



Dr. Christopher Harvey, Mayor  
Emily Hill, Mayor Pro Tem, Place 1  
Anne Weir, Place 2  
Maria Amezcua, Place 3  
Sonia Wallace, Place 4  
Aaron Moreno, Place 5  
Deja Hill, Place 6

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## City Council Regular Meeting

Wednesday, November 06, 2024 at 7:00 PM

Manor City Hall, Council Chambers, 105 E. Eggleston St.

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### AGENDA

This meeting will be live-streamed on Manor's YouTube Channel  
You can access the meeting at <https://www.cityofmanor.org/page/livestream>

CALL TO ORDER AND ANNOUNCE A QUORUM IS PRESENT

INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

A. Declaring the week of November 4 – 8, 2024, as “*Municipal Court Week*”

PUBLIC COMMENTS

*Non-Agenda Item Public Comments (white card): Comments will be taken from the audience on non-agenda related topics for a length of time, not to exceed three (3) minutes per person.*

*Agenda Item Public Comments (yellow card): Comments will be taken from the audience on non-agenda and agenda items combined for a length of time, not to exceed five (5) minutes total per person on all items, except for Public Hearings. Comments on Public Hearing items must be made when the item comes before the Council and, not to exceed two (2) minutes per person. **No Action or Discussion May be Taken by the City Council during Public Comments on Non-Agenda Items.***

*To address the City Council, please complete the white or yellow card and present it to the designated area prior to the meeting.*

## CONSENT AGENDA

*All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless requested by the Mayor or a Council Member; in which event, the item will be removed from the consent agenda and considered separately.*

- 1. Consideration, discussion, and possible action on a Resolution to allocate votes for the election to the Board of Directors of the Travis Central Appraisal District.**  
*Submitted by: Scott Moore, City Manager*

## REGULAR AGENDA

- 2. Consideration, discussion, and possible action on a Development Agreement for the Landmark at Manor East Apartments located at 13119 East US Highway 290 Manor, TX.**  
*Submitted by: Michael Burrell, Interm Development Services Director*
- 3. Consideration, discussion, and possible action on the acceptance of the City of Manor, Texas Annual Financial Report and Independent Auditors' Report Year ended September 30, 2023.**  
*Submitted by: Belen Peña, Finance Director*
- 4. Consideration, discussion, and possible action on an ordinance adopting a covered Applications and Prohibited Technology Policy.**  
*Submitted by: Tracey Vasquez, HR Director*
- 5. Consideration, discussion, and possible action on a Resolution amending Resolution No. 2024-20 to adjust the eligibility criteria for the Manor Youth Advisory Commission to include students in grades eight through ten.**  
*Submitted by: Yalondra M. Valderrama Santana, Heritage & Tourism*
- 6. Consideration, discussion, and possible action on an agreement to transfer approximately 35.6 acres from Manville Water Supply Corporation's certificated water service area to the City of Manor's certificated service area.**  
*Submitted by: Michael Burrell, Interim Development Services Director*
- 7. Consideration, discussion, and possible action on a License Agreement with Lennar Homes of Texas Land and Construction Ltd., and LIT IDV Ranch 130 Phase I, LLC.**  
*Submitted by: Scott Moore, City Manager*

## EXECUTIVE SESSION

The City Council will now Convene into executive session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

*- Section 551.071, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding the Interlocal Agreement with City of Austin regarding the Transfer of the Manor Downs/Dalfen property;*

*- Section 551.071 Texas Government Code and Section 1.05, Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding the Hibbs Lane Parcel;*

*- Sections 551.071 and 551.072, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct to consult with legal counsel and to deliberate the purchase of real property*

## **OPEN SESSION**

The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code and take action, if any, on item(s) discussed during Closed Executive Session.

**8. Consideration, discussion, and possible action on an Interlocal Cooperation Agreement with the City of Austin for the release and transfer of property from the City of Austin Extraterritorial Jurisdiction (ETJ) to the City of Manor ETJ.**

*Submitted by: Scott Moore, City Manager*

## **ADJOURNMENT**

In addition to any executive session already listed above, the City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section §551.071 (Consultation with Attorney), §551.072 (Deliberations regarding Real Property), §551.073 (Deliberations regarding Gifts and Donations), §551.074 (Personnel Matters), §551.076 (Deliberations regarding Security Devices) and §551.087 (Deliberations regarding Economic Development Negotiations).

## **CONFLICT OF INTEREST**

*In accordance with Section 12.04 (Conflict of Interest) of the City Charter, "No elected or appointed officer or employee of the city shall participate in the deliberation or decision on any issue, subject or matter before the council or any board or commission, if the officer or employee has a personal financial or property interest, direct or indirect, in the issue, subject or matter that is different from that of the public at large. An interest arising from job duties, compensation or benefits payable by the city shall not constitute a personal financial interest."*

*Further, in accordance with Chapter 171, Texas Local Government Code (Chapter 171), no City Council member and no City officer may vote or participate in discussion of a matter involving a business entity or real property in which the City Council member or City officer has a substantial interest (as defined by Chapter 171) and action on the matter will have a special economic effect on the business entity or real property that is distinguishable from the effect on the general public. An affidavit disclosing the conflict of interest must be filled out and filed with the City Secretary before the matter is discussed.*

### **POSTING CERTIFICATION**

I, the undersigned authority do hereby certify that this Notice of Meeting was posted on the bulletin board, at the City Hall of the City of Manor, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: Friday, November 1, 2024, by 5:00 PM and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

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/s/ Luvia T. Almaraz, TRMC  
City Secretary for the City of Manor, Texas

### **NOTICE OF ASSISTANCE AT PUBLIC MEETINGS:**

The City of Manor is committed to compliance with the Americans with Disabilities Act. Manor City Hall and the Council Chambers are wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 10 days prior to this meeting. Please contact the City Secretary at 512.215.8285 or e-mail [lalmaraz@manortx.gov](mailto:lalmaraz@manortx.gov)





## PROCLAMATION

**Whereas,** the Municipal Court of Manor, a time honored and vital part of local government, has existed since 1872; and

**Whereas,** more people, citizens and non-citizens alike, come in personal contact with municipal courts than all other Texas courts combined; and

**Whereas,** public impression of the entire Texas judicial system is largely dependent upon the public's experience in municipal court; and

**Whereas,** Municipal Judges and court support personnel have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all, and conform to the standards set by the Canons of Judicial Conduct; and

**Whereas,** Municipal Courts play a significant role in preserving the quality of life in Texas communities through the adjudication of traffic offenses, ensuring a high level of traffic safety for our citizens; and

**Whereas,** the Municipal Courts serve as the local justice center for the enforcement of local ordinances and fine-only state offenses that protect the peace and dignity of our community; and

**Whereas,** the Municipal Judges and Clerks continually strive to improve the administration of justice through participation in judicial education programs, seminars, workshops and the annual meetings of their state and local professional organizations; and

**Whereas,** it is most appropriate that we recognize the accomplishments of the 916 Texas Municipal Courts, and salute their critical role in preserving public safety, protecting the quality of life in Texas communities, and deterring future criminal behavior.

**Now, Therefore,** I Dr. Christopher Harvey, Mayor of the City of Manor, and on behalf of the Manor City Council, do recognize the week of November 4 - November 8, 2024, as

### *“Municipal Court Week”*

and further, extend appreciation to all Manor Municipal Judges and court support personnel for the vital services they perform and their exemplary dedication to our community. I call upon all residents of Manor to join with the City Council in recognizing the vital service they perform and their exemplary dedication to the communities they represent.

**Proclaimed** this the 6<sup>th</sup> day of November 2024



## AGENDA ITEM SUMMARY FORM

**PROPOSED MEETING DATE:** November 6, 2024  
**PREPARED BY:** Scott Moore, City Manager  
**DEPARTMENT:** Administration

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### AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action on a Resolution to allocate votes for the election to the Board of Directors of the Travis Central Appraisal District.

### BACKGROUND/SUMMARY:

The Travis Central Appraisal District (TCAD) is accepting nominations for candidates for its Board of Directors due to recent legislative changes. The City Council of Manor acknowledges that the deadline for nominations has passed, and that Aaron Moreno has been nominated. The City Council intends to formally allocate its 15 votes to Aaron Moreno for this election.

**LEGAL REVIEW:** Yes, Shruti Vanaparthi, Associate Attorney

**FISCAL IMPACT:**

**PRESENTATION:** No

**ATTACHMENTS:** Yes

- Resolution

### STAFF RECOMMENDATION:

City staff recommends that the City Council approves Resolution No. 2024-36 allocating its 15 votes for the TCAD Board of Directors to Aaron Moreno.

**RESOLUTION NO. 2024-36****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANOR, TEXAS, APPROVING THE ALLOCATION OF VOTES FOR THE BOARD OF DIRECTORS OF THE TRAVIS CENTRAL APPRAISAL DISTRICT.**

**WHEREAS**, the Travis Central Appraisal District (TCAD) has provided notice that TCAD is accepting nominations for candidates for all five board positions for the Board of Directors of TCAD (“Board”) pursuant to a change by the fourth special session of the 88<sup>th</sup> Texas Legislature changing the composition and appointment of the Board with representation on the Board beginning January 1, 2025; and

**WHEREAS**, the deadline for jurisdictions to submit nominations for the TCAD Board of Directors has passed, and the City Council of Manor, Texas (the “City Council”) acknowledges the nominations that have been received; and

**WHEREAS**, Aaron Moreno has been nominated by the City of Manor for election to the Board of Directors of TCAD, and the City Council desires to formally allocate its votes among the candidates.

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

**Section 1.** The City Council hereby approves the recitals contained in the preamble of this Resolution and finds that all the recitals are true and correct and incorporate the same in the body of this Resolution as findings of fact.

**Section 2.** The City Council hereby allocates its 15 votes for the election to the Board of Directors of the Travis Central Appraisal District to Aaron Moreno.

**Section 3.** If any section, article, paragraph, sentence, clause, phrase, or word in this resolution or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this resolution; and the City Council hereby declares it would have passed such remaining portions of the resolution despite such invalidity, which remaining portions shall remain in full force and effect.

**Section 4.** This resolution shall take effect immediately from and after its passage, and it is duly resolved.

**PASSED AND ADOPTED** by the City Council of Manor, Texas, at a regular meeting on the 6<sup>th</sup> day of November 2024, at which a quorum was present, and for which due notice was given pursuant to Texas Government Code, Chapter 551.

**CITY OF MANOR, TEXAS**

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Dr. Christopher Harvey, Mayor

**ATTEST:**

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Lluvia T. Almaraz, City Secretary

# TRAVIS CENTRAL APPRAISAL DISTRICT

Item 1.

## BOARD OFFICERS

JAMES VALADEZ  
CHAIRPERSON  
DEBORAH CARTWRIGHT  
VICE CHAIRPERSON  
NICOLE CONLEY  
SECRETARY/TREASURER



LEANA MANN  
CHIEF APPRAISER

## BOARD MEMBERS

TOM BUCKLE  
DR. OSEZUA EHIYAMEN  
BRUCE ELFANT  
JETT HANNA  
VIVEK KULKARNI  
DICK LAVINE  
JIE LI  
ELIZABETH MONTOYA  
SHENGHAO "DANIEL" WANG  
BLANCA ZAMORA-GARCIA

October 17, 2024

CITY OF MANOR – Juris No. 05

ATTN: THE HONORABLE DR. CHRISTOPHER HARVEY, MAYOR

PO BOX 387

MANOR, TX 78653

The deadline has passed for jurisdictions to make nominations for the Board of Directors of the Travis Central Appraisal District. The following are the nominations, in alphabetical order by last name, and sponsoring jurisdiction:

Ken Bautsch	City of Lakeway
Deborah Cartwright	Austin ISD, City of Elgin
Nicole Conley	City of Austin
Dr. Osezua Ehiyamen	Austin ISD
Nathan Folse, Jr.	Austin ISD
Jim Gray	City of Lakeway
John Havenstrite	Eanes ISD, Leander ISD
Thomas Kilgore	City of Lakeway
Heidi Langan	Austin ISD
Jie Li	Austin ISD
Elizabeth Montoya	City of Pflugerville, Pflugerville ISD
Aaron Moreno	City of Manor
Matt Sherman	City of Lakeway
James Valadez	Travis County
Gretchen Vance	City of Lakeway
Blanca Zamora-Garcia	Del Valle ISD

This letter serves as a ballot and is being sent to the presiding officer of each taxing unit entitled to vote in the Travis Central Appraisal District Board of Directors' appointment. Enclosed you will also find biographies for any individual where one was provided with their nomination. Your entity is entitled to **15** votes that can be split among any of the nominees on the ballot. Votes must be formalized by resolution of the taxing unit's governing body. Please include the name and number of votes allotted to each nominee in your resolution. The resolution with voting allotment must be returned to the Chief Appraiser of the appraisal district by **December 14, 2024**, at the following mailing address or email address:

Travis Central Appraisal District  
ATTN: Leana Mann  
PO Box 149012  
Austin, TX 78714-9012  
[Lmann@tcadcentral.org](mailto:Lmann@tcadcentral.org)

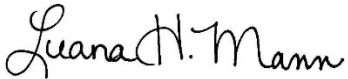
The nominees who receive the three highest number of votes will be appointed to 3-year terms. The nominees who receive the next two highest number of votes will be appointed to 1-year terms.

	Term Length	Term Beginning	Term ending
Board of Directors, Appointed Place 1	3 Years	January 1, 2025	December 31, 2027
Board of Directors, Appointed Place 2	3 Years	January 1, 2025	December 31, 2027
Board of Directors, Appointed Place 3	3 Years	January 1, 2025	December 31, 2027
Board of Directors, Appointed Place 4	1 Year	January 1, 2025	December 31, 2025
Board of Directors, Appointed Place 5	1 Year	January 1, 2025	December 31, 2025

Before December 31, 2024, the Chief Appraiser will count the votes submitted by each entity, declare the results, and submit the results to both the governing bodies of each entity and each of the nominated candidates. According to the Property Tax Code, any ties will be resolved by a method of chance by the Chief Appraiser.

Should you have any questions, please do not hesitate to contact me by phone at (512) 834-9317 Ext. 405 or by email at [Lmann@tcadcentral.org](mailto:Lmann@tcadcentral.org).

Sincerely,



Leana Mann, RPA, CCA, CGFO  
Chief Appraiser  
Travis Central Appraisal District

# Taxing Entity Voting Entitlement

Item 1.

Taxing Unit ID	Taxing Unit Code	Type	Taxing Unit	Levy	% of Levy	Voting Entitlement
1001	01	School	AUSTIN ISD	\$ 1,592,442,300.75	30.54%	1,525
1002	02	City	CITY OF AUSTIN	\$ 990,998,728.29	19.00%	950
1003	03	County	TRAVIS COUNTY	\$ 959,172,382.00	18.39%	920
1097	68	Junior College	AUSTIN COMM COLL DIST	\$ 274,197,394.72	5.26%	265
1026	19	School	PFLUGERVILLE ISD	\$ 272,657,626.58	5.23%	260
1006	07	School	LAKE TRAVIS ISD	\$ 197,345,130.11	3.78%	190
1007	08	School	EANES ISD	\$ 185,094,356.43	3.55%	175
1005	06	School	DEL VALLE ISD	\$ 161,896,596.08	3.10%	155
1098	69	School	LEANDER ISD	\$ 161,391,498.81	3.10%	155
1053	34	School	MANOR ISD	\$ 118,963,096.64	2.28%	115
1072	5A	School	ROUND ROCK ISD	\$ 107,608,571.04	2.06%	105
1035	20	City	CITY OF PFLUGERVILLE	\$ 60,084,543.62	1.15%	60
1023	16	School	LAGO VISTA ISD	\$ 36,000,563.68	0.69%	35
1004	05	City	CITY OF MANOR	\$ 14,709,464.00	0.28%	15
1090	6F	City	CITY OF LEANDER	\$ 12,234,446.61	0.23%	10
1036	21	City	CITY OF LAKEWAY	\$ 11,297,713.97	0.22%	10
1071	49	City	CITY OF LAGO VISTA	\$ 9,895,763.60	0.19%	10
1027	2A	School	ELGIN ISD	\$ 9,655,171.37	0.19%	10
1042	3A	School	MARBLE FALLS ISD	\$ 8,762,100.14	0.17%	10
1046	3F	City	CITY OF CEDAR PARK	\$ 5,981,118.86	0.11%	5
1008	09	City	CITY OF WEST LAKE HILLS	\$ 5,832,892.50	0.11%	5
1078	50	City	CITY OF JONESTOWN	\$ 4,250,354.87	0.08%	5
1018	11	City	CITY OF ROLLINGWOOD	\$ 2,994,707.73	0.06%	5

## Nominees Biographies

Item 1.

### Ken Bautsch (City of Lakeway)

Mr. Ken Bautsch is a Lakeway resident. He and his wife have lived in Lakeway for 15 years. Ken has a BBA-Mktg degree from University of Houston. He served in the US Army and is a Vietnam Veteran. Mr. Bautsch had a long corporate career. His 36 years in sales and sales management in the IT industry spanned electronic accounting systems, mainframe computer systems, minicomputer systems, corporate PC-based LANs and WLANs. As a Burroughs Corporation salesman/trainee I sold and installed electronic accounting systems (programmable posting machines) and later mainframe computer systems. As an OEM for Hewlett Packard, we developed and customized operational software, installed hardware and software, and supported one-source integrated business systems. As an HP/Intel/Novell/Microsoft partner, we designed, sold, implemented, and supported corporate PC-based local area networks and multi-location wide area networks. I retired in 2010. Ken Bautsch developed many skills throughout his career, including: accounting, estimating, work plan development, proposal development, project management, profit responsibility, training and communication skills.



## Deborah Cartwright (Austin ISD, City of Elgin)

Item 1.

Debbie received her law degree from the University of Houston and a master's degree from the LBJ School of Public Affairs at The University of Texas at Austin. Her undergraduate degree in secondary education music and history is from Howard Payne University in Brownwood, Texas.

Debbie enjoyed a lengthy career as an attorney and administrator in the field of property taxation. She worked for three property tax law firms representing appraisal districts in litigation and providing advice on public law and property tax administration. She received professional awards from the Texas Association of Appraisal Districts and the Texas Rural Chief Appraisers Association. She was the recipient of the Wayne Peveto Award from the Texas A&M Real Estate Center in 2013 for her work and professionalism in the field of property taxation.

In addition to work in private law practice, Debbie served the State of Texas as assistant general counsel for Comptroller Carol Keeton Strayhorn from 2001 to 2006 and then the director of the Property Tax Assistance Division for Comptroller Susan Combs from 2009 to 2014. She then worked with the Texas Taxpayers and Research Association, providing legal and legislative counsel from 2016 to 2019. In the 2021 legislative session, Debbie consulted with the law firm of Low Swinney Evans & James on legislative matters.

During much of this time, Debbie was involved in charitable endeavors. A native of Elgin, Texas, Debbie worked with the Elgin Historical Association in the late-1990's to raise money to restore the Union Depot, which had fallen into disrepair. She was responsible for a monetary grant from the Texas Historical Foundation to place a new floor in the building, which became the Elgin Depot Museum. Debbie became more involved with the Association and served as an officer from 2017 to 2019. During that time, she worked to organize the historical archives held by the Association and assist with public access to the Museum and its exhibits. She also contributed stories to two books published by the Association.

Debbie was a member of the Texas Historical Foundation from 2020 to 2022 and served as co-chair of the Elgin Sesquicentennial Committee in 2022. She was actively involved in the activities of the city's celebration of its 150th birthday and assisted in the preparation of an updated history book entitled "Milestones: History of Elgin, Texas."

Debbie is a member of the State Bar of Texas and the International Association of Assessing Officers. She is a member of First Baptist Church of Austin and served as a trustee for her alma mater Howard Payne University from 2015 through 2023. Debbie currently serves on the board of directors for the Travis Central Appraisal District and is a member of the Bastrop County Historical Society. She is an officer of the Elgin Oral History Project, a non-profit organization created in 2021, to record audio stories from residents and former residents of Elgin.

## Nicole Conley (City of Austin)

Item 1.

Nicole Conley joined Siebert Williams Shank & Co. LLC. as Managing Director in 2020 to expand and support issuer clients in the Austin-area MSA; and, to closely serve the K-12 school district market. Previously, she served as both the Chief Financial Officer and Chief of Business & Operations for the Austin Independent School District, where she was responsible for managing a nearly \$3.5 billion budget and capital program, which included 129 school communities serving more than 80,000 students. Nicole has more than 25 years of financial management experience, amassing a breadth of knowledge from serving large, complex, urban systems, including: the City Council of New York, New York City Department of Education, District of Columbia Public Schools, Fairfax County Public Schools and Atlanta Public Schools. Ms. Conley developed and secured voter approval for the school district and Austin-area's first ever billion-dollar bond program; and, has issued nearly \$4 billion in tax-exempt and taxable bonds. Under her leadership, AISD earned its highest financial ratings and national accolades for budget presentation, financial reporting and transparency. In 2018, Nicole was appointed by the Speaker of the House to serve on the Texas Commission on Public School Finance, whose work culminated in a historic \$11.6 billion investment into public education and property tax relief. In 2018, Conley lobbied the state of Texas to better fund public education on this influential committee which helped shape marquee legislation the following year that made sweeping changes to the Texas school finance system, which emerged as a national model for funding equity. She previously served on several investment boards including, TexStar, an \$8 billion investment pool for the state's local governments and INVESTQ, a Retirement Plan cooperative for employees across the State of Texas. She is a recipient of the Council of Great City School's Bill Wise CFO Award for Innovation and Excellence, the Texas Association of Business Officials Champion for Education Award; and, the Austin Business Journal named her among its "Profiles in Power," CFO of the year in 2013 and she recently won a Legacy Award in 2022 for her decades of work in Education Finance. As she continues to pay it forward, in 2023, Ms. Conley was recognized by colleagues as an industry pioneer and received the Bond Buyer's Freda Johnson award which honors trailblazing, women leaders in public finance. Ms. Conley has a bachelor's degree from the University of Colorado at Boulder, a master's degree from the Robert J. Milano Graduate School of Management, and a Certificate of Public Finance from Georgetown University. Ms. Conley holds SIE, Series 52, 53, 63 and 7 licenses. She serves on the Boards of the Greater Austin Chamber as Vice Chair of Finance; Travis Central Appraisal District; LINQ Technologies; and, Mindpop.

Dr. Osezua Ehiyamen is a distinguished academic and researcher with over two decades of experience in public administration, conflict management, and property tax. He currently serves as a Resident Researcher and Associate Professor of Public Administration with Innovations for Peace and Development at the University of Texas at Austin. Between 2018 and 2022, Dr. Osezua was a distinguished visiting research scholar in the Department of History at the University of Texas at Austin, and he continues to contribute as an Adjunct Professor of Public Administration at Austin Christian University, Georgetown, Texas.

In addition to his academic roles, Dr. Osezua actively contributes to his community, serving as the co-chair of the District Advisory Council (DAC) of the Austin Independent School District (AISD). He previously held leadership positions as University Chair (2014–2018) for the Departments of Political Science and Public Administration in Nigeria and was an elected member of the Nigerian University Senate. A Fellow of the Chartered Institute of Public Administration (CIPAN), Dr. Osezua's commitment to public administration has been recognized globally.

Dr. Osezua has received numerous accolades, including the Best Ph.D. Thesis Award in Africa (2006) from the Council for the Development of Social Science Research in Africa (CODESRIA), Senegal, and a fellowship with the Brown International Advanced Research Institutes (BIARI) at Brown University in 2017. He currently serves on the Board of Directors of the Travis Central Appraisal District (TCAD), where he focuses on increasing awareness within African immigrant communities about property tax systems, equitable appraisals, and public school funding. Dr. Osezua is also a laureate of the Texas State PTA Emerging Leaders Academy (2023).

With over 18 years of teaching experience, Dr. Osezua has taught various courses related to property tax, including Property Tax Systems and Public Revenue, Property Tax Policy and Reform Strategies, Ethics in Property Taxation, and Conflict Resolution in Property Taxation. His research explores the intersection of property tax and sustainable local government financing, urban development, and fiscal decentralization, with a focus on the role of property tax in public revenue generation. He also delves into the challenges of equitable tax systems, the impact of property tax reform, and the integration of technology in tax administration to improve efficiency and compliance.

Dr. Osezua's research has been widely published in national and international outlets, including the *Pakistan Journal of Life and Social Sciences*, *Romania Journal of Public Affairs*, *Dynamics of Public Administration*, and *Journal of Social Sciences*. He has co-edited the book *Contemporary Issues in the Management of Higher Education* (2017) and is currently the Editor-in-Chief of the *Journal of Organizational Leadership and Management* at the University of Texas at Austin. His contributions to public policy reforms and public service management, especially in property tax reform, have been recognized as influential in the field.

Beyond his academic and professional accomplishments, Dr. Osezua is an active leader in various non-profit organizations, receiving leadership awards from the United States, South Africa, Ghana, and Russia. He also serves as the Chair of the Board of Directors of Africans in the Diaspora.

Dr. Osezua earned his B.Sc. in Political Science and M.Sc. in Political Science and Public Administration from the University of Benin, and a Ph.D. in Public Administration with a focus on Conflict Management from Obafemi Awolowo University, Nigeria. All his degrees were evaluated and certified as equivalent in the United States in 2018. He also holds a Diploma in Leadership from Austin Christian University, Texas (2023).

Dr. Osezua is happily married to Dr. Tina Osezua, and they are blessed with two sons, Samuel and Joshua. Samuel graduated cum laude in Software Engineering from the University of Texas at Dallas and is currently pursuing postgraduate studies at the University of Texas at Austin. Joshua is a senior at the University of Texas at San Antonio.

## **Nathan Folse, Jr. (Austin ISD)**

*Item 1.*

Mr. Folse is a certified residential appraiser and holds a law degree. He shared that "serving on an advisory board offers a unique opportunity to contribute my expertise, insights, and leadership to an organization I care about. Currently having three children in AISD schools and a fourth child starting next year, it will allow me to help shape strategic decisions, provide guidance, and influence the direction of AISD for years to come. By serving, I can deepen my understanding of the industry and make a meaningful impact while enhancing my skills and experience.

## **Jim Gray (City of Lakeway)**

*Item 1.*

Jim Gray is a business professional and resident of Lakeway. He moved to Lakeway with his family in 2019. He is working to help attract business to the area.

Mr. Gray is a graduate of The Columbus Academy and Miami University.

In his professional life he spent 15 years with Sharp Electronics. His position culminated in running the facsimile division which was #1 in US sales. He moved to Austin in 1996 to begin working with entrepreneurs and technology firm startups. He is an experienced problem solver, whether it is in a large business or a new tech firm.

## John Havenstrite (Eanes ISD, Leander ISD)

Item 1.

John Havenstrite is Partner Engagement Manager for We Are Blood, the nonprofit providing all blood and blood related products to every hospital, cancer clinic, and surgery center in the Greater Austin / Hill Country region. There he works to enhance knowledge of the critical role blood banks play in the lives of Texans. Specifically, John helps electeds, policy makers, business leaders, and community groups collaborate to meet the rapidly growing needs of the health care community.

However, John began his career in municipal finance. For fourteen years he served as the Tax Assessor Collector for dozens of municipalities that served hundreds of thousands of commercial and residential property owners scattered across four urban and rural Texas counties. In that capacity John became expertly familiar with the varying functions, responsibilities, and operations of the region's appraisal districts, the tax assessment and collection cycle, and the relationship each has with municipal finance and economic development.

Prior to moving to Austin in 2004, John was a partner and vice president of a Houston based urban planning firm. Here he gained experience creating and managing virtually all public/private municipal entities permitted in Texas. All of which are dependent upon a reliable, well-functioning appraisal district, and tax assessment collection team.

John spent six years on the Eanes ISD Board of Trustees, three as Board President. He was elected to the Board in 2017 and rolled off in 2023. During that time John served three years as the Secretary of the Central Texas School Board Association (CTSBA), and earned the Master Trustee designation as a graduate of the 2020 class of Leadership-TASB (L-TASB). John currently serves on Capital Area Council of Government's (CAPCOG) General Assembly as a public education delegate (Eanes ISD).

John grew up in New Orleans, and graduated from Louisiana State University (LSU) with degrees in History, Political Science, and Journalism. He volunteers regularly at his church, and in his community whenever he can. But more important than any of the foregoing, John is the proud father of two Westlake High School graduates, one of whom is now at Savannah College of Art and Design (SCAD), while the other is attending California Polytechnic State University (Cal Poly). John is also the slightly addled owner of one dog, two cats, and three chickens.

## **Thomas Kilgore (City of Lakeway)**

Item 1.

Thomas Kilgore is the Mayor for the City of Lakeway. He was elected in 2021. His focus is on Public Safety, Transparency, Accountability and Conservative Management.

Mr. Kilgore is a retired US Army Officer. Following his public service, he worked for 20 years in the Energy Industry. He retired in 2016 from the private equity firm where he was the Chief Risk Officer, and Chief Compliance Officer.

Mr. Kilgore is a graduate of the United States Military Academy at West Point, commissioned in 1980. He holds a Bachelor of Science in Engineering. He also earned a Master of Business Administration from Duke University's Fuqua School of Business. While on active duty he served as an Assistant Professor of Economics at West Point.

Tom strongly believes in service, to our nation and our community. He and his wife purchased their Lakeway home in early 2016. They moved to Lakeway to be closer to children and grandchildren.

## Heidi Langan (Austin ISD)

Item 1.

Heidi Langan is a recently retired teacher with over 25 years of experience. She has served as the area President of the Association of Texas Professional Educators. She has also been involved in advocacy for school funding and public schools at the local and state levels. Ms. Lanan shared that "I want to make sure that the funding for schools is stable and I believe that fair property values is a way to achieve that."



## Jie Li (Austin ISD)

Item 1.

Jie Li is an investor and advisor to startups, passionate about mentoring entrepreneurs and helping them achieve their goals. She has served as a mentor and judge for Techstars and the Harvard Innovation Lab. Beyond her involvement in Austin's innovation ecosystem, she is committed to the education sector. Jie has been a member of the Kealing Middle School Campus Advisory Council since 2022, serving as co-chair since 2023, and also contributed to the AISD District Calendar Taskforce. Additionally, she mentors first-generation Harvard students and was appointed to the Board of the Travis Central Appraisal District by AISD in January 2024. Jie holds a BA in Economics with honors from Cornell University and an MBA from Harvard Business School.

## Elizabeth J Montoya, Certified Public Accountant

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1002 Rocky Creek Drive Pflugerville, Texas 78660  
Cell: (512) 296-1081 – [elizabeth@montovamonzingo.com](mailto:elizabeth@montovamonzingo.com)

### Executive Profile

A results-driven, hands-on Certified Public Accountant with wide industry experience and proven success in tax, budget development, accounting and finance operations, strategic and operational planning, process improvement, integrated system design and implementation, and organizational alignment with demonstrated team building and problem solving skills that have consistently led to highly motivated and efficient teams.

### Government Board Experience

Travis Central Appraisal District Board of Directors, currently serving  
City of Pflugerville TIRZ Board of Directors, currently serving  
Travis County Citizens Bond Advisory Committee, 2023  
Past service for the City of Pflugerville: Equity Commission, Finance and Budget Committee and various task specific commissions

### Non-Profit Board Experience

The House of Songs, Treasurer, currently serving  
Senior Access, Treasurer, currently serving  
100 Women of Pflugerville, Treasurer, currently serving  
John Brotherton's Pitmaster Foundation, Treasurer, currently serving

### Skill Highlights

- |  |                                  |
|--|----------------------------------|
| • Executive and Investor Presentations | • Demand Planning                |
| • Diverse Industry Experience          | • Financial Modeling             |
| • Collaborative Team building          | • Cross-functional Team Building |
| • Accounting and Finance Operations    | • Supply Chain Management        |
| • Business Expansion                   | • Organizational Alignment       |
| • Financial and Strategic Planning     | • Infrastructure Design          |
| • New Business Modeling                | • Budgeting and Benchmarking     |
| • Contract Negotiation                 |                                  |

### Professional Experience

Managing Partner  
April 2015 to present  
Montoya & Monzingo, LLP Certified Public Accountants

Manage the daily operations of a local firm focused on helping small to mid-sized businesses and individuals with their goals.

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## Elizabeth J Montoya, Certified Public Accountant

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1002 Rocky Creek Drive Pflugerville, Texas 78660  
 Cell: (512) 296-1081 – [elizabeth@montoyamonzingocpas.com](mailto:elizabeth@montoyamonzingocpas.com)

### Chief Financial Officer

October 2001 to April 2015

Texas Electric Cooperatives, Inc. — Austin, Texas

Responsible for the integrity of the organization's systems, policies, processes and transactions to ensure the successful implementation of a rapid growth plan. Texas Electric Cooperatives is the statewide association of electric cooperatives in Texas with multiple business lines and 22 locations that provides a diverse offering of products and services including manufacturing, distribution services, logistics, consulting, education and training, and publications.

- Developed and executed strategic initiatives and programs designed to enhance the strength and competitiveness of the cooperative and its members
- Manage strategic and tactical corporate financial operations and cash flow, including responsibility for purchasing, process development, human resources, accounting and information technology
- Design and implement a fully integrated infrastructure for a multi-business line company, including an end-to-end supply chain solution that supported a revenue growth from \$30 million to \$200 million in 10 years and a training and education solution that supported 300% growth in class participation
- Executed multiple strategic business transactions including the formation of alliance partnerships, real estate sales, oil and gas leases and timberland transactions

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### Military Experience

Accounting and Finance Career Field

January 1986 to January 1995

United States Air Force

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### Education

MS: Human Relations

University of Oklahoma

BBA: Accounting

Park University

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### Skills

accounting, acquisitions, administrative, balance sheet, benefit design, budgeting, cash flow, consulting, CPA, demand planning, distribution, due diligence, education and training, ERP, equity planning, facilities management, financial management, GAAP, Great Plains Dynamics, human resources, information technology, logistics, management reporting, manufacturing, media production, oil and gas, operations, policies, process development, publications, purchasing, radio production, real estate, reporting, sales, SEC reporting, software implementation, strategic planning, supply chain, system integration, telecommunications, television production, tax, tax planning, leadership, strategic planning

**AARON MORENO**  
**CITY OF MANOR**  
**COUNCIL MEMBER PLACE 5**

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Councilman Aaron Moreno was born in Austin and raised in Manor, Texas. He has deep roots in the community since graduating from Manor ISD in 2014. His upbringing was filled with hands-on experiences that shaped who he is today. Growing up, Aaron learned the value of hard work and determination through ranching alongside his brothers and grandfather. While managing backstage operations for the Manor High School Theater Department, he further developed his skills in coordination and problem-solving. These early experiences paved the way for Aaron to connect with the community in various roles, including as an after-school counselor at the YMCA and as "Farmer Aaron" at Crowes Nest Farm.

Professionally, Aaron built a solid foundation at Applied Materials, where he spent four years gaining industry knowledge. He then transitioned to the Austin Transportation Department, which allowed him to contribute to the city's infrastructure and growth.

At 24, Aaron began his formal journey into local governance as a City's Board of Adjustments member. In 2021, he was elected to Place 5 on the Manor City Council, becoming one of the youngest individuals in the city's history to serve in this capacity. Aaron's dedication to public service is evident through his active participation in several key committees, including Parks and Trees, Health, Budget, and Emergency Management. Over the past three years, he has been committed to understanding the needs of his constituents and advocating for their interests.

Outside of work and public service, Aaron enjoys life's super pleasures—spending time with family, hiking, riding his Harley, and fishing. His love for film, music, and the arts fills his creativity and inspires him to embrace every experience.

## **Matt Sherman (City of Lakeway)**

Item 1.

Matt Sherman is a Lakeway City Council Member, elected in 2024. He and his family have been proud residents of Lakeway since 2019.

Professionally, he works in advertising, where he helps clients maximize their revenue through effective ad sales strategies.

Mr. Sherman commitment to community service began with his role on the Aviation Zoning Committee. Before being elected to the city council, he served as a Commissioner on the Lakeway Zoning and Planning Commission (ZAPCO) and chaired the Lakeway 2024 Comprehensive Plan Committee.

Matt is a commercially rated pilot. His dedication to the community extends to his involvement with various local organizations. Matt is a member of the Lake Travis Trail Coalition and Lakeway Friends of the Parks. Additionally, he has combined his interest in flying with his love for animals by serving as a pilot for Pilots N Paws, an organization that relocates dogs from high-kill shelters to specialized rescue organizations. He also serves on the board of the Lakeway View HOA.

## James Valadez (Travis County)

Item 1.

A native Austinite, James Valadez owns and operates Sequoia Real Estate, LLC, a full-service real estate brokerage focused on residential and commercial sales and leasing in the Austin area. He is a member of the Austin Board of Realtors, Texas Real Estate Commission, and Credit Union National Association and serves on the Board of Directors for the Travis Central Appraisal District, A+ Federal Credit Union, and Dell Seton Medical Center at The University of Texas. Valadez has previously served as a member of the City of Austin's Board of Adjustment, the City of Austin's Community Development Commission, and the 2023 Travis County Citizens Bond Advisory Committee.

He is a graduate of The University of Texas at Austin and McCallum High School.

## **Gretchen Vance (City of Lakeway)**

*Item 1.*

Gretchen Vance is a Lakeway City Council Member, and the Mayor Pro tem. She was first elected in 2019. She and her family have lived in Lakeway since 2011.

Mrs. Vance attended the University of Georgia. She began her career in the hospitality industry with Ritz Carlton. In 2009, Gretchen became a TCEQ Licensed Irrigator (LI18220). This knowledge puts her in a unique position to understand water supply and safety, back flow and irrigation planning and requirements.

She and her family are entrepreneurs. Her family businesses have included one of the largest irrigation companies in south central Texas, and a water acrobatics and jet boarding business. Currently she owns and operates Electric Avenue Athletics (EAA).

Electric Avenue Athletics (EAA) is the only dedicated Junior Olympics Acrobatics & Tumbling (A&T) gym in the nation. This facility is home to the 2018 & 2019 USA Gymnastics National Champions in both the Senior and Junior Division. As well as the 2021 & 2022 NYATA National Champions.

## Blanca Zamora-Garcia (Del Valle ISD)

Item 1.

24 years ago, Blanca started Casa Blanca Realty. Blanca is known for integrity, diplomacy and sincerity in all her dealings. In her tenure in the real estate business, she has strived to be someone her clients and other real estate professionals can trust. A former educator with the Austin Independent School District and consultant with the Texas Education Agency, Blanca applies her unique teaching and listening skills to her business. Being a long-time Central Texas resident, she offers a seasoned knowledge of Austin and surrounding suburbs, counties and communities. Blanca's motto is, "Relationships over Transactions." Much of her business comes from repeat clients or referrals. Whether it is a starter home, investment property or second home, Blanca provides the same level of service for all her buyers, sellers and renters.

Blanca is committed to serving the Austin community by volunteering her time and expertise and serving on boards that she feels help improve the lives of the communities she cares for.

She currently serves on the Board of Directors of the Travis Central Appraisal District where her real estate expertise, desire to increase avenues for the Hispanic community to learn more about how the property tax system, and dedication to ensuring funding for local public schools have led to her being a strong advocate for the District's outreach to underserved communities, increased transparency with Travis County property owners, and accurate and equitable appraisals.

Blanca has served on the Board of Directors of the Greater Austin Hispanic Chamber of Commerce (GAHCC), where she was the Chair of the Education Committee and partnered with Wal-Mart to mentor students in grades 9 through 12 to help them prepare for postsecondary education. During her tenure as Board Chair, the GAHCC grew to over 800 members. She was named the GAHCC Business Woman of the Year 2012 and received the GAHCC Lifetime Achievement Award in 2018.

Blanca served on the Foundation of the GAHCC, the non-profit arm of the GAHCC. In her role as Co-Chair of the "Let's Win The Future", endowments were established at the University of Texas School of Education, Texas State University, School of Business, Austin Community College, St. Edward's University and Houston Tillotson University, raising more than \$400,000 for Central Texas students.

She is also a long-time member of the Settlement Club, the fundraising arm for the Settlement Home for Girls who have experienced emotional trauma, abuse or neglect. As Chair of the Education Committee, she began the Annual Quince Celebration. It has become so popular that all girls look forward to participating in the annual celebration.

Blanca previously served on the Avance Austin Board, a national non-profit organization working to transform the lives of underserved, under-resourced families.

Blanca was voted the Best Real Estate Agent for 2021 by the *Austin Chronicle*.

Blanca received a BS from Texas A&I University and a Master's in Education/Curriculum & Instruction at the University of Texas. She has resided in Austin since 1975. She is married to longtime attorney Alberto Garcia and her daughter, Bianca Garcia, also resides in Austin.



AGENDA ITEM NO. \_\_\_\_\_



## AGENDA ITEM SUMMARY FORM

**PROPOSED MEETING DATE:** November 6, 2024  
**PREPARED BY:** Michael Burrell, Interim Director  
**DEPARTMENT:** Development Services

### AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action on a Development Agreement for the Landmark at Manor East Apartments located at 13119 East US Highway 290 Manor, TX.

### BACKGROUND/SUMMARY:

The Landmark at Manor East apartments are a new residential multi-family project within the city. The proposed development agreement is initiated by the developer to reduce the minimum dwelling unit size required by their zoning. Per our ordinance, this can only be achieved via development agreement with the stipulation that for every 100 square feet in dwelling unit size reduction a 10% increase in masonry must be added to the building's total exterior facades.

**LEGAL REVIEW:** Yes, Veronica Rivera, Assistant City Attorney  
**FISCAL IMPACT:** No  
**PRESENTATION:** No  
**ATTACHMENTS:** Yes

- Development Agreement

### STAFF RECOMMENDATION:

It is the city staff's recommendation that the City Council approve the development agreement for the Landmark at Manor East Apartments located at 13119 East US Highway 290 Manor, TX.

<b>PLANNING &amp; ZONING COMMISSION:</b>	<b>Recommend Approval</b>	<b>Disapproval</b>	<b>None</b>
	X		

**DEVELOPMENT AGREEMENT  
ESTABLISHING DEVELOPMENT STANDARDS  
FOR LANDMARK AT MANOR EAST DEVELOPMENT**

This Development Agreement Establishing Development Standards for the **Landmark at Manor East** Development (the "Agreement") is made and entered into, effective as of the \_\_\_\_ day of November, 2024, by and between the **City of Manor, Texas**, a Texas home rule municipal corporation (the "City"), Landmark at Manor Holdings, LLC (the "Developer"), Landmark at Manor Prop Holdings, LLC (the "Parcel 1 Owner") and Landmark at Manor Prop Holdings West, LLC ("Parcel 2 Owner," together, collectively with Parcel 1 Owner, the "Owner"). The City, Developer and Owner are sometimes referred to herein as the "Parties." The Parties agree as follows.

**Section 1. Purpose; Consideration.**

- (a) Parcel 1 Owner owns that certain 11.2310 acre tract located in Travis County, Texas, being more particularly described in **Exhibit A** attached hereto and incorporated herein for all purposes ("Parcel 1") and Parcel 2 Owner owns that certain 12.8371 acre tract in Travis County, Texas, being described in **Exhibit B** attached hereto and incorporated herein for all purposes ("Parcel 2," together, collectively with Parcel 1, the "Property") and has authorized Developer to develop the Property for **Landmark at Manor East** (the "Development"). Owner and Developer desires that the City be able to enforce the development standards set forth herein through its building permit, inspection, and certificate of occupancy processes by this agreement, given that House Bill 2439 adopted in the 86<sup>th</sup> Legislative Session limits the ability of cities to enforce certain development standards governing building materials by ordinance.
- (b) The Developer will benefit from the City enforcing the Development Standards as set forth herein because it will be more efficient and cost-effective for compliance to be monitored and enforced through the City's building permit and inspection processes and will help ensure that the Development is built out as planned by the Developer after conveyance to the builder of homes or other buildings and structures authorized by the applicable zoning regulations. The City will benefit from this Agreement by having assurance regarding certain development standards for the Development, having certainty that such Development Standards may be enforced by the City, and preservation of property values within the City.
- (c) The benefits to the Parties set forth in this Section 1, plus the mutual promises expressed herein, are good and valuable consideration for this Agreement, the sufficiency of which is hereby acknowledged by the Parties.

**Section 2. Term; Termination.**

- (a) The term of this Agreement shall be in full force and effect from the Effective Date hereof, subject to earlier termination as provided in this Agreement. Unless earlier terminated as provided in this Agreement, this Agreement shall terminate upon the issuance of the final certificate of occupancy for the final structure in the Development.
- (b) The Parties further mutually agree that this Agreement shall be in full force and effect upon the date above first written, provided that the City may terminate this Agreement if Owner or

Developer defaults under the terms of this Agreement, subject to the notice and cure provisions in Section 6 herein.

### **Section 3. Development Standards.**

- (a) **Development Requirements – Dwelling Unit Size.** The Developer agrees to provide thirty percent (30%) of the total exterior façade area constructed of Masonry, and the City agrees to reduce the dwelling unit size by 300 square feet. “Masonry” is considered clay brick, natural stone, cultured stone, cast stone, stucco or natural stone panels or similar material approved by the Development Services Director, exclusive of roofs, eaves, soffits, windows, balconies, gables, doors and trim work. Masonry excludes cementitious planking.
- (b) **Building Permits.** The Developer acknowledges and agrees that compliance with Section 3(a) will be a condition of issuance of building permits and certificates of occupancy. Developer further agrees that the City may use its building permitting, inspection, and enforcement processes and procedures to enforce the requirements of Section 3(a) above, including but not limited to rejection of applications and plans, stop work orders, and disapproval of inspections for applications and/or work that does not comply with this Agreement. Applications and plans for a building permit must demonstrate compliance with this Agreement in order for a building permit to be issued. Applications for building permits must be in compliance with this Agreement, as well as the Applicable Regulations, as herein defined, in order for such application to be approved and a building permit issued. Plans demonstrating compliance with this Agreement must accompany a building permit application and will become a part of the approved permit. Any structure constructed on the Property must comply with this Agreement and the Applicable Regulations for a certificate of occupancy to be issued for such structure.

**Section 4. Development of the Property.** Except as modified by this Agreement, the Development and the Property will be developed in accordance with all applicable local, state, and federal regulations, including but not limited to the City’s ordinances and the zoning regulations applicable to the Property, and such amendments to City ordinances and regulations that that may be applied to the Development and the Property under Chapter 245, Texas Local Government Code, and good engineering practices (the “Applicable Regulations”). If there is a conflict between the Applicable Regulations and the Development Standards, the Development Standards shall control.

### **Section 5. Assignment of Commitments and Obligations; Covenant Running with the Land.**

- (a) Owner’s rights and obligations under this Agreement may be assigned by Owner to one (1) or more purchasers of all or part of the Property; provided the City Council must first approve and consent to any such assignment by Owner of this Agreement or of any right or duty of Owner pursuant to this Agreement, which consent shall not be unreasonably withheld or delayed.
- (b) This Agreement shall constitute a covenant that runs with the Property and is binding on future owners of the Property. Owner, Developer and the City acknowledge and agree that this Agreement is binding upon the City, Owner and Developer and their respective

successors, executors, heirs, and assigns, as applicable, for the term of this Agreement.

**Section 6. Default.** Notwithstanding anything herein to the contrary, no party shall be deemed to be in default hereunder until the passage of fourteen (14) business days after receipt by such party of notice of default from the other party. Upon the passage of fourteen (14) business days without cure of the default, such party shall be deemed to have defaulted for purposes of this Agreement; provided that if the nature of the default is that it cannot reasonably be cured within the fourteen (14) business day period, the defaulting party shall have a longer period of time as may be reasonably necessary to cure the default in question; but in no event more than sixty (60) days. In the event of default, the non-defaulting party to this Agreement may pursue the remedy of specific performance or other equitable legal remedy not inconsistent with this Agreement. All remedies will be cumulative and the pursuit of one authorized remedy will not constitute an election of remedies or a waiver of the right to pursue any other authorized remedy. In addition to the other remedies set forth herein, the City may withhold approval of a building permit application or a certificate of occupancy for a structure that does not comply with the Development Standards.

**Section 7. Reservation of Rights.** To the extent not inconsistent with this Agreement, each party reserves all rights, privileges, and immunities under applicable laws, and neither party waives any legal right or defense available under law or in equity.

**Section 8. Attorneys Fees.** In the event of action pursued in court to enforce rights under this Agreement, the prevailing party shall be entitled to its costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.

**Section 9. Waiver.** Any failure by a party to insist upon strict performance by the other party of any provision of this Agreement will not, regardless of length of time during which that failure continues, be deemed a waiver of that party's right to insist upon strict compliance with all terms of this Agreement. In order to be effective as to a party, any waiver of default under this Agreement must be in writing, and a written waiver will only be effective as to the specific default and as to the specific period of time set forth in the written waiver. A written waiver will not constitute a waiver of any subsequent default, or of the right to require performance of the same or any other provision of this Agreement in the future.

**Section 10. Force Majeure.**

- (a) The term "force majeure" as employed herein shall mean and refer to acts of God; strikes, lockouts, or other industrial disturbances; acts of public enemies, orders of any kind of the government of the United States, the State of Texas or any civil or military authority; insurrections; riots; epidemic; landslides; lightning, earthquakes; fires, hurricanes; storms, floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accidents to machinery, pipelines, or canals; or other causes not reasonably within the control of the party claiming such inability.
- (b) If, by reason of force majeure, any party hereto shall be rendered wholly or partially unable to carry out its obligations under this Agreement, then such party shall give written notice of the full particulars of such force majeure to the other party within ten (10) days after the occurrence thereof. The obligations of the party giving such notice, to the extent effected by

the force majeure, shall be suspended during the continuance of the inability claimed, except as hereinafter provided, but for no longer period, and the party shall endeavor to remove or overcome such inability with all reasonable dispatch.

- (c) It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require that the settlement be unfavorable in the judgment of the party having the difficulty.

**Section 11. Notices.** Any notice to be given hereunder by any party to another party shall be in writing and may be effected by personal delivery or by sending said notices by registered or certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed.

Any notice mailed to the City shall be addressed:

City of Manor  
Attn: City Manager  
105 E. Eggleston Street  
Manor, Texas 78653

with copy to:

The Knight Law Firm, LLP  
Attn: Paige H. Saenz  
223 West Anderson Lane, #A105  
Austin, Texas 78752

Any notice mailed to the Developer shall be addressed:

Landmark at Manor Residential Holdings, LLC  
Attn: Julia Baytler, Manager  
21500 Biscayne Blvd., Ste 402  
Aventura, FL 33180

Any party may change the address for notice to it by giving notice of such change in accordance with the provisions of this section.

**Section 12. Waiver of Alternative Benefits.** The Parties acknowledge the mutual promises and obligations of the Parties expressed herein are good, valuable and sufficient consideration for this Agreement. Therefore, save and except the right to enforce the obligations of the City to perform each and all of the City's duties and obligations under this Agreement, Developer hereby waives any and all claims or causes of action against the City Developer may have for or with respect to any duty or obligation undertaken by Developer pursuant to this Agreement, including any benefits that may have been otherwise available to Developer but for this Agreement.

**Section 13. Severability.** Should any court declare or determine that any provisions of this Agreement is invalid or unenforceable under present or future laws, that provision shall be fully severable; this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part of this Agreement and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in place of each such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable. Texas law shall govern the validity and interpretation of this Agreement.

**Section 14. Agreement and Amendment.** This Agreement, together with any exhibits attached hereto, constitutes the entire agreement between Parties and may not be amended except by a writing approved by the City Council of the City that is signed by all Parties and dated subsequent to the date hereof.

**Section 15. No Joint Venture.** The terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The City, its past, present and future officers, elected officials, employees and agents, do not assume any responsibilities or liabilities to any third party in connection with the development of the Property. The City enters into this Agreement in the exercise of its public duties and authority to provide for development of property within the city pursuant to its police powers and for the benefit and protection of the public health, safety, and welfare.

**Section 16. No Third Party Beneficiaries.** This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a party, unless expressly provided otherwise herein, or in a written instrument executed by both the City and the third party. Absent a written agreement between the City and third party providing otherwise, if a default occurs with respect to an obligation of the City under this Agreement, any notice of default or action seeking a remedy for such default must be made by the Owner.

**Section 17. Effective Date.** The Effective Date of this Agreement is the defined date set forth in the first paragraph.

**Section 18. Texas Law Governs.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Travis County, Texas. Venue shall lie exclusively in Travis County, Texas.

**Section 19. Anti-Boycott Verification.** To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, Owner and Developer represent that neither Owner or Developer nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Owner or Developer (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms “boycotts Israel” and “boycott Israel” as used in this paragraph have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government

Code, as amended.

**Section 20. Verification under Chapter 2252, Texas Government Code.** To the extent this Agreement constitute a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, Owner and Developer represent that Owner and Developer nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Owner or Developer is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201, or 2252.153 of the Texas Government Code.

**Section 21. No Discrimination Against Fossil-Fuel Companies.** To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, as amended, Owner and Developer hereby verify that they and their parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (b) does business with a company described by (a) above.

**Section 22. No Discrimination Against Firearm Entities and Firearm Trade Associations.** To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, as amended, Owner and Developer hereby verify that they and their parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, (a) ‘discriminate against a firearm entity or firearm trade association’ means, with respect to the firearm entity or firearm trade association, to: (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association; and (b) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (A) to comply with federal, state, or local law,

policy, or regulations or a directive by a regulatory agency or (B) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. As used in the foregoing verification, (a) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code); and (b) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that: (i) is not organized or operated for profit (and none of the net earnings of which insures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

**Section 23. Time is of the Essence.** It is acknowledged and agreed by the Parties that time is of the essence in the performance of this Agreement.

**Section 24. Exhibits.** The following exhibits are attached to this Agreement, and made a part hereof for all purposes:

**Exhibit A – Property Description**

*[signature pages follow]*



EXECUTED in multiple originals this the \_\_\_\_ day of November, 2024.

**CITY:**

**City of Manor, Texas**

a Texas home-rule municipal corporation

By: \_\_\_\_\_

Name: Dr. Christopher Harvey

Title: Mayor

**Attest:**

By: \_\_\_\_\_

Name: Lluvia T. Almaraz

Title: City Secretary

**THE STATE OF TEXAS                   §**

**COUNTY OF TRAVIS                   §**

This instrument was acknowledged before me on this \_\_\_\_ day of November, 2024, by Dr. Christopher Harvey, Mayor of the City of Manor, Texas, a Texas home-rule municipal corporation, on behalf of said corporation.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**DEVELOPER:**

By: \_\_\_\_\_

Name:

Title:

**THE STATE OF TEXAS**           §  
**COUNTY OF** \_\_\_\_\_ §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ company, on behalf  
of said company.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**PARCEL 1 OWNER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE STATE OF TEXAS**           §  
**COUNTY OF** \_\_\_\_\_ §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ company, on behalf  
of said company.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**PARCEL 2 OWNER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE STATE OF TEXAS**           §  
**COUNTY OF** \_\_\_\_\_ §

      This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ company, on behalf  
of said company.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

## EXHIBIT A

Exhibit “ “

Legal Description

**BEING A DESCRIPTION OF A TRACT OF LAND CONTAINING 11.2310 ACRES (489,221 SQUARE FEET) OF LAND, BEING OUT OF THE GREENBERRY GATES SURVEY NO. 63, ABSTRACT NO. 315, IN TRAVIS COUNTY, TEXAS, BEING A PORTION OF LOT 1, MANOR ADDITION, A SUBDIVISION RECORDED IN DOCUMENT NO. 202200036 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS (O.P.R.T.C.T.), AND BEING A PORTION OF A CALLED 24.0681 ACRE TRACT (BEING A PORTION OF SAID LOT 1) CONVEYED TO LANDMARK AT MANOR PROP HOLDINGS IN DOCUMENT NO. 2022116632 (O.P.R.T.C.T.), SAID 11.2310 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:**



PO Box 90876  
Austin, TX 78709  
512-554-3371  
jward@4wardls.com  
[www.4wardls.com](http://www.4wardls.com)

**COMMENCING**, at a 1/2-inch iron rod found in the called record centerline of an abandoned County Road (no dedication/vacation information found), being an angle point in the east line of said Lot 1, Manor Addition, and being an angle point in the east line of the remainder of a called 30.8643 acre tract conveyed to Manor RV Park, LLC, in Document No. 2019179489 (O.P.R.T.C.T.), from which a TxDot Type 1 concrete monument found for an angle point in the east line of said Lot 1, Manor Addition, being an angle point in the east line of said 30.8643 acre remainder tract, and being in the called west line of said abandoned County Road, bears, N61°43'23"W, a distance of 30.06 feet;

**THENCE**, with the called record centerline of said abandoned County Road, with the east line of said Lot 1, Manor Addition, and with the east line of said 30.8643 acre remainder tract, S27°05'58"W a distance of 222.57 feet a 1/2-inch iron rod with "4Ward Boundary" cap set for the northeast corner and **POINT OF BEGINNING** hereof, said point being the northeast corner of said 24.0681 acre tract;

**THENCE**, with the called centerline of said abandoned County Road, with the east line of said Lot 1, Manor Addition, and with the east line of said 24.0681 acre tract, S27°05'58"W, a distance of 1,568.72 feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an angle point hereof, said point being at the intersection of the west line of a called 84.2717 acre tract (described as "Tract 1," being the remainder of a called 94.339 acre tract conveyed to Ginsel Family Ltd., in Document No. 2006248015, O.P.R.T.C.T.), conveyed to Manor 290 OZ Real Estate LP in Document No. 2021172435 (O.P.R.T.C.T.), said tract being described by metes and bounds in Document No. 2004055639 (O.P.R.T.C.T.), and in Volume 3120, Page 698 of the Deed Records of Travis County, Texas (D.R.T.C.T.), with the called centerline of said abandoned County Road and the east line of said Lot 1;

**THENCE**, with the west line of said Ginsel tract, in conflict with the called centerline of said abandoned County Road, with the east line of said Lot 1, Manor Addition, and with the east line of said 24.0681 acre tract, S27°58'47"W, a distance of 334.74 feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for the southeast corner hereof, said point being the southeast corner of said Lot 1, Manor Addition, being the southeast corner of said 24.0681 acre tract, also being at the intersection of the north line of Lot 22, Block "I" of Bell Farms, Phase Two-A, recorded in Document No. 200700061 (O.P.R.T.C.T.), with the west line of said Ginsel tract, from which a 1/2-inch iron rod with illegible cap found for the southwest corner of said Ginsel tract, and being the northwest corner of Lot 83, Block C of Final Plat of Carriage Hills Section Three, recorded in Document No. 201000127 (O.P.R.T.C.T.) bears, S27°58'47"W, a distance of 166.08 feet, and also from which, a calculated point for the northeast corner of said Lot 22, bears, S73°23'16"E, a distance of 5.23 feet;

**THENCE**, with the north line of said Bell Farms, Phase Two-A, with the southwest line said Lot 1, Manor Addition, and with the southwest line of said 24.0681 acre tract, **N73°23'16"W**, a distance of **196.96** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for the southwest corner hereof, said point being in the northeast line of the north terminus of Carillon Way (50' right-of-way, this portion of Carillon Way having been platted in Document No. 200700061, O.P.R.T.C.T.), from which a 1/2-inch iron rod with "Point Line RPLS 1587" cap found in the southwest line of said Lot 1, Manor Addition, being in the southwest line of said 24.0681 acre tract, and being the common north corner of Lot 50 and Lot 51, Block D, of said Bell Farms Phase Two-A, bears, **N73°23'16"W**, a distance of 143.88 feet;

**THENCE**, leaving the north right-of-way line of said Carillon Way, over and across said Lot 1, Manor Addition, and over and across said 24.0681 acre tract, the following twenty-two (22) courses and distances:

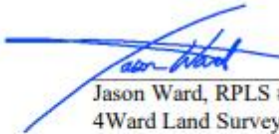
- 1) **N25°46'20"E**, a distance of **96.86** feet to a calculated point for a point of curvature hereof,
- 2) Along a curve to the right, whose radius is **38.00** feet, whose arc length is **53.02** feet and whose chord bears **N66°38'29"E**, a distance of **48.82** feet to a calculated point for a point of tangency hereof,
- 3) **S73°23'16"E**, a distance of **8.96** feet to a calculated point for an internal ell-corner hereof,
- 4) **N16°34'04"E**, a distance of **75.21** feet to a calculated point for an angle point hereof,
- 5) **N10°52'18"E**, a distance of **82.91** feet to a calculated point for an angle point hereof,
- 6) **N27°06'16"E**, a distance of **291.86** feet to a calculated point for an angle point hereof,
- 7) **N00°55'03"E**, a distance of **105.03** feet to a calculated point for an angle point hereof,
- 8) **N10°55'03"E**, a distance of **202.46** feet to a calculated point for a point of curvature hereof,
- 9) Along a curve to the right, whose radius is **1,000.00** feet, whose arc length is **100.05** feet and whose chord bears **N13°47'01"E**, a distance of **100.00** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an angle point hereof,
- 10) **S73°21'01"E**, a distance of **36.00** feet to a calculated point for a non-tangent point of curvature hereof,
- 11) Along a curve to the right, whose radius is **964.00** feet, whose arc length is **11.72** feet and whose chord bears **N16°59'53"E**, a distance of **11.72** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for a point of tangency hereof,
- 12) **N17°20'47"E**, a distance of **91.99** feet to a calculated point for a point of curvature hereof,
- 13) Along a curve to the right, whose radius is **1,464.00** feet, whose arc length is **63.78** feet and whose chord bears **N18°35'40"E**, a distance of **63.78** feet to a calculated point for a point of tangency hereof,
- 14) **N19°50'34"E**, a distance of **107.35** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an internal ell-corner hereof,
- 15) **N70°09'26"W**, a distance of **36.00** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an external ell-corner hereof,
- 16) **N19°50'34"E**, a distance of **20.26** feet to a calculated point for a point of curvature hereof,
- 17) Along a curve to the right, whose radius is **450.00** feet, whose arc length is **278.97** feet and whose chord bears **N37°36'09"E**, a distance of **274.52** feet to a calculated point for a point of tangency hereof,
- 18) **N55°21'44"E**, a distance of **121.32** feet to a calculated point for a point of curvature hereof,

- 19) Along a curve to the left, whose radius is **38.00** feet, whose arc length is **10.43** feet and whose chord bears **N47°29'44"E**, a distance of **10.40** feet to a calculated point for a point of tangency hereof,
- 20) **N39°37'44"E**, a distance of **33.48** feet to a calculated point for a point of curvature hereof,
- 21) Along a curve to the left, whose radius is **38.00** feet, whose arc length is **28.98** feet and whose chord bears **N17°46'59"E**, a distance of **28.28** feet to a calculated point for a point of tangency hereof, and
- 22) **N03°49'51"W**, a distance of **66.26** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for the northwest corner hereof, said point being in the north line of said 24.0681 acre tract, from which a 1/2-inch iron rod with "4Ward Boundary" cap set in the west line of said Lot 1, Manor Addition, being the most northerly northwest corner of said 24.0681 acre tract, and being in the east line of a called 1.50 acre tract conveyed to Greystone Holdings, LLC, in Document No. 2005016761 (O.P.R.T.C.T.), bears, **S85°56'14"W**, a distance of **450.50** feet;

**THENCE**, over and across said Lot 1, Manor Addition, with the north line of said 24.0681 acre tract, and with the south line of said 30.8643 acre remainder tract, **N85°56'14"E**, a distance of **336.11** feet to the **POINT OF BEGINNING**, and containing 11.2310 Acres (489,221 Square Feet) more or less.

**Notes:**

All bearings are based on the Texas State Plane Coordinate System, Grid North, Central Zone (4203); all distances were adjusted to surface using a combined scale factor of 1.000079893396. See attached sketch (reference drawing: 00835\_Phase 1 Manor East.dwg.)

  
 Jason Ward, RPLS #5811  
 4Ward Land Surveying, LLC



## EXHIBIT B

Exhibit “ “

### Legal Description

**BEING A DESCRIPTION OF A TRACT OF LAND CONTAINING 12.8371 ACRES (559,186 SQUARE FEET) OF LAND, BEING OUT OF THE GREENBERRY GATES SURVEY NO. 63, ABSTRACT NO. 315, IN TRAVIS COUNTY, TEXAS, BEING A PORTION OF LOT 1, MANOR ADDITION, A SUBDIVISION RECORDED IN DOCUMENT NO. 202200036 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS (O.P.R.T.C.T.), AND BEING A PORTION OF A CALLED 24.0681 ACRE TRACT (BEING A PORTION OF SAID LOT 1) CONVEYED TO LANDMARK AT MANOR PROP HOLDINGS IN DOCUMENT NO. 2022116632 (O.P.R.T.C.T.), SAID 12.8371 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:**



PO Box 90876  
Austin, TX 78709  
512.554.3371  
jward@4wardls.com  
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**COMMENCING**, at a 1/2-inch iron with “4Ward Boundary” cap set in the called record centerline an abandoned County Road (no dedication/vacation information found), being in the east line of said Lot 1, Manor Addition, being the northeast corner of said 24.0681 acre tract, and being in the east line of the remainder of a called 30.8643 acre tract conveyed to Manor RV Park, LLC, in Document No. 2019179489 (O.P.R.T.C.T.), from which an iron rod found in the called record centerline of said abandoned County Road, being an angle point in the east line of said Lot 1, Manor Addition, and being an angle point in the east line of said 30.8643 acre remainder tract, bears, N27°05'58"E, a distance of 222.57 feet;

**THENCE**, over and across said Lot 1, Manor Addition, with the north line of said 24.0681 acre tract, and over and across said 30.8643 acre remainder tract, S85°56'14"W, a distance of 336.11 feet to a 1/2-inch iron rod with “4Ward Boundary” cap set for the northeast corner and **POINT OF BEGINNING** hereof;

**THENCE**, over and across said Lot 1, Manor Addition, and over and across said 24.0681 acre tract, the following twenty-two (22) courses and distances:

- 1) **S03°49'51"E**, a distance of **66.26** feet to a calculated point for a point of curvature hereof,
- 2) Along a curve to the right, whose radius is **38.00** feet, whose arc length is **28.98** feet and whose chord bears **S17°46'59"W**, a distance of **28.28** feet to a calculated point for a point of tangency hereof,
- 3) **S39°37'44"W**, a distance of **33.48** feet to a calculated point for a point of curvature hereof,
- 4) Along a curve to the right, whose radius is **38.00** feet, whose arc length is **10.43** feet and whose chord bears **S47°29'44"W**, a distance of **10.40** feet to a calculated point for a point of tangency hereof,
- 5) **S55°21'44"W**, a distance of **121.32** feet to a calculated point for a point of curvature hereof,
- 6) Along a curve to the left, whose radius is **450.00** feet, whose arc length is **278.97** feet and whose chord bears **S37°36'09"W**, a distance of **274.52** feet to a calculated point for a point of tangency hereof,
- 7) **S19°50'34"W**, a distance of **20.26** feet to a 1/2-inch iron rod with “4Ward Boundary” cap set for point for an internal ell-corner hereof,
- 8) **S70°09'26"E**, a distance of **36.00** feet to a 1/2-inch iron rod with “4Ward Boundary” cap set for an external ell-corner hereof,



- 9) **S19°50'34"W**, a distance of **107.35** feet to a calculated point for a point of curvature hereof,
- 10) Along a curve to the left, whose radius is **1,464.00** feet, whose arc length is **63.78** feet and whose chord bears **S18°35'40"W**, a distance of **63.78** feet to a calculated point for a point of tangency hereof,
- 11) **S17°20'47"W**, a distance of **91.99** feet to a calculated point for a point of curvature hereof,
- 12) Along a curve to the left, whose radius is **964.00** feet, whose arc length is **11.72** feet and whose chord bears **S16°59'53"W**, a distance of **11.72** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an external ell-corner hereof,
- 13) **N73°21'01"W**, a distance of **36.00** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for a point of curvature hereof,
- 14) Along a curve to the left, whose radius is **1,000.00** feet, whose arc length is **100.05** feet and whose chord bears **S13°47'01"W**, a distance of **100.00** feet to a calculated point for a point of tangency hereof,
- 15) **S10°55'03"W**, a distance of **202.46** feet to a calculated point for an angle point hereof,
- 16) **S00°55'03"W**, a distance of **105.03** feet to a calculated point for an angle point hereof,
- 17) **S27°06'16"W**, a distance of **291.86** feet to a calculated point for an angle point hereof,
- 18) **S10°52'18"W**, a distance of **82.91** feet to a calculated point for an angle point hereof,
- 19) **S16°34'04"W**, a distance of **75.21** feet to a calculated point for an external ell-corner hereof,
- 20) **N73°23'16"W**, a distance of **8.96** feet to a calculated point for a point of curvature hereof,
- 21) Along a curve to the left, whose radius is **38.00** feet, whose arc length is **53.02** feet and whose chord bears **S66°38'29"W**, a distance of **48.82** feet to a calculated point for a point of tangency hereof, and
- 22) **S25°46'20"W**, a distance of **96.86** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for the southeast corner hereof, said point being in the northeast line of the north terminus of Carillon Way (50' right-of-way, this portion of Carillon Way having been platted in Document No. 200700061, O.P.R.T.C.T.), also being in the south line of said Lot 1, Manor Addition, also being in the south line of said 24.0681 acre tract;

**THENCE**, in part with the north right-of-way line of the north terminus of said Carillon Way, with the south line of said Lot 1, Manor Addition, with the south line of said 24.0681 acre tract, and in part with the north lines of Lot 50, Lot 51, and Lot 52, Block D, of Bell Farms, Phase Two-A, recorded in Document No. 200700061 (O.P.R.T.C.T.), **N73°23'16"W**, passing at a distance of 143.88 feet a 1/2-inch iron rod with "Point Line RPLS 1587" cap found for the common north corner of said Lot 50 and said Lot 51, Block D, of said Bell Farms Phase Two-A, and continuing for a total distance of **177.70** feet to a 1/2-inch iron rod found for the southwest corner hereof, said point being the southwest corner of said Lot 1, Manor Addition, being the southwest corner of said 24.0681 acre tract, being in the north line of said Lot 50, and being the southeast corner of a called 3.020 acre tract conveyed to Faustino Canamero Cardero in Document No. 2018099283 (O.P.R.T.C.T.), from which a 1/2-inch iron rod found in the southwest line of said 3.020 Cardero tract, being the common north corner of Lot 48 and Lot 49, of said Block D, of Bell Farms, Phase Two-A, bears, **N73°23'16"W**, a distance of 53.68 feet;

**THENCE**, with the west line of said Lot 1, Manor Addition, with the west line of said 24.0681 acre tract, in part with the east line of said 3.020 acre Cardero tract, in part with the east line of a called 1.0004 acre tract conveyed to Timothy W. Walker, Sr., in Document No. 2019011268 (O.P.R.T.C.T.), in part with the east line of a called 0.998 acre tract conveyed to Rafael Hernandez and Samira Cardona in Document No. 2019081857 (O.P.R.T.C.T.), in part with the east line of a called 1.0 acre tract conveyed to Aguster Powell in Volume 5086, Page 1826 of the Deed Records of Travis County, Texas (D.R.T.C.T.), in part with the east line of a called 1.0 acre tract conveyed to Jessie Robertson and Barbara Robertson in Volume 8731, Page 506 of the Real Property

Records of Travis County, Texas (R.P.R.T.C.T.), in part with the east line of a called 1.0 acre tract conveyed to Pablo R. Mijares and Ana M. Mijares in Document No. 2014174956 (O.P.R.T.C.T.), in part with the east line of a called 0.25 acre tract conveyed to Anselma Castro and San Juana Castro in Volume 13218, Page 4385 (R.P.R.T.C.T.), in part with the east line of a called 0.25 acre tract conveyed to Lupe Hernandez in Document No. 2003291901 (O.P.R.T.C.T.), in part with the east line of a called .50 acre tract conveyed to Jose Guadalupe and Soni Hernandez in Document No. 2002181992 (O.P.R.T.C.T.), in part with the east line of a called 1.00 acre tract conveyed to Frank D. Muniz in Volume 12117, Page 263 (R.P.R.T.C.T.), in part with the east line of a called 0.50 acre tract conveyed to Amy G. DeLeon and Joseph Carlos DeLeon in Document No. 2008194463 (O.P.R.T.C.T.), and in part with the east line of a called 1.0 acre tract conveyed to Hilaria Reyes in Volume 11799, Page 26 (R.P.R.T.C.T.), **N10°53'27"E**, passing at a distance of 1,045.39 feet a 1/2-inch iron rod found for the common east corner of said 0.25 acre Castro tract and said 0.25 acre Hernandez tract, and continuing for a total distance of **1,486.93** feet to a calculated point for the most westerly northwest corner hereof, said point being an external ell-corner in the west line of said Lot 1, Manor Addition, being the most westerly northwest corner of said 24.0681 acre tract, being the northeast corner of said 1.0 acre Reyes tract, being the southeast corner of a called 1.002 acre tract conveyed to Daniel Perez and Celia Enriquez-Felipe in Document No. 2015030029 (O.P.R.T.C.T.), and being the southwest corner of a called 1.50 acre tract conveyed to Greystone Holdings, LLC, in Document No. 2005016761 (O.P.R.T.C.T.), from which a 1/2-inch iron pipe found in the south right-of-way line of US Highway 290 (240' right-of-way), and being the common north corner of said 1.002 acre tract and said 1.50 acre Greystone Holdings tract, bears, **N10°53'27"E**, a distance of 437.05 feet;

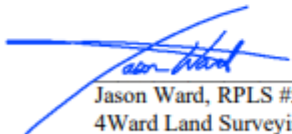
**THENCE**, with the northwest line of said Lot 1, Manor Addition, with the northwest line of said 24.0681 acre tract, and with the south and east lines of said 1.50 acre Greystone Holdings tract, the following two (2) courses and distances:

- 1) **N85°57'43"E**, a distance of **154.15** feet to a 1-inch iron pipe found for an internal ell-corner hereof, said point being the southeast corner of said 1.50 acre Greystone Holdings tract, and
- 2) **N11°00'39"E**, a distance of **59.35** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for the most northerly northwest corner hereof, said point being the most northerly northwest corner of said 24.0681 acre tract, and being in the west line of said 30.8643 acre tract;

**THENCE**, over and across said Lot 1, Manor Addition, with the north line of said 24.0681 acre tract, and over and across said 30.8643 acre tract, **N85°56'14"E**, a distance of **450.50** feet to the **POINT OF BEGINNING**, and containing 12.8371 Acres (559,186 Square Feet) more or less.

**Notes:**

All bearings are based on the Texas State Plane Coordinate System, Grid North, Central Zone (4203); all distances were adjusted to surface using a combined scale factor of 1.000079893396. See attached sketch (reference drawing: 00835\_Phase 2 Manor West.dwg.)

  
 Jason Ward, RPLS #5811  
 4Ward Land Surveying, LLC

4/22/24





## AGENDA ITEM SUMMARY FORM

**PROPOSED MEETING DATE:** November 6, 2024  
**PREPARED BY:** Belen Peña, Director  
**DEPARTMENT:** Finance

### AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action on the acceptance of the City of Manor, Texas Annual Financial Report and Independent Auditors' Report Year ended September 30, 2023.

### BACKGROUND/SUMMARY:

The City Council is being presented the FY2022-23 annual audit, which covers all the Government Activities and Business Type Activities through September 30, 2023. The audit firm's objectives were to obtain reasonable assurance about whether the city's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes their opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that the audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by reasonable user based on the financial statements.

The chart below highlights the city's net position for the Government and Business Type Activities for FY2022-23:

	Government Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Total Assets	\$50,527,091	\$45,796,598	\$58,464,025	\$55,242,536	\$108,991,116	\$101,039,134
Total Liabilities	\$27,369,186	\$29,234,2253	\$14,953,225	\$15,787,589	\$42,322,411	\$45,021,842
Total Net Position	<b>\$23,783,159</b>	<b>\$16,717,612</b>	<b>\$43,559,454</b>	<b>\$39,436,110</b>	<b>\$67,342,613</b>	<b>\$56,153,722</b>

**LEGAL REVIEW:** Not Applicable  
**FISCAL IMPACT:** No  
**PRESENTATION:** Yes  
**ATTACHMENTS:** Yes

- Audit Committee Letter
- Annual Financial Report and Independent Auditors' Report Year ended September 30, 2023
- Management Comment Letter

### STAFF RECOMMENDATION:

It is the city staff's recommendation that the City Council approve and accept the City of Manor, Texas Annual Financial Report and Independent Auditors' Report Year ended September 30, 2023.



City Council  
City of Manor, Texas  
P.O. Box 387  
Manor, Texas 78653

We are pleased to present this report related to our audit of the financial statements of City of Manor (the City) as of and for the year ended September 30, 2023. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the City's financial reporting process..

### **Required Communications**

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

### **Our Responsibility With Regard to the Financial Statement Audit**

Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated February 5, 2024. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

### **Overview of the Planned Scope and Timing of the Financial Statement Audit**

We have issued a separate communication dated June 26, 2024, regarding the planned scope and timing of our audit and identified significant risks.

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

#### *Preferability of Accounting Policies and Practices*

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

### *Adoption of, or Change in, Accounting Policies*

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. The following is a description of significant accounting policies or their application that were either initially selected or changed during the year:

- As described in Note A, the City adopted Government Accounting Standards Board (GASB), Statement No. 91, *Conduit Debt Obligations*, Statement No. 93, *Replacement of Interbank Offered Rates*, Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, Statement No. 96, *Subscription-Based Information Technology Arrangements*, and Statement No. 99, *Omnibus 2022* during the current year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Policies*

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Unusual Transactions*

We did not identify any significant unusual transactions.

### *Significant Accounting Estimates*

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

The most sensitive accounting estimates affecting the financial statements are:

- The allowance for uncollectible receivables is based on past experience with collections of taxes and other fees.
- Depreciation which is based on useful lives and depreciation methods approved by the City Council.
- Fair value of investments which is based on net asset value.
- Pension and OPEB obligations which are based on actuarial reports.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

### **Audit Adjustments and Uncorrected Misstatements**

Audit adjustments, other than those that are clearly trivial, proposed by us and recorded by the City are shown in the attached list of Recorded Audit Adjustments.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.



## Observations About the Audit Process

### *Disagreements With Management*

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in financial statements.

### *Consultations With Other Accountants*

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

### *Significant Issues Discussed With Management*

No significant issues arising from the audit were discussed or the subject of correspondence with management.

### *Significant Difficulties Encountered in Performing the Audit*

We did not encounter any significant difficulties in dealing with management during the audit.

## Shared Responsibilities: AICPA Independence

The AICPA regularly emphasizes that auditor independence is a **joint responsibility** and is managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with American Institute of Certified Public Accountants (AICPA) independence rules. For Atchley & Associates (the Firm) to fulfill its professional responsibility to maintain and monitor independence, management, the City Council, and the Firm each play an important role.

## Our Responsibilities

- AICPA rules require independence both of mind and in appearance when providing audit and other attestation services. The Firm is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality control over compliance with independence rules and firm policies.

## Your Responsibilities

- Timely inform the Firm, before the effective date of transactions or other business changes, of the following:
  - New affiliates, directors, officers, or persons in financial reporting oversight roles.
  - Change in corporate structure impacting affiliates such as add-on acquisitions or exits.
- Provide necessary affiliate information such as new or updated investment structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the City and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with the Firm.

- Not entering into relationships resulting in close family members of the firm covered persons, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at the City.

### **Significant Written Communications Between Management and Our Firm**

Copies of significant written communications between our firm and the management of the City, including the representation letter provided to us by management, is included in an attached letter.

This report is intended solely for the information and use of the City Council and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to City of Manor.

A handwritten signature in black ink that reads "Atchley & Associates LLP". The signature is written in a cursive, flowing style.

Austin, Texas  
October 28, 2024



**October 28, 2024**

Atchley & Associates, LLP  
1005 La Posada Drive  
Austin, TX 78752

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, business type activities, each major fund, and the aggregate remaining fund information of the City of Manor (the City), as of and for the year ended September 30, 2023, the related notes to the financial statements and required supplementary information, for the purposes of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter:

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated February 5, 2024, including appendices and attachments thereto and subsequent modifications, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.
4. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP, and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. The measurement and fair presentation of the required supplementary information, including Management's Discussion and Analysis, and additional supplemental schedules accompanying the basic financial statements that are presented for the purpose of additional analysis of the basic financial statements, in conformity with U.S. GAAP.



6. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.
8. With respect to the preparation of the financial statements and related GASB entries necessary for fair presentation, we have performed the following:
  - a. Made all management decisions and performed all management functions;
  - b. Assigned a competent individual to oversee the services;
  - c. Evaluated the adequacy of the services performed;
  - d. Evaluated and accepted responsibility for the result of the service performed; and
  - e. Established and maintained internal controls, including monitoring ongoing activities.
9. The City followed either its established accounting policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or followed paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes.
10. The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended.
11. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
12. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
13. Management has followed applicable laws and regulations in adopting, approving and amending budgets.
14. Risk disclosures associated with deposit and investment securities and derivative transactions are presented in accordance with GASB requirements
15. Provisions for uncollectible receivables have been properly identified and recorded.
16. Capital assets, including infrastructure, intangible assets, and right of use assets are properly capitalized, reported and, if applicable, depreciated.
17. The government properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in the debt agreements related to significant default or termination events with finance-related consequences and significant subjective acceleration clauses in accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.
18. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
19. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
20. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

21. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
22. The City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and appropriately disclosed and that net position is properly recognized under the policy.
23. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, or to special assessment bond holders, that is not disclosed in the financial statements.
24. In all material aspects, all funds and activities are properly classified.
25. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
26. In all material aspects, special items and extraordinary items have been properly and reported.
27. In all material aspects, deposit and investment risks have been properly and fully disclosed.
28. In all material aspects, all required supplementary information is measured and presented within the prescribed guidelines.
29. In all material aspects, nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
30. With regard to pensions and OPEB:
  - a. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
  - b. We are unable to determine the possibility of a withdrawal liability from the TMRS Plan, of which we are a sponsor and are not currently contemplating withdrawing from the TMRS.
  - c. Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation, or disclosed as a subsequent event.
31. With regard to investments and other instruments reported at fair value:
  - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - c. The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
32. We have reviewed the GASB Statements effective for the fiscal year ending September 30, 2023, and concluded the implementation of the following Statements did not have a material impact on the basic financial statements:
  - a. GASB Statement No. 91, *Conduit Debt Obligations*
  - b. GASB Statement No. 93, *Replacement of Interbank Offered Rates*

- c. GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
  - d. GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*
33. We believe the implementation of the GASB Statements listed below is appropriate:
- a. GASB Statement No. 99, *Omnibus 2022*.

**Information Provided**

34. We have provided you with:
- a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit;
  - c. Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence;
  - d. Information on where to view minutes of the meetings of the City Council, or provided summaries of actions of recent meetings for which minutes have not yet been prepared;
35. To the best of our knowledge, we are not aware of any transactions that have not been recorded in the accounting records, nor are we aware of any transactions that have been recorded in the accounting records that are not reflected in the financial statements.
36. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
37. We have no knowledge of allegations of fraud or suspected fraud affecting the City's financial statements involving:
- a. Management
  - b. Employees who have significant roles in internal controls: or
  - c. Others where the fraud could have a material effect on the financial statements
38. It is our responsibility to establish and maintain internal control over financial reporting. One of the components of an entity's system of internal control is risk assessment. We hereby represent that our risk assessment process includes identification and assessment of risks of material misstatement due to fraud. We have shared with you our fraud risk assessment, including a description of the risks, our assessment of the magnitude and likelihood of misstatements arising from those risks, and the controls that we have designed and implemented in response to those risks.
39. We have no knowledge of allegations of fraud or suspected fraud affecting the City's financial statements involving:
- a. Management;
  - b. Employees who have significant roles in internal controls; or
  - c. Others where the fraud could have a material effect on the financial statements.
40. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others;
41. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of the financial statement amounts or other financial data significant to the audit objectives;
42. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to financial statements or other financial data significant to the audit objectives;



43. If necessary, we have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us;
44. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements in accordance with U.S. GAAP;
45. We have disclosed to you the identity of the City's related parties and all related party relationships and transactions of which we are aware;
46. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices;
47. The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities;
48. We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable;
49. We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee;
50. We believe that the actuarial assumptions and methods used by the actuary for funding purposes and for determining accumulated Plan benefits are appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the actuary with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the plan's actuary.
51. If applicable, for nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range;
52. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year;
53. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds;
54. There are no:
  - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.

- d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- 55. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you;
- 56. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 57. We are responsible for determining that significant events or transactions that have occurred since the date of the financial statements and through the date of this letter have been recognized or disclosed in the financial statements. We further represent that, as of the date of this letter, the financial statements were complete in a form and format that complied with U.S. GAAP and U.S. GASB, and all approvals necessary for issuance of the financial statements had been obtained.
- 58. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. If applicable, all such data has been so reflected. Accordingly, copies of such records in your possession are no longer needed by us. Original records should be returned to us for our safekeeping.
- 59. To the best of our knowledge, tax-exempt bonds have retained their tax-exempt status.

#### **Supplementary Information in relation to the Financial Statements as a Whole**

With respect to supplementary information presented in relation to the financial statements as a whole:

- 60. We acknowledge our responsibility for the presentation of the supplementary information in accordance with U.S. GAAP.
- 61. We believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
- 62. The methods of measurement or presentation have not changed from those used in the prior period.
- 63. When supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information as they become available, but no later than the date of issuance by the City of the supplementary information and the auditors' report thereon.

#### **Required Supplementary Information**

With respect to the required supplementary information accompanying the basic financial statements:

- 64. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP and U.S. GASB.
- 65. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP and U.S. GASB.
- 66. The methods of measurement or presentation have not changed from those used in the prior period.
- 67. When supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information as they become available, but no later than the date of issuance by the City of the supplementary information and the auditors' report thereon.

#### **Compliance Considerations**

In connection with your audit, conducted in accordance with *Government Auditing Standards*, we confirm that management:

- 68. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.

69. Is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the City.
70. Has identified and disclosed to the auditor all instances, if any, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
71. Has identified and disclosed to the auditor all instances, if any, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
72. Has identified and disclosed to the auditor all instances, if any, that have occurred or are likely to have occurred of abuse, financial or otherwise, that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
73. If necessary, has taken timely and appropriate steps to remedy fraud; noncompliance with provisions of laws, regulations, contracts, and grant agreements; or abuse that the auditor reports.
74. Has a process to track the status of audit findings and recommendations.
75. If any, have provided views on the auditor's reported findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report.

City of Manor, Texas:



Scott Moore  
City Manager

October 28, 2024

Date



Belen Pena  
Finance Director

October 28, 2024

Date

**CITY OF MANOR, TEXAS  
ANNUAL FINANCIAL REPORT  
AND  
INDEPENDENT AUDITORS' REPORT  
YEAR ENDED SEPTEMBER 30, 2023**





## CITY OF MANOR, TEXAS

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## INDEPENDENT AUDITORS' REPORT

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

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Manor, Texas (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, 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.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Other Matters

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4-11, budgetary comparison information on page 57, schedule of changes in the City's net pension asset/liability and related ratios - last ten years on page 60-61, Texas Municipal Retirement System schedule of funding progress on page 63, and Schedule of Changes in the City's total OPEB asset/liability and related ratios last ten years on page 64-65 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2024, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Austin, Texas  
October 28, 2024

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**





**CITY OF MANOR, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**SEPTEMBER 30, 2023**

Item 3.

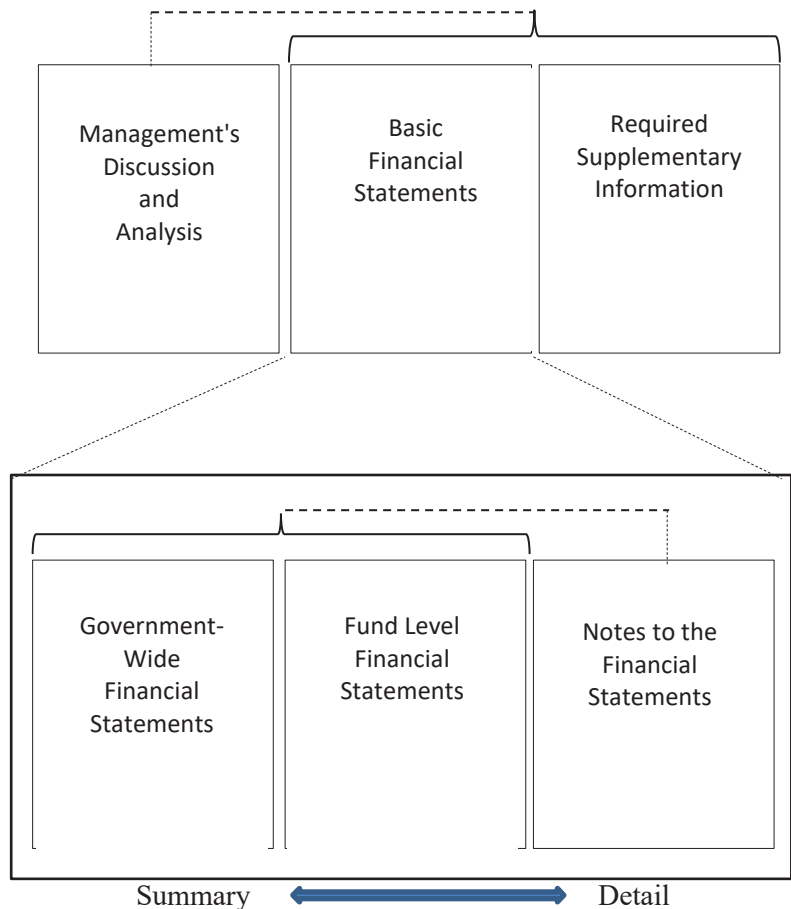
This section of the City of Manor's (the City) annual financial report presents management's discussion and analysis of the City's financial performance during the fiscal year ended September 30, 2023. This discussion and analysis should be read in conjunction with the City's financial statements.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

- 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 statements.
- Governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.
- The financial statements also include notes to the financial statements explaining some of the information in the financial statements and provide more detailed data.
- The report also contains required supplementary information in addition to the basic financial statements themselves. This contains additional information about the City's General Fund budget and information about the City's pension plan.

**FIGURE A-1**  
**REQUIRED COMPONENTS OF THE**  
**CITY'S ANNUAL FINANCIAL REPORT**



**Figure A-1** shows how the parts of this annual report are arranged and related to one another.

The remainder of this overview explains the structure and contents of each of the statements.

**CITY OF MANOR, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**SEPTEMBER 30, 2023**

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**Government-Wide Financial Statements**

The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by private-sector businesses. The statement of net position includes all of the government's assets and liabilities. In the statement of activities, all of the current year's revenues and expenses are accounted for regardless of when cash is received or paid, and all of the City's governmental activities and city services are combined and show how they are financed.

Both government-wide statements report the City's net position and how it has changed. Net position, the difference between the City's assets plus deferred outflows and liabilities plus deferred inflows, 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.

**Fund Financial Statements**

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

All cities have at least one major fund:

- Governmental fund – 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. Because these funds do not encompass the additional long-term focus of the government-wide statements, additional information is provided following each fund statement that explains the relationship (or difference) between them.

Other common major funds:

- Some common funds are required by State law, such as the debt service fund, special revenues fund, and capital projects fund.
- Management may establish other funds to control and manage money for particular purposes or to show that it is properly using certain revenue resources, such as special revenue, capital project, and grant funds.

**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.

**CITY OF MANOR, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**SEPTEMBER 30, 2023**

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

<i>Type of Statements</i>	<b>Government-Wide</b>	<b>Fund Statements</b>	
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>
<i>Scope</i>	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 business: utilities
<i>Required financial statements</i>	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures & Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses & Changes in Net Position Statement of Cash Flows
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	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 or long-term debt included	All assets and liabilities, both financial and capital, and short-term and long-term
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after year end; expenditures when goods or services have been received and payment is made during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

**THE CITY AS A WHOLE (GOVERNMENT-WIDE)**

**FINANCIAL HIGHLIGHTS**

- The City's total combined net position was \$67,342,613 at September 30, 2023 (See Figure A-3).
- Current year activity resulted in an increase in the City's net position by \$11,188,891 (See Figure A-4).

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**CITY OF MANOR, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**SEPTEMBER 30, 2023**

**Figure A-3**  
**City's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Assets:</b>						
Current and other assets	\$ 43,055,348	\$ 38,850,272	\$ 20,511,406	\$ 20,155,816	\$ 63,566,754	\$ 59,006,088
Noncurrent assets	7,471,743	6,946,326	37,952,619	35,086,720	45,424,362	42,033,046
Total assets	50,527,091	45,796,598	58,464,025	55,242,536	108,991,116	101,039,134
Deferred outflows	1,180,960	501,368	134,773	38,969	1,315,733	540,337
<b>Liabilities:</b>						
Current liabilities	10,571,910	10,050,457	1,987,084	2,138,418	12,558,994	12,188,875
Long-term liabilities	16,797,276	19,183,796	12,966,141	13,649,171	29,763,417	32,832,967
Total liabilities	27,369,186	29,234,253	14,953,225	15,787,589	42,322,411	45,021,842
Deferred inflows	555,706	346,101	86,119	57,806	641,825	403,907
<b>Net position:</b>						
Investment in capital assets	(10,924,406)	(14,330,984)	25,295,369	21,661,170	14,370,963	7,330,186
Restricted	1,184,834	1,153,184	9,224,901	8,773,429	10,409,735	9,926,613
Unrestricted	33,522,731	29,895,412	9,039,184	9,001,511	42,561,915	38,896,923
Total net position	\$ 23,783,159	\$ 16,717,612	\$ 43,559,454	\$ 39,436,110	\$ 67,342,613	\$ 56,153,722

**CITY OF MANOR, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**SEPTEMBER 30, 2023**

**Figure A-4**  
**Changes in City Net Position**

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program revenues:						
Charges for services	\$ 4,864,931	\$ 5,727,573	\$ 9,586,083	\$ 12,582,367	\$ 14,451,014	\$ 18,309,940
General revenues:						
Taxes	17,048,548	12,984,317	-	-	17,048,548	12,984,317
Interest income	2,248,649	193,672	50,120	3,302	2,298,769	196,974
Other	1,032,489	739,710	-	-	1,032,489	739,710
Total revenues	25,194,617	19,645,272	9,636,203	12,585,669	34,830,820	32,230,941
Expenses:						
General government	4,840,117	4,333,261	-	-	4,840,117	4,333,261
Public safety	5,463,281	4,662,515	-	-	5,463,281	4,662,515
Streets	1,950,855	2,609,563	-	-	1,950,855	2,609,563
Municipal court	480,207	454,757	-	-	480,207	454,757
Development services	1,386,060	1,008,702	-	-	1,386,060	1,008,702
Sanitation	1,724,313	1,421,286	-	-	1,724,313	1,421,286
Interest and fiscal charges	497,294	263,407	341,079	339,362	838,373	602,769
Water and sewer	-	-	6,958,723	6,129,639	6,958,723	6,129,639
Total expenses	16,342,127	14,753,491	7,299,802	6,469,001	23,641,929	21,222,492
Revenues over(under)						
expenses	8,852,490	4,891,781	2,336,401	6,116,668	11,188,891	11,008,449
Transfers	(1,786,943)	-	1,786,943	-	-	-
Change in net position	7,065,547	4,891,781	4,123,344	6,116,668	11,188,891	11,008,449
Beginning net position	16,717,612	11,825,831	39,436,110	33,319,442	56,153,722	45,145,273
Ending net position	\$ 23,783,159	\$ 16,717,612	\$ 43,559,454	\$ 39,436,110	\$ 67,342,613	\$ 56,153,722

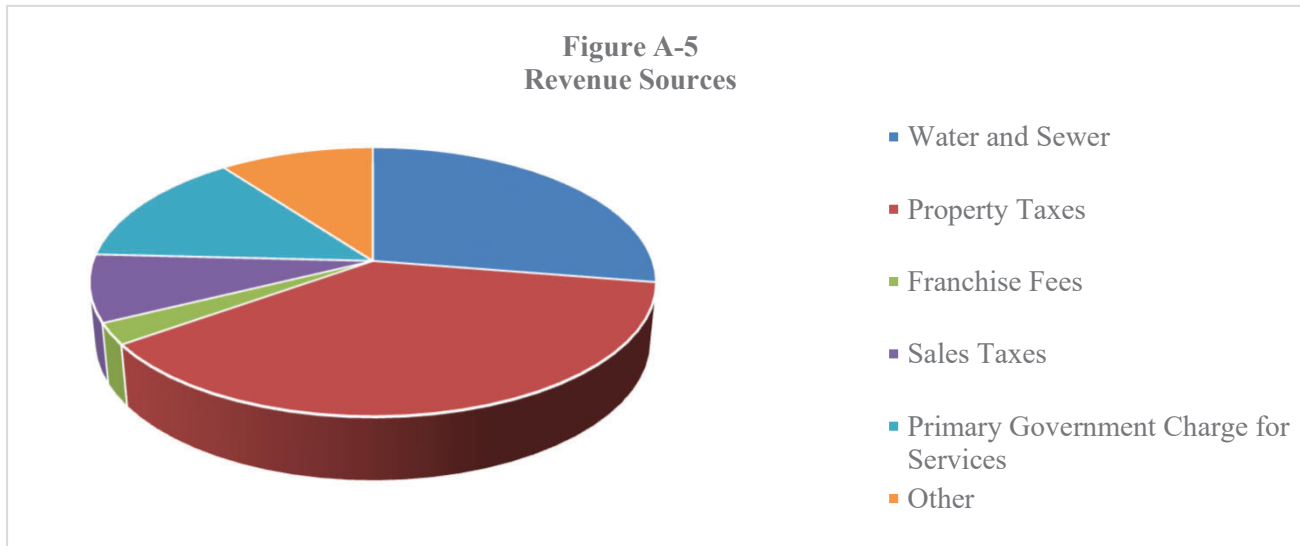
Item 3.

**CITY OF MANOR, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**SEPTEMBER 30, 2023**

Item 3.

## **CITY REVENUES**

The majority of the City's revenue is generated from charges for water and sewer services (28%), property taxes (38%), and primary government charges for services (14%). The remaining is obtained from the grants, contributions, sales taxes, franchise fees, court fees, and other sources (See Figure A-5).



## **GROWTH TRENDS**

### **Governmental Activities**

The City's property tax rate for maintenance and operations (M&O) decreased from \$0.6034 to \$0.5090 in the current fiscal year generating \$8,831,665 in M&O taxes, an increase of \$1,392,910 over the previous fiscal year. While the City's franchise fees increased \$359,015, or 15%, and sales taxes increased by \$56,684, or 7%. The new M&O tax rate for the year beginning October 1, 2023, is \$0.4802.

### **Business-Type Activities**

Water sales increased by \$729,161, or 20%, while sewer sales increased by \$882,487, or 29%.

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

### **General Fund Budgetary Highlights**

General Fund revenues exceeded expenditures and transfers by \$3,132,820 which was \$2,117,165 more than budgeted. See details of budget and actual revenues on page 57.

### **Capital Assets**

During the year ended September 30, 2023, the City invested \$5,359,823 in a broad range of capital assets, including infrastructure, equipment, and buildings (See Figure A-6). These additions were funded from bond proceeds, capital impact fees, general budgeted expenditures, and notes payables.



**CITY OF MANOR, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**SEPTEMBER 30, 2023**

Item 3.

**Figure A-6**  
**City's Capital Assets**

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 724,607	\$ 480,607	\$ 406,816	\$ 406,816	\$ 1,131,423	\$ 887,423
Construction in progress	276,538	676,268	7,687,563	4,428,876	7,964,101	5,105,144
Buildings and equipment	10,307,717	8,297,618	2,124,014	1,633,247	12,431,731	9,930,865
Sidewalks	244,164	244,164	-	-	244,164	244,164
Streets and improvements	7,237,043	7,237,043	12,992	12,992	7,250,035	7,250,035
Water system	-	-	9,474,596	9,474,596	9,474,596	9,474,596
Sewer system	-	-	26,193,545	26,193,545	26,193,545	26,193,545
<b>Total at historical cost</b>	<b>18,790,069</b>	<b>16,935,700</b>	<b>45,899,526</b>	<b>42,150,072</b>	<b>64,689,595</b>	<b>59,085,772</b>
Accumulated depreciation	(11,318,326)	(9,989,374)	(7,946,907)	(7,063,352)	(19,265,233)	(17,052,726)
<b>Net capital assets</b>	<b>\$ 7,471,743</b>	<b>\$ 6,946,326</b>	<b>\$ 37,952,619</b>	<b>\$ 35,086,720</b>	<b>\$ 45,424,362</b>	<b>\$ 42,033,046</b>

**Debt Administration**

The City's property tax rate for debt services increased from \$0.1793 to \$0.2380 in the current fiscal year generating \$4,177,694 in debt service taxes, an increase of \$1,983,770 over the previous fiscal year. More detailed information about the City's debt is presented in the Notes to the Financial Statements. The new debt service tax rate for the year beginning October 1, 2023, is \$0.1988.

**Figure A-7**  
**City's Long-Term Debt**

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Financed purchases	\$ 913,399	\$ 1,162,860	\$ 535,605	\$ 88,297	\$ 1,449,004	\$ 1,251,157
Bonds payable	17,482,750	20,266,682	12,657,250	13,425,550	30,140,000	33,692,232
<b>Total</b>	<b>\$ 18,396,149</b>	<b>\$ 21,429,542</b>	<b>\$ 13,192,855</b>	<b>\$ 13,513,847</b>	<b>\$ 31,589,004</b>	<b>\$ 34,943,389</b>

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

Next year's proposed General Fund budget is projected to remain consistent with this year's actual revenues.

General fund proposed expenditures are expected to increase by \$3,159,233, resulting in a balanced budget.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Any questions about this report or need for additional financial information should be addressed to the City of Manor, Attn: City Manager, P.O. Box 387, Manor, TX 78653.

## **BASIC FINANCIAL STATEMENTS**



**CITY OF MANOR, TEXAS**  
**STATEMENT OF NET POSITION - CONTINUED**  
**SEPTEMBER 30, 2023**

Item 3.

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 38,807,895	\$ 12,695,243	\$ 51,503,138
Receivables, net	657,976	910,921	1,568,897
Due (to) from other funds	2,404,643	(2,404,643)	-
Restricted assets:			
Cash and cash equivalents	470,250	8,815,355	9,285,605
Investments	714,584	494,530	1,209,114
Non-current assets:			
Capital assets:			
Non-depreciable	1,001,145	8,094,379	9,095,524
Depreciable, net	6,470,598	29,858,240	36,328,838
<b>Total assets</b>	<b>50,527,091</b>	<b>58,464,025</b>	<b>108,991,116</b>
<b>DEFERRED OUTFLOWS</b>			
Deferred outflows related to refunding	122,575	-	122,575
Deferred outflows related to OPEB	24,503	4,151	28,654
Deferred outflows related to pensions	1,033,882	130,622	1,164,504
<b>Total deferred outflows</b>	<b>1,180,960</b>	<b>134,773</b>	<b>1,315,733</b>
<b>LIABILITIES</b>			
Current liabilities:			
Payable from unrestricted assets:			
Accounts payable	1,021,852	627,248	1,649,100
Passthrough liabilities	2,270,572	-	2,270,572
Unearned revenue	4,119,488	-	4,119,488
Payable from restricted assets:			
Interest payable	51,311	36,231	87,542
Financed purchases, due within one year	441,687	44,838	486,525
Bonds payable, due within one year	2,667,000	788,000	3,455,000
Non-current liabilities:			
Payable from unrestricted assets:			
Compensated absences	359,574	65,983	425,557
Payable from restricted assets:			
Customer deposits	-	845,494	845,494
Financed purchases, due more than one year	471,712	490,767	962,479
Bonds payable, due more than one year	14,815,750	11,869,250	26,685,000
Net OPEB liability	60,572	10,556	71,128
Net pension liability	1,089,668	174,858	1,264,526
<b>Total liabilities</b>	<b>27,369,186</b>	<b>14,953,225</b>	<b>42,322,411</b>

The accompanying notes are an integral part of this financial statement.

**CITY OF MANOR, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

Item 3.

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>DEFERRED INFLOWS</b>			
Deferred inflows related to OPEB	\$ 59,428	\$ 8,374	\$ 67,802
Deferred inflows related to pensions	496,278	77,745	574,023
<b>Total deferred inflows</b>	<u>555,706</u>	<u>86,119</u>	<u>641,825</u>
<b>NET POSITION</b>			
Net investment in capital assets	(10,924,406)	25,295,369	14,370,963
Restricted	1,184,834	9,224,901	10,409,735
Unrestricted	33,522,731	9,039,184	42,561,915
<b>Total net position</b>	<u>\$ 23,783,159</u>	<u>\$ 43,559,454</u>	<u>\$ 67,342,613</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF MANOR, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

Function/program activities	Expenses	Charges for Services
<b>Primary government:</b>		
Government activities:		
General government	\$ 4,840,117	\$ 232
Public safety	5,463,281	154,327
Streets	1,950,855	-
Municipal court	480,207	570,493
Development services	1,386,060	2,476,482
Sanitation	1,724,313	1,663,397
Interest on long-term debt	497,294	-
Total government activities	16,342,127	4,864,931
Business-type activities:		
Water	4,959,109	4,540,670
Sewer	1,999,614	5,045,413
Interest on long-term debt	341,079	-
Total business-type activities	7,299,802	9,586,083
<b>Total primary government</b>	23,641,929	14,451,014

**General revenues:**

Taxes:

Property

Sales

Franchise

Other

Interest income

Miscellaneous

Transfers

**Total general revenues and transfers**

**Changes in net assets**

**Net position - beginning of year**

**Net position - end of year after restatement**

The accompanying notes are an integral part of this financial statement.

Program Revenues		Net (Expenses) Revenues and Changes in Net Assets		
Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		
		Governmental Activities	Business-Type Activities	Total
\$ -	\$ -	\$ (4,839,885)	\$ -	\$ (4,839,885)
-	-	(5,308,954)	-	(5,308,954)
-	-	(1,950,855)	-	(1,950,855)
-	-	90,286	-	90,286
-	-	1,090,422	-	1,090,422
-	-	(60,916)	-	(60,916)
-	-	(497,294)	-	(497,294)
-	-	(11,477,196)	-	(11,477,196)
-	-	-	(418,439)	(418,439)
-	-	-	3,045,799	3,045,799
-	-	-	(341,079)	(341,079)
-	-	-	2,286,281	2,286,281
-	-	(11,477,196)	2,286,281	(9,190,915)
		13,113,638	-	13,113,638
		2,804,685	-	2,804,685
		895,816	-	895,816
		234,409	-	234,409
		2,248,649	50,120	2,298,769
		1,032,489	-	1,032,489
		(1,786,943)	1,786,943	-
		18,542,743	1,837,063	20,379,806
		7,065,547	4,123,344	11,188,891
		16,717,612	39,436,110	56,153,722
		\$ 23,783,159	\$ 43,559,454	\$ 67,342,613

The accompanying notes are an integral part of this financial statement.

**CITY OF MANOR, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023**

Item 3.

	<u>General Fund</u>	<u>Special Revenues Fund</u>
<b>ASSETS</b>		
Unrestricted		
Cash and cash equivalents	\$ 22,499,219	\$ 2,114,827
Receivables, net	580,230	-
Due from other funds	-	147,527
Restricted assets:		
Cash and cash equivalents	470,250	-
Investments	9,414	404,207
<b>Total assets</b>	<u><u>\$ 23,559,113</u></u>	<u><u>\$ 2,666,561</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 964,794	\$ -
Passthrough liabilities	472,684	1,787,961
Unearned revenue	4,101,012	-
Due to other funds	147,527	-
<b>Total liabilities</b>	<u><u>5,686,017</u></u>	<u><u>1,787,961</u></u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	154,112	-
<b>Total liabilities</b>	<u><u>154,112</u></u>	<u><u>-</u></u>
 <b>FUND BALANCES</b>		
Restricted	479,664	878,600
Committed	-	-
Unassigned	17,239,320	-
<b>Total fund balances</b>	<u><u>17,718,984</u></u>	<u><u>878,600</u></u>
<b>Total liabilities, deferred inflows, and fund balances</b>	<u><u>\$ 23,559,113</u></u>	<u><u>\$ 2,666,561</u></u>

The accompanying notes are an integral part of this financial statement.



<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total Governmental Funds</b>
\$ (852,484)	\$ 15,046,333	\$ 38,807,895
77,746	-	657,976
2,404,643	-	2,552,170
-	-	470,250
300,963	-	714,584
<u>\$ 1,930,868</u>	<u>\$ 15,046,333</u>	<u>\$ 43,202,875</u>
\$ -	\$ 57,058	\$ 1,021,852
-	9,927	2,270,572
18,476	-	4,119,488
-	-	147,527
<u>18,476</u>	<u>66,985</u>	<u>7,559,439</u>
115,775	-	269,887
<u>115,775</u>	<u>-</u>	<u>269,887</u>
1,796,617	-	3,154,881
-	14,979,348	14,979,348
-	-	17,239,320
<u>1,796,617</u>	<u>14,979,348</u>	<u>35,373,549</u>
<u>\$ 1,930,868</u>	<u>\$ 15,046,333</u>	<u>\$ 43,202,875</u>

The accompanying notes are an integral part of this financial statement.

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**CITY OF MANOR, TEXAS**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

Item 3.

**TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS** **\$ 35,373,549**

Amounts reported for governmental activities in the statement of net position are different due to the following:

Capital assets, net of accumulated depreciation, are not financial resources, therefore, are not reported in the funds. 7,471,743

Certain receivables are not available to pay current-period expenditures, therefore, are deferred in the funds. This amount includes deferred property taxes. 269,887

Deferred outflows and inflows represent the consumption of net position that is applicable to a future reporting period and are not reported in the funds. 625,254

Certain liabilities related to long-term debt are not reported in the funds, such as accrued interest payable. (51,311)

Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. (19,905,963)

**NET POSITION - GOVERNMENTAL ACTIVITIES** **\$ 23,783,159**

**CITY OF MANOR, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

	<u>General Fund</u>	<u>Special Revenues Fund</u>
<b>REVENUES</b>		
Property taxes	\$ 8,831,665	\$ -
Sales tax	2,804,685	-
Franchise taxes	895,816	-
Other taxes	35,236	199,173
Licenses and permits	2,476,482	-
Charge for services	1,663,397	-
Court and police	570,493	-
Public safety	154,327	-
Interest income	1,731,505	26,809
Interest income - restricted	-	-
Other	1,031,858	863
<b>Total revenues</b>	<u>20,195,464</u>	<u>226,845</u>
<b>EXPENDITURES</b>		
Current:		
General government	5,247,939	66,658
Public safety	5,387,586	-
Streets	2,120,748	-
Municipal court	480,207	-
Development services	1,375,032	-
Sanitation	1,724,313	-
Capital outlay	303,076	-
Debt service:		
Principal	-	-
Interest	-	-
<b>Total expenditures</b>	<u>16,638,901</u>	<u>66,658</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>3,556,563</u>	<u>160,187</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Debt issuance proceeds	97,550	-
Debt issuance fees	-	-
Transfers in	-	147,527
Transfers out	(521,293)	-
<b>Total other financing sources (uses)</b>	<u>(423,743)</u>	<u>147,527</u>
<b>Net change in fund balances</b>	3,132,820	307,714
<b>Fund balances - beginning of year</b>	<u>14,586,164</u>	<u>570,886</u>
<b>Fund balances - end of year</b>	<u>\$ 17,718,984</u>	<u>\$ 878,600</u>

The accompanying notes are an integral part of this financial statement.

<b>Debt Services Fund</b>	<b>Capital Projects Fund</b>	<b>Total Governmental Funds</b>
\$ 4,177,694	\$ -	\$ 13,009,359
-	-	2,804,685
-	-	895,816
-	-	234,409
-	-	2,476,482
-	-	1,663,397
-	-	570,493
-	-	154,327
13,330	477,005	2,248,649
-	-	-
-	-	1,032,721
<u>4,191,024</u>	<u>477,005</u>	<u>25,090,338</u>
935	-	5,315,532
-	-	5,387,586
-	-	2,120,748
-	-	480,207
-	-	1,375,032
-	-	1,724,313
-	-	303,076
2,631,700	-	2,631,700
471,235	-	471,235
<u>3,103,870</u>	<u>-</u>	<u>19,809,429</u>
<u>1,087,154</u>	<u>477,005</u>	<u>5,280,909</u>
-	-	97,550
-	-	-
-	-	147,527
-	(1,413,177)	(1,934,470)
<u>-</u>	<u>(1,413,177)</u>	<u>(1,689,393)</u>
1,087,154	(936,172)	3,591,516
<u>709,463</u>	<u>15,915,520</u>	<u>31,782,033</u>
<u>\$ 1,796,617</u>	<u>\$ 14,979,348</u>	<u>\$ 35,373,549</u>

The accompanying notes are an integral part of this financial statement.

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**CITY OF MANOR, TEXAS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS**                      \$            3,591,516

Amounts reported for governmental activities in the statement of activities are different due to the following:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay expenses in the current period. 525,417

The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the long-term liabilities in the statement of net assets. This is the amount by which debt payments exceeded proceeds and changes in accrued interest and amortization of deferred outflows from refunding. 2,855,102

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. These expenditures include changes in accrued compensation and changes in pension and OPEB benefits and related inflows and outflows. 93,512

**CHANGE IN NET ASSETS - GOVERNMENTAL ACTIVITIES** \$            7,065,547

**CITY OF MANOR, TEXAS**  
**STATEMENT OF NET POSITION - CONTINUED**  
**PROPRIETARY FUND**  
**SEPTEMBER 30, 2023**

Item 3.

	<b>Water and Sewer System</b>	<b>Capital Impact Fees</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Unrestricted assets:			
Cash and cash equivalents	\$ 12,695,243	\$ -	\$ 12,695,243
Accounts receivable, net	910,921	-	910,921
Due from other funds	-	-	-
Restricted assets:			
Cash and cash equivalents	845,494	7,969,861	8,815,355
Investments	-	494,530	494,530
<b>Total current assets</b>	<b>14,451,658</b>	<b>8,464,391</b>	<b>22,916,049</b>
Non-current assets:			
Non-depreciable assets, net	8,094,379	-	8,094,379
Depreciable assets, net	29,858,240	-	29,858,240
<b>Total non-current assets</b>	<b>37,952,619</b>	<b>-</b>	<b>37,952,619</b>
<b>Total assets</b>	<b>52,404,277</b>	<b>8,464,391</b>	<b>60,868,668</b>
<b>DEFERRED OUTFLOWS</b>			
Deferred outflow related to OPEB	4,151	-	4,151
Deferred outflow related to pension	130,622	-	130,622
<b>Total deferred outflows</b>	<b>134,773</b>	<b>-</b>	<b>134,773</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	542,264	84,984	627,248
Interest payable	36,231	-	36,231
Passthrough liabilities	-	-	-
Due to other funds	2,404,643	-	2,404,643
Notes payable, due within one year	44,838	-	44,838
Bonds payable, due within one year	788,000	-	788,000
<b>Total current liabilities</b>	<b>3,815,976</b>	<b>84,984</b>	<b>3,900,960</b>
Non-current liabilities:			
Compensated absences	65,983	-	65,983
Customer deposits	845,494	-	845,494
Notes payable, due after one year	490,767	-	490,767
Bonds payable, due after one year	11,869,250	-	11,869,250
Net OPEB liability	10,556	-	10,556
Net pension liability	174,858	-	174,858
<b>Total non-current liabilities</b>	<b>13,456,908</b>	<b>-</b>	<b>13,456,908</b>
<b>Total liabilities</b>	<b>17,272,884</b>	<b>84,984</b>	<b>17,357,868</b>

The accompanying notes are an integral part of this financial statement.



**CITY OF MANOR, TEXAS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**SEPTEMBER 30, 2023**

Item 3.

	<u>Water and Sewer System</u>	<u>Capital Impact Fees</u>	<u>Total</u>
<b>DEFERRED INFLOWS</b>			
Deferred inflow related to OPEB	\$ 8,374	\$ -	\$ 8,374
Deferred inflow related to pensions	77,745	-	77,745
<b>Total deferred inflows</b>	<u>86,119</u>	<u>-</u>	<u>86,119</u>
<b>NET POSITION</b>			
Investment in capital assets	25,295,369	-	25,295,369
Restricted	845,494	8,379,407	9,224,901
Unrestricted	<u>9,039,184</u>	<u>-</u>	<u>9,039,184</u>
<b>Total net assets</b>	<u>\$ 35,180,047</u>	<u>\$ 8,379,407</u>	<u>\$ 43,559,454</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF MANOR, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

	<b>Water and Sewer System</b>	<b>Capital Impact Fees</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Water service	\$ 3,850,181	\$ -	\$ 3,850,181
Sewer service	3,965,641	-	3,965,641
Penalties	119,214	-	119,214
Miscellaneous	1,610	-	1,610
Capital impact fees	-	1,649,437	1,649,437
Total operating revenues	<u>7,936,646</u>	<u>1,649,437</u>	<u>9,586,083</u>
<b>OPERATING EXPENSES</b>			
Personnel services	942,496	-	942,496
Operations	570,717	315,293	886,010
Utilities	332,340	-	332,340
Insurance	163,171	-	163,171
Materials and supplies	415,082	-	415,082
Maintenance	446,724	79,970	526,694
Water fees	2,319,242	-	2,319,242
Wastewater fees	490,133	-	490,133
Depreciation	883,555	-	883,555
Total operating expenses	<u>6,563,460</u>	<u>395,263</u>	<u>6,958,723</u>
<b>OPERATING INCOME</b>	<u>1,373,186</u>	<u>1,254,174</u>	<u>2,627,360</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest income	-	50,120	50,120
Interest expense	(341,079)	-	(341,079)
Total non-operating revenues (expenses)	<u>(341,079)</u>	<u>50,120</u>	<u>(290,959)</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS &amp; TRANSFERS</b>	1,032,107	1,304,294	2,336,401
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Transfers in (out)	900,943	(900,943)	-
Transfers from (to) primary government	1,786,943	-	1,786,943
<b>CHANGE IN NET POSITION</b>	3,719,993	403,351	4,123,344
<b>NET POSITION - BEGINNING OF YEAR</b>	31,460,054	7,976,056	39,436,110
<b>NET POSITION - END OF YEAR</b>	<u>\$ 35,180,047</u>	<u>\$ 8,379,407</u>	<u>\$ 43,559,454</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF MANOR, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 9,381,812
Payments to suppliers	(5,748,814)
Payments to employees and contractors	(953,138)
Net cash flows from operating activities	<u>2,679,860</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Increase in customer deposits	48,121
Increase in restricted assets	(516,192)
Net cash flows from non-capital financing activities	<u>(468,071)</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Transfers from primary government	3,801,087
Additions to capital assets	(1,061,568)
Transfers of capital assets from other funds	(2,687,886)
Principal payments on debt	(811,759)
Interest payments on debt	(343,279)
Net cash flows from capital and related financing activities	<u>(1,103,405)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income	50,120
Net cash flows from investing activities	<u>50,120</u>

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

1,158,504

**CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR**

11,045,972

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 12,204,476

**RECONCILIATION OF OPERATING INCOME TO NET**

**CASH FROM OPERATING ACTIVITIES**

Operating income	\$ 2,627,360
Adjustments not affecting cash:	
Depreciation	883,555
(Increase) decrease in assets and increase (decrease) in liabilities:	
Accounts receivable	(204,271)
Accounts payable	(616,142)
Compensated absences	(4,291)
Deferred outflows	(95,804)
Deferred inflows	28,313
Net OPEB liability	(4,265)
Net pension liability	65,405
Net cash flows from operating activities	<u><u>\$ 2,679,860</u></u>

The accompanying notes are an integral part of this financial statement.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Manor, Texas (City) is a Home Rule city in which citizens elect the mayor and six council members at large by place. The City operates under the Council-Manager form of government and provides such services as are authorized by its charter to advance the welfare, health, comfort, safety, and convenience of the City and its inhabitants.

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles. GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant accounting and reporting policies and practices used by the City are described below.

**Reporting Entity**

The City's basic financial statements include all activities, organizations, and functions for which the City is considered to be financially accountable. The criteria considered in determining activities to be reported within the City's basic financial statements include whether:

- the organization is legally separate (can sue and be sued in its own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is a fiscal dependency by the organization of the City

The above criteria were applied to potential organizations to determine if the entity should be reported as part of the City. It was determined that the City has no component units or related organizations that should be reported within the City's basic financial statements.

**Implementation of New Standards**

GASB Statement No. 91, Conduit Debt Obligations, is effective for the City in fiscal year 2023. This statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. The new standard clarifies the definition of a conduit debt obligation, that a conduit debt obligation is not a liability of the issuer, establishes standards for accounting and financial reporting of commitments extended by issuers and arrangements associated with conduit debt obligations, and improves required note disclosures. The City does not have conduit debt.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, (GASB 96) requires recognition of certain right-to-use subscription assets and corresponding liabilities for subscription-based information technology arrangements (SBITA) that were previously classified as operating subscriptions and recognized as outflows of resources based on the payment provisions of the contract. The City did not have any SBITAs that qualified for GASB 96 implementation.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

GASB Statement No. 99, *Omnibus 2022*, includes certain provisions that were effective for the City in fiscal year 2022 and other provisions that are effective in fiscal year 2023 and 2024. The Statement addresses a variety of topics which include provisions regarding practice issues that have been identified during implementation and application of certain GASB Statements as well as accounting and financial reporting for financial guarantees. The following provisions were effective and implemented in fiscal year 2023: Clarification of GASB Statement No. 87, Leases, as amended and clarification of provisions in GASB Statement No. 96, Subscription-Based Information Technology Arrangements.

**Government-Wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Government-wide financial statements do not provide information by individual fund or fund types, but distinguish between the City's governmental activities and business-type activities on the Statement of Net Position and Statement of Activities. The statements report information on all of the non-fiduciary activities of the primary government and its component units. The City's Statement of Net Position includes both non-current assets and non-current liabilities of the City. Accrual accounting reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter. Additionally, the government-wide Statement of Activities reflects depreciation expense on the City's capital assets, including infrastructure.

**Statement of Net Position**

The Statement of Net Position is designed to display the financial position of the primary government (government and business-type activities). The City reports all capital assets, including infrastructure, in the government-wide Statement of Net Position and reports depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of the City is broken down into three categories: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted. Long-term liabilities are reported in two categories: 1) the amount due within one year; and 2) the amount due in more than one year.

**Statement of Activities**

The government-wide Statement of Activities reports net revenue (expense) in a format that focuses on the cost of each of the City's governmental activities and for each of the City's business-type activities. The expense of individual functions is compared to revenues generated directly by the function (for instance, through user charges or intergovernmental grants). General revenues (including all taxes), investment earnings, special and extraordinary items, and transfers between governmental and business-type activities are reported separately after the total net expenses of the government's functions, ultimately arriving at the change in net position of the period. Program revenues are segregated into three categories: 1) charges for services; 2) program-specific operating grants and contributions; and 3) program-specific capital grants and contributions. Indirect costs are allocated amount functions based on use.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Fund Level Financial Statements**

In addition to the government-wide financial statements, the City prepares fund financial statements, which continue to use the modified accrual basis of accounting and the current financial resources measurement focus. The focus on the fund financial statements is on the major individual funds of the governmental and business-type activities, as well as any fiduciary funds (by category) and any component units. Fund financial accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The City reports the following major governmental funds:

***General Fund***

Reports as the primary fund of the City. This fund is used to account for all financial resources not reported in any other funds.

***Special Revenue Fund***

Established to account for revenues assessed and collected for specific purposes.

***Debt Service Fund***

Established to account for the accumulation of financial resources for the payment of principal and interest of the City's general obligation debt. The City annually levies *ad valorem* taxes restricted for the retirement of general obligation bonds and interest. This fund reports *ad valorem* taxes collected for debt purposes only.

***Capital Projects Fund***

Bond Management - Established to account for the capital expenditures of general obligation bond proceeds.

Grants Management - Established to account for the City's capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses.

The City reports the following major enterprise funds:

***Water and Sewer Fund***

Accounts for the operating activities of the City's water and sewer services.

**Measurement Focus/Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, generally including the reclassification or elimination of internal activity (between or within fund). Proprietary fund level financial statements also report using the same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year in which they are levied while grants are recognized when grantor eligibility requirements are met.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within sixty days of the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for debt principal and interest which are reported expenditures in the year due.

Major revenue sources susceptible to accrual include sales and property taxes. In general, other revenues are recognized when cash is received.

Operating income reported in the proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and included administrative expenses and depreciation of capital assets.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed. See Note E for information describing the City's restricted assets.

**Assets, Liabilities, and Net Position or Equity**

***Cash and Cash Equivalents***

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

***Inventories and Prepaid Items***

The City records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

***Capital Assets***

The City's capital assets and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets. Proprietary capital assets are also reported in their respective funds. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with a cost of \$5,000 or more as purchases and outlays occur. The cost of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. For information describing capital assets. (see Note F)

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Estimated useful lives, in years, for depreciable assets are as follows:

Vehicles	5
Software	5
Machinery and equipment	5-7
Buildings and improvements	10-20
Infrastructure	20-50

***Deferred Inflows/Outflows of Resources***

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. Deferred outflows, found on the government-wide statement of net position, consist of deferred losses on refundings and deferred outflows related to pensions. A deferred loss on refunding occurs when there is a difference in the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt. Deferred outflows related to pensions consist of amounts paid into the retirement system after the prescribed measurement date plus the net difference between projected and actual earnings.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows, found on the government-wide statement of net position, consist of deferred inflows related to pensions and deferred professional prosecutor revenue. On the governmental funds balance sheet, deferred inflows consist of deferred property tax revenue, deferred special assessment revenue, and deferred professional prosecutor revenue. All amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

***Long-Term Debt***

In the government-wide and proprietary fund level financial statements, outstanding debt is reported as liabilities. Outstanding debt is reported within governmental activities and business-type activities based on use of proceeds. Bond issue costs are expensed when incurred.

***Fund Balance/Net Position***

Fund balances/net position are divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

**Non-spendable**

The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.



**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Restricted*

Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

*Committed*

The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned*

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 restricted or committed. In governmental funds other than the General Fund, the assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Council or a city official delegated that authority by City Charter or ordinance.

*Unassigned*

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Revenues and Expenditures/Expenses**

***Inter-Fund Activity***

Inter-fund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers-in and transfers-out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, inter-fund receivables and payables, if applicable, are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

***Compensated Absences***

Compensated absences are reported as accrued in the government-wide financial statements. In the fund level financial statements, only matured compensated absences payable to currently terminating employees are reported.

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. Final amounts could differ from those estimates.

***Subsequent Events***

Management has evaluated subsequent events for disclosure through the date of the Independent Auditors' Report, the date the financial statements were available to be issued. See Notes O and P.

**B. DEPOSITS AND INVESTMENTS**

The City's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the City's agent bank approved pledged securities in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

***Cash Deposits***

At September 30, 2023, carrying amounts of the City's cash deposits were \$60,788,743 and bank balances were \$61,962,470. The City's cash deposits at September 30, 2023, were in excess of FDIC insurance and bank pledges securities by \$31,563,934.

***Investments***

The City is required by Government Code Chapter 2256, The Public Funds Investment Act (Act), to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, and maturity and the quality and capability of investment management; and include a list of the types of authorized investments in which the investing entity's funds may be invested and the maximum allowable stated maturity of any individual investment owned by the entity.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**B. DEPOSITS AND INVESTMENTS - CONTINUED**

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purpose financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the City adhered to the requirements of the Act. Additionally, investment practices of the City were in accordance with local policies.

The Act determines the types of investments which are allowable for the City. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

***Fair Value Hierarchy***

The three levels of the fair value hierarchy under GASB 72 are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability; and
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 Inputs to the valuation methodology are unobservable and significant and use the best information available under the circumstances.

The City's investments at September 30, 2023, are shown below. These investments are not classified in a level hierarchy as they are recorded at net asset value.

Investment or Investment Type	Maturity	Fair Value
TexPool Investment	N/A	\$ 1,209,114

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* (GASB 79). This statement establishes how certain state and local government external investment pools may measure and report their investments. An external investment pool may elect to measure, for reporting purposes, all of its investments at amortized cost if it meets certain criteria. In addition, this statement also establishes additional note disclosures for external investment pools and their participants.

TexPool operates in a manner consistent with the criteria set forth in GASB 79 and therefore uses amortized cost to report net assets to compute share prices. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. TexPool does not have any restrictions or limitations on withdrawals.

**CITY OF MANOR, TEXAS**  
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Item 3.

**B. DEPOSITS AND INVESTMENTS - CONTINUED**

TexPool is rated AAAM by Standard & Poor's. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's for review. TexPool is also required to send portfolio information to the office of the State Comptroller of Public Accounts.

**Analysis of Specific Deposit and Investment Risks**

Professional standards require a determination as to whether the City was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the City was not exposed to a significant amount of credit risk.

***Custodial Credit Risk***

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name. At September 30, 2023, the City's investment deposits were entirely covered by depository insurance or collateralized with securities held by the pledging financial institution in the City's name.

***Concentration of Credit Risk***

This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was not exposed to concentration of credit risk.

***Interest Rate Risk***

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the City was not exposed to interest rate risk.

***Foreign Currency Risk***

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

**CITY OF MANOR, TEXAS**  
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Item 3.

**C. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position:**

The governmental fund balance sheet includes a reconciliation between the governmental fund balance on the fund financial statements and total net position of governmental activities on the government-wide financial statements.

<b>Governmental fund balance</b>		\$ 35,373,549
 <b><u>Difference due to capital assets</u></b>		
Capital assets	18,790,069	
Accumulated depreciation	<u>(11,318,326)</u>	7,471,743
 <b><u>Difference due to deferred outflows</u></b>		
Deferred outflows related to pensions	1,033,882	
Deferred outflows related to OPEB	24,503	
Deferred loss on refunding	<u>122,575</u>	1,180,960
 <b><u>Difference due to current liabilities</u></b>		
Interest payable		(51,311)
 <b><u>Difference due to non-current liabilities</u></b>		
Compensated absences	(359,574)	
Net pension liability	(1,089,668)	
Net OPEB liability	(60,572)	
Notes payable	(913,399)	
Bonds payable	<u>(17,482,750)</u>	<u>(19,905,963)</u>
 <b><u>Difference due to deferred inflows</u></b>		
Deferred inflows related to property taxes	269,887	
Deferred inflows related to pensions	(496,278)	
Deferred inflows related to OPEB	<u>(59,428)</u>	<u>(285,819)</u>
 <b>Government-wide net position</b>		<u><u>\$ 23,783,159</u></u>

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**C. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS - CONTINUED**

**Explanation of differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities:**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between the change in governmental fund balance on the fund financial statements and change in total net position of governmental activities on the government-wide financial statements.

<b>Change in governmental fund balance</b>	<b>\$ 3,591,516</b>
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**Amount by which depreciation exceeds capital outlay expense and other capital related transactions**

Capital outlay	1,854,369	
Depreciation expense	<u>(1,328,952)</u>	525,417

**Long-term debt and related items**

Debt payments	3,264,226	
Debt issuances	(383,065)	
Accrued interest adjustment	3,598	
Amortization of loss on refunding	<u>(29,657)</u>	2,855,102

**Expenses or revenues that do not require the use of current financial resources or have not matured**

Property taxes recorded as deferred inflows	104,279	
Changes in pension expense and deferred outflows and inflows	70,510	
Changes in OPEB expense and deferred outflows and inflows	(23,488)	
Compensated absence adjustment	<u>(57,789)</u>	<u>93,512</u>

<b>Change in government-wide net position</b>	<b><u><u>\$ 7,065,547</u></u></b>
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**D. RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, AND DEFERRED REVENUE**

***Sales Tax Receivable***

Sales taxes are collected and remitted to the City by the State Comptroller's Office. All sales taxes are collected within sixty days of year end. At fiscal year end, the receivables represent taxes collected but not yet received by the City and are recorded as revenue.

***Property Taxes Receivable and Deferred Revenue***

Property taxes are assessed and remitted to the City by the Travis County Tax Assessor's Office. Taxes, levied annually on October 1, are due by January 31. The majority of tax payments are received December through March. Lien dates for real property are July.

**CITY OF MANOR, TEXAS**  
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Item 3.

**D. RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, AND DEFERRED REVENUE - CONTINUED**

Allowances for uncollectible tax receivables reported in the General Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off when deemed uncollectible; however, state statutes prohibit writing off real property taxes without specific authority from the Texas Legislation.

In the governmental fund level financial statements, property taxes receivable are recorded in the General Fund when assessed (October 1). At fiscal year end, property taxes receivables represent delinquent taxes. If delinquent taxes are not paid within sixty days of fiscal year end, they are recorded as deferred revenue.

In the government-wide financial statements, property tax receivables and related revenues include all amounts due to the City regardless of when cash is received.

At September 30, 2023, receivables for governmental activities are summarized in the government-wide financial statements as follows:

	Receivables	Allowance for Uncollectible Accounts	Net Receivables
Sales tax receivable	\$ 229,427	\$ -	\$ 229,427
Property tax receivable	269,887	(88,858)	181,029
Employee receivable	1,961	-	1,961
Court fines receivable	862,874	(836,988)	25,886
Other	219,673	-	219,673
Total receivables	<u>\$ 1,583,822</u>	<u>\$ (925,846)</u>	<u>\$ 657,976</u>

***Business-Type Activities Receivables***

Business-type activities receivables represent amounts due from customers for water, wastewater, and sanitation services. These receivables are due within one month. Receivables are reported net of an allowance for uncollectible accounts and revenues net of what is estimated to be uncollectible. The allowance is estimated using accounts receivable past due more than ninety days.

At September 30, 2023, Business-type activities receivables are summarized in the financial statements as follows:

	Receivables	Allowance for Uncollectible Accounts	Net Receivables
Customer receivables	\$ 911,070	\$ (1,349)	\$ 909,721
NSF checks	1,200	-	1,200
Total receivables	<u>\$ 912,270</u>	<u>\$ (1,349)</u>	<u>\$ 910,921</u>

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Item 3.

**E. RESTRICTED ASSETS**

At September 30, 2023, restricted assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
<b>Cash and cash equivalents:</b>			
Other	\$ (1,316,354)	\$ -	\$ (1,316,354)
Parkland project	470,250	-	470,250
Rose Hill Public Improvement District	1,316,354	-	1,316,354
Customer deposits	-	845,494	845,494
Capital improvements - water system	-	2,848,376	2,848,376
Capital improvements - sewer system	-	5,121,485	5,121,485
Total cash and cash equivalents	<u>\$ 470,250</u>	<u>\$ 8,815,355</u>	<u>\$ 9,285,605</u>

	Governmental Activities	Business-Type Activities	Total
<b>Investments:</b>			
Parks	\$ 9,414	\$ -	\$ 9,414
Debt service	300,963	-	300,963
Tourism	404,207	-	404,207
Capital improvements - sewer system	-	494,530	494,530
Total investments	<u>\$ 714,584</u>	<u>\$ 494,530</u>	<u>\$ 1,209,114</u>

**F. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deletions/ Reclass	Ending Balance
<b>Governmental Activities:</b>				
Non-depreciable assets:				
Land	\$ 480,607	\$ 244,000	\$ -	\$ 724,607
Construction in progress	676,268	-	(399,730)	276,538
Total non-depreciable assets	<u>\$ 1,156,875</u>	<u>\$ 244,000</u>	<u>\$ (399,730)</u>	<u>\$ 1,001,145</u>
Depreciable assets:				
Buildings	\$ 2,626,731	\$ -	\$ -	\$ 2,626,731
Equipment	5,670,887	1,610,369	399,730	7,680,986
Sidewalks	244,164	-	-	244,164
Streets and improvements	7,237,043	-	-	7,237,043
Total depreciable assets	15,778,825	1,610,369	399,730	17,788,924
Accumulated depreciation	(9,989,374)	(1,328,952)	-	(11,318,326)
Depreciable assets, net	<u>\$ 5,789,451</u>	<u>\$ 281,417</u>	<u>\$ 399,730</u>	<u>\$ 6,470,598</u>



**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Item 3.

**F. CAPITAL ASSETS - CONTINUED**

	Beginning Balance	Additions	Deletions/ Reclass	Ending Balance
<b>Business-Type Activities:</b>				
Non-depreciable assets:				
Land	\$ 406,816	\$ -	\$ -	\$ 406,816
Construction in progress	4,428,876	3,258,687	-	7,687,563
Total non-depreciable assets	<u>\$ 4,835,692</u>	<u>\$ 3,258,687</u>	<u>\$ -</u>	<u>\$ 8,094,379</u>
Depreciable assets:				
Machinery and equipment	\$ 1,633,247	\$ 490,767	\$ -	\$ 2,124,014
Culverts	12,992	-	-	12,992
Infrastructure - water system	9,474,596	-	-	9,474,596
Infrastructure - sewer system	26,193,545	-	-	26,193,545
Total depreciable assets	<u>37,314,380</u>	<u>490,767</u>	<u>-</u>	<u>37,805,147</u>
Accumulated depreciation	<u>(7,063,352)</u>	<u>(883,555)</u>	<u>-</u>	<u>(7,946,907)</u>
Depreciable assets, net	<u>\$ 30,251,028</u>	<u>\$ (392,788)</u>	<u>\$ -</u>	<u>\$ 29,858,240</u>

Depreciation expense was charged to the functions as follows:

Function:	Governmental Activities	Business-Type Activities	Total
General government	\$ 222,509	\$ -	\$ 222,509
Public safety	408,566	-	408,566
Streets	686,849	-	686,849
Development services	11,028	-	11,028
Water	-	559,060	559,060
Sewer	-	324,495	324,495
Total depreciation expense	<u>\$ 1,328,952</u>	<u>\$ 883,555</u>	<u>\$ 2,212,507</u>

**G. INTER-FUND BALANCES AND ACTIVITY**

**Transfers (To)From Other Funds**

Purpose	General Fund	Special Revenues Fund	Capital Projects Fund	Proprietary Fund	Capital Impact Fees
Transfer of capital assets	\$ (373,766)	\$ -	\$ (1,413,177)	\$ 2,687,886	\$ (900,943)
Transfer of funds	(147,527)	147,527	-	-	-

**CITY OF MANOR, TEXAS**  
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**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**H. LONG-TERM DEBT**

**Long-Term Debt Activity**

Changes in long-term debt obligations for the year ended September 30, 2023, are as follows:

<b>Governmental Activities:</b>	Beginning Balances	Increases	Decreases	Ending Balances	Amounts Due Within One Year
Financed purchases	\$ 1,162,860	\$ 383,065	\$ (632,526)	\$ 913,399	\$ 441,687
Bonds payable	20,114,450	-	(2,631,700)	17,482,750	2,667,000
Loss on refunding	152,232	-	(29,657)	122,575	29,657
Total governmental activities	<u>\$ 21,429,542</u>	<u>\$ 383,065</u>	<u>\$ (3,293,883)</u>	<u>\$ 18,518,724</u>	<u>\$ 3,138,344</u>

<b>Business-Type Activities:</b>	Beginning Balances	Increases	Decreases	Ending Balances	Amounts Due Within One Year
Financed purchases	\$ 88,297	\$ 490,767	\$ (43,459)	\$ 535,605	\$ 44,838
Bonds payable	13,425,550	-	(768,300)	12,657,250	788,000
Total business-type activities	<u>\$ 13,513,847</u>	<u>\$ 490,767</u>	<u>\$ (811,759)</u>	<u>\$ 13,192,855</u>	<u>\$ 832,838</u>

**Debt Service Requirements**

***Financed Purchases***

On July 26, 2019, the City entered into financing agreements for vehicles and equipment totaling \$376,450 at 3.175% fixed interest rate with yearly payments of \$82,611 due in July. The City's balance remaining on the note payable at September 30, 2023, is \$80,068.

On September 17, 2020, the City entered into financing agreements for vehicles totaling \$50,302 at 2.77% fixed interest rate with yearly payments of \$10,618 due in October. The City's balance remaining on the note payable at September 30, 2023, is \$10,331.

On November 18, 2020, the City entered into financing agreements for vehicles totaling \$435,599 at 1.942% fixed interest rate with yearly payments of \$92,259 due in December. The City's balance remaining on the note payable at September 30, 2023, is \$266,368.

On November 11, 2020, the City entered into financing agreements for tasers totaling \$87,169 at 0.00% fixed interest rate with yearly payments of \$17,280 due in November. The City's balance remaining on the note payable at September 30, 2023, is \$34,560.

On March 12, 2021, the City entered into financing agreements for equipment totaling \$285,515 at 0% fixed interest rate with annual payments of \$57,103, maturing on April 22, 2025. The City's balance remaining on the note payable at September 30, 2023, is \$114,206.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Item 3.

**H. LONG-TERM DEBT - CONTINUED**

***Financed Purchases - Continued***

On May 31, 2022, the City entered into financing agreements for equipment totaling \$475,126 at 3.00% fixed interest rate with monthly payments of \$8,547, maturing on May 30, 2027. The City's balance remaining on the note payable at September 30, 2023, is \$355,154.

On March 1, 2023, the City entered into financing agreements for vehicles totaling \$588,317 at 5.47% fixed interest rate with yearly payments of \$137,657 due in March. The City's balance remaining on the note payable at September 30, 2023, is \$588,317.

Debt service requirements on long-term notes payable at September 30, 2023, were as follows:

For the years ending September 30,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 450,525	\$ 49,561	\$ 500,086
2025	370,417	36,438	406,855
2026	306,763	25,709	332,472
2027	190,783	14,659	205,442
2028	130,516	7,139	137,655
	<u>\$ 1,449,004</u>	<u>\$ 133,506</u>	<u>\$ 1,582,510</u>

***Bonds Payable***

General Obligation Refunding Bonds, Series 2012

On April 1, 2012, the City issued \$3,510,000 in general obligation bonds, proceeds to be used to refund Series 2001 and 2004 revenue bonds. The bond interest rate of 2.55% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2026 or prior redemption.

Certificate of Obligation Bonds, Series 2012

On September 1, 2012, the City issued \$1,835,000 in certificate of obligation bonds, proceeds to be used for city construction. Bond interest rate of 2.49% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2027 or prior redemption.

General Obligation Refunding Bonds, Series 2015

On February 15, 2015, the City issued \$4,750,000 in general obligation bonds, proceeds to be used to partially refund Series 2007 revenue bonds. Bond interest rate of 2.29% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2026 or prior redemption.

Combination Tax and Revenue Certificate of Obligation Bonds, Series 2016

On August 18, 2016, the City issued \$18,000,000 in certificate of obligation bonds, proceeds to be used for city street and drainage improvements (\$270,000) and water and waste water improvements (\$17,730,000). Bond interest rate of 2.29% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2031 or prior redemption.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Item 3.

**H. LONG-TERM DEBT - CONTINUED**

***Bonds Payable - Continued***

Combination Tax and Revenue Certificate of Obligation Bonds, Series 2021

On December 1, 2021, the City issued \$6,360,000 in combined tax and revenue certificate of obligation bonds, proceeds to be used for the improvement and expansion of the City's water and sewer system. Bond interest rate of 1.76% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2036 or prior redemption.

Tax Note, Series 2022

On September 22, 2022, the City issued \$10,000,000 in tax notes, proceeds to be used for the improvement and expansion of the City's water and sewer system. Bond interest rate of 2.97% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2039 or prior redemption.

Debt service requirements on long-term bond debt at September 30, 2023, were as follows:

		Series 2012 - \$3,510,000		
		Principal	Interest	Total
For the years ending September 30,				
	2024	\$ 315,000	\$ 11,220	\$ 326,220
	2025	60,000	3,188	63,188
	2026	65,000	1,718	66,718
	Total	<u>\$ 440,000</u>	<u>\$ 16,126</u>	<u>\$ 456,126</u>

		Series 2012 - \$1,835,000		
		Principal	Interest	Total
For the years ending September 30,				
	2024	\$ 135,000	\$ 13,944	\$ 148,944
	2025	140,000	10,583	150,583
	2026	140,000	7,097	147,097
	2027	145,000	3,611	148,611
	Total	<u>\$ 560,000</u>	<u>\$ 35,235</u>	<u>\$ 595,235</u>

		Series 2015 - \$4,750,000		
		Principal	Interest	Total
For the years ending September 30,				
	2024	\$ 485,000	\$ 46,487	\$ 531,487
	2025	500,000	35,381	535,381
	2026	515,000	23,931	538,931
	2027	530,000	12,137	542,137
	Total	<u>\$ 2,030,000</u>	<u>\$ 117,936</u>	<u>\$ 2,147,936</u>

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Item 3.

**H. LONG-TERM DEBT - CONTINUED**

*Bonds Payable - Continued*

		Series 2016 - \$18,000,000		
		Principal	Interest	Total
For the years ending September 30,				
	2024	\$ 800,000	\$ 294,265	\$ 1,094,265
	2025	1,170,000	275,945	1,445,945
	2026	1,200,000	249,152	1,449,152
	2027	1,290,000	221,672	1,511,672
	2028	2,015,000	192,131	2,207,131
	2029-2031	6,375,000	294,494	6,669,494
	Total	<u>\$ 12,850,000</u>	<u>\$ 1,527,659</u>	<u>\$ 14,377,659</u>
		Series 2021 CO - \$6,360,000		
		Principal	Interest	Total
For the years ending September 30,				
	2024	\$ 380,000	\$ 98,472	\$ 478,472
	2025	390,000	91,784	481,784
	2026	395,000	84,920	479,920
	2027	405,000	77,968	482,968
	2028	410,000	70,840	480,840
	2029-2033	2,190,000	242,528	2,432,528
	2034 - 2036	1,425,000	50,512	1,475,512
	Total	<u>\$ 5,595,000</u>	<u>\$ 717,024</u>	<u>\$ 6,312,024</u>
		Series 2022 Tax Notes - \$10,000,000		
		Principal	Interest	Total
For the years ending September 30,				
	2024	\$ 1,340,000	\$ 257,351	\$ 1,597,351
	2025	1,380,000	217,553	1,597,553
	2026	1,420,000	176,567	1,596,567
	2027	1,465,000	134,393	1,599,393
	2028	1,505,000	90,882	1,595,882
	2029-2031	1,555,000	46,184	1,601,184
	Total	<u>\$ 8,665,000</u>	<u>\$ 922,930</u>	<u>\$ 9,587,930</u>

**Deferred Outflow on Refunding**

The City has deferred outflow of \$373,180 related to the Series 2015 refunding. This outflow represents the amount of the new bond principal, less issuance costs, that was greater than the current principal balance of the bonds refunded and will be amortized, straight-line, over the life of the Series 2015 Bond. The deferred outflow remaining balance at September 30, 2023 was \$122,575.

**Continuing Disclosure**

The City has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Disclosure Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operation of the City.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**I. RESTRICTED NET ASSETS**

At September 30, 2023, net assets restricted by enabling legislation consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Rose Hill Public Improvement District	\$ 1,316,354	\$ -	\$ 1,316,354
Parkland project	470,250	-	470,250
Tourism	404,207	-	404,207
Debt service	300,963	-	300,963
Other	(1,306,940)	-	(1,306,940)
Capital improvements	-	9,224,901	9,224,901
Total restricted net assets	<u>\$ 1,184,834</u>	<u>\$ 9,224,901</u>	<u>\$ 10,409,735</u>

**J. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, thefts, damage or destruction of assets, error and omissions, injuries to employees, and natural disasters. During fiscal year 2015, the City obtained general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

**K. PENSION PLAN**

**Plan Description**

The City provides pension benefits for all of its eligible employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS. This report also provides detailed explanations of the contributions, benefits, and actuarial methods and assumptions used by TMRS. This report may be obtained by writing to TMRS, P.O. Box 149153, Austin, TX 78714-9153, or by calling 800-924-8677; in addition, the report is available on TMRS's website at [www.TMRS.com](http://www.TMRS.com).

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City are as follows:

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**K. PENSION PLAN - CONTINUED**

	Plan Year 2021	Plan Year 2022
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	0%	0%
Annuity increase (to retirees)	0% of CPI	0% of CPI

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	13
Inactive employees entitled to but not yet receiving benefits	56
Active employees	82
	<u>151</u>

**Contributions**

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the TMRS Plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect. The actuarially determined required employer contribution rate for calendar years 2022, 2021, and 2020 were 8.16%, 8.85%, and 9.23%, respectively. The required contribution rate payable by the employee members for calendar years 2022, 2021, and 2020 was 7%.

**Net Pension Asset**

The City's net pension asset was measured as of December 31, 2022, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**K. PENSION PLAN - CONTINUED**

**Actuarial Assumptions**

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions:

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	22 Years
Asset valuation method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.50% to 11.50% 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 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information:	
Notes	There were no benefit changes during the year.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of an actuarial experience study for the period December 31, 2014 – December 31, 2018.

**Discount Rate**

The discount rate used to measure the total pension asset was 6.75%. System-wide Investment Return Assumption: 6.75% per year, compounded annually, composed of an assumed 2.50% inflation rate and a 4.25% net real rate of return. This rate represents the assumed return, net of all investment expenses.



**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**K. PENSION PLAN - CONTINUED**

**Change in Net Pension Asset**

	Increase (Decrease)		
	Total Pension Liability / (Asset)	Fiduciary Net Position	Net Pension Liability / (Asset)
	(a)	(b)	(a-b)
Balances as of December 31, 2021	\$ 7,007,618	\$ 6,292,696	\$ 714,922
Changes for the year:			
Service cost	711,850	-	711,850
Interest on total pension liability	488,011	-	488,011
Change in benefit terms including substantively automatic status	-	-	-
Difference between expected and actual experience	(241,140)	-	(241,140)
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(267,511)	-	(267,511)
Contributions - employer	-	471,641	(471,641)
Contributions - employee	-	397,681	(397,681)
Net investment income	-	(460,975)	460,975
Benefit payments	-	(267,511)	267,511
Administrative expenses	-	(3,975)	3,975
Other	-	4,745	(4,745)
Net changes	691,210	141,606	549,604
Balances as of December 31, 2022	\$ 7,698,828	\$ 6,434,302	\$ 1,264,526

**Sensitivity of the Net Pension Liability (Asset) 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 asset would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net pension liability / (asset)	\$ 2,594,774	\$ 1,264,526	\$ 202,446

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued TMRS's comprehensive annual financial report.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**K. PENSION PLAN - CONTINUED**

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended September 30, 2023, the City recognized pension expense of \$448,058. At September 30, 2023, deferred outflows and inflows of resources related to pensions were reported from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual earnings- actuarial (gains) or losses	\$ 311,487	\$ 59,118
Changes in assumptions	3,013	-
Differences between projected and actual earnings on pension plan investments	259,523	708,585
Contributions made subsequent to measurement date	-	396,801
	<u>\$ 574,023</u>	<u>\$ 1,164,504</u>

The \$396,801 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as pension expense as follows:

Years Ending September 30,	
2024	\$ 2,482
2025	53,156
2026	56,310
2027	127,828
2028	(33,892)
Thereafter	(12,204)
	<u>\$ 193,680</u>

**Funded Status and Funding Process**

The fund status as of December 31, 2022, is presented as follows:

	(a)	(b)	(c)	(d)	(e)	(f)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (a)/(b)	Unfunded AAL (UAAL) (b) - (a)	Covered Payroll	UAAL as of % of Covered Payroll (d)/(e)
12/31/2020	\$ 5,078,137	\$ 6,116,381	83.0%	\$ 1,038,244	\$ 4,724,397	22.0%
12/31/2021	6,292,696	7,007,618	89.8%	714,922	4,773,033	15.0%
12/31/2022	6,434,302	7,698,828	83.6%	1,264,526	5,681,162	22.3%

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**K. PENSION PLAN - CONTINUED**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual amounts are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods, and assumptions used include techniques that are designed to reduce short-term volatility actuarial in accrued liabilities and the actuarial value of assets. The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

**L. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - SUPPLEMENTAL DEATH BENEFITS FUND (SDBF)**

**Plan Description**

The City also participates in the cost sharing multiple-employer defined benefit group-term insurance plan operated by the Texas Municipal Retirement System (TMRS) known as 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.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	12
Active employees	82
	<hr/> 102

**Contributions**

Due to the SDBF being considered an unfunded OPEB plan, benefit payments are treated as being equal to the employer's yearly contributions for retirees. During the year ended September 30, 2023, the City has not made any contributions to the SDBF.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**L. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - SUPPLEMENTAL DEATH BENEFITS FUND (SDBF)**  
**- CONTINUED**

**Actuarial Assumptions**

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions:

Actuarial valuation date	December 31, 2022
Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate*	4.05%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.
Other Information:	
Notes	No benefit changes during the year.

\*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

Note: The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**L. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - SUPPLEMENTAL DEATH BENEFITS FUND (SDBF)**  
**- CONTINUED**

	<u>Change in Net Pension Asset</u>		
	Increase (Decrease)		
	Total Pension Liability / (Asset) (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a-b)
Balances as of December 31, 2021	\$ 106,970	\$ -	\$ 106,970
Changes for the year:			
Service cost	16,475	-	16,475
Interest on total pension liability	2,115	-	2,115
Difference between expected and actual experience	2,842	-	2,842
Effect of assumptions changes or inputs	(56,706)	-	(56,706)
Benefit payments	(568)	-	(568)
Administrative expenses	-	-	-
Contributions - employer	-	-	-
Contributions - employee	-	-	-
Benefit payments	-	-	-
Other	-	-	-
Net changes	(35,842)	-	(35,842)
Balances as of December 31, 2022	\$ 71,128	\$ -	\$ 71,128

**Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the net pension liability of the City, calculated using the discount rate of 4.05%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is one percentage point lower (3.05%) or one percentage point higher (5.05%) than the current rate.

	1% Decrease 3.05%	Current Discount Rate 4.05%	1% Increase 5.05%
Net pension liability / (asset)	\$ 91,684	\$ 71,128	\$ 56,158

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued TMRS's comprehensive annual financial report.

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended September 30, 2023, the City recognized pension expense of \$26,661. At September 30, 2023, deferred outflows and inflows of resources related to pensions were reported from the following sources:

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**L. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - SUPPLEMENTAL DEATH BENEFITS FUND (SDBF)**  
**- CONTINUED**

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 14,696	\$ 2,533
Changes in assumptions and other inputs	53,106	26,121
Contributions made subsequent to measurement date	-	-
	<u>\$ 67,802</u>	<u>\$ 28,654</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as pension expense as follows:

Years Ending September 30,	
2024	\$ (4,179)
2025	(4,179)
2026	(4,179)
2027	(4,370)
2028	(4,496)
Thereafter	(17,745)
	<u>\$ (39,148)</u>

**M. HEALTH CARE COVERAGE**

During the year ended September 30, 2023, employees of the City were covered by a health insurance plan (the Plan). The City paid premiums of \$695,522 to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The contract between the City and the licensed insurer is renewable October 1, and terms of coverage and premium costs are included in the contractual provisions.

**N. COMMITMENTS AND CONTINGENCIES**

**Grant Contingencies**

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**N. COMMITMENTS AND CONTINGENCIES - CONTINUED**

**Litigation**

The City is subject to certain legal proceedings in the normal course of operations. In the opinion of management, the aggregate liability, if any, with respect to potential legal actions will not materially adversely affect the City's financial position, results of operations, or cash flows.

**Arbitrage Rebates**

The City invests portions of bond proceeds during construction of related projects and as reserves for debt retirement after construction is complete. Any interest earned on invested bond proceeds over interest paid on bonds must be paid back to the federal government every five years. As of September 30, 2023, the City's arbitrage liability was \$0.

**O. SPECIAL ASSESSMENT REVENUE BONDS**

The City has no direct or contingent liability or moral obligation for the payment of this debt; therefore, this debt is not recorded as long-term debt of the City.

In January 2020 the City issued \$3,120,000 of Special Assessment Revenue Bonds, Senior Series 2020 related to the Lagos Public Improvement District, Major Improvement Area Project. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. The aggregate principal outstanding at September 30, 2023, is \$2,760,000.

In May 2021, the City issued \$7,305,000 of Special Assessment Revenue Bonds, Senior Series 2021 related to the Manor Heights Public Improvement District, Major Improvement Area #1-2 Project. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. The aggregate principal outstanding at September 30, 2023, is \$7,155,000.

In May 2021, the City issued \$8,080,000 of Special Assessment Revenue Bonds, Senior Series 2021 related to the Manor Heights Public Improvement District, Major Improvement Area Project. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. The aggregate principal outstanding at September 30, 2023, is \$7,930,000.

**CITY OF MANOR, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**O. SPECIAL ASSESSMENT REVENUE BONDS - CONTINUED**

In July 2023, the City issued \$4,280,000 of Special Assessment Revenue Bonds, Senior Series 2023 related to the Manor Heights Public Improvement District, Improvement Area #3 Project. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. The aggregate principal outstanding at September 30, 2023, is \$4,280,000.

In June 2024, the City issued \$5,400,000 of Special Assessment Revenue Bonds, Senior Series 2024 related to the Manor Heights Public Improvement District, Improvement Area #4 Project. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures.

**P. SUBSEQUENT EVENTS**

Combination Tax and Revenue Certificate of Obligation Bonds, Series 2023

On December 1, 2023, the City issued \$36,245,000 in combined tax and revenue certificate of obligation bonds, proceeds to be used for the improvement and expansion of the City's water and sewer system. Bond interest rate of 5.00% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2042 or prior redemption.

General Obligation Bonds, Series 2024

On May 22, 2024, the City issued \$15,000,000 in general obligation bonds, proceeds to be used for the acquisition of real property for economic development purposes. Bond interest rates vary from 4.96% to 5.60% with semi-annual payments due on February 15 and August 15 of each year until maturity in 2042 or prior redemption.



## **REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF MANOR, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

	<b>Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Property taxes	\$ 9,042,774	\$ 9,039,679	\$ 8,831,665	\$ (208,014)
Sales taxes	2,134,325	2,134,325	2,804,685	670,360
Franchise taxes	942,511	966,419	895,816	(70,603)
Other taxes	16,705	28,376	35,236	6,860
Licenses and permits	3,106,550	3,112,428	2,476,482	(635,946)
Charge for services	1,120,000	1,120,000	1,663,397	543,397
Court and police	418,298	459,079	570,493	111,414
Public safety	76,850	109,486	154,327	44,841
Interest	50,000	1,537,435	1,731,505	194,070
Other	366,786	579,498	1,031,858	452,360
Total revenues	<u>17,274,799</u>	<u>19,086,725</u>	<u>20,195,464</u>	<u>1,108,739</u>
<b>EXPENDITURES</b>				
General government	5,334,031	5,527,574	5,247,939	279,635
Public safety	6,081,667	6,201,725	5,387,586	814,139
Streets	2,197,475	2,629,911	2,120,748	509,163
Municipal court	596,512	596,512	480,207	116,305
Development services	1,318,760	1,368,994	1,375,032	(6,038)
Sanitation	1,500,000	1,500,000	1,724,313	(224,313)
Capital outlay	246,354	246,354	303,076	(56,722)
Debt payments	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>17,274,799</u>	<u>18,071,070</u>	<u>16,638,901</u>	<u>1,432,169</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>1,015,655</u>	<u>3,556,563</u>	<u>2,540,908</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt issuances	-	-	97,550	97,550
Transfers (to) from other funds:	-	-	(521,293)	(521,293)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(423,743)</u>	<u>(423,743)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	1,015,655	3,132,820	2,117,165
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>14,586,164</u>	<u>14,586,164</u>	<u>14,586,164</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 14,586,164</u></u>	<u><u>\$ 15,601,819</u></u>	<u><u>\$ 17,718,984</u></u>	<u><u>\$ 2,117,165</u></u>

**CITY OF MANOR, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED SEPTEMBER 30, 2023**

Item 3.

**A. GENERAL FUND BUDGETARY ANALYSIS**

**Budgetary Information**

The City Council adopts an annual budget prepared on a non-GAAP cash basis. City management may transfer part or all of any unencumbered appropriation balance within specific categories (i.e., personnel, operations, supplies, or capital outlay) within programs; however, any revisions that alter the total expenditures of the categories must be approved by the City Council. The City, for management purposes, adopts budgets for all funds. Legal budgets are also adopted for all funds, and the legal level of control is the fund level.

Capital projects are funded through capital grants or general obligation debt authorized for specific purposes.

All unused appropriations, except appropriations for capital expenditures, lapse at the close of the fiscal year to the extent they have not been expended or encumbered. An appropriation for capital expenditures shall continue in force until the purpose for which it was made is accomplished or abandoned. No supplemental budgetary appropriations occurred in the debt service fund or in the general fund. Revised budgets, if any, are used for budget versus actual comparisons.

**B. BUDGET VERSUS ACTUAL RESULTS**

Operating revenues in the general fund were greater than budgeted by \$1,108,739, and operating expenditures were less than budgeted by \$1,432,169, resulting in an overall favorable operating variance of \$2,540,908. Due to favorable operating results, there was an overall increase in fund balance of \$3,132,820 for the City's general fund.

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**CITY OF MANOR, TEXAS**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION ASSET/LIABILITY**  
**AND RELATED RATIOS**  
**LAST TEN YEARS\***  
**(Unaudited)**

	2023	2022	2021	2020
<b>Total Pension Liability (Asset)</b>				
Service cost	\$ 711,850	\$ 605,221	\$ 599,998	\$ 550,557
Interest on total pension liability	488,011	426,594	383,525	327,129
Change in benefit terms including substantively automatic status	-	-	-	-
Effect of plan changes	-	-	-	-
Difference between expected and actual experience	(241,140)	57,592	(196,958)	28,739
Effect of assumptions changes or inputs	-	-	-	(7,557)
Benefit payments, including refunds of employee contributions	(267,511)	(198,170)	(104,072)	(72,110)
Net change in total pension liability (asset)	691,210	891,237	682,493	826,758
Total pension liability (asset), beginning	7,007,618	6,116,381	5,433,888	4,607,130
Total pension liability (asset), ending (a)	<u>\$ 7,698,828</u>	<u>\$ 7,007,618</u>	<u>\$ 6,116,381</u>	<u>\$ 5,433,888</u>
<b>Fiduciary Net Position</b>				
Employer contributions	\$ 471,641	\$ 418,118	\$ 430,394	\$ 384,826
Employee contributions	397,681	334,112	330,708	303,696
Net investment income	(460,975)	663,540	312,881	468,829
Benefit payments, including refunds of employee contributions	(267,511)	(198,170)	(104,072)	(72,110)
Administrative expenses	(3,975)	(3,063)	(2,019)	(2,645)
Other	4,745	22	(81)	(79)
Net change in fiduciary net position	141,606	1,214,559	967,811	1,082,517
Fiduciary net position, beginning	6,292,696	5,078,137	4,110,326	3,027,809
Fiduciary net position, ending (b)	<u>\$ 6,434,302</u>	<u>\$ 6,292,696</u>	<u>\$ 5,078,137</u>	<u>\$ 4,110,326</u>
Net pension liability (asset), ending = (a) - (b)	<u>\$ 1,264,526</u>	<u>\$ 714,922</u>	<u>\$ 1,038,244</u>	<u>\$ 1,323,562</u>
Fiduciary net position as a % of total pension liability (asset)	83.58%	89.80%	83.03%	75.64%
Covered employee payroll	\$ 5,681,162	\$ 4,773,033	\$ 4,724,397	\$ 4,338,512
Net pension liability (asset) as a % of covered employee payroll	22.26%	14.98%	21.98%	30.51%

\* Fiscal year 2015 was the first year of implementation, therefore only nine years are shown.

2019	2018	2017	2016	2015
\$ 473,885	\$ 312,499	\$ 263,418	\$ 217,127	\$ 131,462
276,744	169,207	144,524	122,699	103,455
1,049,303	-	-	-	-
-	-	-	-	25,647
22,226	39,102	11,751	14,209	26,291
-	-	-	68,829	-
(57,375)	(57,953)	(99,189)	(16,304)	(41,958)
1,764,783	462,855	320,504	406,560	244,897
2,842,347	2,379,492	2,058,988	1,652,428	1,407,531
\$ 4,607,130	\$ 2,842,347	\$ 2,379,492	\$ 2,058,988	\$ 1,652,428
\$ 160,213	\$ 145,755	\$ 96,836	\$ 81,392	\$ 42,366
187,603	171,891	144,102	126,237	100,392
(84,618)	312,128	133,631	2,638	91,356
(57,375)	(57,953)	(99,189)	(16,304)	(41,958)
(1,635)	(1,619)	(1,511)	(1,607)	(953)
(85)	(82)	(81)	(79)	(78)
204,103	570,120	273,788	192,277	191,125
2,823,706	2,253,586	1,979,798	1,787,521	1,596,396
\$ 3,027,809	\$ 2,823,706	\$ 2,253,586	\$ 1,979,798	\$ 1,787,521
\$ 1,579,321	\$ 18,641	\$ 125,906	\$ 79,190	\$ (135,093)
65.72%	99.34%	94.71%	96.15%	108.18%
\$ 3,752,058	\$ 3,437,829	\$ 2,882,032	\$ 2,524,736	\$ 2,007,847
42.09%	0.54%	4.37%	3.14%	-6.73%

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**CITY OF MANOR, TEXAS**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM**  
**SCHEDULE OF FUNDING PROGRESS**  
**(Unaudited)**

Item 3.

	(a)	(b)	(c)	(d)	(e)	(f)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (a)/(b)	Unfunded AAL (UAAL) (b) - (a)	Covered Payroll	UAAL as a Percentage of Covered Payroll (d)/(e )
12/31/2020	\$ 5,078,137	\$ 6,116,381	83.0%	\$ 1,038,244	\$ 4,724,397	22.0%
12/31/2021	6,292,696	7,007,618	89.8%	714,922	4,773,033	15.0%
12/31/2022	6,434,302	7,698,828	83.6%	1,264,526	5,681,162	22.3%

**CITY OF MANOR, TEXAS**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB ASSET/LIABILITY**  
**AND RELATED RATIOS**  
**LAST TEN YEARS\***  
**(Unaudited)**

Item 3.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Total OPEB Liability (Asset)</b>			
Service cost	\$ 16,475	\$ 13,842	\$ 10,866
Interest on total OPEB liability	2,115	1,926	2,241
Effect of plan changes	-	-	-
Difference between expected and actual experience	2,842	(2,418)	(15,733)
Effect of assumptions changes or inputs	(56,706)	4,482	16,427
Benefit payments	<u>(568)</u>	<u>(477)</u>	<u>(472)</u>
Net change in total OPEB liability (asset)	(35,842)	17,355	13,329
 Total OPEB liability (asset), beginning	 <u>106,970</u>	 <u>89,615</u>	 <u>76,286</u>
Total OPEB liability (asset), ending (a)	<u><u>\$ 71,128</u></u>	<u><u>\$ 106,970</u></u>	<u><u>\$ 89,615</u></u>
 Covered payroll	 \$ 5,681,162	 \$ 4,773,033	 \$ 4,724,397
 Net OPEB liability (asset) as a % of covered payroll	 1.25%	 2.24%	 1.90%

\* Fiscal year 2018 was the first year of implementation, therefore only six years are shown.

<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 6,508	\$ 6,003	\$ 4,813
2,089	1,860	1,648
-	-	-
(1,673)	(2,490)	-
16,515	(5,293)	5,549
(434)	-	-
<u>23,005</u>	<u>80</u>	<u>12,010</u>
 53,281	 53,201	 41,191
<u>\$ 76,286</u>	<u>\$ 53,281</u>	<u>\$ 53,201</u>
 \$ 4,338,512	 \$ 3,752,058	 \$ 3,437,829
 1.76%	 1.42%	 1.55%

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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 Manor, 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, each major fund, and the aggregate remaining fund information of the City of Manor, Texas (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 28, 2024.

**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*.

## 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.



Austin, Texas  
October 28, 2024

**CITY OF MANOR, TEXAS  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED SEPTEMBER 30, 2023**

*Item 3.*

Financial Statement Findings

None

**CITY OF MANOR, TEXAS**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED SEPTEMBER 30, 2023**

*Item 3.*

Prior Audit Findings

None





City Council  
City of Manor, Texas  
P.O. Box 387  
Manor, Texas 78653

This letter includes comments and suggestions with respect to matters that came to our attention in connection with our accounting services engagement related to the audit of the financial statements of the City of Manor, Texas (the City) for the year ended September 30, 2023. These items are offered as constructive suggestions to be considered part of the ongoing process of modifying and improving the City's practices and procedures.

During the audit, it was noted that fixed assets were not being tracked. We recommend the City develop a full fixed asset inventory tracking including the following:

- Description of the asset;
- Cost, voucher number, and vendor name;
- Date placed in service;
- Estimated useful life;
- Depreciation method;
- Depreciation expense and accumulated depreciation for the year;
- Date asset was retired and selling price if applicable;
- Account the fixed asset was recorded to; and
- If the asset was purchased with debt or financing.

Complete information such as the above on all fixed assets would provide enhanced control for the safeguarding of these assets, which are a significant cost, and can reconcile to the asset listing maintained for insurance purposes. A better assessment and evaluation could also be made regarding the reliability of certain fixed assets, and the need for replacements, and so on.

This letter is intended solely for the information and use of the City Council, management, and others within the City and is not intended to be and should not be used by anyone other than these specified parties. We appreciate serving the City of Manor, Texas and would be happy to assist you in addressing and implementing any of the suggestions in this letter.

*Atchley & Associates LLP*

Austin, Texas  
October 28, 2024

AGENDA ITEM NO. \_\_\_\_\_

**AGENDA ITEM SUMMARY FORM**

**PROPOSED MEETING DATE:** November 6, 2024  
**PREPARED BY:** Tracey Vasquez  
**DEPARTMENT:** Human Resources

---

**AGENDA ITEM DESCRIPTION:**

Consideration, discussion, and possible action on an ordinance adopting a covered Applications and Prohibited Technology Policy.

**BACKGROUND/SUMMARY:**

As a home rule municipality, the City of Manor, Texas, must adopt a Covered Applications Policy by Texas Government Code Chapter 620. This policy addresses the protection of all electronic devices used by the City to perform governmental services, ensuring compliance with legal standards.

**LEGAL REVIEW:** Yes, Veronica Rivera, Assistant City Attorney  
**FISCAL IMPACT:** No  
**PRESENTATION:** No  
**ATTACHMENTS:** Yes

- Ordinance Covered Applications and Policies for Governmental Entities

**STAFF RECOMMENDATION:**

City staff recommends that the City Council approve Ordinance No. 765 Adopting a Covered Applications and Prohibited Technology Policy.

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**ORDINANCE NO. 765**

**AN ORDINANCE OF THE CITY OF MANOR, TEXAS, ADOPTING A COVERED APPLICATIONS AND PROHIBITED TECHNOLOGY POLICY; REPEALING ALL ORDINANCES IN CONFLICT; PROVIDING AN OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Manor, Texas is a home rule municipality; and

**WHEREAS**, Texas Government Code, chapter 620 requires local governments and political subdivisions to adopt a Covered Applications Policy for Governmental Entities to address the protection of all electronic devices that are used by the local governmental entity or political subdivision to perform governmental services; and

**WHEREAS**, the City Council of the City of Manor (“City”) has reviewed and desires to adopt the Covered Applications Policy for Governmental Entities as being in line with the provisions of chapter 620, Texas Government Code;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANOR, TEXAS THAT:**

**Section 1. Findings.** The above and foregoing recitals are hereby found to be true and correct and are incorporated herein as findings of fact.

**Section 2. Policy Adopted.** Pursuant to Texas Government Code chapter 640, the City Council hereby approves the Covered Applications Policy for Governmental Entities, attached hereto as Exhibit “A.”

**Section 3. Effective Date.** This Ordinance will become effective upon its adoption, passage by the City Council in accordance with the procedures on the date of passage as required and publication as required by law.

**Section 4. Severability.** If any provision of this Ordinance is illegal, invalid, or unenforceable under present or future laws, the remainder of this Ordinance will not be affected and, in lieu of each illegal, invalid, or unenforceable provision, a provision as similar in terms to the illegal, invalid, or unenforceable provision as is possible and is legal, valid, and enforceable will be added to this Ordinance.

**Section 5. Open Meetings.** It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

**PASSED AND APPROVED** this 6<sup>th</sup> day of November 2024.

**CITY OF MANOR, TEXAS**

\_\_\_\_\_  
Dr. Christopher Harvey, Mayor

**ATTEST:**

\_\_\_\_\_  
Lluvia T. Almaraz, City Secretary

**EXHIBIT “A”**

**COVERED APPLICATIONS AND PROHIBITED TECHNOLOGY POLICY**

# City of Manor

## Covered Applications and Prohibited Technology Policy

Date: November 6, 2024

Version: 1.0

## CONTENTS

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## 1.0 INTRODUCTION

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### 1.1 PURPOSE

On December 7, 2022, Governor Greg Abbott required all state agencies to ban the video-sharing application TikTok from all state-owned and state-issued devices and networks over the Chinese Communist Party's ability to use the application for surveilling Texans. Governor Abbott also directed the Texas Department of Public Safety (DPS) and the Texas Department of Information Resources (DIR) to develop a plan providing state agencies guidance on managing personal devices used to conduct state business. Following the issuance of the Governor's directive, the 88<sup>th</sup> Texas Legislature passed [Senate Bill 1893](#), which prohibits the use of covered applications on governmental entity devices.

As required by the Governor's directive and Senate Bill 1893, this model policy establishes a template that entities subject to the directive or bill may mimic to prohibit the installation or use of covered applications or prohibited technologies on applicable devices.

### 1.2 SCOPE AND APPLICATION

Due to distinctions in requirements between the Governor's directive and SB 1893, Sections 2 and 3 apply to distinct organizations. Where appropriate, each section will identify the unique entities to whom the section applies and the appropriate definitions.

Governmental entities, including local governments, must adopt a covered applications policy as described by [Section 2.0](#).

State agencies to whom the Governor issued his December 7, 2022, directive must adopt a prohibited technology policy as described by [Section 3.0](#). To the extent a state agency is also subject to the requirements of Senate Bill 1893, that agency must also adopt a covered applications policy as described by [Section 2.0](#).



## 2.0 COVERED APPLICATIONS POLICY FOR GOVERNMENTAL ENTITIES

### 2.1 SCOPE AND DEFINITIONS

Pursuant to Senate Bill 1893, governmental entities, as defined below, must establish a covered applications policy:

- A department, commission, board, office, or other agency that is in the executive or legislative branch of state government and that was created by the constitution or a statute, including an institution of higher education as defined by Education Code Section 61.003.
- The supreme court, the court of criminal appeals, a court of appeals, a district court, or the Texas Judicial Council or another agency in the judicial branch of state government.
- A political subdivision of this state, including a municipality, county, or special purpose district.

This policy applies to all City of Manor (the "City") full- and part-time employees, contractors, paid or unpaid interns, ("City employees") and other users of government networks. All City employees are responsible for complying with this policy.

A "Covered Application" is:

- The social media service TikTok or any successor application or service developed or provided by ByteDance Limited, or an entity owned by ByteDance Limited.
- A social media application or service specified by proclamation of the governor under Government Code Section 620.005.

### 2.2 COVERED APPLICATIONS ON GOVERNMENT-OWNED OR LEASED DEVICES

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

**The City** will identify, track, and manage all government-owned or -leased devices including mobile phones, tablets, laptops, desktop computers, or any other internet-capable devices to:

- a. Prohibit the installation of a covered application.
- b. Prohibit the use of a covered application.
- c. Remove a covered application from a government-owned or -leased device that was on the device prior to the passage of S.B. 1893 (88th Leg, R.S.).
- d. Remove an application from a government-owned or -leased device if the Governor issues a proclamation identifying it as a covered application.

The City will manage all government-owned or leased mobile devices by implementing the security measures listed below:

- a. Restrict access to “app stores” or unauthorized software repositories to prevent the installation of unauthorized applications.
- b. Maintain the ability to remotely wipe non-compliant or compromised mobile devices.
- c. Maintain the ability to remotely uninstall unauthorized software from mobile devices.
- d. Take issued devices and access from user and other steps.

## 2.3 ONGOING AND EMERGING TECHNOLOGY THREATS

To provide protection against ongoing and emerging technological threats to the government’s sensitive information and critical infrastructure, DPS and DIR will regularly monitor and evaluate additional social media applications or services that pose a risk to this state.

DIR will annually submit to the Governor a list of social media applications and services identified as posing a risk to Texas. The Governor may proclaim items on this list as covered applications that are subject to this policy.

If the Governor identifies an item on the DIR-posted list described by this section, then The City will remove and prohibit the covered application.

The City may also prohibit social media applications or services in addition to those specified by proclamation of the Governor.

## 2.4 BRING YOUR OWN DEVICE POLICY

The City has no “Bring Your Own Device” (BYOD) program. Any private devices that connect to the City’s network will be removed and may have all information wiped.

The City forbids an employee-owned devices to be used to conduct government business.

## 2.5 COVERED APPLICATION EXCEPTIONS

The City may permit exceptions authorizing the installation and use of a covered application on government-owned or -leased devices consistent with the authority provided by Government Code Chapter 620.

Government Code Section 620.004 only allows the City to install and use a covered application on an applicable device to the extent necessary for:

- (1) Providing law enforcement; or
- (2) Developing or implementing information security measures.

If the City authorizes an exception allowing for the installation and use of a covered application, the City must use measures to mitigate the risks posed to the City or other governmental entities during the application's use up to and including:

- Regular scanning of devices with security measures.
- Cleaning of found violations.
- Possible corrective actions for violations of this policy.

The City must document whichever measures it took to mitigate the risks posed to the City or other governmental entities during the use of the covered application.

## 3.0 POLICY COMPLIANCE

---

All employees shall sign a document annually confirming their understanding of the agency's covered applications and prohibited technology policies.

The City will verify compliance with this policy through various methods, including but not limited to, IT/security system reports and feedback to leadership.

An employee found to have violated this policy may be subject to disciplinary action, including termination of employment.

## 4.0 POLICY REVIEW

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This policy will be reviewed annually and updated as necessary to reflect changes in state law, additions to applications identified under Government Code Section 620.006, updates to the prohibited technology list posted to DIR's website, or to suit the needs of the City.

---

AGENDA ITEM NO. \_\_\_\_\_

**AGENDA ITEM SUMMARY FORM**

**PROPOSED MEETING DATE:** November 6, 2024  
**PREPARED BY:** Yalondra M. Valderrama Santana, Heritage & Tourism Manager  
**DEPARTMENT:** Community Development

---

**AGENDA ITEM DESCRIPTION:**

Consideration, discussion, and possible action on a Resolution amending Resolution No. 2024-20 to adjust the eligibility criteria for the Manor Youth Advisory Commission to include students in grades eight through ten.

**BACKGROUND/SUMMARY:**

Manor Youth Advisory Commission to formally begin its activities, at least 5 commissioners need to be sworn in by the City Council. As of October 2024, the program has 9 official members: three 10th graders and six 8th graders. The current resolution limits commission membership to only 11th and 12th graders. This proposed change will expand eligibility to include 8th through 10th graders, allowing for a more inclusive representation of youth.

The members are eager to start commission activities, so we are presenting the proposed changes to the program for approval.

**LEGAL REVIEW:** YES, Shruti Vanaparthi, Assistant City Attorney  
**FISCAL IMPACT:** No  
**PRESENTATION:** No  
**ATTACHMENTS:** Yes

- Resolution
- Youth Advisory Commission Program
- Bylaws

**STAFF RECOMMENDATION:**

Staff recommends that the City Council approve Resolution No. 2024-37 amending Resolution No. 2024-20 to adjust the eligibility criteria for the Manor Youth Advisory Commission to include students in grades eight through ten.

**RESOLUTION NO. 2024-37****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANOR, TEXAS, AMENDING RESOLUTION NO. 2024-20 TO ADJUST THE ELIGIBILITY CRITERIA FOR THE MANOR YOUTH ADVISORY COMMISSION TO INCLUDE STUDENTS IN GRADES EIGHT THROUGH TEN; PROVIDING FOR FINDINGS OF FACT; REPEALING AND CONFLICTING PROVISIONS; AND PROVIDING FOR RELATED MATTERS.**

**WHEREAS**, the City of Manor, Texas (the "City") previously adopted Resolution No. 2024-20, creating the Manor Youth Advisory Commission ("YAC") to provide youth with opportunities through volunteerism and service; and

**WHEREAS**, the City Council desires to ensure that the YAC serves as an effective platform for all youth in the community to engage in leadership and civic involvement; and

**WHEREAS**, it has been determined that expanding the eligibility criteria to include students in grades eight through ten will enhance the Commission's effectiveness by fostering leadership development among younger students; and

**WHEREAS**, including students from grades eight through ten will provide a broader perspective on youth issues, encouraging earlier engagement in community service and initiatives;

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

**SECTION 1.** The City Council hereby approves the recitals contained in the preamble of this Resolution and finds that all the recitals are true and correct and incorporate the same in the body of this Resolution as findings of fact.

**SECTION 2.** The City Council hereby amends Resolution No. 2024-20 to adjust the eligibility criteria for membership on the Manor Youth Advisory Commission as follows:

- The Commission shall include students in grades eight through twelve who are residents of the City of Manor and are enrolled in Manor Independent School District, a charter school, or are homeschooled.

**SECTION 3.** In the event of any conflict or inconsistency between this resolution and any other resolution or code of the City of Manor, the terms and provisions of this resolution shall control.

**SECTION 4.** The City Council finds that this amendment will promote youth engagement, foster leadership skills, and further the goals of the YAC in addressing community issues.

**SECTION 5.** It is hereby officially found and determined that the meeting at which this Resolution is passed was open to the public as required and that public notice of the time, place, and purpose

of said meeting was given as required by the Open Meetings Act, *Chapt. 551, Tex. Gov't. Code*.

**SECTION 5.** This resolution shall take effect immediately upon its passage and adoption.

**PASSED AND ADOPTED** by the City Council of Manor, Texas, at a regular meeting on the 6<sup>th</sup> day of November 2024, at which a quorum was present and for which due notice was given pursuant to Texas Government Code, Chapter 551.

**CITY OF MANOR, TEXAS**

\_\_\_\_\_  
Dr. Christopher Harvey, Mayor

**ATTEST:**

\_\_\_\_\_  
Lluvia T. Almaraz, City Secretary

AGENDA ITEM NO. \_\_\_\_\_

**AGENDA ITEM SUMMARY FORM**

**PROPOSED MEETING DATE:** November 6, 2024  
**PREPARED BY:** Michael Burrell, Interim Director  
**DEPARTMENT:** Development Services

---

**AGENDA ITEM DESCRIPTION:**

Consideration, discussion, and possible action on an agreement to transfer approximately 35.6 acres from Manville Water Supply Corporation's certificated water service area to the City of Manor's certificated service area.

**BACKGROUND/SUMMARY:**

Property owner Forestar USA Real Estate Group owns approximately 35.6 acres in what is also known as the J. F. Nagle Estates. The property is Lot 2 of a three lot area owned by Forestar in the Manor city limits and Forestar is interested in receiving retail water service from Manor.

During the meeting of the Manville WSC Board of Directors held on September 9, 2021, the Board considered and approved Forestar's request to transfer the property from Manville's certificate of convenience and necessity (CCN) 11144 to Manor's CCN 10947. No customers or facilities exist on the property proposed for transfer.

**LEGAL REVIEW:** Yes, Irene Montelongo, Assistant City Attorney  
**FISCAL IMPACT:** No  
**PRESENTATION:** No  
**ATTACHMENTS:** Yes

- Partially signed Service Area Transfer Agreement

**STAFF RECOMMENDATION:**

The city staff recommends that the City Council approve the agreement to transfer approximately 35.6 acres from Manville Water Supply Corporation's certificated water service area to the City of Manor's certificated service area and authorize the City Manager to execute the agreement.

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**CCN TRANSFER AGREEMENT  
BETWEEN  
THE CITY OF MANOR AND  
MANVILLE WATER SUPPLY CORPORATION**

This CCN TRANSFER AGREEMENT ("**Agreement**") is made and entered into by and between the City of Manor, Texas, a Texas home-rule municipality (the "**City**"), and Manville Water Supply Corporation, a Texas non-profit water supply corporation ("**Manville**"). The City and Manville are each referred to herein as a "**Party**", and are collectively referred to herein as the "**Parties**."

**RECITALS**

**WHEREAS**, the City is the holder of water Certificate of Convenience and Necessity ("**CCN**") No. 10947, the boundaries of which are within Travis County, Texas;

**WHEREAS**, Manville is the holder of water CCN No. 11144, the boundaries of which are within Lee, Travis and Williamson Counties, Texas;

**WHEREAS**, Texas Water Code ("**TWC**") § 13.248 authorizes contracts between retail public utilities designating areas and customers to be served by those retail public utilities, when approved by the Public Utility Commission of Texas (the "**PUC**") after public notice and hearing;

**WHEREAS**, the Parties' water CCN boundaries are adjacent to each other in certain locations;

**WHEREAS**, Forestar (USA) Real Estate Group, Inc., a Delaware corporation (the "**Owner**") owns approximately 35.626 acres of land in the City, same being Lot 2, J.F. Nagle Estates, a subdivision in Travis County, according to the plat thereof recorded under Document No. 199900207 of the Plat Records of Travis County, Texas (the "**Property**");

**WHEREAS**, the Property, which is more specifically described in Exhibit A, attached hereto and incorporated herein for all purposes, is located within Manville's water CCN (the "**Transfer Tract**");

**WHEREAS**, the Owner has requested that Manville transfer the Transfer Tract from Manville's water CCN boundaries to the City's water CCN boundaries; and Manville and Owner have reached an agreement to accommodate such request; and

**WHEREAS**, the Parties desire that Manville transfer the portion of its water CCN that overlaps with the Transfer Tract to the City's water CCN, in accordance with the terms of this Agreement.

**NOW, THEREFORE**, for the good and valuable consideration contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

## AGREEMENT

1. **Purpose.** This Agreement shall be a “contract” designating areas and customers to be served by the Parties in accordance with TWC § 13.248.
2. **Transfer.** In accordance with TWC § 13.248, but always subject to the approval of the PUC, Manville transfers to the City, and the City accepts from Manville, the portion of Manville’s water CCN No. 11144 that overlaps with the Transfer Tract; and the Parties hereby agree to the modification of the boundaries of their water CCNs, accordingly. As more particularly described in that certain Settlement Agreement entered into between Owner and Manville contemporaneously with this Agreement, Owner shall pay Manville the sum of \$58,001.60 in full compensation for the release of the Transfer Tract from Manville’s water CCN No. 11144. The Parties agree that the sum is inclusive of the \$1,000 invoiced cost to relocate a Manville waterline that formerly served a portion of the Transfer Tract. The Parties agree to take all necessary steps at the sole cost of the Owner to prepare, file, and advance the application(s) at the PUC to transfer such water CCN boundaries from Manville’s water CCN No. 11144 to the City’s water CCN No. 10947. The City agrees to cooperate with Manville, solely at the cost of the Owner, in advancing such application(s), should the need arise.
3. **No Continuing Obligation to Serve.** The Parties agree that upon PUC approval of the application(s) to transfer the portion of Manville’s water CCN No. 11144 that overlaps with the Transfer Tract to the City’s water CCN No. 10947, Manville shall have no further obligation to provide retail water service to the Transfer Tract. If the PUC does not agree to allow the transfer of the water CCN area corresponding with the Transfer Tract, then the Parties agree to continue to discuss how best to achieve the purpose of this Agreement.
4. **Non-Substantive Mapping Changes.** The Parties agree that, with Owner’s prior written consent, non-substantive corrections or changes may be made to the boundaries shown on **Exhibit A** to effectuate the purposes of this Agreement.
5. **Entire Agreement.** This Agreement reflects the entire agreement between the Parties, and supersedes all prior and contemporaneous agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof.
6. **Amendment.** This Agreement shall not be amended or terminated except by an instrument signed by all Parties to this Agreement.
7. **Assignment.** This Agreement may not be assigned by any Party, except with the prior written consent of the other Party and Owner.

8. **Notice.** All notices by Manville to the City shall be in writing, addressed to:

The City of Manor, Texas  
 Attention: Scott Moore, City Manager  
 P.O. Box 387  
 Manor, TX 78653  
 Telephone: (512)272-5555  
[smoore@manortx.gov](mailto:smoore@manortx.gov)

All notices by the City to Manville shall be in writing, addressed to:

Manville Water Supply Corporation  
 Attn: Erik Prinz, General Manager  
 13805 S.H. 95  
 Coupland, Texas 78615  
 Telephone: (512) 856-2488  
[eprinz@manvillewsc.org](mailto:eprinz@manvillewsc.org)

With a copy to:

Zachariah Evans  
 2900 Anderson Lane  
 Ste. C-200, No. 354  
 Austin, TX 78757  
[zac@ztevanslaw.com](mailto:zac@ztevanslaw.com)

A copy of all notices sent under this Agreement shall be provided to Owner, addressed to:

Forestar (USA) Real Estate Group Inc.  
 Attn: Will Genrich and Carrie Cappel  
 10700 Pecan Park Blvd., Suite 150  
 Austin, Texas 78750  
 Email: [willgenrich@forestar.com](mailto:willgenrich@forestar.com) and [carriecappel@forestar.com](mailto:carriecappel@forestar.com)

When this Contract requires the Parties to provide notice to each other, the notice shall be in writing. Notices must be addressed, hand-delivered, faxed, or emailed only to the person designated for receipt of notice. A mailed notice shall be considered delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested, postage prepaid. Hand-delivered notices are considered delivered only when the addressee receives those notices. Notices delivered by fax or e-mail are considered delivered three (3) business days after transmittal or when received by the addressee whichever is earlier. The Parties may make routine communications by first class mail, email, fax, or other commercially accepted means.

9. **Successors and Assigns.** This Agreement shall bind the Parties and their legal successors, but shall not otherwise be assignable by any Party without prior written consent of the other Party, which consent shall not be unreasonably withheld. All the respective obligations of

each of the Parties shall bind that Party and shall apply to and bind any successors or assigns of that Party.

10. **Governing Law/Venue.** This Agreement shall be governed, construed, and interpreted in accordance with the Constitution and laws of the State of Texas. All acts required or permitted to be performed hereunder are performable in Travis County, Texas, and actions taken by either Party in connection with this Agreement shall be deemed to have occurred in Travis County, Texas. It is agreed that any civil action brought to enforce or construe the terms or provisions hereof or to enjoin or require the performance of any act in connection herewith, shall be brought in a court of competent jurisdiction sitting in Travis County, Texas. It is agreed that any administrative law action brought to enforce or construe the terms or provisions hereof or to enjoin or require the performance of any act in connection herewith, shall be brought at the PUC or its successor agency.
11. **Severability.** In the event one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
12. **Unintended Omission.** If any punctuation, clause, word, sentence, or provision necessary to give meaning, validity or effect to any other word, clause, sentence, or provision appearing in this Agreement shall be omitted hereof, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision shall be supplied by inference.
13. **Recitals.** The above recitals are true and correct and are incorporated into this Agreement for all purposes.
14. **Multiple Originals.** This Agreement may be executed in any number of counterparts, each of which shall be, for all purposes, deemed to be an original, and all such counterparts shall together constitute and be one and the same instrument.
15. **Authority.** The Parties represent that the individuals named below are duly authorized to execute this Agreement on behalf of their respective Party.
16. **Enforceability.** The Parties agree that this Agreement constitutes the legal, valid and binding obligation of each Party hereto, enforceable in accordance with its terms, and that each Party is entering into this Agreement in reliance upon the enforceability of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple counterparts, each of which shall constitute an original, effective as of the date signed by the last of the Parties hereto (the "*Effective Date*").

*[The remainder of this page is intentionally left blank.]*

**CITY:**

THE CITY OF MANOR, TEXAS,  
a Texas home-rule municipality

By: \_\_\_\_\_  
Scott Moore, City Manager

Date: \_\_\_\_\_

**MANVILLE:**

MANVILLE WATER SUPPLY CORPORATION,  
a Texas non-profit water supply corporation

By:



Erik Prinz, General Manager

Date:



### **Exhibits**

Exhibit A: General Location Map.

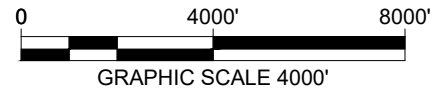
Exhibit B: Detailed Map.

Exhibit C: Shapefiles associated with those two maps; and

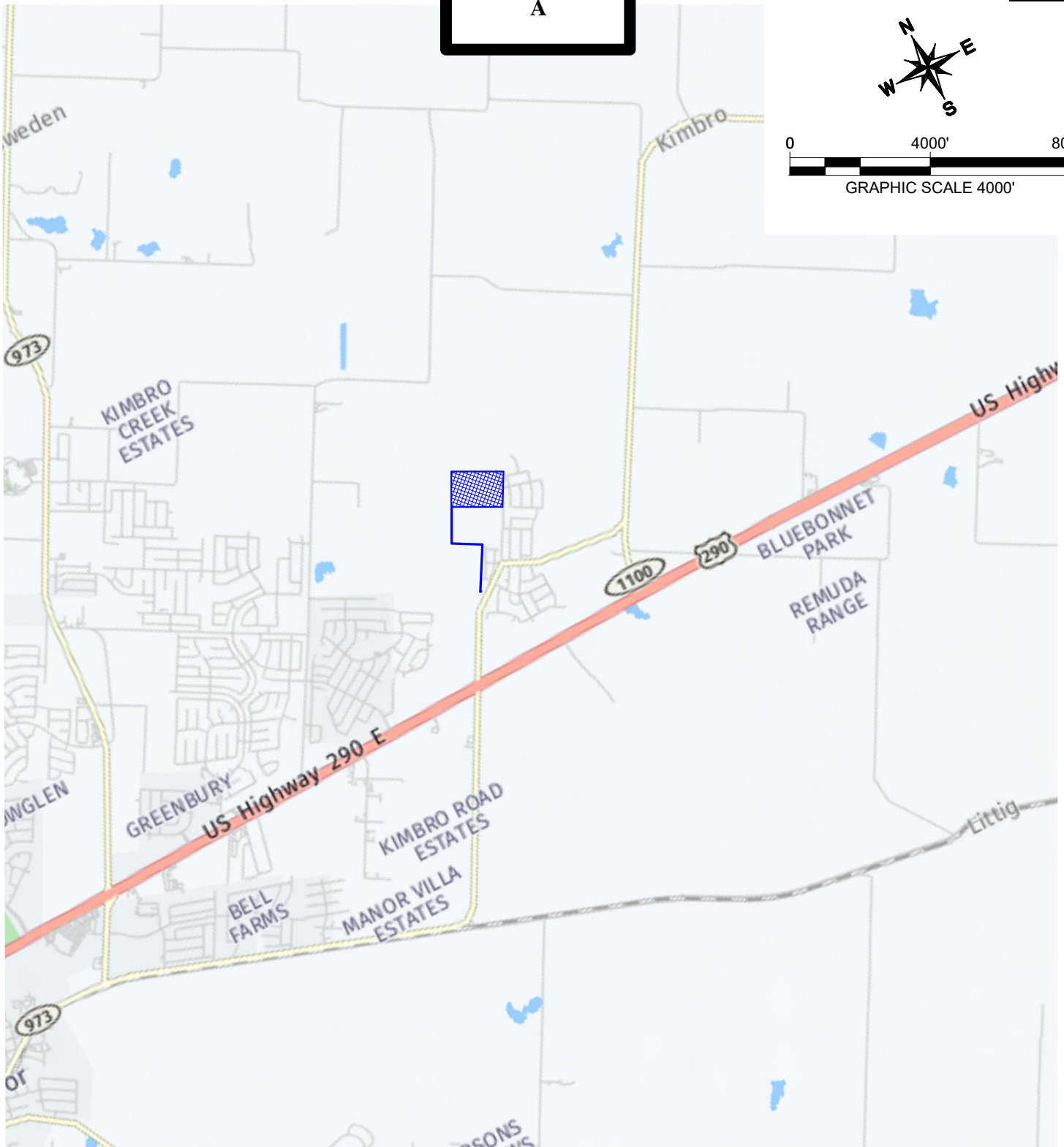
Exhibit D: Agenda and Minutes for the September 9, 2021, meeting of Manville's Board of Directors showing that the Board considered this matter at a public meeting (see Agenda Item No. 7 (a)).

Exhibit  
A

Item 6.



GRAPHIC SCALE 4000'



LEGEND



TRACT OF  
LAND

CITY OF MANOR,  
TRAVIS COUNTY, TEXAS  
DATE CREATED: 7/25/2024

GENERAL MAP -  
FORESTAR (USA) REAL ESTATE GROUP, INC. TO  
AMEND MANVILLE WSC (CCN NO. 11144) BY  
13.248 AGREEMENT IN TRAVIS COUNTY

**Kimley»Horn**

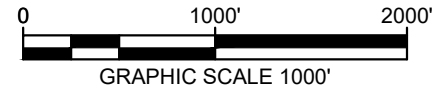
© 2024 KIMLEY-HORN AND ASSOCIATES, INC.  
1501 S. AUSTIN AVE., SUITE 1310, GEORGETOWN, TX 7  
PHONE: 512-330-0788 FAX: 512-418-1778  
WWW.KIMLEY-HORN.COM  
TEXAS REGISTERED ENGINEERING FIRM F-924

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Exhibit  
B

Item 6.



GRAPHIC SCALE 1000'



CITY OF MANOR,  
TRAVIS COUNTY, TEXAS  
DATE CREATED: 7/25/2024

DETAILED MAP -  
FORESTAR (USA) REAL ESTATE GROUP, INC. TO  
AMEND MANVILLE WSC (CCN NO. 11144) BY  
13.248 AGREEMENT IN TRAVIS COUNTY

**Kimley»Horn**

© 2024 KIMLEY-HORN AND ASSOCIATES, INC.  
1501 S. AUSTIN AVE., SUITE 1310, GEORGETOWN, TX 7  
PHONE: 512-330-0786 FAX: 512-418-1776  
WWW.KIMLEY-HORN.COM  
TEXAS REGISTERED ENGINEERING FIRM F-924

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## **MANVILLE WATER SUPPLY CORPORATION**

P. O. Box 248  
Coupland, TX 78615

Toll Free (1-888) 856-2488 • (512) 856-2488  
Fax (1-888) 856-2242 • (512) 856-2029

### **NOTICE OF PUBLIC MEETING**

Notice is hereby given that the Manville Water Supply Corp. Board of Directors will meet for a regular monthly meeting at the Manville Water Supply office at 13805 South SH 95 in Coupland, Texas at 6:00 P.M. on Thursday, September 9, 2021.

1. Call Meeting to Order
2. Approval of Minutes
3. Citizens Communication
4. Engineers Report on Water Supply
5. Manager's Report and Condition of System – Tony Graf  
Report on:
  - 36" transmission line easement acquisition status
  - Monthly System Activities
6. Brief Board on Recent Meetings and Committee Report(s)- No action, report only
7. Discuss and Take Action
  - a. Consider CCN Decertification Request for 35.6 acres, Forestar Real Estate, Old Kimbro Road, Manor – Shan Rutherford
  - b. Consider Proposed Third Amendment of Wholesale Water Supply Contract for WSID #3 & WC Mud #22, Annexation for Retail Service 30-acre Tract on Priem Lane – Tim Timmerman
  - c. Consider Appointing Jeff Monzingo as a Manville WSC Board of Director for Open Director Position in Zone 2 - Two Year Remaining Term
  - d. Consider Approval of Proposed HBO Filming Request and Authorize Staff/Attorney to Complete Negotiations & Agreement
  - e. Approve Bid and Consider Awarding Contract for Royston Lane Road Project, Water Lines Replacement 6", 8" & 10" with 12" Water Line
  - f. Approve Bid and Consider Awarding Contract for Coupland, Schultz & HEB Generator project
  - g. Approve Bid and Consider Awarding Contract for Drilling 2 MGD Test Well on Manville 100 acres in Lee County
  - h. Financial Report – Rexanne Pilkenton
    - Approve Balance Sheet and Income Statement
    - Discuss LUE and Committed Funds Report
  - k. Manville W.S.C. – Water Report, Rolling 12 Month Efficiency Report, Meters Set Report and Delinquent Accounts – Rexanne Pilkenton
8. Engineer's Report – Jerry Fontaine
  - a. Report on Construction Projects
9. Next Board Meeting – October 14, 2021
10. Adjourn

Tony Graf, General Manager, September 3, 2021

# MANVILLE WATER SUPPLY CORPORATION

P. O. Box 248  
Coupland, TX 78615

Toll Free (1-888) 856-2488 • (512) 856-2488  
Fax (1-888) 856-2242 • (512) 856- 2029

A meeting of the Manville Water Supply Corporation was held September 9, 2021, at Manville's office in Coupland.

## Meeting Minutes

### Board of Directors present:

Jack Atterstrom, President  
George Tolleson, Vice President  
Larry Hodde, Secretary  
Tracy Spellings, Treasurer  
Steve Mares  
Joe Coffey  
Marcus Gary  
Sam Jones

### Not Present:

### Manville Representatives and Staff present:

Tony Graf, General Manager  
Rexanne Pilkenton, Assistant GM  
Karl Moeller, Attorney  
Jerry Fontaine - Engineer

### Visitors:

Shan Rutherford, Terrell & Waldrop Law Firm,  
Forestar

- 1
- 2 1. Call Meeting to Order
- 3 Jack Atterstrom, President, called the meeting to order at 6:01 p.m.
- 4 2. Approval of Minutes
- 5 George Tolleson made a motion to approve the minutes as submitted to the Directors. Larry Hodde
- 6 seconded the motion; motion carried.
- 7 3. Citizens Communication
- 8 None
- 9 4. Engineers Report on Water Supply
- 10 Jerry presented the above noted report which was distributed to the Board
- 11 Jerry's report highlights the water supply Manville currently has and projected supply through 2024 as
- 12 well as demand. Jerry stated that he and Rexanne discussed LUE's and will work together to obtain the
- 13 total count of committed and used LUE's to report to the Board, hopefully by the next month.
- 14 The Board discussed the committed LUE fees and the length of time that it takes for developers to use the
- 15 capacity they reserve. Manville is committed to reserve capacity once the LUE fees are paid (due with-in
- 16 180 days of Board approval) which does not allow for planning for future water needs due to the uncertainty
- 17 of when the reserved capacity will be needed. This situation will be looked at to determine the best practices
- 18 moving forward.
- 19 5. Manager's Report and Condition of System – Tony Graf
- 20 Report on:
- 21 • 36" transmission line easement acquisition status
- 22 Tony reported that the agreement with EAS for easement acquisitions for the 36" transmission
- 23 line was executed and a notice to proceed was provide on August 31, 2021. He noted that EAS
- 24 sent landowners, whom they had not already contacted, a letter introducing themselves to help
- 25 convey who they are and the relationship and role with Manville. As of September 7th, EAS has
- 26 obtained survey permission for 31 tracts, made contact with an additional 17 tracts and are
- 27 working to make initial contact with the remaining 84 tracts.
- 28
- 29
- 30

• Monthly System Activities

Tony noted that Manville has experienced multiple damages to water lines due to contractors not requesting locates. He added that the old USDA easements have caused many challenges and obtaining new easements has become very difficult. Tony stated that the staff is overwhelmed by these time sensitive issues and needs professional assistance addressing them. He added that the Fritsch Well 1 is no longer pumping due to the well being dry.

6. Brief Board on Recent Meetings and Committee Report(s)- No action, report only

Tony noted that he and Rexanne spoke with Mr. Thornhill regarding his original analysis of the Tonka test well evaluation and recommendation. Mike stated that the pumping of wells in the area has already caused interference drawdown on the Tonka tract & will continue to cause interference drawdown. The annual water allocation that Manville should consider should be based on operating each well or single well, at its maximum pumping rate, for some portion of time during the year.

Tony, Rexanne & Erik had a zoom meeting with Jonah representatives, Bill Brown & Vicente Carrizales, to follow up on the CCN Jonah proposed to clean up in the Taylor area, as well as if Jonah could sell wholesale water bought from BRA. Bill will have his GIS department indicate on a map the CCN area and send over for review. He did confirm that Jonah could sell the BRA water they purchase wholesale and also have the ability to wheel water for a fee.

Tony, Erik, Jerry & Rexanne held a zoom meeting with Tim Timmerman and Robert Ferguson, engineer WSID #3/WC Mud #22, to discuss the recent letter they received from Manville about their Wholesale Contract Third Amendment request & storage tank for the district per the contract. Jerry mentioned during the meeting that currently the Manville Board has moved away from providing wholesale water, as it is not profitable. Further discussions will be conducted on the storage tank for the district. Mr. Timmerman emailed and asked for his Third Amendment of Wholesale Water Supply Contract for the District be removed from the agenda at this time in light of our conversation.

Jerry & Rexanne reported to the Board that Manville has two feasibility studies for developments in the Type/Shiloh area, 100 LUE's & 40 LUE's, that will not be recommended for approval at this time due to the lack of storage pressure capacity and recent pressure issues reported in this area. Manville currently has on the 2021 budget an elevated storage tank project at Type however the project has been delayed due the conveyance of the additional land needed. It is recommended that no additional feasibility study applications in this area be accepted and considered for approval until the tank site/improvements are completed and in operation.

7. Discuss and Take Action

- a. Consider CCN Decertification Request for 35.6 acres, Forestar Real Estate, Old Kimbro Road, Manor – Shan Rutherford

Sam Jones made a motion to approve the CCN Decertification Request for 35.6 acres, Forestar Real Estate, Old Kimbro Road, Manor, with compensation of \$1600 per acre & payment to remove/relocate all of Manville's existing infrastructure. George Tolleson seconded the motion; motion carried.

- b. Consider Proposed Third Amendment of Wholesale Water Supply Contract for WSID #3 & WC Mud #22, Annexation for Retail Service 30-acre Tract on Priem Lane – Tim Timmerman  
Tabled
- c. Consider Appointing Jeff Monzingo as a Manville WSC Board of Director for Open Director Position in Zone 2 - Two Year Remaining Term

George Tolleson made a motion to Appoint Jeff Monzingo as a Manville WSC Board of Director for Open Director Position in Zone 2 - Two Year Remaining Term. Tracy Spellings seconded the motion; motion carried.

- d. Consider Approval of Proposed HBO Filming Request and Authorize Staff/Attorney to Complete Negotiations & Agreement

Marcus Gary made a motion to Approve the Proposed HBO Filming Request and Authorize Staff/Attorney to Complete Negotiations /Agreement and to Authorized the General Manager to Allocate all Proceeds to the Staff. George Tolleson seconded the motion; motion carried.

- e. Approve Bid and Consider Awarding Contract for Royston Lane Road Project, Water Lines Replacement 6", 8" & 10" with 12" Water Line

George Tolleson made a motion to Approve the Bid and Award the Contract for the Royston Lane Road Project, Water Lines Replacement 6", 8" & 10" with 12" Water Line to the low bidder, Nelson Lewis, for \$1,272,400. Larry Hodde seconded the motion; motion carried.

- f. Approve Bid and Consider Awarding Contract for Coupland, Schultz & HEB Generator project

Joe Coffey made a motion to Approve the Bid and Award the Contract for Coupland, Schultz & HEB Generator project to the low bidder, Verde Electric, for \$1,015,780. George Tolleson seconded the motion; motion carried.

Rexanne noted that this cost does not include Scada and a separate cost for the Scada is quoted for \$ 38,489.

- g. Approve Bid and Consider Awarding Contract for Drilling 2 MGD Test Well on Manville 100 acres in Lee County

Sam Jones made a motion to Approve the Bid and Award the Contract for Drilling 2 MGD Test Well on Manville's 100 acres in Lee County to the low bidder, Brien Water Wells, for \$511,154.

Rexanne informed the Board that the supply of PVC pipe has been adversely affected by Covid-19 and now Hurricane Ida. Hurricane Ida forced many suppliers, along the Louisiana coast, to shut down and they are now assessing damage to determine a timeline for reopening. The vendors in our area have informed us that they are unable to accept new purchase orders or provide pipe pricing for PVC pipe. This shortage has caused some delays in Manville water line projects, as current orders are delayed, and no new orders are being accepted. Manville is exploring other alternatives, DI (ductile iron) pipe, which is available for purchase but at a higher price and longer lead time due to increase demand.

- h. Financial Report – Rexanne Pilkenton

- Approve Balance Sheet and Income Statement
- Discuss LUE and Committed Funds Report

Rexanne presented the above noted reports which were distributed to the Board.

Marcus Gary made a motion to accept the Financial Reports as presented. Larry Hodde seconded the motion; motion carried.

- i. Manville W.S.C. – Water Report, Rolling 12 Month Efficiency Report, Meters Set Report and Delinquent Accounts – Rexanne Pilkenton

Rexanne presented the above noted reports which were distributed to the Board.

#### 8. Engineer's Report – Jerry Fontaine

- a. Report on Construction Projects

Jerry reported that: CR 138 / SE Loop project is 99% complete; Gregg Lane additional 4 can pumps project has a completion date of October and once complete it will allow the purchased Epcor water to be routed in both directions of the Manville system (Manor Area/Pflugerville Area); materials have been delivered for the Gregg-Manor Phase 1 & 2 projects; plans for the SWWC interconnect have been submitted and are pending SWWC approval; Kelly Lane Phase 2 project, joint use/reimbursement agreement, is pending approval by the City of Pflugerville council.

#### 9. Next Board Meeting – October 14, 2021

#### 10. Adjourn

Larry Hodde made a motion the meeting adjourn. Joe Coffey seconded the motion, meeting adjourned.

**Exhibit  
D**

STATE OF TEXAS

§  
§  
§

COUNTY OF WILLIAMSON

**AFFIDAVIT OF ERIK PRINZ**

1. My name is Erik Prinz. I am the General Manager of the Manville Water Supply Corporation ("Manville"). I am over the age of 18 years and reside in Williamson County, Texas. I am of sound mind, have never been convicted of a felony or other crime involving moral turpitude, and fully competent to make this affidavit. I have personal knowledge of the facts stated herein, and they are true and correct.
2. During a public meeting held on September 9, 2021, the Manville Board of Directors approved negotiation and execution of a Water Service Transfer Agreement between Manville and the City of Manor, Texas ("the City") to be established pursuant to Texas Water Code § 13.248 and 16 Texas Administrative Code § 24.253, transferring a total of 35.6 acres of land ("Transfer Area") from Manville's water CCN No. 11144 to the City's water CCN No. 10947.
3. No existing customers or facilities are being transferred as part of the Service Area Contract.
4. The Transfer Area identified in the Service Area Contract is the same property that is the subject of the Water Service Transfer Agreement filed with the Public Utility Commission of Texas of which this Affidavit is part ("Petition").

**Acknowledgment**

I declare under penalty of perjury that the foregoing is true and correct. Affiant further sayeth not.



ERIK PRINZ, GENERAL MANAGER  
MANVILLE WATER SUPPLY CORPORATION

BEFORE ME, the undersigned authority, on this day personally appeared Erik Prinz, as the General Manager of Manville Water Supply Corporation, known to me to be the person whose name is subscribed on this document and acknowledged to me that he executed the same for the purposes and consideration herein expressed, in the capacity therein stated and he is authorized to do so.

Given under my hand and seal of office this 16 day of September, 2024.



Notary Public in and for the State of TEXAS  
My Commission Expires: NOV 15, 2026

AGENDA ITEM NO. \_\_\_\_\_



## AGENDA ITEM SUMMARY FORM

**PROPOSED MEETING DATE:** November 6, 2024  
**PREPARED BY:** Scott Moore, City Manager  
**DEPARTMENT:** Administration

### AGENDA ITEM DESCRIPTION:

Consideration, discussion and possible action on a License Agreement with Lennar Homes of Texas Land and Construction Ltd., and LIT IDV Ranch 130 Phase I, LLC.

### BACKGROUND/SUMMARY:

Lennar Homes of Texas Land and Construction Ltd., and LIT IDV Ranch 130 Phase I, LLC (collectively, “Developers”) are developing an approximate 321.86 acre single-family residential project, and an approximate 450.12-acre mixed-use tract and single-family project (collectively, “Project”) in the City of Austin’s extra territorial jurisdiction (ETJ). During the design phase, Austin and Developers determined that in order for Austin to provide service to the Project the optimal route and alignment is to construct and install a wastewater force main to connect to Austin’s wastewater utilities through the City of Manor’s ninety foot right-of-way. A license agreement is needed to ensure the construction and installation of the wastewater force main meet City standards. The attached license agreement is provided for consideration by the City Council for the construction and placement of the pylon sign.

**LEGAL REVIEW:** Yes, Veronica Rivera, Assistant City Attorney  
**FISCAL IMPACT:**  
**PRESENTATION:** No  
**ATTACHMENTS:** Yes

- License Agreement

### STAFF RECOMMENDATION:

Staff recommends City Council approve the License Agreement with Lennar Homes of Texas Land and Construction Ltd., and LIT IDV Ranch 130 Phase I, LLC for a wastewater force main and authorize the City Manager to execute the license agreement.



## CITY OF MANOR LICENSE AGREEMENT

This License Agreement (the “**Agreement**”) is made and entered into on \_\_\_\_\_, 2024 (the “**Effective Date**”) by and between the CITY OF MANOR, a home-rule municipal corporation and political subdivision of the State of Texas situated in Travis County, Texas (the “**City**” or “**Licensors**”), Lennar Homes of Texas Land and Construction Ltd, a Texas limited corporation and LIT IDV Ranch 130 Phase I, LLC, a Texas limited liability corporation (collectively, “**Developer**” or “**Licensee**”). The City and the Licensee are referred to together as the “**Parties**”.

### RECITALS

**WHEREAS**, Developer is the developer of \_\_\_\_\_, a residential subdivision in Travis County, Texas, recorded under Document No. \_\_\_\_\_ of the Official Public Records of Travis County, Texas (“\_\_\_\_\_”); and

**WHEREAS**, Developer desires to use City right-of-way to construct a wastewater force main to serve \_\_\_\_\_; and

**WHEREAS**, the City desires to authorize the Licensee permission to enter and use City right-of-way to construct, operate and maintain improvements under the terms and conditions set forth in this Agreement.

### AGREEMENT

NOW, THEREFORE, in consideration of the premises, in furtherance of the mutual benefits to be derived by the general public, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Licensee agree as follows:

#### I. RECITALS

1.01. The Recitals set out above in this Agreement are hereby adopted in whole as if each were set out herein.

#### II. PURPOSE OF LICENSE AGREEMENT

2.01. The City grants to Licensee a non-exclusive license and permission to use the Licensed Property (hereinafter defined) for the following purposes only:

Construction, placement, installation, operation, maintenance and repair of approximately 2,150 linear feet of a sixteen-inch (16”) wastewater force main (the “**Entrada Force Main**”) originating at Hill Lane and continuing down Entrada Boulevard and terminating at Austin Water Utility’s (“**AWU**”) existing forty-two inch (42”) wastewater interceptor located adjacent to East U.S. Highway 290

(collectively, the “**WW Interceptor Improvements**” or “**Improvements**”); the WW Interceptor Improvements are more particularly shown and described in **Exhibit “A”** attached hereto.

The “**Licensed Property**” refers to the City of Manor’s existing ninety-foot (90’) right-of-way as more particularly shown and described in **Exhibit “A”** attached hereto.

2.02. The City makes this grant solely to the extent of its right, title and interest in the Licensed Property, without any express or implied warranties.

2.03. Licensee agrees that: (a) the construction of the Improvements permitted by this Agreement shall be done in compliance with all applicable City, County, State and/or Federal laws, ordinances, regulations and policies now existing or later adopted; (b) that all construction and installation of the Improvements will be completed in a timely manner without delay; and (c) the Licensee will construct the Improvements according to plans filed with the City. Licensee agrees to obtain the City’s approval to any changes in construction which are not shown on the approved plans. Any provision herein to the contrary notwithstanding, Licensee shall be liable for, and shall indemnify and hold the City harmless from all damages, causes of action, and claims arising out of or in connection with Licensee’s installation, operation, maintenance or removal of the Improvements permitted under this Agreement.

### III. FEE AND PARK IMPROVEMENTS

3.01. The Developer agrees to pay Eight Hundred Thousand Dollars (\$800,000) (the “**ROW Payment**”) for the City’s license and permission to use the Licensed Property for the construction, placement, installation, operation, maintenance and repair of the Improvements. The Developer shall make the ROW Payment to the City upon the following: (i) all governmental entities with jurisdiction, including, without limitation, the City, the City of Austin, Travis County, and the Texas Commission on Environmental Quality, have fully approved the Entrada Force Main for construction (the “**Regulatory Approval(s)**”) and (ii) the City provides written notice to Developer that the ROW Payment is due as a condition to the release to the Developer of any building or construction permit needed for construction of the Entrada Force Main to proceed (the “**ROW Payment Notice**”). Within thirty (30) calendar days of the later to occur of the ROW Payment Notice or the date upon which the final Regulatory Approval is received, Developer shall pay the ROW Payment to the City, by check or wire.

3.02. As additional consideration, Developer shall contribute an amount equal to Four Hundred and Fifty Thousand Dollars (\$450,000) (“**Public Improvements Payment**”) to fund selected public improvements, including but not limited to, park improvements through existing City public areas (“**Public Improvements**”). City shall design, bid, and manage construction of the Public Improvements chosen by the City. The Developer shall make the Public Improvements Payment to the City at the same time the ROW Payment is made.

### IV. CITY’S RIGHTS TO LICENSED PROPERTY

4.01. This Agreement is expressly subject and subordinate to the present and future right of the

City, its successors, assigns, lessees, grantees, licensees and contractors, to construct, install, establish, maintain, use, operate, and renew any public utilities facilities or franchised public utilities, rights of way, roadways, or streets on, beneath or above the surface of the Licensed Property.

4.02. The uses of the Licensed Property by the City as described in Section 4.01 are permitted even though such use may substantially interfere with or destroy Licensee's use of the Licensed Property or damage the Improvements. In case of a declared emergency, damage to or destruction of Licensee's property shall be at no charge, cost, claim, or liability to the City, its agents, contractors, officers, or employees.

4.03. Notwithstanding any provisions in this Agreement to the contrary, the City retains the right to enter upon the Licensed Property, at any time and without notice, assuming no obligation to Licensee, to remove any of the Improvements whenever such removal is deemed necessary for: (a) exercising the City's rights or duties with respect to the Licensed Property; (b) protecting persons or property; or (c) the public health or safety with respect to the Licensed Property.

## **V. LICENSEE RESPONSIBILITIES**

5.01. Licensee shall pay, in full, all persons who perform labor. Licensee will not allow any mechanic or material liens to be filed or enforced against the Licensed Property, or the property of the City for work done or materials furnished at Licensee's instance or request. If any such liens are filed thereon, Licensee agrees to immediately remove the same at Licensee's own cost and expense, without regard to the legal enforceability of such liens. Should Licensee fail, neglect or refuse to do so, the City shall have the right to terminate this Agreement or at its option pay any amount required to release any such lien or liens, or to defend any action brought thereon, and to pay any judgment entered therein, and Licensee shall be liable to the City for all costs, damages and attorney's fees, and any amounts expended in defending any proceedings, or in the payment of any of such liens, or any judgment obtained against the City upon demand with interest at the maximum rate from demand until payment.

5.02. Licensee shall be solely responsible for obtaining any and all Regulatory Approvals and any other licenses, easements, permits, consents, or permissions necessary for Licensee's use of the Licensed Property including, without limitation, from any owner of an interest in the Licensed Property.

5.03. Licensee shall be responsible for any and all damage to or repair of the Improvements or damage to the Licensed Property caused as a result of acts or omissions by Licensee, its agents, officers, directors, or employees. Further, Licensee shall reimburse the City for all costs of replacing or repairing any property of the City or of others which was damaged or destroyed as a result of activities under this Agreement by, or on behalf of, Licensee.

## **VI. INSURANCE AND WAIVER OF SUBROGATION**

6.01. Licensee shall, at its sole expense, obtain and maintain insurance of the types and in the

amounts as set forth on **Exhibit "B"** attached to this Agreement. If Licensee fails to do so, Licensors shall have the immediate right (but not the obligation) to effect such insurance without notice to Licensee, in which event the amount so paid by Licensors shall be paid by Licensee to Licensors upon demand with interest at the maximum rate allowed by law from demand until payment. Such insurance coverage shall specifically name the City as an additional-insured. This insurance coverage shall cover all perils arising from the activities of Licensee, its officers, employees, agents, or contractors, relative to this Agreement, or otherwise within the public right-of-way and within the Licensed Property. Licensee shall be responsible for any deductibles stated in the policy. The amount of such coverage may be increased from time to time as may be deemed necessary and prudent by the City and the Licensee based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. A certificate of insurance evidencing such coverage shall be delivered to the City Secretary of the City within thirty (30) days of the Effective Date of this Agreement.

6.02. Licensee shall not cause any insurance to be canceled nor permit any insurance to lapse. All insurance certificates shall include a clause to the effect that the policy shall not be canceled, reduced, restricted or otherwise limited until forty-five (45) days after the City has received written notice as evidenced by a return receipt of registered or certified mail. Notwithstanding the foregoing, in the event obtaining such provision for prior notice to the City is not reasonably available, Licensee agrees to give the City written notice of any suspension, cancellation, non-renewal or material change in coverage of the insurance policy required to be obtained and maintained by the Licensee under the terms of this Agreement. Within ten (10) days after a suspension, cancellation or non-renewal of coverage, Licensee shall provide a replacement certificate of insurance to the City. The City shall have the option to suspend Licensee's authorization and liability under this Agreement should there be a lapse in coverage at any time during this Agreement. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

6.03. LICENSEE WAIVES ALL RIGHTS OF RECOVERY AGAINST LICENSOR (AND ANY OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES OF LICENSOR), AND AGREES TO RELEASE THE LICENSOR FROM LIABILITY, FOR LOSS OR DAMAGE TO THE EXTENT SUCH LOSS OR DAMAGE IS COVERED BY VALID AND COLLECTIBLE PROPERTY INSURANCE IN EFFECT COVERING LICENSEE AT THE TIME OF SUCH LOSS OR DAMAGE WHETHER OR NOT SUCH DAMAGE OR LOSS MAY BE ATTRIBUTABLE TO THE NEGLIGENCE OF LICENSOR OR ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES. IT IS THE EXPRESS INTENT OF LICENSOR AND LICENSEE THAT THE WAIVER OF SUBROGATION CONTAINED IN THIS SECTION APPLY TO ALL MATTERS DESCRIBED HEREIN, INCLUDING, WITHOUT LIMITATION, ANY OF THE SAME THAT ARE CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF LICENSOR OR ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES.

## VII. INDEMNIFICATION

7.01. Licensee shall indemnify, defend, and hold harmless the City and its officers, agents and employees against all claims, suits, demands, judgments, damage, costs, losses, expenses,

including attorney's fees, or other liability for personal injury, death, or damage to any person or property which arises from or is in any manner caused by the activities of the Licensee under this Agreement, including any acts or negligent omissions of the Licensee, and its agents, officers, directors, or employees, while in the exercise or performance of the rights or duties under this Agreement. This indemnification provision, however, shall not apply to any claims, suits, demands, judgments, damage, costs, losses, or expenses arising solely from the negligent or willful acts or omissions of the City; provided that for the purposes of the foregoing, the City's entering into this Agreement shall not be deemed to be a "negligent or willful act."

## VIII. CONDITIONS

8.01. Maintenance. Licensee shall maintain the Licensed Property and the Improvements by maintaining the Improvements in good condition and making any necessary repairs to the Improvements at its expense. Licensee shall be responsible for any costs associated with electrical usage as a result of the Improvements.

8.02. Modification or Removal of Improvements. Licensee agrees that modification or removal of the Improvements shall be at Licensee's expense. Licensee shall obtain the proper permits prior to modification of the Improvements. Modification or removal shall be at Licensee's sole discretion, except where otherwise provided by this Agreement. This Agreement, until its expiration or revocation shall run as a covenant with the land, and the terms and conditions of this Agreement shall be binding on the grantees, successors and assigns of the Parties. Licensee shall cause any immediate successors-in-interest to have actual notice of this agreement.

8.03. Default; Notice. In the event that Licensee fails to maintain the Licensed Property or otherwise comply with the terms or conditions as set forth herein, the City shall give Licensee written notice by (i) registered or certified mail, return receipt requested, (ii) courier, or (iii) nationally recognized overnight delivery (i.e. Fed Ex or UPS). Licensee shall have thirty (30) days from the date of receipt of such notice to take action to remedy the failure complained of, and, if Licensee does not satisfactorily remedy the same within the thirty (30) day period, to the City's satisfaction, the City may terminate this Agreement. The Parties addresses for notice are as follows:

City:

City of Manor  
Attn: City Manager  
105 E. Eggleston Street  
Manor, Texas 78653

with a copy to:

The Knight Law Firm, LLP  
Attn: Paige Saenz/Veronica Rivera  
223 West Anderson Lane, Suite A-105  
Austin, Texas 78752

Licensee:

\_\_\_\_\_  
Attn: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

with a copy to:

\_\_\_\_\_  
Attn: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

8.04. Remedies. The Licensee agrees that in the event of a default on its part under this Agreement, the City shall have available to it equitable remedies including, without limitation, the right of the City to obtain a writ of mandamus or an injunction, or seek specific performance against the Licensee to enforce the Licensee's obligations under this Agreement.

8.05. Compliance. Notwithstanding any other term, provision or conditions of this Agreement, subject only to prior written notification to the Licensee, this Agreement is revocable by the City if Licensee fails to comply with the terms and conditions of this Agreement or otherwise fails to comply with the terms and conditions of this Agreement, including, but not limited to, the insurance requirements specified herein.

8.06. Force Majeure. Licensor shall not be liable to Licensee for events beyond the control of Licensor that prevents or restricts access to the Licensed Property ("Event of Force Majeure"). Events of Force Majeure shall include, without limitation: Acts of God; strikes, lockouts, or other industrial disputes; epidemics, pandemics, civil disturbances, acts of domestic or foreign terrorism, riots or insurrections; landslides, lightning, earthquakes, fire, storms, floods or washouts; explosions; interruptions by government or court orders; declarations of emergencies by applicable federal, state or local authorities; and, present or future orders of any regulatory body having proper jurisdiction and authority. If the use of the Licensed Property is prevented in whole or in material part by an Event of Force Majeure that extends more than ninety (90) days, the Parties shall review the Event of Force Majeure to determine if termination of this Agreement is warranted by Licensor. If the Parties determine that the Event of Force Majeure indefinitely restricts Licensee from accessing the Licensed Property, then Licensor may terminate this Agreement upon written notice. Licensee agrees that its exclusive remedy in the event of termination under this paragraph shall be a refund of the unearned fees and charges paid by Licensee prior to the termination. Licensee hereby releases and waives all claims against Licensor for any cost, loss, expense, liability, or damages sustained by reason of such termination.

## IX. COMMENCEMENT AND TERMINATION

9.01. This Agreement shall begin with the effective date set forth above and continue thereafter for so long as the Licensed Property shall be used for the purposes set forth herein, unless otherwise terminated. If Licensee abandons construction or maintenance of all or any part of the Improvements or Licensed Property as set forth in this Agreement, then this Agreement, shall expire and terminate following thirty (30) days written notice to the Licensee if such abandonment has not been remedied by the Licensee within such period; the City shall thereafter have the same complete title to the Licensed Property so abandoned as though this Agreement had never been made and shall have the right to enter the Licensed Property and terminate the rights of Licensee, its successors and assigns hereunder. All installations of Licensee not removed shall be deemed property of the City as of the time abandoned.

## **X. TERMINATION**

10.01. Termination by Licensee. This Agreement may be terminated by Licensee by delivering written notice of termination to the City not later than thirty (30) days before the effective date of termination. If Licensee so terminates, then it shall remove all Improvements that it made to the Licensed Property within the thirty (30) day notice period at its sole cost and expense. Failure to do so shall constitute a breach of this Agreement.

10.02. Termination by City. Subject to prior written notification to Licensee or its successor-in-interest from the City, this Agreement is revocable by the City if:

- (a) The Improvements, or a portion of them, interfere with the City's right-of-way; or
- (b) Use of the right-of-way area becomes necessary for a public purpose; or
- (c) The Improvements, or a portion of them, constitute a danger to the public which the City deems not remediable by alteration or maintenance of such Improvements.

## **XI. EMINENT DOMAIN**

11.01. If eminent domain is exerted on the Licensed Property by paramount authority, then the City will, to the extent permitted by law, cooperate with Licensee to effect the removal of Licensee's affected installations or Improvements thereon, at Licensee's sole expense. Licensee shall be entitled to retain all monies paid by the condemning authority to Licensee for Licensee's installations or Improvements taken, if any.

## **XII. INTERPRETATION**

12.01. Although drawn by the City, this Agreement shall, in the event of any dispute over its intent, meaning, or application, be interpreted fairly and reasonably, and neither more strongly for or against either Party.

## **XIII. APPLICATION OF LAW**

13.01. This Agreement shall be governed by the laws of the State of Texas. If the final judgment

of a court of competent jurisdiction invalidates any part of this Agreement, then the remaining parts shall be enforced, to the extent possible, consistent with the intent of the Parties as evidenced by this Agreement.

#### **XIV. VENUE**

14.01. Venue for all lawsuits concerning this Agreement will be in Travis County, Texas.

#### **XV. COVENANT RUNNING WITH LAND; WAIVER OF DEFAULT**

15.01. This Agreement and all of the covenants herein shall run with the land; therefore, the conditions set forth herein shall inure to and bind each Party's successors and assigns. Either party may waive any default of the other at any time by written instrument, without affecting or impairing any right arising from any subsequent or other default.

#### **XVI. ASSIGNMENT**

16.01. Licensee shall not assign, sublet or transfer its interest in this Agreement without the written consent of the City, which consent shall not be unreasonably withheld. Subject to the assignee's compliance with the insurance requirements set forth herein, if any, the Licensee shall furnish to the City a copy of any such assignment or transfer of any of the Licensee's rights in this Agreement, including the name, address, and contact person of the assignee, along with the date of assignment or transfer.

#### **XVII. MISCELLANEOUS**

17.01. No Warranty. LICENSOR MAKES NO REPRESENTATION OR WARRANTY AS TO THE NATURE OR EXTENT OF ITS RIGHT, TITLE, OR INTEREST IN OR TO THE LICENSED PROPERTY, AND ANY IMPLIED REPRESENTATION OR WARRANTY AS TO THE NATURE OR EXTENT OF LICENSOR'S RIGHT, TITLE, AND INTEREST IN OR TO THE LICENSED PROPERTY IS HEREBY EXPRESSLY DISAVOWED BY LICENSOR. FURTHERMORE, LICENSEE ACKNOWLEDGES AND AGREES THAT IT ACCEPTS THE CONDITION OF THE LICENSED PROPERTY "AS-IS" WITH ANY AND ALL LATENT AND PATENT DEFECTS, AND LICENSEE ACKNOWLEDGES THAT LICENSOR HAS NOT MADE AND DOES NOT MAKE ANY WARRANTIES OF THE CONDITION OF THE LICENSED PROPERTY OR THAT THE LICENSED PROPERTY IS FIT FOR A PARTICULAR PURPOSE. WITHOUT LIMITING THE FOREGOING, LICENSEE ACKNOWLEDGES AND AGREES THAT IT WILL INSTALL ALL IMPROVEMENTS LICENSEE REQUIRES ON THE LICENSED PROPERTY, IS RESPONSIBLE FOR THEIR COMPLIANCE WITH ALL APPLICABLE LAWS, AND IS RESPONSIBLE FOR ALL LICENSES, EASEMENTS, PERMITS, CONSENTS, OR PERMISSIONS REQUIRED FOR LICENSEE'S USE OF THE LICENSED PROPERTY AND LICENSOR WILL HAVE NO LIABILITY OR RESPONSIBILITY THEREFORE.

17.02. Obligation to Report. If Licensee is aware any dangerous or defective condition exists on



the Licensed Property that, under the normal course of business is the responsibility of the Licensor, and Licensee fails to report the problem to Licensor, Licensee continues to be responsible for its obligations established in this Agreement. Under these circumstances, Licensor will not be liable for any detrimental consequences.

17.03. No Waiver. The failure of Licensor to insist in any one or more cases upon the performance of any of the provisions, covenants, agreements or conditions of this Agreement or to exercise any option herein contained shall not be construed as a waiver or a relinquishment for the future of any such provision, covenant, agreement, condition or option. Receipt by Licensor of License Fees or of any other payment or the acceptance by Licensor of performance of anything required by this Agreement to be performed with knowledge of the breach of a covenant shall not be deemed a waiver of such breach. The failure to enforce or any delay in the enforcement of any privileges, rights, defenses, remedies, or immunities detailed in the Agreement or otherwise available to Licensor by law will not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. No waiver of any provision, covenant, agreement or condition of this Agreement shall be deemed to have been made unless expressed in writing and signed by the party against whom such waiver is charged. The express waiver by either Licensor or Licensee of any breach shall not operate to extinguish the covenant or condition, the breach of which has been waived.

17.04. Governmental Entity. The City of Manor is a governmental entity and nothing contained herein shall be deemed a waiver of any rights or privileges afforded governmental entities under the laws of the state of Texas law or the Texas Constitution.

17.05. Compliance with Laws. Licensee agrees not to use the Licensed Property for any unlawful purpose. Licensor reserves the right, in its sole discretion, to unilaterally amend this Agreement at any time to incorporate any modifications necessary for Licensor's compliance, with all applicable state and federal laws, regulations, requirements and guidelines. Licensor will provide Licensee with notice of any such required changes by written notice.

17.06. No Joint Venture. This Agreement does not intend to, and nothing contained in this Agreement shall, create any partnership, joint venture or other joint or equity type agreement between Licensor and Licensee.

17.07. No Third-Party Beneficiaries. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm, organization, or corporation not a party to this Agreement and no such other person, firm organization or corporation shall have any right or cause of action hereunder.

17.08. Severability. If any provisions of this Agreement are, for any reason, held by a court to be unenforceable, then the invalidity of such provision will not invalidate any other provisions, which other provisions will remain in full force and effect unless removal of such invalid provision destroys the legitimate purpose of the Agreement, in which event the Agreement will be terminated.

17.09. Personal License. The rights and privileges herein given are personal to the Licensee.

Licensee has no exclusive rights or benefits other than those set forth herein.

17.10. Right of Entry. At any time during the term hereof, Licensor or its representatives shall have the right, without disturbance of Licensee's use or possession, to enter the Licensed Property.

17.11. Dates of Performance. In the event that the date for performance by either party of any obligation under this Agreement are required to be performed by such party falls on a Saturday, Sunday or national holiday, the time for performance of such obligation shall be deemed extended until the next business day following such date.

17.12. Exhibits. This Agreement incorporates by reference the following Exhibits:

1. Exhibit "A" (Licensed Property)
2. Exhibit "B" (Insurance and Minimum Coverage Requirement)

17.13. Entire Agreement. This Agreement, and any exhibits, embodies the entire agreement and understanding between the Parties relating to the transaction contemplated hereby and supersedes any and all prior or contemporaneous oral or written statements concerning the subject matter of this Agreement. In executing this Agreement, the Parties do not rely upon any statement, promise, or representation not expressed herein.

17.14. Modification. This Agreement may not be modified, changed or altered in any respect except by the mutual written agreement of the Parties.

17.15. Counterparts. This Agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which, together shall constitute one and the same instrument.

17.16. Interpretation. Whenever used herein, the term "including" shall be deemed to be followed by the words "without limitation". Words used in the singular number shall include the plural, and vice-versa, and any gender shall be deemed to include each other gender.

17.17. Survival. Termination of this Agreement shall not relieve Licensee's liability or obligation set forth in this Agreement that is expressly stated to survive termination of this Agreement.

**[remainder of page intentionally left blank; signature pages to follow]**

**ACCEPTED** this the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

THE CITY:

CITY OF MANOR

\_\_\_\_\_  
Scott Moore, City Manager

ATTEST:

By: \_\_\_\_\_  
Name: Lluvia T. Almaraz, TRMC  
Title: City Secretary

STATE OF TEXAS                   §  
   §  
COUNTY OF TRAVIS           §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2024, by Scott Moore, as City Manager of THE CITY OF MANOR, TEXAS, a home-rule municipality, on behalf of said City.

\_\_\_\_\_  
Notary Public, State of Texas

LICENSEE:

Lennar Homes of Texas Land and  
Construction Ltd,  
a Texas limited corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE STATE OF TEXAS     §

§

COUNTY OF TRAVIS     §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2024, by  
\_\_\_\_\_, \_\_\_\_\_ of Lennar Homes of Texas Land and Construction  
Ltd, a Texas limited corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public, State of Texas

LIT IDV Ranch 130 Phase I, LLC,  
a Texas limited liability corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF TEXAS     §  
                                     §  
COUNTY OF TRAVIS     §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2024, by \_\_\_\_\_, \_\_\_\_\_ of LIT IDV Ranch 130 Phase I, LLC, a Texas limited liability corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public, State of Texas

AFTER RECORDING, PLEASE RETURN TO:

City of Manor  
Attn: City Secretary  
105 E. Eggleston Street  
Manor, Texas 78653

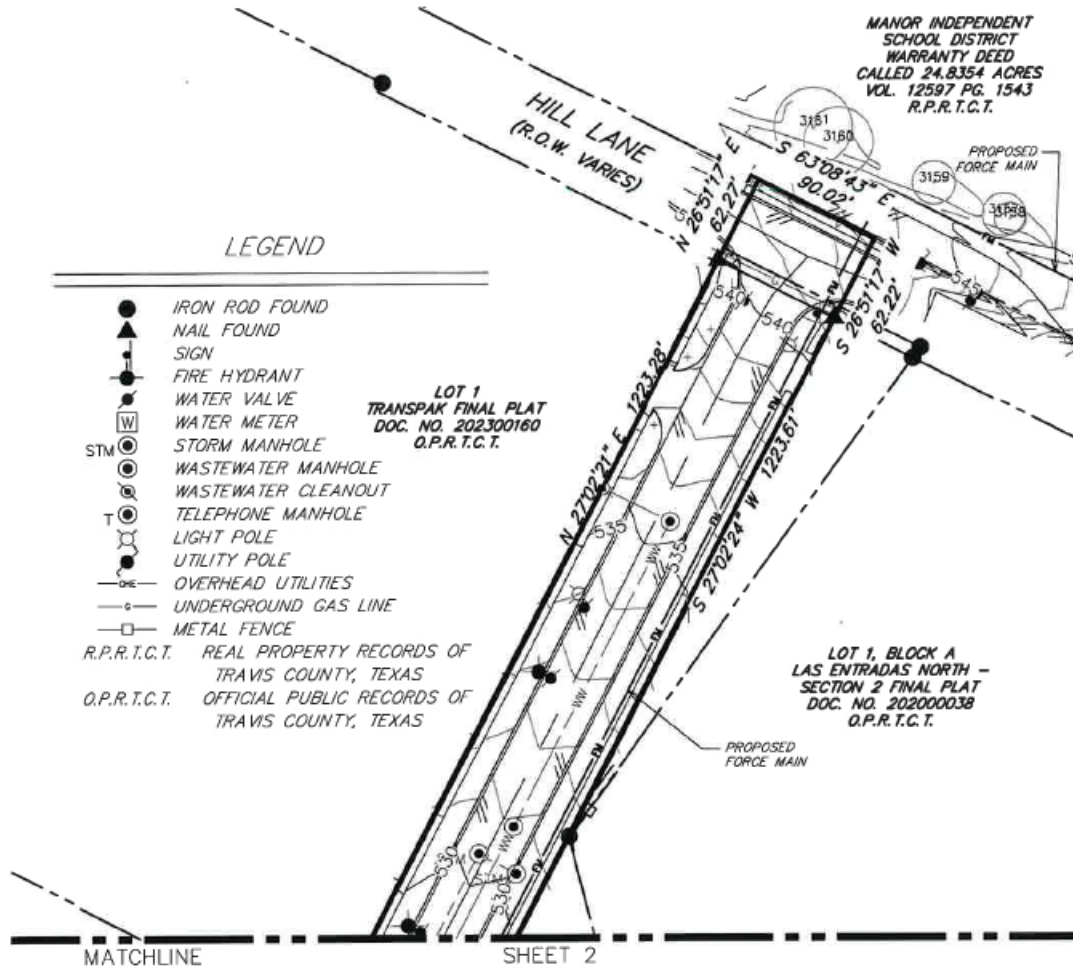
**Exhibit “A”**  
**[attachment follows this page]**

Exhibit A P. 1 of 4

# ENTRADA BLVD EXHIBIT

SCALE-1" = 100'

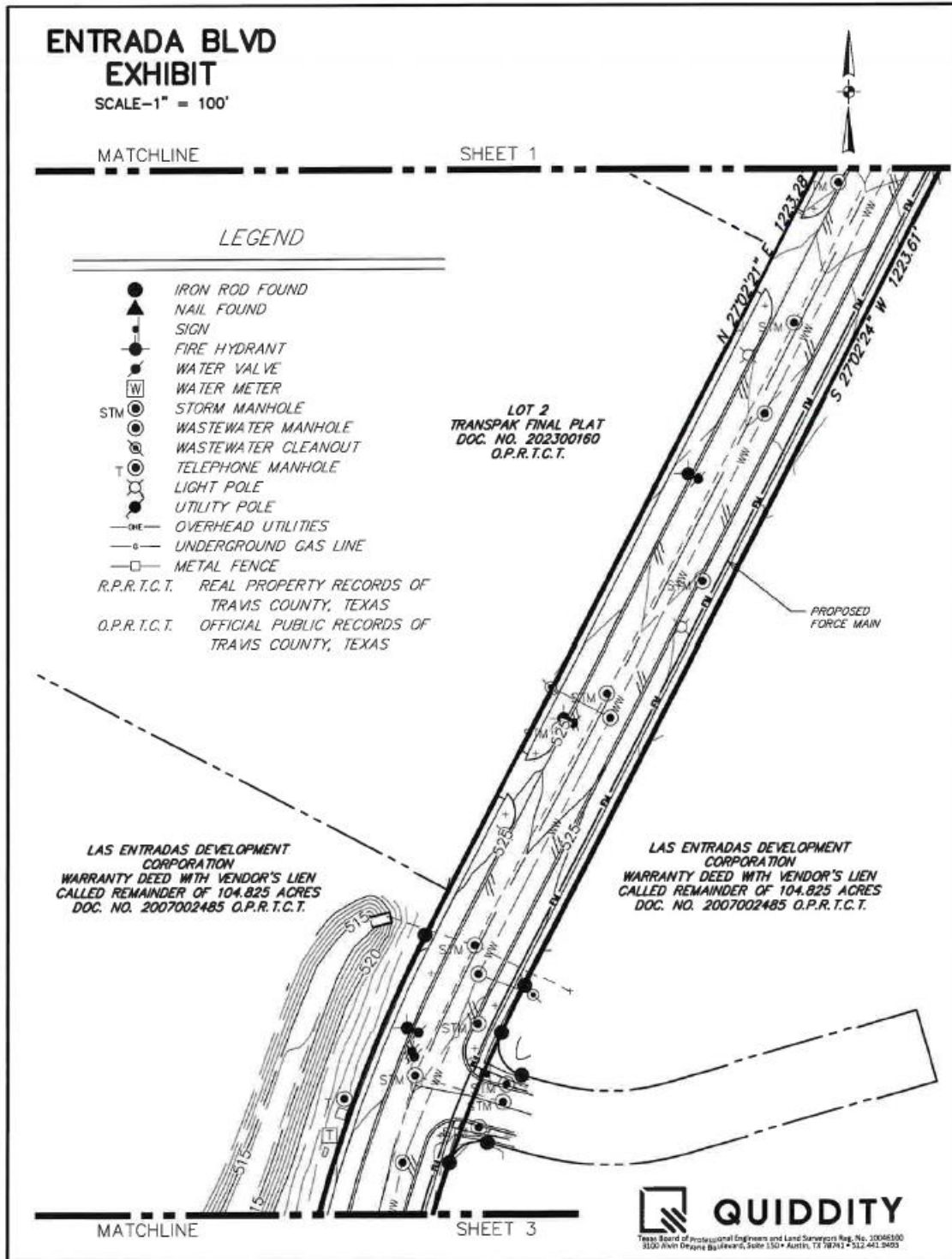
CURVE TABLE						
CURVE	DEF. TA	ANGLE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING
C1	42°56'07"		1119.75'	839.10'	819.60'	N 05°34'59" E
C2	42°56'03"		1029.83'	771.70'	753.77'	S 05°34'58" W


**QUIDDITY**

Texas Board of Professional Engineers and Land Surveyors Reg. No. 10946100  
 3500 Alton Deane Boulevard, Suite 350 • Austin, TX 78741 • 512.443.9488

R:\28631\28631-0002-01 Gregg Manor Subdivision - LS & FM\1 Surveying Phase\CAD Files\Working Dwg\28631-0002-01 Survey.dwg

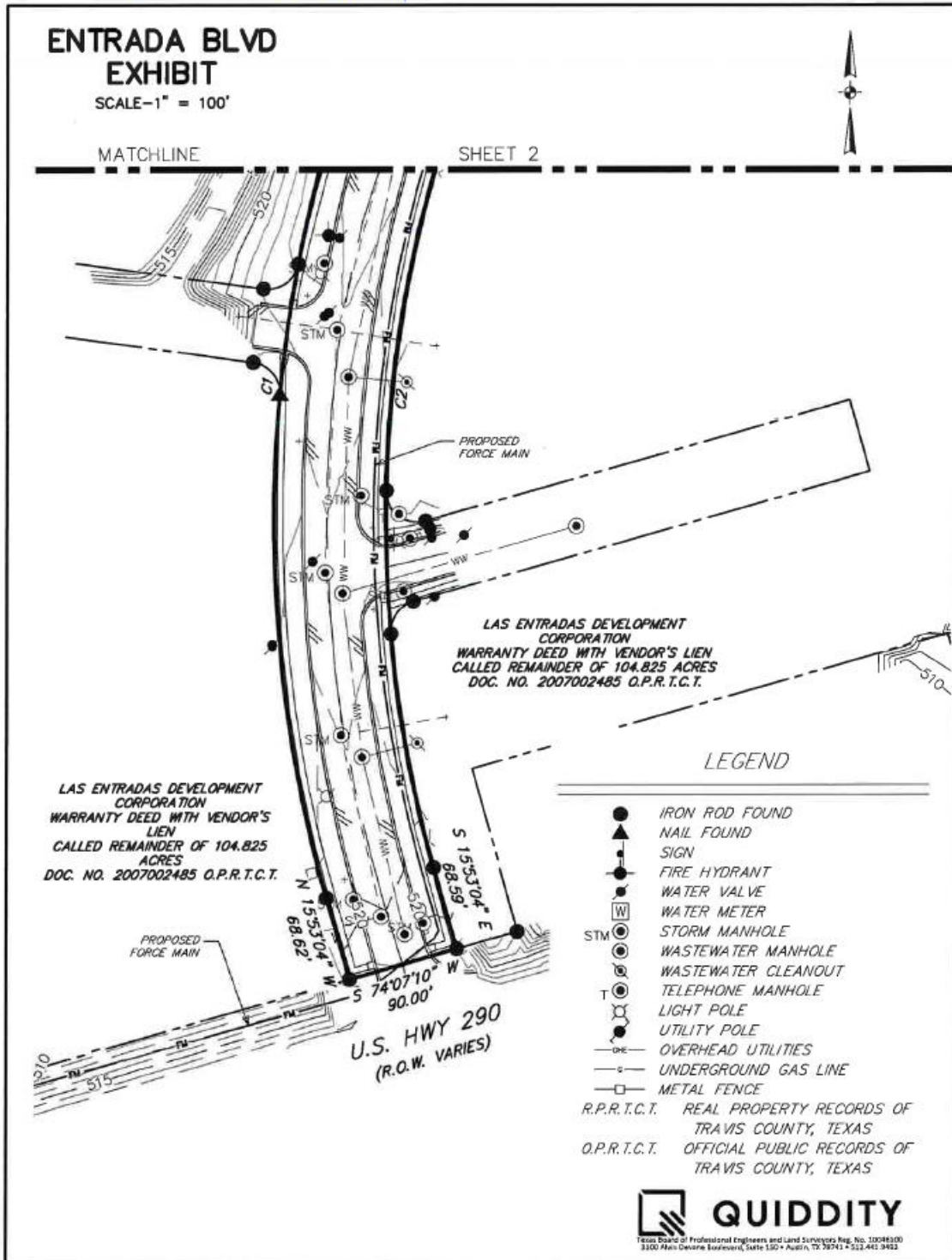
Ex A: P. 2 of 4



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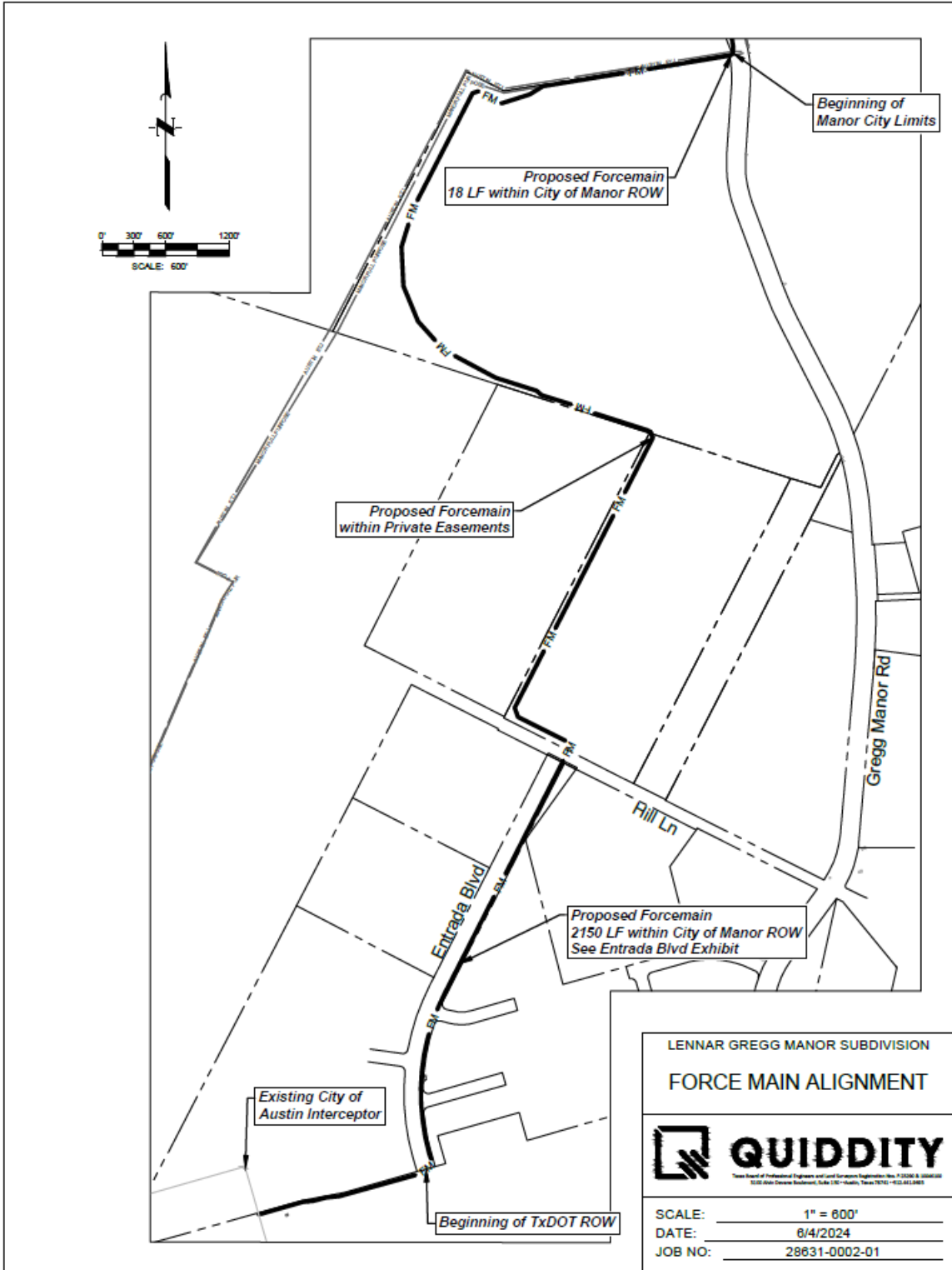


Ex A: P. 3 of 4



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K:\28631\28631-0002-01 Gregg Manor Subdivision - LS & FM\2 Design Phase\CAD\Exhibits\Forcemain Alignment Manor ISD 2023 0220.dwg



**Exhibit “B”**  
**CITY OF MANOR INSURANCE REQUIREMENTS**

Licensee shall, at its own cost and expense, procure the insurance set forth below and promptly pay when due all premiums for the insurance. The insurance shall be kept in full force during the life of the Agreement.

Licensee’s insurance shall be: primary and non-contributory with respect to any insurance which might be carried by Licensor and contain a contractual waiver of subrogation.

Licensee shall furnish to Licensor certificate(s) of insurance evidencing the required coverage and endorsement(s) and, upon request, a certified duplicate original of any of those policies.

Licensee shall notify Licensor in writing of any material alteration of such policies, including any change in the retroactive date in any “claims-made” policy or substantial reduction of aggregate limits, if such limits apply or cancellation thereof at least thirty (30) days prior thereto.

All insurance policies shall be written by reputable insurance company or companies acceptable to Licensor with a current Best’s Insurance Guide Rating of A+ and Class XIII or better. All insurance companies shall be authorized to transact business in the State of Texas.

**CITY OF MANOR MINIMUM COVERAGE REQUIREMENTS**

1. Commercial General Liability Insurance Coverage with limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) per occurrence and a combined Aggregate of Two Million Dollars and No/100 Dollars (\$2,000,000) with coverage that includes:

- Premises/operations
- Independent contractors
- Personal Injury
- Contractual Liability pertaining to the liabilities assumed in the agreement
- Underground (when ground surface is disturbed),

which coverage may be provided in the form of a rider and/or endorsement to a previously existing insurance policy. Such insurance shall include a contractual endorsement pertaining to the liabilities assumed in the Agreement.

2. Comprehensive Automobile insurance coverage with minimum limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with combined single limit of Two Million Dollars and No/100 Dollars (\$2,000,000).
3. Workers’ Compensation with Statutory limits
4. Employer Liability Insurance with minimum limits of \$1,000,000

Such insurance shall include a contractual endorsement which acknowledges all indemnification requirements under the Agreement.

**Note:** Such policies of insurance and certificates provided by Licensee shall provide (i) that Licensor is named as an additional insured (except for workers' compensation insurance), (ii) that the named insured's insurance is primary and non-contributory with any insurance maintained by Licensor, (iii) a contractual waiver of subrogation where required by written contract or agreement, and (iv) that Licensor shall receive notice of any cancellation of the policy.