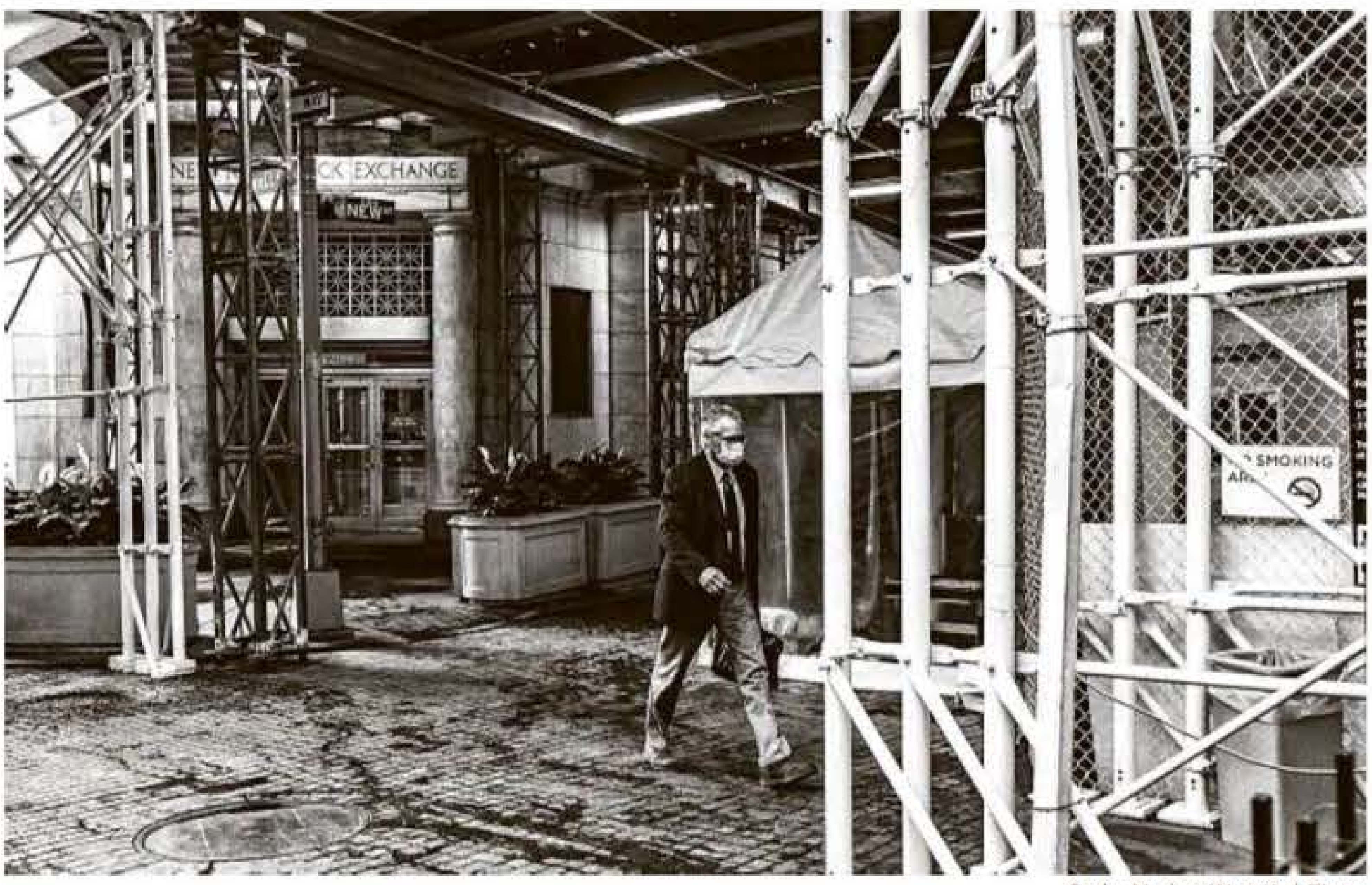
But that idea has engendered stiff opposition, particularly among congressional Democrats and labor unions, who say some businesses are doing too little to protect vulnerable workers and that such a liability shield only would encourage reckless behavior.

For the moment, states and companies are taking matters into their own hands. States like Alabama, North Carolina, Oklahoma and Utah have issued executive orders or passed legislation to give businesses more protection if their workers or customers get the coronavirus.

Amusement parks, salons, real estate businesses and gyms have begun requiring attendees, customers and workers to sign liability waivers pledging not to sue. Even attendees registering for President Donald Trump's upcoming rallies must acknowledge the risk of exposure to the coronavirus and promise not to sue.

"By attending the rally, you and any guests voluntarily assume all risks related to exposure to COVID-19 and agree not to hold Donald J. Trump for President, Inc.," and any of its employees or affiliates liable for illness or injury, a disclaimer on the registration site for rally tickets reads.

The debate is coming to a head in Washington as Congress considers its next round of coronavirus legislation. Sen. Mitch McConnell, R-Ky., the majority leader, has singled out liability protection as his conference's top priority, with White House officials echoing that sentiment. Lawmakers expect that some version of coronavirus relief could pass through both chambers before the end of the summer.



Sasha Maslov / New York Times

A trader leaves the New York Stock Exchange after the closing bell. Unions and Democrats fear a coronavirus liability shield for businesses would encourage reckless behavior.

"No bill will pass without it," Rep. Kevin McCarthy of California, the minority leader, said in May of liability protections.

The U.S. Chamber of Commerce, the National Association of Manufacturers and other powerful lobbying groups have thrown their weight behind such protections, saying that lawsuits could devastate companies that already are struggling financially and that the threat of litigation could mean some businesses choose to remain shut, crippling efforts to restart the economy.

Conservative groups including the Koch Network and FreedomWorks have warned of a wave of "predatory, self-serving lawsuits" from trial lawyers who have "plotted to line their pockets with COVID-19 related lawsuits."

Last month, dozens of industry trade associations, including those representing grocers, retailers and restaurateurs, told Congress that without protections, the threat of litigation could put many small businesses permanently out of business.

But trial lawyers — as well as some legal experts — say the risk of lawsuits from workers or customers may be overstated.

"The idea that there is going to be this cavalcade of lawsuits is a total myth," said Linda Lipsen, chief executive of the American Association for Justice, which represents trial lawyers. "Outside of meatpacking plants, cruises, nursing homes, veterans homes and other hot spots, there is not going to be that race to the courthouse because there are already all of these barriers to getting to court."

Lipsen said current laws already protected companies from lawsuits if they took "reasonable" precautions to safeguard their workers. And with the virus widely circulating, it's difficult for lawyers to prove in court that employees were infected at work rather than while commuting or shopping for groceries.

Tracking suggests that, at least for the moment, such lawsuits are rare in the United States.

According to data collected by the law firm Hunton Andrews Kurth, 2,645 coronavirus-related lawsuits had been filed in the United States this year as of June 11.

However, the majority of those disputes relate to insurance coverage, prisoner and detainee petitions, and civil right cases, including challenges to stay-at-home orders. Only 49 of the cases related to conditions of employment, including exposure to the coronavirus at work or a lack of protective gear, while 77 related to unlawful termination, according to the law firm.

The database also records only seven personal injury cases from consumers who were exposed to the coronavirus in a public place and two wrongful death cases from public exposure.

Lipsen said the current push for liability protections reflected a long-standing effort by corporations to secure more legal protections in times of crisis, including after the 9/11 attacks and swine flu epidemic.

"They have been doing this for decades," she said. "Every time there is a crisis, that's what they do."

Unions including the United Steelworkers, the United Farm Workers, the Teamsters and the American Federation of Teachers also have protested expanded liability protections, fearing they would lead to laxer safety standards for workers.

Many essential workers already are being forced to choose between their safety and a paycheck, union leaders say, and those risks are falling disproportionately on workers of color.

The White House so far has fought against issuing detailed standards for businesses, arguing they would infringe on religious rights and risk damaging the economy by making it too onerous for businesses to reopen.

In May, the White House rejected detailed draft guidance from the Centers for Disease Control and Prevention for businesses, schools, churches and other public places. The CDC later released abbreviated guidelines in the form of flowcharts to guide businesses.

Liability typically is regulated at the state level, and several states already have expanded protections for businesses that are reopening. California, Florida, Kentucky, Michigan, North Dakota and others have also revised worker compensation rules to allow health care workers, first responders and some other essential workers to be compensated if they get sick from the coronavirus.

Some workers have signaled they would be willing to pursue litigation against their employers if they fell ill at work. In a survey of more than 500 workers conducted in May by the Sports and Leisure Research Group, Engagious and ROKK Solutions, 36 percent said they most likely would take legal action against their employers if they returned to work and contracted the coronavirus after learning a co-worker had been infected.

"The entire liability issue may become another unfortunate, but critical, residue left by the pandemic," said Jon Last, president of the Sports and Leisure Research Group.

Several lawsuits already have been filed, including one by the widow of a Safeway distribution center employee who recently sued for negligence and wrongful death, saying her husband had been forced to work in close quarters with other sick employees. The family of a worker at a Chicago-area Walmart also has filed a wrongful-death lawsuit.

But employees may have a more difficult time winning lawsuits. Of the litigation filed against businesses alleging that they spread the coronavirus, many have focused on nursing homes, meatpacking plants, cruises and other hot spots that critics say neglected safety considerations.

Even those cases may be difficult to prove. About 20 states have taken steps to shield nursing homes from liability, while an executive order issued by the Trump administration in late April declaring the meat supply a critical industry has helped meatpacking companies ward off lawsuits.

Julia Duncan, senior director of government affairs for the American Association for Justice, said that, win or lose, these cases already were shining a spotlight on dangerous conditions and forcing employers to take more precautions.

"If the federal government isn't going to go in and investigate, I want there to be important lawsuits where we're asking questions about why people are being exposed and dying," Duncan said.

UHS

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ing enables us to provide proper care and medically respond, which is vital to control the spread," she said.

After the completion of 40,000 tests, the contract can be renewed as needed by the state.

laura.garcia@express-news.net

TOMLINSON

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prison.

People holding any amount of hard drugs, or 4 ounces of marijuana, end up with felony convictions that haunt them the rest of their working lives and likely put them behind bars where they become a taxpayer burden.

Legalizing marijuana and treating drug addiction as a public health problem would dramatically reduce the number of prisons in Texas and prevent a medical condition from excluding hundreds of thousands from the workforce. But there are more immediate solutions, too.

The Texas Board of Pardons and Parole already has approved the release of 11,000 people. But the Texas Department of Criminal Justice requires parolees to complete courses ranging from life skills to anger management before they are released.

Due to budget cuts and a lockdown to slow COVID-19, potential parolees are spending an extra six to nine months behind bars at taxpayer expense waiting for a class they should take online.

"If we would do the (courses) at the front-end, as soon as they have parole, they could leave," said Scott Henson, policy director for the Innocence Project of Texas. "That would be another half-dozen prison units we can close."

About half of the people in prison are there because they violated probation or parole. Half of those violations — about 12,000 a year — are for technical reasons, such as drinking alcohol, missing an appointment or testing positive for marijuana.

"That's basically four or five prisons right there," said Marc Levin, an analyst for the conservative Texas Public Policy Foundation. "Changing the drug sentencing laws to redirect more people into drug courts and other alternatives is really important."

Even a conservative like Levin, who runs the Right on Crime initiative, thinks we can release more people safely.

"We don't want to have an automatic release of everybody, but I do think we should focus on certain cases, like geriatric cases and medically fragile, pregnant women," Levin said. "The No. 1 factor is safety. Can we be assured that there is a low risk the person will commit a serious crime?"

Lance Lowry, vice president of the Correctional Officers Association of Texas, said reducing the prison population would improve everyone's conditions.

About a third of people behind bars in Texas are released every year, but only 21 percent of those will end up back in prison within three years.

"This agency has seen cuts over several economic downturns and hasn't seen an upscale in its funding," he said. "Low-level offenses where the evidence shows there is little chance they will offend again is an opportunity for savings."

Every business leader knows the wisdom of rethinking assumptions, asking how to do things smarter, and wondering if they are really serving their customer. After the recent protests, the pandemic and an economic collapse, we need to reconsider everything, even who we lock in prison and why.

Tomlinson writes commentary about business, economics and policy. chris.tomlinson@chron.com

MAYOR

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businesses in that "bedrock" industry in San Antonio.

He nodded to Six Flags as an example of how local tourism businesses can safely restart their operation.

"The kinds of best practices and operational changes that (Six Flags) has made I think can be a real pacesetter in terms of how we can begin to open these kinds of facilities," he said. "All of the businesses within the tourism industry here in San Antonio I think should follow that kind of model."

Nirenberg said he supported an additional spending package from the federal government. He said future funds should go toward small business support and housing assistance, as well as aid for state and local governments, which are facing massive revenue shortfalls.

Congress set aside money at the onset of the pandemic for state and local governments. But those funds could only be used to address new

Bob Owen / Staff photographer

Mayor Ron Nirenberg says he supports an additional spending package from the federal government.

expenses related to the COVID-19 pandemic — such as increased medical costs and economic recovery initiatives.

The city of San Antonio is facing a $200 million shortfall due to a sharp drop in taxes collected from hotel occupancy and retail sales.

"We do know it's going to be tight budgeting," Nirenberg said. "You're going to see that in the 2021 year."

For 2021, Nirenberg said his top goals also include expanding educational and job opportunities in low-income areas.

Beyond that, the recent killing of George Floyd in Minneapolis has heightened the need to reform the police union contract in San Antonio, he said.

"San Antonio quite simply has to get a fairer agreement with our police union in the next (collective bargaining agreement)," Nirenberg said. "We have to reform the provisions that prevent our chief of police from exerting his executive authority to make sure that we're holding everyone accountable."

He also said the city has to consider investing in poverty reduction and economic opportunity when budgeting for public safety in the future.

"This issue of equity is the bottom line when it comes to why so much of our country is gripped in demonstrations over injustice," Nirenberg said. "2020 will be a pivotal year for the world."

diego.mendoza-moyers@express-news.net

Legal Notices

Legal Bids & Proposals

REQUEST FOR BID
Southwest ISD

RFP#1920-123 Charter Bus Service

Complete bid information may be obtained on swisd.ionwave.net or via email at jmorgan@swisd.net. Vendors are encouraged to register on the District's online e-system to submit bids, receive notification of future bid opportunities and other information. SWISD strongly requests all bids be submitted electronically. Electronic bidding will eliminate errors, eliminate unnecessary work, and is more friendly to the environment.
Deadline for submission is 2:00 P.M., June 30, 2020.

UNIVERSITY HEALTH SYSTEM
REQUEST FOR PROPOSAL

University Health System is soliciting sealed proposals for the solicitation listed below:

SOLICITATION
RFP-220-06-033-SVC

NAME OF SOLICITATION
Specialty Pharmacy Program Facilitator

DUE DATE:
07/01/2020

OPEN DATE
6/12/2020

www.universityhealthsystem.com/bids.
Bid packages will not be mailed to vendors. RFP number is required to appear somewhere on the FedEx waybill. No unlawful discrimination will be made againist bidders, vendors, or contractors.

Legals/Public Notices

NOTICE TO THE PUBLIC
Common law copyright of CHOOKA TRANSPORT and RAYMOND RICHARD GUTIERREZ, II.

PUBLIC HEARING
City of Windcrest Public Hearing – Special Use Permit Goodwill Industries of San Antonio, Inc.

The Planning and Zoning Commission of the City of Windcrest will hold a public hearing on Monday, June 29, 2020 at 6:00 PM at Windcrest City Hall Council Chambers located at 8601 Midcrown, Windcrest, Texas 78239 to consider to a special use permit to Goodwill Industries of San Antonio, Inc. to allow the retail sales of second hand clothing in B-2 Zoning District, a retail sale restricted in Article III-Districts, General Zoning, Division 6, Section 113-220, use regulations of the City of Windcrest's Code of Ordinances.

The City Council will hold a public hearing and consider the recommendations of the Planning and Zoning Commission on the issues mentioned above at a City Council meeting on Monday, July 6, 2020 at 6:00 PM Windcrest City Hall Council Chambers, located at 8601 Midcrown, Windcrest, Texas 78239.

For further information you may contact Rachel Dominguez, City Secretary at (210) 655-0022 x2150.

CITY OF WINDCREST, TEXAS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended
September 30, 2019

PREPARED BY:
THE FINANCE DEPARTMENT

abip
CPAs | ADVISORS

CLIENT **FOCUSED.** RELATIONSHIP **DRIVEN.**

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CITY OF WINDCREST, TEXAS

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CITY OF WINDCREST, TEXAS

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INTRODUCTORY SECTION

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CITY OF WINDCREST, TEXAS

LIST OF PRINCIPAL OFFICIALS

September 30, 2019

Mayor	Dan Reese
City Council Members	Jim Flinn Cindy Strzelecki Greg Turner Frank Archuleta Joan Pedrotti
City Manager	Rafael Castillo
Attorney	Ryan Henry

FINANCIAL SECTION

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CPAs | ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council
City of Windcrest, Texas

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

7330 San Pedro Ave | Suite 901 | San Antonio, TX 78216 | (210) 341-2581 | Fax: (210) 341-2588 | abipcpa.com

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Changes in Net Pension Liability and OPEB Liability and Related Ratios, and Schedule of Employer Contributions identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is soley to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

ABIP, PC

San Antonio, Texas
June 15, 2020

CITY OF WINDCREST, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

This section of the City of Windcrest's comprehensive annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended September 30, 2019. The MD&A should be read in conjunction with the transmittal letter found in the introductory section of this report and the accompanying financial statements and disclosure following this section.

Financial Highlights

City of Windcrest

- The City's total combined net position was $12,801,698 at September 30, 2019.
- During the year, the City's change in net position, before restatement, was an increase of $83,711 for governmental activities and an increase of $24,340 for business-type activities.
- The City's general fund reported a year end fund balance of $1,970,788, an increase of $141,579 from the previous year. The unassigned fund balance of $1,954,260 represents 26.18% of general fund operating expenditures, including capital outlay, for the year. The unassigned fund balance represents 27.70% of general fund operating expenditures when capital outlay expenses are not included with total expenditures.
- Total revenues for the City increased 19.07% from the previous year and total expenses increased 12.76%.

Economic Development Corporation (Component Unit)

- The Windcrest Economic Development Corporation (EDC), which was created in 1998 exclusively for the purpose of promoting economic development in the City of Windcrest, generated sales tax revenue in the amount of $659,662 during the FY 18-19.
- In the past the Windcrest EDC has served as a conduit to the revitalization of the Walzem Road area including a boundary change to acquire the old Windsor Park Mall and adjacent land and offerings of incentives that induced Rackspace Managed Hosting, an internet storage company, to relocate its corporate headquarters.
- The Windcrest EDC reported net position of $984,005 at September 30, 2019.
- The Windcrest EDC reported total revenues of $673,442 and total expenses of $251,761 during the year, thereby increasing the EDC's net position by $421,681.

Crime Control and Prevention District (Component Unit)

- The Windcrest CCPD, which was created from a ¼ cent sales tax adopted in 2004 for the purpose of crime control and prevention activities, generated sales tax revenue in the amount of $861,222 during the year.
- This is the 14th year of operations for the District.
- The Windcrest CCPD reported total revenues of $871,379 and expenses of $952,443 during the year.
- The Windcrest CCPD reported net position of $1,322,618 at September 30, 2019.

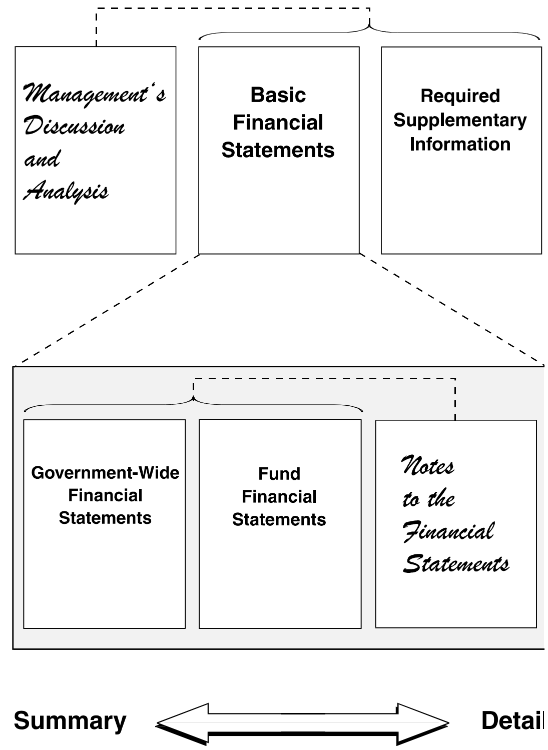
Garbage Fund

- The City's garbage utility fund experienced an operating gain this year as total net position, before restatement, increased $24,340, leaving a deficit net position of $211,338 in this fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements, and required supplementary information*. The basic financial statements include two kinds of statements that present different views of the City:

Figure A-1, Required Components of the City's Annual Financial Report



- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the City's operations in more detail than the government-wide statement*s.*
- *The governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short-term* and *long-term* financial information about the activities the government operates *like businesses*, such as garbage collection.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-2. Major Features of the City's Government-wide and Fund Financial Statements

		Fund Statements	
Type of Statements	Government-wide	Governmental Funds	Proprietary Funds
Scope	Entire City's government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary	Activities the City operates similar to private businesses: Garbage
Required financial statements	• Statement of net assets	• Balance Sheet	• Statement of net assets
	• Statement of activities	• Statement of revenues, expenditures & changes in fund balances	• Statement of revenues, expenses & changes in fund net assets • Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities and deferred inflows/outflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position—the difference between the City's assets, liabilities and deferred inflows/outflows of resources—is one way to measure the City's financial health or *position*.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City, one needs to consider additional nonfinancial factors such as changes in the City's tax base.

The government-wide financial statements of the City include the g*overnmental activities*. Most of the City's basic services are included here, such as public safety, public works and general administration. Property taxes, sales taxes, franchise fees and charges for services finance most of these activities.

The government–wide financial statements include also legally separate Economic Development Corporation and legally separate Crime Control and Prevention District for which the City is financially accountable.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds*—not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law and by bond covenants.

- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has the following kinds of funds:

- ***Governmental funds***—Most of the City's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

- ***Proprietary funds***—Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

CITY OF WINDCREST'S NET POSITION INFORMATION:

TABLE 1
CITY OF WINDCREST'S NET POSITION

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2019	2018	2019	2018	2019	2018
Current assets:						
Cash and cash equivalents	$ 10,774,313	$ 1,365,920	$ 61,146	$ 38,419	$ 10,835,459	$ 1,404,339
Investments	233,688	145,788	432	432	234,120	146,220
Receivables, net	1,568,402	1,063,721	136,715	169,414	1,705,117	1,233,135
Due from component unit	145,000	182,000	-	-	145,000	182,000
Prepaid expense	586,166	11,781	-	-	586,166	11,781
Internal balances	284,672	284,672	(284,672)	(284,672)	-	-
Total current assets	13,592,241	3,053,882	(86,379)	(76,407)	13,505,862	2,977,475
Non-current assets:						
Land	347,050	347,050	-	-	347,050	347,050
Construction in progress	245,016	83,406	-	-	245,016	83,406
Buildings and improvements	2,437,470	2,437,470	-	-	2,437,470	2,437,470
Improvements other than buildings	14,497,940	14,315,910	-	-	14,497,940	14,315,910
Furniture and equipment	4,783,832	4,490,819	-	-	4,783,832	4,490,819
Less: accumulated depreciation	(11,526,597)	(10,404,539)	-	-	(11,526,597)	(10,404,539)
Total non-current assets	10,784,711	11,270,116	-	-	10,784,711	11,270,116
Total assets	24,376,952	14,323,998	(86,379)	(76,407)	24,290,573	14,247,591
Deferred outflows of resources	616,199	408,816	-	-	616,199	408,816
Current liabilities:						
Accounts payable and other current liabilities	1,024,612	582,992	124,959	208,969	1,149,571	791,961
Total current liabilities	1,024,612	582,992	124,959	208,969	1,149,571	791,961
Non-current liabilities:						
Due within one year	446,208	157,994	-	-	446,208	157,994
Due in more than one year	10,452,405	552,708	-	-	10,452,405	552,708
Total non-current liabilities	10,898,613	710,702	-	-	10,898,613	710,702
Total liabilities	11,923,225	1,293,694	124,959	208,969	12,048,184	1,502,663
Deferred inflows of resources	56,890	509,795	-	-	56,890	509,795
Net position:						
Net investment in capital assets	10,059,768	10,875,935	-	-	10,059,768	10,875,935
Restricted	1,202,010	444,381	-	-	1,202,010	444,381
Unrestricted	1,751,258	1,609,009	(211,338)	(285,376)	1,539,920	1,323,633
Total net position	$ 13,013,036	$ 12,929,325	$ (211,338)	$ (285,376)	$ 12,801,698	$ 12,643,949

By far, the largest portion of the City's net position, $10,059,768 (77%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure). The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending.

A small portion of the City's net position (9.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $1,751,258 is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors.

During the year ended September 30, 2019, the City's total net position increased by $108,051 before the restatement. Total revenues were $9,720,751 and expenses were $9,612,700. A significant portion, 73.0% of the City's revenues came from taxes, 25.2% came from grants and charges for services, while the remaining amount came from investment earnings and other miscellaneous revenues.

The following table indicates changes in net position for the governmental and business-type activities for the City as of September 30, 2019, compared to 2018.

TABLE 2
CITY OF WINDCREST'S CHANGES IN NET POSITION

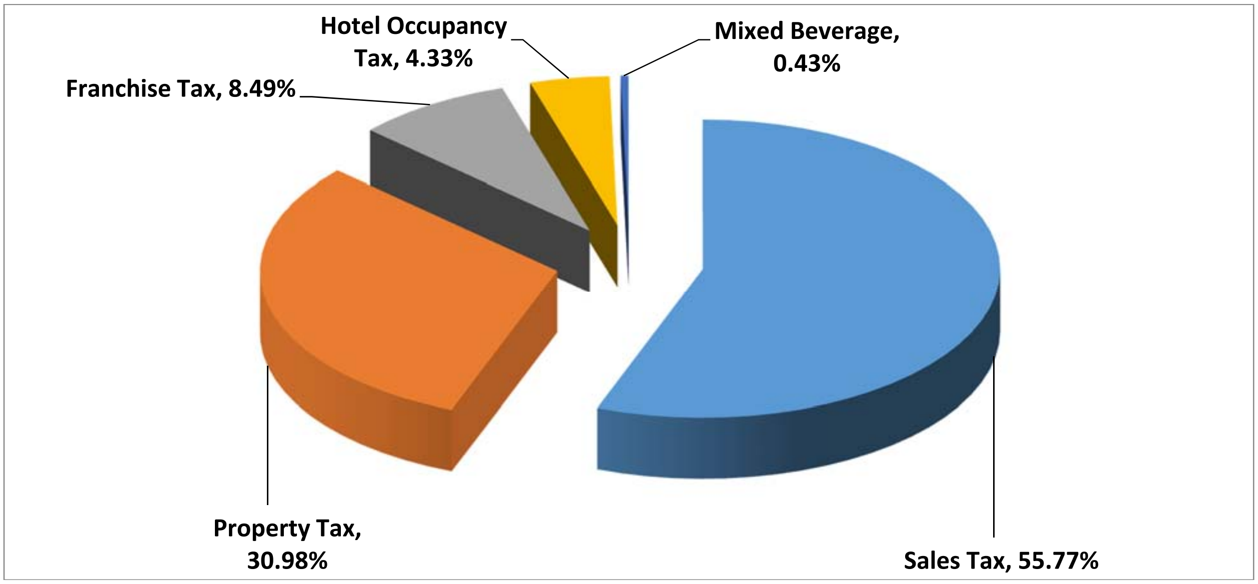
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2019	2018	2019	2018	2019	2018
REVENUES:						
Program revenues:						
Charges for services	$ 1,176,112	$ 770,750	$ 1,243,179	$ 975,300	$ 2,419,291	$ 1,746,050
Operating grants and contributions	36,198	29,453	-	-	36,198	29,453
General revenues:						
Property taxes	2,198,880	1,895,538	-	-	2,198,880	1,895,538
Other taxes	4,898,232	4,356,456	-	-	4,898,232	4,356,456
Investment earnings	84,623	24,340	463	288	85,086	24,628
Gain (loss) on fixed asset disposal	-	10,000	-	-	-	10,000
Other	83,064	101,729	-	-	83,064	101,729
Transfers	125,000	-	(125,000)	-	-	-
Total revenues	8,602,109	7,188,266	1,118,642	975,588	9,720,751	8,163,854
EXPENSES:						
General government	3,343,446	3,035,712	-	-	3,343,446	3,035,712
Public safety	3,016,525	3,184,789	-	-	3,016,525	3,184,789
Public works	1,991,490	1,148,021	-	-	1,991,490	1,148,021
Animal control	166,937	175,286	-	-	166,937	175,286
Garbage	-	-	1,094,302	981,034	1,094,302	981,034
Total expenses	8,518,398	7,543,808	1,094,302	981,034	9,612,700	8,524,842
Change in net position	83,711	(355,542)	24,340	(5,446)	108,051	(360,988)
NET POSITION - BEGINNING	12,929,325	13,428,090	(285,376)	(279,930)	12,643,949	13,148,160
PRIOR PERIOD ADJUSTMENT	-	(143,223)	49,698	-	49,698	(143,223)
NET POSITION - BEGINNING, AS RESTATED	12,929,325	13,284,867	(235,678)	(279,930)	12,693,647	13,004,937
NET POSITION – ENDING	$ 13,013,036	$ 12,929,325	$ (211,338)	$ (285,376)	$ 12,801,698	$ 12,643,949

Governmental activities. Key elements of changes in governmental activities from the prior year follow:

- Total revenues increased by $1,413,843, primarily due to an increase in property and sales tax revenues.
- Total expenses increased by $974,590, with the largest increase in public works expenses.

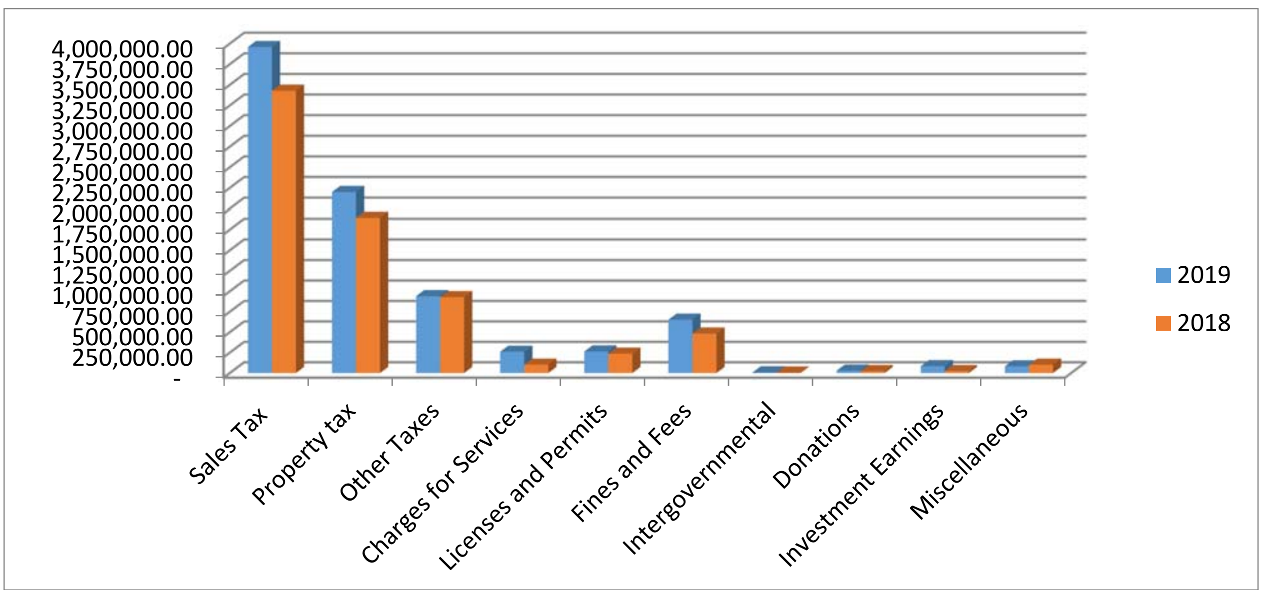
Property tax rates increased to $0.327469, all of which was allocated to operations. Property taxes levied changed from $1,914,228 in 2018 to $2,225,619 in 2019, an increase of $311,391. As illustrated in the following graph, property taxes are one of the largest sources of revenue and increased by approximately 16.0% from the prior year. The growth in the property taxes is a result an increase in the tax rate and an increase of approximately 9.4% in taxable property value.

General Revenue by Source – Governmental Activities



The second largest revenue source, as illustrated in the graph below, is charges for services which are made up of fines and fees, intergovernmental revenue, municipal court fines, charges for services and other fees.

Total Revenues – Governmental Activities



The following table presents the net cost of the City's largest functions (total costs less program revenues). The net cost is funded by general revenues, which primarily include taxes.

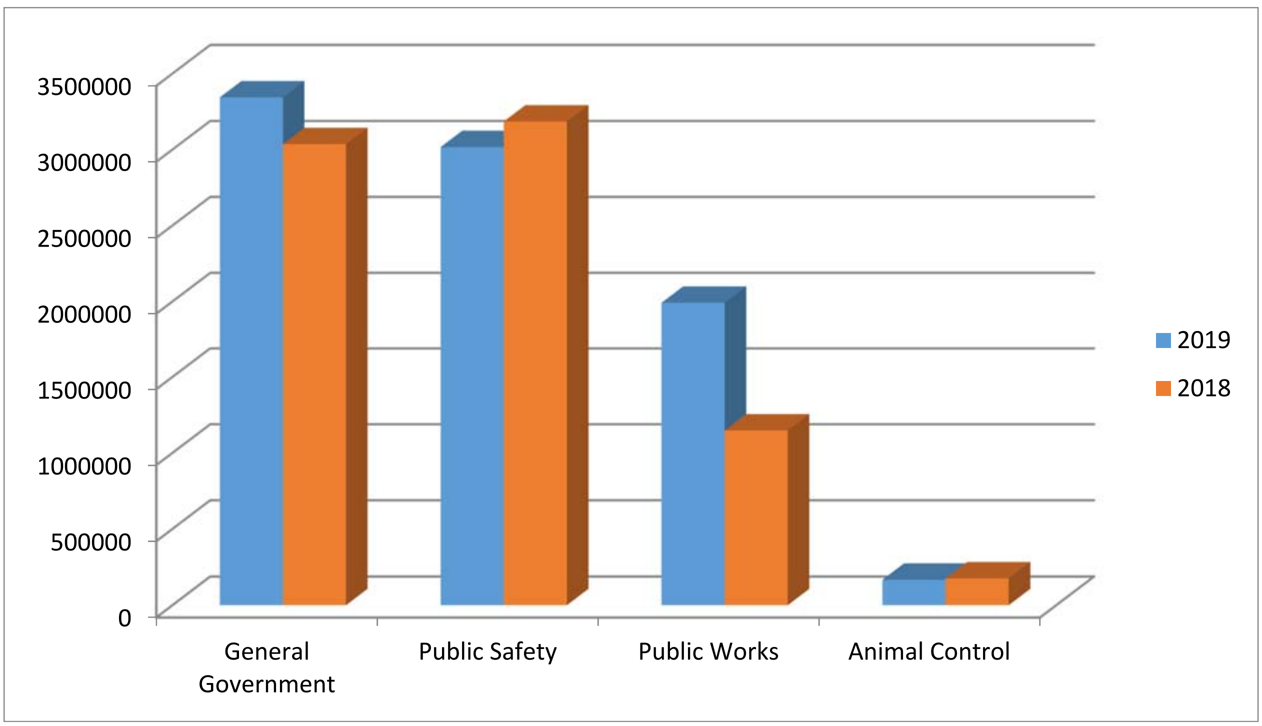
TABLE 3
CITY OF WINDCREST'S NET COST OF SELECT CITY FUNCTIONS

	Net Cost of Services	
	2019	2018
General government	$ (3,079,785)	$ (2,902,988)
Public safety	(2,331,559)	(2,735,474)
Public works	(1,728,147)	(930,387)
Animal control	(166,597)	(174,756)
Garbage utility	148,877	(5,734)

The net expense of all governmental activities this year before general revenues was $7,157,211. This net expense was funded by general revenues of $7,265,562.

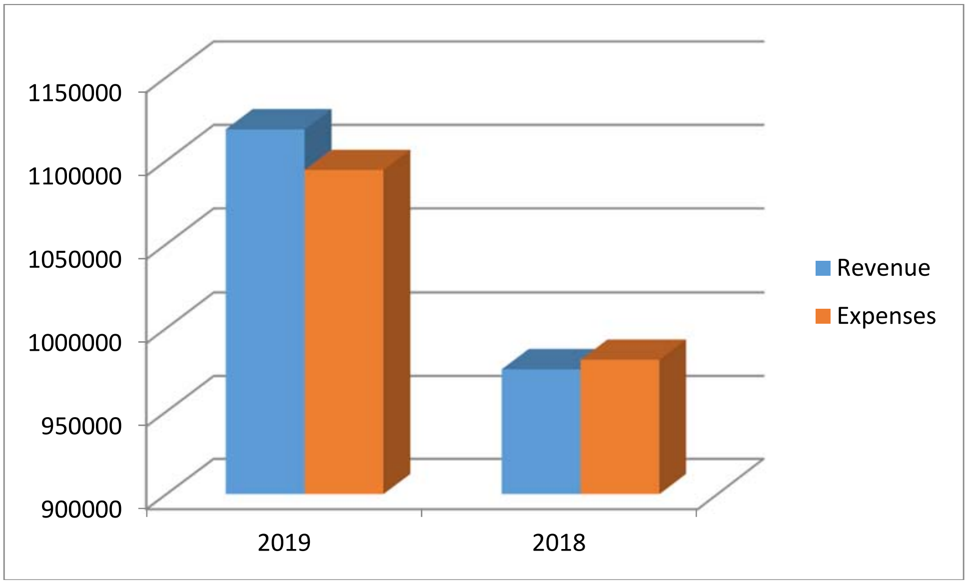
Expenses in governmental activities increased by approximately 12.8%. General government and public safety were the largest cost centers, as illustrated in the graph below. Public safety decreased by approximately 5% as a result of decreases in personnel, benefits, and capital replacement.

Total Expenses – Governmental Activities



Business-type activities. Revenues of the City's business-type activities (garbage utility) were $1,118,642 and expenses were $1,094,302, yielding an operating income of $24,340. The net position of the garbage utility ended the year with a deficit of $211,338. The City increased their efforts to collect on delinquent fees and re-evaluated their billing techniques. In addition, City Council increased commercial and residential garbage rates for fiscal year 2019, to help reduce the deficit.

Revenues and Expenditures – Business-Type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

City's governmental fund reported combined ending fund balance of $12.3 million. Of this total, $1.9 million represents unrestricted fund balance, which is available for spending at the City's discretion. The remaining fund balance is non-spendable, restricted to indicate that it is not available for new spending because it has already been committed to pay debt service, for capital improvement projects, and other assigned purposes.

The general fund is the chief operating fund for the City of Windcrest. At the end of the fiscal year the unrestricted fund balance of the general fund was $1,954,260, while total fund balance was $1,829,209, an increase of $141,579 from the prior year.

The capital projects fund series 2019 a-streets and capital projects fund series 2019 b-fire were created this year through bond issuances. The ending fund balance was $7,272,958 in the 2019 a-streets fund and $1,903,179 in the 2019 b-fire fund.

Revenues from governmental fund types totaled $8,353,146, an increase of $1,128,219 from the prior year. Governmental revenues are comprised of property taxes, sales taxes, mixed beverage tax, hotel occupancy taxes, franchise taxes, licenses, permits, fines, charges for services, grants, interest and miscellaneous revenue. Expenditures totaled $7,986,996, an increase of $640,835 from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City had budget amendments that changed the budgeted expenditures within the departments but did not change the total budgeted expenditures.

Final actual revenues were $360,509 more than final budgeted revenues.

Final actual expenditures were $192,507 more than final budget expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. At the end of 2019, the City had invested $10,784,711 in a broad range of capital assets, including land, equipment, buildings, improvements, and vehicles, net of accumulated depreciation. This amount represents a net decrease (including additions, deductions, and depreciation) of $485,405 from last year. More detailed information about the City's capital assets is presented in note 2 to the financial statements.

TABLE 4
CITY OF WINDCREST'S CAPITAL ASSETS AT YEAR-END

	GOVERNMENTAL ACTIVITIES	
	2019	2018
Land	$ 347,050	$ 347,050
Construction in progress	245,016	83,406
Buildings and improvements	2,437,470	2,437,470
Improvements other than buildings	14,497,940	14,315,910
Furniture and equipment	4,783,832	4,490,819
Total	22,311,308	21,674,655
Total accumulated depreciation	(11,526,597)	(10,404,539)
Net capital assets	$ 10,784,711	$ 11,270,116

Long-term debt. At year end, the primary government had capital leases of $273,647 which are secured by a street sweeper truck and light fixtures and poles. The primary government issued two general obligation bonds during the year with a combined ending balance of $8,465,000.

	GOVERNMENTAL ACTIVITIES	
	2019	2018
Capital leases	$ 273,647	$ 394,181
Bonds	8,465,000	-
Premium	1,104,179	-
Compensated absences	121,979	129,375
Total debt	$ 9,964,805	$ 523,556

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following factors were considered in developing the 2019-2020 budget:

- Assessed taxable property value increased from $617,133,375 in 2019 to $678,200,040 in 2020, an increase of $61,066,665.
- Revenues available for appropriation in the general fund budget for 2019-2020 are $7,255,480.
- Estimated general fund operating expenditures for the 2019-2020 budget are $7,272,972.
- The ad valorem tax rate for fiscal year 2019-2020 is budgeted at 0.327469.
- There are many capital improvements budgeted; the major projects are:
  - A new mower for Public Works
  - Additional personal protective equipment for the Fire Department
  - Continued renovations of Takas Park restrooms
  - New phone system
  - New servers
  - Resurfacing middle sized pool

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Windcrest's finances and to show the City's accountability to its taxpayers. If you have any questions about this report or need additional information, contact:

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BASIC FINANCIAL STATEMENTS

CITY OF WINDCREST, TEXAS

STATEMENT OF NET POSITION

September 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 10,774,313	$ 61,146	$ 10,835,459
Investments	233,688	432	234,120
Receivables (net of allowance for uncollectibles):			
Taxes	1,267,394	-	1,267,394
Fines	274,536	-	274,536
Accounts	26,472	136,715	163,187
Due from component unit	145,000	-	145,000
Prepaid expense	586,166	-	586,166
Internal balances	284,672	(284,672)	-
Capital assets:			
Land	347,050	-	347,050
Construction in progress	245,016	-	245,016
Buildings and improvements	2,437,470	-	2,437,470
Improvements other than buildings	14,497,940	-	14,497,940
Furniture and equipment	4,783,832	-	4,783,832
Less: accumulated depreciation	(11,526,597)	-	(11,526,597)
Total capital assets	10,784,711	-	10,784,711
Total assets	24,376,952	(86,379)	24,290,573
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	602,183	-	602,183
Deferred outflows related to OPEB	14,016	-	14,016
Total deferred outflows of resources	616,199	-	616,199
LIABILITIES			
Accounts payable	370,320	84,850	455,170
Accrued liabilities	94,412	-	94,412
Due to other governments	446,720	19,828	466,548
Due to primary government	-	-	-
Accrued interest payable	106,631	-	106,631
Unearned revenue	6,529	20,281	26,810
Noncurrent liabilities:			
Due within one year	446,208	-	446,208
Due in more than one year	10,452,405	-	10,452,405
Total liabilities	11,923,225	124,959	12,048,184
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	40,087	-	40,087
Deferred inflows related to OPEB	16,803	-	16,803
Total deferred inflows of resources	56,890	-	56,890
NET POSITION			
Net investment in capital assets	10,059,768	-	10,059,768
Restricted for:			
Capital projects	784,495	-	784,495
Other purposes	417,515	-	417,515
Economic Development Corporation	-	-	-
Crime Control and Prevention	-	-	-
Unrestricted	1,751,258	(211,338)	1,539,920
Total net position	$ 13,013,036	$ (211,338)	$ 12,801,698

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

Component Units	
Economic Development Corp.	Crime Control and Prevention District
$ 908,815	$ 489,873
113,173	-
182,122	169,248
-	-
-	-
-	-
-	-
-	-
-	-
-	-
3,350	-
-	-
-	1,359,953
(3,350)	(487,281)
-	872,672
1,204,110	1,531,793
2,619	68,566
144	1,200
2,763	69,766
9,463	161,769
840	7,146
58,496	-
145,000	-
-	-
-	-
324	1,918
8,150	103,311
222,273	274,144
466	3,051
129	1,746
595	4,797
-	872,672
-	-
-	-
984,005	-
-	449,946
-	-
$ 984,005	$ 1,322,618

CITY OF WINDCREST, TEXAS

STATEMENT OF ACTIVITIES

For the year ended September 30, 2019

		Program Revenues	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
Primary government			
Governmental activities:			
General government	$ 3,343,446	$ 260,211	$ 3,450
Public safety	3,016,525	652,218	32,748
Public works	1,991,490	263,343	-
Animal control	166,937	340	-
Total governmental activities	8,518,398	1,176,112	36,198
Business-type activities:			
Garbage utility	1,094,302	1,243,179	-
Total business-type activities	1,094,302	1,243,179	-
Total primary government	$ 9,612,700	$ 2,419,291	$ 36,198
Component units			
Economic Development Corporation	$ 250,467	$ -	$ -
Crime Control and Prevention District	952,443	-	-
Total component units	$ 1,202,910	$ -	$ -

General revenues
Taxes:
Property, levied for general purposes
Sales
Hotel occupancy
Franchise
Mixed beverage
Investment earnings
Miscellaneous
Transfers
Total general revenues

Change in net position

Net position - beginning

Prior period adjustment

Net position - beginning, as restated

Net position - ending

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Economic Development Corporation	Crime Control and Prevention District
$ (3,079,785)	$ -	$ (3,079,785)		
(2,331,559)	-	(2,331,559)		
(1,728,147)	-	(1,728,147)		
(166,597)	-	(166,597)		
(7,306,088)	-	(7,306,088)		
-	148,877	148,877		
-	148,877	148,877		
(7,306,088)	148,877	(7,157,211)		
			$ (251,761)	$ -
			-	(952,443)
			(251,761)	(952,443)
2,198,880	-	2,198,880	-	-
3,957,971	-	3,957,971	659,662	861,222
307,276	-	307,276	-	-
602,464	-	602,464	-	-
30,521	-	30,521	-	-
84,623	463	85,086	13,760	10,157
83,064	-	83,064	20	-
125,000	(125,000)	-	-	-
7,389,799	(124,537)	7,265,262	673,442	871,379
83,711	24,340	108,051	421,681	(81,064)
12,929,325	(285,376)	13,650,971	562,324	1,403,682
-	49,698	49,698	-	-
12,929,325	(235,678)	12,693,647	562,324	1,403,682
$ 13,013,036	$ (211,338)	$ 12,801,698	$ 984,005	$ 1,322,618

CITY OF WINDCREST, TEXAS

BALANCE SHEET – GOVERNMENTAL FUNDS

September 30, 2019

	General Fund	Capital Projects Fund Series 2019 A-Streets	Capital Projects Fund Series 2019 B-Fire	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 929,594	$ 7,438,630	$ 1,333,541	$ 1,072,548	$ 10,774,313
Investments	233,688	-	-	-	233,688
Receivables					
(net of allowance for uncollectibles):					
Taxes	963,212	-	-	208,225	1,171,437
Fines	274,536	-	-	-	274,536
Franchise fees	95,957	-	-	-	95,957
Other	26,472	-	-	-	26,472
Due from component units	145,000	-	-	-	145,000
Due from other funds	284,672	-	-	4,062	288,734
Prepaid items	16,528	-	569,638	-	586,166
Total assets	$ 2,969,659	$ 7,438,630	$ 1,903,179	$ 1,284,835	$ 13,596,303
LIABILITIES					
Accounts payable	$ 190,075	$ 161,610	$ -	$ 18,635	$ 370,320
Accrued liabilities	94,412	-	-	-	94,412
Due to other funds	-	4,062	-	-	4,062
Due to other governments	388,223	-	-	58,497	446,720
Unearned revenues	6,529	-	-	-	6,529
Accrued interest	-	-	-	4,062	4,062
Total liabilities	679,239	165,672	-	81,194	926,105
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - propery taxes	45,096	-	-	1,631	46,727
Deferred revenue - fines	274,536	-	-	-	274,536
Total deferred inflows of resources	319,632	-	-	1,631	321,263
FUND BALANCES					
Nonspendable	16,528	-	569,638	-	586,166
Restricted					
Capital projects	-	7,272,958	1,333,541	784,495	9,390,994
Other purposes	-	-	-	417,515	417,515
Unassigned	1,954,260	-	-	-	1,954,260
Total fund balances	1,970,788	7,272,958	1,903,179	1,202,010	12,348,935
Total liabilities, deferred inflows of resources and fund balances	$ 2,969,659	$ 7,438,630	$ 1,903,179	$ 1,284,835	$ 13,596,303

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

CITY OF WINDCREST, TEXAS

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

September 30, 2019

Total fund balances - governmental funds balance sheet	$	12,348,935
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental funds are not financial resources and, therefore, are not reported in the funds.		10,784,711
Long-term liabilities, including capital leases, bond payable, net pension liability, and compensated absences, are not due and payable in the current period and therefore, are not reported in the funds.		(10,898,613)
Accrued interest payable is not due and payable in the current period and therefore, is not reported in the funds.		(106,631)
Deferred outflows of resources and deferred inflows of resources related to pensions and OPEB are not reported in the funds.		559,309
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		325,325
Net position of governmental activities - statement of net position	$	13,013,036

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

CITY OF WINDCREST, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the year ended September 30, 2019

	General Fund	Capital Projects Fund Series 2019 A-Streets	Capital Projects Fund Series 2019 B-Fire	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	$ 2,194,403	$ -	$ -	$ -	$ 2,194,403
Sales	3,298,309	-	-	659,662	3,957,971
Franchise	588,727	-	-	13,737	602,464
Hotel occupancy	-	-	-	307,276	307,276
Mixed beverage	30,521	-	-	-	30,521
Fines and fees	525,418	-	-	25,394	550,812
Licenses and permits	278,660	-	-	-	278,660
Intergovernmental	113,000	-	-	7,061	120,061
Charges for services	114,154	-	-	-	114,154
Donations	-	-	-	10,337	10,337
Investment earnings	35,933	34,568	8,670	5,452	84,623
Miscellaneous	101,864	-	-	-	101,864
Total revenues	7,280,989	34,568	8,670	1,028,919	8,353,146
EXPENDITURES					
Current:					
General government	2,935,468	-	-	-	2,935,468
Public safety	2,824,675	-	-	25,403	2,850,078
Public works	999,044	-	-	26,571	1,025,615
Animal control	157,564	-	-	-	157,564
Debt service:					
Principal	125,650	-	-	-	125,650
Interest	13,562	-	-	-	13,562
Bond issuance cost	-	128,024	56,171	-	184,195
Capital outlay	409,515	161,610	105,491	18,248	694,864
Total expenditures	7,465,478	289,634	161,662	70,222	7,986,996
Excess (deficiency) of revenues over (under) expenditures	(184,489)	(255,066)	(152,992)	958,697	366,150
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	6,655,000	1,810,000	-	8,465,000
Premium on debt issued	-	873,024	246,171	-	1,119,195
Transfers in	326,068	-	-	-	326,068
Transfers out	-	-	-	(201,068)	(201,068)
Total other financing sources	326,068	7,528,024	2,056,171	(201,068)	9,709,195
Net change in fund balances (uses)	141,579	7,272,958	1,903,179	757,629	10,075,345
Fund balance - beginning	1,829,209	-	-	444,381	2,273,590
Fund balance - ending	$ 1,970,788	$ 7,272,958	$ 1,903,179	$ 1,202,010	$ 12,348,935

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

CITY OF WINDCREST, TEXAS

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

For the year ended September 30, 2019

Net change in fund balances - total governmental funds	$ 10,075,345
Amounts reported for governmental activities in the statement of activites are different because:	
Governmental funds report all capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This reconciling item represents the amount by which depreciation exceeded capital outlays in the current period.	(485,405)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This reconciling item reflects the net of such expenses.	(91,490)
The issuance of long-term debt (i.e. bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources of governmental funds. This amount is the net effect of these differences.	(9,436,133)
Some revenues in the statement of activities do not provide current financial resources and are not included in the governmental funds.	21,394
Change in net position of governmental activities - statement of activities	$ 83,711

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

CITY OF WINDCREST, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUND

September 30, 2019

		Business-Type Activities
		Garbage Utility
ASSETS		
Current assets:		
Cash	$	61,146
Investments		432
Accounts receivable (net allowances for uncollectibles)		136,715
Total current assets		198,293
LIABILITIES		
Current liabilities:		
Accounts payable		84,850
Due to other funds		284,672
Due to other governments		19,828
Unearned revenues		20,281
Total liabilities		409,631
NET POSITION		
Unrestricted		(211,338)
Total net position		(211,338)
Total liabilities and net position	$	198,293

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

CITY OF WINDCREST, TEXAS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUND

For the year ended September 30, 2019

	Business-Type Activities
	Garbage Utility
OPERATING REVENUES	
Charges for services:	
Commercial customer charges	$ 647,097
Residential customer charges	561,920
Miscellaneous	34,162
Total operating revenues	1,243,179
OPERATING EXPENSES	
Contracted services - commercial sanitation	548,710
Contracted services - residential sanitation	517,443
Other	28,149
Total operating expenses	1,094,302
Operating income (loss)	148,877
NONOPERATING REVENUES	
Investment earnings	463
Transfers out	(125,000)
Total nonoperating revenues	(124,537)
Change in net position	24,340
Total net position - beginning	(285,376)
Restatement of beginning net position	49,698
Total net position - beginning, as restated	(235,678)
Total net position - ending	$ (211,338)

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

CITY OF WINDCREST, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the year ended September 30, 2019

		Business-Type Activities
		Garbage Utility
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$	1,327,122
Payments to suppliers and service providers		(1,179,858)
Net cash provided by (used in) operating activities		147,264
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments to other funds		(125,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments		463
Net increase (decrease) in cash and cash equivalents		22,727
Cash and cash equivalents at beginning of year		38,419
Cash and cash equivalents at end of year	$	61,146
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Operating income (loss)	$	148,877
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Decrease (increase) in receivables		82,397
Increase (decrease) in accounts payable		(74,125)
Increase (decrease) in due to other governments		(11,431)
Increase (decrease) in due to other governments		1,546
Net cash provided by (used in) operating activities	$	147,264

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

NOTES TO BASIC FINANCIAL STATEMENTS

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(1) Summary of significant accounting policies

The accounting and reporting policies of the City of Windcrest, Texas (the City) relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America ("GAAP") applicable to state and local governments. Generally accepted accounting principles for local governments include the principles prescribed by the Governmental Accounting Standards Board ("GASB") and the American Institute of Certified Public Accountants in the publication entitled State and Local Governments – Auditing and Accounting Guide. The more significant accounting policies of the City are described below:

Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting entity

The City is governed by an elected mayor and five-member governing council. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The City has no blended component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Discretely presented component units

The Windcrest Economic Development Corporation (the Corporation) was created pursuant to state law on September 25, 1998, to act on behalf of the City for the promotion, development and enhancement of economic development within the City. The Corporation is governed by seven members who are appointed by and serve at the pleasure of the City Council.

The Corporation is fiscally dependent on the City because it receives predominantly all of its revenue from the City's sales taxes. Separate financial statements for the Corporation can be obtained by contacting the Corporation located at 8601 Midcrown Drive, Windcrest, Texas 76522

The Windcrest Crime Control and Prevention District (the District) was created for the promotion, development, and enhancement of crime control and prevention within the City on September 20, 2004. The District was established under state law to allow the collection of $0.0025 sales tax revenue to supplement the Windcrest Police Department. The District is governed by six members who are appointed by and serve at the pleasure of the City Council.

(1) Summary of significant accounting policies (continued)

Discretely presented component units (continued)

The District is fiscally dependent on the City because it receives predominantly all of its revenue from the City's sales taxes. Separate financial statements for the District are not issued.

Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise fund. Separate financial statements are provided for governmental funds and proprietary funds.

As discussed earlier, the City has two discretely presented component units that are shown in separate columns in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are eliminations of charges that would distort the direct costs and program revenues reported for the various functions concerned.

Basis of presentation – fund financial statements

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the City:

The City reports the following major governmental funds:

The ***general fund*** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvements costs that are not paid through other funds are paid from this fund.

The ***capital projects fund – Series 2019 A*** accounts for the acquisition or construction of infrastructure and building projects being financed from the 2019 Series A bond proceeds for street projects.

The ***capital projects fund – Series 2019 B*** accounts for the acquisition or construction of infrastructure and building projects being financed from the 2019 Series B bond proceeds for fire protection projects.

The City reports the following major enterprise fund:

The ***garbage utility fund*** accounts for the provision of residential and commercial garbage collection services.

(1) Summary of significant accounting policies (continued)

Basis of presentation – fund financial statements (continued)

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded as soon as a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting.*

(1) Summary of significant accounting policies (continued)

Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. During the year the general fund's budget exceeded actual expenses by $192,507.

Assets, liabilities, deferred outflows and inflows of resources, net position/fund balance and revenues

- **Cash and cash equivalents**. Cash and cash equivalents are considered to be cash on hand, demand deposits, savings accounts, and investments with original maturities of three (3) months or less from the date of acquisition.

- **Investments**. At September 30, 2019, the City's investments are comprised of local government investment pools and certificates of deposit.

  State statutes authorize the City to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) – (d). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations.

  The method used to value investments for financial reporting purposes is dependent upon the type of investment and the time remaining to maturity. Investments are valued at amortized cost if they have a remaining maturity at the time of purchase of one (1) year or less and the fair value of the investments is not affected by the impairment or the credit standing of the issuer or by other factors. All other investments are valued at fair value.

  Local government investment pools in Texas are established under the government of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Act, Chapter 2256 of the Texas Government Code. In addition, to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires pools to (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAAm or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. The pools are not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless have a policy that will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

(1) Summary of significant accounting policies (continued)

Assets, liabilities, deferred outflows and inflows of resources, net position/fund balance and revenues (continued)

- **Investments (continued)**

  The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

  Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the City has the ability to access.

  Level 2 - Inputs to the valuation methodology include:

  - Quoted prices for similar assets in active markets.
  - Quoted prices for identical or similar assets in inactive markets.
  - Inputs other than quoted prices that are observable for the asset.
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

  Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

  The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

  The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable values or reflective of future fair values. Furthermore, while the City believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

- **Property taxes**. Property taxes are levied by October 1, on the assessed value listed as of the prior January 1 for all real and business personal property located in the City in conformity with the Texas Property Code. Taxes are due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure payments of all taxes, penalties, and interest ultimately imposed.

(1) Summary of significant accounting policies (continued)

Assets, liabilities, deferred outflows and inflows of resources, net position/fund balance and revenues (continued)

- **Property taxes (continued)**

  Tax collections are, at times, prorated between the general fund and debt service fund based on the tax rate approved by the City Council. For the year ended September 30, 2019, the general fund rate was $0.327469. There was no levy for the debt service fund.

  Allowances for uncollectible tax receivables are based on historical collections.

- **Prepaid items**. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and the fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

- **Capital assets**. Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of $2,500 or more and an estimated useful life of three (3) years or more. Such assets are recorded at historical cost when purchased or constructed. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the donation date.

  The cost of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed.

  Infrastructure assets acquired prior to October 1, 2003, are not reported in the financial statements.

  Land and construction in progress are not depreciated. The other property, plant, equipment and infrastructure are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building improvements	5 – 50
Improvements other than buildings	20 - 50
Vehicles	3 - 10
Furniture and equipment	3 - 10

- **Pensions.** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(1) Summary of significant accounting policies (continued)

Assets, liabilities, deferred outflows and inflows of resources, net position/fund balance and revenues (continued)

- **Other postemployment benefits.** The OPEB liabilities have been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the OPEB liabilities, deferred outflows of resources, and deferred inflows of resources related to the OPEB liabilities and OPEB expense.

- **Deferred outflows/inflows of resources.** In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

  In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

- **Compensated absences.** The City permits full-time employees to accumulate earned but unused vacation pay benefits up to certain limits. Upon resignation, the employee may receive pay for any unused accrued vacation provided the employee gives two weeks written notice of the resignation and is not subject to discharge for misconduct. Liabilities for compensated absences are recognized in the fund financial statement to the extent the liabilities have matured (i.e. are due for payment) and recognized as long-term liability in the government-wide financial statements. The general fund generally liquidates the liability when it matures. Unused sick leave may be accumulated to certain limits; however, in the event of termination, reimbursement to the employee is not made for accumulated sick leave; therefore, a liability does not exist at September 30, 2019.

- **Long-term obligations.** In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statements of net position. Bonds premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year they are incurred.

  In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources on premiums received on sources while discounts on debt issuances are reported as other financing uses.

(1) Summary of significant accounting policies (continued)

Assets, liabilities, deferred outflows and inflows of resources, net position/fund balance and revenues (continued)

- **Net position flow assumptions.** Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

  It is the City's policy to consider restricted–net position to have been depleted before unrestricted–net position is applied.

- **Fund balance classification**

  The City has implemented GASB Statement 54 *"Fund Balance Reporting and Governmental Fund Type Definitions"*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

  - Nonspendable fund balance – amounts that are not in a spendable form (such as prepaids) or are required to be maintained intact.

  - Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

  - Committed fund balance – include amounts that can only be used for specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making that can, by adoption of a resolution, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

  - Assigned fund balance – for funds to be assigned, there must be an intended use which can be established by the Council or an official designated by the Council, such as a city manager or director of finance. Assigned fund balance is delegated by the City Council to the director of finance.

  - Unassigned fund balance – amounts that are available for any purpose, positive amounts are reported only in the general fund.

(1) Summary of significant accounting policies (continued)

Assets, liabilities, deferred outflows and inflows of resources, net position/fund balance and revenues (continued)

- **Fund balance classification (continued)**

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

  Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has authorized the Finance Director or City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally need to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

  The City's policy is to maintain an unassigned fund balance in the general fund equal to 25% of the current year's operating expenditures. At September 30, 2019, the general fund's unassigned fund balance is $1,954,260, which equals 27.70% of the current year's operating expenditures.

- **Program revenues.** Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

- **Sales and use taxes.** The City's sales and use tax is currently levied at 2.00%. The sales and use tax is allocated as follows: 1.25% to the City's general fund; .25% to the City's capital projects fund; .25% to the District; and .25% to the Corporation.

- **Use of estimates.** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain report amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Detailed notes

Deposits and investments

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Deposits are exposed to custodial credit risk if they are not insured or collateralized. As of September 30, 2019, the City's cash on hand was $1,900. The carrying amount of deposits were $10,684,187 and the bank balances were $12,321,154. The City's deposits are not exposed to custodial credit risk since all deposits are fully collateralized less an amount insured by the FDIC.

The two component units' combined cash carrying balance was $1,398,689 which is fully collateralized less an amount insured by the FDIC.

As of September 30, 2019, the cash and investments are comprised of the following:

INVESTMENT TYPE	FAIR VALUE	WEIGHTED AVERAGE MATURITY (YEARS)
The City of Windcrest		
Cash and cash equivalents		
Cash on hand	$ 1,900	
Bank deposits	10,684,187	
TexPool (Local Government Investment Pool)	149,372	0.09
Total cash and cash equivalents	$ 10,835,459	
Investments		
Certificates of deposit	$ 234,120	0.36
Portfolio weighted average maturity		0.25
Discretely presented component unit		
Windcrest Economic Development Corporation		
Bank deposits	$ 908,815	
Lone star	113,173	0.08
	$ 1,021,988	
Portfolio weighted average maturity		0.08
Discretely presented component unit		
Windcrest Crime Control and Prevention		
Bank deposits	$ 489,873	

(2) Detailed notes (continued)

Deposits and investments (continued)

Interest rate risk: In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its operating investment portfolio to no more than six months.

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, investments issued or explicitly guaranteed by the United States government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. Standard & Poors has designated TexPool with a credit rating of AAAm and Lone Star with a credit rating of AAA. The City's certificates of deposit are not exposed to custodial credit risk since all certificates of deposit are fully insured by FDIC and pledge securities.

Concentration of credit risk: Disclosure is required for investments in any one issuer that represent 5% or more of total investment. However, investments issued or explicitly guaranteed by the United States government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. The City's investments in external investment pools and certificates of deposit exceeding 5% are excluded from this requirement.

Investment valuation: The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The City's investments for all funds at fiscal year-end are listed below at fair value, net of accruals. The City has the following recurring fair value measurements as of September 30, 2019:

	September 30, 2019	
	The City of Windcrest	Discretely Presented Component Unit WEDC
Investments measured at amortized cost:		
Certificates of deposit	$ 234,120	$ -
External investment pools - TexPool	149,372	-
Total investments at amortized cost	383,492	-
Investments measured at net asset value:		
External investment pools - Lonestar	-	113,173
Total investments at net asset value	-	113,173
Total investments	$ 383,492	$ 113,173

(2) Detailed notes (continued)

Deposits and investments (continued)

Accounts receivable

Accounts receivable at September 30, 2019 were as follows:

	General Fund	Nonmajor Governmental Funds	Garbage Utility Fund	Discretely Presented Component Units	Total
Receivables:					
Taxes	$ 971,170	$ 208,513	$ -	$ 351,370	$ 1,531,053
Fines	549,072	-	-	-	549,072
Utilities	-	-	313,917	-	313,917
Franchise fees	95,957	-	-	-	95,957
Grants	15,000	-	-	-	15,000
Miscellaneous	11,472	-	-	-	11,472
Component units	145,000	-	-	-	145,000
Gross receivables	1,787,671	208,513	313,917	351,370	2,661,471
Less:					
Allowance for uncollectibles	(282,494)	(288)	(177,202)	-	(459,984)
Net total receivables	$ 1,505,177	$ 208,225	$ 136,715	$ 351,370	$ 2,201,487

Due to/from other funds

At September 30, 2019, the due to/from other fund balances represent temporary short-term loans to other funds as a result of overdraws of pooled cash. All balances are expected to be paid back within one year. The following is a summary of interfund receivables at year end:

	Due from Other Funds	Due to Other Funds
General fund		
Garbage utility fund	$ 284,672	$ -
Capital projects fund series 2019 A		
Nonmajor governmental fund	-	4,062
Nonmajor governmental funds		
Capital projects fund series 2019 A	4,062	-
Garbage utility fund		
General fund	-	284,672
	$ 288,734	$ 288,734

(2) Detailed notes (continued)

Capital assets

Capital asset activity for the primary government for the year ended September 30, 2019, was as follows:

	Balance October 1, 2018	Issued / Additions	Retired / Deletions	Balance September 30, 2019
Governmental activities				
Capital assets not being depreciated:				
Land	$ 347,050	$ -	$ -	$ 347,050
Construction in progress	83,406	161,610	(83,406)	161,610
Total capital assets not being depreciated	430,456	161,610	(83,406)	508,660
Capital assets being depreciated:				
Buildings and improvements	2,437,470	-	-	2,437,470
Improvements other than buildings	14,315,910	265,436	-	14,581,346
Furniture and equipment	4,490,819	351,224	(58,211)	4,783,832
Total capital assets being depreciated	21,244,199	616,660	(58,211)	21,802,648
Less accumulated depreciation:				
Buildings and improvements	(1,777,455)	(49,210)	-	(1,826,665)
Improvements other than buildings	(4,887,597)	(901,487)	-	(5,789,084)
Furniture and equipment	(3,739,487)	(229,572)	58,211	(3,910,848)
Total accumulated depreciation	(10,404,539)	(1,180,269)	58,211	(11,526,597)
Total capital assets being depreciated, net	10,839,660	(563,609)	-	10,276,051
Governmental activities capital assets, net	$ 11,270,116	$ (401,999)	$ (83,406)	$ 10,784,711

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

General government	$ 99,036
Public safety	121,886
Public works	952,435
Animal control	6,912
Total depreciation expense	$ 1,180,269

(2) Detailed notes (continued)

Capital assets (continued)

Discretely presented component units

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

	Balance October 1, 2018	Issued / Additions	Retired / Deletions	Balance September 30, 2019
Discretely presented component units:				
Capital assets being depreciated:				
Buildings and improvements	$ 3,350	$ -	$ -	$ 3,350
Furniture and equipment	1,042,459	323,662	(6,168)	1,359,953
Total capital assets being depreciated	1,045,809	323,662	(6,168)	1,363,303
Less: accumulated depreciation:				
Buildings and improvements	(3,350)	-	-	(3,350)
Furniture and equipment	(240,747)	(252,702)	6,168	(487,281)
Total accumulated depreciation	(244,097)	(252,702)	6,168	(490,631)
Total capital assets being depreciated, net	801,712	70,960	-	872,672
Discretely presented component units capital assets, net	$ 801,712	$ 70,960	$ -	$ 872,672

Depreciation expense was charged to functions/programs of the discretely presented component units as follows:

Public safety	$ 252,702

(2) Detailed notes (continued)

Transfers

Transfers during the year ended September 30, 2019, were:

	Transfers In	Transfers Out
General fund:		
Nonmajor funds	$ 201,068	$ -
Garbage fund	125,000	-
Nonmajor funds:		
General fund	-	201,068
Garbage fund:		
General fund	-	125,000
Total	$ 326,068	$ 326,068

The primary purpose of this interfund transfer was to support expenditures of one fund in accordance with the authority established for the transferring fund.

Long-term liabilities

Capital leases payable

The City leases certain property and equipment that includes vehicles and infrastructure assets. The City entered into a capital lease during the 2018 fiscal year to purchase a street sweeper. The City will make five annual payments of $48,169 for a total of $240,844 which represents the present cost of the street sweeper ($222,949) plus a 2.63% annual interest rate on the outstanding balance ($17,895). The City also entered into another capital lease for light fixtures and poles. The City will make 60 monthly payments of $7,587 for a total of $455,216 which represents the cost of the lights fixtures and poles ($398,698) plus an implied annual interest rate of 5.00% ($56,518). The effective interest rate on capital leases range from 2.63% - 5.00%.

Annual debt service requirements to maturity for the capital leases (direct borrowing) is as follows:

Year Ending September 30,	Principal	Interest	Total Requirements
2020	$ 131,000	$ 8,212	$ 139,212
2021	90,597	3,094	93,691
2022	46,934	1,234	48,168
Total	$ 268,531	$ 12,540	$ 281,071

(2) Detailed notes (continued)

Long-term liabilities (continued)

Capital leases payable (continued)

The following is an analysis of the property under capital lease as of September 30, 2019:

Equipment	$ 621,647
Less: accumulated depreciation	31,097
Net leased property	$ 590,550

Changes in long-term debt

	Balance October 1, 2018	Issued / Additions	Retired / Payments	Balance Septemer 30, 2019	Due Within One Year
Governmental activities					
Long-term debt					
General obligation bonds	$ -	$ 8,465,000	$ -	$ 8,465,000	$ 230,000
Premium on issuance	-	1,119,195	(15,016)	1,104,179	60,063
Capital lease - street sweeper	180,644	-	(42,305)	138,339	43,418
Capital lease - light and fixtures	213,537	-	(78,229)	135,308	82,232
Total long-term debt	394,181	9,584,195	(135,550)	9,842,826	415,713
Other long-term liabilities					
Compensated absences	129,375	24,948	(32,344)	121,979	30,495
Net pension liability	12,284	763,070	-	775,354	-
OPEB liability	174,862	-	(11,293)	163,569	-
Total other long-term liabilities	316,521	788,018	(43,637)	1,060,902	30,495
Total	$ 710,702	$ 10,372,213	$ (179,187)	$ 10,903,728	$ 446,208
Discretely presented component units:					
Other long-term liabilities					
Compensated absences	$ 7,558	$ 3,297	$ (1,890)	$ 8,965	$ 2,241
Net pension liability	1,056	85,436	-	86,492	-
OPEB liability	15,342	2,904	-	18,246	-
Total	$ 23,956	$ 91,637	$ (1,890)	$ 113,703	$ 2,241

(2) Detailed notes (continued)

Long-term liabilities (continued)

The annual requirement to amortize all long-term bonded debt outstanding as of September 30, 2019, including principal and interest payments, are as follows:

Year Ending	Governmental Activities		
September 30,	Principal	Interest	Total
2020	$ 230,000	$ 653,413	$ 883,413
2021	310,000	661,250	971,250
2022	325,000	660,375	985,375
2023	340,000	658,750	998,750
2024	360,000	661,250	1,021,250
2025-2029	2,080,000	3,293,025	5,373,025
2030-2034	2,580,000	3,293,600	5,873,600
2035-2039	2,240,000	2,471,000	4,711,000
	$ 8,465,000	$ 12,352,663	$ 20,817,663

Defined benefit pension plan

Plan description

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

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

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

Benefits provided

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

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

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Members are eligible to retire at age sixty (60) and above with five (5) or more years of service or with twenty (20) years of service regardless of age. A member is vested after five (5) years. The contribution rate for the employees is 6%, and the City matching percent is currently 1.5 to 1.

Employees covered by benefit terms

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

Inactive employees or beneficiaries receiving benefits	47
Inactive employees entitled to but not yet receiving benefits	60
Active employees	65
Total	172

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

Contributions

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

Employees for the City were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City were 7.40% and 7.89% in calendar years 2019 and 2018, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2019 and 2018, were $242,815 and $240,282, respectively, and were equal to the required contributions.

The Windcrest Crime and Control Prevention's (WCCP) contributions to TMRS for the fiscal year ended September 30, 2019 and 2018, were $25,230 and $18,286, respectively, and were equal to the required contributions.

The Windcrest Economic Development Corporation's (WEDC) contributions to TMRS for the fiscal year ended September 30, 2019 and 2018, were $1,857 and $2,796, respectively, and were equal to the required contributions.

Net pension liability

The City's net pension liability (NPL) was measured as of December 31, 2018, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. In addition, smaller city methodologies were used by lower termination rates, with a maximum multiplier of 115% for employers. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic equity	17.50%	4.30%
International equity	17.50%	6.10%
Core fixed income	10.00%	1.00%
Non-core fixed income	20.00%	3.39%
Real return	10.00%	3.78%
Real estate	10.00%	4.44%
Absolute return	10.00%	3.56%
Private equity	5.00%	7.75%
Total	100.00%	

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

Discount rate

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

Changes in the net pension liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2017	$ 9,230,885	$ 9,217,794	$ 13,091
Changes for the year:			-
Service cost	439,605	-	439,605
Interest	624,725	-	624,725
Change of benefit terms	-	-	-
Difference between expected and actual experience	14,822	-	14,822
Change of assumptions	-	-	-
Contributions - employer	-	290,102	(290,102)
Contributions - employee	-	222,015	(222,015)
Net investment income	-	(276,107)	276,107
Benefit payments, including refunds of employee contributions	(390,996)	(390,996)	-
Administrative expenses	-	(5,336)	5,336
Other changes	-	(278)	278
Net changes	688,156	(160,600)	848,756
Balance at 12/31/2018	$ 9,919,041	$ 9,057,194	$ 861,847

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

Sensitivity of the net pension liability to changes in the discount rate

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability (asset)	$ 2,102,925	$ 775,355	$ (300,865)

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
WCCP's net pension liability (asset)	$ 218,503	$ 80,563	$ (31,261)

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
WEDC's net pension liability (asset)	$ 16,082	$ 5,929	$ (2,301)

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Combined net pension liability (asset)	$ 2,337,510	$ 861,847	$ (334,427)

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmrs.com.

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

For the year ended September 30, 2019, the City recognized pension expense of $339,122, the WCCP recognized pension expense of $35,237, and the WEDC recognized pension expense of $2,593.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 9,752	$ 40,087
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings	423,954	-
Contributions made subsequent to the measurement date	168,478	-
Total	$ 602,184	$ 40,087

The City reported $168,478 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Net Deferred Outflows (Inflows) of Resources	
2020	$ 117,398
2021	57,744
2022	58,661
2023	159,816
Thereafter	-
Total	$ 393,619

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 991	$ 3,051
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings	50,068	-
Contributions made subsequent to the measurement date	17,506	-
Total	$ 68,565	$ 3,051

The WCCP reported $17,506 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Net Deferred Outflows (Inflows) of Resources	
2020	$ 14,318
2021	7,043
2022	7,155
2023	19,492
Thereafter	-
Total	$ 48,008

(2) Detailed notes (continued)

Defined benefit pension plan (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 73	$ 466
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings	1,258	-
Contributions made subsequent to the measurement date	1,288	-
Total	$ 2,619	$ 466

The WEDC reported $1,288 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Net Deferred Outflows (Inflows) of Resources	
2020	$ 258
2021	127
2022	129
2023	351
Thereafter	-
Total	$ 865

(2) Detailed notes (continued)

Other postemployment benefits (OPEB) plan

Plan description

The City participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

Benefits payments

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary calculated based on the employee's actual earnings, for the 12-month period preceding the month of death. Retired employees are insured for $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

The City contribution rate is equal to the cost of providing one-year term life insurance. The contribution rate for the City was .21% and .22% respectively for calendar years 2019 and 2018. The City's contributions to TMRS were $6,854 and $6,557 for the fiscal years ended September 30, 2019 and 2018, respectively, and were equal to the required contributions.

The WCCP's contributions to TMRS were $712 and $499 for the fiscal years ended September 30, 2019 and 2018, respectively, and were equal to the required contributions.

The WEDC's contributions to TMRS were $52 and $76 for the fiscal years ended September 30, 2019 and 2018, respectively, and were equal to the required contributions.

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	30
Inactive employees entitled to but not yet receiving benefits	11
Active employees	65
	106

(2) Detailed notes (continued)

Other postemployment benefits (OPEB) plan (continued)

OPEB liability

The City's total OPEB liability of $163,569 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

The WCCP's total OPEB liability of $16,995 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

The WEDC's total OPEB liability of $1,251 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

The combined City, WCCP, and WEDC's total OPEB liability of $181,815 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.50% to 10.5% including inflation
Discount rate *	3.71%
Retirees' share of benefit-related costs	$0
Administrative expenses	All administative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with males rates multiplied by 109% and females rates multiplied by 103% and projected on a fully generational basis with scale BB.
Mortality rates - disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with males rates multiplied by 109% and females rates multiplied by 103% with a 3 year set-forward for both male and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

(2) Detailed notes (continued)

Other postemployment benefits (OPEB) plan (continued)

Changes in the total OPEB liability:

Balance at December 31, 2017	$	190,204
Changes for the year:		
Service cost		9,700
Interest on the total OPEB liability		6,433
Changes of benefit terms		-
Difference between expected and actual experienc		(9,153)
Change of assumptions		(13,983)
Benefit payments		(1,386)
Net changes		(8,389)
Balance at December 31, 2018	$	181,815

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.71%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71%) or 1-percentage-point higher (4.71%) than the current rate:

	1% Decrease in Discount Rate (2.71%)	Current Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
City's OPEB liability	$ 197,471	$ 163,569	$ 137,386

The following presents the total OPEB liability of the WCCP, calculated using the discount rate of 3.71%, as well as what the WCCP's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71%) or 1-percentage-point higher (4.71%) than the current rate:

	1% Decrease in Discount Rate (2.71%)	Current Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
WCCP's OPEB liability	$ 20,518	$ 16,995	$ 14,275

The following presents the total OPEB liability of the WEDC, calculated using the discount rate of 3.71%, as well as what the WEDC's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71%) or 1-percentage-point higher (4.71%) than the current rate:

	1% Decrease in Discount Rate (2.71%)	Current Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
WEDC's OPEB liability	$ 1,510	$ 1,251	$ 1,051

(2) Detailed notes (continued)

Other postemployment benefits (OPEB) plan (continued)

The following presents the total OPEB liability of the City, WCCP, and WEDC, calculated using the discount rate of 3.71%, as well as what the WEDC's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71%) or 1-percentage-point higher (4.71%) than the current rate:

	1% Decrease in Discount Rate (2.71%)	Current Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
Combined OPEB liability	$ 219,499	$ 181,815	$ 152,712

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB:

For the year ended September 30, 2019, the City recognized OPEB expense of $13,336, the WCCP recognized OPEB expense of $1,386, and the WEDC recognized OPEB expense of $102.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ -	$ 6,647
Changes in actuarial assumptions	9,235	10,156
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	4,781	-
Total	$ 14,016	$ 16,803

The City reported $4,781 as deferred outflows of resources related to the OPEB liability resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to the OPEB liability will be recognized in OPEB expenses as follows:

Plan Year December 31,	Amortization Expense
2020	$ (1,148)
2021	(1,148)
2022	(1,148)
2023	(3,384)
2024	(740)
Thereafter	-
Total	$ (7,568)

(2) Detailed notes (continued)

Other postemployment benefits (OPEB) plan (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ -	$ 691
Changes in actuarial assumptions	703	1,055
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	496	-
Total	$ 1,199	$ 1,746

The WCCP reported $496 as deferred outflows of resources related to the OPEB liability resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to the OPEB liability will be recognized in OPEB expenses as follows:

Plan Year December 31,	Amortization Expense
2020	$ (158)
2021	(158)
2022	(158)
2023	(466)
2024	(103)
Thereafter	-
Total	$ (1,043)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ -	$ 51
Changes in actuarial assumptions	107	78
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	37	-
Total	$ 144	$ 129

(2) Detailed notes (continued)

Other postemployment benefits (OPEB) plan (continued)

The WEDC reported $37 as deferred outflows of resources related to the OPEB liability resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to the OPEB liability will be recognized in OPEB expenses as follows:

Plan Year December 31,	Amortization Expense
2020	$ (3)
2021	(3)
2022	(3)
2023	(10)
2024	(3)
Thereafter	-
Total	$ (22)

Risk management

The City is exposed to various risks of loss related to torts; theft of and damage to property, and destruction of assets; public officials' errors and omissions; bodily injury and property damage; injury to employees and natural disasters. The City contracts with the Texas Municipal League (TML) to provide insurance coverage for identified risks. TML is a multi-government group that provides for a combination of modified self-insurance and stop-loss coverage. Contributions are set annually by TML and liability to the City is generally limited to the contributed amounts. There were no significant reductions in coverage in the past fiscal year and settlements did not exceed insurance coverage for each of the past three fiscal years.

Commitments and contingencies

Commitments

In 2007, the City of Windcrest entered into an agreement with the City of San Antonio, Texas, under which the City of San Antonio released an area from its jurisdiction and allowed for the City of Windcrest to accept and annex the area into the municipal limits of the City of Windcrest. The boundary change agreement provides for the sharing of future tax revenues on the annexed area for the next 30 years. Under the terms of the agreement, the City of San Antonio and the City of Windcrest each receive 50% of the local sales taxes due to the City of Windcrest and distributed by the State Comptroller for taxable business activity conducted in the annexed area. The City of Windcrest had originally owed the City of San Antonio $1,423,584 under this agreement but as of September 30, 2019, the remaining liability balance was $411,892.

(2) Detailed notes (continued)

Net position deficit and management plans

The garbage utility fund had a deficit net position as of September 30, 2019. The garbage utility net position deficit decreased from ($285,376) in 2018 to ($211,338) in 2019 due primarily to higher garbage rates and a greater emphasis on collection. The City plans to be increase their efforts to collect on delinquent fees, re-evaluate their billing techniques, and consider moving the residential portion of expenses and revenues into the general fund.

Restatement of net position

During fiscal year 2019, the City recognized they were recording commercial garbage accounts on a cash basis and not on an accrual basis of accounting. The change in accounting in the business-type activities resulted in an increase of beginning net position by $49,698. The effect on current period revenues was less than $6,000.

Tax incentives

The City enters into economic development agreements designed to improve the local economy, create jobs, and promote development within the City. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code and Chapter 311 (Tax Increment Financing Act) and 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code. Businesses may be eligible based on their positive employment, economic, or community impact. Businesses that receive tax incentives typically commit to building or expanding operations, revitalizing existing facilities, and/or improving the local infrastructure. Agreements usually contain recapture provisions which may require repayment or termination of incentives if the business does not meet the requirements of the economic incentive.

The City has an agreement with a business that incentivizes that business to maintain a set level of employment in order for that business's real and personal property to receive a 100% property tax abatement. Under the agreement if the business does not meet or only partially meets the employment requirements than the business will be required to make a payment to the City of Windcrest for property taxes abated in a proportionate amount to the percentage that the employment requirements were not met. In addition, if the business ceases use of the leased property for a continuous period of three months or more than the City of Windcrest has the right to terminate the agreement and the business will have to make a payment to the City of Windcrest for the amount of property taxes that would have been collected if the property was not exempt from property taxes for the year that the agreement is terminated as well as the amount that would have been paid in the previous years during the exemption period. The amount of property taxes that the City would have received is unknown due to the fact that Bexar Appraisal District has not assessed the value of the leased property. The agreement states that in the event that a payment needed to be made then the business would seek a qualified real estate appraiser to appraise the value of the leased property, then the City would have to agree with the appraisal prior to the payment being made.

(2) Detailed notes (continued)

Tax incentives (continued)

The City has an agreement with a business that incentivized that business to build and maintain a location in the City in order to receive a 100% property tax abatement. Under the agreement if the business relocates or ceases business activities than the City shall have the right to payment from the business equal to 20% of the ad valorem property taxes that would have been assessed for the preceding tax year. The amount of property taxes that the City would have received is unknown due to the fact that Bexar Appraisal District has not assessed the value of the leased property. The agreement states that in the event that a payment needed to be made then the business would seek a qualified real estate appraiser to appraise the value of the leased property, then the City would have to agree with the appraisal prior to the payment being made.

Subsequent event

An executive order was issued by the Governor of Texas in March 2020 to close non-essential businesses and schools due to the public health concerns related to the COVID-19 crisis. The result of this order will impact unemployment rates of the local economy and the City's ongoing sales tax revenues. The duration and intensity of these impacts on the City's revenues from sales and property taxes, as well as the City's operations, will depend on future developments which cannot be forecasted or estimated at this time.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WINDCREST, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

For the year ended September 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 5,829,998	$ 5,829,998	$ 6,111,960	$ 281,962
Licenses and permits	243,363	243,363	278,660	35,297
Intergovernmental	83,000	83,000	113,000	30,000
Charges for services	117,598	117,598	114,154	(3,444)
Fines	578,346	578,346	525,418	(52,928)
Investment earnings	675	675	35,933	35,258
Miscellaneous	67,500	67,500	101,864	34,364
Total revenues	6,920,480	6,920,480	7,280,989	360,509
Expenditures				
Current:				
General government	2,793,545	2,880,545	2,935,468	(54,923)
Public safety	2,918,118	2,748,118	2,824,675	(76,557)
Public works	1,047,338	1,020,338	999,044	21,294
Animal control	178,988	178,988	157,564	21,424
Debt service:				
Principal	-	-	125,650	(125,650)
Interest	-	-	13,562	(13,562)
Capital outlay	334,982	444,982	409,515	35,467
Total expenditures	7,272,971	7,272,971	7,465,478	(192,507)
Excess (deficiency) of revenues over (under) expenditures	(352,491)	(352,491)	(184,489)	168,002
Other financing sources (uses)				
Transfers in	335,000	335,000	326,068	(8,932)
Total other financing sources (uses)	335,000	335,000	326,068	(8,932)
Net change in fund balance	(17,491)	(17,491)	141,579	159,070
Fund balance, beginning	1,829,209	1,829,209	1,829,209	-
Fund balance, ending	$ 1,811,718	$ 1,811,718	$ 1,970,788	$ 159,070

CITY OF WINDCREST, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND TMRS RELATED RATIOS

For the measurement period ended December 31,

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	$ 439,605	$ 427,165	$ 370,018	$ 328,283	$ 275,134
Interest (on the total pension liability)	624,725	591,432	549,932	533,422	494,716
Difference between expected and actual experience	14,822	(122,172)	24,294	(142,145)	(2,409)
Change of assumptions	-	-	-	69,964	-
Benefit payments, including refunds of employee contributions	(390,996)	(427,824)	(288,176)	(278,972)	(203,164)
Net change in total pension liability	688,156	468,601	656,068	510,552	564,277
Total pension liability - beginning	9,230,885	8,762,284	8,106,216	7,595,664	7,031,387
Total pension liability - ending (a)	$ 9,919,041	$ 9,230,885	$ 8,762,284	$ 8,106,216	$ 7,595,664
Plan fiduciary net position					
Contributions - employer	$ 290,102	$ 258,551	$ 209,018	$ 190,467	$ 164,263
Contributions - employee	222,015	199,610	173,040	161,451	155,633
Net investment income	(276,107)	1,119,294	505,614	10,925	394,581
Benefit payments, including refunds of employee contributions	(390,996)	(427,824)	(288,176)	(278,972)	(203,164)
Administrative expense	(5,336)	(5,799)	(5,710)	(6,654)	(4,119)
Other	(278)	(295)	(308)	(329)	(339)
Net change in plan fiduciary net position	(160,600)	1,143,537	593,478	76,888	506,855
Plan fiduciary net position - beginning	9,217,794	8,074,257	7,480,779	7,403,891	6,897,036
Plan fiduciary net position - ending (b)	$ 9,057,194	$ 9,217,794	$ 8,074,257	$ 7,480,779	$ 7,403,891
Net pension liability (a) - (b)	$ 861,847	$ 13,091	$ 688,027	$ 625,437	$ 191,773
Plan fiduciary net position as a percentage of total pension liability	91.31%	99.86%	92.15%	92.28%	97.48%
Covered payroll	$ 3,464,188	$ 3,326,828	$ 2,884,008	$ 2,690,844	$ 2,593,878

GASB 68 requires 10 fiscal years of data to be provided in this schedule. This is the fifth year of implementation of GASB 68. The City will develop the schedule prospectively.

CITY OF WINDCREST, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS – PENSION
AND NOTES TO SCHEDULE OF CONTRIBUTIONS

For the year ended September 30, 2019

Schedule of contributions	2019	2018	2017	2016	2015
Actuarially determined contributions	$ 269,902	$ 261,364	$ 244,326	$ 202,494	$ 183,726
Contributions in relation to the actuarially determined contribution	269,902	261,364	244,326	202,494	183,726
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 3,577,981	$ 3,326,842	$ 3,198,543	$ 2,809,689	$ 2,667,358
Contributions as a percentage of covered payroll	7.54%	7.86%	7.64%	7.21%	9.28%

GASB 68 requires 10 fiscal years of data to be provided in this schedule. This is the fifth year of implementation of GASB 68. The City will develop the schedule prospectively.

Valuation date:
Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and assumption used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	10 year smoothed market, 15% soft corridor
Actuarial assumption:	
Inflation	2.50%
Salary increases	3.5% to 10.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other information:
There were no benefit changes during the year.

CITY OF WINDCREST, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY AND RELATED RATIOS

For the measurement period ended December 31,

	2018	2017
Total OPEB liability		
Service cost	$ 9,700	$ 8,317
Interest on the total OPEB liability	6,433	6,205
Changes of benefit terms	-	-
Difference between expected and actual experience	(9,153)	-
Change of assumptions	(13,983)	16,343
Benefit payments	(1,386)	(1,331)
Net change in total OPEB liability	(8,389)	29,534
Total OPEB liability - beginning	190,204	160,670
Total OPEB liability - ending	$ 181,815	$ 190,204
Total OPEB liability as a percentage of covered payroll	5.25%	5.72%

*GASB 75 requires 10 fiscal years of data to be provided in this schedule. This is the second year of implementation of GASB 75. The City will develop the schedule prospectively.

CITY OF WINDCREST, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS – OTHER POSTEMPLOYMENT BENEFITS (OPEB)
AND NOTES TO SCHEDULE OF CONTRIBUTIONS

For the year ended September 30,

	2019	2018
Actuarially determined contributions	$ 7,618	$ 7,132
Contributions in relation to the actuarially determined contributions	7,618	7,132
Contribution deficiency (excess)	$ -	$ -
Covered payroll	$ 3,577,981	$ 3,326,842
Contributions as a percentage of covered payroll	0.21%	0.21%

GASB 75 requires 10 fiscal years of data to be provided in this schedule. This is the second year of implementation of GASB 75. The City will develop the schedule prospectively.

Valuation date:
Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and assumptions used to determine contribution rates:

Inflation	2.5%
Salary increases	3.50% to 10.5% including inflation
Discount rate *	3.71%
Retirees' share of benefit-related costs	$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with males rates multiplied by 109% and females rates multiplied by 103% and projected on a fully generational basis with scale BB.
Mortality rates - disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with males rates multiplied by 109% and females rates multiplied by 103% with a 3 year set-forward for both male and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.

Other information:
There were no benefit changes during the year.

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OTHER SUPPLEMENTARY INFORMATION

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CITY OF WINDCREST, TEXAS

SPECIAL REVENUE FUNDS DESCRIPTIONS

Special revenue funds are used to account for specific revenues where expenditures are legally restricted for particular purposes. Funds included in the special revenue funds category that are non-major are described below.

School Crossing Guard Fund – used to account for revenues restricted by the State to provide for school crossing guards and maintenance of school zones.

Assets Seizure and Forfeitures (Federal) Fund – used to account for revenues provided by police seizures restricted by the Federal government to provide crime prevention and detection.

Assets Seizure and Forfeitures (State) Fund – used to account for revenues provided by police seizures restricted by the State government to provide crime prevention and detection.

County Fire Contributions Fund – used to account for funds provided by Bexar County to offset expenditures incurred in providing fire protection outside the City limits.

Police Donations Fund – used to account for donations provided for police protection within the City.

Police Education and Training Fund – used to account for L.E.O.S.E. funds received from the State to be used for police education and training.

Roosevelt Scholarship Fund – used to account for donations from the Windcrest Family Fund Day to provide for a scholarship to be awarded to a graduating Roosevelt High School senior.

Court Technology Fund – used to account for fees assessed for the purpose of improving technology.

Building Security Fund – used to account for fees assessed for providing security to City facilities.

Hotel-Motel Tax Fund – used to account for hotel occupancy taxes. These taxes may be used only to promote tourism and the convention and hotel industry.

PEG Fund – used to account for public, educational and governmental (PEG) franchise fees that can only be used for equipment expenses of operating a PEG television channel.

Capital Projects Fund – accounts for the acquisition or construction of infrastructure and building projects being financed from bond proceeds, grants, transfers from funds, and sales tax.

Debt Service Fund – used for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term obligations of governmental funds.

CITY OF WINDCREST, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2019

	SPECIAL REVENUE			
	School Crossing Guard	Asset Seizure and Forfeitures (Federal)	Asset Seizure and Forfeitures (State)	County Fire Contributions
Assets				
Cash and cash equivalents	$ 49,465	$ 494	$ 2,899	$ 21,846
Taxes receivable				
(net of allowance for uncollectibles):	-	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 49,465	$ 494	$ 2,899	$ 21,846
Liabilities and fund balances				
Liabilities				
Accounts payable	$ 9	$ -	$ -	$ 16,131
Due to other governments	-	-	-	-
Accrued interest	-	-	-	-
Total liabilities	9	-	-	16,131
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	-
Total deferrred inflows of resources	-	-	-	-
Fund Balances				
Restricted	49,456	494	2,899	5,715
Total fund balances	49,456	494	2,899	5,715
Total liabilities and fund balances	$ 49,465	$ 494	$ 2,899	$ 21,846

CITY OF WINDCREST, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2019

SPECIAL REVENUE					
Police Donations	Police Education and Training	Roosevelt Scholarships	Court Technology	Building Security	Hotel/Motel Tax
$ 1,746	$ 3,551	$ 4	$ 35,740	$ 52,198	$ 214,048
-	-	-	-	-	24,561
-	-	-	-	-	-
$ 1,746	$ 3,551	$ 4	$ 35,740	$ 52,198	$ 238,609
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,746	3,551	4	35,740	52,198	238,609
1,746	3,551	4	35,740	52,198	238,609
$ 1,746	$ 3,551	$ 4	$ 35,740	$ 52,198	$ 238,609

CITY OF WINDCREST, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2019

	SPECIAL REVENUE			
	PEG Fund	Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	$ 26,663	$ 663,455	$ 439	$ 1,072,548
Taxes receivable				
(net of allowance for uncollectibles):	-	182,032	1,632	208,225
Due from other funds	-	-	4,062	4,062
Total assets	$ 26,663	$ 845,487	$ 6,133	$ 1,284,835
Liabilities and fund balances				
Liabilities				
Accounts payable	$ -	$ 2,495	$ -	$ 18,635
Due to other governments	-	58,497	-	58,497
Accrued interest	-	-	4,062	4,062
Total liabilities	-	60,992	4,062	81,194
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	1,631	1,631
Total deferrred inflows of resources	-	-	1,631	1,631
Fund balances				
Restricted	26,663	784,495	440	1,202,010
Total fund balances	26,663	784,495	440	1,202,010
Total liabilities and fund balances	$ 26,663	$ 845,487	$ 6,133	$ 1,284,835

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CITY OF WINDCREST, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

For the year ended September 30, 2019

	SPECIAL REVENUE			
	School Crossing Guard	Asset Seizure and Forfeitures (Federal)	Asset Seizure and Forfeitures (State)	County Fire Contributions
REVENUES				
Taxes:				
Hotel-motel taxes	$ -	$ -	$ -	$ -
Sales tax	-	-	-	-
Franchise	-	-	-	-
Intergovernmental	7,061	-	-	-
Fines and fees	-	-	-	-
Donations	-	-	-	6,676
Investment earnings	251	6	7	-
Total revenues	7,312	6	7	6,676
EXPENDITURES				
Current:				
Public safety	1,718	-	-	17,780
Public works	-	-	-	-
Capital outlay	4,150	-	-	-
Total expenditures	5,868	-	-	17,780
Excess (deficiency) of revenues over (under) expenditures	1,444	6	7	(11,104)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,444	6	7	(11,104)
Fund balance - beginning	48,012	488	2,892	16,819
Fund balances - ending	$ 49,456	$ 494	$ 2,899	$ 5,715

CITY OF WINDCREST, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

For the year ended September 30, 2019

SPECIAL REVENUE					
Police Donations	Police Education and Training	Roosevelt Scholarships	Court Technology	Building Security	Hotel/Motel Tax
$ -	$ -	$ -	$ -	$ -	$ 307,276
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	14,529	10,865	-
1,150	2,511	-	-	-	-
35	66	-	371	12	4,049
1,185	2,577	-	14,900	10,877	311,325
1,260	1,366	-	829	2,450	-
-	-	-	-	-	-
-	-	-	-	-	-
1,260	1,366	-	829	2,450	-
(75)	1,211	-	14,071	8,427	311,325
-	-	-	-	-	(201,068)
-	-	-	-	-	(201,068)
(75)	1,211	-	14,071	8,427	110,257
1,821	2,340	4	21,669	43,771	128,352
$ 1,746	$ 3,551	$ 4	$ 35,740	$ 52,198	$ 238,609

CITY OF WINDCREST, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

For the year ended September 30, 2019

	SPECIAL REVENUE			
	PEG Fund	Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES				
Taxes:				
Hotel-motel taxes	$ -	$ -	$ -	$ 307,276
Sales tax	-	659,662	-	659,662
Franchise	13,737	-	-	13,737
Intergovernmental	-	-	-	7,061
Fines and fees	-	-	-	25,394
Donations	-	-	-	10,337
Investment earnings	-	655	-	5,452
Total revenues	13,737	660,317	-	1,028,919
EXPENDITURES				
Current:				
Public safety	-	-	-	25,403
Public works	-	26,571	-	26,571
Capital outlay	-	14,098	-	18,248
Total expenditures	-	40,669	-	70,222
Excess (deficiency) of revenues over (under) expenditures	13,737	619,648	-	958,697
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	(201,068)
Total other financing sources (uses)	-	-	-	(201,068)
Net change in fund balances	13,737	619,648	-	757,629
Fund balance - beginning	12,926	164,847	440	444,381
Fund balances - ending	$ 26,663	$ 784,495	$ 440	$ 1,202,010

COMPLIANCE SECTION

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INDEPENDENT AUDITORS' 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*

To the Honorable Mayor and
Members of the City Council
City of Windcrest, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the two discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Windcrest, Texas, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 15, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

7330 San Pedro Ave | Suite 901 | San Antonio, TX 78216 | (210) 341-2581 | Fax: (210) 341-2588 | abipcpa.com

Purpose of this Report

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

ABIP, PC

San Antonio, Texas
June 15, 2020

CITY OF WINDCREST, TEXAS

SCHEDULE OF FINDINGS AND RESPONSES

For the year ended September 30, 2019

Financial Statement Findings

None

CITY OF WINDCREST, TEXAS

SCHEDULE OF PRIOR FINDINGS AND RESPONSES

For the year ended September 30, 2019

Financial Statement Findings

None

RsH
Law Offices of Ryan Henry, PLLC

1019 Central Parkway North, Ste. 108
San Antonio, TX 78232
(210) 257-6357
FAX (210) 569-6494
ryan.henry@rshlawfirm.com

July 1, 2020

Rafael Castillo
City Manager & City Council
City of Windcrest, Texas
8601 Midcrown Dr.
Windcrest, Texas 78239

Sent Via Email: rcastillo@windcrest-tx.gov

Re: Planning and Zoning Commission Recommendation to Council Regarding the Goodwill Industries of San Antonio, Inc. Special Use Permit Request

Dear Mr. Castillo and City Council,

The Planning and Zoning Commission held a public hearing and then a regular meeting June 29, 2020 to consider an application for a Special Use Permit (SUP) for the sale of second-hand clothes by Goodwill Industries of San Antonio, Inc. for the location at 7702 N IH 35. The Commission held the public hearing first then considered the SUP. The results of the report are below. There were no public comments on record by email or signed up to speak in person at the meeting.

There were no opposed/unopposed notice responses which were mailed out by the City Secretary.

A motion was made and seconded to recommend the approval of the SUP to City Council, but with the conditions that 1) the SUP be granted only to the applicant – Goodwill, 2) that the applicant purchase the property, 3) that the permit is non-transferable, and 4) that it is for the sale of second hand clothing only at the location specified in the application. The votes are as follows:

In Favor

- 5

Opposed

- 0

The motion for this recommendation passed unanimously by all members present.

Please let me know if you have any questions regarding this report.

Very Truly Yours,

Ryan Henry

Cc: Rachel Dominguez — *Sent Via Email:rdominguez@windcrest-tx.gov*
Rainbeau Presti — *Sent Via Email:raintherealtor@gmail.com*

Bcc: Mayor Reese — *Sent Via Email:dreese@windcrest-tx.gov*
Wes Manning — *Sent Via Email:wmanning@windcrest-tx.gov*
Cindy Strzelecki — *Sent Via Email:cstrzelecki@windcrest-tx.gov*
Greg Turner — *Sent Via Email:gturner@windcrest-tx.gov*
Frank Archuleta — *Sent Via Email:farchuleta@windcrest-tx.gov*
Joan Pedrotti — *Sent Via Email:jpedrotti@windcrest-tx.gov*

ORDINANCE NO. 2020-015(O)

AN ORDINANCE GRANTING A SPECIAL USE PERMIT TO ALLOW THE SALE OF SECOND HAND CLOTHES IN B-2 ZONING DISTRICT, A RETAIL SALE RESTRICTED IN THE USE REGULATIONS OF ARTICLE III – DISTRICTS, GENERAL ZONING, DIVISION 6, SECTION 113-220 USE REGULATIONS OF THE CITY OF WINDCREST'S CODE OF ORDINANCES

WHEREAS, the City Council of Windcrest has the authority to grant a special use permit for the City; and

WHEREAS, the City Council desires that the City's appearance remain well kept, healthy, and safe for public use; and

WHEREAS, the City Council has determined that certain businesses are beneficial to the commerce and overall betterment of the City; and

WHEREAS, the Planning and Zoning Commission of the City of Windcrest, after holding a public hearing and considering comments from the public, recommended the City Council grant the special use permit of Goodwill Industries for 7702 IH 35, Windcrest, Texas, but with conditions; and

WHEREAS, the Planning and Zoning Commission of the City of Windcrest, recommended the City Council impose upon the permit the conditions that it is granted only to the applicant, Goodwill Industries of San Antonio Inc., on the condition the applicant purchase the property at 7702 IH 35, Windcrest, Texas, and use that location for authorized uses and for the special use authorized by the permit, and that such special use permit is granted only to Goodwill Industries of San Antonio, Inc., is non-transferable, and lapses with the sale of the property to another owner; and

WHEREAS, the City Council has determined that the bulk of the anticipated sales at the proposed location would be hard goods, with a small percentage being, potentially, second-hand clothes; and

WHEREAS, the City Council finds that granting a special use permit for the sale of second hand clothes in the designed B-2 zone does not cause any detriment to the neighboring property owners, the nature of the area, the zone, City's appearance or the safety of citizens, including both real and personal property; and

WHEREAS, the City Council finds that granting the applicants Special Use Permit, with the recommended conditions, is in the best interest of the public health, safety, and welfare and is for the purpose of good governance.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS that this ordinance grants a special use permit to Goodwill

Industries of San Antonio, Inc., for the sale of second hand clothing in B-2 zoning district, Neighborhood Business District, but only at 7702 IH 35, Windcrest, Texas as an authorized use. This permit is granted only to the applicant Goodwill Industries of San Antonio, Inc., who must purchase the property located at 7702 IH 35, Windcrest, Texas for the uses designed in their application, including the sale of second hand clothes, that such special use is non-transferable, and lapses with the sale of the property to another owner.

I.

CUMULATIVE CLAUSE

That this Ordinance shall be cumulative of all provisions of the City of Windcrest except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinance, in which event the conflicting provisions of such Ordinance are hereby repealed.

II.
SEVERABILITY

That it is hereby declared to be the intent of the City of Windcrest that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance should be declared unconstitutional by the valid judgement or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of the Ordinances, since the same would have been enacted by the City Council without incorporation in this ordinance of any such unconstitutional phrases, sentences, paragraphs, or sections.

III.
PROPER NOTICE AND MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

IV.
EFFECTIVE DATE

This ordinance shall be effective upon passage and publication as required by state and local law. As an amendment to the City's Code of Ordinances, this ordinance is effective immediately upon passage. The criminal penalties are effective upon the proper publication requirements being accomplished under state law.

DULY PASSED ON FIRST READING, on the __________ day of _________________, 2020 at a regular meeting of the City Council of the City of Windcrest, Texas, which was held in compliance with the Open Meetings Act, Gov't. Code §551.001, et. Seq. at which meeting a quorum was present and voting.

DULY PASSED AND APPROVED, on the __________ day of ________________, 2020 at a regular meeting of the City Council of the City of Windcrest, Texas, which was held in compliance with the Open Meetings Act, Gov't. Code §551.001, et. Seq. at which meeting a quorum was present and voting.

CITY OF WINDCREST, TEXAS

____
Dan Reese, Mayor

ATTEST:

____
Rachel C. Dominguez, City Secretary

APPROVED:

____
Ryan S. Henry, City Attorney

ORDINANCE NO. 2020______

AN ORDINANCE TO CONSOLIDATE AND REVISE THE CODE OF ETHICS AND CONDUCT AND TO PROVIDE ADDITIONAL AUTHORITY TO THE ETHICS COMMISSION TO INVESTIGATE AND ENFORCE VIOLATIONS AND THE ABILITY TO INSTITUTE CERTAIN PENALTIES BY AMENDING CERTAIN SECTIONS AND ADOPTING NEW SECTIONS OF CHAPTER 2, ARTICLE III – ETHICS - OF THE WINDCREST CODE OF ORDINANCES

WHEREAS, the City of Windcrest previously created both a code of ethics and conduct and an ethics commission; and

WHEREAS, the City Council of the City of Windcrest finds it is necessary to adjust the ordinances establishing each based upon the need to consolidate both ordinances into the City's municipal code and on recommendations from the ethics commission; and

WHEREAS, the City Council of the City of Windcrest finds the recommendations are proper clarifications of the regulations and allow for better enforcement of the code of ethics and conduct by the ethics commission; and

WHEREAS, the City Council of the City of Windcrest finds these changes are for the benefit of the citizens of Windcrest and the public as a whole and are part of the operation of good governance; and

WHEREAS, the City Council of the City of Windcrest finds that providing official comments to regulation changes will be beneficial to citizens and those subject to the regulation. However, such official comments are not part of the regulation. They are to be treated as additional legislative findings and statements of intent but are not to be included in the regulation.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS that Sections 2-50, 2-51 and 2-53 of the Windcrest Code of Ordinances are amended to read as indicated below and Sections 2-54 to 2-57 are adopted and all shall read as follows:

I.

Section 2-50 – Code of Ethics and Conduct

A. Statement of Purpose

1. The citizens and businesses of the City of Windcrest are entitled to have fair, ethical and accountable local government that earns the public's full confidence for integrity. The purpose of the Code of Ethics and Conduct is to establish guidelines for ethical standards of conduct for all elected and appointed officials and employees of the City of Windcrest by setting forth those acts or actions that are incompatible with the best interests of City of Windcrest by prohibiting conduct incompatible with the city's best interests and minimizing the risk of any appearance of impropriety, this Code of Ethics and Conduct furthers the legitimate interests of democracy.

2. The strong desire of the City of Windcrest to fulfill this expectation therefore requires that City Officials, both elected and appointed, and Employees:

   a) Comply with both the letter and spirit of the City of Windcrest Code of Ethics and Conduct; and

   b) Be independent, impartial and fair in their judgment and actions; and

   c) Act in their respective positions for the public good, not for personal gain.

3. The Windcrest City Council has adopted this Code of Ethics and Conduct for all of its City Officials and Employees to assure public confidence in the integrity of local government and its effective and fair operation.

B. Definitions

The following words, terms and phrases, when used in this code, shall have the meanings subscribed to them.

Business. A corporation, partnership, association, sole proprietorship, firm, holding company, joint stock company, receivership, trust or any other for profit or non-profit entity, company or association.

City Council. The legislative and governing body of the City of Windcrest consisting of the mayor and council city members.

City Official. Any member of the City Council and any appointed member of a board, commission, or committee set up by ordinance, charter, state law or otherwise, on a temporary or permanent basis.

Former City Official. Any person who has been a member of the City Council and any appointed member of a board, commission, or committee set up by ordinance, charter, state law or otherwise, on a temporary or permanent basis.

***Employee*.** Any person employed by the City of Windcrest on a full-time or part-time basis, including only independent contractors hired by the city for repetitive performance of services that are in furtherance of necessary operation and function of the City, and not independent contractors engaged for occasional services that are not repeated on a consistent basis.

Ethics Code. This term shall mean the Code of Ethics and Conduct identified in sec. 2-50 of the Windcrest Code of Ordinance and any other code provision designating itself as an ethical code.

Former Employee. Any person who has formally been employed by the City of Windcrest, on a full or part-time basis, including independent contractors hired by the city for repetitive performance of services that are in furtherance of necessary operation and function of the City, and not independent contractors engaged for occasional services that are not repeated on a consistent basis.

C. Act in the Public Interest

Recognizing that stewardship of the public interest must be their primary concern, City Officials and Employees will work for the common good of the citizens of Windcrest and not for any private or personal interest, and will assure fair and equal treatment of all persons, claims and transactions coming before the Windcrest City Council, boards, commissions, and committees.

D. Comply with the Law

City Officials and Employees shall comply with the laws of the nation, the State of Texas, and the City of Windcrest in the performance of their public duties. These laws include but are not limited to the United States and Texas constitutions, laws and statutes pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, open processes of government, and City ordinances and policies.

E. Conduct of City Officials and Employees

The professional and personal conduct of City Officials and Employees must be above reproach and avoid even the appearance of impropriety. City Officials and Employees shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other City Officials, Employees, and members of the public.

F. Information Contained on Personal Devices or Electronic Accounts

City Officials and Employees are prohibited from intentionally or knowingly deleting, altering, or hiding public information (i.e., information related to city business) that is sent or received on a personal device or electronic account. Individuals who have public information stored on their personal devices or electronic accounts must save such information or forward such information to the city's officer for public information.

G. Communications with Members of the General Public

City Officials and Employees shall be aware of the public perception held by their office or position with the City when communicating with members of the general public. Although City Officials and Employees have the right to express personal opinions on any issue, it must be made expressly clear that when speaking to members of the general public that they are speaking for themselves, and not speaking in an official capacity for the City or on behalf of City Council.

H. Promises, Obligations, and Commitments

City Officials and Employees shall refrain from unilaterally promising, obligating, committing, or otherwise obligate, either directly or indirectly, any action on behalf of the City, which has not been previously authorized by the City Council, City Manager, or any of the boards, commissions, and committees depending on the authority required to make such promise, obligation, or commitment.

I. Respect for Process

City Officials and Employees shall perform their duties in accordance with the processes and rules of order established by the City Council and its boards, commissions, and committees governing the public deliberation of public policy issues, meaningful involvement of the public, and Employees implementation of the City Council's policy decisions.

J. Conduct of Public Meetings

City Officials have an obligation to attend meetings and be prepared for public issues, listen courteously and attentively to all public discussions before the body, and focus on the business at hand. They shall refrain from interrupting other speakers, making personal comments not germane to the business of the body, or otherwise interfere with the orderly conduct of meetings.

K. Decisions Based on Merit

It is expected that City Officials and Employees review material, participate in discussion and base their decisions on the merits and substance of the matter at hand when conducting any business in their official capacities in the furtherance of the best interests of the City of Windcrest.

L. Communication

Prior to taking final action on a matter under consideration, City Officials and Employees should publicly share information, which they may have received from sources outside the public decision-making process, that is relevant, reasonably related, or may impact any action by the City Council, boards, commissions, or committees.

M. <u>Conflicts of Interest, Disclosure, and Recusal</u>

1. To avoid the appearance and/or risk of impropriety, a City Official or Employee shall not take any action that he or she knows is likely to affect the economic interests of:

   a) the City Official or Employee;

   b) his or her parent, child, spouse, or other family member within the third degree of affinity or within the third degree of consanguinity;

   c) his or her outside client;

   d) a member of his or her household; and

   e) any outside employer of the City Official or Employee or of his or her parent, child, spouse, or member of the household.

2. Should a conflict arise, the City Official or Employee who is in conflict shall recuse him or herself from the time that the conflict is, or should have been recognized, if applicable, he or she shall:

   a) immediately refrain from further participation in the matter, including discussions with persons likely to consider or participate in the matter;

   b) file the appropriate form with the external auditor within three (3) business days disclosing the nature and extent of the prohibited conduct;

   c) promptly bring the conflict to the attention of his or her supervisor who will then, if necessary, reassign responsibility for handling the matter to another employee; and

   d) promptly disclose the conflict to other members of the council, board, commission, or committee in which he or she serves and shall not be present during the discussion of, or voting on, the matter.

3. City Officials and Employees shall familiarize themselves with and abide by the following conflicts of interest and disclosure statutes and principles:

a) Chapter 171 of the Texas Local Government Code which requires City Council members and City Officials to file an affidavit disclosing a substantial interest in a business or property that would be beneficially affected by a decision of the City Council and thereafter abstaining from participation in discussion and voting on the matter. Once the disclosure is made, the City Official is to remove themselves from the meeting area to ensure their presence does not hinder the discussion of the item or influence the vote.

b) Chapter 176 of the Texas Local Government Code, which requires City Council members and the City Manager to file a conflict of interest disclosure statement disclosing any business relationship with a person or business doing business with the city or being considered by the city for a business relationship and requires the disclosure of gifts of an aggregate value of more than $100.00 in the twelve (12) month period preceding a transaction described in Section 176, other than gifts of food, lodging, transportation, or entertainment accepted as a guest.

c) Chapter 553 of the Texas Government Code, which requires the filing of an affidavit before the date the city will acquire a property in which City Officials or Employees have a legal or equitable interest.

d) City Employees shall disclose potential conflicts of interest to their supervisor and avoid participation in the handling of matters wherein Employees have a personal interest.

e) In order to assure their independence and impartiality on behalf of the public good, City Officials and Employees are prohibited from using their positions to influence government decisions in which they have a personal interest.

f) In order to avoid a potential conflict of interest or the appearance of a potential conflict of interest, no person related to a member of the City Council or City Manager within the second degree by affinity (marriage) or third degree by consanguinity (blood relationship) as defined by Chapter 573 of the Texas Government Code shall be appointed to serve or remain in service on any City board, commission, or committee set up by ordinance, charter, state law or otherwise, on a temporary or permanent basis.

N. Corruption

City Officials and Employees shall familiarize themselves with and abide by the State of Texas Penal Code mandates concerning corruption under Chapter 36 of the Texas Penal Code.

O. Political Advocacy

1. City Officials and Employees shall not utilize the city's name or logo for purposes of endorsing any political candidate or business. City Employees shall not engage in electioneering while on the job. "Electioneering" means working for the election of a candidate to political office, whether local, state, or national.

2. City Employees shall not be hired, retained, or terminated on the basis of their political beliefs, opinions, support of a particular candidate for office whether local, state, or national. City Employees shall not engage in political activities relating to a campaign for elected office while in uniform or in the performance of their respective duties with the City of Windcrest. City Employees elected or appointed to city offices shall be required to resign their employment upon acceptance of the office.

3. City Employees are prohibited from using their municipal title or position in any advertisement or endorsement of products, persons or activities, without previous written authorization by the City Council.

P. <u>Confidential Information</u>

1. A City Official or Employee shall not use his or her position to obtain official information about any person or entity for any purpose other than the performance of official duties.

2. A City Official or Employee shall not intentionally, knowingly, or recklessly disclose any confidential information gained by reason of said official or employee's position concerning the property, records, operations, policies or affairs of the city, including those items discussed in closed or executive session. This rule does not prohibit any reporting of illegal or unethical conduct to authorities as a result of a court order.

3. City Officials and Employees shall respect the confidentiality of information concerning city property, personnel or proceedings. of the City. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance their or any other person's personal interests.

Q. <u>Use of Public Resources</u>

A City Official or Employee shall not use, request, or permit the use of city resources, facilities, equipment, supplies or staff time for private gain or personal purposes (including political purposes), except:

1. for a public purpose that is directly related to the governmental responsibilities of the City; or,

2. when those resources are lawfully available to the public.

R. Representation of Private Interests

A City Official or Employee shall not represent for compensation any person, group, or entity, other than himself or herself, or his or her spouse or minor children, before the City its boards, commissions, and committees. For purposes of this subsection, the term compensation means money or any other thing of value that is received, or is to be received, in return for or in connection with such representation.

S. Representation in Litigation Adverse to the City

1. City Officials or Employees, shall not represent any person, group, or entity, other than himself or herself, or his or her spouse or minor children, in any litigation to which the city is a party, if the interests of that person, group, or entity are adverse to those of the city.

2. A person who is classified as a City Official only because he or she is an appointed member of a board, commission, or committee shall not represent any person, group, or entity, other than himself or herself, or his or her spouse or minor children, in any litigation to which the city is a party, if the interests of that person, group, or entity are adverse to the interests of the city and the matter is substantially related to the official's duties to the city.

3. Former City Officials or Employees shall not represent any person, group, or entity, other than himself or herself, or his or her spouse or minor children, in any litigation to which the city is a party, if the interests of that person, group, or entity are, or could be adverse to the interests of the city, and the matter is one in which the former city official or employee personally participated prior to termination of his or her official duties.

T. Former City Officials and Employees

1. Former City Officials or Employees shall not use or disclose confidential government information acquired during service as a City Official or Employee. This rule does not prohibit any disclosure that is no longer confidential by law, or the confidential reporting of illegal or unethical conduct to authorities designated by law.

2. Former City Officials or Employees shall not represent for compensation any person, private group, or private entity, other than himself or herself, or his or her spouse or minor children, before the city for a period of two (2) years after termination of his or her official duties. For purposes of this subsection, the term compensation means money or any other

thing of value that is received, or is to be received, in return for or in connection with such representation.

3. A person who was classified as a City Official only because he or she was an appointed member of a board, commission, or committee shall not represent any person, group, or entity for a period of one (1) year after the resignation or termination of his or her official duties: before that board, commission, or committee in which he or she served; before city staff having responsibility for making recommendations to, or taking any action on behalf of, that board, commission, or committee, unless the board, commission, or committee is only advisory in nature; or before a board, commission, or committee which has appellate jurisdiction over the board, commission, or committee of which the Former City Official was a member, if any issue relates to his or her former duties.

U. Advocacy

City Officials and Employees shall represent the official policies or positions of the City Council, board, commission, or committee to the best of their ability in the performance of their official duties. While in the performance of their official duties and when presenting their individual opinions and positions, City Officials and Employees shall explicitly state that such opinion or position do not represent that of the City of Windcrest, nor will they allow the inference that they do.

V. Policy Role of City Officials and Employees

City Officials and Employees shall respect and adhere to the City of Windcrest's governmental structure as outlined in the city's charter, policies and procedures. In this structure, the City Council determines the policies of the city with the advice, information and analysis provided by the public, boards, commissions, committees and Employees of the City. Except as provided by city ordinance, City Officials therefore shall not interfere with the administrative functions of the City or the performance of the Employees' official duties; nor shall they impair Employees' ability to implement City Council policy decisions.

W. Independence of City Council, Boards, Commissions, and Committees

In order to safeguard the independence of the City Council, boards, commissions, and committees in the public decision-making process, members of City Council and other City Officials shall refrain from applying undue influence on the deliberations or outcomes of City Council, board, commission, and committee proceedings. This section does not prohibit City Officials from voicing their concerns or opinions while deliberating and discussing matters at public meeting that have brought before the City Council or any other board, commission, and committee.

X. Positive Work Place Environment

City Officials shall support the maintenance of a positive and constructive workplace environment for City Employees and for citizens and businesses dealing with the city. City Officials shall recognize their special role in dealing with City Employees and refrain from creating the perception of inappropriate direction to City Employees. When dealing with Employees, City Officials must adhere to the restrictions prescribed in this article, and must be cognizant of the weight and perception of their position as a City Official.

Y. Implementation

As an expression of the standards of conduct for City Officials and Employees expected by the city, the Code of Ethics and Conduct is intended to be self-enforcing. It therefore becomes most effective when City Officials and Employees are thoroughly familiar with it and embrace its provisions. Ethical standards shall be included in the regular orientations for candidates for City Council, applicants to boards, commissions, and committees and newly elected and appointed officials and new City Employees. City Officials entering office, including those appointed to boards, commissions and committees and City Employees shall sign a statement affirming they have read and understood the Code of Ethics and Conduct. In addition, the Code of Ethics and Conduct shall be reviewed annually by the Ethics Commission, and the City Council shall consider recommendations from the Ethics Commission and may consider recommendations from other City Officials, Employees, and citizens for revision as necessary.

Z. Compliance and Enforcement

1. The Code of Ethics and Conduct expresses standards of ethical conduct expected for City Officials and Employees. City Officials and Employees have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government. City Officials or Employees who have knowledge of a violation of any of the provisions of this Ethics Code shall use his or her best effort to report the violation as soon as possible but not more than three (3) days from the date in which City Official or Employee has acquired knowledge of the violation. A City Official or Employee shall not delegate to, or rely on, another person to make the report.

2. Any City Official who has knowledge that a violation of the Ethics Code has been committed and intentionally fails to report such violation within the above stated deadline is subject to an Ethics Complaint and investigation by the Ethics Commission.

3. Any City Employee who has knowledge that a violation of the Ethics Code has been committed and intentionally fails to report such violation within the above stated deadline is subject to discipline or termination as determined by the city manager.

Section 2-51 – Ethics Commission Structure

The City of Windcrest Ethics Commission is established by Charter and under this Code of Ordinances. Any reference hereinafter to the term "Commission" shall mean the City of Windcrest Ethics Commission.

A. Organization and Qualifications

1. **Members of Commission:** The City of Windcrest Ethics Commission shall consist of five (5) members and two (2) alternate members of the community appointed by the City Council who shall be citizens of Windcrest. Each appointed member shall be a voting member and are appointed for a two (2) year term by the City Council. Due to the nature and role of the Ethics Commission, an appointed member of the Commission can be removed by an affirmative vote of no less than four (4) City Council members. Members of the Ethics Commission may be removed with or without cause. The City Council may vote to fill an unexpired term by an affirmative vote of three (3).[1]

2. **Officers of Commission:** The Ethics Commission shall have at least three (3) officers: Chair, Vice-Chair, and a Secretary. The Chair shall preside over all meetings. In the absence of the Chair, the Vice-Chair shall assume the duties of presiding officer. In the absence of both the Chair and Vice-Chair at a meeting, any one of the present members may preside over a meeting so long as a quorum can be constituted. The member with the longest tenure on the Commission shall be the presiding officer unless changed by an affirmative vote of those members present and voting at a particular meeting. The Secretary shall keep minutes or may designate a minute keeper to record Commission business. The Ethics Commission may appoint such other officer positions or assign such subcommittees as the Commission deems proper. The Ethics Commission shall elect its officers from amongst its appointed members. Whomsoever presides over a meeting shall retain their ability to vote on any motion or matter.[2]

1 Official Comments: The Commission has the authority to investigate members of the City Council. The Council finds this to be authorized and willingly imposes this authority on the Commission. However, in order to limit or reduce political influence from affecting actions of the Commission, members of the Commission need to be secured in their positions by requiring no less than four votes for removal. However, the Council must also be cautious of Commission members who exceed their authority, individually. So, the Council must retain a certain, but limited, ability to remove and make appointments.
2 Official Comments: All appointees to the Commission are appointed only as members. By accepting an officer role on the Commission, such members do not lose their right, ability, or duty to vote, even if they must preside over a meeting.

3. **Qualifications:** Members of the Ethics Commission shall have good moral character and shall be residents of the City of Windcrest for at least six (6) months prior to being appointed. To be qualified to sit on the Commission, each member shall: [3]

    a. NOT be any salaried city official or employee;

    b. NOT be an elected public official for any governmental body;

    c. NOT be an candidate for any elected public office;

    d. NOT be an official of a political party;

    e. NOT be a campaign treasurer, campaign manager, official or other policy or decision-maker for the campaign of any candidate for elected public office;

    f. NOT be a campaign treasurer, campaign manager, official or other policy or decision-maker for any political action committee as defined in the Texas Election Code;

    g. NOT be a member of any other city board or commission for the City of Windcrest; and

    h. NOT have a conviction of a felony or any crime involving moral turpitude or have been found by the Ethics Commission to have previously violated any provision of the City Code of Ethics.

4. **Removal:** A member of the Ethics Commission shall be removed immediately from office for the failure to satisfy or continue to satisfy the qualifications and restrictions set out above. The Ethics Commission shall be the judge of the qualifications of its members. The Commission's ability to determine qualifications does not affect the City Council's ability to remove and replace a commission member, with or without cause, by an affirmative vote of at least four (4) councilmembers.[4]

5. **Term Periods**: The terms of the Ethics Commission shall be staggered terms as follows:

3 Official Comments: Prior wording caused confusion. This amendment does not change the substance of the qualification. It simply makes it easier for a member of the public to read the provision and know what is prohibited and what is allowed for qualifications.
4 Official Comment: The Commission is expected to regulate its own members and has been granted the ability to pass reasonable rules and regulations for its own operation. In order to limit or minimize political influence as well as the appearance of improper influence from the Council, the Commission is given the ability to remove its own members for failing to meet the mandatory qualifications.

a) Place 1 Term – Began March 1, 2019 with a two-year term expiring March 1st in odd numbered years;
b) Place 2 Term - Began March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 1, 2020 forward in time with the term expiring on March 1st in even numbered years;
c) Place 3 Term – Began March 1, 2019 with a two-year term expiring March 1st in odd numbered years;
d) Place 4 Term - Began March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 1, 2020 forward in time with the term expiring on March 1st in even numbered years;
e) Place 5 Term – Began March 1, 2019 with a two-year term expiring March 1st in odd numbered years;
f) Alternate Place A1- Began March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 1, 2020 forward in time with the term expiring on March 1st in even numbered years;
g) Alternate Place A2 – Began March 1, 2019 with a two-year term expiring March 1st in odd numbered years.

Section 2-53 – Duties and Authority

A. **General Authority:** The Ethics Commission has the authority and duty to investigate written complaints of alleged violations of the Code of Ethics and Conduct by a member of the City Council, a member of a City-appointed board, commission or committee, a petitioner committee under the City's charter, a statutory municipal officer, a city official or any city department head. Following its investigation into an ethics complaint, the Ethics Commission shall impose a penalty, make a recommendation to the City Council or to the City Manager on the complaint, or impose a penalty and make a recommendation for further action. The determination of whether the Commission's recommendation is sent to the City Council or the City Manager shall be based on the whether the individual made the subject of the complaint reports to the City Manager or City Council. Nothing in this article prevents the City Council or City Manager from exercising its authority under the City charter even if such overlaps with the authority granted to the Ethics Commission.[5]

B. **Limitation on Investigation and Complaints**:

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5 Official Comments: The intent of this general authority is to allow the Commission the ability to investigate and enforce the Ethics Code against those individuals appointed by the Council or those individuals who interact with the City as part of a commission, committee or board. The City Council believes the Ethics Commission's time and efforts are better spent handling complaints against appointees or committee/commission members, especially those who report to the Council, instead of all employees. Employees who can be directly and quickly disciplined by their supervisor or the City Manager are not subject to the authority of the Ethics Commission. However, when exercising his/her discretion regarding an employee, if the City Manager desires guidance on how the Ethics Code might apply, the City Manager may request an opinion from the Commission, Such opinion is advisory in nature and does not constitute a determination or decision of the Commission.

a) **Employees:** Other than the City Manager, a statutory city officer or department head, the Ethics Commission shall have no authority to investigate complaints against city employees as such authority is reserved for the City Manager. Notwithstanding this provision, the City Manager may request an ethics opinion from the Ethics Commission which may be used by the City Manager in making any determinations.

b) **Municipal Judge:** The Ethics Commission has no authority to investigate complaints against the municipal judge, as such authority rests with the State Commission of Judicial Conduct.

c) **Termination or Forfeiture:** The Ethics Commission shall have no authority to impose a penalty of forfeiture of office or termination of employment. Such limitation does not prevent the Ethics Commission from making recommendations or referrals for termination or forfeiture to the City Council.

d) **Limitations Period:** The Ethics Commission shall not consider any alleged ethics code violation that occurred more than one (1) year prior to the date of the filing of the complaint. The termination, resignation, or forfeiture of a member of the City Council, any member of a City-appointed board, commission or committee, or any city department head does not affect the jurisdiction of the Ethics Commission to investigate and act upon any alleged violations occurring prior to the date of said termination, resignation, or forfeiture.

e) Charter: The Ethics Commission has neither the authority or the duty to consider, and/or investigate any complaints of alleged violations of the City's Charter. Such authority resets solely with the City Council.

C. **Written Complaint Required:** In order to consider whether a violation of the ethics code has occurred, the Ethics Commission must receive a formal written complaint. Any person may file an appropriate complaint. Before a written complaint is considered by the Ethics Commission regarding alleged violations of the ethics code the person bringing the complaint shall first submit a completed and sworn complaint to the Office of the City Secretary on a form adopted by the Commission. An ethics complaint form is available at the Office of the City Secretary. Following the submission of a complaint, the City Secretary shall provide the complaint to the Ethics Compliance Officer for review. Once the ethics complaint has been accepted as compliant under the Ethics Code by the Ethics Compliance Officer, the ethics complaint shall be submitted to the Chair for the Commission's consideration.

D. **Commission Initiated Investigation:** The Ethics Commission may direct the Ethics Compliance Officer to determine if a complaint is appropriate against any official subject to the City's Ethics Code and may initiate an investigation. In the absence of a formal written complaint, the Ethics Commission may consider whether a violation of the Ethics Code has occurred only after it has provided written notice to the individual subject to the investigation which must include the nature of the alleged violation, the specific ethics code provision believed to have been violated, the facts describing the alleged violation and an opportunity for the official to respond. Such notice shall serve as a formal written complaint.[6]

E. **Annual Review**: The Ethics Commission shall also have the authority to annually review the City's ethics policies and code and submit recommendations to the City Council.

F. **Adoption of Procedural Rules:** The Ethics Commission shall have the authority to establish, adopt, and amend any procedural rules and regulations necessary to properly execute Commission business.

G. **Member Initiated Complaints and Recusal:** An Ethics Commission member shall not deliberate or vote on any complaint that the member filed. A member of the Ethics Commission shall recuse himself or herself from any case in which, because of familial relationship, employment, any prohibited economic interest, or because of any reason his or her impartiality might reasonably be questioned. If the number of Commission members recused from a case is so large that a quorum of the Ethics Commission cannot be constituted, as provided for in Section 2-51, the City Manager shall nominate a sufficient number of ad hoc members to constitute a quorum. Ad hoc members of the Ethics Commission must be confirmed by a majority vote of the City Council and serve only for the nominated case.

Section 2-54 - Ethics Compliance Officer

A. **Designation:** The City Attorney or his attorney designee, shall serve as the Ethics Compliance Officer for the City. The Ethics Compliance Officer shall act as legal counsel to the Ethics Commission on matters related to Commission business. As legal counsel to the Ethics Commission, the Ethics Compliance Officer shall not represent any person or party in any proceeding before the Ethics Commission.[7]

B. **Authority and Duty:** The Ethics Compliance Officer shall also have the duty to review alleged

6 Official Comment: This provision allows the Commission the ability to begin an investigation on its own without a formal written complaint from a third party. However, in order to provide constitutional due process to the individual subject to the investigation, written notice of the grounds for the investigation and the ability to respond must be provided.
7 Official Comment: The Commission needs a screening officer with skill in determining whether certain conduct could potentially violate the Ethics Code. The intent is not for the screening officer to decide the validity of each complaint. The intent is for the screening officer to assume all alleged facts are true for initial evaluation purposes, and if true, would such facts violate a provision of the Ethics Code. If such allegations, if proven true, would not violate the Ethics Code, then the complaint is not a proper complaint. If the allegations could violate the Ethics Code, the screening officer is required to determine the complaint is complaint and to forward it to the Commission. The Commission is the body which determines the factual accuracy of any complaint, the credibility of any statements or testimony, and the validity of any evidence.

ethics complaints to ensure the written complaint meets the required form and substance as stated in this article prior to the submission to the Ethics Commission. In reviewing alleged ethics complaints, the Ethics Compliance Officer shall not determine the truth of the matters alleged but shall determine whether the act or actions alleged could constitute a violation under the Code of Ethics and Conduct, if proven true. Should the Ethics Compliance Officer determine that the act or action alleged would not constitute a violation of the Code of Ethics and Conduct, even if true, the complaint shall be dismissed by the Ethics Compliance Officer. Should the Ethics Compliance Officer determine that the complaint submitted contains alleged violations of the City Charter, such complaints shall be forward to the City Council.

C. **Notice of Defects in Form:** If the Ethics Compliance Officer determines an alleged complaint is defective in form, the complainant must be advised of the defect and given a reasonable opportunity to correct any defects in the form of the complaint. Should the complainant refuse to correct or fail to correct any defects is form, the Ethics Compliance Officer shall dismiss the complaint as non-compliant. Should the Ethics Compliance Office determine the complaint falls outside the Commission's authority but within the purview of the City Manager, the Ethics Compliance officer shall forward the complaint to the City Manager's office.

D. **Appointment of Independent Outside Attorney:** Should a conflict arise wherein the City Attorney cannot perform the duties required of the Ethics Compliance Officer, an independent outside attorney, who does not otherwise represent the city, shall be appointed by the City Manager and shall have the same duties and authority under Section 2-54 and shall be entitled to reasonable compensation as determined by the City Manager for the duties performed in the particular case. An automatic conflict exists when a complaint alleging the a violation of the ethics code by the City Manager, Mayor, a member of the City Council, City Attorney or an Assistant City Attorney; or when requested by the City Attorney due to a potential legal conflict of interest. Should the City Manager not be able or willing to appoint an independent outside attorney, then such appointment shall be made by the Mayor.

Section 2-55 – Written Ethics Complaint

A. A complaint filed under this article shall be submitted on the form adopted by the Ethics Commission which can be obtained at the Office of the City Secretary. A complaint shall contain the following minimum requirements:

a) The name, mailing address, and telephone number of the person submitting the complaint;

b) The name of the person(s) whom is/are alleged to have committed a violation of the Code of Ethics and Conduct and their position and/or title held or formerly held;

c) The date of the alleged ethics violation; including the facts supporting specific provision(s) of the ethics code that are alleged to have been violated; and

d) The ethics complaint form is sworn to before a notary public or other person authorized by law to administer oaths under penalty of perjury.

B. The Ethics Commission may adopt additional minimum requirements for the complaint as it deems necessary, but may not reduce the requirements established by this section of the Code.

Section 2-56 – Penalties and Recommendations

A. **Commission Imposed Penalties:** Should the Ethics Commission find a violation of the ethics code, the Ethics Commission may directly impose the following penalties:

a) A civil penalty of not more than $500.00 per violation;

b) A letter of admonition when the violation was determined to be unintentional or inadvertent;

c) A letter of reprimand when the violation was determined to be intentional or knowingly committed; and

d) A command to attend specific training.

B. **Recommendations:** In addition to the authority to assess the above penalties, the Ethics Commission may also recommend action be taken by the City Council or City Manager, including but not limited to termination or forfeiture of office. Further, the Ethics Commission may refer any matter to the appropriate criminal prosecutor to determine the existence of any criminal conduct and whether criminal prosecution may be warranted. However, the absence of a referral from the Ethics Commission shall not preclude any prosecutor from exercising his or her discretion in handling matters he or she deems to constitute criminal conduct.

Section 2-57 – Appeal and Disposition

A. **Determination with Penalties:** If the Ethics Commission makes a determination a violation of the Ethics Code occurred and imposes a penalty, such decision may be appealed by the person subject to the penalty to the City Council. Such appeal shall be submitted, in writing, to the Office of the City Secretary within ten (10) calendar days from the date that the penalties are imposed. The appeal shall state the reasons why the decision is unwarranted and should be dismissed. Following the submission of a written appeal, penalties shall be suspended until the City Council either upholds or dismisses the penalties imposed by the Ethics Commission. Alternatively, the City Council, at its discretion, may impose a lesser penalty than what has been imposed by the Ethics Commission.

B. **City Council Consideration:** The City Council may consider the appeal based on a review of the Ethics Commission records or may hold its own investigatory hearing on the appeal. The appellant is entitled to written notice of the council meeting at which the appeal will be considered for action and whether the Council will be conducting its own investigation or simply reviewing the appeal from the Commission.

C. **Recommendations Not Appealable:** With the exception of complaints filed against a City Council member or the City Manager, no appeals may be taken if the Ethics Commission makes a recommendation but imposes no penalty. If the Ethics Commission makes a recommendation to the City Council, the person subject to the recommendation is entitled to written notice of the council meeting at which the recommendation will be considered.[8]

II.
CUMULATIVE CLAUSE

This Ordinance shall be cumulative of all provisions of the Windcrest Code of Ordinances except where the provisions of this Ordinance are in direct conflict with the provisions of a prior existing Ordinance, in which event the conflicting provisions of prior existing Ordinance are hereby repealed.

III.
SEVERABILITY

That it is hereby declared to be the intent of the City Council for the City of Windcrest that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance should be declared unconstitutional by the valid judgement or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of the Ordinances, since the same would have been enacted by the City Council without incorporation in this ordinance of any such unconstitutional phrases, sentences, paragraphs, or sections.

8 Official Comments: From a technical standpoint, if no penalty is present, a recommendation does not impose an obligation upon the person subject to Commission's recommendation. The recommendation is therefore not an appeal in the normal sense. A recommendation without a penalty is simply a report to the City Council or City Manager on a respondent. Council's consideration should not be thought of as an appeal, but as the Council being the body to take initial action. However, because the members of the City Council and the City Manager positions are more prone to perception, political influence and indirect injury in the eyes of the public, such respondents are given the ability to formally challenge the recommendation prior the Council taking action. But the end result is the same in that no direct penalty is imposed by the recommendation and the City Council must or City Manager must still take action before a determination is final.

IV.
PROPER NOTICE AND MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

V.
EFFECTIVE DATE

This ordinance shall be effective upon passage and publication as required by state and local law.

PASSED on first reading on the__day of ______, 2020 at a regular meeting of the City Council of the CITY of WINDCREST, Texas which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, §551.001, et.seq. at which meeting a quorum was present and voting.

PASSED AND APPROVED on second reading on the _______ day of __________, 2020 at a regular meeting of the City Council of the CITY of WINDCREST, Texas which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, §551.001, et.seq. at which meeting a quorum was present and voting.

____
Dan Reese, Mayor

ATTEST:

____
Rachel Dominguez, City Secretary

APPROVED AS TO FORM:

____
Ryan S. Henry, City Attorney

ORDINANCE NO. 2018-686(O)

A ORDINANCE REPEALING PREVIOUS ETHICS CODES AND POLICIES AND ADOPTING A NEW CODE OF ETHICS AND CONDUCT FOR CITY OFFICIALS AND EMPLOYEES

WHEREAS, various ethics codes and policies have heretofore been adopted and approved by the City Council; and

WHEREAS, the City Council desires to periodically review and update its ethics policies in order to enhance accountability and transparency for the welfare of the citizens of the City of Windcrest.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS that previous ethics codes and policies of the city are hereby repealed, and the attached City of Windcrest Code of Ethic. and Conduct for City Officials and Employees is hereby adopted.

This policy shall become effective on the first day of the month following the final adoption of this ordinance.

DULY PASSED AND APPROVED, on the 3rd day of December, 2018 at a regular meeting of the City Council of the City of Windcrest, Texas, which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, §551.001, et. seq. at which meeting a quorum was present and voting.

CITY OF WINDCREST, TEXAS

Joan Pedrotti for

Dan Reese, Mayor

ATTEST:

David Rodulfo Jr.

David Rodulfo Jr. Asst. City Secretary

APPROVED:

Ryan Henry

Ryan Henry, City Attorney

ORDINANCE NO. 2018-686(O)

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WHEREAS, the City Council desires to periodically review and update its ethics policies in order to enhance accountability and transparency for the welfare of the citizens of the City of Windcrest.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS that previous ethics codes and policies of the city are hereby repealed, and the attached City of Windcrest Code of Ethics and Conduct for City Officials and Employees is hereby adopted.

This policy shall become effective on the first day of the month following the final adoption of this ordinance.

DULY PASSED AND APPROVED, on the 3rd day of December, 2018 at a regular meeting of the City Council of the City of Windcrest, Texas, which meeting was held in compliance with the Open Meetings Act, Tex. Gov't. Code, §551.001, et. seq. at which meeting a quorum was present and voting.

CITY OF WINDCREST, TEXAS

Joan Pedrotti for

Dan Reese, Mayor

ATTEST:

David Rodulfo Jr

David Rodulfo Jr/Asst.City Secretary

APPROVED:

Ryan Henry, City Attorney

City of Windcrest Code of Ethics and Conduct For City Officials and Employees

Statement of Purpose

The citizens and businesses of Windcrest are entitled to have fair, ethical and accountable local government which earns the public's full confidence for integrity. The strong desire of the City of Windcrest to fulfill this expectation therefore requires that city officials, both elected and appointed, and employees:

- Comply with both the letter and spirit of the laws and policies affecting the operations of government;
- Be independent, impartial and fair in their judgment and actions;
- The office or position be used for the public good, not for personal gain; and

To this end, the Windcrest City Council has adopted this Code of Ethics and Conduct for city officials and employees to assure public confidence in the integrity of local government and its effective and fair operation.

Definitions

The following words, terms and phrases, when used in this article, shall have the meanings subscribed to them in this section.

Business. A corporation, partnership, sole proprietorship, firm, holding company, joint stock company, receivership, trust or any other for profit or non-profit entity.

City Council. The legislative and governing body of the city consisting of the mayor and council city members.

City Official. Any member of the city council and any appointed member of a board, commission, or committee set up by ordinance, charter, state law or otherwise, on a temporary or permanent basis.

Employee. Any person employed by the city, including those individuals on a part-time basis, including independent contractors hired by the city for repetitive performance of services, but not independent contractors engaged for occasional services.

1. Act in the Public Interest

Recognizing that stewardship of the public interest must be their primary concern, city officials and employees will work for the common good of the people of Windcrest and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims and transactions coming before the Windcrest City Council, boards, commissions, and committees.

2. Comply with the Law

City of Windcrest Code of Ethics and Conduct
For City Officials and Employees

City officials and employees shall comply with the laws of the nation, the State of Texas, and the City of Windcrest in the performance of their public duties. These laws include, but are not limited to: the United States and Texas constitutions; laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government; and City ordinances and policies.

3. Conduct of City Officials and Employees

The professional and personal conduct of city officials and employees must be above reproach and avoid even the appearance of impropriety. City officials and employees shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other city officials and employees, board, commission, and committee members and the public.

4. Respect for Process

City officials and employees shall perform their duties in accordance with the processes and rules of order established by the City Council and boards, commissions, and committees governing the public deliberation of public policy issues, meaningful involvement of the public, and implementation of policy decisions of the City Council by City staff.

5. Conduct of Public Meetings

City officials have an obligation to attend meetings and be prepared for public issues; listen courteously and attentively to all public discussions before the body; and focus on the business at hand. They shall refrain from interrupting other speakers, making personal comments not germane to the business of the body, or otherwise interfere with the orderly conduct of meetings.

6. Decisions Based on Merit

It is expected that city officials and employees review material, participate in discussion and base their decisions on the merits and substance of the matter at hand.

7. Communication

Prior to taking final action on a matter under consideration, city officials and employees should publicly share substantive information, which they may have received from sources outside the public decision-making process, that is relevant to such action by the Council, boards, commissions, or committees.

8. Conflicts of Interest and Disclosure

City officials and employees shall familiarize themselves and abide by the following conflicts of interest and disclosure statutes and principles:

City of Windcrest Code of Ethics and Conduct
For City Officials and Employees

a. Section 171 of the Local Government Code which requires council members and certain officers to file an affidavit disclosing a substantial interest in a business or property that would be beneficially affected by a decision of the city council and thereafter abstaining from participation in discussion and voting on the matter. Once the disclosure is made the city official is to remove themselves from the meeting area to ensure their presence does not hinder the discussion of the item or influence the vote.

b. Section 176 of the Local Government Code which requires city council members and the city manager to file a conflicts disclosure statement disclosing any business relationship with a person or business doing business with the city or being considered by the city for a business relationship.

c. Section 176.003(a)(2)(B)of the Local Government Code which requires the disclosure of gifts of an aggregate value of more than $250.00 in the twelve (12) month period preceding a transaction described in Section 176, other than gifts of food, lodging, transportation, or entertainment accepted as a guest.

d. Sections 553.001-553.003 of the Government Code which requires the filing of an affidavit before the date the city will acquire a property in which public servants have a legal or equitable interest.

e. City employees shall disclose potential conflicts of interest to their supervisor and avoid participation in the handling of matters wherein employees have a personal interest.

f. In order to assure their independence and impartiality on behalf of the public good, city officials and employees are prohibited from using their positions to influence government decisions in which they have a personal interest.

g. In order to avoid a potential conflict of interest or the appearance of a potential conflict of interest, no person related to a member of the City Council or City Manager within the second degree by affinity (marriage) or third degree by consanguinity (blood relationship) as defined by Chapter 573 of the Texas Government Code shall be appointed to serve or remain in service on any City board or commission.

9. <u>Corruption</u>

City officials and employees shall familiarize themselves and abide by the Penal Code mandates concerning corruption, including specifically Section 36.02 prohibiting bribes, Section 36.08(d) prohibiting illegal benefits, Section 36.09 prohibiting receipt of prohibited gifts, Section 39.02 concerning abuse of official capacity and Section 39.06(a) concerning misuse of official information.

10. <u>Political Advocacy</u>

City officials and employees shall not utilize the city's name or logo for purposes of endorsing any political candidate or business. City employees shall not engage in electioneering while on the job. Electioneering means working for the election of a candidate to political office.

City employees shall not be appointed or retained on the basis of their political support or activities. Employees shall not engage in political activities relating to a campaign for elective office while in uniform or on active duty. Employees elected to city offices shall be required to resign their employment upon acceptance of the office.

City employees are prohibited from using their municipal title or position in any advertisement or endorsement of products, persons or activities, without exclusive authorization by the City Council.

11. Confidential Information

City officials and employees shall respect the confidentiality of information concerning City property, personnel or proceedings of the City. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance their personal interests.

12. Use of Public Resources

City officials and employees shall not use public resources generally unavailable to the public, such as City staff time, equipment, supplies or facilities, for private gain or personal purposes.

13. Representation of Private Interests

In keeping with their role as stewards of the public interest, city officials and employees shall not appear on behalf of private interests of third parties before the Council or any board, commission, committee, or proceeding of the City.

14. Advocacy

City officials and employees shall represent the official policies or positions of the City Council, board, commission, or committee to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, city officials and employees shall explicitly state they do not represent their body or the City of Windcrest, nor will they allow the inference that they do.

15. Policy Role of City Officials and Employees

City officials and employees shall respect and adhere to the Windcrest city governmental structure as outlined in the City's charter, policies and procedures. In this structure, the City Council determines the policies of the City with the advice, information and analysis provided by the public, boards, commissions, and committees and City staff. Except as provided by the City ordinance, city officials therefore shall not interfere with the administrative functions of the City or the professional duties of the City staff; nor shall they impair the ability of staff to implement Council policy decisions.

16. Independence of City Council, Boards, Commissions, and Committees

In order to safeguard the independence of the city council, boards, commissions, and committees in the public decision-making process, city officials and members of such boards, commissions, and committees shall refrain from applying undue influence on the deliberations or outcomes of city council, board, commission, and committee proceedings.

17. Positive Work Place Environment

City officials shall support the maintenance of a positive and constructive work place environment for City employees and for citizens and businesses dealing with the City. City officials shall recognize their special role in dealing with City employees and refrain from creating the perception of inappropriate direction to staff.

18. Implementation

As an expression of the standards of conduct for city officials and employees expected by the City, the Windcrest Code of Ethics and Conduct is intended to be self-enforcing. It therefore becomes most effective when city officials and employees are thoroughly familiar with it and embrace its provisions. Ethical standards shall be included in the regular orientations for candidates for City Council, applicants to boards, commissions, and committees and newly elected and appointed officials and new employees. City officials and employees entering office, including those appointed to boards, commissions and committees shall sign a statement affirming they have read and understood the City of Windcrest Code of Ethics and Conduct. In addition, the Code of Ethics and Conduct shall be reviewed periodically by the City Council, boards, commissions, and committees, and the City Council shall consider recommendations from boards, commissions, committees, employees, and citizens for revision as it becomes necessary.

19. Compliance and Enforcement

The Windcrest Code of Ethics and Conduct expresses standards of ethical conduct expected for city officials and employees of the Windcrest City Council, boards, commissions, and committees. City officials and employees themselves have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government. The chairs of boards, commissions, and committees and the Mayor have the additional responsibility to intervene when city officials' actions appear to be in violation of the Code of Ethics and Conduct and are brought to their attention. The City Council may impose sanctions, such as reprimand, formal censure, or loss of committee assignment, on city officials whose conduct does not comply with the City's ethical standards. The City Council also may act to remove members of boards, commissions, and committees from office.

City of Windcrest Code of Ethics and Conduct
For City Officials and Employees

STATEMENT OF COMMITMENT

As a member of the Windcrest City Council or of a Windcrest city board, commission or committee or an employee, I agree to uphold the Code of Ethics and Conduct and conduct myself by the following model of behavior.
I will:

- Recognize the worth of individual city officials and employees and appreciate their individual talents, perspectives and contributions;
- Help create an atmosphere of respect and civility where individual city officials, City staff and the public are free to express their ideas and work to their full potential;
- Conduct my personal and public affairs with honesty, integrity, fairness and respect for others;
- Respect the dignity and privacy of individuals and organizations;
- Keep the common good as my highest purpose and focus on achieving constructive solutions for public benefit;
- Avoid and discourage conduct which is divisive or harmful to the best interests of Windcrest;
- Treat all people with whom I come in contact in a manner I wish to be treated;
- Before I speak or act I will ask myself the following questions:

    1. Is it the truth?
    2. Is it fair to all concerned?
    3. Will it build goodwill and better relationships?
    4. Will it be beneficial to all concerned?

This document has been explained to me in Spanish; I fully understand the contents and agree to abide by its rules.

Este documento se me ha explicado en espanol; entiendo completamente el contenido y concuerdo en respetar sus reglas.

____
Council, Board, Commission, Committee, Employee

____
Position

____
Signature Date

ORDINANCE NO. 2019-690(O)

AN ORDINANCE RECONSTITUTING THE WINDCREST BOARD OF ADJUSTMENT, PLANNING AND ZONING COMMISSION, AND PARKS AND RECREATION COMMISSION BY AMENDING SECTION 113-68, SECTION 113-62, SECTION 26-21 AND CREATING CHAPTER 2, ARTICLE III – ETHICS - OF THE WINDCREST CODE OF ORDINANCES IN ORDER TO ESTABLISH STAGGERED TERMS

WHEREAS, the City of Windcrest previously created a board of adjustment, a planning and zoning commission, an ethics commission, and a parks and recreation commission; and

WHEREAS, the appointed members to each board and commission are appointed for staggered terms; and

WHEREAS, the appointments and term designations have become offset over time; and

WHEREAS, uniform term dates are determined to be of assistance in keeping track of terms and who holds such terms; and

WHEREAS, membership of the Windcrest Board of Adjustment, Planning and Zoning Commission, and Parks and Recreation Commission and terms of office need to be clarified and appropriate appointments and removals need to be made; and

WHEREAS, the City Council did not set the terms for those appointed to the Ethics Commission as of the date of this ordinance; and

WHEREAS, the City Council of the City of Windcrest finds it is necessary to reconstitute the Board of Adjustment, Planning and Zoning Commission, Parks and Recreation Commission and establish the organization of the Ethics Commission; and

WHEREAS, this ordinance is meant to resets the terms to allow for staggering of terms; and

WHEREAS, the City Council for the City of Windcrest finds that a "term" of appointment runs and was always intended to run from a unified appointment date for a designated time period. Each appointed member takes the position pursuant to the designated term slot, regardless of when the member is appointed or takes office; and

WHEREAS, in order to prevent future confusion by members and the public, all appointed members must take their oath of office within thirty (30) calendar days of the effective date of their appointment; and

WHEREAS, the failure of an appointee to take their oath of office within thirty (30) calendar days of the effective date of appointment results in the automatic revocation of the appointment and the position must be brought back to the City Council for appointment.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS that the following sections of the Windcrest Code of Ordinances shall be amended as follows:

I. Section 113-68 of the Windcrest Code of Ordinances is hereby repealed and the City Council adopts the following as the amended Code which shall read as follows:

Section 113-68 Board of Adjustment - Reconstituted.

a. Effective March 1, 2019, the Board of Adjustment is dissolved and simultaneously reconstituted with staggered terms as follows:

i. Place 1 Term – Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

ii. Place 2 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;

iii. Place 3 Term – Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

iv. Place 4 Term - Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

v. Place 5 Term – Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;

vi. Alternate Place A1 Term - Begins March 1, 2019 with a term expiring March 1st in odd numbered years;

vii. Alternate Place A2 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;

viii. Alternate Place A3 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years.

b. All undecided matters pending before the Board of Adjustment on February 28, 2019 are abated for purposes of the dissolution of the Board and said abatement is lifted automatically by this reconstitution of the Board. All issues in any undecided matter carries forward under the reconstituted Board just as if no dissolution or reconstitution had occurred.

c. The appointment for the positions of the reconstituted Board of Adjustment, effective March 1, 2019, are as follow:

Place No.	Position	Term Assigned	Term Expires
1	**Elizabeth Dick**	**3/1/2019**	**3/1/2021**
2	**Alan Thompson**	**3/1/2019**	**3/1/2020**
3	**Veronica Dixon**	**3/1/2019**	**3/1/2021**
4	**Norma Weatherspoon**	**3/1/2019**	**3/1/2021**
5	**Lidia Oliverez**	**3/1/2019**	**3/1/2020**
	Alternates:		
A1	**Gwen Wilson**	**3/1/2019**	**3/1/2021**
A2	**Robert Rohlender**	**3/1/2019**	**3/1/2020**
A3	**Vacant**	**3/1/2019**	**3/1/2020**

d. All future appointments, either for full terms or partial terms, shall be appointed for the designated terms of two (2) years as listed in Section I(a). The dates of the designated terms shall not change in order to preserve the staggered nature of the appointments. The date on which the individual is appointed or takes their oath of office shall not alter the term time period listed above, but shall only serve as the period the person takes office.

II. Section 113-62 of the Windcrest Code of Ordinances is hereby repealed and the City Council adopts the following as the amended Code which shall read as follows:

Section 113-62 - Planning and Zoning Commission - Reconstituted.

a. Effective March 1, 2019, the Planning and Zoning Commission is reconstituted with staggered terms as follows:

i. Place 1 Term – Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

ii. Place 2 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;

iii. Place 3 Term – Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

iv. Place 4 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;

v. Place 5 Term – Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

vi. Place 6 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;

vii. Place 7 Term - Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

viii. Alternate Place A1 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;

ix. Alternate Place A2 Term - Begins March 1, 2019 a two-year term expiring March 1st in odd numbered years;

x. Alternate Place A3 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years.

b. All undecided matters pending before the Planning and Zoning Commission on February 28, 2019 carries forward under the reconstituted Commission just as if no reconstitution had occurred.

c. The Commission shall be composed of seven (7) resident citizens who are taxpayers, real property owners and qualified voters of the City of Windcrest who shall hold no other position in city government with compensation for services set by the City Council. Members are appointed by the City Council upon recommendation from the mayor and serve at the will of the City Council pursuant to state law. Vacancies occurring in the Commission shall be filled by the City Council for the unexpired term period. The city secretary and mayor shall be ex-officio members of this commission

d. The Commission shall select from its membership a chairman, a vice chairman, and other officers as deemed necessary by the Planning and Zoning Commission. The chairman and vice-chairman shall serve for a period of one (1) year, and thereafter until their successors are duly appointed by the Commission. The Commission shall adopt rules for the transaction of business, and shall keep a record of its resolutions, transactions, findings, and determinations, of which the record shall be a public record. At least one (1) meeting per month shall be held, and additional meetings may be held from time to time upon the call of the chairman. On occasion, it may be necessary for the Commission to hold joint meetings with the City Council to provide for the expeditious handling of planning and zoning matters. When these joint meetings are held, the mayor of the City of Windcrest will be in charge of the meeting, in accordance with Texas Law.

e. The appointment for the positions of the reconstituted Planning and Zoning Commission, effective March 1, 2019, are as follow:

Place No.		Position	Appointment	Term Expires
1		**Ron Armes**	**3/1/2019**	**3/1/2021**
2		**Nikki Walker**	**3/1/2019**	**3/1/2020**
3		**Rainbeau Presti**	**3/1/2019**	**3/1/2021**
4		**Majie Takas**	**3/1/2019**	**3/1/2020**
5		**Steven Hall**	**3/1/2019**	**3/1/2021**
6		**Ronda Rowland**	**3/1/2019**	**3/1/2020**
7		**Matthew Halbert**	**3/1/2019**	**3/1/2021**
		Alternates:		
A1		**Vacant – term running**	**3/1/2019**	**3/1/2020**
A2		**Vacant – term running**	**3/1/2019**	**3/1/2021**
A2		**Vacant - term running**	**3/1/2019**	**3/1/2020**

III. Section 26-21 of the Windcrest Code of Ordinances is hereby repealed and the City Council adopts the following as the amended Code which shall read as follows:

Section 26-21 – Parks and Recreation Commission - Reconstituted.

a. Effective March 1, 2019, the Parks and Recreation Commission is reconstituted with staggered terms as follows:

A. Place 1 Term – Begins March 1, 2019 with a three-year term expiring March 1st on the third anniversary of this term's creation;

B. Place 2 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a three-year term from March 12, 2020 forward in time with the term expiring on March 1st on the third anniversary;

C. Place 3 Term – Begins March 1, 2019 with a three-year term expiring March 1st on the third anniversary of this term's creation;

D. Place 4 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year, term then being a three-year term from March 12, 2020 forward in time with the term expiring on March 1st on the third anniversary;

E. Place 5 Term – Begins March 1, 2019 with a three-year term expiring March 1st on the third anniversary of this term's creation;

F. Place 6 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a three-year term from March 12, 2020 forward in time with the term expiring on March 1st on the third anniversary;

G. Place 7 Term - Begins March 1, 2019 with a three-year term expiring March 1st on the third anniversary of this term's creation;

H. Alternate Place A1 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a three-year term from March 12, 2020 forward in time with the term expiring on March 1st on the third anniversary;

I. Alternate Place A2 Term - Begins March 1, 2019 with a three-year term expiring March 1st on the third anniversary of this term's creation;

b. All undecided matters pending before the Commission on February 28, 2019 carries forward under the reconstituted Commission just as if no reconstitution had occurred.

c. The appointment for the positions of the reconstituted Parks and Recreation Commission, effective March 1, 2019, are as follow:

Place No.		Position	Appointment	Term Expires
1		**Jeannette Lynch**	**3/1/2019**	**3/1/2022**
2		**Mary Lee Seal**	**3/1/2019**	**3/1/2020**
3		**Jay Eldridge**	**3/1/2019**	**3/1/2022**
4		**Bill Zulaica**	**3/1/2019**	**3/1/2020**
5		**Tom Gest**	**3/1/2019**	**3/1/2022**
6		**Betty Riggs**	**3/1/2019**	**3/1/2020**
7		**Robin Alva**	**3/1/2019**	**3/1/2022**
		Alternate:		
A1		**Arthur Flinn**	**3/1/2019**	**3/1/2020**
A2		**Bob Sanders**	**3/1/2019**	**3/1/2022**

IV. Chapter 2, Article III – Ethics is hereby created in the Windcrest Code of Ordinances and the City Council adopts the following as the Code which shall read as follows:

Article III – Ethics

Section 2-50 – Ethics Commission - Creation.

The City of Windcrest Ethics Commission is hereby established under this Code of Ordinances.

Section 2-51 - Organization

Effective March 1, 2019, the City of Windcrest Ethics Commission shall consist of five (5) members of the community appointed by the City Council who shall be citizens of Windcrest. Each appointed member shall be appointed for a two (2) year term by the City Council. Due to the nature and role of the Ethics Commission, an appointed member of the Commission can be removed by an affirmative vote of no less than four (4) City Council members. The City Council may vote to fill an unexpired term by an affirmative vote of three (3). Members of the Commission may be removed with or without cause.

Section 2-52 – Term Periods

The terms of the Commission shall be staggered terms as follows:

A. Place 1 Term – Begins March 1, 2019 with a two-year term expiring March 1st 1 in odd numbered years;
B. Place 2 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;
C. Place 3 Term – Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;
D. Place 4 Term - Begins March 1, 2019 with a term expiring March 1, 2020 as a one-year term, then being a two-year term from March 12, 2020 forward in time with the term expiring on March 1st in even numbered years;
E. Place 5 Term – Begins March 1, 2019 with a two-year term expiring March 1st in odd numbered years;

The appointment for the positions of Ethics Commission, effective March 1, 2019, are as follow:

Place No.		Position	Appointment	Term Expires
1		**Rose Marie Caballero**	**3/1/2019**	**3/1/2021**
2		**Jill S. Vogel**	**3/1/2019**	**3/1/2020**
3		**Carol Hobaugh**	**3/1/2019**	**3/1/2021**
4		**Mary Hatch**	**3/1/2019**	**3/1/2020**
5		**James McClain**	**3/1/2019**	**3/1/2021**

For purposes of the first meeting of the Ethics Commission after passage of this ordinance, the mayor shall assign a presiding officer from the members. The first order of business shall be the election of a chair, vice-chair, and secretary by the members of the Commission. The elected chair shall preside over all meetings. In the absence of the chair, the vice-chair shall assume the duties of presiding officer. The secretary shall keep minutes or designate a minute keeper.

Section 2-53 – Duties and Authority

The City of Windcrest Ethics Commission has the authority and duty to investigate written complaints of alleged unethical behavior by a member of the City Council or a member of a City-appointed board, commission or committee and to make a recommendation to the City Council on the complaint and potential action, if any.

Before a complaining person may file a written complaint with the City Council regarding alleged unethical behavior by a member of the City Council or a member of a City-appointed board, commission or committee, the complaining person must first file the written complaint with the Ethics Commission by submitting the written complaint to the chair.

The Ethics Commission shall also have the authority and duty to review the City's ethics policies and ordinance and submit recommendations to the City Council for policy adjustments.

The Ethics Commission may adopt procedural rules and regulations to properly execute Commission business. However, the Ethics Commission shall have no authority to make a final determination on a written complaint or impose a penalty. The Ethics Commission must submit a written report to the City Council detailing any recommendations on a written complaint, or a policy or an ordinance.

PASSED on first reading on the 23rd day of January, 2019 at a special meeting of the City Council of the CITY of WINDCREST, Texas which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, §551.001, et.seq. at which meeting a quorum was present and voting.

PASSED AND APPROVED on second reading on the 4th day of February, 2019 at a special meeting of the City Council of the CITY of WINDCREST, Texas which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, §551.001, et.seq. at which meeting a quorum was present and voting.

Dan Reese, Mayor

ATTEST:

Marie Gelles

City Secretary

APPROVED AS TO FORM:

Ryan Henry, City Attorney

RESOLUTION NO. 2019-1120 (R)

A RESOLUTION OF THE CITY OF WINDCREST ETHICS COMMISSION ADOPTING AN ETHICS COMPLAINT FORM AND PROCEDURES ENABLING THE ETHICS COMMISSION TO PROPERLY EXECUTE COMMISSION BUSINESS

WHEREAS, the City of Windcrest has created an Ethics Commission to intake and investigate ethics complaints; and

WHEREAS, the Windcrest Ethics Commission currently does not have an intake process or procedures to conduct its investigation into alleged ethics violations; and

WHEREAS, the Windcrest Ethics Commission has the authority to adopt its own procedural rules and regulations to properly execute its business; and

WHEREAS, the Windcrest Ethics Commission finds it necessary to adopt the ethics complaint form and procedures attached hereto to properly execute Commission business.

NOW THEREFORE, BE IT RESOLVED BY THE WINDCREST ETHICS COMMISSION that:

1. The Windcrest Ethics Commission has adopted the attached ethics complaint form and procedures to properly execute Commission business.

DULY PASSED AND APPROVED, on the 20th day of November, 2019 at a meeting of the Windcrest Ethics Commission, which was held in compliance with the Open Meetings Act, Gov't. Code §551.001, et. Seq. at which meeting a quorum was present and voting.

Windcrest Ethics Commission

for Ethics Commission Chair

ATTEST:

Rachel C. Dominguez, City Secretary

APPROVED:

Michael S. McCann, City Attorney

CITY OF WINDCREST, TEXAS
INCORPORATED 1959

Windcrest Ethics Commission Procedures

ARTICLE I. GENERAL PROVISIONS

(A) **Definitions**

1. *The Commission* shall mean the Windcrest Ethics Commission, which is a commission established by the City Council of the City of Windcrest pursuant to Ordinance No. 2019-690(O). The Commission may establish its own rules and procedures, but such are subject to change by City Council resolution or ordinance.
2. *City Secretary* shall mean the City Secretary of the City of Windcrest.
3. *Chair* shall mean the chair of the Ethics Commission.
4. *Officers of the Commission* shall mean the Chair, Vice-Chair and Secretary of the Ethics Commission.
5. *Presiding Officer* shall mean the officer or commission member presiding over any meeting of the Commission. By default, the Presiding Officer shall be the Chair.
6. *Vice-Chair* shall mean the vice-chair of the Ethics Commission.
7. *Complaint Form* shall mean the Ethics Complaint Form on file with the City's Secretary's office.
8. *Complainant* shall mean the person filing an Ethics Complaint Form.
9. *Respondent* shall mean the person accused of committing behavior deemed unethical under the City's Ethics Policy.
10. *Hearing* shall mean a meeting of the Windcrest Ethics Commission wherein the Commission will investigate the complaint and may consider responses, evidence, and other information provided at this meeting to make a formal recommendation to the City Council or City Manager on whether the Complaint should be sustained or dismissed.

(B) **Purpose and Duties**

The Commission's primary functions are to:

1. investigate written complaints of alleged unethical behavior by a member of the City Council or a member of a City-appointed board, commission, or committee and submit a written report containing recommendation to the City Council on the complaint and potential action, if any; and

2. review the City's ethics policies and ordinances and submit a written report containing recommendations to the City Council for policy or ordinance adjustments.

(C) **Office and Custodian of Records**

1. The Commission designates City Hall, located at 8601 Midcrown, Windcrest, Texas 78239, as its office.

2. The Commission further designates the City Secretary as its custodian of records. All records of the Commission shall be filed with the City Secretary. The Commission, through the assistance of the City Secretary, shall keep minutes of its proceedings that indicate the vote of each member on each question or the fact that a member is absent or fails to vote. The Commission shall keep records of its examinations and other official actions, which shall be stored in the Office of the City Secretary.

3. The Commission designates the Chair as the primary officer responsible for communications on behalf of the Commission and interaction with City administration.

ARTICLE II. MEMBERSHIP

(A) **Composition of Commission**

1. The Commission is composed of five (5) members of the community appointed by the City Council.
2. Each appointed member shall serve two (2) year terms as set out by ordinance.
3. A vacancy on the Commission shall be filled for the unexpired term. The date on which a new member is appointed to serve on the Commission shall not extend nor reduce the duration of the term. The new member appointed shall serve until the remainder of the term is complete.

ARTICLE III. OFFICERS

(A) The officers of the Commission shall consist of a chair, vice-chair, and secretary as well as any other officers that are deemed necessary to the operation of the Commission. Each officer position is for a term of one (1) year. Elections for officer positions are to be held annually for officer positions, even if the positions were filled due to vacancy at a time prior to the annual election. Vacancies for officer positions shall be filled by an election from the Commission membership by the Commission.

(B) The election of officers shall occur by the Commission membership by majority vote.

(C) The Chair shall serve as the Presiding Officer during all Commission meetings at which the chair is present. Should the Chair be unable or unwilling to serve at any particular time, the Vice-Chair shall be the presiding officer and shall assume all duties of the Chair during the time the Chair is unable or unwilling to perform his/her duties.

(D) While not an officer of the Commission, the City Attorney shall act as the Board's attorney by default. Should a conflict of interest arise, the City Attorney shall be recused from representing the Commission for the matter which caused the conflict.

ARTICLE IV. PROCEDURES

(A) **Meetings:** In general, the Commission shall follow the below procedures. Such procedures are subject to policies and ordinances adopted by the City Council by resolution or ordinance. In the absence of an express procedure, the Presiding Officer is responsible for the orderly progression of any meeting. Meetings of the Commission are held at the call of the Presiding Officer and at other times as determined by the Commission.

1. *Call to Order.* Call the meeting to order.
2. *Roll Call.* Acknowledge the presence of members in the room for the purposes of quorum.
3. *Pledge of Allegiance.*
4. *Citizens to be Heard.* If applicable.
5. *Items for Discussion/Action.* The Commission shall hear and discuss items on the agenda, and, if necessary, take action on the listed agenda items. Should the Commission hold a hearing in response to a properly filed Ethics Complaint, it will be identified as an item for discussion and action.
6. *A Motion.* A motion must be made for each agenda item that is to be discussed. For example, "Motion to approve (or deny) [item as stated on the posted agenda]."
7. *Second to Motion.* A second to the motion must be made before discussion can occur on an agenda item. Seconding an item does not mean the member offering the second agrees with the motion. The second is an acknowledgement the motion should be discussed. If no second is made within a reasonable time of the motion as determined by the Presiding Officer, the motion will not be discussed.
8. *Discussion.* Members may discuss the motion on an agenda item once seconded. Discussion and deliberation are considered one-in-the-same for purposes of these rules.
9. *Call for Vote.* Once a motion has been made and seconded and discussion, if any, and has been held, any member of the Board may call for a vote on the motion. The Presiding Officer shall restate the motion and call for a vote of the members on the motion. The Board members shall vote on the motion. A motion passes by a majority vote of the Commission.
10. *Adjournment.* Once no other business is present for a particular meeting, the Presiding Officer will adjourn the meeting and state the time for the record. No motion or second is necessary for adjournment. If business is still present from the agenda, any Commission member may still move to adjourn at any time, which would require a second and majority vote to pass.

(B) **Ethics Complaint Intake Process and Hearing Procedures**

1. The rules applicable to courts of law are not applicable to the Commission; the procedures contained herein shall apply.
2. As the majority of the Commission's functions are reactions to filed complaints, the Commission is not expected to meet on a regular basis but can meet at the discretion of the Chair or by majority vote of the Commission. However, the Board shall meet as needed based on the proper filing of an Ethics Complaint Form.
3. If a person, the Complainant, requests an investigation by the Commission into a complaint, the person shall fill out an Ethics Complaint Form and file it with the City Secretary's Office.
4. A Complaint is only considered filed if the Ethics Complaint Form is complete and filed with the City's Secretary's office.
5. Once the Complaint Form has been filed, the City Secretary will submit it to the Chair and City Attorney's office. The Respondent(s) will also be provided a copy of the Complaint Form within a reasonable time after the Complaint Form is determined to be complete.
6. Respondent may, but is not required to, provide a sworn statement in response to the allegations contained in the Complaint Form; however, the period to provide such response must be received by the City Secretary's office within ten (10) days from the date in which the Respondent is provided the Complaint Form. Any amendments to the Complaint Form made by the Complainant will extend the time for Respondent to respond. Amendments to the Ethics Complaint Form may not be filed with less than ten (10) days before a hearing is set without the hearing being reset for a later date.
7. The Chair, at the advice of the City Attorney, may summarily dismiss the complaint if: the Ethics Complaint Form is not properly completed; no violation of the City's Ethics Policy is alleged; or the minimum requirements for an ethics complaint are not met under the ordinance or these rules.
8. If the Ethics Complaint Form is properly completed and the minimum requirements are met, the Chair shall set a hearing within sixty (60) days of the filing of the Ethics Complaint Form to allow the Commission to investigate the allegations contained in the Complaint Form.
9. At the hearing, the Complainant shall be put under oath and may make a presentation of information supporting the alleged Ethics Policy violations. The information presented shall be limited to the allegations contained in the Ethics Complaint Form. New allegations shall not be introduced at the hearing.
10. Respondent shall be put under oath and may make a counter presentation to rebut the information presented by the Complainant.
11. The Respondent may call a maximum of three (3) witnesses. The Commission may allow additional witnesses if requested and good cause is shown for the need by the Respondent. While the Complainant may not call witnesses, the Complainant may submit a witness list with and a brief summary of each witness' basis of knowledge as it relates to the allegation contained in the Ethics Complaint Form. The Commission can determine if it needs to hear testimony from such witness.
12. Any witnesses who testify shall be placed under oath. Witness testimony shall be limited to the allegations contained in the Ethics Complaint Form. No cross

examination shall be allowed by Complainant or Respondent. Only the Commission may ask questions of the witnesses.

13. The Commission may call any other witness it deems necessary in conducting its investigation.
14. Following the presentation of the Complainant and Respondent, the Commission shall vote on whether the allegation contained in the Ethics Complaint Form should be sustained or dismissed. After the determination is made, the Chair shall submit the results of the hearing in a written report to the City Council or City Manager, depending on who has control over the Respondent, for a final determination.

ETHICS COMPLAINT FORM

Please PRINT or TYPE all information requested on this form

PART A – COMPLAINANT INFORMATION (this identifies YOU as the Complainant)

Full Printed Name: ____
LAST FIRST M.I. (optional)

Home Address: ____
NUMBER STREET CITY ZIP

Alt. Address (opt.): ____
NUMBER STREET CITY ZIP

Contact Phone Number (PRIMARY): ____________________ (OTHER): ____________________

PART B – COMPLAINANT DECLARATION

I HEREBY DECLARE that I, ______________________________, have a complaint against
(Print Name)

the following person(s): ____
(Print Name(s))

Provide Department and Title Information

_____ Elected Official / Title: ____

_____ Appointed Official / Title: ____

_____ Candidate for Office / Office Sought: ______________________________________

_____ Employee / Department & Title: ____

PART C – PERSONS WITH RELEVANT KNOWLEDGE OF THE ALLEGED VIOLATION

Person #1:
Name: ____
Address: ____
Phone: ____
Knowledge: ____

____

____

Person #2:
Name: ______________________________
Address: ______________________________
Phone: ______________________________
Knowledge: ______________________________
____
____

Person #3:
Name: ______________________________
Address: ______________________________
Phone: ______________________________
Knowledge: ______________________________
____
____

Person #4:
Name: ______________________________
Address: ______________________________
Phone: ______________________________
Knowledge: ______________________________
____
____

(Continued on Next Page)

PART D – DESCRIPTION OF COMPLAINT

Provide a statement of the facts upon which your complaint is based. Describe the events in the order in which they occurred. Keep dates of the events in sequence. Include any witnesses present when the alleged violation(s) took place. Be factual; the information you provide in this statement must be based on facts and not on personal conjecture. Try to answer the questions, "who", "what", "where", and "when". Attach extra sheets if more space is required.

PART E – ETHICS ORDINANCE CODE VIOLATIONS

List the sections and paragraphs of the Code of Ethics you believe to have been violated:

____

____

____

____

PART F – SOURCE OF EVIDENCE

Identify sources of evidence, if any, you believe should be considered by the Ethics Commission and attach copies of any pertinent information you have to support your allegation(s).

____

____

____

____

STATE OF TEXAS §

COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on the ____day of _______________, 20 ____, personally appeared,____, known to me to be the person whose name is subscribed hereto, and being duly sworn stated that he/she has personal knowledge:

"I certify that I have read this complaint, I fully understand its contents, and I declare under penalty of perjury under the laws of the State of Texas (Texas Penal Code § 37.02), that the foregoing statements and photocopies of attached documents are true and correct. I understand that a copy of this complaint will be sent to the Chair of the Ethics Commission and to the individual charged in this complaint and that all papers and communications relating to this complaint must be treated as confidential to the extent allowed by law."

____
(SIGNATURE)

My name is __________________________, my date of birth is_____________________, and my address is____. I declare under penalty of perjury that the foregoing is true and correct.

Executed in Bexar County, State of Texas, on the _____day of ____________, 20____.

NOTARY SEAL

Signature: ____________________________
Printed Name: ____________________________

My Commission Expires: ___________________

Upon completion of ALL sections of this Complaint Form, hand-deliver or send by certified mail with any attachments to:

Office of the City Secretary
City of Windcrest
8601 Midcrown Drive
Windcrest, TX 78239