

**WORK SESSION AGENDA OF THE CITY COUNCIL OF
HURST, TEXAS
CITY HALL, 1505 PRECINCT LINE ROAD
FIRST FLOOR CONFERENCE ROOM
TUESDAY, AUGUST 22, 2023 – 5:30 P.M.**

I. Call to Order

II. Informational Items

- **Update and discussion of upcoming Calendar Items**

III. Update and discussion of Regular Agenda Items

IV. Discussion of Agenda Item(s) 2

Consider authorizing the city manager or his designee to enter into a Discretionary Service Agreement with ONCOR Electric Delivery Company, for electrical line relocation work at the Mary Drive 0.75 MG Elevated Storage Tank site

V. Discussion of Agenda Item(s) 3, 4, 5 and 6

Consider Ordinance 2546 (a), second reading, adopting budget for fiscal year beginning October 1, 2023 and ending September 30, 2024

Consider Ordinance 2546 (b), second reading, ratifying the Property Tax Revenue Increase reflected in the Fiscal Year 2023-2024 Budget

Consider Ordinance 2547, second reading, setting the tax rate for the 2023 tax year

Consider Ordinance 2548, second reading, adopting water and wastewater rates for Fiscal Year 2023-2024

VI. Discussion of Agenda Item(s) 7

Consider Resolution 1839 adopting the City of Hurst Investment Policy

VII. Discussion of Agenda Item(s) 8

Consider Resolution 1840 to meet match requirements for expenditures under the Tarrant County Home Investment Partnership Program

VIII. Discussion of Agenda Item(s) 9

Consider engagement with Forvis for Professional Auditing Services

EXECUTIVE SESSION in Compliance with the Provisions of the Texas Open Meetings Law, Authorized by Government Code, 551.072, deliberation of the purchase, exchange, lease, or value of real property (1848 Precinct Line Road) and to reconvene in Open Session at the Conclusion of the Executive Session to consider and take any necessary action

IX. ADJOURNMENT

Posted by: _____

This the 18th day of August 2023, by 5:00 p.m., in accordance with Chapter 551, Texas Government Code.

Any item on this posted agenda could be discussed in executive session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and section 561.087 of the Texas Government Code.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (817) 788-7041 or FAX (817) 788-7054, or call TDD 1-800-RELAY-TX (1-800-735-2989) for information or assistance.

**REGULAR MEETING AGENDA OF THE CITY COUNCIL OF HURST, TEXAS
CITY HALL, 1505 PRECINCT LINE ROAD
TUESDAY, AUGUST 22, 2023**

AGENDA:

5:30 p.m. - Work Session (City Hall, First Floor Conference Room)

6:30 p.m. - City Council Meeting (City Hall, Council Chamber)

CALL TO ORDER

INVOCATION (Mayor Henry Wilson)

PLEDGE OF ALLEGIANCE

PROCLAMATION(S)/PRESENTATION(S)

CONSENT AGENDA

1. Consider approval of the minutes for the August 15, 2023 City Council meeting
2. Consider authorizing the city manager or his designee to enter into a Discretionary Service Agreement with ONCOR Electric Delivery Company, for electrical line relocation work at the Mary Drive 0.75 MG Elevated Storage Tank site

BUDGET RELATED ITEM(S)

3. Consider Ordinance 2546 (a), second reading, adopting budget for fiscal year beginning October 1, 2023 and ending September 30, 2024
4. Consider Ordinance 2546 (b), second reading, ratifying the Property Tax Revenue Increase reflected in the Fiscal Year 2023-2024 Budget
5. Consider Ordinance 2547, second reading, setting the tax rate for the 2023 tax year
6. Consider Ordinance 2548, second reading, adopting water and wastewater rates for Fiscal Year 2023-2024

RESOLUTION(S)

7. Consider Resolution 1839 adopting the City of Hurst Investment Policy
8. Consider Resolution 1840 to meet match requirements for expenditures under the

Tarrant County Home Investment Partnership Program

OTHER BUSINESS

9. Consider engagement with Forvis for Professional Auditing Services
10. Board, Commission, and Committee Minutes
 - Library Board
 - Hurst Community Arts and Historic Landmark Preservation Committee
 - Parks and Recreation Board
11. Review of upcoming calendar items
12. City Council Reports - Items of Community Interest

PUBLIC INVITED TO BE HEARD – A REQUEST TO APPEAR CARD MUST BE COMPLETED AND RETURNED TO THE CITY SECRETARY TO BE RECOGNIZED. CITIZEN COMMENTS ARE LIMITED TO A MAXIMUM OF 3 MINUTES PER SPEAKER.

EXECUTIVE SESSION in Compliance with the Provisions of the Texas Open Meetings Law, Authorized by Government Code, 551.072, deliberation of the purchase, exchange, lease, or value of real property (1848 Precinct Line Road) and to reconvene in Open Session at the Conclusion of the Executive Session to consider and take any necessary action

13. Take any and all action necessary ensuing from Executive Session

ADJOURNMENT

Posted by: _____

This 18th day of August 2023, by 5:00 p.m., in accordance with Chapter 551, Texas Government Code.

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**Minutes
Hurst City Council
Work Session
Tuesday, August 15, 2023**

On the 15th day of August 2023, at 5:30 p.m., the City Council of the City of Hurst, Texas, convened in Work Session at City Hall, 1505 Precinct Line Road, Hurst, Texas, with the following members present:

Henry Wilson	)	Mayor
Gary N. Waldron	)	Mayor Pro Tem
Cathy Brotherton	)	Councilmembers
Jon McKenzie)	
Cindy Shepard)	
John Miller)	
Jimmy Meeks)	
Clay Caruthers	)	City Manager
Sarah Walsh	)	City Attorney
Clayton Fulton	)	Assistant City Manager
Rita Frick	)	City Secretary
Michelle Lazo	)	Executive Director of Planning and Development
Steve Bowden	)	Executive Director of Economic Development
Shelly Klein	)	Assistant to the City Manager

With the following Councilmembers absent: none, constituting a quorum, at which time, the following business was transacted:

I. Call to Order – The meeting was called to order at 5:30 p.m.

II. Informational Items

- **Update and discussion of upcoming Calendar Items** – City Manager Clay Caruthers reminded Council of the Hurst-Eules-Bedford Independent School District collaboration meeting, Wednesday, August 16, 2023, 6:00 p.m. at the Pat May Center and noted the air conditioner was fixed at the Library.
- **Update and discussion of Hurst Code of Ordinances, Section 27-21 - Special development controls** – City Manager Clay Caruthers briefed Council on the masonry requirements under the Chapter 27-21 of the Hurst Code of Ordinances noting recent code enforcement regarding fencing on Glade Road and fencing for litter control on Precinct Line and Thousand Oaks. Council discussed the special development controls including safety and aesthetics.

III. Update and discussion of Regular Agenda Items

IV. Discussion of Agenda Item(s) 5, 6, 7, 8, 9 and 10

Conduct a Public Hearing to consider the budget for fiscal year beginning October 1, 2023

and ending September 30, 2024

Conduct a Public Hearing to consider tax rate for the City's 2023-2024 Fiscal Year Budget

Consider Ordinance 2546 (a), first reading, adopting budget for fiscal year beginning October 1, 2023 and ending September 30, 2024

Consider Ordinance 2546 (b), first reading, ratifying the Property Tax Revenue Increase reflected in the Fiscal Year 2023-2024 Budget

Consider Ordinance 2547, first reading, setting the tax rate for the 2023 tax year

Consider Ordinance 2548, first reading, adopting water and wastewater rates for Fiscal Year 2023-2024

City Manager Clay Caruthers and Assistant City Manager Clayton Fulton briefed Council on Work Session Item IV relative to the budget related items. Mr. Fulton provided an article for Council's future reading regarding property tax in Texas compared to other states. Also discussed was the stormwater drainage fee adjustment to be adjusted over the next three years, and that an average Hurst resident will still be below other area cities. City Manager Caruthers reviewed the numerous capital project needs supported by this fee including environmental costs to the City of Fort Worth. Staff reviewed the proposed budget and tax rate, noting the proposed budget includes all items discussed during the Council's budget work session on July 31, 2023 and with the water rate and storm drainage fees and proposed property tax increase, the annual increase to the average homeowner in the City is approximately \$80 to \$90 a year. Also reviewed were area cities proposed no new revenue and voter approval rates, noting Hurst has the lowest spread between these rates, which is only one cent, reiterating you can't really compare one city to another by just looking at the tax rate. Mr. Fulton stated the proposed tax rate impact to the average homeowner is about \$22 a year and the majority of these funds were to support public safety and infrastructure, which is where the citizens have said is their highest priority. Mr. Fulton also reviewed unfunded needs that will be addressed through the special project funds including one-time purchases which are mainly infrastructure and equipment and one-time employee pay.

V. ADJOURNMENT – Mayor Wilson adjourned the work session at 6:24 p.m.

APPROVED this the 22nd day of August 2023.

ATTEST:

Rita Frick, City Secretary

APPROVED:

Henry Wilson, Mayor

City Council Minutes
Tuesday, August 15, 2023

On the 15th day of August 2023, at 6:30 p.m., the City Council of the City of Hurst, Texas, convened in a regular meeting at City Hall, 1505 Precinct Line Road, Hurst, Texas, with the following members present:

Henry Wilson	)	Mayor
Gary Waldron	)	Mayor Pro Tem
Cathy Brotherton	)	Councilmembers
Cindy Shepard)	
Jon McKenzie)	
John Miller)	
Jimmy Meeks)	
Clay Caruthers	)	City Manager
Sarah Walsh	)	City Attorney
Clayton Fulton	)	Assistant City Manager
Rita Frick	)	City Secretary
Shelly Klein	)	Assistant to the City Manager
Paul Brown	)	Managing Director of Finance

With the following Councilmember absent: none, constituting a quorum; at which time, the following business was transacted:

The meeting was called to order at 6:30 p.m. and the Pledge of Allegiance and Texas Pledge were given.

Mayor Pro Tem Gary Waldron gave the Invocation.

PROCLAMATION(S)/PRESENTATION(S)

1. Presentation of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award

Mayor Wilson recognized Assistant City Manager Clayton Fulton who reviewed the criteria for the Distinguished Budget Award noting this marks the 35th consecutive year for the City to receive this recognition. He noted the positive comments made by reviewers and thanked Managing Director of Finance Paul Brown and Shelly Klein for their assistance. Mr. Fulton also noted the special recognition received for the FY23 Budget document in the category of Special Strategic Goals and Strategies, noting this is the first time the award has been received by the city. He thanked Council and staff and Council for their leadership and work City Manager Caruthers stated in his many years being involved in the budget world, he has also seen two of the Special Recognition awards.

CONSENT AGENDA

2. Consider approval of the minutes for the August 8, 2023 City Council meetings
3. Consider Ordinance 2544, second reading, adopting the Crime Control and Prevention District budget for fiscal year beginning October 1, 2023 and ending September 30, 2024
4. Consider Ordinance 2545, second reading, amending the City of Hurst Code of Ordinances by repealing Chapter 14 Offenses and Miscellaneous Provisions, Article III – Curfew Hours for Minors

Mayor Pro Tem Waldron moved to approve the consent agenda. Motion seconded by Councilmember Miller. Motion prevailed by the following vote:

Ayes: Councilmembers Brotherton, McKenzie, Waldron, Shepard, Miller and Meeks

No: None

PUBLIC HEARING(S) AND BUDGET RELATED ITEM(S)

5. Conduct a Public Hearing to consider the budget for fiscal year beginning October 1, 2023 and ending September 30, 2024

Mayor Wilson announced the public hearing to consider the budget for fiscal year beginning October 1, 2023 and ending September 30, 2024 and recognized Assistant City Manager Clayton Fulton who noted the publication of today's public hearing and noted the changes reflective in the budget from Council's July 31, 2023 budget work session. Assistant City Manager Clayton Fulton explained the Strategic and Budget Planning process noting it begins and ends with citizen input and engagement. He stated staff focused on the Council's Strategic Priorities and key budget considerations including public safety, infrastructure and community and economic vitality, inflationary pressures, sustaining the city's market driven total rewards, public safety equipment needs and adapting to the ongoing technological changes. Mr. Fulton stated the proposed operating budget is \$84.1 million for all funds. He noted revenue being 31% Charges for Service, 28% General and Half Cent Fund Sales and Use Taxes, 22% Property Taxes and 19% other revenues from fines, fees, and permits. Mr. Fulton noted the return on investment to the community through safe drinking water, animal services, professional administrative services, safe streets, houses and structures, and parks and recreations. Mr. Fulton reviewed the various funds comprising the total budget including the General Fund total revenue and expenditures of \$42,679,293, which is an increase of 5.17% over fiscal year 2022 budget. Mr. Fulton reviewed current tax rate of \$0.614043, a proposed rate of \$0.581150 being comprised of a maintenance and operation (M&O) rate of \$0.495572 and interest and sinking (I&S) rate of \$0.085578. He noted over a ten-year history, the city has maintained a below average to the Municipal Cost Index. Also, noted is that the average citizen of Hurst's value of approximately \$3.59 daily, is approximately 2% of the cost of one police officer and does not consider all other services being provided.

Mr. Fulton reviewed the tax rate history since 1992 noting Hurst has responded well to the community by lowering the rate when they could, giving back about 35 million since 1992. He reviewed the various tax relief measures totaling over \$10.7 million. Mr. Fulton explained the sales tax is more volatile than property tax and that Hurst's General Fund sales tax is 12% of the total sales tax. He reviewed General Fund Services noting about half is public safety, 32% is police, 24% Fire, 20% Community Services, 7% public works and then the remaining services.

Mr. Fulton reviewed the proposed Debt Service Fund budget of \$3,415,385 a -6.04% decrease over FY 23. He stated the I&S rate of \$0.085578 per \$100 valuation is a decrease of \$0.014712 per \$100 valuation. He reviewed the City's debt management noting the city will never refinance to a longer term. Also reviewed was the proposed Enterprise Fund budget with revenues of \$24.5 million and an operating budget of \$23.8 million. He noted capital projects of \$1.2 million and a proposed 4% increase in water/wastewater rates using the city's rate smoothing policy. Staff noted the high volatility of this fund and the city's decision to utilize a rate smoothing policy instead of high 10 to 12 percent increases in some years. Mr. Fulton reviewed fund resources and services noting 44% is wholesale costs. He compared the value of 1 gallon of water purchased at the store for a \$1.22 versus less than \$0.01 per gallon of tap water provided by the City.

Mr. Fulton reviewed the remaining funds noting the Crime Control and Prevention District 5.75 million operating budget, which was recently adopted by the Board and Council, is a property tax rate equivalent to approximately \$0.14. The Community Services Half Cent Fund 4.09 million operating budget, which is also a property tax equivalent of approximately \$0.14, noting projects to include Rickel Park playground replacement, Cottonbelt Trail bridge improvement and turf equipment. He reviewed Special Revenue Funds that account for revenues designated for a specific purpose and noted several FY 24 projects. Additionally, the Special Projects Fund for fiscal year 2024 was reviewed.

There being no one to speak, Mayor Wilson closed the public hearing.

6. Conduct a Public Hearing to consider tax rate for the City's 2023-2024 Fiscal Year Budget

Mayor Wilson announced a public hearing to consider tax rate for the City's 2023-2024 Fiscal Year Budget and recognized Assistant City Manager Clayton Fulton who stated most items were covered in detail in the budget presentation. He stated the proposed tax rate of \$0.581150. City Manager Clay Caruthers noted as discussed in Work Session, the city's 1.6% spread from the no-new-revenue rate and voter approval rate is very small and only \$21 dollars for the average residential home in Hurst.

There being no one to speak, Mayor Wilson closed the public hearing.

7. Consider Ordinance 2546 (a), first reading, adopting budget for fiscal year beginning October 1, 2023 and ending September 30, 2024

Mayor Wilson recognized Assistant City Manager Clayton Fulton who reviewed procedural processes to follow per code.

Councilmember Shepard moved to approve Ordinance 2546 (a), first reading, adopting budget for fiscal year beginning October 1, 2023 and ending September 30, 2024. Motion seconded by Councilmember Waldron. Motion prevailed by the following vote:

Ayes: Councilmembers Brotherton, McKenzie, Waldron, Shepard, Miller and Meeks

No: None

8. Consider Ordinance 2546 (b), first reading, ratifying the Property Tax Revenue Increase reflected in the Fiscal Year 2023-2024 Budget

Mayor Wilson recognized Assistant City Manager Clayton Fulton who noted state law and recommended motions.

Councilmember McKenzie moved in compliance with the Local Government Code, adoption of Ordinance 2546 (b) will ratify the property tax revenue increase in the 2023-2024 fiscal year budget. Motion seconded by Councilmember Brotherton. Motion prevailed by the following vote:

Ayes: Councilmembers Brotherton, McKenzie, Waldron, Shepard, Miller and Meeks

No: None

9. Consider Ordinance 2547, first reading, setting the tax rate for the 2023 tax year

Councilmember Brotherton moved with the adoption of Ordinance 2547, "I move that the property tax rate be increased by the adoption of a tax rate of 0.581150 which is effectively a 1.66 percent increase in the tax rate." Motion seconded by Councilmember Waldron. Motion prevailed by the following vote:

Ayes: Councilmembers Brotherton, McKenzie, Waldron, Shepard, Miller and Meeks

No: None

City Manager Clay Caruthers noted there is no need for a Special Council meeting on August 21st due to the acceptance by the Council of this rate. He explained the calendar deadline regarding a rate adoption that exceeds the voter approval rate.

10. Consider Ordinance 2548, first reading, adopting water and wastewater rates for Fiscal Year 2023-2024

Assistant City Manager Clayton Fulton stated this item was also reviewed during the budget presentation item and the recommendation is the normal 4% smoothing rate mainly due to absorbing the wholesale costs for both the City of Fort Worth and the Trinity River

Authority. He stated the ordinance will go into effect October 1, 2023 and show on the bills starting November 1, 2023.

Councilmember Miller moved to approve Ordinance 2548, first reading, including the proposed Water and Wastewater rates effective October 1, 2023, to be included in all city utility bills processed on, or after, November 1, 2023. Motion seconded by Councilmember Meeks. Motion prevailed by the following vote:

Ayes: Councilmembers Brotherton, McKenzie, Waldron, Shepard, Miller and Meeks

No: None

OTHER BUSINESS

11. Review of upcoming calendar items – City Manager Clay Caruthers reviewed the Future Event calendar noting city offices will be closed September 4, 2023 for the holiday and October 14, at 8:00 a.m. is the Household Hazardous Waste event.
12. City Council Reports - Items of Community Interest – No items were discussed.

PUBLIC INVITED TO BE HEARD – A REQUEST TO APPEAR CARD MUST BE COMPLETED AND RETURNED TO THE CITY SECRETARY TO BE RECOGNIZED. CITIZEN COMMENTS ARE LIMITED TO A MAXIMUM OF 3 MINUTES PER SPEAKER. No one spoke.

ADJOURNMENT

ADJOURNMENT – The meeting adjourned at 7:21 p.m.

APPROVED this the 22nd day of August 2023.

ATTEST:

APPROVED:

Rita Frick, City Secretary

Henry Wilson, Mayor

City Council Staff Report

SUBJECT: Consider authorizing the city manager or his designee to enter into a Discretionary Service Agreement with ONCOR Electric Delivery Company, for electrical line relocation work at the Mary Drive 0.75 MG Elevated Storage Tank site

Supporting Documents:

Location Map
Agreement

Meeting Date: 8/22/2023

Department: Public Works

Reviewed by: Greg Dickens

City Manager Review:

Background/Analysis:

In the design of the proposed Mary Drive Elevated Storage Tank (EST) at the current site in Central Park, there is a conflict with the existing aerial electric lines feeding the old Masonic Lodge and the Aquatic Center. On the attached maps, you can see the existing overhead electrical line will need to be relocated around the North and West side of the EST site. This requires a Discretionary Service Agreement between ONCOR and the City be executed. The agreement obligates the City to pay ONCOR \$33,275.20 for the electrical relocation work we are requesting, due to the conflict with the proposed EST.

Funding Sources and Community Sustainability:

Sufficient funds are available in the Water Impact Fee funds.

This engineering services contract meets Council’s priorities and goals of **Infrastructure, Public Safety, and Financial Sustainability.**

Recommendation:

Staff recommends City Council **authorize the city manager or his designee to execute the Discretionary Service Agreement with ONCOR Electric Delivery Company, for electrical line relocation work at the Mary Drive 0.75 MG Elevated Storage Tank site, at a total cost of \$33,275.20.**

LOCATION MAP



MARY DRIVE

LOT 1, BLOCK 1
GUTHRIE, GOLDEN, PAWCETT ADDITION
VOL. 388-103, PG. 843
P.R.T.C.T.

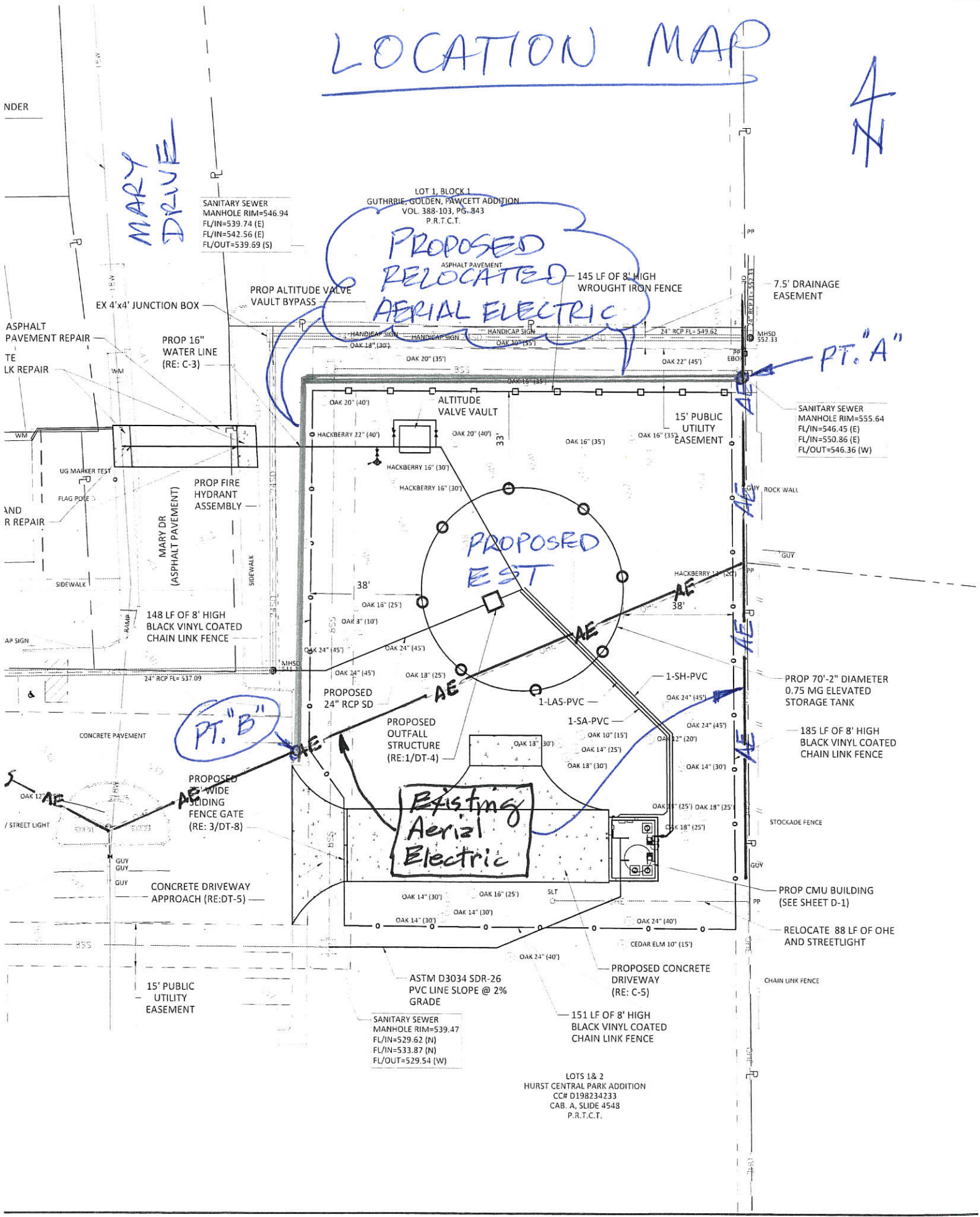
PROPOSED
RELOCATED
AERIAL ELECTRIC

PT. "A"

PT. "B"

Existing
Aerial
Electric

PROPOSED
EST



SANITARY SEWER
MANHOLE RIM=546.94
FL/IN=539.74 (E)
FL/IN=542.56 (E)
FL/OUT=539.69 (S)

7.5' DRAINAGE
EASEMENT

SANITARY SEWER
MANHOLE RIM=555.64
FL/IN=546.45 (E)
FL/IN=550.86 (E)
FL/OUT=546.36 (W)

148 LF OF 8' HIGH
BLACK VINYL COATED
CHAIN LINK FENCE

PROP 70'-2" DIAMETER
0.75 MG ELEVATED
STORAGE TANK

185 LF OF 8' HIGH
BLACK VINYL COATED
CHAIN LINK FENCE

CONCRETE DRIVEWAY
APPROACH (RE:DT-5)

PROP CMU BUILDING
(SEE SHEET D-1)

RELOCATE 88 LF OF OHE
AND STREETLIGHT

15' PUBLIC
UTILITY
EASEMENT

ASTM D3034 SDR-26
PVC LINE SLOPE @ 2%
GRADE

PROPOSED CONCRETE
DRIVEWAY
(RE: C-5)

151 LF OF 8' HIGH
BLACK VINYL COATED
CHAIN LINK FENCE

SANITARY SEWER
MANHOLE RIM=539.47
FL/IN=529.62 (N)
FL/IN=533.87 (N)
FL/OUT=529.54 (W)

LOTS 1 & 2
HURST CENTRAL PARK ADDITION
CCH# D198234233
CAB. A, SLIDE 4548
P.R.T.C.T.



Tariff for Retail Delivery Service Oncor Electric Delivery Company LLC

6.3 Agreements and Forms

Applicable: Entire Certified Service Area
Effective Date: September 21, 2009

Page 1 of 2

WR #: 21521949

Transaction ID: 24247

This Discretionary Service Agreement ("Agreement") is made and entered into this 3 day of August, 2023, by Oncor Electric Delivery Company LLC ("Oncor Electric Delivery Company" or "Company"), a Delaware limited liability company and distribution utility, and Greg Dickens and The City of Hurst TX ("Customer"), a N/A, each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Discretionary Services to be Provided** -- Company agrees to provide, and Customer agrees to pay for, the following discretionary services in accordance with this Agreement.

RELOCATION OF OVERHEAD FACILITIES

2. **Nature of Service and Company's Retail Delivery Service Tariff** -- Any discretionary services covered by this Agreement will be provided by Company, and accepted by Customer, in accordance with applicable Public Utility Commission of Texas ("PUCT") Substantive Rules and Company's Tariff for Retail Delivery Service (including the Service Regulations contained therein), as it may from time to time be fixed and approved by the PUCT ("Company's Retail Delivery Tariff"). During the term of this Agreement, Company is entitled to discontinue service, interrupt service, or refuse service initiation requests under this Agreement in accordance with applicable PUCT Substantive Rules and Company's Retail Delivery Tariff. Company's Retail Delivery Tariff is part of this Agreement to the same extent as if fully set out herein. Unless otherwise expressly stated in this Agreement, the terms used herein have the meanings ascribed thereto in Company's Retail Delivery Tariff.

3. **Discretionary Service Charges** -- Charges for any discretionary services covered by this Agreement are determined in accordance with Company's Retail Delivery Tariff. Company and Customer agree to comply with PUCT or court orders concerning discretionary service charges.

4. **Term and Termination** -- This Agreement becomes effective upon acceptance by Customer and continues in effect until 9/3/2023. Termination of this Agreement does not relieve Company or Customer of any obligation accrued or accruing prior to termination.

5. **No Other Obligations** -- This Agreement does not obligate Company to provide, or entitle Customer to receive, any service not expressly provided for herein. Customer is responsible for making the arrangements necessary for it to receive any further services that it may desire from Company or any third party.

6. **Governing Law and Regulatory Authority** -- This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to all valid, applicable federal, state, and local laws, ordinances, and rules and regulations of duly constituted regulatory authorities having jurisdiction.

7. **Amendment** -- This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties. But changes to applicable PUCT Substantive Rules and Company's Retail Delivery Tariff are applicable to this Agreement upon their effective date and do not require an amendment of this Agreement.

8. **Entirety of Agreement and Prior Agreements Superseded** -- This Agreement, including all attached Exhibits, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the service(s) expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, including without limitation N/A, and all such agreements and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.

9. **Notices** -- Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

(a) If to Company:

ONCOR ELECTRIC DELIVERY
2501 URBAN DR.
FORT WORTH TX 76106

Tariff for Retail Delivery Service Oncor Electric Delivery Company LLC

6.3 Agreements and Forms

Applicable: Entire Certified Service Area
Effective Date: September 21, 2009

Page 2 of 2

(b) If to Customer:
THE CITY OF HURST CITY HALL
1505 Precinct Line Rd.
Hurst, TX 76054

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other.

10. **Invoicing and Payment** – Invoices for any discretionary services covered by this Agreement will be mailed by Company to the following address (or such other address directed in writing by Customer), unless Customer is capable of receiving electronic invoicing from Company, in which case Company is entitled to transmit electronic invoices to Customer.

THE CITY OF HURST CITY HALL
1505 Precinct Line Rd.
Hurst, TX 76054

If Company transmits electronic invoices to Customer, Customer must make payment to Company by electronic funds transfer. Electronic invoicing and payment by electronic funds transfer will be conducted in accordance with Company's standard procedures. Company must receive payment by the due date specified on the invoice. If payment is not received by the Company by the due date shown on the invoice, a late fee will be calculated and added to the unpaid balance until the entire invoice is paid. The late fee will be 5% of the unpaid balance per invoice period.

11. **No Waiver** -- The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.

12. **Taxes** -- All present or future federal, state, municipal, or other lawful taxes (other than federal income taxes) applicable by reason of any service performed by Company, or any compensation paid to Company, hereunder must be paid by Customer.

13. **Headings** -- The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.

14. **Multiple Counterparts** -- This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

15. **Other Terms and Conditions** –

(i) Customer has disclosed to Company all underground facilities owned by Customer or any other party that is not a public utility or governmental entity, that are located within real property owned by Customer. In the event that Customer has failed to do so, or in the event of the existence of such facilities of which Customer has no knowledge, Company, its agents and contractors, shall have no liability, of any nature whatsoever, to Customer, or Customer's agents or assignees, for any actual or consequential damages resulting from damage to such undisclosed or unknown facilities.

(ii)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

Oncor Electric Delivery Company LLC

DocuSigned by:

Signature 09AE579A430...

John Davila

Printed Name

Designer

Title

08/03/2023 | 1:24:44 PM CDT

Date

Greg Dickens and The City of Hurst TX

Customer / Company Name
DocuSigned by:

Signature 2FDAF040647348C...

Greg Dickens, P.E. Executive Director of Public works

Printed Name

Exec. Director of Public works

Title

08/07/2023 | 6:31:48 PM CDT

Date

ORDINANCE 2546 (a)

AN ORDINANCE ADOPTING THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024 FOR THE CITY OF HURST, TEXAS

WHEREAS, in accordance with Article 5 of the Hurst Charter, the City Manager has at least 35 days prior to the beginning of the 2023-2024 budget year to submit to the City Council a budget and an explanatory budget message with the form and content as prescribed by the Council. The Council determined that public hearings should be held at a time and place which was set forth in a notice published at least seven days prior to said hearing; and

WHEREAS, such public hearing on the budget was duly held and all interested persons given an opportunity to be heard for or against any item therein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HURST, TEXAS:

Section 1: That the budget for the City of Hurst, Texas, for the fiscal period beginning October 1, 2023 and ending September 30, 2024, in words and figures as shown therein is adopted and approved as filed herewith.

Section 2: That eligible and remaining fund balances from Fiscal Year 2022-2023, as calculated by Fiscal Services and approved by the City Manager, are hereby appropriated and transferred to the Special Projects Fund and other Internal Services Funds as needed to ensure financial sustainability.

Section 3: That the City Manager be and is hereby authorized to make interdepartmental and interfund transfers during the fiscal year as deemed necessary in order to avoid over-expenditure of particular accounts.

Section 4: That the City Manager or his designee be and is hereby authorized to invest any funds not needed for current use in accordance with the approved City of Hurst Investment Policy. Interest accrued from investments shall be deposited to the interest income account of the funds from which the principal was invested.

AND IT IS SO ORDERED.

Passed on the first reading on the 15th day of August 2023 by a vote of 6 to 0.

Approved on the second reading on the 22nd day of August 2023 by a vote of ___ to ___.

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Henry Wilson, Mayor

Approved as to form and legality:

City Attorney

City Council Staff Report

SUBJECT: Consider Ordinance 2546 (b), second reading, Ratifying the Property Tax Revenue Increase Reflected in the Fiscal Year 2023 - 2024 Budget

Supporting Documents:	
Ordinance 2546 (b)	<p>Meeting Date: 8/22/2023</p> <p>Department: Fiscal Services</p> <p>Reviewed by: Clayton Fulton</p> <p>City Manager Review:</p>

Background/Analysis:

There are special requirements for cities that propose a budget that raises more property taxes than raised in the previous year’s budget. Section 102.007(c) of the Local Government Code requires a separate vote of the City Council to ratify the property tax revenue increase included in the City’s proposed 2023-2024 budget.

When the revenues raised by property taxes in the City of Hurst Proposed Operating Budget for Fiscal Year 2023-2024 are compared to the revenues raised by property taxes in the City of Hurst, Texas Annual Operating Budget for Fiscal Year 2022-2023, the result is an increase of \$1,213,739 or 5.55% in property tax revenues for the General Fund Operating Budget and the Interest & Sinking Fund Budget.

The City’s tax rate is proposed to decrease by approximately 3.3 cents from \$0.614043 to \$0.581150 per \$100 of taxable property values. The net property tax revenue increase of \$1,213,739 will be used to address inflation, to help fund public safety equipment, and other items as presented on August 15, 2023 during the public hearing on the FY 24 proposed budget.

Funding and Sources and Community Sustainability:

The FY 24 budget’s largest funding source is property tax revenue that is established by the certified values from the Tarrant Appraisal District and by the proposed tax rate. The Council held a public hearing on the proposed budget and a separate public hearing on the proposed tax rate, which demonstrates our community values of **stewardship, inclusiveness, and positive environment**. Staff developed the proposed budget following the Council’s strategic direction and is based upon the tenants of the **Hurst Way** and is consistent with the Council’s **strategic priorities**.

Recommendation:

In compliance with the Local Government Code, adoption of Ordinance 2546 (b) will ratify the property tax revenue increase in the 2023 - 2024 fiscal year budget.

ORDINANCE 2546 (b)

AN ORDINANCE RATIFYING THE PROPERTY TAX REVENUE INCREASE REFLECTED IN THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024 FOR THE CITY OF HURST, TEXAS

WHEREAS, in the budget for the City of Hurst, Texas, for the fiscal period beginning October 1, 2023, and ending September 30, 2024, in words and figures has been adopted by Ordinance 2546 (a); and

WHEREAS, Section 102.007(c) of the Local Government Code requires a separate vote of the governing body to ratify the property tax revenue increase reflected in the budget.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HURST, TEXAS:

Section 1: THAT the City Council hereby votes to "ratify" the property tax revenue increase reflected in the budget as adopted by Ordinance 2546 (a).

AND IT IS SO ORDERED.

Passed on the first reading on the 15th day of August 2023 by a vote of 6 to 0.

Approved on the second reading on the 22nd day of August 2023 by a vote of ___ to ___.

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Henry Wilson, Mayor

Approved as to form and legality:

City Attorney

City Council Staff Report

SUBJECT: Consider Ordinance 2547, second reading, setting the tax rate for the 2023 tax year	
Supporting Documents:	
Ordinance 2547	Meeting Date: 8/22/2023 Department: Fiscal Services Reviewed by: Clayton Fulton City Manager Review:
Background/Analysis:	
<p>According to Section 26.05 of the Tax Code, a taxing unit may not impose property taxes in any (fiscal) year until the governing body has adopted a tax rate for that year.</p> <p>Senate Bill 2 as passed by the 86th Legislature requires the following language in caps and larger font placed in the Ordinance adopting a Maintenance and Operations tax rate that is higher than the No-New-Revenue Maintenance and Operations tax rate. Substantially similar information is required to be posted on the home page of the City’s internet website if the proposed rate is adopted.</p> <p>“THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.38 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$16.76.”</p>	
Funding and Sources Community Sustainability:	
<p>The proposed tax rate funds the Fiscal Year 2024 budget. Taxes are assessed per \$100 of taxable value as established by the Tarrant Appraisal District. In accordance with our community values, the Council held a public hearing on the budget and to allow for comment on the proposed budget and posted notice of the meeting to adopt the tax rate. The Fiscal Year 2024 budget was developed based upon the tenants of the Hurst Way and is consistent with the Council’s strategic priorities. The proposed tax rate will provide the necessary property tax revenue to fund the Fiscal Year 2024 budget.</p>	

Recommendation:

It is recommended City Council adopt the Proposed Tax Rate of \$0.581150 per \$100 taxable value to fund the Fiscal Year 2024 budget. The total tax rate includes a maintenance and operations rate of \$0.495572 and an interest and sinking (debt) rate of \$0.085578.

The City Council shall make the following motion:

With the adoption of Ordinance 2547, "I move that the property tax rate be increased by the adoption of a tax rate of 0.581150 which is effectively a 1.66 percent increase in the tax rate."

ORDINANCE 2547

AN ORDINANCE SETTING THE TAX RATE FOR THE CITY OF HURST FOR THE 2023 TAX YEAR

WHEREAS, the City of Hurst has followed the procedures established by the Property Tax Code and Local Government Code, including the publishing and posting of required notices and the holding of required public hearings; and

WHEREAS, the City Council has approved separately each of the two components of the tax rate as hereinafter set forth; and

WHEREAS, "THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.38 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$16.76."

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HURST, TEXAS:

Section 1. That there shall be and there is hereby levied the following taxes on each One Hundred Dollars (\$100.00) of valuation on all taxable property within the City of Hurst, Texas, to be assessed and collected for tax year 2023 the purposes hereinafter stipulated, to-wit:

- (a) For the General Fund (maintenance and operations) levied on the \$100.00 valuation: \$0.495572; and
- (b) For the interest and sinking fund levied on the \$100.00 valuation: \$0.085578.

TOTAL \$0.581150

AND IT IS SO ORDERED.

Passed on the first reading on the 15th day of August 2023 by a vote of 6 to 0.

Approved on the second reading on the 22nd day of August 2023 by a vote of ___ to ___.

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Henry Wilson, Mayor

Approved as to form and legality:

City Attorney

City Council Staff Report

SUBJECT: Consider approval of Ordinance 2548, second reading, adopting Water and Wastewater Rates for Fiscal Year 2023-2024

Supporting Documents:

Ordinance 2548

Meeting Date: 8/22/2023

Department: Fiscal Services

Reviewed by: Clayton Fulton

City Manager Review:

Background/Analysis:

The Fiscal Services, Utility Billing and Public Works Departments reviewed the proposed Water and Wastewater (Sewer) Services budget for Fiscal Year 2023-2024 and propose a modest rate increase of 4% to the retail water and wastewater rates. The proposed water and sewer rates are expected to result in a sound financial position for the Enterprise Fund in Fiscal Year 2023-2024. Weather and consumption trends can quickly improve or deteriorate the Enterprise Fund’s annual financial performance and are significant variables considered in the rate analysis.

Total wholesale water and wastewater costs are expected to increase by about 7.36% based upon budget projections. While consumption is relatively flat, wholesale costs are based upon other factors including contributions to capital improvements through our participation in the Trinity River Authority’s Walker Calloway Branch Sewer Project and being part of a consortium of cities that purchase wholesale water and wastewater services. Rising wholesale and operational costs coupled with the City’s efforts to smooth revenue variability associated with weather patterns and water conservation efforts result in the recommended 4% rate increase for Fiscal Year 2023-2024.

The following tables illustrate the proposed changes in wholesale water and wastewater rates proposed by the City of Fort Worth for the upcoming fiscal year. The total estimated increase is based upon current consumption patterns and estimates and does not represent a budget to budget comparison.

FT. WORTH PROPOSED WHOLESALE WATER RATES			
City of Fort Worth	2022-23	2023-24	% Change
Raw Water	\$1.4082	\$1.4767	4.87%

Volume (1,000 gallons)	\$1.0145	\$0.8462	-16.59%
Max Day Above Average (MG)	\$151,338	\$128,461	-15.12%
Max Hour Above Max Day (MG)	\$40,890	\$45,960	12.40%
Est. Overall Increase (based on est. volumes, max hr. & max day)			-5.45%

FT. WORTH PROPOSED WASTEWATER RATES

City of Fort Worth	2022-23	2023-2024	% Change
Volume (1,000 gallons)	\$1.5328	\$1.8473	20.52%
BOD (per pound)	\$0.4881	\$0.5478	12.23%
TSS (per pound)	\$0.2868	\$0.3175	10.71
Est. Overall Average Increase			8.95%

Based upon our city’s efforts to smooth out rate increases and the increasing cost of our wholesale water supply, we propose a 4% increase to our current water and waste water rates for FY 2023-2024. Based on 7,000 gallons’ usage of water and sewer, the increase is approximately \$4.00 per month.

Commercial customers will continue to pay the additional base fee of \$4 or \$12 per month depending upon meter size. There are no proposed changes to these additional base fee amounts for FY 2023-2024. It is important to note that apartment complexes and other multi-unit properties pay the additional base fee on a per unit basis.

These rate increases are primarily driven by wholesale water/wastewater costs and the City of Hurst’s rate smoothing policy. Approximately 55% percent of the 4% increase is directly attributed to the increase in wholesale costs with remaining increase being related to inflationary pressures.

The current and proposed rates are as follows:

Water/Wastewater Amounts Used	Current Rates	Proposed Rates
Water Commercial & Residential		
Minimum 2,000 gallons	\$18.78	\$19.53
Over 2,000 gallons	\$7.54*/1,000 gallons	\$7.84
Sewer-Residential		
Minimum	\$13.59	\$14.13
First 12,000 gallons	\$4.36/1,000 gallons	\$4.53

City Council Staff Report

***Maximum sewer charge for residential accounts shall not exceed 12,000 gallons*

Sewer-Commercial		
Minimum	\$13.59	\$14.13
All Flows	\$4.36/1,000 gallons	\$4.53

* An additional base fee of \$4 or \$12 per month (based on meter size) for commercial accounts is proposed to remain in effect for Fiscal Year 2023-2024.

Funding and Sources and Community Sustainability:

Increased revenues from the 4% increase in utility rates will be used to support the Fiscal Year 24 budget. Based upon the tenants of the **Hurst Way**, with particular focus on **financial sustainability**, staff evaluated our current budgetary needs, available resources, and revenue sources. Based upon a thorough analysis and considering our community values of **stewardship** and **respect**, staff looked at every customer class and evaluated the impact upon various consumption levels within each class and believe the 4% increase is fair to the City, our utility customers, and those bond holders who have invested in our water and wastewater infrastructure.

Recommendation:

Staff recommends City Council **approve Ordinance 2548, second reading, including the proposed Water and Wastewater rates effective October 1, 2023, to be included in all City utility bills processed on, or after, November 1, 2023.**

ORDINANCE 2548

AN ORDINANCE AMENDING SECTIONS 26-22(1) AND 26-60(1) AND (2) OF THE HURST CODE OF ORDINANCES; UPDATING THE CHARGES FOR WATER SERVICE AND WASTEWATER SERVICE TO ALL CUSTOMERS AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City Council has been advised by its staff that it is necessary to raise water and wastewater rates in order to insure the fiscal integrity of the utility system; and,

WHEREAS, the City Council finds that the rates herein promulgated are no more than what is required in order to preserve such fiscal integrity.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HURST, TEXAS:

Section 1: That Section 26-22(1) of the Hurst Code of Ordinances be amended to read as follows:

“Section 26-22. Rates established for water.

The following monthly rates shall be charged by the water department for water:

- (1) Inside city limits—Single-family and commercial rates:
 - a. First 2,000 gallons (minimum charge) \$19.53
 - b. All over 2,000 gallons, per 1,000 gallons \$7.84
 - c. For commercial accounts only an additional minimum base charge is added as follows:
 - i. Meter Sizes of 1 inch or smaller \$2.00
 - ii. Meter Sizes greater than 1 inch \$7.00

Section 2: That Section 26-60(1) and (2) of the Hurst Code of Ordinances be amended to read as follows:

“Section 26-60. Rates for Service Inside City Limits.

The following schedules of rates per month, or fraction thereof, shall be the basis for determining charges to customers as specified for rendering wastewater service, where the wastewater produced by such customer is normal sewage and where such customer is located within the City:

- (1) A minimum charge of fourteen dollars and thirteen cents (\$14.13) shall be charged to all wastewater customers for each residential or business occupancy; provided, however, if multiple occupancies are served with a single water meter, the minimum charge shall be computed at ninety (90) percent of dwelling units, business occupancies or mobile homes, whichever is applicable, times the minimum charge established herein for individual customers.

For commercial accounts only, an additional minimum or base charge is added as follows: meter sizes of 1 inch or smaller add \$2.00 and meter sizes greater than 1 inch add \$5.00. The \$2.00 and \$5.00 charge shall be computed for multiple occupancy businesses as previously described in this section.

- (2) A monthly volume charge shall also be charged to all wastewater customers in the amount of four dollars and fifty-three cents (\$4.53) per one thousand (1,000) gallons of water used or wastewater produced as more specifically set forth hereinafter...."

Section 4: The rates herein established shall be effective on all bills processed on or after November 1, 2023

AND IT IS SO ORDERED.

Passed on the first reading on the 15th day of August 2023 by a vote of 6 to 0.

Approved on the second reading on the 22nd day of August 2023 by a vote of ___ to ___.

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Henry Wilson, Mayor

Approved as to form and legality:

City Attorney

City Council Staff Report

SUBJECT: Consider Resolution 1839 to adopt the City of Hurst Investment Policy	
Supporting Documents:	
Resolution 1839	<p>Meeting Date: 8/22/2023</p> <p>Department: Fiscal Services</p> <p>Reviewed by: Paul Brown</p> <p>City Manager Review:</p>
Background/Analysis:	
<p>Section 2256.005 Texas Government Code requires that the City Council shall review its investment policy and investment strategies not less than annually and the governing body shall adopt written instrument by rule, order, ordinance, or resolution, stating that it has reviewed the investment policy and investment strategies, and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.</p> <p>No changes were made to either the investment policy or investment strategies adopted on 8/23/2022 and presented for approval on 8/22/2023.</p> <p>The investment strategies outlined in the policy are conservative and all securities are held until maturity. The policy’s strategy is to ensure that cash flows are matched with adequate investment liquidity for all funds. The City’s portfolio is invested with five (5) objectives; safety, liquidity, diversification, yield and public trust.</p>	
Funding Sources and Community Sustainability:	
<p>There is no fiscal impact.</p> <p>The Investment Policy addresses the City Council’s strategic priority of Leadership and links to the goal of Financial Sustainability in The Hurst Way. The Investment Policy establishes guidelines for responsibly managing the City’s resources.</p>	

Recommendation:

Staff recommends City Council **approve the City of Hurst Investment Policy by Resolution 1839, as required by Section 2256.005, Texas Government Code.**

RESOLUTION 1839

A RESOLUTION TO SET FORTH SPECIFIC INVESTMENT POLICY AND STRATEGY GUIDELINES FOR THE CITY OF HURST IN ORDER TO ACHIEVE THE GOALS OF SAFETY, LIQUIDITY, DIVERSIFICATION, YIELD, AND PUBLIC TRUST FOR ALL INVESTMENT ACTIVITY

WHEREAS, The City Council has reviewed the Investment Policy and Investment Strategies and has been advised by staff that the attached Investment Policy provides for maximum return on investment consistent with maximum security of public funds.

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

Section 1. **THAT** the attached document styled "City of Hurst Investment Policy, August 22, 2023" is hereby adopted as the Investment Policy of the City of Hurst.

AND IT IS SO RESOLVED.

Approved this the 22nd day of August 2023 by a vote of _ to _ .

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Henry Wilson, Mayor

Approved as to form and legality:

City Attorney



CITY OF HURST

INVESTMENT POLICY

August 22, 2023

City of Hurst

Investment Policy

IT IS THE POLICY
of the CITY OF HURST
to invest public funds in a manner
which will provide the highest investment return
with the maximum security
while meeting the daily cash flow demands of the entity
and conforming to all state/province and local statutes
governing the investment of public funds.

Resolution 1839, August 22, 2023

Table of Contents

INTRODUCTION.....	4
INVESTMENT STRATEGY.....	4
SCOPE.....	5
OBJECTIVES	5
RESPONSIBILITY AND CONTROL.....	6
REPORTING	8
INVESTMENT PORTFOLIO	9
SAFEKEEPING AND CUSTODY	12
SELECTION OF BANKS, ADVISERS AND BROKER/DEALERS.....	14
INVESTMENT POLICY ADOPTION	16
GLOSSARY	17
APPENDIX A	22

CITY OF HURST INVESTMENT POLICY

INTRODUCTION

The purpose of this document is to set forth specific investment policy and strategy guidelines for the City of Hurst in order to achieve the goals of **safety, liquidity, diversification, yield**, and **public trust** for all investment activity. The City Council of the City of Hurst shall review its investment strategies and policy not less than annually. This Policy serves to satisfy the statutory requirement of the “Public Funds Investment Act,” Chapter 2256 of the Texas Government Code (the “Act”), to define, adopt and review a formal investment strategy and policy.

INVESTMENT STRATEGY

All funds under the City's control are pooled for investment purposes. Specific investment strategies are utilized to address the unique characteristics of the fund groups, and investments are chosen consistent with the objectives of the strategies. The investment strategies are conservative. City-managed investments are held to maturity. All investment strategies are designed and managed in a manner responsive to the public trust and consistent with Local and State law, Section 2256.005(d).

Operating Funds. The primary investment strategy for governmental, proprietary and special revenue operating funds is to assure that anticipated cash flows are matched with adequate investment liquidity. The second strategy is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high quality, short term investments. The dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity dates of each investment.

Debt Service Funds. Investment strategies for debt service funds shall have as the primary strategy the assurance of investment liquidity adequate to cover the debt service obligations on the required payment dates.

Debt Service Reserve Funds. Investment strategies for debt service reserve funds shall have as the primary strategy the ability to maintain the appropriate principal amount of reserves required to satisfy bond ordinances specific to an individual issue. Investments shall be of high quality, with short to intermediate term maturities. Interest earnings on reserve funds may be used for any lawful purpose.

Capital Projects Funds. Investment strategies for capital project fund portfolios will have as their primary strategy to assure that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in stable value, highly liquid investments (e.g. constant dollar pool, money market mutual fund) to allow for flexibility and unanticipated project outlays. The stated final maturity dates of investments held should not exceed the estimated project completion date. Interest earnings shall be deposited to the Capital Project Funds.

Special Project and Special Purpose Funds. Investment strategies for Special Project and Special Purpose Funds utilized for non-recurring capital outlay and infrastructure improvements are to assure that anticipated cash flows are matched with adequate investment liquidity. The dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity dates of each investment.

SCOPE

This Investment Policy applies to all financial assets of the City. These funds are accounted for in the City of Hurst's Annual Comprehensive Financial Report and include: General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Special Project and Purpose Funds, Enterprise Funds, Internal Service Funds and any new fund created by the City Council or staff, unless specifically exempted. The funds of the Hurst Community Services Development Corporation and the Hurst Crime Control and Prevention District are invested according to this Policy.

OBJECTIVES

The City shall manage and invest its cash with five objectives, listed in order of priority. The safety of the principal invested always remains the primary objective.

Safety. The foremost objective of the City's investment activity is the preservation of capital in the overall portfolio. Each investment transaction shall be conducted in a manner to control the risk of capital loss by investing in securities or other investments of the highest quality. The Investment Officers shall understand the suitability of the investments to the financial requirements of the City.

Liquidity. The City's investment portfolio shall be structured such that the City is able to meet all obligations in a timely manner. This shall be achieved by matching investment maturities with forecasted cash flow requirements, by investing in securities with active secondary markets (e.g., U.S. Treasury, Agency, and Instrumentality securities of limited maturity), eligible money market mutual funds, depository bank money market cash disbursement accounts, and local government investment pools. The marketability of the

investment shall be considered if the need should arise to liquidate the investment before maturity.

Diversification. Diversification of investments through the avoidance of over concentration of assets in a specific maturity sector and over concentration by investment type are major factors in controlling investment risk.

Yield. The City's cash management portfolio shall be designed with the objective of regularly meeting or exceeding the average rate of return on three-month U.S. Treasury Bills. This is considered a minimum standard for the portfolio's rate of return. The Investment program shall seek to augment returns above this threshold consistent with prudent investment principles.

Public Trust. All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Investments shall be made with judgment and care, under prevailing circumstances which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.

<i>RESPONSIBILITY AND CONTROL</i>
--

City Council. The City Council shall review investment reports and staff recommendations regarding the Investment Policy and procedures.

Finance and Investment Committee. The City Manager shall appoint a five member staff Finance and Investment Committee to administer and monitor the investment policies and procedures. The Managing Director of Finance will chair this committee. The committee shall meet monthly to determine operational strategies and to monitor results. The committee shall include in its deliberations such topics as: economic outlook, portfolio diversification, maturity structure, potential risk to the City's funds, authorized brokers and dealers, and the target rate of return for the investment portfolio. The Finance and Investment Committee shall establish strategies and guidelines for the percentage of the total portfolio that may be invested in securities and conduct a quarterly review of these guidelines.

Delegation of Authority. Authority to manage the City's investment program is derived from a resolution of the City Council, and no persons may engage in an investment transaction except as provided in the terms of this Policy. The Managing Director of Finance is designated as the Primary Investment Officer of the City and is authorized to engage in investment activities. The Managing Director of Finance is authorized to delegate to appropriate Finance Department staff (also known as the "Acting Investment Officer") certain investment duties consistent with this and other City policies. The Managing Director of Finance is responsible for investment decisions with the Finance

and Investment Committee members ultimately responsible for all transactions undertaken. The Investment Officers and other members of the Finance and Investment Committee, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that deviations from expectation are reported immediately upon knowledge of the deviation, and that appropriate action is taken to control adverse developments.

Investment Officers shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively. The standard of prudence to be used by Investment Officers shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio.

Training

The Investment Officer(s) must attend at least a 10 hour training session relative to their responsibilities under the PFIA within 12 months after taking office or assuming duties. In addition, each must receive not less than 8 hours of instruction biennially. The training provider must be an independent source approved by the Finance and Investment Committee.

Internal Controls. The Managing Director of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The Managing Director of Finance shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- A. Control of collusion.
- B. Separation of transaction authority from accounting and record keeping.
- C. Custodial safekeeping
- D. Avoidance of physical delivery of securities.
- E. Clear delegation of authority to subordinate staff members.
- F. Written confirmation for telephone (voice) transactions for investments and wire transfers.

As part of the annual audit, the independent auditor must formally review the quarterly investment reports prepared to comply with Section 2256.023 of the Texas Government Code and, as part of the annual audit, report the results of that review to the City Council.

Ethics and Conflict of Interest. Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. The Investment Officer who is related to, or has a personal business relationship with an entity or individual seeking to sell an investment to the City shall file a statement disclosing that personal business interest with the Texas Ethics Commission and the City Council.

REPORTING

Monthly Reporting. The Managing Director of Finance shall submit a monthly investment report that summarizes investments by type, maturity date, and financial institution.

Quarterly Reporting. The Managing Director of Finance shall submit a signed quarterly investment report, jointly prepared and signed by all Investment Officers, that summarizes current market conditions, economic developments and anticipated investment conditions. The report shall summarize investment strategies employed in the most recent quarter, and describe the portfolio in terms of investment types, maturities, risk characteristics, and shall explain the total investment return for the quarter.

Methods: The quarterly investment report shall provide a status of the current investment portfolio and transactions made over the last quarter. The report will be provided to the City Manager and City Council and include the following:

- A. A listing of individual investments held at the end of the reporting period.
- B. Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period. Market price is the net selling price of securities as quoted by a recognized market pricing source quoted on the valuation date.
- C. Additions and changes to the market value during the period and fully accrued interest for the reporting period.
- D. Average weighted yield to maturity of portfolio on City investments as compared to applicable benchmark.
- E. Listing of investments by maturity date, by type of asset and fund type.
- F. The percentage of the total portfolio that each type of investment represents.
- G. A statement of compliance of the City's investment portfolio with State law and the investment strategy and Policy approved by the City Council.
- H. Listing of credit rating for investment pools.

Annual Report. Within 60 days of the end of the fiscal year, the Managing Director of Finance shall present an annual report on the investment program and investment activity.

Portfolio Benchmark. The average stated rate of return and the weighted average maturity of the City's investment portfolio are hereby adopted as the portfolio's performance measurement standards.

INVESTMENT PORTFOLIO

Assets of the City of Hurst may be invested in the following instruments, provided, however, that at no time shall investments be made in any instrument or security not authorized for investment under the Act, as the Act may from time to time be amended.

Authorized Investments

- A. Obligations of the United States of America, its agencies and instrumentalities, limited to, U.S. Treasury Bills and Notes, FHLB, FNMA, FFCB, FAMCA, and FHLMC.
- B. Direct obligations of the State of Texas and agencies thereof.
- C. Other obligations, limited to those where the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or the United States of America or their respective agencies and instrumentalities.
- D. Obligations of the States, agencies thereof, Counties, Cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm, and having received a rating of not less than "A" or its equivalent.
- E. Deposits in financial institutions with a main office or branch in Texas, guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, backed by a Letter of Credit issued by a federal agency or instrumentality or surety bond issued by a properly rated insurance company, or collateralized as defined in the Safekeeping and Custody section of this Policy. In addition, Certificates of Deposit obtained through a depository institution that has its main office or a branch office in Texas and that contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Act are authorized investments.
- F. Fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities deposited with a third party custodian selected by the Managing Director of Finance. Repurchase agreements must be purchased

through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. Each counter-party to a repurchase transaction is required to sign a mutually agreeable form of Master Repurchase Agreement. An executed copy of the Agreement must be on file before the City will enter into any transactions with a counter party. Reverse repurchase agreements will not be entered into by City Investment Officers.

- G. Money market mutual funds that are registered with and regulated by the Securities & Exchange Commission; that fully invest dollar-for-dollar all City funds without sales commissions or loads; that comply with federal Securities and Exchange Commission Rule 2a-7 promulgated under the Investment Company Act of 1940; and that are categorized as a "Treasury" or "Government" money market mutual fund. Money market mutual funds must provide a prospectus and other information required by the Securities Exchange Act of 1934. The City may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund. Investments in any one of such funds shall be limited to 20% of the City's entire portfolio with the exception of a 20 business day grace period for unusual cash flow fluctuations.

- H. Eligible Investment Pools which invest in instruments and follow practices allowed by current law as defined in Section 2256.016 of the Texas Government Code provided that:
 - (1) investment in the particular pool has been authorized by the City Council;
 - (2) the pool shall have furnished the Investment Officer an offering circular containing the information required by Section 2256.016(b) of the Texas Government Code;
 - (3) the pool shall furnish to the Investment Officer investment transaction confirmations with respect to all investments made with it;
 - (4) the pool shall furnish to the Investment Officer monthly reports that contain the information required by Section 2256.016(c) of the Texas Government Code;
 - (5) the pool's investment objectives shall be to maintain a stable net asset value of one dollar (\$1) and a weighted average maturity no greater than 60 days.
 - (6) whose investment philosophy and strategy are consistent with this Policy and the City's ongoing strategy;
 - (7) the pool provides evidence of credit rating no lower than "AAA" or "AAA-m" by at least one nationally recognized credit rating service, and;
 - (8) investments in any one of such pools shall be limited to 20% of the City's entire portfolio with the exception of a 20 business day grace period for unusual cash flow fluctuations.

- I. Other securities or obligations will be presented to the City Council for approval after recommendation by the Finance and Investment Committee.

Unauthorized Investments

The City's authorized investment alternatives are more restrictive than those allowed by State law. The City prohibits investments in banker's acceptances, commercial paper and all collateralized mortgage obligations. State law specifically prohibits investment in the following investment securities.

- A. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal.
- B. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
- C. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
- D. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

This Policy prohibits investments in options, financial futures contracts, and day trading of long term securities.

The City is not required to liquidate investments that were authorized investments at the time of purchase.

The City shall take prudent measures to liquidate any investment that loses its required minimum rating.

Holding Period

The City intends to match the holding periods of investment funds with liquidity needs of the City. In no case will the average maturity of investments of the City's operating funds exceed one year with no individual maturity exceeding two years. The maximum final stated maturity of any investment shall not exceed two years except that assets held in capital project and reserve funds may be invested in maturities up to five years with special approval by the Finance and Investment Committee.

Competitive Selection of Investment Instruments

Before an Investment Officer invests any surplus funds, a competitive "quote" process shall be conducted. If a specific maturity date is required either for cash flow purposes or for conformance to maturity guidelines, offerings will be requested for instruments

which meet the maturity requirement. If no specific maturity is required, the best value available within the time constraints of the Investment Policy will be selected. Offers will be requested from financial institutions and/or broker/dealers for various investment alternatives with regard to term and instrument. Offerings for investment alternatives, including Certificates of Deposit, may be solicited orally, in writing, electronically, or in any combination of those methods. The current interest rates of other approved investment alternatives will be considered. Primarily, the City will accept offers which provide the highest rate of return within the maturity required and within the parameters of this Policy.

Risk and Diversification

The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications temporarily reducing liquidity. Risk is controlled through portfolio diversification which shall be achieved by the following general guidelines:

- A. Risk of issuer default is controlled by limiting investments to those instruments allowed by the Act, which are described herein.
- B. Risk of market price changes shall be controlled by avoiding over-concentration of assets in a specific maturity sector, limitation of average and final maturity, and avoidance of over-concentration of specific instruments.
- C. Risk to liquidity due to technical complications shall be controlled by maintaining minimum bank, pool, and money market mutual fund balances, and diversifying the selection of securities dealers.

<i>SAFEKEEPING AND CUSTODY</i>

Collateralization. All financial institution deposits of City funds shall be insured, enhanced, or collateralized consistent with State law. In order to anticipate market value changes and provide a level of security, the collateralization level will be equal to or greater than 102% of market value of principal and accrued interest. Evidence of the pledged collateral shall be maintained by the Managing Director of Finance or a third party financial institution. Repurchase agreements shall be documented by a specific agreement noting the collateral pledge in each agreement, and collateral shall be valued daily. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate. The City reserves the right to accept or reject any security as collateral for its deposits or repurchase agreements. Since market value change is not anticipated, the stated amount of any Letter of Credit will be equal to or greater than 100% of principal plus projected accrued interest. The City reserves the right, in its sole discretion, to accept or reject any form of insurance, enhancement, or collateralization.

Financial institutions serving as depositories will be required to sign a depository agreement with the City. The collateralized deposit portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall

establish a perfected security interest in compliance with Federal and State regulations, including:

- 1) The agreement must be in writing;
- 2) The agreement has to be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- 3) The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- 4) The agreement must be part of the Depository's "official record" continuously since its execution.

Collateral Substitution. Collateralized certificates of deposit and depository institution deposit accounts often require substitution of collateral. Any financial institution requesting substitution must contact the Investment Officer for approval and settlement. The substituted security's value will be calculated and substitution approved if its value is equal to or greater than the required security level. The Investment Officer, or a designee, must provide written notification of the decision to the bank or the safekeeping agent holding the security prior to any security release. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense.

Custodial Agreement. Collateral pledged to secure deposits of the City shall be held by a custodian institution in accordance with a Custodial Agreement which clearly defines the procedural steps for gaining access to the collateral should the City determine that the City's funds are in jeopardy. The custodian, shall be the Federal Reserve Bank, Bank of New York Mellon, or an institution approved by the City and not affiliated with the firm pledging the collateral. With the exception of the Federal Reserve Bank, the custodial agreement shall include the signatures of authorized representatives of the City, the firm pledging the collateral, and the custodian.

Collateral Defined. The City shall accept only the following securities as collateral:

- A. FDIC insurance coverage.
- B. A bond, bill, certificate of indebtedness, or Treasury Note of the United States, or other evidence of indebtedness of the United States that is guaranteed as to principal and interest by the United States.
- C. Obligations, the principal and interest on which, are unconditionally guaranteed or insured by the State of Texas.
- D. A bond of the State of Texas or a county, city or other political subdivision of the State of Texas having been rated as investment grade (investment rating no less than "A" or its equivalent) by a nationally recognized rating agency with a remaining maturity of ten years or less.
- E. Obligations of the United States of America's agencies and instrumentalities, limited to: FHLB, FNMA, FFCB, FAMCA and FHLMC.
- F. Letters of Credit issued by an agency or instrumentality of the United States.

Subject to Audit. All collateral shall be subject to inspection and audit by the Managing Director of Finance or the City's independent auditors.

Delivery vs. Payment. All investment securities shall be purchased using the delivery vs. payment method. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the safekeeping agent. The security shall be held in the name of the City and held on behalf of the City. The safekeeping agent's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City. Investment pool funds, financial institution deposits, and mutual funds are exceptions to the delivery vs. payment method.

SELECTION OF BANKS, ADVISERS AND BROKER/DEALERS

Depository. A qualified depository shall be selected through the City's banking services procurement process, which is consistent with State law. The selection of a depository shall be based on the financial institution offering the most favorable terms and conditions at the least cost, while adhering to the guidelines and provisions within the request for proposal. In selecting a depository, the City shall give consideration to the financial institution's credit characteristics, financial history, service capabilities, and costs for required services. The City Council may adopt a written policy permitting applications from a bank, credit union, or savings association not located within the City, after taking into consideration what is in the best interest of the City.

Certificates of Deposits. Banks seeking to establish eligibility for the City's competitive certificate of deposit purchase program shall submit for review financial statements, evidence of federal insurance and other information as required by the Managing Director of Finance.

Selection of Broker/Dealers. Selection will be performed by the Finance and Investment Committee, and at least annually, the Committee will review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City. Broker/Dealers shall provide timely transaction confirmations. Prospective Broker/Dealers shall provide financial and other information as requested by the Managing Director of Finance sufficient to evaluate their fiscal condition and ability to service the City. Criteria to evaluate Broker/Dealers are as follows:

1. Adherence to the City's policies and strategies;
2. Investment performance and transaction pricing;
3. Responsiveness to the City's request for service, information and open communication;
4. Understanding of the inherent fiduciary responsibility of investing public funds, and;

5. Similarity in philosophy and strategy with the City's objectives.

Investment Advisers. Investment Advisers shall adhere to the spirit, philosophy and specific term of the Investment Policy and shall invest within the same "Objectives."

The Finance and Investment Committee shall recommend selection of Investment Advisers. The Investment Officer shall establish criteria to evaluate Investment Advisers, including:

1. Adherence to the City's policies and strategies;
2. Investment strategy recommendations within accepted risk constraints;
3. Responsiveness to the City's request for services, information and open communication;
4. Understanding of the inherent fiduciary responsibility of investing public funds; and
5. Similarity in philosophy and strategy with the City's objectives.

Selected Investment Advisers must be registered under the Investment Advisers Act of 1940 or with the State Securities Board. A contract with an Investment Adviser may not be for a term longer than two years and any contract, renewal, or extension must be approved by the City Council.

Approved Institutions, Advisers and Broker/Dealers. Broker/Dealers, investment advisers, or other institutions eligible to transact investment business with the City shall be presented a written copy of this Investment Policy. Additionally, the qualified representative seeking to transact investment business shall execute a Certification as shown in Appendix "A" or a Certification similar in form, to the effect that the qualified representative has:

1. received and thoroughly reviewed this Investment Policy;
2. acknowledged that their organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City;
3. supplied audited financial statements;
4. supplied proof of Financial Industry Regulatory Authority certification;
5. supplied proof of state registration, and;
6. completed broker/dealer questionnaire.

All broker/dealers shall provide the City with references from Public entities which they are currently serving.

INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the City Council. The Policy shall be reviewed for effectiveness on an annual basis by the Finance and Investment Committee and any modifications will be recommended for approval to the City Council.

GLOSSARY

AGENCIES: Federal agency and instrumentality securities.

Annual Comprehensive Financial Report: The official annual report for the City of Hurst, which is prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See **OFFER**.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate.

COLLATERAL: Securities, evidence of deposit, or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER: Short-term, unsecured promissory notes issued by

corporations to finance short-term credit needs.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CUSIP: A unique security identification number assigned to securities maintained and transferred on the Federal Reserve and other book-entry systems.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities prior to exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DEPOSITORY: The bank selected by the City to provide primary depository services.

DISCOUNT: When the purchase price of a security is less than its par, or face value, the security is selling at a discount. A security selling below original offering

price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of investments, issuers, and maturities.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. The target for this rate is currently set by the Federal Reserve through open-market operations.

FEDERAL FARM CREDIT BANK (FFCB): The Farm Credit system supports agricultural loans. It has consolidated the financing programs of several related farm credit agencies, providing a variety of credit services to the American agricultural community.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to member financial institutions. Functioning as a credit reserve system, it facilitates extension of credit through its owner-members.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac): A stockholder-owned corporation that provides a continuous flow of funds to mortgage lenders primarily through developing and maintaining an active,

nationwide secondary market in various mortgages.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): A stockholder-owned corporation that provides a continuous flow of funds to mortgage lenders primarily through developing and maintaining an active, nationwide secondary market in conventional residential mortgages. It is the largest single provider of residential mortgage funds in the United States. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT AGENCY ISSUE: Debt securities issued by government-sponsored enterprises and federal agencies. Such issues are not direct obligations of the Treasury and may

involve government sponsorship or guarantees.

INVESTMENT ADVISERS: Advisers who have extensive experience, especially with fixed income securities, to provide certain services related to the investment of City funds.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase and reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

MUTUAL FUNDS: Mutual fund providers are investment companies that sell shares to investors, offering investor diversification and professional portfolio

management. Prices fluctuate with the performance of the fund. Money market mutual funds invest in short term securities.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See **ASKED** and **BID**.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PAR: The value of a security as expressed on its face (face value) without consideration of a discount or premium.

PORTFOLIO: Collection of securities held by an investor.

PREMIUM: The price that a security demands over its par value.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) -registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state - the so-called legal list. In other states, the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

RATING: A formal opinion by an outside professional service on the credit reputation of an issuer and the investment quality of its securities. This opinion is expressed in letter values, e.g. AA.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use REPO extensively to finance their positions. Exception: When the Fed is said to be doing REPO, it is lending money that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held by the bank for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES AND EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BOND: Long-term U.S. Treasury securities having initial maturities of more than 10 years.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities from one to ten years.

U.S. GOVERNMENT SECURITIES: Various types of marketable securities issued by the U.S. Treasury, agencies and instrumentalities, including bills, notes, and bonds. Such securities are direct obligations of the U.S. Treasury or its agencies and instrumentalities and differ mainly in the length of their maturity.

WEIGHTED AVERAGE LIFE: The weighted average life refers to the average amount of time that will elapse from the date of a security's issuance until each dollar of principal is repaid to the investor.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is

obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD or YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

APPENDIX A

This certification is executed on behalf of The City of Hurst, Texas (the Investor) and _____ (the Business Organization) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government code, (the Act) in connection with investment transactions conducted between the Investor and the Business Organization.

The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Qualified Representative of the Business Organization as defined by the Public Funds Investment Act, Chapter 2256, Texas Government Code.
2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the Investor and
3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Business Organization and the Investor that are not authorized by the investor’s investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the investor’s entire portfolio or requires an interpretation of subjective investment standards.

Qualified Representative of the Business Organization

Name: _____

Title: _____

Date: _____

City Council Staff Report

SUBJECT: Approval of Resolution 1840 to meet match requirements for expenditures under the Tarrant County Home Investment Partnership Program	
Supporting Documents:	
Resolution 1840	Meeting Date: 8/22/2023 Department: Development Reviewed by: Michelle Lazo City Manager Review:
Background/Analysis:	
<p>Department of Housing and Urban Development (HUD) appropriates funds to entitlement communities through the Home Investment Partnership Grant (HOME) Program. These funds are targeted to benefit low to moderate income persons. Funds for 2022 will be used for homeowner rehabilitation only.</p> <p>The applicant must agree to a 10-year mechanical lien on the property for Homeowner Rehabilitation. The maximum amount available per unit is \$40,000. The average construction budget per unit is between \$18,000 and \$35,000.</p> <p>The City Council has approved the matching funds since 2007, and 48 homes have been completed to this date, with a total cost to the City of \$400,000 or just over \$8,000 per home from City funds. There are applications pending approval from residents, in the City of Hurst, about 80 percent of those from senior citizens. The County cannot approve the applications without matching funds from the City.</p> <p>This year, HUD is requiring 30% matching funds on all HOME expenditures. This match can be generated by City funds, permit fee waivers, impact fee waivers and other ways that must be approved by County staff. The matching funds do not have to be paid until each project is approved and the County funds are allocated.</p> <p>The funds must be used to repair major system failures, such as roofs, structures including exterior wall surfaces, and if necessary, foundation, plumbing, HVAC, or electrical. These funds are not used for remodeling or aesthetics alone.</p> <p>In August 2023, the City applied for the HOME Program Grant. The City of Hurst request is for \$200,000 in HOME funding to be expended on HOME eligible activities within the City’s jurisdiction. The City must commit \$60,000 in match contribution, including eligible in-kind contributions and fee waivers to affordable housing for all activities undertaken through the HOME Program even though the full amount is unlikely to be drawn down.</p>	

If a portion of the grant funds are not utilized, the City is not liable for payment. The County will administer all aspects of the program, but construction work done in Hurst will be permitted and inspected by the City.

Funding Sources and Community Sustainability:

This program is funded through Special Projects and is a direct representation of Council's strategic priorities of **Redevelopment** and **Economic Vitality**.

Recommendation:

Staff recommends City Council **approve Resolution 1840 authorizing the city manager to allocate up to \$60,000, as matching funds for the HOME Program, administered by the Tarrant County Community Development and Housing Department for projects in Hurst.**

RESOLUTION 1840

A RESOLUTION AGREEING TO MEET ALL MATCH CONTRIBUTION REQUIREMENTS FOR THE EXPENDITURES UNDER THE TARRANT COUNTY HOME INVESTMENT PARTNERSHIP PROGRAM YEAR 2023-24

WHEREAS, the Home Program was created by the National Affordable Housing Act of 1990 (NAHA) and is intended to provide decent affordable housing to lower income households; expand the capacity of non-profit housing providers; strengthen the ability of state and local government to provide housing and leverage private section participation; and

WHEREAS, Tarrant County is a participating jurisdiction in the Home Investment Program in accordance with §92.105; and

WHEREAS, the City of Hurst is a member of the Tarrant County Urban County Development Community Development/Home Consortium and is eligible to participate in the Home Program; and

WHEREAS, the City of Hurst has requested \$200,000 in Home Funding to be expended on home eligible activities within the City's jurisdiction and has agreed to provide a 30% matching contribution for all of the Home Funds expended within the City of Hurst in accordance with §92.218,; §92.219; and §92.220.

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

Section 1: THAT the City Council of the City of Hurst hereby agrees to commit \$60,000 in matching contributions, including eligible non-cash in-kind contributions and fee waivers to affordable housing for all activities undertaken through the Home Program.

AND IT IS SO RESOLVED.

Approved this the 22nd day of August 2023 by a vote of ____ to ____.

ATTEST:

CITY OF HURST

Rita Frick, City Secretary

Henry Wilson, Mayor

Approved as to form and legality:

City Attorney

City Council Staff Report

SUBJECT: Consider engagement with Forvis for Professional Auditing Services	
Supporting Documents:	
Forvis Engagement Letter	Meeting Date: 8/22/2023 Department: Fiscal Services Reviewed by: Paul Brown City Manager Review:
Background/Analysis:	
<p>The fiscal year 2023 audit will be the fifth year of our current five-year agreement with Forvis, formerly BKD CPAs & Advisers. Forvis will express an opinion on our financial statements for fiscal year 2023, issue related reports and be responsible for the following:</p> <ul style="list-style-type: none"> • Conducting the audit in accordance with auditing standards generally accepted in the United States of America (GAAS), including the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). • Considering internal controls relevant to the City’s preparation and fair presentation of its financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. • Performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. • Evaluating the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by management, and the overall presentation of the financial statements. <p>Forvis will also assist the City in implementing new governmental accounting standards, including Statement No. 96, Subscription-Based Information Technology Arrangements. Statement No. 96 is effective for fiscal year 2023 and addresses how to account for the costs of cloud computing agreements. The fee for this assistance will be between \$10,000 to \$15,000.</p> <p>In accordance with our current agreement, Forvis will perform the FY 2023 audit for a base fee of \$100,000, which is 5.3% higher than the prior year. If</p>	

necessary, Forvis will also perform a Single Audit for a fee of \$5,000. Any proposed change to this fee will be discussed with the City Council.

Funding Sources and Community Sustainability:

The FY 2023 audit engagement will be funded by the General and Enterprise Funds / Non-Departmental Divisions.

The annual audit engagement addresses the City Council’s strategic priority of **Leadership** and links to the goals of **Customer Service** and **Financial Sustainability** in The Hurst Way. The Annual Comprehensive Financial Report for FY 2023 will be posted online for citizens and other interested parties to review and provides an overview of how the City responsibly manages its resources.

Recommendation:

Staff recommends City Council **move to engage the services of Forvis to audit the City’s financial records for the fiscal year ending September 30, 2023 for an overall base, Single Audit and new accounting standards implementation fee not to exceed \$120,000.**

FORVIS

14241 Dallas Parkway, Suite 1100 / Dallas, TX 75254

P 972.702.8262 / F 972.702.0673

forvis.com

July 17, 2023

Honorable Mayor and City Council
Mr. Clay Caruthers, City Manager
City of Hurst, Texas
1505 Precinct Line Road
Hurst, Texas 76054

We appreciate your selection of **FORVIS, LLP** as your service provider and are pleased to confirm the arrangements of our engagement in this contract. Within the requirements of our professional standards and any duties owed to the public, regulatory, or other authorities, our goal is to provide you an **Unmatched Client Experience**.

In addition to the terms set forth in this contract, including the detailed **Scope of Services**, our engagement is governed by the following, incorporated fully by this reference:

- HIPAA Business Associate Agreement
- Terms and Conditions Addendum

Summary Scope of Services

As described in the attached **Scope of Services**, our services will include the following:

City of Hurst, Texas (City)

- Audit Services for the year ended September 30, 2023

You agree to assume full responsibility for the substantive outcomes of the contracted services and for any other services we may provide, including any findings that may result.

You also acknowledge these services are adequate for your purposes, and you will establish and monitor the performance of these services to ensure they meet management's objectives. All decisions involving management responsibilities related to these services will be made by you, and you accept full responsibility for such decisions.

We understand you have designated a management-level individual(s) to be responsible and accountable for overseeing the performance of nonattest services, and you have determined this individual is qualified to conduct such oversight.

As required by Chapter 2271, Texas Government Code, we represent that we do not boycott Israel and will not boycott Israel through the term of this engagement. For purposes of this representation, "boycott Israel" means 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 specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Engagement Fees

The fee for our services will be \$105,000 (\$100,000 for financial statement audit in accordance with *Government Auditing Standards*, including Annual Comprehensive Financial Report preparation assistance and \$5,000 for Single Audit), which includes an administrative fee of five (5) percent to cover certain technology and administrative costs associated with our services.

In addition, we have estimated the time, skill and resources required for assistance with the new standards discussed below to range between \$10,000 and \$15,000.

Our pricing for this engagement and our fee structure are based upon the expectation that our invoices will be paid promptly. Payment of our invoices is due upon receipt. We will issue progress billings during the course of our engagement.

Our timely completion of services and the fees thereon depends on the assistance you provide us in accumulating information and responding to our inquiries. Inaccuracies or delays in providing this information or the responses may result in additional billings, untimely filings, or inability to meet other deadlines. Our fees do not contemplate the following transactions or activities during the period of this engagement:

- Change in accounting principles other than GASB Statement No. 94 and 96
- Substantial doubt about the entity's ability to continue as a going concern
- Violation of covenants in debt arrangements
- Indications of fraudulent financial reporting or misappropriation of assets
- Quantitative impairment analysis of long-lived assets

If there are changes in circumstances where these or other conditions become known and significant additional time is necessary or additional services are requested, we reserve the right to revise our fees.

Assistance with New Standards

Assistance and additional time as a result of the adoption of the following new standards are not included within our standard engagement fees. These fees will be based on time expended and will vary based on the level of assistance and procedures required.

Governmental Accounting Standards Board Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* and Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*, are effective for the City's fiscal year ended September 30, 2023.

Statement No. 94 provides uniform guidance on accounting and financial reporting for public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use an infrastructure or other nonfinancial asset (the underlying PPP asset) for a period of time

in an exchange or exchange-like transaction. Statement 94 also addresses APAs, which are arrangements where a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying infrastructure or other nonfinancial asset for a period of time in an exchange or exchange-like transaction. This statement requires governments to report assets and liabilities related to PPPs consistently and disclose information about PPP transactions.

Statement No. 96 addresses the accounting for the costs related to cloud computing agreements. Under this Statement, a government reports a subscription asset and subscription liability for agreements meeting the definition of a subscription-based information technology arrangement (SBITA) and to disclose essential information about the arrangement.

We can assist you with the adoption of these standards by providing services which may include, but are not limited to:

- Assessing your readiness by assisting with the evaluation of your:
 - Current controls and policies
 - Current internal resources and system capabilities
- Assisting with changes required to adopt Statement No. 94 and 96, including:
 - Assisting with information gathering to develop an inventory of all PPP and SBITA agreements, service contracts, and other arrangements that may contain PPP or right-to-use IT assets
 - Recommending enhancements to existing controls and policies or suggesting new controls and policies to address Statement No. 94 and 96
 - Documenting any changes from your previous IT subscription recognition and reporting methods
 - Drafting the required disclosures

The time it will take to perform the above assistance and our additional audit procedures relating to the adoption of these Statements, and any time to assist you with the adoption, may be minimized to the extent your personnel will be available to provide timely and accurate documentation and information as requested by us.

Contract Agreement

Please sign and return this contract to indicate your acknowledgment of, and agreement with, the arrangements for our services including our respective responsibilities.

FORVIS,LLP

FORVIS, LLP

Acknowledged and agreed to as it relates to the entire contract, including the **Scope of Services, HIPAA Business Associate Agreement, and Terms and Conditions Addendum** on behalf of the **City of Hurst, Texas.**

BY _____
Honorable Mayor, Henry Wilson

DATE _____

BY _____
Clay Caruthers, City Manager

DATE _____

Scope of Services – Audit Services

We will audit the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information and related disclosures, which collectively comprise the basic financial statements for the following entity:

City of Hurst, Texas (City) as of and for the year ended September 30, 2023

The audit has the following broad objectives:

- Obtaining reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- Expressing opinions on the financial statements
- Issuing a report on your internal control over financial reporting and compliance and other matters based on the audit of your financial statements in accordance with *Government Auditing Standards*
- Expressing an opinion on your compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect to each of your major federal award programs in accordance with the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)
- Issuing a report on your internal control over compliance in accordance with the Uniform Guidance
- Issuing a report on your schedule of expenditures of federal awards

You have informed us that the audited financial statements are expected to be presented along with management's annual comprehensive financial report. Management is responsible for the other information (introductory and statistical sections) included in the annual comprehensive financial report. The other information comprises the annual comprehensive financial report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements will not cover the other information, and we will not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

We will also express an opinion on whether the combining statements and individual fund schedules and the schedule of expenditures of federal awards ("supplementary information") is fairly stated, in all material respects, in relation to the financial statements as a whole.

We will complete the auditee portion of the Form SF-SAC (Data Collection Form) through the Federal Audit Clearinghouse. We will not make the submission on your behalf. You will review a draft(s) of the submission prior to transmission and agree that you are solely responsible for approving the final draft for transmission as well as for the auditee submission and certification.

We will also provide you with the following nonattest services:

- Preparing a draft of the financial statements and related notes
- Proposing for your review and approval the adjusting entries to convert your modified accrual-basis accounting records to accrual-basis accounting records. Management is responsible for the propriety of the accrual adjustments.
- Proposing for your review and approval the year-end entries related to Governmental Accounting Standards Board Statements No. 68, 75, 87, 94 and 96, where applicable. Management is responsible for the propriety of the entries.

- Preparing a draft of the supplementary information, including the schedule of expenditures of federal awards and related notes

You agree to assume all management responsibilities and to oversee the nonattest services we will provide by designating an individual possessing suitable skill, knowledge, and/or experience. You acknowledge that nonattest services are not covered under *Government Auditing Standards*. You are responsible for:

- Making all management decisions and performing all management functions
- Evaluating the adequacy and results of the services performed
- Accepting responsibility for the results of such services
- Designing, implementing, and maintaining internal controls, including monitoring ongoing activities

Rachel Ormsby, Partner, is responsible for supervising the engagement and authorizing the signing of the report or reports.

We will issue a written reports upon completion of our audits, addressed to the following parties:

Entity Name

City of Hurst, Texas

Party Name

Honorable Mayor and Members of City Council

You are responsible to distribute our reports to other officials who have legal oversight authority or those responsible for acting on audit findings and recommendations, and to others authorized to receive such reports.

The following apply for the audit services described above:

Our Responsibilities

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the Uniform Guidance. Those standards require that we plan and perform:

- The audit of the financial statements to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by fraud or error
- The audit of compliance to obtain reasonable rather than absolute assurance about whether the entity complied with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each major federal award program

We will exercise professional judgment and maintain professional skepticism throughout the audit.

We will identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We will obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

We will 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We will also conclude, based on audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We will identify and assess the risks of material noncompliance, 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 entity's compliance with compliance requirements subject to audit and performing such other procedures as the auditor considers necessary in the circumstances.

We will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that the auditor identified during the audit.

Limitations & Fraud

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit that is planned and conducted in accordance with GAAS will always detect a material misstatement or material noncompliance with federal award programs when it exists. Misstatements, including omissions, can arise from fraud or error and 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. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

The risk of not detecting a material misstatement or material noncompliance 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. Noncompliance with compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

Our understanding of internal control is not for the purpose of expressing an opinion on the effectiveness of your internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit.

We are available to perform additional procedures with regard to fraud detection and prevention at your request, subject to completion of our normal engagement acceptance procedures. The actual terms and fees of such an engagement would be documented in a separate contract to be signed by you and FORVIS.

Opinion

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter paragraph or other-matter paragraph(s) to our auditor's report, or if necessary, decline to express an opinion or withdraw from the engagement.

If we discover conditions that may prohibit us from issuing a standard report, we will notify you. In such circumstances, further arrangements may be necessary to continue our engagement.

Your Responsibilities

Management and, if applicable, those charged with governance acknowledge and understand their responsibility for the accuracy and completeness of all information provided and for the following:

- **Audit Support** – to provide us with:
 - Unrestricted access to persons within the entity or within components of the entity (including management, those charged with governance, and component auditors, if applicable) from whom we determine it necessary to obtain audit evidence
 - Information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including access to information relevant to disclosures
 - Information about events occurring or facts discovered subsequent to the date of the financial statements, of which management may become aware, that may affect the financial statements
 - Information about any known or suspected fraud affecting the entity involving management, employees with significant role in internal control, and others where fraud could have a material effect on the financials
 - Identification and provision of report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented
 - Additional information that we may request for the purpose of the audit
- **Internal Control and Compliance** – for the:
 - Design, implementation, and maintenance of internal control relevant to compliance with laws and regulations and the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - Alignment of internal control to ensure that appropriate goals and objectives are met; that management and financial information is reliable and properly reported; and that compliance with and identification of the laws, regulations, contracts, grants, or agreements (including any federal award programs) applicable to the entity's activities is achieved
 - Remedy, through timely and appropriate steps, of fraud and noncompliance with provisions of laws, regulations, contracts, or other agreements reported by the auditor

- Establishment and maintenance of processes to track the status and address findings and recommendations of auditors
- **Accounting and Reporting** – for the:
 - Maintenance of adequate records, selection and application of accounting principles, and the safeguard of assets
 - Adjustment of the financial statements to correct material misstatements and confirmation to us in the representation letter that the effects of any uncorrected misstatements aggregated by us are immaterial, both individually and in the aggregate, to the financial statements taken as a whole
 - Preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America
 - Inclusion of the auditors' report in any document containing financial statements that indicates that such financial statements have been audited by us
 - Distribution of audit reports to any necessary parties

The results of our tests of compliance and internal control over financial reporting performed in connection with our audit of the financial statements may not fully meet the reasonable needs of report users. Management is responsible for obtaining audits, examinations, agreed-upon procedures, or other engagements that satisfy relevant legal, regulatory, or contractual requirements or fully meet other reasonable user needs.

Required Supplementary Information

Accounting principles generally accepted in the United States of America provide for certain required supplementary information ("RSI") to accompany the basic financial statements. We understand the following RSI will accompany the basic financial statements:

1. Management's Discussion and Analysis ("MD&A")
2. Budgetary comparison
3. Pension and Other Postemployment Benefit information

Such information is the responsibility of management and, 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.

Management is responsible for the fair presentation of the RSI. As part of our engagement, we will apply certain limited procedures to the RSI in GAAS. These limited procedures will consist of inquiries of management regarding 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 will 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.

**Supplementary
Information**

With regard to any supplementary information that we are engaged to report on:

- Management is responsible for its preparation in accordance with applicable criteria
- Management will provide certain written representations regarding the supplementary information at the conclusion of our engagement
- Management will include our report on this supplementary information in any document that contains this supplementary information and indicates we have reported on the supplementary information
- Management will make the supplementary information readily available to intended users if it is not presented with the audited financial statements

Such information is:

- Presented for the purpose of additional analysis of the financial statements
- Not a required part of the financial statements
- The responsibility of management
- Subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS

**Written
Confirmations
Required**

As part of our audit process, we will request from management and, if applicable, those charged with governance written confirmation acknowledging certain responsibilities outlined in this contract and confirming:

- The availability of this information
- Certain representations made during the audit for all periods presented
- The effects of any uncorrected misstatements, if any, resulting from errors or fraud aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

**Peer Review
Report**

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract, upon request. If you would like a copy, please request from your engagement executive.

HIPAA Business Associate Agreement

This Business Associate Agreement (“BAA”) is entered into by and between **FORVIS, LLP** (hereinafter referred to as “Business Associate”) and City of Hurst, Texas (hereinafter referred to as “Covered Entity”).

RECITALS

Business Associate provides services to Covered Entity under this contract (the “Contract”), and Covered Entity wishes to disclose certain information to Business Associate pursuant to the terms of such Contract, some of which may constitute Protected Health Information (“PHI”).

The purpose of this BAA is to comply with all applicable federal and state laws governing the privacy of PHI. As used herein, the Privacy Rule and the Security Rule are each deemed to include the amendments thereto, collectively referred to as “HIPAA/HITECH Final Omnibus Rule,” that are included in the:

- Modifications to the *Health Insurance Portability and Accountability Act of 1996* (“HIPAA”) Privacy, Security, Enforcement, and Breach Notification Rules Under the *Health Information Technology for Economic and Clinical Health Act* (the “HITECH Act”) and the Genetic Information Nondiscrimination Act
- Other Modifications to the HIPAA Rules
- Final Rule (the “Omnibus Rule”), 78 Fed. Reg. 5565

Notwithstanding the terms of this or any other agreement between Covered Entity and Business Associate, Business Associate shall comply with all of its statutory and regulatory obligations stated under the HIPAA/HITECH Final Omnibus Rule. The terms stated herein shall have the same definitions as provided in HIPAA.

In consideration of the mutual promises below and the exchange of information pursuant to this BAA, the parties agree as follows:

1. **Permitted Uses and Disclosures.** Except as described in the enumerated subparagraphs below, Business Associate shall not use or disclose PHI received from Covered Entity or created on behalf of Covered Entity. Exceptions:
 - 1.1. As reasonably necessary to provide the services in the Contract;
 - 1.2. As otherwise permitted or required by this BAA;
 - 1.3. As required by law; and
 - 1.4. For the proper management and administration of Business Associate’s business and to disclose PHI in connection with such management and administration, and to carry out the legal responsibilities of the Business Associate, provided Business Associate obtains reasonable assurances from the recipient that the PHI shall be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the recipient, and Business Associate requires the recipient to notify it of any instances of which

it is aware in which the confidentiality of the PHI has been breached.

2. **Safeguards.** Business Associate shall not use or disclose PHI other than as permitted or required by the BAA or as required by law.
 - 2.1. Business Associate shall establish and maintain appropriate safeguards and shall comply with the Security Rule with respect to electronic PHI (“ePHI”) to prevent the use or disclosure of such ePHI other than as provided for by the Contract including this BAA.
 - 2.2. To the extent the Business Associate is to carry out one or more of Covered Entity’s obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s).
3. **Subcontracts.** In accordance with the requirements of the Privacy Rule and the Security Rule, Business Associate shall ensure any subcontractors that create, receive, maintain, or transmit PHI on behalf of Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information.
4. **Obligations of Covered Entity.** Covered Entity shall obtain any consent or authorization that may be required by HIPAA, or applicable state law, prior to furnishing Business Associate with PHI, including ePHI. Covered Entity shall notify Business Associate of:
 - 4.1. Any limitation(s) in the Covered Entity’s notice of privacy practices under 45 CFR 164.520, to the extent that such limitation may affect Business Associate’s use or disclosure of PHI;
 - 4.2. Any changes in, or revocation of, the permission by an individual to use or disclose his or her PHI, to the extent that such changes may affect Business Associate’s use or disclosure of PHI; and
 - 4.3. Any restriction on the use or disclosure of PHI that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate’s use or disclosure of PHI.

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under Subpart E of 45 CFR Part 164 if done by Covered Entity. Covered Entity shall provide to Business Associate only the minimum PHI necessary to perform the services set forth in a Contract.
5. **Reporting, Notification, and Mitigation.**
 - 5.1. Reporting. Business Associate shall notify Covered Entity of any use or disclosure of PHI not provided for by the BAA of which it becomes aware, including breaches of unsecured PHI as required at 45 CFR 164.410, and any security incident of which it becomes aware, provided that

with respect to Unsuccessful Security Incidents (as defined below), Business Associate shall report to Covered Entity any such Unsuccessful Security Incidents that are material to the protection of Covered Entity's PHI. For purposes of this Business Associate Agreement, the term "Unsuccessful Security Incident" shall mean any security incident that does not result in any unauthorized access, use, disclosure, modification, or destruction of ePHI or any interference with system operations in Business Associate's information system.

5.2. Notification. To assist Covered Entity in fulfilling its responsibility to notify individuals and others of a breach involving Unsecured PHI as required by HIPAA and applicable state law, the notification shall include, to the greatest extent reasonably possible:

- i. Each individual whose unsecured PHI was subject to the breach; and
- ii. Any other available information Covered Entity is required to include in its legally required notification to individual(s) or others.

5.3. Mitigation. Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this BAA.

6. Term and Termination.

6.1. Term. The Term of this BAA shall be effective as of the last date signed and shall terminate without any further action of the parties upon the expiration or termination of the Contract or on the date Covered Entity terminates for cause as authorized in paragraph 6.2 of this section, whichever is sooner.

6.2. Termination for Cause. Covered Entity may terminate this BAA if Business Associate has violated a material term of the BAA and Business Associate has not cured the breach or ended the violation within the time specified by Covered Entity.

6.3. Obligations of Business Associate Upon Termination. Upon termination of this BAA for any reason, Business Associate, with respect to PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, shall:

- i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
- ii. Return to Covered Entity or destroy the remaining PHI that the Business Associate still maintains in any form;
- iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to ePHI to prevent use or disclosure of the PHI, other than as provided for in this section, for as long as Business Associate retains the PHI;

iv. Not use or disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set forth in this BAA which applied prior to termination; and

v. Return to Covered Entity or destroy the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

6.4. Survival. The obligations of Business Associate under this section shall survive the termination of this BAA.

7. **Designated Record Set.** To the extent Business Associate maintains PHI in a Designated Record Set, Business Associate shall:

7.1. Make available PHI in a Designated Record Set to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524; and

7.2. Incorporate any amendments or corrections to PHI at the request of Covered Entity in accordance with 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526.

8. **Accounting of Disclosures.** Business Associate shall maintain and make available the information required to provide an accounting of disclosures to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528.

9. **Access to Records.** Business Associate shall make its internal practices, books, and records available to the Secretary of Health and Human Services for purposes of determining compliance with the HIPAA Rules.

10. **Insurance.** Business Associate shall maintain insurance coverage in form and amount necessary to cover data loss and/or damage or the unauthorized disclosure and/or fraudulent use of data. Upon request, Business Associate shall provide Covered Entity with a certificate of insurance evidencing the coverage.

11. **Privilege.** No statutory or common law privilege, including privileges established or recognized by the attorney-client, accountant-client, or other legal privilege, shall be deemed to have been waived by virtue of this BAA.

12. **No Third-Party Beneficiaries.** Nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this BAA.

13. **Integration.** Any reference in this Agreement to a section of the HIPAA/HITECH Final Omnibus Rule, and applicable regulations, means the section as in effect as amended and for which compliance is required.

14. **General.** This BAA is governed by, and shall be construed in accordance with, the laws of the State of Texas. If any part of a provision of this BAA is found illegal or unenforceable, it shall

be enforced to the maximum extent permissible, and the legality and enforceability of the remainder of that provision and all other provisions of this BAA shall not be affected. This BAA may be modified, or any rights under it waived, only by a written document executed by the authorized representatives of both parties. THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

FORVIS, LLP Terms and Conditions Addendum

GENERAL

1. **Overview.** This addendum describes **FORVIS LLP's** standard terms and conditions ("Terms and Conditions") applicable to Our provision of services to the Client ("You"). The Terms and Conditions are a part of the contract between You and FORVIS, LLP. For the purposes of the Terms and Conditions, any reference to "Firm," "We," "Us," or "Our" is a reference to FORVIS, LLP ("FORVIS"), and any reference to "You" or "Your" is a reference to the party or parties that have engaged Us to provide services and the party or parties ultimately responsible for payment of Our fees and costs.

BILLING, PAYMENT, & TERMINATION

2. **Billing and Payment Terms.** We will bill You for Our professional fees and costs as outlined in Our contract. Unless otherwise provided in Our contract, payment is due upon receipt of Our billing statement. Interest will be charged on any unpaid balance after 30 days at the rate of 10 percent per annum, or as allowed by law at the earliest date thereafter, and highest applicable rate if less than 10 percent. All fees, charges, and other amounts payable to FORVIS hereunder do not include any sales, use, excise, value-added, or other applicable taxes, tariffs, or duties, payment of which shall be Your sole responsibility, and do not include any applicable taxes based on FORVIS' net income or taxes arising from the employment or independent contractor relationship between FORVIS and FORVIS' personnel.

We reserve the right to suspend or terminate Our work for this engagement or any other engagement for nonpayment of fees. If Our work is suspended or terminated, You agree that We will not be responsible for Your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against You resulting from Your failure to meet such deadlines, and for any other damages (including but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of Our services.

Our fees may increase if Our duties or responsibilities are increased by rulemaking of any regulatory body or any additional new accounting or auditing standards. Our engagement fees do not include any time for post-engagement consultation with Your personnel or third parties, consent letters and related procedures for the use of Our reports in offering documents, inquiries from regulators, or testimony or deposition regarding any subpoena. Charges for such services will be billed separately.

3. **Billing Records.** If these services are determined to be within the scope and authority of Section 1861(v)(1)(I) of the Social Security Act, We agree to make available to the Secretary of Health and Human Services, or to the U.S. Comptroller General, or any of their duly authorized representatives, such of Our books, documents, and records that are necessary to certify the nature and extent of Our services, until the expiration of four (4) years after the furnishing of these services. This contract allows access to contracts of a similar nature between subcontractors and related organizations of the subcontractor, and to their books, documents, and records.

4. **Termination.** Either party may terminate these services in good faith at any time for any reason, including Your failure to comply with the terms of Our contract or as We determine professional standards require. Both parties must agree, in writing, to any future modifications or extensions. If services are terminated, You agree to pay FORVIS for time expended to date. In addition, You will be billed costs and fees for services from other professionals, if any, as well as an administrative fee of five (5) percent to cover certain technology and administrative costs associated with Our services. Unless terminated sooner in accordance with its terms, this engagement shall terminate upon the completion of FORVIS' services hereunder.

DISPUTES & DISCLAIMERS

5. **Mediation.** Any dispute arising out of or related to this engagement will, prior to resorting to litigation, be submitted for nonbinding mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The mediator will be selected by agreement of the parties. The mediation proceeding shall be confidential. Each party will bear its own costs in the mediation, but the fees and expenses of the mediator will be shared equally.
6. **Indemnification.** Unless disallowed by law or applicable professional standards, You agree to hold FORVIS harmless from any and all claims which arise from knowing misrepresentations to FORVIS, or the intentional withholding or concealment of information from FORVIS by Your management or any partner, principal, shareholder, officer, director, member, employee, agent, or assign of Yours. You also agree to indemnify FORVIS for any claims made against FORVIS by third parties, which arise from any wrongful actions of Your management or any partner, principal, shareholder, officer, director, member, employee, agent, or assign of Yours. The provisions of this paragraph shall apply regardless of the nature of the claim.
7. **Statute of Limitations.** You agree that any claim or legal action arising out of or related to this contract and the services provided hereunder shall be commenced no more than one (1) year from the date of delivery of the work product to You or the termination of the services described herein (whichever is earlier), regardless of any statute of limitations prescribing a longer period of time for commencing such a claim under law. This time limitation shall apply regardless of whether FORVIS performs other or subsequent services for You. A claim is understood to be a demand for money or services, demand for mediation, or the service of suit based on a breach of this contract or the acts or omissions of FORVIS in performing the services provided herein. This provision shall not apply if enforcement is disallowed by applicable law or professional standards.
8. **Limitation of Liability.** You agree that FORVIS' liability, if any, arising out of or related to this contract and the services provided hereunder, shall be limited to the amount of the fees paid by You for services rendered under this contract. This limitation shall not apply to the extent it is finally, judicially determined that the liability resulted from the intentional or

willful misconduct of FORVIS or if enforcement of this provision is disallowed by applicable law or professional standards.

9. **Waiver of Certain Damages.** In no event shall FORVIS be liable to You or a third party for any indirect, special, consequential, punitive, or exemplary damages, including but not limited to lost profits, loss of revenue, interruption, loss of use, damage to goodwill or reputation, regardless of whether You were advised of the possibility of such damages, regardless of whether such damages were reasonably foreseeable, and regardless of whether such damages arise under a theory of contract, tort, strict liability, or otherwise.
10. **Choice of Law.** You acknowledge and agree that any dispute arising out of or related to this contract shall be governed by the laws of the State of Texas, without regard to its conflict of laws principles.
11. **WAIVER OF JURY TRIAL. THE PARTIES HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS AGREEMENT, OR ANY CLAIM, COUNTERCLAIM, OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY THE PARTIES, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE.**
12. **Severability.** In the event that any term or provision of this agreement shall be held to be invalid, void, or unenforceable, then the remainder of this agreement shall not be affected, and each such term and provision of this agreement shall be valid and enforceable to the fullest extent permitted by law.
13. **Assignment.** You acknowledge and agree that the terms and conditions of this contract shall be binding upon and inure to the parties' successors and assigns, subject to applicable laws and regulations.
14. **Disclaimer of Legal or Investment Advice.** Our services do not constitute legal or investment advice.

RECORDS, WORKPAPERS, DELIVERABLES, & PROPRIETARY INFORMATION

15. **Maintenance of Records.** You agree to assume full responsibility for maintaining Your original data and records and that FORVIS has no responsibility to maintain this information. You agree You will not rely on FORVIS to provide hosting, electronic security, or backup services, *e.g.*, business continuity or disaster recovery services, to You unless separately engaged to do so. You understand that Your access to data, records, and information from FORVIS' servers, *i.e.*, FORVIS portals used to exchange information, can be terminated at any time and You will not rely on using this to host Your data and records.
16. **FORVIS Workpapers.** Our workpapers and documentation retained in any form of media for this engagement are the property of FORVIS. We can be compelled to provide

information under legal process. In addition, We may be requested by regulatory or enforcement bodies (including any State Board) to make certain workpapers available to them pursuant to authority granted by law or regulation. Unless We are prohibited from doing so by law or regulation, FORVIS will inform You of any such legal process or request. You agree We have no legal responsibility to You in the event We determine We are obligated to provide such documents or information.

17. **Subpoenas or Other Legal Process.** In the event FORVIS is required to respond to any such subpoena, court order, or any government regulatory inquiry or other legal process relating to You or Your management for the production of documents and/or testimony relative to information We obtained or prepared incident to this or any other engagement in a matter in which FORVIS is not a party, You shall compensate FORVIS for all time We expend in connection with such response at normal and customary hourly rates and to reimburse Us for all out-of-pocket expenses incurred in regard to such response.
18. **Use of Deliverables and Drafts.** You agree You will not modify any deliverables or drafts prepared by Us for internal use or for distribution to third parties. You also understand that We may on occasion send You documents marked as draft and understand that those are for Your review purpose only, should not be distributed in any way, and should be destroyed as soon as possible.

Our report on any financial statements must be associated only with the financial statements that were the subject of Our engagement. You may make copies of Our report, but only if the entire financial statements (exactly as attached to Our report, including related footnotes) and any supplementary information, as appropriate, are reproduced and distributed with Our report. You agree not to reproduce or associate Our report with any other financial statements, or portions thereof, that are not the subject of Our engagement.

19. **Proprietary Information.** You acknowledge that proprietary information, documents, materials, management techniques, and other intellectual property are a material source of the services We perform and were developed prior to Our association with You. Any new forms, software, documents, or intellectual property We develop during this engagement for Your use shall belong to Us, and You shall have the limited right to use them solely within Your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements, and other documents which We make available to You are confidential and proprietary to Us. Neither You, nor any of Your agents, will copy, electronically store, reproduce, or make any such documents available to anyone other than Your personnel. This provision will apply to all materials whether in digital, "hard copy" format, or other medium.

REGULATORY

20. **U.S. Securities and Exchange Commission ("SEC") and other Regulatory Bodies.** Where We are providing services either for (a) an entity that is registered with the SEC, (b) an affiliate of such registrant, or (c) an entity or affiliate that is subject to rules, regulations, or standards beyond those of the American Institute of Certified Public Accountants ("AICPA"), any term of this contract that would be prohibited by or impair Our independence under applicable law or regulation shall not

apply to the extent necessary only to avoid such prohibition or impairment.

21. **Offering Document.** You may wish to include Our report(s) on financial statements in an exempt offering document. You agree that any report, including any auditor's report, or reference to Our firm, will not be included in any such offering document without notifying Us. Any agreement to perform work in connection with an exempt offering document, including providing agreement for the use of the auditor's report in the exempt offering document, will be a separate engagement.

Any exempt offering document issued by You with which We are not involved will clearly indicate that We are not involved by including a disclosure such as, "FORVIS, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. FORVIS, LLP also has not performed any procedures relating to this offering document."

22. **FORVIS Not a Municipal Advisor.** FORVIS is not acting as Your municipal advisor under Section 15B of the *Securities Exchange Act of 1934*, as amended. As such, FORVIS is not recommending any action to You and does not owe You a fiduciary duty with respect to any information or communications regarding municipal financial products or the issuance of municipal securities. You should discuss such matters with internal or external advisors and experts You deem appropriate before acting on any such information or material provided by FORVIS.
23. **FORVIS Not a Fiduciary.** In providing Our attest services, We are required by law and our professional standards to maintain our independence from You. We take this mandate very seriously and thus guard against impermissible relationships which may impair the very independence which You and the users of Our report require. As such, You should not place upon Us special confidence that in the performance of Our attest services We will act solely in Your interest. Therefore, You acknowledge and agree We are not in a fiduciary relationship with You and We have no fiduciary responsibilities to You in the performance of Our services described herein.

TECHNOLOGY

24. **Electronic Sites.** You agree to notify Us if You desire to place Our report(s), including any reports on Your financial statements, along with other information, such as a report by management or those charged with governance on operations, financial summaries or highlights, financial ratios, etc., on an electronic site. You recognize that We have no responsibility to review information contained in electronic sites.
25. **Electronic Signatures and Counterparts.** This contract and other documents to be delivered pursuant to this contract may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document, and will be effective when counterparts have been signed by each of the parties and delivered to the other parties. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this contract are intended to authenticate

this writing and to have the same force and effect as manual signatures. Delivery of a copy of this contract or any other document contemplated hereby, bearing an original manual or electronic signature by facsimile transmission (including a facsimile delivered via the internet), by electronic mail in "portable document format" (".pdf") or similar format intended to preserve the original graphic and pictorial appearance of a document, or through the use of electronic signature software, will have the same effect as physical delivery of the paper document bearing an original signature.

26. **Electronic Data Communication and Storage.** In the interest of facilitating Our services to You, We may send data over the internet, temporarily store electronic data via computer software applications hosted remotely on the internet, or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, We employ measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with Our obligations under applicable laws, regulations, and professional standards.

You recognize and accept that We have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by Us. You consent to Our use of these electronic devices and applications during this engagement.

OTHER MATTERS

27. **Cooperation.** You agree to cooperate with FORVIS in the performance of FORVIS' services to You, including the provision to FORVIS of reasonable facilities and timely access to Your data, information, and personnel. You shall be responsible for the performance of Your employees and agents.
28. **Third-Party Service Providers.** FORVIS may from time to time utilize third-party service providers, including but not limited to domestic software processors or legal counsel, or disclose confidential information about You to third-party service providers in serving Your account. FORVIS maintains, however, internal policies, procedures, and safeguards to protect the confidentiality and security of Your information. In addition, FORVIS will secure confidentiality agreements with all service providers to maintain the confidentiality of Your information. If We are unable to secure an appropriate confidentiality agreement, You will be asked to consent prior to FORVIS sharing Your confidential information with the third-party service provider.
29. **Independent Contractor.** When providing services to You, We will be functioning as an independent contractor; and in no event will We or any of Our employees be an officer of You, nor will Our relationship be that of joint venturers, partners, employer and employee, principal and agent, or any similar relationship giving rise to a fiduciary duty to You. Decisions regarding management of Your business remain the responsibility of Your personnel at all times. Neither You nor FORVIS shall act or represent itself, directly or by implication,

as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

30. **Use of FORVIS Name.** Any time You intend to reference FORVIS' firm name in any manner in any published materials, including on an electronic site, You agree to provide Us with draft materials for review and approval before publishing or posting such information.
31. **Praxity.** FORVIS is an independent accounting firm allowed to use the name "Praxity" in relation to its practice. FORVIS is not connected, however, by ownership with any other firm using the name "Praxity." FORVIS will be solely responsible for all work carried out on Your behalf. In deciding to engage FORVIS, You acknowledge that We have not represented to You that any other firm using the name "Praxity" will in any way be responsible for Our work.
32. **Entire Agreement.** The contract, including this Terms and Conditions Addendum and any other attachments or addenda, encompasses the entire agreement between You and FORVIS and supersedes all previous understandings and agreements between the parties, whether oral or written. Any modification to the terms of this contract must be made in writing and signed by both You and FORVIS.
33. **Force Majeure.** We shall not be held responsible for any failure to fulfill Our obligations if such failure was caused by circumstances beyond Our control, including, without limitation, fire or other casualty, act of God, act of terrorism, strike or labor dispute, war or other violence, explosion, flood or other natural catastrophe, epidemic or pandemic, or any law, order, or requirement of any governmental agency or authority affecting either party, including without limitation orders incident to any such epidemic or pandemic, lockdown orders, stay-at-home orders, and curfews.

CITY OF HURST
COUNTY OF TARRANT
STATE OF TEXAS

On the 18th day of July 2023, at 5:30 p.m., the Library Board of the City of Hurst, Texas, convened in Regular Meeting at the Library, 901 Precinct Line Road, Hurst, Texas, with the following members present:

Betty Whiteside	)	Chair
Ruth Kennedy)	
Peggy Moore	)	Members
Janie Melton-Judy)	
Margaret Coleman)	
Julie Granquist)	
Kyle Gordon	)	Executive Director of Community Services
Hannah Ditgen	)	Community Services Management Assistant
Jesse Loucks	)	Library Director
Vanessa Patchen	)	Assistant Library Director
Danyelle Weiss	)	Youth Services Library Manager
Paige Lutz	)	Recreation Administrative Assistant

with the following members absent: Michael Budd, constituting a quorum, at which time the following business was transacted:

I. Call to Order

Chair Betty Whiteside called the meeting to order at 5:30 p.m.

II. Roll Call of Members

Paige Lutz conducted the Roll Call of Members.

III. Approval of Minutes

The Board reviewed and approved the April 18, 2023 regular meeting minutes as written.

IV. Director's Report

- A. April - June 2023 Recap:** Jesse Loucks reviewed and displayed the April - June 2023 statistics recap for the Board.

April - June 2023

Circulation.....	80,298
Number of Active Patrons.....	30,568
Volunteer Hours.....	395
Door Count.....	23,838
Electronic Usage Sessions.....	9,290
Page Views.....	22,600
Net Revenue	\$1,121
Children's Programming.....	3,257
Adult Programming.....	697
Outreach Programs	6,646

- B. Program & Events Report for January - March:** Jesse Loucks reviewed the Program & Events Report for April through June. Pictures were displayed for the Board.
- C. Upcoming Programs and Events:** Vanessa Patchen reviewed the Upcoming Programs and Events report.
- D. Works in Progress**
- 1. HVAC Replacement:** Kyle Gordon reported that the Facilities staff has encountered a shipping delay for the new unit. Staff has tentatively planned installation for August 11 - 14, during which time the Library will be closed to the public.
 - 2. RFID Security Gates:** Jesse Loucks informed the Board that Library staff has ordered new RFID security gates to replace the original 2011 set. Staff anticipates the new RFID security gates to be delivered prior to October 1.
 - 3. Train Repairs:** Mr. Loucks shared that staff has temporarily removed the trains in the Youth Services area for repairs. Staff is working with the volunteer Library Train Maintenance Assistant to order a new train and replace a motor. The new and repaired trains are scheduled to be back up and running later this week.

E. Staff Activities

- 1. Organizational Update:** Vanessa Patchen reminded the Board that Beverly Kirkendall, Youth Services Library Manager, retired on May 31. Ms. Patchen displayed photos from Ms. Kirkendall's retirement party and her farewell to Toddler Time. Ms. Patchen also shared that Danyelle Weiss was promoted from Teen Librarian to Youth Services Library Manager. The Board congratulated Ms. Weiss.

Additionally, Brian Cambra has served as the Library's Seasonal Librarian since May. Mr. Cambra is the school librarian at Hurst Hills Elementary and has been a great addition to the team during the summer.

V. Reports of the Committees

A. Friends of the Hurst Public Library

- 1. Quarterly Revenue Report:** Jesse Loucks presented the Friends' revenue report for April - June.

2. **FY 23-24 Budget Update:** Mr. Loucks reviewed the approved FY 23-24 Friends of the Hurst Public Library budget. The Friends added two new items to their budget: a vending supply machine and a second Library document station. Both will be valuable assets for patrons when they visit the Library.

VI. Communications

- A. **Community Comments:** Vanessa Patchen highlighted positive community comments that the Library received, which resulted from the Library's excellent customer service and programming. Photos were displayed for the Board.

VII. Unfinished Business

None at this time.

VIII. New Business

None at this time.

Board Member Ruth Kennedy joined the Board meeting at 5:59 p.m.

IX. Informational Items

- A. **Summer Reading Club Update:** Danyelle Weiss presented details of the 2023 Summer Reading Club program, including prize levels, registration statistics, events, and the upcoming 2,000 Minute Party, and gave a special thank you to all of the Library's Summer Reading Club donors. The Hurst Public Library has had a spectacular response to this year's Summer Reading Club. As of July 17, over 1,500 patrons have registered with about a 73% participation rate and almost 2.5 million minutes read.
- B. **Police Activity League Summer Camp Recap:** Jesse Loucks informed the Board that the Library partnered with the Hurst Police Department to host one day of the PALS Camp at the Library. This year the Library provided a live animal entertainment show by The Creature Teacher. The children received an educational show-and-tell of an arctic fox, a tarantula, a boa constrictor snake, a chameleon, and a kangaroo.
- C. **FY 23-24 Budget Update:** Kyle Gordon presented a brief overview of the Library's FY 23-24 proposed budget.
- D. **2023 MasterWorks Update:** Mr. Loucks shared that the Library continues to work with ArtsNet to schedule the remaining concerts for 2023.

X. Board Member and Citizen Comments

Board Member Margaret Coleman complimented the Library's Teen volunteers and spoke about their great attitudes, initiative, and overall willingness to help.

XI. Adjournment

Staff reminded the Board that the Library is closed for Labor Day on Monday, September 4.

The next Library Board meeting is scheduled for Tuesday, October 17, at 5:30 p.m. There being no further business, the meeting was adjourned by Chair Betty Whiteside at 6:30 p.m.

APPROVED this the _____ day of _____, 2023

APPROVED:

ATTEST:

CHAIR

RECORDING SECRETARY

CITY OF HURST
COUNTY OF TARRANT

STATE OF TEXAS

On July 20, 2023, at 6:00 p.m., the Parks and Recreation Board of the City of Hurst, Texas, convened its Regular Meeting at the Hurst Public Library, 901 Precinct Line Road, Hurst, Texas, with the following members present to wit:

Rod Robertson	)	Chairman
Trasa Cobern	)	Members
Pat King)	
Alan Neace)	
Doris Young)	
Kyle Gordon	)	Executive Director of Community Services
Hannah Ditgen	)	Community Services Management Assistant
Kristie Weaver	)	Assistant Director of Community Services
Lauren Snyder	)	Senior Activities Center Manager
Amy Oden	)	Recreation Manager
Zach Tekavec	)	Recreation Manager
Paige Lutz	)	Recreation Administrative Assistant
Kathleen Nahidi	)	Parks Administrative Assistant

With the following member absent: Leah Smith, constituting a quorum, at which time the following business was transacted:

- I. **Call to Order:** Rod Robertson called the meeting to order at 6:00 p.m.
- II. **Roll Call of Members:** Paige Lutz conducted the Roll Call of Members.
- III. **Approval of Minutes:** Doris Young moved to approve the minutes of the April 20, 2023, regular meeting. Motion seconded by Pat King. Motion prevailed by the following vote:

AYES: Cobern, King, Neace, Robertson, Young

NO: None

IV. **Staff Report:**

A. **Director's Quarterly Participation Report:**

1. **Recreation Division:** Kristie Weaver, Assistant Director of Community Services, presented the following Recreation Division statistics for the third quarter of the 2022-23 Fiscal Year:

Recreation Active Members	2,488
Recreation Center Attendance	25,754
Fitness Center Participation	7,669

Classroom Programs-Spring Session 2	120
Classroom Programs-Summer Session 1	323
Summer Softball Registration	95
Spring Basketball Registration	16
Park Pavilion	172

2. **Senior Division:** Ms. Weaver presented the following Senior Division statistics for the third quarter of the 2022-23 Fiscal Year:

Senior Activities Center Attendance	31,403
Number of Classes Offered	501
Program Attendance	6,165
Fitness Center Participation	4,095
Number of Members	1,603

B. Special Event Highlights:

1. **Recreation Division:** Amy Oden, Recreation Manager, presented a recap of recent events:

- A new event: *Kids to Parks Day*, occurred on May 20 at Hurst Community Park. Children made and flew kites at the event.
- The event *Challenge Accepted* has replaced the annual *Hurst Dash & Splash*. Thirty-nine families accepted the challenge and enjoyed nine fun obstacles. An estimated 200 participated in the 5K one-mile run, and everyone received a complimentary ticket to the Aquatics Centers.
- The annual *City Employee Picnic* occurred on June 24 at Chisholm Aquatics Center. Hurst employees and their families enjoyed swimming, Soulman's BBQ, and ice cream.
- The annual *Stars & Stripes* event occurred on July 3 at Hurst Community Park. An estimated 6,400 enjoyed the event from the soccer field. Approximately 9,000 attended the event when considering the west lawn and the surrounding areas.

Ms. Oden presented upcoming Special Events highlights:

- July is National Recreation and Parks Month. Amy Oden reviewed the program events taking place during July.
- The *Spring Concert* was scheduled for April 29 at Heritage Village; however, inclement weather postponed the event to September 30. The event has been renamed as Hurst Fest. The free event will offer a magician, *Diamond Jim Tyler*, a foam party, and *The Inspiration Band* will perform.
- The *Kid's Triathlon* is scheduled for September 2 at Chisholm Park.
- *The Movies in the Park Series* will begin on July 21 and run through October 20.
- In partnership with Hurst Police, the City will kick off the September Movie in the Park event with a National Night Out kick-off. The event will include food, games, and a movie.

2. **Senior Division:** Lauren Snyder, Senior Activities Center Manager, presented a recap of the Senior Activities Center events.

- The annual *HSAC Talent Show* occurred on April 14 with 154 attendees.
- *Document Shredding Day* took place on April 21.
- The *Golden Couples Dance* occurred on June 9 with 56 attendees.
- The *Grandparents Day* event took place on June 28 with 250 participants.

Ms. Snyder presented upcoming Special Events highlights:

- *National Senior Citizens Day* will take place on August 21.
- The *HSAC Craft & Holiday Market* is scheduled for October 20.

C. Works in Progress:

1. **TXDOT Green Ribbon Grant Phase 5:** The project will start in early August and be completed by late November.
2. **TXDOT Hwy 10 Flood Damage:** The late August 2022 heavy rain washed away the landscape material in several medians along SH 10 and Calloway Branch. Public Works staff will attempt to coordinate storm channel drainage improvements with TXDOT before the Parks Division reinstalls the landscape.
3. **HSAC Foundation Repair:** The floor has been raised, and wall repairs are complete. The piping below the hand sink was damaged as the floor was raised. Plumbing repair work will begin soon.
4. **Brookside Roof Replacement:** The new roof has been installed. In addition, drywall and paint repairs in the vestibule are complete, and the building has been painted.
5. **TXDOT Trail Master Plan Grant Application:** Staff applied to TXDOT for a comprehensive trails and bikeways master plan grant. TXDOT will notify the City if the grant is awarded by October.
6. **Citywide Irrigation Controller Project:** Parks has started replacing the old Hunter irrigation controllers. This work will take approximately one year to complete.
7. **Recreation Center Cosmetic Improvements:** The main basketball gym and racquetball courts are scheduled for refinishing in August. At the same time, the wall between the two gyms and windows in the upstairs spin and yoga room will be frosted. The mustard yellow walls in the back hallway and Admin office will receive a fresh coat of neutral paint.

8. **Senior Activities Center Dance Floor Refinish:** The dance floor is scheduled for refinishing in September. The project is expected to take approximately two weeks.
9. **Hurst Athletic Complex Playground Replacement:** The new playground is complete.
10. **Parks Vandalism Repairs:** There has been an uptick in park vandalism, including graffiti and playground damage. Staff is cleaning and making repairs to the damages.

D. **Staff Activities:** Kristie Weaver reported that the Hurst Police's annual PALS Camp took place for a week beginning June 19. The Parks Division has helped with the camp in the past few years. This year the Recreation Division joined the Parks Division, and Amy Oden and her staff created a day of fun activities. The children enjoyed a day of kickball, scavenger hunts, and water balloon launchers.

V. **Report of the Committee:**

A. **John Butler Memorial Senior Citizen's Banquet**

1. **2023 Event:** Amy Oden reported that the City scheduled the John Butler Memorial Senior Citizen's Banquet for Thursday, December 14, at the Hurst Conference Center. The event includes entertainment, a plated meal, dessert, and a dance floor.
2. **Donation List:** The Door Prize List was distributed. Staff presented the timeline for securing the donations from the Board.

VI. **Communications:**

- A. **Parks and Recreation Marketing:** Kristie Weaver presented the social media update for Parks and Recreation. She provided examples of recent social media posts and positive feedback from the community.
- B. **Hurst Senior Activities Center Marketing:** Lauren Snyder presented the social media highlights for the Hurst Senior Activities Center. She offered several examples of recent social media posts promoting events at the Hurst Senior Activities Center.

VII. **Unfinished Business**

None to discuss at this time.

VIII. **New Business:**

None to discuss at this time.

Trasa Cobern left the meeting at 6:40 p.m.

IX. Informational Items:

- A. Aquatics 2023 Operational Update:** Zach Tekavec, Recreation Manager, presented the Aquatics 2023 Operational Update. Mr. Tekavec presented the year-to-date totals for facility and pavilion rentals and staffing numbers. He noted that the year-to-date attendance total for Chisholm Aquatics Center is 23,250, and Central Aquatics Center total attendance is 2,771.

Mr. Tekavec presented the total rescues and audits to date. He reported that the Aquatics staff earned an “Exceeds” on its first operational audit of the season by the safety consulting group Ellis & Associates, Inc.

Mr. Tekavec presented a recap of the following events:

- *Sensory-Friendly Swim* occurred on June 16, with 35 in attendance.
- The June *Dive-In Movie* scheduled for June 17 was canceled due to inclement weather.
- *Play Safe Drowning Prevention* was held on July 10.
- The July *Dive-In Movie* happened on July 8, with 93 in attendance.

Central Aquatics will host the annual *Doggie Dive-In on August 12*.

- B. Event and Programming Enhancement Discussion:** Kristie Weaver reported that the Recreation Division is exploring offering alcohol sales at certain special events. Ms. Weaver presented the Board with details on the existing special event ordinance, events where it would be appropriate, safety considerations and planning, the benefits of utilizing TABC-licensed vendors, and future sponsorship potential.

The Board was receptive to the idea and provided their comments to staff for consideration in developing the final proposal.

Kyle Gordon shared that their input would be incorporated into the proposal that staff will bring forward for consideration in October.

- C. Parks Master Plan Progress Update:** At the request of Board Chair Rod Robertson, Kyle Gordon presented the Parks Master Plan Progress Update. He reported that since its completion in 2018, the Master Plan had been utilized to prioritize projects and apply for state and federal grants for City projects. Mr. Gordon offered the Master Plan overview and process. He presented key plan recommendations, reviewed completed projects, and how future project development links back to the plan priorities.
- D. FY 23-24 Budget Update:** Kyle Gordon presented a brief overview of the FY 23-24 proposed budget for Parks, Recreation, Senior, and Aquatics.

- X. Board Member and Citizen Comments:** None at this time.

XI. Adjournment: Pat King moved to approve the motion to adjourn the meeting. Motion seconded by Alan Neace. Motion prevailed by the following vote:

AYES: King, Neace, Robertson, Young

NO: None

Rod Robertson adjourned the meeting at 7:18 p.m.

APPROVED this the _____ day of _____, 20__

APPROVED:

ATTEST:

CHAIRMAN

RECORDING SECRETARY

CITY OF HURST

COUNTY OF TARRANT

STATE OF TEXAS

On the 27th day of July 2023, at 5:00 p.m., the Hurst Community Arts and Historic Landmark Preservation Committee of the City of Hurst, Texas, convened in Regular Meeting at the Library, 901 Precinct Line Road, Hurst, Texas, with the following members present:

Billye Runnels-Jones	)	Chair
Mary Wismann	)	Members
Anne Stimmel		
Cyndi Evans		
Nell DeLaughter		
Dallas Snow		
Kyle Gordon	)	Executive Director of Community Services
Hannah Ditgen	)	Community Services Management Assistant
Jesse Loucks	)	Library Director
Paige Lutz	)	Recreation Administrative Assistant

with the following members absent: Janice Pyles-Trostle, constituting a quorum, at which time the following business was transacted:

I. Call to Order

Billye Runnels-Jones called the meeting to order at 5:02 p.m.

II. Roll Call of Members

Paige Lutz conducted the Roll Call of Members.

III. Approval of Minutes

Mary Wismann moved to approve the minutes of the April 27, 2023, regular meeting as written. Motion seconded by Anne Stimmel. Motion prevailed by the following vote:

AYES: Wismann, Stimmel, Evans, DeLaughter, Runnels-Jones, Snow

NO: None

IV. Works in Progress

A. Post Oak - Parker Cemetery Grounds: Kyle Gordon informed the Committee that the Parks Division installed two benches at the Post Oak – Parker Cemetery, thus completing the project. Staff displayed photos for the Committee.

V. Communications

- A. Utility Box Art Project – Interagency Cooperation:** Hannah Ditgen shared that she worked with the City of Fort Worth’s Graffiti Abatement Program staff to share some best practices and procedures from Hurst’s Utility Box Art Project. In turn, Fort Worth shared information regarding Arts Fort Worth that Hurst staff will utilize for the next Art in Public Places project. This exchange of information was an excellent cooperation between the two cities.

VI. Unfinished Business

None at this time.

VII. New Business

None at this time.

VIII. Informational Items

A. Art in Public Places

- 1. Phase II Utility Box Art Project Update:** Hannah Ditgen distributed binders to the Committee Members that included Utility Box Art Project designs for their consideration. Ms. Ditgen explained the binder’s contents, including judging criteria guidelines, ranking sheets, and the artists’ submitted artwork.
- 2. Special Meeting Date:** Ms. Ditgen stated that the Committee will meet for a special meeting to finalize the artwork selections. The Committee agreed to meet on August 31 at 5:00 p.m. to finalize the project’s top 10 artwork selections.

- B. FY 23-24 Budget Update:** Kyle Gordon presented a brief overview of the Art in Public Places FY 23-24 proposed budget. Mr. Gordon also shared that the new scope for the Art in Public Places Phase 4 will shift to an outdoor piece and requested that the Committee come to the October regular meeting with recommendations on location, material options, style options, and theme.

C. Hurst Oral History Project Update

- 1. Program Update:** Jesse Loucks informed the Committee that the City Videographer is in the editing stages for Allan Weegar’s and Allan Heindel’s videos.

Mr. Loucks shared that since Jim Starr and John Bobo will not be part of the Oral History Project, staff recommends Hurst’s retired Fire Chief David Palla. The Committee approved this update to the project.

2. **Video Review:** Mr. Loucks presented the video of Deanie Hurst to the Committee. The Committee approved the video.

IX. Other Business

- A. **Next Regular Meeting Date:** Mr. Gordon stated that the next regularly scheduled meeting is Thursday, October 26, 2023, at 5:00 p.m.

X. Board Member and Citizen Comments

None at this time.

XI. Adjournment

There being no further business, the meeting was adjourned by Chair Billye Runnels-Jones at 5:53 p.m.

APPROVED this the _____ day of _____, 2023.

APPROVED:

ATTEST:

CHAIR

RECORDING SECRETARY

Future Events Calendar

August 22, 2023

Regular City Council meetings are held on the second and fourth Tuesday of each month. Following are additional meetings, canceled meetings and public event dates.

<u>DATE AND TIME</u>	<u>ACTIVITY</u>
Monday, September 4, 2023	City Hall Offices closed in observance of the Labor Day holiday
Saturday, October 14, 2023 8:00 a.m.	Household Hazardous Waste Event, Service Center