

**Minutes  
Hurst City Council  
Work Session  
Wednesday, August 12, 2020**

On the 12<sup>th</sup> day of August 2020, at 5:55 p.m., the City Council of the City of Hurst, Texas, convened in Work Session at City Hall, 1505 Precinct Line Road, Hurst, Texas, by telephone conference to advance the public health goal of limiting face-to-face meetings to slow the spread of the Coronavirus (COVID-19) with the following members present:

Henry Wilson	)	Mayor
Jon McKenzie	)	Mayor Pro Tem
David Booe	)	Councilmembers
Larry Kitchens	)	
Cathy Thompson	)	
Bill McLendon	)	
Cindy Shepard	)	
Clay Caruthers	)	City Manager
Clayton Fulton	)	Assistant City Manager
Malaika Marion Farmer	)	Assistant City Manager
Rita Frick	)	City Secretary
Sunny Patel	)	Information Technology Director
Rob Duncan	)	Information Technology 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 5:55 p.m.
- II. Informational Items**
  - **Update and Discussion of upcoming Calendar Items** – City Manager Caruthers advised a Robo call notified residents the City is spraying for mosquitos, again, and that it is a difficult West Nile season with Northeast Tarrant County being a hot spot. Mayor Wilson noted individuals can use Cutter Insect Spray to increase the effectiveness of the City treatment and put larvicide in standing water, which can be purchased at Lowes and Mr. C's Hardware.
  - **Update and Discussion of State and Local reopening plans due to COVID-19** – City Manager Caruthers noted no changes from last night's Council meeting. He stated plans are to target September 28 to expand library and recreation hours, but delay opening the senior center. He noted on a telephone call with the County today, things seem to be trending in the right direction, but we will need to wait and see a couple of weeks after school opens. Mayor Wilson also noted new technology equipment will be added in the Council Chamber to improve the meeting dial-in process.
- III. Discussion of Agenda Item(s) 4, 5, 6, 7 and 8**

Conduct a Public Hearing to consider the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021

Conduct a Public Hearing to consider tax rate for the City's 2020-2021 Fiscal Year Budget

Consider Ordinance 2441(a), first reading, adopting budget for fiscal year beginning October 1, 2020 and ending September 30, 2021

Consider Ordinance 2441(b), first reading, ratifying the Property Tax Revenue Increase reflected in the Fiscal Year 2020-2021 Budget

Consider Ordinance 2442, first reading, setting the tax rate for the 2020 tax year

City Manager Clay Caruthers recommended the full presentation, by Assistant City Manager Fulton, wait until the 6:30 p.m. special meeting to allow time to provide for a reminder of the presentation from the budget work session. He stated staff adjusted the budget with Council's recommendation on the tax rate set at a proposed rate of 3.5% increase equal to the voter approval rate of \$0.625159 and the current tax rate is \$0.597299. He stated the voter approval rate essentially allows staff to lower the amount taken from savings from \$500,000 to \$150,000 in that the tax rate is yielding an additional \$350,000 in revenue. He reiterated that staff worked diligently to bring a budget reduction to Council and was primarily achieved through savings, reorganizations, allowing positions to be dissolved and freezing positions. He reiterated the City is a service oriented industry, not building widgets, so most of the costs are 70% personnel. He stated plans are to open aquatics one park at a time with rotating operational days. There are changes to services and reducing operating hours at different facilities. He stated there is a reduction in the use of consultants and adjustments to some events to be more budget conscious. Also noted are some programs related to compensation and benefits that were eliminated. Mayor Wilson noted the handout from the budget work session and special meetings reviewing the tax rates for consideration. He stated after a lengthy discussion, he believes a 3.5% proposed tax rate is where they should stay. He noted a few calls and comments appeared on the appraisal website, but an uncertain future requires maintaining reserves. He stated if the City is fortunate and businesses reopen and sales tax revenues return to normal it will not be necessary to consider a large increase next year. Councilmember Kitchens agreed with the Mayor's comments stating it is a tough but necessary decision, that the City has already tapped into reserves and the tax increase on a median average home will be approximately \$7.50 a month. Councilmembers discussed the uncertainty of the economy and the City's financial standing. In response to Councilmember questions, Mr. Caruthers reviewed proposed rates of area cities and due to the variances in per capita amounts, exemptions and tax bases an apple to apple comparison is not possible. He stated Grapevine is the only other entity, in the area, that has a comparable sales tax decrease to Hurst. Mr. Caruthers did note that Hurst is in the minority, that most cities' proposed property tax rates are staying flat and some are lowering their rates. He stated the no-new-revenue rate takes about a one cent increase over the current rate and a two-cent rate reduction from the preliminary rate. He advised there are reserves if Council decides to lower the tax rate back down. He stated he would not recommend going backward.

#### **IV. Discussion of Agenda Item(s) 9**

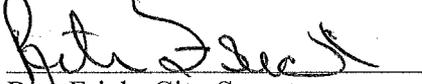
Consider water and wastewater rates for Fiscal Year 2020-2021

City Manager Caruthers noted the Enterprise Fund is having a reasonable year in terms of revenue. He stated staff is exploring the use of credit card convenience fees, for on-line and telephone customers, and will present to Council for consideration at a future date. He stated staff is not recommending a change in the retail rate and expressed confidence the fund is secure and sound. Mr. Caruthers stated after speaking with the City's consultant, he concurs that no rate increase should be considered this year.

**ADJOURNMENT** – The meeting was adjourned at 6:22 p.m.

**APPROVED** this the 25<sup>th</sup> day of August 2020.

**ATTEST:**

  
\_\_\_\_\_  
Rita Frick, City Secretary

**APPROVED:**

  
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Henry Wilson, Mayor