

**CITY OF BUNKER HILL VILLAGE**  
**CITY COUNCIL**  
**Agenda Request**

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**Agenda Date:** November 15, 2022

**Agenda Item No:** IV

**Subject/Proceeding:** Police Commissioner's Report

**Exhibits:** Chief's Monthly Report (*October*)  
- Fire Department Assists  
- 2022 Burglary Map – *October 31, 2022*  
- 2022 Auto Burglary Map – *October 31, 2022*  
- ALPR Hit Locations  
- ALPR Recoveries & List  
- ALPR Report – October 2022  
- 2022 Total Incidents to Date  
- Officer Committed Time Report to Date

**Clearance:** Karen Glynn, City Administrator

**Executive Summary**

The Police Commission Report will include the following items:

A. Update on Activities

The Police Commissioner and Police Chief will present this item.



Memorial Villages Police Department  
 11981 Memorial Drive  
 Houston, Texas 77024  
 Tel. (713) 365-3701

Raymond Schultz  
 Chief of Police

November 14, 2022

TO: MVPD Police Commissioners  
 FROM: R. Schultz, Chief of Police  
 REF: October Monthly Report

During the month of September MVPD responded/handled a total of 4,627 calls/incidents. 3,125 House Watch checks were conducted. 708 traffic stops were initiated with 739 citations being issued for 1,367 violations. (Note: 18 Assists in Hedwig, 130 in Houston, 2 in Spring Valley and 0 in Hillshire)

*Calls/Events by Village were:*

Village	Calls/YTD	House Watches/YTD	Accidents	Citations	Response Time
Bunker Hill:	1341/18513	970/15046	6	141/298/439	9@4:23
Piney Point:	1278/15701	858/12170	7	188/335/523	2@3:42
Hunters Creek:	1823/24181	1294/19760	6	167/253/402	11@3:40
				Cites/Warn/Total	22@3:58

*Type and frequency of calls for service/citations include:*

Call Type	#	Call Type	#	Citations	#
False Alarms:	145	Ord. Violations:	13	Speeding:	161
Animal Calls:	20	Information:	16	Exp. Registration:	263
ALPR Hits:	131	Suspicious Situations	137	No Ins:	178
Assist Fire:	51	Loud Party	16	License	151
Assist EMS:	23	Welfare Checks:	11	Stop Sign	40
				Fake Plate	123

*This month the department generated a total of 79 police reports.  
 BH-21, PP-24, HC-31, HOU-1, HED-2, SV-0*

Crimes Against of Persons (2)

Assault (DV)	1
Assault on a PO	1

Crimes Against Property (8)

Burglary of a Motor Vehicle	2	Theft - Felony	1
Burglary of a Habitation	1	Theft - Misd	1
UUMV	1	Fraud/ID	2

Petty/Quality of Life Crimes/Events (69)

ALPR Hits (valid)	8	Warrants	7
Accidents	19	DWI	2
Information Reports	24	Possession of DW	2
Possession of CS	6	Extortion	1

Arrest Summary: Individuals Arrested (18)

Warrants	7	Felony	2
Class 3 Arrests	7	DWI	2

<u>Budget YTD:</u>	<u>Expense</u>	<u>Budget</u>	<u>%</u>
• Personnel Expense:	4,105,478	5,222,098	78.6%
• Operating Expense:	811,600	959,152	84.6%
• Total M&O Expenditures:	4,917,078	6,181,250	79.5%
• Capital Expenses:	160,125	178,000	90.0%
• Net Expenses:	5,077,203	6,359,250	80.0%

#### Follow-up on Previous Month Items/Requests from Commission

- Finance sub-committee conducted a TMRS Workshop on November 9, 2022.

#### Personnel Changes/Issues/Updates

- TCO Tiffany Gresak started October 10, 2022.
- Officer Alli Alsalmni was hired and will start November 21, 2022. Officer Alsalmni comes from the Katy Police Department.

#### Major/Significant Events

- Detectives and Administrative staff worked on the Flintdale Burglary that occurred on 10/27/22. Utilizing the ALPR and working in conjunction with Hedwig PD, 2 suspects vehicles were identified and entered in the FLOCK system. On 10/29/22 the suspects returned to the area and the ALPR system alerted officers who stopped the vehicle near the victim's home. The suspects claimed no association to the burglary. On Monday morning, 10/31/22 personnel returned to the area to see if they could determine why the suspects had returned. Officers located a wireless internet camera hidden in the bushes near the street of the victim's home. Detectives also learned of a burglary involving a similar vehicle had occurred in Sugarland. SPD was contacted and it was confirmed to be the same vehicle. Working together the crew of Columbians was identified and linked to both crimes. Additional information found multiple other cases from throughout the Houston area involving these suspects. A multi-agency case is now being prepared for prosecution.
- Officers were dispatched to an address on River View Way in reference to a Burglary of a Vehicle. Through investigation officers were able to access nearby surveillance footage and ALPR footage to identify a suspect vehicle and suspect. The victim was recontacted but declined to press charges as he was concerned for the safety of his family.
- Trunk or Treat and the MVPD statue dedication occurred on October 30, 2022. The event was a success and well attended with several hundred people present.

#### Status Update on Major Projects

- New Servers were purchased and installed. They are now operational. This project was a 2022 Capital Project. The server replacement project was delayed due to the RFP and new IT Vendor selection and transfer process. Upon a review of the project, the new IT Vendor identified a more efficient alternative that allows for on-site back-up and cloud storage.

#### V-LINC new registrations in October +17

BH – 1510(+9)  
PP – 1082 (+4)

HC – 1525 (+3)  
Out of Area – 544 (+1)

## October VFD Assists

Calls received directly by MVPD via 911/3700

### Priority Events                      Average Response Times

Total –10	3:27
Fire – 4	2:58
EMS – 6	3:44

### By Village

BH Fire – 1	0:16
BH EMS – 3	3:24
PP Fire – 0	0:00
PP EMS – 1	3:42
HC Fire -3	3:05
HC EMS -2	4:14

### Combined VFD Events (Priority + Radio)

Total – 45	3:28
Fire – 37	4:05
EMS – 8	3:53

### Radio Call Events

Total – 35	3:28
Fire- 33	3:21
EMS- 2	5:07

### Radio Call Events by Village

BH – 8	3:19
PP – 10	4:04
HC – 17	3:16

## 2022 Burglary Map

Address	Alarm	POE
233 Merrie Way	No	Walk-in UNL Door
706 Country Lane	No	Garage UNL Door
11903 Broken Bough	No	Door Kick
24 Greyton Ln	No	Side Door Wind
321 Bunker Hill Rd	No	Const Site
214 Blalock	No	Open Door
26 Windemere	No	Rear Door
7618 River Pt.	No	Rear Door
691 Flintdale	No*	Rear Window

## 2022 Robberies

Address	MO
201 Kensington	Driveway Robbery



Daytime Burglary



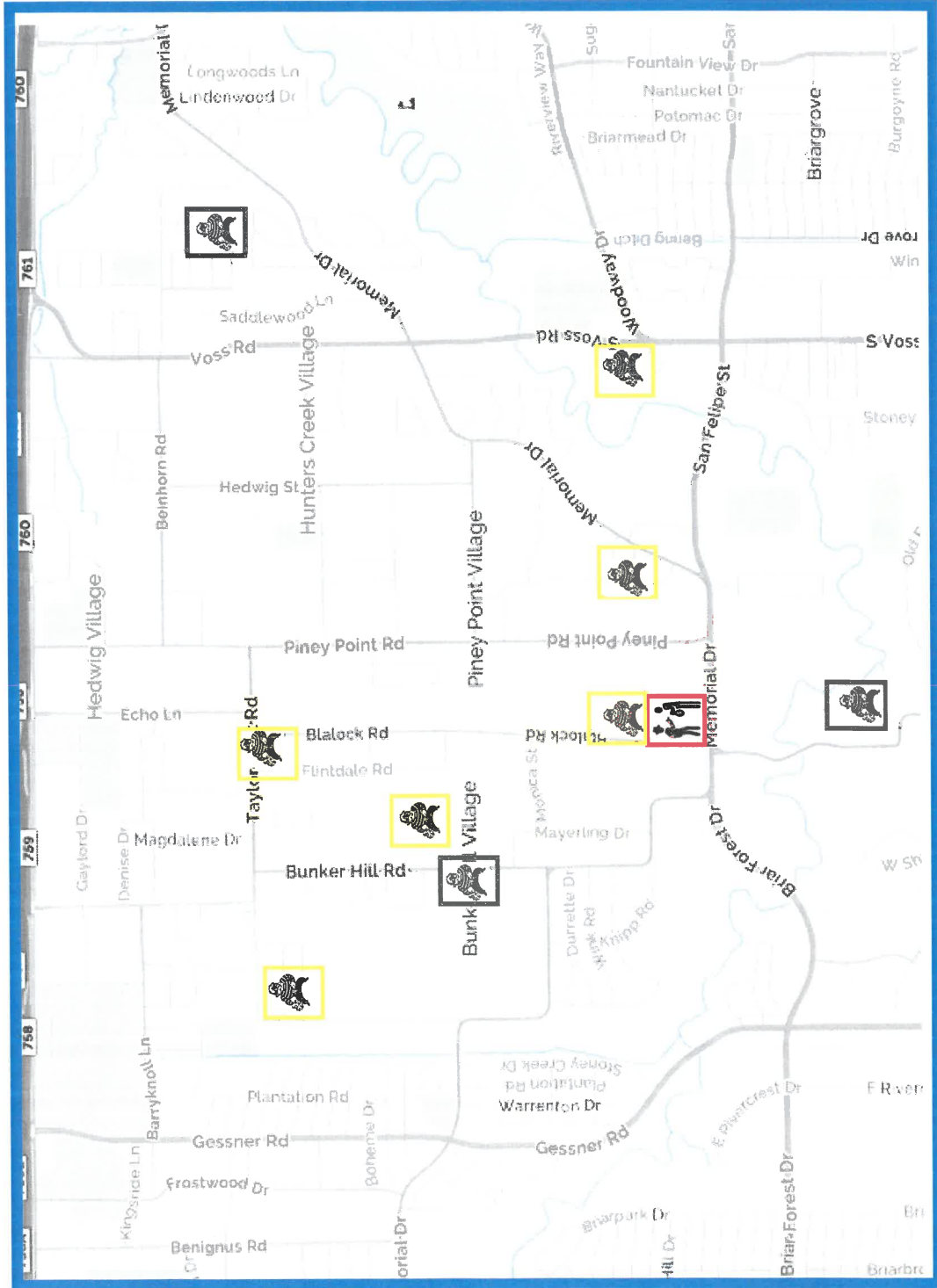
Nighttime Burglary



Robbery

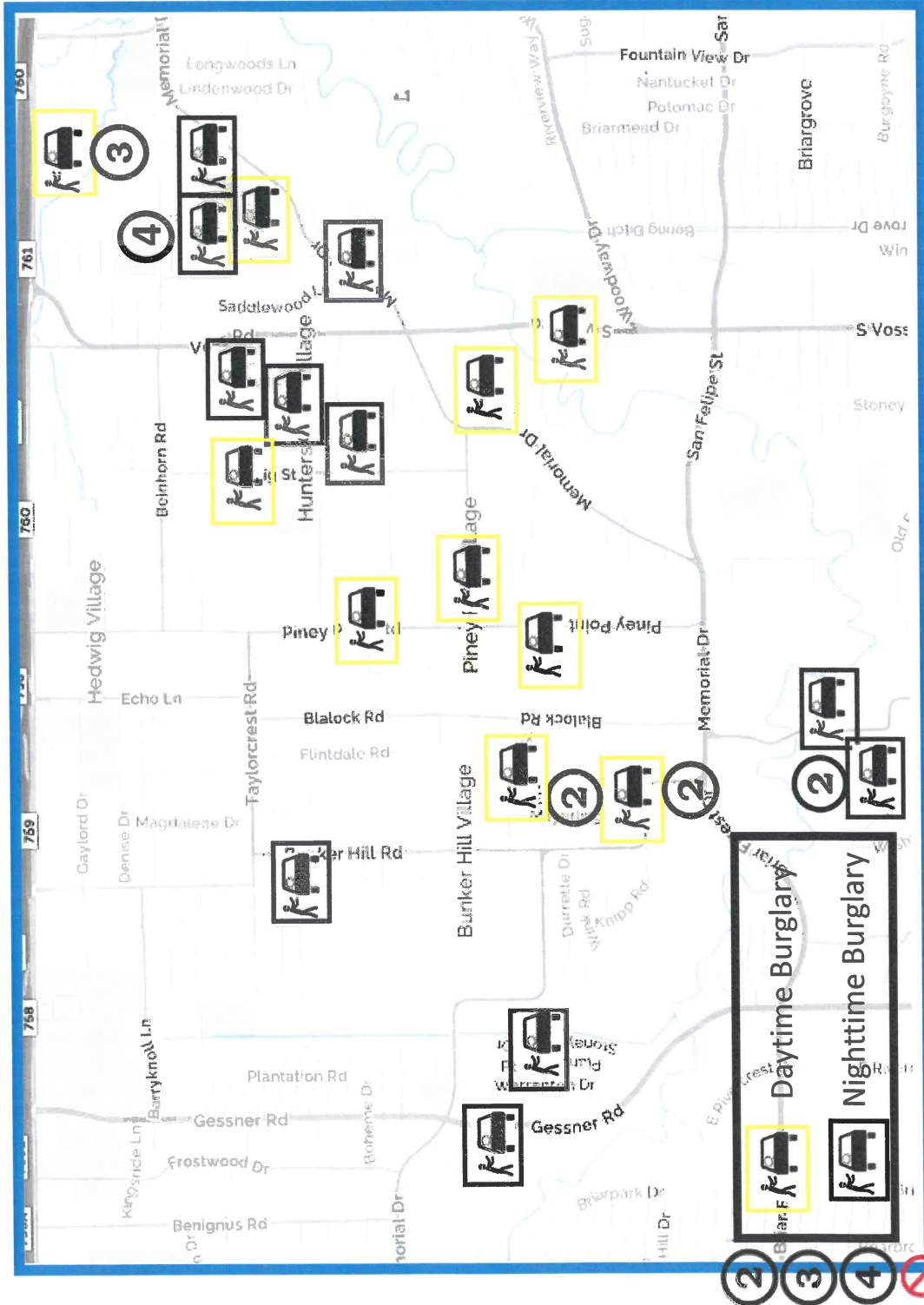


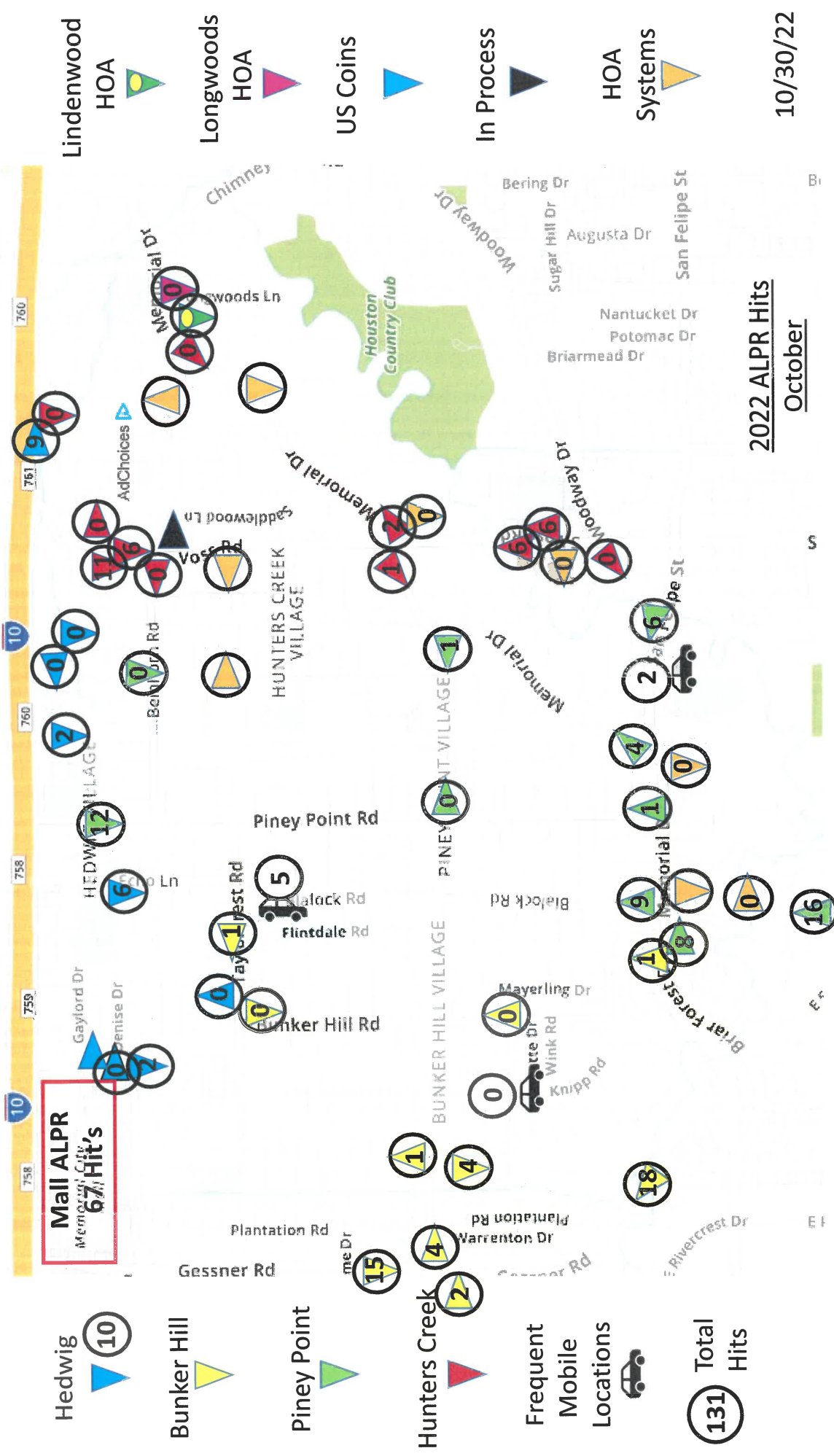
10/31/22



# 2022 Auto Burglary Map

Address	POE
243 Gessner 22-0042	UNL Vehicle
<u>614 Hunters Grove 22-0046</u>	<u>UNL Vehicle</u>
215 Voss	UNL Vehicle
634 Saddlewood	UNL Vehicle
626 Saddlewood	UNL Vehicle
10710 Bridlewood	UNL Vehicle
718 Camelot	UNL Vehicle
708 Country	UNL Vehicle
1 Windemere	UNL Vehicle
410 Pine Needle	UNL Vehicle
8427 Hunters Creek Drive	UNL Vehicle
8447 Hunters Creek Drive	UNL Vehicle
11024 Greenbay	Side Window
362 Piney Point	UNL Vehicle
11614 Arrowood Cir	UNL Vehicle
251 Plantation	UNL Vehicle
8435 Katy Fwy	UNL Vehicle
11607 Arrowood Cir	UNL Vehicle
708 Country Lane	UNL Vehicle
10917 Roaring Brook	UNL Vehicle
11750 Memorial	UNL Vehicle
11750 Memorial	UNL Vehicle
10403 Memorial	UNL Vehicle
90 Williamsburg	UNL Vehicle
10911 Walwick	UNL Vehicle
11625 Monica	UNL Vehicle
11618 Green Oaks	UNL Vehicle
215 Hedwig	UNL Vehicle
<u>1003 Riverview Way</u>	<u>UNL Vehicle</u>
11702 Memorial Dr	UNL Vehicle

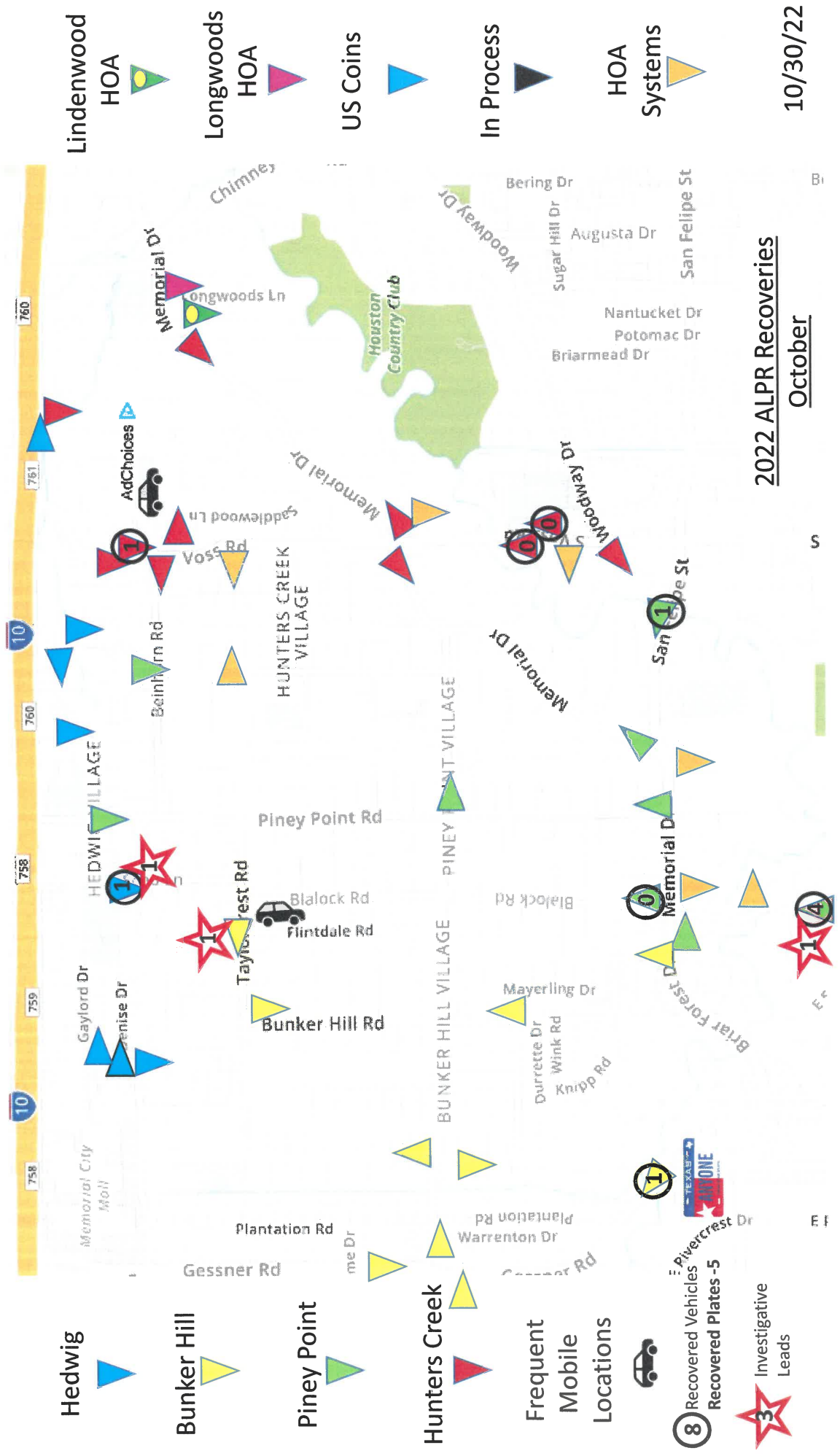




**Mail ALPR**  
 Memorial City  
 67 Hit's

2022 ALPR Hits  
 October

10/30/22



Hedwig

Bunker Hill

Piney Point

Hunters Creek

Frequent Mobile Locations

8 Recovered Vehicles  
Recovered Plates -5

3 Investigative Leads

Lindenwood HOA

Longwoods HOA

US Coins

In Process

HOA Systems

2022 ALPR Recoveries

October

10/30/22



## Hits/Reads By Camera

1	15/213,431	17	1/7,670 *	Total Reads – 4,062,539
2	4/176,477	18	2/105,805	Unique Reads – 488,761
3	See #31	19	11/175,573	Hits- 404
4	1/159,429	20	6/236,285	6 Top Hit List- 131
5	0/22,973	21	6/383,620	• Hotlist - 11
6	1/71,516	22	6/405,052	• Stolen Vehicle
7	8/140,520	23	6/302,935	• Stolen Plate
8	16/267,589	24	9/188,978	• Gang Member
9	1/117,589	25	0/18,508	• Missing
10	4/97,376	26	0/53,561	• Amber
11	0/52,483	27	5/137,398	Recoveries - 8
12	5/197,769	28	2/37,047	• *Showing as #31 Tealwood at
13	18/287,865	29	0/5,316	Memorial
14	0/68,908	30	0/19,751	• ** Only 3 days of operation
15	0/6,851	31	2/13,437**	
16	0/21,777	32	1/49,838	
		33	1/43,052	

ALPR Recoveries						
Num	Plate	Vehicle	Loc	Val	Links	Date
1	PYW1930	Jeep Pat	6	\$ 18,000.00	Missing Peson	5-Jan
2	NS26202	Chev SPK	19	\$ 14,000.00	Fugitive	9-Jan
3	LBH7413	Toy Cam	8	\$ 18,000.00	Burg/Warr	13-Jan
4	36268G6	Niss Sent	24	\$ 14,500.00		14-Jan
5	P556946	ChevImpal	22	\$ 21,000.00		20-Jan
6	27517B1	BlkLexus	21	\$ 34,000.00	FelWarrant	30-Jan
7	JMH0296	Ford Must	17	\$ 23,500.00		1-Feb
8	AL32592	U-HAUL	Station	\$ 70,000.00	Poss Meth	24-Feb
9	NPS2672	Ford F150	20	\$ 45,000.00	Carjacking	25-Feb
10	KPH5017	LexG43	17	\$ 18,500.00	Warr	3-Mar
11	NVT0203	Chev Mal	103	\$ 16,000.00	Warr	8-Mar
12	C337283	Chev1500	Coins	\$ 21,000.00	Fugitive	13-Mar
13	NKM9110	Toy SUV	19	\$ 30,000.00	Fugitive	19-Mar
14	LTR0879	Honda ACI	21	\$ 18,000.00		20-Mar
15	94AQZQ	ToyCam	2	\$ -	Hotlist Mail Thief	25-Mar
16	MKP5490	Toy Rav4	7	\$ 26,000.00	Fugitive	22-Mar
17	PRF3098	Niss Con	19	\$ 18,750.00	Armed Rob	31-Mar
18	GF85552	Toy Cor	19	\$ 16,000.00	car Jacking	1-Apr
19	AG89893	Uhaul	1	\$ 41,000.00		23-Apr
20	HTV3407	Ford Esc	1	\$ 20,000.00	Missing Peson	26-Apr
21	MCD4078	HynEln	4	\$ 23,500.00		2-May
22	LBL4381	Ram1500	8	\$ 41,000.00		4-May
23	RRB3406	NissXTR	23	\$ 27,000.00		5-May
24	PMJ5213	NissSen	21	\$ 18,500.00		5-May
25	RPZ7921	Ford Foc	RB 23	\$ 12,000.00		6-May
26	48055C8	HumH3	19	\$ 46,000.00	Fugitive	6-May
27	MZZ3102	ChevSub	23	\$ 27,000.00		8-May
28	0252W43	F150	27	\$ 30,000.00		26-May
29	RFK9077	NissMur	8	\$ 23,000.00		26-May
30	RGRA490	Kia	8	\$ 22,500.00	Poss of Narcotics	27-May
31	PBJ4056	Niss	8	\$ 25,500.00	Stolen Firearm	27-May
32	AH01898	UHaul	7	\$ 42,500.00	Stolen misc items	1-Jun
33	KKM3831	ToyCam	8	\$ 20,000.00	Fugitive	11-Jun
34	LF54848	Honda Civ	20	\$ 15,000.00		14-Jun
35	PXD7306	FordEsc	19	\$ 18,750.00	Fugitive	17-Jun
36	CZY9487	FordF250	24	\$ 37,000.00	Hotwire	18-Jun
37	57BYIV	Kia	24	\$ 24,000.00	hertz Rental	20-Jun
38	RMX4945	Acura	21	\$ 32,000.00	Carjacking	7-Jul
39	0698V50	Toy Cam	Hed	\$ 23,000.00	Fraud	12-Jul
40	4T28195	Trailer	21	\$ 6,000.00	Fraud	18-Jul
41	CQE6383	MerBenz	21	\$ 65,000.00	Fraud	21-Jul
42	RNV3718	Ford Van	21	\$ 17,000.00	Fraud	24-Jul
43	NHV2432	HynEln	1	\$ 18,000.00	Fraud	30-Jul
44	KXR5488	DodJour	6	\$ 9,000.00		2-Aug
45	RSL6806	HYNVelos	1	\$ 17,000.00	Fraud	4-Aug
46	DPZ3402	HONCiv	1	\$ 15,000.00	Fugitive	5-Aug
47	RXR2715	HondaCR	Hed	\$ 18,000.00	Fraud	7-Aug
48	PZY0325	INFQX50	8	\$ 21,000.00	Fraud	7-Aug
49	KRL3811	CAD	19	\$ 26,000.00	Fraud	9-Aug
50	RXF2537	HonPilot	21	\$ 17,000.00	Fraud	12-Aug
51	PFG5119	FordExp	6	\$ 19,500.00	Narcotics	17-Aug
52	LWC2986	LandRover	13	\$ 31,000.00	Narcotics	19-Aug
53	AL62414	UHaul	24	\$ 4,000.00		20-Aug
54	AL08211	GMCCargo	22	\$ 30,000.00		20-Aug
55	NYK5679	ToyCor	13	\$ 14,000.00		25-Aug
56	LDP126 FL	Toy Max	21	\$ 23,000.00		28-Aug
57	RZM2175	BMW328	24	\$ 24,000.00		3-Sep
58	RMV6623	Ford Focus	23	\$ 12,500.00	Fraud-Salv Title	6-Sep
59	AE06024	FordVan	22	\$ 42,000.00	Carjacking	13-Sep
60	FJR9716	Audi	1	\$ 31,000.00	Fugitive	14-Sep
61	RCS8286	Chevy	13	\$ 27,000.00	narcotics	1-Oct
62	MHV3766	ChevySil	19	\$ 30,000.00	Stolen plates	3-Oct
63	RYF7801	ToyCam	8	\$ 18,500.00	Fugitive	3-Oct
64	RZZ0130	HondaAcc	23	\$ 15,000.00		8-Oct
65	MHV6529	AudiQ5	8	\$ 24,000.00		14-Oct
66	PKM2430	Ford Must	Hed	\$ 18,000.00		18-Oct
67	48BGP5	ToyRAV	8	\$ 20,000.00		30-Oct
68	RRH6618	Hynd	8	\$ 16,000.00		31-Oct
69						
70						
71						
72						
73						
74						
75						

Plate Recoveries					
Plate Recove	Date	Links	Plate Reco	Date	Links
IS11QH	1/4/2022		53821C6	6/25/2022	Fake/Fugitive
63B374	1/4/2022		NS26346	6/27/2022	
39496Y1	2/18/2022	same plate on 2 cars	NMD9375	7/7/2022	
39496Y1	2/18/2022	same plate on 2 cars	03339D99	7/8/2022	
NBB1660	3/3/2022		18D0631	7/26/2022	
LUS3735	3/7/2022		0541X86	9/2/2022	
KT83323	3/10/2022	Recovered 100+ CC's	7F4429	9/3/2022	
BGFB425	3/15/2022	Hertz	DKS8246	9/3/2022	
72HCF9	3/25/2022		0976X86	9/19/2022	
MKP5490	3/22/2022	On Stolen Veh	70195H3	9/25/2022	
72HCF9	3/26/2022		LEZ740	10/4/2022	
43423 E7	7-Apr		NXN4257	10/6/2022	
30054V3	5/9/2022		7E7288	10/11/2022	
34917B9	5/12/2022		0876P26	10/20/2022	
LCL5909	5/12/2022	Stolen Plate	1625C70	10/21/2022	
0006H59	6/1/2022	Fake Tag	1028C79	10/23/2022	
006H59	6/4/2022	Stolen Plate	PYS7450	11/1/2022	
0252W43	6/4/2022	Stolen Plate	RMR9596	11/2/2022	
0006H59	6/4/2022	Stolen Plate			
PXD7306	6/17/2022	Stolen on Stolen			
86F1775	6/18/2022	Fake/Stolen			
0271A61	6/24/2022	Fake/Stolen			

Firearm in vehicle      Vehicle found to be Stolen  
Temp Tag

Located but Fled					
Date	Plate	Camera	Date	Plate	Camera
13-Mar	PGP4565	7	3-Jul	0339D99	21
26-Mar	KZR0019	19	19-Jul	CQE6383	21
12-Jun	KTG0535	17	15-Aug	PYR2967	22
26-Jun	PYV1695	20	23-Sep	RXY5625	13
26-Jun	PTD5972	23			

Missing Person		
Date	Plate	Camera
6/7/2022	LZM0966	2
6/7/2022	GLW6656	1

42 of 68 involved in other crimes = 63%

Program Summary			
2022 Value	\$ 1,620,000.00	Recovered	40
2021 Value	\$ 1,683,601.00	Recovered	75
2020 Value	\$ 1,147,500.00	Recovered	61
2019 Value	\$ 438,000.00	Recovered	22
<b>Program Total</b>	<b>\$ 4,889,101.00</b>		<b>198</b>

INVESTIGATIVE LEADS				
3/11/2022	JXN1575	20	Mail and Vehicle Thefts	HPD Case TOT HPD
3/24/2022	94A02Q FL	19	Mail Thiefs	Lead TO-Be issued
4/4/2022	Green Honda	23	Robbery	Lead TB To-Be issued
4/8/2022	Chev Impalaf	6	Burglary	lead Arrest
4/19/2022	Cad Esc	#174	UUMV	Lead tot HPD
4/21/2022	Toy Cor	15	BMV	Lead To-Be issued
5/21/2022	LJN6783	Wind	Mail Thieves	Arrest Arrest
5/23/2022	RKH5452	1	BOH	Lead To-Be Issued
7/6/2022	78660E1	Hed	Const Theft	Arrest 3 in-custody



# October 2022 ALPR REPORT



Total Plate Reads, Incl's multiple reads of same plate  
Number of Unique Plates Read – Total without repeats  
Number of Hits/Alerts - All 14 possible categories  
Number of Hits/Alerts of the 6 monitored categories  
Number of Sex Offender Hits (not monitored live)  
Total Hits-Reads/total vehicles passed by each camera

# 2022 ALPR Data Report

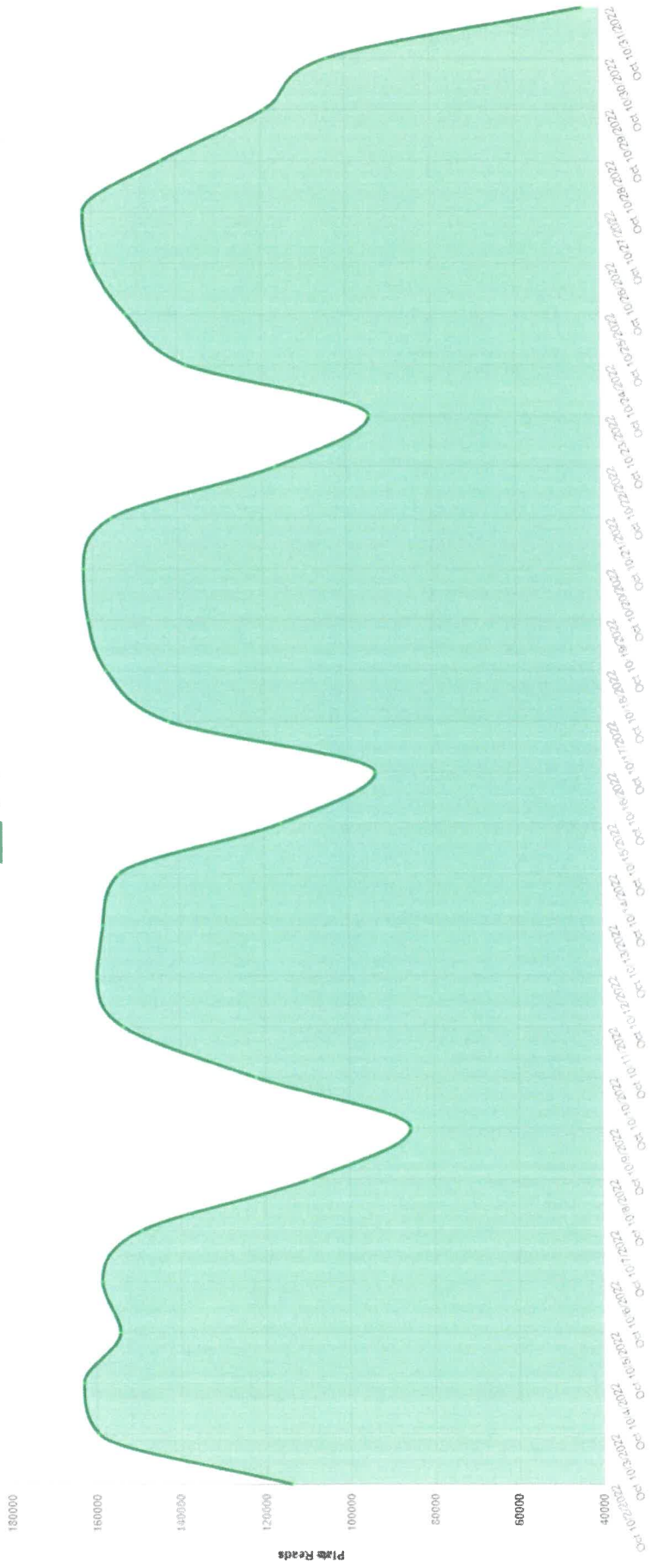
## Plate Reads Summary

Total Plate Reads:  
4,062,539

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Cameras (33) ▼ Oct 2 - Oct 31

Plate Reads By Day



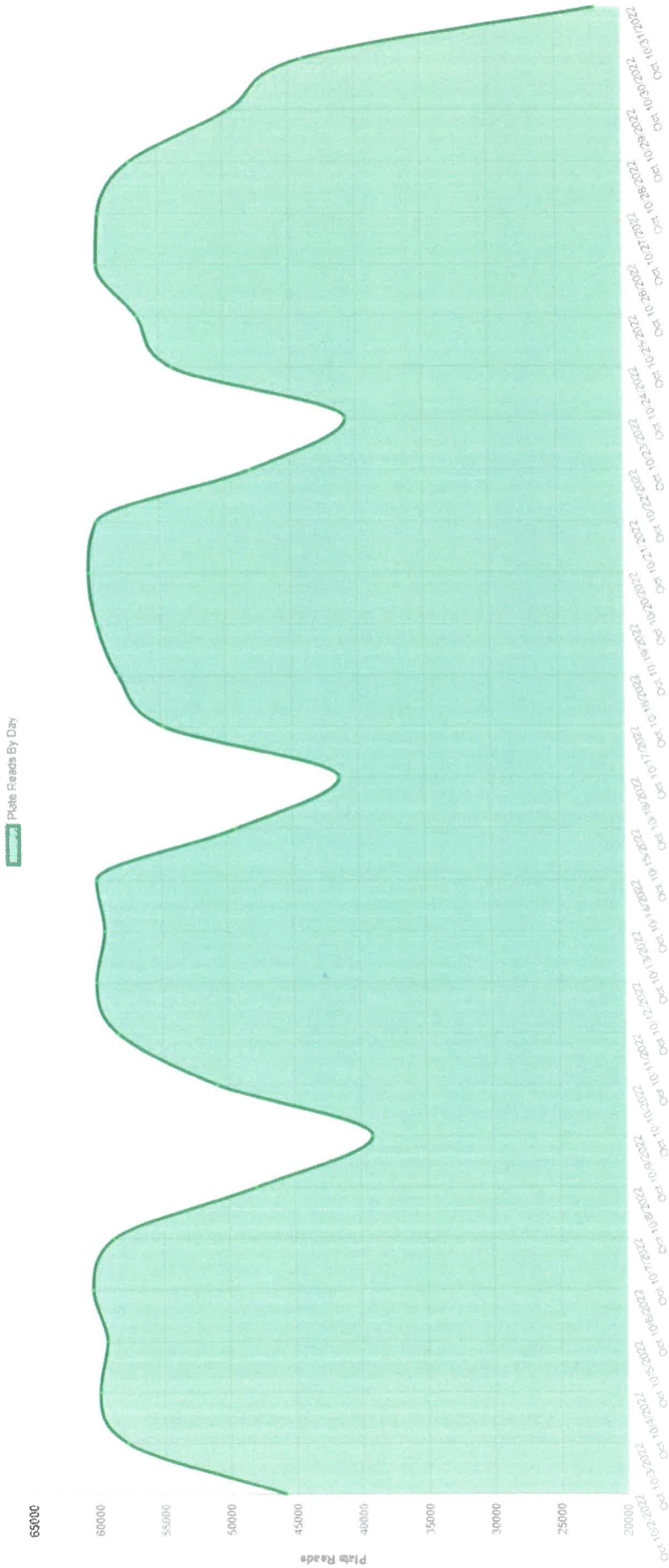
# Unique Plate Reads Summary

Total Unique Plate Reads:  
488,761

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Oct 2 - Oct 31

Cameras (33)



# All Categories

## Hits Report

Total Hits:  
210

[Download CSV](#)

Oct 2 - Oct 31

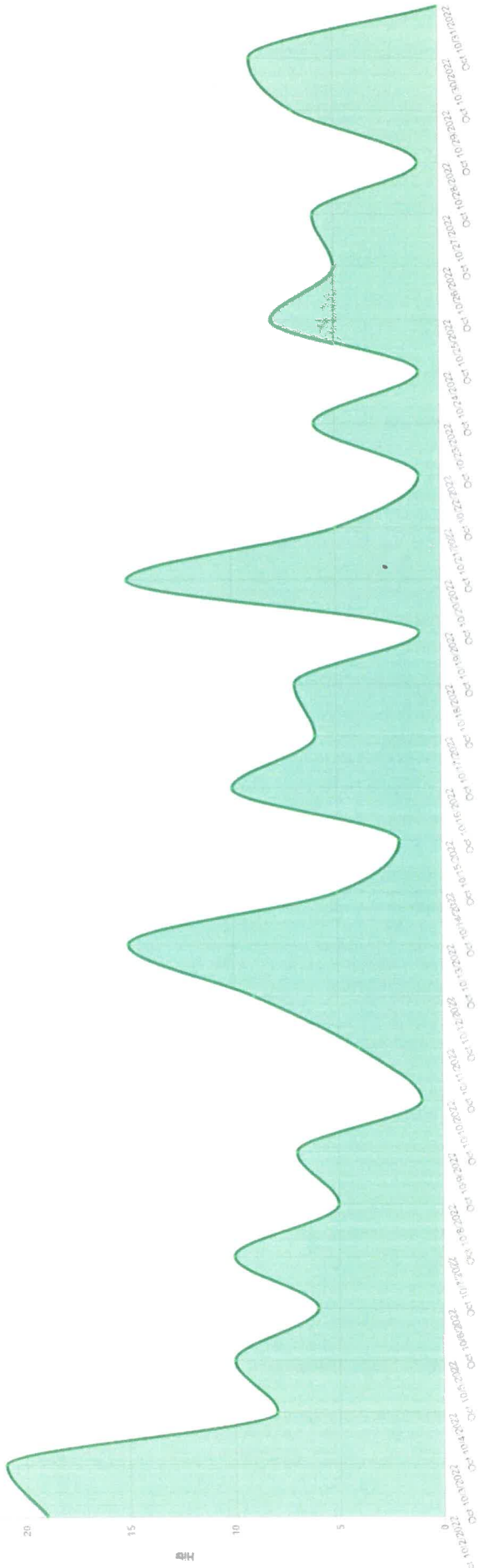
Topics (14) ▾

Cameras (33) ▾

[Search](#)

[Hits By Day](#)

25



## Top 6 Categories

### Hits Report

Total Hits:  
131

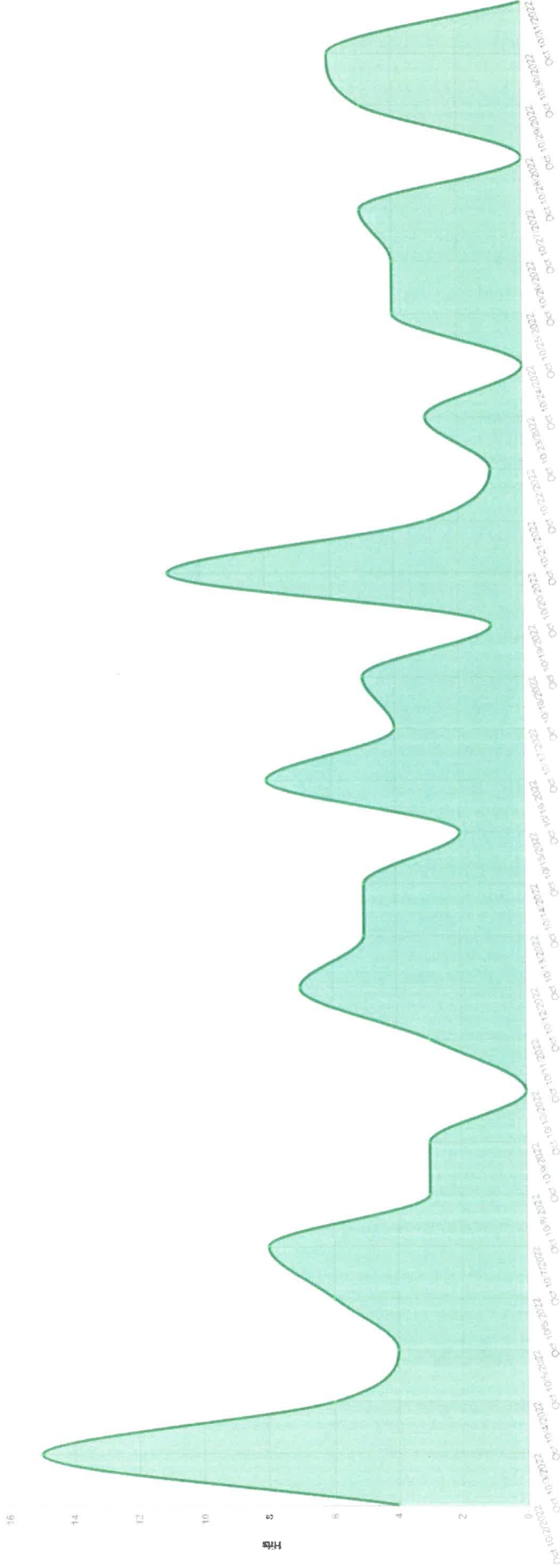
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Oct 2 - Oct 31

Topics (6) ▾

Cameras (33) ▾

[Hits By Day](#)



# Sex Offenders Only Hits

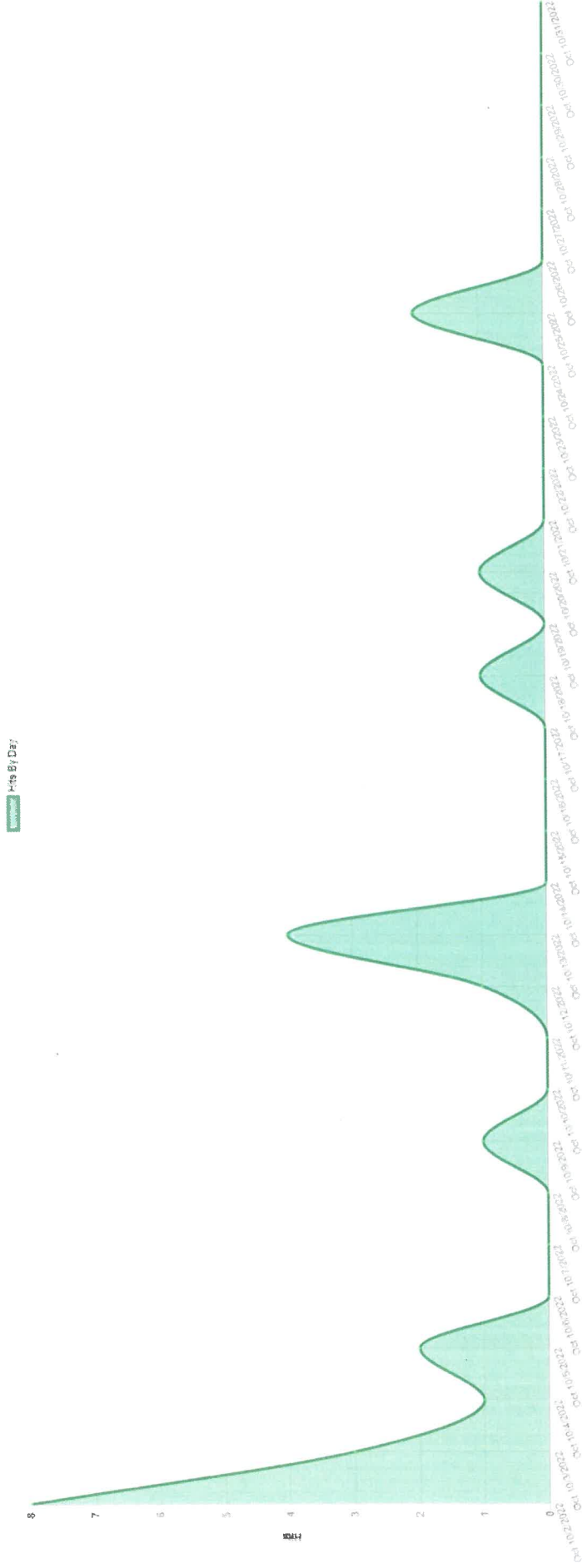
## Hits Report

Total Hits:  
24

[Download CSV](#)

Oct 2 - Oct 31

Topics (1) ▼ Cameras (33) ▼





#1 Gessner S/B at Frostwood	#15 Hunters Creek Drive S/B at I-10	#29 Riverbend Main Entrance
#2 Memorial E/B at Memorial	#16 Memorial W/B at Creekside	#30 Beinhorn E/B at Voss
#3 <u>NO ALPR - Future Location</u>	#17 Memorial W/B at Voss	#31 <u>Memorial E/B at Tealwood (new)</u>
#4 Memorial N/B at Briar Forrest	#18 Memorial E/B at Voss	#32 Greenbay W/B at Memorial
#5 Bunker Hill S/B at Taylorcrest	#19 S/B Voss at Old Voss Ln 1	#33 <u>Strey N/B at Memorial</u>
#6 <u>Taylorcrest W/B at Flintdale</u>	#20 S/B Voss at Old Voss Ln 2	<u>Private Systems monitored by MVPD</u>
#7 Memorial E/B at Briar Forrest	#21 N/B Voss at Magnolia Bend Ln 1	US COINS - I-10 Frontage Road
#8 2200 S. Piney Point N/B	#22 N/B Voss at Magnolia Bend Ln 2	Memorial Manor NA Lindenwood/Memorial
#9 N. Piney Point N/B at Memorial	#23 W/B San Felipe at Buffalo Bayou	Greyton Lane NA
#10 Memorial E/B at San Felipe	#24 N/B Blalock at Memorial	Calico NA
#11 Greenbay E/B Piney Point	#25 <u>N/B Bunker Hill at Memorial</u>	Windemere NA
#12 Piney Point S/B at Gaylord	#26 S/B Hedwig at Beinhorn	Mott Lane
#13 <u>Gessner N/B at Bayou</u>	#27 Mobile Unit #181	Kensington NA
#14 <u>Beinhorn W/B at Pipher</u>	#28 Mobile Speed Trailer	Stillforest NA
		Farnham Park
		Riverbend NA
		Pinewood NA
		Hampton Court
		Bridlewood West NA
		N Kuhlman NA
		Longwoods NA
		Memorial City Mall - 22

Yellow = Bunker Hill

Green = Piney Point

Red = Hunters Creek

Blue = MVPD Mobile

Purple = Privately Owned Systems





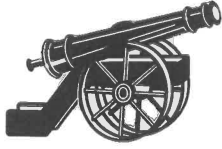
## 2022 Officer Committed Time to Service Report

Employee Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Reports	Cites
BAKER, BRIAN C	1:12:06	0:25:57	0:41:47	3:39:42	2:14:53	1:17:03	1:36:45	0:01:36	7:02:02	0:56:24				
BALDWIN, BRIAN														
BIEHUNKO, JOHN	18:43:22	2:22:28	16:34:24	16:11:16	0:05:01	30:06:58	20:24:31	13:02:30	26:25:28	15:54:27	24:30:34		4	19
BOGGUS, LARRY	15:04:47	5:53:12	4:40:34	3:14:42	4:18:58	8:49:03	4:15:44	2:34:08	7:02:51	0:34:11				
BURLESON, Jason	12:07:07	8:50:51	10:28:24	15:39:39	20:46:39	12:37:07	12:19:19	19:23:50	20:56:06	30:33:41			5	34
CANALES, RALPH EDWARD	15:47:48	12:59:21	20:33:16	7:12:09	18:07:20	18:57:15	24:50:11	20:27:50	13:12:30	16:46:23			2	14
CERNA, BLAIR C.	10:28:34	4:46:23	5:09:00	13:16:49	3:28:16	2:39:05	17:08:31	9:42:12	5:44:02	3:11:10				
ECKERFIELD, Dillion	14:43:31	50:20:55	41:45:59	20:58:59	46:51:13	46:09:14	33:39:36	36:56:10	29:13:14	27:10:50			5	29
HARWOOD, NICHOLAS	8:52:50	12:08:28	17:02:07	32:38:36	14:55:59	19:34:36	15:51:00	5:12:47	22:22:46	22:04:36			4	32
JARVIS, RICHARD	15:27:18	13:08:35	11:48:58	17:43:16	17:42:14	20:08:16	25:38:04	16:09:36	18:06:55	11:21:40			1	17
JOHNSON, JOHN							1:48:02	40:05:58	47:59:17	22:28:35			2	54
JONES, ERIC	0:00:00	0:00:00	0:00:00	2:26:49	0:58:54	0:00:00	0:00:00	0:00:00	0:00:00	0:10:53				
KELSO JR, RONALD K	18:23:38	18:34:45	18:24:13	16:24:02	21:26:07	16:59:04	21:18:40	6:26:15						
KING, JEREMY														
KUKOWSKI, Andy	8:41:08	29:17:18	19:38:51	10:43:16	14:27:45	35:09:03	23:03:25	22:42:16	31:17:43	35:09:17			4	5
LOWRIE, Andy	22:19:30	25:03:32	25:44:26	30:50:09	37:16:39	47:52:05	49:29:44	35:25:22	16:12:44	40:02:02			5	97
MCLELVANY, ROBERT	15:57:19	16:56:24	11:49:41	15:02:12	15:14:52	14:52:41	14:09:33	19:15:01	9:12:08	9:07:59			2	15
MILLER, OSCAR	2:11:11	0:26:31	2:26:05	9:03:28	4:23:24									
NASH, CHRISTOPHER	5:48:17	8:01:05	12:25:46	18:40:35	14:35:51	11:49:00	16:46:51	7:04:50						
ORTEGA, Yesenia	13:37:44	13:06:03	27:04:16	21:00:00	22:35:33	31:13:22	32:38:16	21:42:57	16:57:08	20:22:36			2	30
OWENS, LANE	1:19:54	0:00:00	0:01:20	0:00:00	1:17:38	0:00:00	3:05:43	2:39:36	0:00:00	0:00:00				
PAVLOCK, JAMES ADAM	7:53:53	12:46:08	21:56:20	18:00:52	19:42:42	22:02:06	24:04:31	21:29:20	19:54:17	18:39:43			8	64
RODRIGUEZ, CHRISTOPHER	3:33:25	1:10:27	2:30:35	3:18:59	9:12:09	2:37:41	3:30:42	4:17:13	1:57:38	0:32:23			1	1
SALAZAR, Efrain							12:39:26	9:48:42	24:15:54	28:52:18			1	38
SCHANMEIR, CHRISTIAN	13:46:24	13:54:19	22:55:54	19:04:49	24:31:16	0:00:00	0:00:00	2:55:01	25:56:02	28:18:09			10	42
SCHULTZ, RAYMOND	0:08:10	0:19:11	0:00:00	3:09:04	0:58:56	0:14:11	1:23:01	0:05:17	1:29:27	0:00:00				
SILLIMAN, ERIC	18:28:11	21:46:57	18:28:05	20:43:02	30:52:29	16:55:33	6:26:49	12:22:51	26:01:43	19:02:16			5	43
SPRINKLE, MICHAEL	2:24:25	3:42:07	7:30:26	10:26:51	8:13:27	12:57:33	8:18:24	10:55:32	7:22:49	7:06:11				6
TAYLOR, CRAIG	14:23:05	8:57:33	15:22:47	8:22:56	15:25:16	29:26:49	24:23:06	23:14:45	13:53:38	25:04:22			2	23
TORRES, PATRICK	17:51:27	15:18:21	12:19:55	18:43:20	15:41:19	10:59:51	0:00:00	0:30:06	2:53:18	2:19:03			1	15
VALDEZ, JUAN	12:53:25	15:40:46	23:53:53	17:10:21	27:45:20	24:50:03	32:46:12	33:34:32	19:22:24	23:41:24			4	25
VASQUEZ, MONICA	17:21:21	13:46:27	13:46:55	29:48:40	27:25:02	17:57:16	20:04:56	18:56:47	20:16:49	1:14:39				
WHITE, TERRY	19:20:30	25:56:34	40:33:51	25:47:31	15:35:11	40:24:45	24:39:05	42:18:21	26:02:12	21:37:13			6	29
WILLIFORD, Adam	2:52:41	16:38:20	42:14:42	22:19:22	24:49:13	14:17:33	29:33:12	23:51:32	13:46:42	18:32:00		Total	79	739

\* = Admin

Dispatch Committed Time													Totals
911 Phone Calls	256	313	376	313	395	311	333	326	326	413			3362
3700 Phone Calls	2431	1978	2504	2412	2739	2561	2537	2566	2231	2355			24314
DP General Phone Calls*	55:52:24	43:36:37	62:07:20	60:05:05	63:55:16	62:08:35	61:19:42	60:29:22	54:09:10	54:57:09			

\* This is the minimal time as all internal calls route through the 3700 number.



**CITY OF BUNKER HILL VILLAGE  
CITY COUNCIL  
Agenda Request**

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**Agenda Date:** November 15, 2022  
**Agenda Item No:** V  
**Subject/Proceeding:** Village Fire Department Report  
**Exhibits:** October Report  
**Clearance:** Karen Glynn, City Administrator

**Executive Summary**

This Month's Fire Commission Liaison Report will include the following items:

- A. Update on Activities


The City's Liaison will provide this report.

The Chief has provided the "October Year to Date Response Data."  
Recent correspondence is also included for Council's information.

Village Fire Department  
2022 Strategic Plan Performance Report

2022 OPERATING BUDGET	Standards/Base	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Total
Percentage if spending 100% of budget		25.00%	25.00%	25.00%	8.30%	83.30%
Actual Percentage of Budget Spent	100%	23.22%	25.30%	26.37%	8.85%	83.74%
Department Budget	\$7,789,561.06	\$1,808,825.15	\$1,970,679.65	\$2,054,325.43	\$689,393.64	\$6,523,223.87
Personnel Expenses Total	\$6,693,219.90	\$1,568,604.43	\$1,660,277.23	\$1,751,543.21	\$581,504.87	\$5,561,929.74
Percentage Personnel Budget Spent		23.44%	24.81%	26.17%	8.69%	83.11%
Overtime	\$353,000.00	\$77,989.40	\$132,688.25	\$131,520.77	\$27,028.73	\$369,227.15
% Overtime Budget Spent		22.09%	37.59%	37.26%	7.66%	104.60%
Capital Expenditures	\$230,400.00	\$10,481.47	\$11,187.42	\$58,952.45	\$17,455.76	\$98,077.10
% Capital Budget Spent		4.55%	4.86%	25.59%	7.58%	42.58%
Operational Expenditures	\$865,941.12	\$229,738.25	\$299,215.00	\$243,829.77	\$90,433.01	\$863,216.03
% Operational Budget Spent		26.53%	34.55%	28.16%	10.44%	99.68%
<b>EMERGENCY OPERATIONS:</b>						
Average Dispatch Time, high priority calls	60 Seconds	0:44	0:38	0:42	0:42	0:41
Average Turnout Times, high priority calls	60 Seconds	0:54	1:01	0:59	1:00	0:58
Average Total Response high priority EMS calls	6:30	4:46	4:43	4:46	1:02	4:45
# Incidents	6:50	3:48	4:37	4:33	178	15:14
# Responses		551	554	623	352	2080
VFD Patients		915	916	1095	75	3001
Patients Transported		152	130	229	48	559
<b>EMS REVENUE</b>						
EMS Revenue Fund Balance		\$67,769.08	\$111,718.14	\$181,953.45	\$221,736.31	\$221,736.31
Revenue Collected, Avg Per Patient		\$459.26	\$370.74	\$431.42	\$792.52	\$513.49
Amount Billed		\$360,586.58	\$111,443.56	\$382,803.18	\$98,220.25	\$953,053.57
Gross Revenue Received		\$69,807.25	\$48,196.21	\$98,794.26	\$38,041.18	\$254,838.90
<b>Fire Marshal:</b>						
# of General Plans Reviewed		10	6	8	5	29
# of Sprinkler Systems Reviewed		45	52	55	12	164
# Fire Investigated		1	1	0	0	2
# Inspections YTD		171	238	433	594	594
Fire Prevention Permits		15	8	7	1	31
Residential Sprinklers to date		2200	2225	2250	2255	2250
# of Community Ed Events		20	9	11	23	63
% of Homes with Sprinkler Systems	6708	32.8%	33.1%	33.3%	33.6%	33.6%

# Response Times Through October 2022

1	Total Number of Incidents 2022										11		12		13		14		15									
	2		3		4		5		6		7		8		9		10		11		12		13		14		15	
	Fire	EMS	Total	# LT EMS	Natl Stand. 6:30	1st Resp. Time	of 90%	Natl. Stand 10:30	ALS Resp Time	of 90%	# LT Fire	Natl Stand. 6:50	Response Time	of 90%	Fire	EMS	% of 2022 Calls are:	Fire	EMS	% of Fire Calls	Fire	EMS	% of 2022 Calls are:	Fire	EMS	% of Fire Calls		
	139	109	248	45	3:17	100%	5:49	100%	100%	23	5:38	100%	100%	69	44%	56%	69	44%	50%	70	59%	41%	70	59%	41%	70	59%	41%
Bunker Hill Village	170	242	412	141	3:00	100%	2:58	100%	100%	20	3:15	100%	100%	70	59%	41%	70	59%	41%	12	54%	46%	12	54%	36%	12	54%	36%
Hedwig Village	33	38	71	21	3:31	100%	5:04	100%	100%	3	5:42	100%	100%	12	54%	46%	12	54%	36%	101	34%	66%	101	34%	46%	101	34%	46%
Hilshire Village	218	111	329	45	3:48	100%	5:21	100%	100%	20	4:32	100%	100%	101	34%	66%	101	34%	46%	93	32%	68%	93	32%	47%	93	32%	47%
Hunters Creek Village	196	91	287	48	3:33	100%	4:53	100%	100%	18	4:19	100%	100%	93	32%	68%	93	32%	47%	44	50%	50%	44	50%	25%	44	50%	25%
Piney Point Village	174	173	347	82	2:37	100%	4:23	100%	100%	29	4:05	100%	100%	44	50%	50%	44	50%	25%									
Spring Valley Village	95	3	98																									
Houston	1025	767	1792	382	3:18	100%	4:45	100%	100%	113	4:35	100%	100%	389	43%	57%	389	43%	41%									
Totals																												

Notes: All Response Time categories include from the receipt of the call at the Primary Dispatch to arrival on location of the responding units.

Column 1: Reflects the cities listed within the chart.

Column 2: Reflects the year to date number of "fire" type calls within each jurisdiction. Includes: fires, vehicle collisions, gas leaks, rescues, tree in roadways, and others.

Column 3: Reflects the year to date number of "EMS" calls within each jurisdiction.

Column 4: Reflects the year to date, total number of all calls within each jurisdiction.

Column 5: Reflects the year to date, number of "life threatening EMS" calls within each jurisdiction. Includes: heart attacks, strokes, seizures, cardiac arrest, seizures and others.

Column 6, Row A: Reflects the "National Standard for total response time for life threatening EMS Calls of 6 minutes 30 seconds.

Column 7: Reflects the year to date, first responder's response times for each jurisdiction.

Column 8, Row A: Reflects the National Standard of the percentage of calls which the national standard should be met: 90%

Column 9: Reflects the year to date, percentage of calls which the national standard is met during life threatening EMS calls.

Column 10 Row A: Reflects the National Standard for total response time for life threatening EMS calls for arrival of Advanced Life Support Equipment and Personnel: 10 minutes 30 seconds.

Column 11: Reflects the year to date, Advanced Life Support equipment and personnel response time for life threatening calls within each jurisdiction.

Column 12 Row A: Reflects the National Standard of the percentage of calls which the ALS standard should be met: 90%

Column 13: Reflects the year to date, percentage of calls, which the national standards is met of ALS response for each jurisdiction.

Column 14: Reflects the year to date, number of life threatening "Fire Type" calls within each jurisdiction.

Column 15: Reflects the year to date, average total response time to fire type calls within each jurisdiction.

Column 16: Reflects the year to date, percentage of life threatening fire type calls which meet or exceed the National Standard.

Column 17: Reflects the year to date, percentage of calls which are "fire type" calls.

Column 18: Reflects the year to date, percentage of call which are "EMS" calls.

Column 19: Reflects the year to date, number of Fire Alarms within each jurisdiction.

Column 20: Reflects the percentage of fire type calls which are fire alarms.



Memorial City Plaza II  
820 Gessner, Suite 1570  
Houston, TX 77024-4494

## MEMORANDUM

TO: Village Fire Department

FROM: Brandon D. Morris

THRU: J. Grady Randle

RE: Village Fire Department Budgeting and Emergency Expenditures

DATE: October 4, 2022

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This memorandum is in response to questions raised regarding budget overages and any potential corresponding criminal penalties related to expenditures of public funds.

### I. Budgeting and Emergency Expenditures

The Village Fire Department (“VFD”) was created by Bunker Hill Village, Hedwig Village, Hilshire Village, Hunters Creek Village, Piney Point Village, and Spring Valley (“the Contracting Cities”) through an Interlocal Agreement (“ILA”) pursuant to the Interlocal Cooperation Act. *See Tex. Gov’t Code Ch. 791.* The Interlocal Cooperation Act allows local governmental entities to contract with other local governmental entities to perform governmental functions and services. *Id. Sec. 791.011.* Parties to an interlocal contract may create an administrative agency to supervise the performance of the interlocal contract. The agency may employ personnel, perform administrative activities, and provide administrative services necessary to perform the interlocal contract. *Sec. 791.013(b).* The Contracting Cities created the VFD Board of Commissioners as such an administrative agency, to supervise and administer the provisions of the ILA and the affairs of the VFD. *See Village Fire Department Interlocal Cooperation Agreement Sec. 104 & 4.01.* The Board of Commissioners is specifically empowered to employ, assign, reassign, promote, demote, discipline and discharge any and all officers and employees of the Village Fire Department. *Id. at Sec. 5.01(k).* The ILA specifically states that “Maintaining uninterrupted fire prevention and suppression and emergency ambulance service in each contracting city is of paramount importance.” *Id. at Art. 16.* In 2021, due to the Covid-19 pandemic, VFD’s emergency ambulance services were significantly impaired due to “wall time” as a result of hospital regulations. In order to address this problem, and maintain uninterrupted emergency ambulance services, the Board of Commissioners appointed by each of the Contracting Cities, unanimously authorized the use of overtime funds in order to staff a second ambulance. As a result, the VFD exceeded the budgeted overtime funds.



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The VFD itself is not a taxing entity, it receives funding from the Contracting Cities. While there are no specific budgeting provisions applicable to an entity like the VFD under State law, municipal budgeting procedures are the most analogous available authority. Chapter 102 of the Texas Local Government Code addresses municipal budgeting procedures. Under the Texas Local Government Code “After final approval of the budget, the governing body may spend municipal funds only in strict compliance with the budget, except in an emergency.” Tex. Loc. Gov’t Code Sec. 102.009(b). The governing body may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention.” Id. Sec. 102.009(c). There do not appear to be any Attorney General opinions nor published court opinions that address budgeting or budget expenditures of an administrative agency, like the VFD, created by an interlocal agreement. In fact, there very few published opinions which address the subject of budgeting and budget expenditures for Texas cities. There are only two published opinions which even remotely address the subject matter in the context of this memorandum.

In *City of Waco v. Murray*, a Texas Appellate Court held that a city elevator operator paid seventy dollars a month as provided for in the budget, could nevertheless recover for an additional thirty dollars a month for maintenance services to the city's heating plant pursuant to a verbal agreement with a city manager, notwithstanding that there was no provision in the city budget for the additional thirty dollars. *City of Waco v. Murray*, 137 S.W.2d 1062 (Tex. Civ. App.—Waco 1940, writ *dism'd*).

In an opinion from the federal courts, the 5th Circuit held in 1939 that a city was unable to enter into an agreement for the purchase of a warehouse to store equipment because this was not provided for as an item in the city's budget. The city had a budget, but the budget did not include the purchase of this property or any storehouse. The court reasoned that the city cannot transfer funds and apply them to a new object not mentioned in the budget, absent an emergency. *Southland Ice Co. v. City of Temple*, 100 F.2d 825, 829 (C.C.A. 5th Cir. 1939).

Neither case specifically addresses the issue at hand. However, the cases do support the notion that under certain circumstances, governmental entities can expend funds in excess of budgeted amounts. Given the impact of the Covid-19 pandemic and the corresponding “wall time” issue, staffing a second ambulance would almost certainly be considered an emergency expenditure under the provisions of the Texas Local Government Code. Accordingly, if the VFD or any of the Contracting Cities exceeded their budget as a result, the matter could likely be legally addressed through a budget amendment.





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## II. Potential Criminal Sanctions for Expenditures of Public Funds

Our office has been asked to further explain any possible criminal liability for expenditures contemplated but not acted upon by the participating cities. Because of the emergency nature of pandemic, overtime for staffing the second ambulance was requested and approved by the Fire Commission. Though the knowledge of the issue was communicated to the participating cities, it was unknown during the fiscal year the amount of overtime to be incurred during the course of the pandemic. The overtime was incurred, the audit performed to determine the exact amount of overtime and a request was made to the Contracting Cities for a budget amendment to cover the budget overage.

Unlike the corporate world, in the public sector certain actions related to expenditures of public funds could lead to criminal sanctions. While any public servant should always be mindful of dealing carefully with public funds you cannot not allow yourself to freeze concerning the use of public funds. Each of the criminal statutes cited below require the criminal element of intent and to personally benefit from the criminal act. We see no criminal intent with any of the transactions that have taken place, while the timing and a more robust disclosure could have been better, the process found in the Interlocal as well as the by-laws was followed, permission given by the Commissioners and a request made to the cities after the audit, which historically has been the process followed.

Unless there is specific intent to commit a criminal act with a personal benefit to be gained from the act, there should be no criminal liability for expenditures of public funds. The following Texas Penal Code provisions address the elements required for prosecution in this context:

Title 8 of the Texas Penal Code, Offenses Against Public Administration

Section 39.02, *Abuse of Official Capacity*, states:

- (a) A public servant commits an offense if, with intent to obtain a benefit or with intent to harm or defraud another, he intentionally or knowingly:
  - (1) Violates a law relating to the public servant's office or employment; or
  - (2) Misuses<sup>1</sup> government property, services, personnel, or any other thing of value belonging to the government that has come into the public servant's custody or possession by virtue of the public servant's office or employment.

---

<sup>1</sup> Chapter 39 *Abuse of Office* defines Misuse as to deal with property contrary to:

- (A) an agreement under which the public servant holds the property
  - (B) a contract of employment or oath of office of a public servant
  - (C) a law, including provisions of the General Appropriations Act specifically relating to government property, that prescribes the manner of custody or disposition of the property...
- Tex. Penal Code Section 39.01(2).



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**Section 39.06 *Misuse of Official Information* states:**

(a) A public servant commits an offense if, in reliance on information to which the public servant has access by virtue of the person's office or employment and that has not been made public, the person:

- (1) acquires or aids another to acquire a pecuniary interest in any property, transaction, or enterprise that may be affected by the information;
- (2) speculates or aids another to speculate on the basis of the information; or
- (3) as a public servant, including as a school administrator, coerces another into suppressing or failing to report that information to a law enforcement agency.

(b) A public servant commits an offense if with intent to obtain a benefit or with intent to harm or defraud another, he discloses or uses information for a nongovernmental purpose that:

- (1) he has access to by means of his office or employment; and
- (2) has not been made public.

(c) A person commits an offense if, with intent to obtain a benefit or with intent to harm or defraud another, he solicits or receives from a public servant information that:

- (1) the public servant has access to by means of his office or employment; and
- (2) has not been made public.

(d) In this section, "information that has not been made public" means any information to which the public does not generally have access, and that is prohibited from disclosure under [Chapter 552](#), Government Code.

(e) Except as provided by Subsection (f), an offense under this section is a felony of the third degree.

(f) An offense under Subsection (a)(3) is a Class C misdemeanor.

In the present instance, there was no intent to obtain a personal benefit nor any intent to harm or defraud another party. Absent any criminal intent, or personal benefit, there can be no crime for Abuse of Official Capacity nor Misuse of Official Information.

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November 1, 2022

Village Fire Commission  
c/o Ron Presswood, Chairman  
Village Fire Department  
901 Corbindale Road  
Houston, Texas 77024

Via email: [ron@presswood-eng.com](mailto:ron@presswood-eng.com)

Re: Fire Department Budget Issues

Dear Mr. Presswood:

The City Council of the City of Hunters Creek Village has directed me to respond to your letter dated October 5, 2022, concerning the authority of the Fire Commission and Fire Chief on certain budgetary matters. The City of Hunters Creek disagrees with the position stated in your letter suggesting that the Fire Chief has general authority to make expenditures, outside the Fire Department's approved annual budget, without first seeking the approval of the member cities.

The stated position is particularly concerning given the Fire Department's actions in 2021 in authorizing "overtime for staffing a second ambulance" that resulted in expenditures in excess of the approved 2021 budget. While the Department's decision to staff a second ambulance may have been a reasonable one given the circumstances, the failure of the Department to evaluate the financial impact of the increased staffing and to promptly seek approval of a budget amendment from the participant cities to authorize the projected expenditures was not reasonable and exceeded the authority of the Commission and the Chief.

The nature of the budgeting process necessarily requires that the budgeting entities estimate their revenues and expenditures for the budget year in question. Thus, the idea that the exact cost of the increased staffing could not be determined at the time the decision was made is no excuse for the

Village Fire Commission  
Ron Presswood  
November 1, 2022  
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failure to: a) make a reasonable attempt to estimate those costs; and b) seek approval of the participant cities through the budget amendment process. The effect of the actions that were taken was to deprive the governing bodies of the participant cities of their right to determine how their taxpayers' money was spent.

An additional budget issue that concerns the City is the continual failure of the Fire Department to include in its annual budget, the cash on hand held by the Department and an estimate of its projected revenue from ambulance fees. The participant cities are required to include in their annual budgets a complete financial statement, including obligations, cash on hand, revenues received the prior year, and estimates of expenses and revenues for the current year. There is no reason that the Fire Department's revenues from ambulance fees should not be included in its annual budget. The failure to do so is inconsistent with the budgeting requirements and practices followed by the participant cities and presents an incomplete and misleading picture of the Fire Department's funding needs.

Finally, the City recognizes that there may be exceptional circumstances where it is impossible to seek approval from the participant cities before incurring substantial and unanticipated costs during an emergency response. However, given the fact that the city councils of the participant cities can, in a true emergency, meet on as little as one hour's notice and by telephone, those circumstances should be exceedingly rare. The Fire Department's decision to staff a second ambulance for an extended period during 2021 was not one of those circumstances.

Sincerely



John J. Hightower  
Olson & Olson, LLP

Village Fire Commission  
Ron Presswood  
November 1, 2022  
Page 3

cc: **Fire Chief David Foster**  
[foster@villagefire.org](mailto:foster@villagefire.org)

**Matt Woodruff, Vice Chair**  
[mwoodruff@hedwigtx.gov](mailto:mwoodruff@hedwigtx.gov)

**Zebulun Nash, Treasurer**  
[zebnash@sbcglobal.net](mailto:zebnash@sbcglobal.net)

**Allen Carpenter, Secretary**  
[allen.carpenter@icloud.com](mailto:allen.carpenter@icloud.com)

**Keith Brown, Member**  
[kbrown@bunkerhilltx.gov](mailto:kbrown@bunkerhilltx.gov)

**Rob Adams, Member**  
[robadams@pdq.net](mailto:robadams@pdq.net)

**City of Bunker Hill Village**  
**Robert P. Lord, Mayor**  
**Karen H. Glynn, City Administrator**  
[rlord@bunkerhilltx.gov](mailto:rlord@bunkerhilltx.gov)  
[kglynn@bunkerhilltx.gov](mailto:kglynn@bunkerhilltx.gov)

**City of Hedwig Village**  
**Tom Jinks, Mayor**  
**Wendy Baimbridge, City Administrator**  
[jinks@hedwigtx.gov](mailto:jinks@hedwigtx.gov)  
[wbaimbridge@hedwigtx.gov](mailto:wbaimbridge@hedwigtx.gov)

**City of Hilshire Village**  
**Robert Buesinger, Mayor**  
**Susan Blevins, City Administrator**  
[mayor@hilshirevillagetexas.com](mailto:mayor@hilshirevillagetexas.com)  
[susan.blevins@hilshirevillagetexas.com](mailto:susan.blevins@hilshirevillagetexas.com)

Village Fire Commission  
Ron Presswood  
November 1, 2022  
Page 4

City of Hunters Creek Village  
Jim Pappas, Mayor  
Tom Fullen, City Administrator  
[jimpappas@cityofhunterscreek.com](mailto:jimpappas@cityofhunterscreek.com)  
[tfullen@cityofhunterscreek.com](mailto:tfullen@cityofhunterscreek.com)

City of Piney Point Village  
Mark Kobelan, Mayor  
Bobby Pennington, City Administrator  
[mark@ppvcouncil.org](mailto:mark@ppvcouncil.org)  
[cityadmin@pineypt.org](mailto:cityadmin@pineypt.org)

City of Spring Valley Village  
Marcus Vajdos, Mayor  
Julie Robinson, City Administrator  
[mayor@springvalleytx.com](mailto:mayor@springvalleytx.com)  
[jrobinson@springvalleytx.com](mailto:jrobinson@springvalleytx.com)

J. Grady Randle  
[grady@jgradyrandlepc.com](mailto:grady@jgradyrandlepc.com)



Memorial City Plaza II  
820 Gessner, Suite 1570  
Houston, TX 77024-4494

November 3, 2022

John J. Hightower  
Olson & Olson, LLP  
2727 Allen Parkway  
Wortham Tower, Suite 600  
Houston, Texas 77019-2133

RE: Fire Department Budget Issues

Dear John:

At the request of the Chairman of the Commission, Ron Presswood Jr., I have been asked to respond to your letter addressed to him dated November 1, 2022.

First and foremost, we all agree that the individual commissioners are appointed by and serve at the pleasure of their respective city councils. As such the Village Fire Department will certainly comply with the directives of the majority of the Board of Commissioners as instructed by their villages. The 1978 Interlocal states in ARTICLE 5, POWERS AND RESPONSIBILITIES OF BOARD OF COMMISSIONERS, The Board of Commissioners is specifically empowered to (g) Prescribe the policies to be followed by the Chief of the VILLAGE FIRE DEPARTMENT in the use of department resources and the furnishing the services described in the agreement; (k) To employ, assign, reassign, promote, demote, discipline and discharge any and all officers and employees of the Village Fire Department, all of whom shall serve and hold their offices or employment at the pleasure of the Board of Commissioners. At all times, the Chief was following the policies and direction of the Board of Commissioners, and the Board believed it was fulfilling the expectations of the constituent villages.

We now understand the surprise of the villages when recently confronted with the cost of overtime to staff the 2<sup>nd</sup> ambulance necessitated by the recent pandemic. The Commission was made aware of the necessity of the staffing request, and we are convinced that the commissioners informed their respective council of the action. In hindsight we should have presented a good faith estimate of the total cost impact rather than waiting for accurate budget numbers to be presented, after the fact, by the auditors. Going forward, during an emergency within which an expenditure is expected to exceed the budget either

T 281-657-2000

F 832-476-9554

[www.jgradyrandlepc.com](http://www.jgradyrandlepc.com)

the Commission or Fire Chief will promptly notify the villages of any supplemental budget request or amendment and make a good faith estimate of the cost. Please note though that such an amount may only be an estimate.

As you stated in your letter “there may be exceptional circumstances where it is impossible to seek [prior] approval...” of an emergency request to exceed budgeted expenditures. Such a request is dependent on the type of emergency. A lumbering hurricane, days away will give the commission time to alert the villages of a possible request and the possible cost. However, a tornado, a Harvey-like event, a 5-alarm fire or a 20-car pile-up on I-10 will not allow for a request *prior* to the emergency. I am sure you will agree that such an emergency request should not interfere with Department’s primary mission to provide for the health, safety, and welfare of the inhabitants of the villages. Such a request for a sudden emergency may necessarily be made either during or after the emergency or at the next Commission meeting.

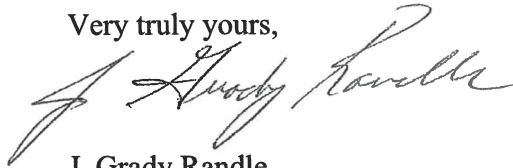
The second issue in your letter addresses EMS revenue funds and infers that these funds are the property of the Village Fire Department. They are not. It has been made crystal clear on multiple occasions by the villages that the villages are the *sole* source of funding for the Department and requests to permanently assign ambulance funds to the Department have been repeatedly denied. The Commission is an administrative body created by the 6 villages for the administration of the Village Fire Department. Assuming arguendo that section 102.003 of the Local Government Code applies to the Commission, section 102.003(b)(5), states that a municipality’s budget must contain “estimated revenue *available to cover the proposed budget.*” These funds are not available to cover the proposed budget of the Department as these funds belong to the respective villages. Furthermore, these funds are not Village Fire Department revenue and consequently are shown as a cash asset on the balance sheet and also shown on the balance sheet, as a liability as funds owed to the villages. Much like your firm’s trust account, money held in trust for your client is shown as an asset entry in your cash balances and a corresponding liability entry as trust funds owed. Put another way, these funds are not income statement items but are balance sheet items.

The Department has never used these funds without first seeking the approval of the villages. To be clear these 3<sup>rd</sup> party payments are segregated into a separate account, shown on the Village Fire Department balance sheet and until recent years, these funds had always been remitted to the respective villages. More recently on a request from the Commission, the EMS fund balance was used for purchases approved by the Commission and the individual villages thereby negating a budget amendment. This has historically been the process followed by the Commission and approved by the Auditors. If a majority of the villages as represented through their commissioners wish to change the budgeting procedures or financial reports the Village Fire Department will be glad to comply, assuming the request is approved by the auditors as following the required accounting principals, but please understand that staff and the village fire department cannot act on one village’s request.



In conclusion, the Village Fire Department and its staff will comply with the directives of the Commissioners and the Commissioners will represent the desires of the respective villages to receive timely budget requests and financial reports in the form that is prescribed by the collective villages. All future emergency budget requests will contain an estimated amount. The current budget is tight, and any significant emergency will require a request to the villages. The commission also wants to reassure the villages that the current budget expenditures are currently under budget.

Very truly yours,



J. Grady Randle

cc:

Village Fire Commission

Ron Presswood, Chairman, via email [ron@presswood-eng.com](mailto:ron@presswood-eng.com)

Fire Chief David Foster, via email [foster@villagefire.org](mailto:foster@villagefire.org)

Matt Woodruff, Vice Chair, via email [mwoodruff@hedwigtx.gov](mailto:mwoodruff@hedwigtx.gov)

Zebulun Nash, Treasurer, via email [zebnash@sbcglobal.net](mailto:zebnash@sbcglobal.net)

Allen Carpenter, Secretary, via email [allen.carpenter@icloud.com](mailto:allen.carpenter@icloud.com)

Keith Brown, Member, via email [kbrown@bunkerhilltx.gov](mailto:kbrown@bunkerhilltx.gov)

Rob Adams, Mayor, via email [robadams@pdq.net](mailto:robadams@pdq.net)

City of Bunker Hill Village

Robert P. Lord, Mayor, via email [rlord@bunkerhilltx.gov](mailto:rlord@bunkerhilltx.gov)

Karen H. Glynn, City Administrator, via email [kglynn@bunkerhilltx.gov](mailto:kglynn@bunkerhilltx.gov)

City of Hedwig Village

Tom Jinks, Mayor, via email [jinks@hedwigtx.gov](mailto:jinks@hedwigtx.gov)

Wendy Baimbridge, City Administrator, via email [wbaimbridge@hedwigtx.gov](mailto:wbaimbridge@hedwigtx.gov)

City of Hilshire Village

Robert Buesinger, Mayor, via email [mayor@hilshirevillagetexas.com](mailto:mayor@hilshirevillagetexas.com)

Susan Blevins, City Administrator, via email [susan.blevins@hilshirevillagetexas.com](mailto:susan.blevins@hilshirevillagetexas.com)

City of Hunters Creek Village

Jim Pappas, Mayor, via email [jimpappas@cityofhunterscreek.com](mailto:jimpappas@cityofhunterscreek.com)

Tom Fullen, City Administrator, via email [tfullen@cityofhunterscreek.com](mailto:tfullen@cityofhunterscreek.com)

City of Piney Point Village

Mark Kobelan, Mayor, via email [mark@ppvncouncil.org](mailto:mark@ppvncouncil.org)

Bobby Pennington, City Administrator, via email [cityadmin@pineypt.org](mailto:cityadmin@pineypt.org)

City of Spring Valley Village

Marcus Vajdos, Mayor, *via email* [mayor@springvalleytx.com](mailto:mayor@springvalleytx.com)

Julie Robinson, City Administrator, *via email* [jrobinson@springvalleytx.com](mailto:jrobinson@springvalleytx.com)

## Karen Glynn

---

**From:** Robert Lord  
**Sent:** Wednesday, October 26, 2022 10:07 AM  
**To:** Karen Glynn  
**Subject:** Fwd: Meeting with Memorial Herman

FYI

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**From:** David Foster <foster@villagefire.org>  
**Sent:** Wednesday, October 26, 2022 9:08:18 AM  
**To:** David Foster <foster@villagefire.org>  
**Subject:** Meeting with Memorial Herman

Good morning,

Last week I met with Jim Young, the EMS liaison for the Memorial Hermann Medical System. During our lengthy discussion, I shared my data regarding our ambulance times at all the hospitals where we transport. In particular, I had Memorial City data, separating times by urgent and non-urgent calls, etc. The hospital CEO was in Ireland, so he did not attend the meeting. I offered several solutions to fix the problem. I then asked Young to discuss with hospital leadership and get back with me with a plan. Yesterday afternoon, I received the following message:

Chief, thank you for meeting with me last week and providing your data, it was helpful for me to have. As we discussed, I met with ED and hospital leadership and we agreed that there are some things we can do to help get your ambulances in service faster. Our biggest challenge is staffing and an increased volume of mental health patients which can sometimes take up an ED bed for several days.. We are actively trying to hire more ED nurses, unfortunately experienced emergency nurses are at a premium and are hard to come by. However we recently hired three nurses that will come off orientation at the end of December and will allow us to open more rooms in the ED. Here are some other steps we are taking.

- Increase nurse to patient ratio for parts of the ED.
- Create a hospital platform to accurately measure and track our off load times.
- Created a discharge area with chairs for patients that are waiting to be discharged thus freeing up their bed sooner.
- Creation of Through-Put committee to address extended off load times.
- Continue to recruit and hire more nurses for the ED.
- Our ED nurses are aware of the limited number of ambulances and will do our best to get your units in service as soon as possible.
- If after 30 minutes your patient is still on your stretcher, contact the **charge** nurse to discuss getting the patient off-loaded and back in service. All of the charge nurses have been made aware of this process.

I will further discuss this topic at the Fire Commission meeting this evening.

--

David Foster  
Fire Chief  
Village Fire Department

## Karen Glynn

---

**From:** Keith Brown  
**Sent:** Wednesday, November 2, 2022 4:02 PM  
**To:** Robert Lord; Karen Glynn  
**Subject:** Fwd: Fire Station Roof

FYI.

Sent from my iPad

Begin forwarded message:

**From:** David Foster <foster@villagefire.org>  
**Date:** November 2, 2022 at 1:48:17 PM CDT  
**To:** David Foster <foster@villagefire.org>  
**Subject:** Fire Station Roof

Good afternoon,

As you may recall, during the last Fire Commission meeting, I shared that we had come to an understanding with the contractor that we would allow our third party expert to test the roof, at the contractor's expense. The lift test happened this afternoon. Also as a part of the agreement to test the roof, the contractor agreed to replace the roof, if it failed the test.

A few minutes ago, the contractor popped his head into my office, told me the roof failed. He said he was going to get a plan to replace the roof. I reminded him it needed to be replaced before the rainy season. He said he was going to have it done as soon as possible.

--

David Foster  
Fire Chief  
Village Fire Department

## Karen Glynn

---

**From:** Keith Brown  
**Sent:** Thursday, November 3, 2022 1:38 PM  
**To:** Robert Lord; Karen Glynn  
**Subject:** Fwd: Wall Times

FYI

Sent from my iPhone

Begin forwarded message:

**From:** David Foster <foster@villagefire.org>  
**Date:** November 3, 2022 at 1:15:17 PM CDT  
**To:** David Foster <foster@villagefire.org>  
**Subject:** Wall Times

Just fyi,

Wall times continue to be an issue. When I see an issue, I immediately notify the EMS Liason, he has linked in the ER Manager. Your ambulance crew sat on the wall for almost 2 hours last week.

The ER Manager told me since September the hospital has been getting socked in with ER patients. I suppose with flu season it may get worse.

--

David Foster  
Fire Chief  
Village Fire Department

## Karen Glynn

---

**From:** Robert Lord  
**Sent:** Friday, November 4, 2022 5:12 PM  
**To:** Karen Glynn; Keith Brown  
**Subject:** Fwd: Friday Afternoon Fire information Update

FYI

---

**From:** David Foster <foster@villagefire.org>  
**Sent:** Friday, November 4, 2022 5:03 PM  
**To:** Jinks@hedwigtx.gov gov <Jinks@hedwigtx.gov>; Robert Beusinger <Mayor@hilshirevillagetexas.com>; Marcus Vajdos Mayor <mvajdos@springvalleytx.com>; Mark Kobelan Mayor <mark@ppvcouncil.org>; Jim Pappas Mayors <jimpappas@cityofhunterscreek.org>; Robert Lord <rlord@bunkerhilltx.gov>  
**Cc:** Marlo Longoria <Longoria@villagefire.org>  
**Subject:** Friday Afternoon Fire information Update

Good afternoon,  
I have just finished up a meeting with Mayor Mark Kobelan and Piney Point Village's two Fire Commissioners.

I was asked to send a weekly update of happenings within the fire department. Today, I will address Mayor Kobelan's concerns and a nasty email inadvertently sent by Hilshire Village.

1. Roof, there are all kinds of rumors about the station roofs. The main building roof was replaced about 4 years ago, it's in good shape. During construction, the new apparatus bay and the new room connecting the main station and the building in the back (I call the Annex) has a new roof. The connecting room is the TV room, during a significant downpour last week, the TV Room roof had a significant leak. I immediately called the contractor, he had the roofer out that evening. An AC drain hole was not caulked, causing the leak. The TV room roof is now NOT leaking. The truck bay roof was not installed according to the specifications provided by the roof manufacturer. This was discovered by the third party consultant hired by the Fire Commission to ensure the building was built to meet the wind requirements. After several attempts to have the roof manufacturer accept the installation used by the roofer, Wednesday, another third party consultant came out and did a lift test on the roof. Before the lift test I had the contractor agree that any damage done by the test was to be paid for by the contractor. The test itself was to be paid for by the contractor and he had to use a third party company. In addition, if the roof failed the test, the contractor would be responsible for immediately replacing the roof according to the specifications, at the sole cost to the contractor. We continue to hold contractor money for retainage, this is about \$250k. I expect the contractor to come to me early next week, to provide a plan to remove and replace the truck bay roof.

Finally, the Annex and tower roofs were never in the original projects. Their roofs are 22 years old. During construction, while the firefighters were living in the Annex, it was discovered the Annex roof had several leaks. The onsite contractor agreed to caulk the annex roof as a temporary measure. Again there was no money allocated to fix these two roofs. The Fire Commission directed us to bring in the consultant that provided oversight of the main building roof to provide specifications and gather bids on the cost to repair the two remaining roofs. The consultant did that. There were 3 options for roof fixes. 1 put a coating over the existing roof. 2 Essentially put a second roof over the existing roof. 3 remove and replace the roofs. The consultant recommended option 2, which due to the extreme cost of goods today, came in at \$180k (both buildings). This item has been put on hold for several months due to budget concerns amongst the cities. At the last Fire Commission meeting, it was again on the agenda, but due to the time, the bids will likely need to be redone. The Commissioners also asked Fire Staff to identify recommendations, if any, to fund the project. We had added \$40k into the 2022 budget, at the recommendation of the consultant. In the meantime, I contacted another roofing company. They would repair any Annex roof, replace screws as necessary, caulk the roof and

then apply a coating on the roof. Their product has a 20 year warranty. They will be at the Station this coming Monday to look at the job and provide a quote.

#### EMS Revenue Account

There have been statements made the fire department is holding funds which are not identified in any budget. Of course this is just untrue. As you know, the Fire Department receives about \$300k annually from insurance companies for ambulance services. This account is a pass through account and belongs to the cities. The ambulance billing company must provide the money into a single account. For years, this has been the situation. While this money does not appear in the Fire Department's budget, it is 100% reflected in our monthly statements, which is provided by Taber and Burnett in the monthly third party review of the Department's budget (in the dictionary this is called an audit). In addition, monthly I provide the account balance on my Strategic Report and it is identified in the Department's annual budget. Until 2017 this money was sent to the cities, by share, each quarter. Some EMS Revenue was used to defray the Department's costs for the hurricane, then it was approved unanimously by the cities, to be held for use for construction costs. Paraphrasing it was to be held until the station project is completed. As you know, the roof issues have stalled full completion. Any use of the EMS revenue is approved by the cities.

#### Turnout Gear

After several major news organizations reported firefighter turnout gear (these are yellow fire protective suits worn by firefighters) contained carcinogens, I was asked by a Fire Commissioner if I had seen the report. These reports came out after the Budget Amendments had been submitted to the cities. I immediately did my investigation, speaking to our gear manufacturer and speaking directly to the agencies issuing the report. In addition, I had our current stocked inventoried. I found out 1. Our gear manufacturer does have gear that does not include the identified carcinogens (PFAS). The last 13 sets we had purchased did not contain the PFAS. We had 29 sets that did contain PFAS. I also identified what we had recently paid for the gear and discussed the situation at the Fire Commission meeting. In addition to what we had paid, I knew there would be a national and worldwide rush to replace turnout gear. In the meantime, I immediately purchased long sleeve cotton t-shirts for the firefighters to wear under the problematic gear. At the Fire Commission meeting, I provided an estimate of \$150k to replace the gear. I was also very clear, as can be heard on the audio recording, that I was fearful again, about approaching the cities for additional funds. As we had done in the past, I calculated that EMS revenue could cover the cost, which would prevent the cities from having to provide additional funding from their budgets. After the Commission provided the go ahead for the budget amendment, using the EMS revenue as a recommendation. I obtained a quote for the gear. It is \$121k. We do have \$40k available in the 2023 budget for gear replacement. By Texas Law the gear must be replaced every 10 years. There have been several city attorneys that have expressed the Fire Commission needs all cities to approve a budget amendment. The Fire Commission attorney stated, in writing, the interlocal is silent specifically on budget amendments, so the direction was the same as approving the regular budget, which is a majority. Today 4 of 6 cities have approved the Budget amendment, 2 cities have tabled the request. Today, I received an invoice from the gear manufacturer. I told the manufacturer we were in a holding pattern because of the lack of clarity I have regarding the approval. Olson and Olson believe it requires unanimous approval. As I said, the Commission Attorney Grady Randle says majority. The Attorney at the Hedwig City Council meeting told me, during a meeting, he agreed with City Councilmember Woodruff, that the interlocal agreement is clear and requires unanimous approval. However, in July City Council Meeting Minutes, the same attorney was reported to say the interlocal was silent on the issue. Certainly, this needs to be decided one way or another.

#### Wall Time

There was a statement that I, Fire Chief, did not provide leadership on the wall time issue until after the Mayors met with the VP of the Memorial Hermann Hospital System. I have been leading this issue since last summer 2021. I have had many discussions with ER doctors from several hospitals. Remember our new Medical Director is a Memorial City Med Center ER doctor. I brought this issue to the Fire Commission's attention in July 2021. It was during the August 2021 Commission meeting where I provided 3 options we had to internally ensure we were able to continue providing the level of care the residents pay for. With these options, I provided cost estimates. This discussion can be heard and watched on our Fire Commission meeting recording. I had estimated the cost of staffing the second ambulance at just over \$200k. In addition, I was directed to ensure all firefighters received covid tests before they began shift. The

testing kits cost us \$4000 per month. During the August meeting, I was very clear the cost would exceed our budget. Fire Commission response was they would go back to their cities and, as had been practice, cover additional costs from the cities reserve accounts. This question was asked to the Department Attorney, if it was legal, and he said yes it was. Each month thereafter, I provided an update on the 2nd ambulance calls and costs. During each meeting, I was directed, unanimously, to continue the use of the second ambulance. October ambulance "time on calls" averaged 1 hour 22 minutes. The longest time in October was at Memorial City 2 hours 35 minutes. As you may know, 2 weeks ago I met with the EMS liaison from the Memorial Herman system. Shortly thereafter he provided me with several areas for improvement for Memorial City Medical Center (MCMC). In reply I promised to continue providing him our out of service times, because he told me MCMC has no way to track the time. I did just that early this week, we had an unconscious resident we took to MCMC. The ambulance was out of service for 2 hours 16 minutes. In reply, he included the ER manager, who told me they were doing the best they could. He said they have been swamped since September with sick people. Another way I have been managing this issue, is our medics check hospital times before they transport patients to them. They can do this unless it is an extremely critical patient. So far in November our medics have taken zero patients to MCMC. Finally, a suggestion was made to follow a private ambulance company's policy for dropping patients at the ER. Essentially, they wait a short while, then tell the charge nurse, they are leaving and leave the patient in a chair. I discussed it with the EMS Liaison. He said this private company never does this inside the City of Houston. I would be ashamed to abandon any Village resident in a chair in the ER. The Fire Commission agreed. Also a suggestion was made to contract with a private ambulance to respond if we have no ambulances to send. I again contacted this same private company, they offered to do it for almost \$2k annually. During October, we have had 4 situations where both our ambulances were at the hospital and we had another patient 3 of these times, we staffed our 3rd ambulance with ladder truck personnel, and the 4th we waited for Houston to send an ambulance. It was a bit of 15 minutes, but the patient received care from Village paramedics.

I could and would speak about the last budget amendments. First the 2021 amendment was because we had faced a pandemic. We had never had a pandemic before, and the Fire Commissioners ensured we never stopped providing care to the residents. The 2022 amendment was to provide continued staffing on the second ambulance and the Fire Commissioners strongly felt they needed to increase the cost of living increase for the firefighters, The previous 2022 budget had almost no cost of living increase.

Finally, the email stated I received \$20k for taking on the role of project manager. However, I had stepped down and never returned the money. You can guess its pretty offensive to be called a thief. The truth is after AGCM wanted an additional \$80k to finish managing the project, I was asked (or volunteered) to step up and manage the construction. This was done with no request for any additional anything. During a meeting, I think in January 2022, the Fire Commission went into executive session, with the attorney. Afterwards, I was told by the Chair, Jay Carlton, that the Fire Commission could not provide me any type of bonus, but they could provide additional compensation for work done in the future. They said it would be about 10-15k. The offer: I was to continue managing to ensure the station had met substation completion before the end of March 2022. Substantial completion was the first week of March. Afterwards, during another Fire Commission meeting, the commissioners went into executive session again. Afterwards, they thanked me for meeting the completion date and told me they would provide me with a \$20k payment. I was never told I needed to pay anything back. I don't know where this rumor began, but it is very insulting.

I have provided strong leadership for this Department for over 12 years now. That leadership has not always made me friends. Sometimes, I must tell Mayors things they don't want to hear. But we have built an outstanding Department. A Department this is nothing like what I found when I arrived in 2010. I have led through staffing issues, political issues, City issues, 2 floods, a hurricane which again flooded, ice storms, a multi year pandemic, and a multi year process to renovate the fire station to name a few. I have been asked how many lives I have saved in my 43 years in the fire service. It's hard for me to know, because by making the Village Fire Department a world class service, I save lives every single day. I do not steal. I do not make false statements. Until about 2017 the fire department's operating budget was flat. It has only increased because our salaries were so slow, we had trouble hiring quality people. Then we rebuilt the fire station. Now we are all dealing with inflation, the recession and dramatic increase in costs.

I carry my cell phone all the time, my number is 832-687-0665. If you have any questions or concerns, please call me.



--

David Foster  
Fire Chief  
Village Fire Department

## Karen Glynn

---

**From:** Robert Lord  
**Sent:** Friday, November 4, 2022 9:36 PM  
**To:** Keith Brown; Karen Glynn  
**Subject:** Fwd: Friday Afternoon Fire information Update

FYI

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**From:** Mark Kobelan <mark@ppvcouncil.org>  
**Sent:** Friday, November 4, 2022 9:34:19 PM  
**To:** David Foster <foster@villagefire.org>  
**Cc:** Jinks@hedwigtx.gov gov <Jinks@hedwigtx.gov>; Robert Beusinger <Mayor@hilshirevillagetexas.com>; Marcus Vajdos Mayor <mvajdos@springvalleytx.com>; Jim Pappas Mayors <jimpappas@cityofhunterscreek.org>; Robert Lord <rlord@bunkerhilltx.gov>; Marlo Longoria <longoria@villagefire.org>  
**Subject:** Re: Friday Afternoon Fire information Update

I want to thank Chief Foster for the excellent summary he has provided. We had a great meeting today and I have discussed with Robert Lord my feelings about the situation. I encourage all of to contact me this weekend so I can give you an update.

I firmly believe that this situation is a combination of a communication and inexperience issue.

Piney Point Village wants to help improve the communication issue and hopes and prays that with time the inexperience issue will abate. We are NOT in favor of taking and drastic measures at this time.

Mark

832-725-8446

PS if anyone is interested in helping put up Christmas lights tomorrow please let me know.

Sent from my iPhone

> On Nov 4, 2022, at 5:03 PM, David Foster <foster@villagefire.org> wrote:

>

>

> Good afternoon,

> I have just finished up a meeting with Mayor Mark Kobelan and Piney Point Village's two Fire Commissioners.

>

> I was asked to send a weekly update of happenings within the fire department. Today, I will address Mayor Kobelan's concerns and a nasty email inadvertently sent by Hilshire Village.

>

> 1. Roof, there are all kinds of rumors about the station roofs. The main building roof was replaced about 4 years ago, it's in good shape. During construction, the new apparatus bay and the new room connecting the main station and the building in the back (I call the Annex) has a new roof. The connecting room is the TV room, during a significant downpour last week, the TV Room roof had a significant leak. I immediately called the contractor, he had the roofer out that evening. An AC drain hole was not caulked, causing the leak. The TV room roof is now NOT leaking. The truck bay roof was not installed according to the specifications provided by the roof manufacturer. This was discovered by the third party consultant hired by the Fire Commission to ensure the building was built to meet the wind requirements. After several attempts to have the roof manufacturer accept the installation used by the roofer, Wednesday, another third party consultant came out and did a lift test on the roof. Before the lift test I had the contractor agree that any damage done by the test was to be paid for by the contractor. The test itself was to be paid for by the contractor and he had to use a third party company. In addition, if the roof failed the test, the contractor would be responsible for immediately replacing the roof according to the specifications, at the sole cost to the

contractor. We continue to hold contractor money for retainage, this is about \$250k. I expect the contractor to come to me early next week, to provide a plan to remove and replace the truck bay roof.

>

> Finally, the Annex and tower roofs were never in the original projects. Their roofs are 22 years old. During construction, while the firefighters were living in the Annex, it was discovered the Annex roof had several leaks. The onsite contractor agreed to caulk the annex roof as a temporary measure. Again there was no money allocated to fix these two roofs. The Fire Commission directed us to bring in the consultant that provided oversight of the main building roof to provide specifications and gather bids on the cost to repair the two remaining roofs. The consultant did that. There were 3 options for roof fixes. 1 put a coating over the existing roof. 2 Essentially put a second roof over the existing roof. 3 remove and replace the roofs. The consultant recommended option 2, which due to the extreme cost of goods today, came in at \$180k (both buildings). This item has been put on hold for several months due to budget concerns amongst the cities. At the last Fire Commission meeting, it was again on the agenda, but due to the time, the bids will likely need to be redone. The Commissioners also asked Fire Staff to identify recommendations, if any, to fund the project. We had added \$40k into the 2022 budget, at the recommendation of the consultant. In the meantime, I contacted another roofing company. They would repair any Annex roof, replace screws as necessary, caulk the roof and then apply a coating on the roof. Their product has a 20 year warranty. They will be at the Station this coming Monday to look at the job and provide a quote.

>

> EMS Revenue Account

> There have been statements made the fire department is holding funds which are not identified in any budget. Of course this is just untrue. As you know, the Fire Department receives about \$300k annually from insurance companies for ambulance services. This account is a pass through account and belongs to the cities. The ambulance billing company must provide the money into a single account. For years, this has been the situation. While this money does not appear in the Fire Department's budget, it is 100% reflected in our monthly statements, which is provided by Taber and Burnett in the monthly third party review of the Department's budget (in the dictionary this is called an audit). In addition, monthly I provide the account balance on my Strategic Report and it is identified in the Department's annual budget. Until 2017 this money was sent to the cities, by share, each quarter. Some EMS Revenue was used to defray the Department's costs for the hurricane, then it was approved unanimously by the cities, to be held for use for construction costs. Paraphrasing it was to be held until the station project is completed. As you know, the roof issues have stalled full completion. Any use of the EMS revenue is approved by the cities.

>

> Turnout Gear

> After several major news organizations reported firefighter turnout gear (these are yellow fire protective suits worn by firefighters) contained carcinogens, I was asked by a Fire Commissioner if I had seen the report. These reports came out after the Budget Amendments had been submitted to the cities. I immediately did my investigation, speaking to our gear manufacturer and speaking directly to the agencies issuing the report. In addition, I had our current stocked inventoried. I found out 1. Our gear manufacturer does have gear that does not include the identified carcinogens (PFAS). The last 13 sets we had purchased did not contain the PFAS. We had 29 sets that did contain PFAS. I also identified what we had recently paid for the gear and discussed the situation at the Fire Commission meeting. In addition to what we had paid, I knew there would be a national and worldwide rush to replace turnout gear. In the meantime, I immediately purchased long sleeve cotton t-shirts for the firefighters to wear under the problematic gear. At the Fire Commission meeting, I provided an estimate of \$150k to replace the gear. I was also very clear, as can be heard on the audio recording, that I was fearful again, about approaching the cities for additional funds. As we had done in the past, I calculated that EMS revenue could cover the cost, which would prevent the cities from having to provide additional funding from their budgets. After the Commission provided the go ahead for the budget amendment, using the EMS revenue as a recommendation. I obtained a quote for the gear. It is \$121k. We do have \$40k available in the 2023 budget for gear replacement. By Texas Law the gear must be replaced every 10 years. There have been several city attorneys that have expressed the Fire Commission needs all cities to approve a budget amendment. The Fire Commission attorney stated, in writing, the interlocal is silent specifically on budget amendments, so the direction was the same as approving the regular budget, which is a majority. Today 4 of 6 cities have approved the Budget amendment, 2 cities have tabled the request. Today, I received an invoice from the gear manufacturer. I told the manufacturer we were in a holding pattern because of the lack of clarity I have regarding the approval. Olson and

Olson believe it requires unanimous approval. As I said, the Commission Attorney Grady Randle says majority. The Attorney at the Hedwig City Council meeting told me, during a meeting, he agreed with City Councilmember Woodruff, that the interlocal agreement is clear and requires unanimous approval. However, in July City Council Meeting Minutes, the same attorney was reported to say the interlocal was silent on the issue. Certainly, this needs to be decided one way or another.

>

> Wall Time

> There was a statement that I, Fire Chief, did not provide leadership on the wall time issue until after the Mayors met with the VP of the Memorial Hermann Hospital System. I have been leading this issue since last summer 2021. I have had many discussions with ER doctors from several hospitals. Remember our new Medical Director is a Memorial City Med Center ER doctor. I brought this issue to the Fire Commission's attention in July 2021. It was during the August 2021 Commission meeting where I provided 3 options we had to internally ensure we were able to continue providing the level of care the residents pay for. With these options, I provided cost estimates. This discussion can be heard and watched on our Fire Commission meeting recording. I had estimated the cost of staffing the second ambulance at just over \$200k. In addition, I was directed to ensure all firefighters received covid tests before they began shift. The testing kits cost us \$4000 per month. During the August meeting, I was very clear the cost would exceed our budget. Fire Commission response was they would go back to their cities and, as had been practice, cover additional costs from the cities reserve accounts. This question was asked to the Department Attorney, if it was legal, and he said yes it was. Each month thereafter, I provided an update on the 2nd ambulance calls and costs. During each meeting, I was directed, unanimously, to continue the use of the second ambulance. October ambulance "time on calls" averaged 1 hour 22 minutes. The longest time in October was at Memorial City 2 hours 35 minutes. As you may know, 2 weeks ago I met with the EMS liaison from the Memorial Herman system. Shortly thereafter he provided me with several areas for improvement for Memorial City Medical Center (MCMC). In reply I promised to continue providing him our out of service times, because he told me MCMC has no way to track the time. I did just that early this week, we had an unconscious resident we took to MCMC. The ambulance was out of service for 2 hours 16 minutes. In reply, he included the ER manager, who told me they were doing the best they could. He said they have been swamped since September with sick people. Another way I have been managing this issue, is our medics check hospital times before they transport patients to them. They can do this unless it is an extremely critical patient. So far in November our medics have taken zero patients to MCMC. Finally, a suggestion was made to follow a private ambulance company's policy for dropping patients at the ER. Essentially, they wait a short while, then tell the charge nurse, they are leaving and leave the patient in a chair. I discussed it with the EMS Liaison. He said this private company never does this inside the City of Houston. I would be ashamed to abandon any Village resident in a chair in the ER. The Fire Commission agreed. Also a suggestion was made to contract with a private ambulance to respond if we have no ambulances to send. I again contacted this same private company, they offered to do it for almost \$2k annually. During October, we have had 4 situations where both our ambulances were at the hospital and we had another patient 3 of these times, we staffed our 3rd ambulance with ladder truck personnel, and the 4th we waited for Houston to send an ambulance. It was a bit of 15 minutes, but the patient received care from Village paramedics.

>

> I could and would speak about the last budget amendments. First the 2021 amendment was because we had faced a pandemic. We had never had a pandemic before, and the Fire Commissioners ensured we never stopped providing care to the residents. The 2022 amendment was to provide continued staffing on the second ambulance and the Fire Commissioners strongly felt they needed to increase the cost of living increase for the firefighters, The previous 2022 budget had almost no cost of living increase.

>

> Finally, the email stated I received \$20k for taking on the role of project manager. However, I had stepped down and never returned the money. You can guess its pretty offensive to be called a thief. The truth is after AGCM wanted an additional \$80k to finish managing the project, I was asked (or volunteered) to step up and manage the construction. This was done with no request for any additional anything. During a meeting, I think in January 2022, the Fire Commission went into executive session, with the attorney. Afterwards, I was told by the Chair, Jay Carlton, that the Fire Commission could not provide me any type of bonus, but they could provide additional compensation for work done in the future. They said it would be about 10-15k. The offer: I was to continue managing to ensure the station had met substation completion before the end of March 2022. Substantial completion was the first week of

March. Afterwards, during another Fire Commission meeting, the commissioners went into executive session again. Afterwards, they thanked me for meeting the completion date and told me they would provide me with a \$20k payment. I was never told I needed to pay anything back. I don't know where this rumor began, but it is very insulting.

>

> I have provided strong leadership for this Department for over 12 years now. That leadership has not always made me friends. Sometimes, I must tell Mayors things they don't want to hear. But we have built an outstanding Department. A Department this is nothing like what I found when I arrived in 2010. I have led through staffing issues, political issues, City issues, 2 floods, a hurricane which again flooded, ice storms, a multi year pandemic, and a multi year process to renovate the fire station to name a few. I have been asked how many lives I have saved in my 43 years in the fire service. It's hard for me to know, because by making the Village Fire Department a world class service, I save lives every single day. I do not steal. I do not make false statements. Until about 2017 the fire department's operating budget was flat. It has only increased because our salaries were so slow, we had trouble hiring quality people. Then we rebuilt the fire station. Now we are all dealing with inflation, the recession and dramatic increase in costs.

>

> I carry my cell phone all the time, my number is 832-687-0665. If you have any questions or concerns, please call me.

>

>

> --

> David Foster

> Fire Chief

> Village Fire Department

## Karen Glynn

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**From:** Robert Lord  
**Sent:** Tuesday, November 8, 2022 9:21 AM  
**To:** Keith Brown; Karen Glynn  
**Subject:** Fwd: Roofs update

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**From:** David Foster <foster@villagefire.org>  
**Sent:** Tuesday, November 8, 2022 8:46:05 AM  
**To:** David Foster <foster@villagefire.org>  
**Cc:** Jinks@hedwigtx.gov gov <Jinks@hedwigtx.gov>; Robert Beusinger <Mayor@hilshirevillagetexas.com>; Marcus Vajdos Mayor <mvajdos@springvalleytx.com>; Mark Kobelan Mayor <mark@ppvouncil.org>; Jim Pappas Mayors <jimpappas@cityofhunterscreek.org>; Robert Lord <rlord@bunkerhilltx.gov>; Marlo Longoria <Longoria@villagefire.org>  
**Subject:** Roofs update

My message last Friday mentioned several projects regarding two of our roofs. Here are new updates

1. The apparatus bay roof, the contractor is putting together a plan, with a promise to have a response tomorrow, Wednesday. This roof is also where 3 of our large AC units are mounted. So the logistics plan is important.
2. Because of the high cost to repair the annex roof, I reached out to another company. This company says they can put a coating over the existing annex roof with a 20 year warranty. The roofer contractor was here yesterday and promised a quote for tomorrow, Wednesday.

--

David Foster  
Fire Chief  
Village Fire Department

## Karen Glynn

---

**From:** Robert Lord  
**Sent:** Tuesday, November 8, 2022 8:44 AM  
**To:** Karen Glynn  
**Subject:** Fwd: Resume for Fire Chief  
**Attachments:** foster Resume.doc

FYI

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**From:** David Foster <foster@villagefire.org>  
**Sent:** Tuesday, November 8, 2022 8:40:53 AM  
**To:** David Foster <foster@villagefire.org>  
**Cc:** Jinks@hedwigtx.gov gov <Jinks@hedwigtx.gov>; Robert Beusinger <Mayor@hilshirevillagetexas.com>; Marcus Vajdos Mayor <mvajdos@springvalleytx.com>; Mark Kobelan Mayor <mark@ppvouncil.org>; Jim Pappas Mayors <jimpappas@cityofhunterscreek.org>; Robert Lord <rlord@bunkerhilltx.gov>  
**Subject:** Resume for Fire Chief

Good morning,  
As there are new(er) Mayors and Fire Commissioners, I thought it might help if you see my resume.

--

David Foster  
Fire Chief  
Village Fire Department

# David Foster, EFO

28022 Wind Hawk Dr. Katy TX 77494

[foster@villagefire.org](mailto:foster@villagefire.org)

832-687-0665

**Objective:** To provide leadership as the Fire Chief

## Experience

- 2010 – Current**      **Fire Chief, Village Fire Department, Houston TX**  
Direct and provide leadership for a Metro Houston Fire Department providing fire suppression, fire prevention, Emergency Management and advanced life support transport services, for six cities.
- 2003 – 2010**      **Fire Chief, DeKalb County Fire Rescue, Decatur, GA**  
Direct and provide leadership for a Metro Atlanta Fire Rescue Department with \$72m budget, 921 personnel, and 26 stations, 201,300 responses during 2008.
- 1998–2003**      **Assistant Fire Chief Gwinnett County Fire, Lawrenceville, GA**  
Managed Operations Division, 23 fire stations with over 500 personnel for the largest fire district in the State of Georgia, over 440 square miles.
- 1990–1998**      **Fire Captain Eppley Fire Rescue, Omaha, NE**  
Managed fire station and personnel. Acting Fire Chief in his absence.
- 1997**      **Adjunct Instructor Iowa Western Community College Council Bluffs, IA**  
Fire Science Program Instructor
- 1983 – 1990**      **Firefighter Air Force Plant 42 Fire Department, Palmdale, CA**  
Provided fire and Emergency Medical Services.
- 1979–1983**      **United States Air Force**  
Progressed from Firefighter to station captain while serving in the U.S. Air Force.

## Education

- May 1997**      **Bellevue University    Bellevue Nebraska**  
Bachelor of Science, Business Administration
- December 2005**      **National Fire Academy    Emmitsburg, MD**  
Executive Fire Officer Program Graduate



## **Certifications**

Texas Commission on Fire Protection: Head of Department

National Registry EMT- Basic

NIMS 100, 200, 300, 400

Commercial Pilot, multi engine, instrument

## **Honors and Recognitions**

- 2009 Metro Atlanta Region, Emergency Medical Service Director of the Year
- 2009 International Association of Fire Chiefs, Award of Merit, Award of Excellence
- 2008 Metro Atlanta Region, Emergency Medical Service Director of the Year
- 2006 DeKalb County Medal of Honor
- 2006 Georgia Fire Administrator of the Year
- 2006 Georgia Emergency Medical Service of the Year
- U.S. Air Force Commendation Medal
- Upgraded Village Fire Department to ISO Class 1

## Karen Glynn

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**From:** Karen Glynn  
**Sent:** Tuesday, November 8, 2022 11:38 AM  
**To:** Robert Lord; Keith Brown  
**Cc:** Karen Glynn  
**Subject:** Fire Correspondence  
**Attachments:** Personnel Issues - From Hilshire Village.pdf

Mayor,

The attached was provided by Chief Foster to Councilmember/Commissioner Brown. Apparently, this was written by Hilshire Village.

Please give Councilmember/Commissioner Brown a call when you have the chance.

I will provide in the Council packet.

Thank you,  
Karen

***Karen H. Glynn, P.E.***  
*City Administrator*  
**City of Bunker Hill Village**  
11977 Memorial Drive  
Houston, Texas 77024  
713-467-9762

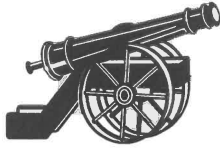


*Be advised that emails are subject to the **Texas Public Information Act**.  
City emails should not be considered confidential.*

***ELECTED OFFICIALS, BOARD AND COMMITTEE MEMBERS:***  
*Be advised that email communications could lead to violations of the **Texas Open Meetings Act**.*

### Personnel Issues – Chief David Foster, Village Fire Department

- There has been a general lack of cooperation between Chief Foster and most of the villages. Specifically, Chief Foster has not been responsive to the questions from City Administrators regarding budgetary items. He is offended by legitimate questions resulting in an unhealthy relationship between the VFD and supporting cities. Instead of availing himself to cities for a cooperative relationship, his response has been to send letters from the Commissioner Chair and attorneys.
- There is a pattern of non-sustainable budget increases.
- The budget was amended during 2022 for a pay raise (a non-emergency event).
- The budget has been exceeded without a unanimous vote from all contracting cities, which is against the interlocal.
- Wall Time. Instead of researching what can be done about the wall time at hospitals, the Chief stated he needed additional staffing to resolve the issue, without providing any statistical data to substantiate to need, or a plan for future reduction once the hospital staffing time is resolved. After hiring 3 additional staff, the Chief further stated he might need 3 more. However, once the Mayors proactively reached out to the hospitals, a hospital liaison met with the Chief to resolve the issue. The hospital industry advised the Mayor's that wall time should not occur (it's the hospitals responsibility to take the patients regardless of bed space). There is a general lack of leadership to resolve this important issue outside of increasing the budget.
- Foster took on the role of project manager for the building and accepted additional pay for this responsibility. However, once he stepped down, he did not pay the funds back.
- Daily/weekly/monthly informational reports do not provide enough useful data. The bulk of the data is misleading and must be fully transparent as to the authentic nature of the emergency response. —
- Chief Foster continually makes false statements when confronted with legitimate questions and concerns on the budget. He repeatedly states that their auditors do a complete audit every month. The front page of the financials from Taber & Burnett states "We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management".



**CITY OF BUNKER HILL VILLAGE**  
**CITY COUNCIL**  
**Agenda Request**

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**Agenda Date:** November 15, 2022  
**Agenda Item Number:** VI  
**Subject/Proceeding:** Mayor's Report  
**Exhibits:** Ordinance No. 22-590  
**Approval(s):** Karen Glynn, City Administrator  
**Budget:** N/A

**Executive Summary**

The Mayor's Report will include the following:

- A. CONSIDERATION AND POSSIBLE ACTION TO ADOPT ORDINANCE NUMBER 22-590, AN ORDINANCE OF THE CITY OF BUNKER HILL VILLAGE, TEXAS, EXTENDING A PUBLIC HEALTH EMERGENCY AND EXTENDING A STATE OF DISASTER DUE TO THE OUTBREAK OF COVID-19; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE – *The extension of the local disaster for the COVID 19 Emergency following the Governor's extension.*
- B. Report on Activities and Upcoming Events
- C. Committee Reports/Updates

**ORDINANCE NO. 22-590**

**AN ORDINANCE OF THE CITY OF BUNKER HILL VILLAGE, TEXAS EXTENDING A PUBLIC HEALTH EMERGENCY AND EXTENDING A STATE OF DISASTER DUE TO THE OUTBREAK OF COVID-19; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

\* \* \* \* \*

**WHEREAS**, Greg Abbott, Governor of the State of Texas, entered a declaration of disaster on March 13, 2020 as a result of the outbreak of the COVID-19 virus; and

**WHEREAS**, Harris County Judge, Lina Hidalgo, entered a stay home, work safe order for all of Harris County on March 24, 2020 to last until April 3, 2020, due to the outbreak of the COVID-19 virus; and

**WHEREAS**, on March 31, 2020, Judge Hidalgo extended the stay home, work safe order until April 30, 2020 and has continued orders to date; and

**WHEREAS**, the Mayor and City Council of the City of Bunker Hill Village, Texas issued a disaster declaration on March 24, 2020 and approved on April 21, 2020, May 19, 2020, June 16, 2020, August 18, 2020, September 15, 2020, October 20, 2020, November 17, 2020, January 19, 2021, February 22, 2021, March 23, 2021, April 20, 2021, May 18, 2021, June 15, 2021, August 17, 2021, September 21, 2021, October 19, 2021, November 16, 2021, January 18, 2022, February 15, 2022, March 8, 2022, April 19, 2022, May 17, 2022, June 21, 2022, August 16, 2022, September 20, 2022, and October 18, 2022 an extension to the order; and

**WHEREAS**, the Mayor and City Council of the City of Bunker Hill Village, Texas will continue to follow the Governor's direction for the extension of this emergency; and

**WHEREAS**, the Mayor and City Council of the City of Bunker Hill Village, Texas finds it to be in the best interest of the health, safety, and welfare of its citizens to extend this declaration of disaster for an additional seventy-five (75) days; and

**WHEREAS**, by this Declaration, the City Council declares all rules and regulations that may inhibit or prevent prompt response to this threat suspended for the duration of the incident; and

**WHEREAS**, pursuant to the authority granted to the Mayor under the Texas Disaster Act, the Mayor, with the consent of Council authorizes the use of all available resources of state government and political subdivisions to assist in the City's response to this situation; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BUNKER HILL VILLAGE, TEXAS:**

**Section 1.** The facts and matters contained in the preamble to this ordinance are hereby found to be true and correct.

**Section 2.** **Extension of Local State of Disaster.** That the local state of disaster and public health emergency previously declared for the City of Bunker Hill Village pursuant to §418.108 of the Texas Disaster Act is hereby extended for 75 days from the date of this ordinance or unless terminated or modified by earlier ordinance of the City.

**Section 3.** **Publicity and Filing.** Pursuant to §418.108(c) of the Texas Disaster Act, this declaration of a local state of disaster due to this public health emergency shall be given prompt and general publicity and shall be filed promptly with the City Secretary.

**Section 4.** **Activation of the City Emergency Management Plan.** Pursuant to §418.108(d) of the Texas Disaster Act, this declaration of a local state of disaster due to this public health emergency activates the City of Bunker Hill Village Emergency Management Plan.

**Section 5.** **Temporary Housing and Emergency Shelter.** Pursuant to §418.020(d) of the Texas Disaster Act, this declaration authorizes the City to: (1) temporarily or permanently acquire by lease, purchase, or other means sites required for temporary housing units or emergency shelters for disaster victims; and (2) enter into arrangements necessary to prepare or equip the sites for installation and use of temporary housing units or emergency shelters, including arrangements necessary for the transportation and purchase of temporary housing units or emergency shelters.

**Section 6.** In the event any clause phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Bunker Hill Village, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

**Section 7.** This ordinance shall take effect immediately upon its approval.

**PASSED, APPROVED AND ORDAINED** on this 15th day of November 2022

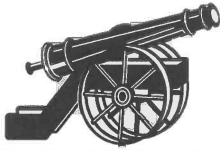
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Robert P. Lord, Mayor

ATTEST:

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Karen H. Glynn, City Administrator/ Acting City Secretary



## **CITY OF BUNKER HILL VILLAGE**

### **CITY COUNCIL**

#### **Agenda Request**

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<b>Agenda Date:</b>	<b>November 15, 2022</b>
<b>Agenda Item No:</b>	<b>VIII</b>
<b>Subject/Proceeding:</b>	<b>REVIEW, DISCUSSION AND DIRECTION ON PROPOSED PLANS AND ARCHITECTURAL RENDERINGS FOR IMPROVEMENTS TO CITY HALL IN COORDINATION WITH THE CITY'S PUBLIC WORKS AND DISASTER OPERATIONS BUILDING</b>
<b>Exhibits:</b>	N/A
<b>Clearance:</b>	Karen Glynn, City Administrator Steve Smith, Public Works Director/Building Official
<b>Budget:</b>	FY 2023 Budget \$150,000, funded between the General Fund and Utility Fund \$10,000.00 Funded Design Fees for PGAL

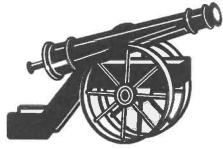
### **Executive Summary**

In September 2021, the City Council approved the final design contract with PGAL Architects for the City's Public Works and Disaster Operations Building. Additionally, JLA Construction Solutions LLC was awarded the contract to serve as the City's Construction Manager at Risk with a set guaranteed maximum price (GMP) for the construction awarded in June 2022. The new building is under construction.

During the 2023 Budget Process, the Council approved additional funds in Fiscal Year 2023 to evaluate and fund possible improvements to the exterior of City Hall. The existing stucco has become problematic, and some improvements are needed. Work would be coordinated with the new addition. The budget for City Hall design and construction was approved at \$150,000, funded between the General Fund and Utility Fund.

At the October Meeting, the Council approved a proposal from PGAL to provide architectural services for City Hall at an increase of \$10,000.00 to the existing design contract.

PGAL will be available at the meeting to present proposed design concepts for City Hall.



**CITY OF BUNKER HILL VILLAGE**  
**CITY COUNCIL**  
**Agenda Request**

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<b>Agenda Date:</b>	November 15, 2022
<b>Agenda Item Number:</b>	<b>IX</b>
<b>Subject/Proceeding:</b>	Election Services Agreement with Spring Branch Independent School District
<b>Exhibits:</b>	N/A
<b>Approval(s):</b>	Karen Glynn, City Administrator
<b>Budget:</b>	<i>n/a</i>

**Executive Summary**

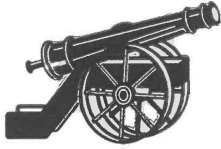
As small cities, the City of Bunker Hill and the other Memorial Villages have a partnership with Spring Branch Independent School District for various services. SBISD serves as the Tax Assessor – Collector Service for Bunker Hill and the other Villages. SBISD also provides Election Services for the City of Piney Point.

Over the past few years, the City Administrators for Bunker Hill and Hunters Creek have been in discussion to provide Election Services for Bunker Hill and Hunters Creek as well. This has been included on the City Administrator’s list of goals to assist with the responsibilities of the Acting City Secretary Position.

The City of Bunker Hill and Hunters Creek were recently notified that SBISD would consider providing the Election Services for our cities. Per SBISD, Bunker Hill would handle the filing documents at City Hall and SBISD would handle the ballot, early election and election day. The SBISD Administration Building will act as the City’s early election site. There is a slight fee for the programming. This was estimated at less than \$1,000.00. The ballot would be a joint ballot with SBISD and other contracted cities.

SBISD will be providing an agreement to the City over the next few weeks; however, staff is requesting the Council authorize the Mayor to execute the agreement so the City of Bunker Hill Village can be included with SBISD in the May 2023 Election.





**CITY OF BUNKER HILL VILLAGE**  
**CITY COUNCIL**  
**Agenda Request**

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**Agenda Date:** November 15, 2022

**Agenda Item No:** X & XI

**Subject/Proceeding:** **REVIEW AND APPROVAL OF THE PUBLIC FUNDS  
INVESTMENT POLICY**

**REVIEW AND APPROVAL OF RESOLUTION ADDING TEXAS CLASS  
AS AN INVESTMENT OPTION**

**Exhibits:** Minutes from the Investment Committee Meeting (*also on the Consent Agenda*)  
Resolution with Investment Policy Clean Copy  
Investment Policy – Redlined

Resolution for Texas Class

**Clearance:** Susan Grass, Finance Director  
Karen Glynn, City Administrator

### **Executive Summary**

The City's Investment Committee includes Mayor Robert Lord, Councilmember Susan Schwartz, and City Administrator Karen Glynn. Finance Director, Susan Grass serves as the City's Investment Officer. The Committee met on Thursday, November 10, 2022, to review the City's Investment Policy. This is required on an annual basis.

Valley View Consultants had reviewed the City's investment policy and offered recommendations within the policy to conform with legislature updates and best practices.

The minutes of the meeting are attached.

The Committee reviewed and discussed the changes and recommend approval of the revised policy.

In addition, Resolution No. 11-15-22 C is recommended for approval for the City to utilize Texas CLASS for investments.

**MINUTES OF THE FINANCE AUDIT COMMITTEE  
OF THE CITY OF BUNKER HILL VILLAGE, TEXAS  
NOVEMBER 10, 2022 AT 8:00 A.M.**

Mayor Robert Lord called the meeting to order in the City Council Chambers of City Hall, 11977 Memorial Drive, Houston, Texas.

**Present:**

Mayor Robert Lord  
Councilwoman Susan Schwartz  
Karen Glynn, City Administrator  
Susan Grass, Finance Director  
Valley View Consulting

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**ANNUAL REVIEW OF POLICY**

Susan Grass and Karen Glynn shared that they had asked the City's consultant, Valley View Consulting to review the City's Investment Policy.

Tim Pinon from Valley View stepped through the recommendation to add an addition person as an alternate as the investment officer.

The Committee unanimously approved the recommended policy. This policy will be presented to the City Council as a resolution at the November meeting.

**REVIEW OF INVESTMENTS**

The City has kept all funds in the City's Allegiance checking accounts and has utilized the City's Secondary Bank, Independent Financial to provide a more competitive interest rate. The City has just entered into two CDs in the amount of \$250,000 each. One for 90 days and the other for 180 days. The City is currently looking at two 6-month CDs. Texas CLASS investment pool is offering a competitive interest rate and staff would like to recommend a resolution to open an investment pool with Texas CLASS. The Committee concurred with the CDs and adding Texas CLASS as an investment option. Training and investment options will be added to the policy.

**INTERIM AUDIT**

The city will begin the interim audit on Nov 14, 2022. Committee discussed completing a Comprehensive Financial Audit Report for 2022. Committee and Staff recommends to Council an addendum to the 2022 Engagement Letter to add the Comprehensive Financial Audit Report which provides additional detail and history to the audit.

**SUMMARY OF RECOMMENDATIONS**

In summary, the Committee is recommending the following:

- Take the Revised Investment Policy to City Council for approval at the November Meeting.
- Take the Resolution with Texas Class for approval at the November Meeting.
- Take an Addendum to the Engagement Letter with Belt Harris Pechacek LLP.

The meeting was adjourned.

**RESOLUTION NO. 11-15-2022 A**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUNKER HILL VILLAGE, TEXAS, ACKNOWLEDGING REVIEW OF THE PUBLIC FUNDS INVESTMENT POLICY AND THE ADOPTION THEREOF FOR THE CITY OF BUNKER HILL VILLAGE, TEXAS**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BUNKER HILL VILLAGE, TEXAS:**

**Section 1.** That the Investment Committee, composed of Mayor Robert P. Lord, Councilmember Susan Schwartz, and City Administrator Karen Glynn met on November 10, 2022 with the Finance Director and the City's Consultant, Valley View Consulting LLC, to provide the annual review of the Public Funds Investment Policy.

**Section 2.** That the Committee agrees and confirms the changes to the City's Investment Policy.

**Section 3.** That the City's Investment Policy attached hereto, are to be made a part hereof for all purposes be, and it is hereby, approved as the official Public Funds Investment Policy of the City of Bunker Hill Village, Texas.

**Section 4.** That the Investment Committee continues to be composed of Mayor Robert P. Lord, Councilmember Susan Schwartz, and City Administrator Karen Glynn.

**Section 5.** The City Secretary is hereby directed to place on said Investment Policy an endorsement, which shall be signed by the City Secretary, which shall read as follows:

**“The Investment Policy of the City of Bunker Hill Village, Texas, approved by City Council on the 15th day of November 2022.”**

Such Investment Policy, as thus endorsed, shall be kept on file in the office of the City Secretary as a public record.

**PASSED, APPROVED, AND RESOLVED** this 15th day of November 2022.

\_\_\_\_\_  
Robert P. Lord, Mayor

**ATTEST:**

\_\_\_\_\_  
Karen Glynn, City Administrator/Acting City Secretary

Attachment A: Investment Policy

# CITY OF BUNKER HILL VILLAGE



**The Investment Policy of the  
City of Bunker Hill Village, Texas,  
Approved by City Council  
On the 15th day of November 2022**

ATTEST:

---

Karen Glynn, Acting City Secretary

## **I. INVESTMENT AUTHORITY AND SCOPE OF POLICY**

### **A. PURPOSE**

The purpose of this policy of the City of Bunker Hill Village, Texas (the City) is to comply with the statutory requirements of The Texas Government Code, Chapter 2256, (The Public Funds Investment Act, "PFIA") which requires each entity to adopt a written investment policy regarding the investment of its funds and funds under its control. This policy shall set forth specific investment and strategy guidelines for the City to manage and invest its cash with three objectives, listed in order of priority: safety of principal, liquidity, and yield. This policy will be reviewed and adopted by resolution at least annually according to Section 2256.005(e).

### **B. POLICY**

It is the policy of the City that the administration of its funds and the investment of those funds shall be managed with a degree of professionalism that is worthy of the public trust. Investments shall be made in a manner which will provide safety of principal, adequate operational liquidity and a risk-appropriate yield. The City will invest in conformance with all applicable state and City statutes governing the investment of public funds, all related Governmental Accounting Standards Board Statements, and other related financial accounting standards. Yield will be secondary to the requirement for safety and liquidity. The earnings from investments will be used in a manner that best serves the public trust and interest of the City.

### **C. SCOPE**

This investment policy applies to all funds and investments held by the City and accounted for in the City's Annual Financial Report. These funds, as well as funds that may be created from time-to-time, shall be administered in accordance with the provisions of this policy. All funds invested under this policy shall be considered as a pooled group for investment purposes to ensure efficiency and maximum investment opportunity, except for monies as may be stipulated by law such as bond covenants.

Deferred compensation and the retirement system assets the City sets aside or holds for its employees are not subject to this policy.

### **D. INVESTMENT COMMITTEE**

The City Council hereby creates an Investment Committee composed of the City Administrator, Mayor, and a Council member to be appointed by the Mayor and annually confirmed by the City Council.

The Investment Committee shall meet periodically and include in its deliberations such topics as economic outlook, investment strategies, portfolio diversification, maturity structure, potential risk to the City's funds, evaluation and authorization of broker/dealers, acceptable training sources, rate of return on the investment portfolio, and review of compliance with the investment policy. The Investment Committee will also advise the City Council of any future amendments to the investment policy that are deemed necessary or recommended.

### **E. DELEGATION OF AUTHORITY**

The Finance Officer is designated as the Investment Officer of the City. In the event the Finance Officer cannot perform the duties of the Investment Officer, the City Administrator will be designated the acting Investment Officer in the Finance Officer's absence. Responsibility for the operation of the investment program is hereby delegated to the Investment Officer, who shall act in accordance with established procedures and internal controls for the daily operations of the investment program. No other person(s) may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer.

Authority granted to the Investment Officer is effective until rescinded by City Council. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of employees involved in investment activities. The system of controls shall be designed to provide reasonable assurance that the assets of the City are protected from loss, theft, or misuse. 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.

In the event the position of Finance Officer becomes vacant, the City Administrator shall serve as Investment Officer during such vacancy. (Section 2256.005(f))

**F. ETHICS AND CONFLICTS OF INTEREST**

Investment Officer(s) shall refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officer(s) who have a personal business relationship with an entity or are related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City must file a statement disclosing that personal business interest or relationship with the Texas Ethics Commission and the City Council in accordance with Government Code 2256.005(i).

**G. PRUDENCE**

Investments shall be made with judgement and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. The determination of whether an Investment Officer has exercised prudence with respect in an investment decision shall be made taking into consideration the investment of all funds rather than a consideration as to the prudence of a single investment. (Section 2256.006)

The Investment Officer(s), and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from the expectations for a specific issuer's credit risk or market price changes are reported in a timely manner to the City Council and that appropriate action is taken to control adverse developments.

**H. INVESTMENT TRAINING**

The Investment Officer(s) shall accumulate (a) not less than ten (10) hours of training within twelve (12) months after taking office or assuming duties and (b) not less than eight (8) hours of training every (2) two years, relating to their investment responsibilities. The two-year training cycle coincides with the City's fiscal year. Training must include education as required by the PFIA and include investment controls, security risk, strategy risks, market risks, diversification, and compliance. The training must be provided by an independent source approved by the Investment Committee. (Section 2256.008)

**I. QUALITY AND CAPABILITY OF INVESTMENT MANAGEMENT**

It is the City's policy to provide training required by the PFIA for the Investment Officer(s) through courses and seminars offered by independent, professional organizations and associations in order to ensure the quality, capability and currency of investment management. (Section 2256.005(b))

**J. OBJECTIVES**

The City strives to invest funds in a manner where the yield is secondary to the safety of principal and liquidity. To accomplish this, the City's principal investment objectives in order of priority are:

- (1) Safety – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. Investments are limited to the safest types, and pre-qualification is required for broker/dealers, financial institutions, and any investment advisors with which the City will do business.

Investments shall be diversified by type and maturity to eliminate the risk of loss resulting from the concentration of assets in a specific maturity, issuer, or class, as appropriate.

It is the City's full intent, at the time of purchase, to hold all investments until maturity to ensure the return on all invested principal.

- (2) Liquidity – The City's portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements. Financial institution deposits, investment pools and no-load money market mutual funds provide daily liquidity and can be utilized as an alternative to fixed maturity investments.
- (3) Yield – The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to safety and liquidity objectives.

**K. INVESTMENT STRATEGIES**

In accordance with the PFIA, Section 2256.005(d), the governing body shall adopt a separate written investment strategy for each fund or pooled group of funds under the

City's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities of importance:

- (1) understanding of the suitability of the investment to the financial requirements of the entity;
- (2) preservation and safety of principal;
- (3) liquidity;
- (4) marketability of the investment if the need arises to liquidate the investment before maturity;
- (5) diversification of the investment portfolio; and
- (6) yield.

#### A. GENERAL, ENTERPRISE OR OPERATING-TYPE FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for General, Enterprise, or Operating-type funds.

2. Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the weighted average days to maturity of each fund's portfolio to less than 270 days and restricting the maximum allowable maturity to two years will minimize the price volatility of the portfolio.

3. Liquidity – General, Enterprise, or Operating-type Funds require the greatest short-term liquidity of any of the fund-types. Demand deposit accounts, money market accounts, short-term investment pools, and money market mutual funds will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

4. Marketability – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

5. Diversification – Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Diversifying the appropriate maturity structure up to the two-year maximum will reduce interest rate risk.

6. Yield – Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury-Bill portfolio will be the minimum yield objective.

#### B. CAPITAL PROJECT FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for Capital Projects Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the investment policy.

2. Safety of Principal – All investments will be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Capital Projects Funds to not exceed the anticipated expenditure schedule, the market risk



of the overall portfolio will be minimized. No stated final investment maturity shall exceed the shorter of the anticipated expenditure schedule or three years.

3. Liquidity – Most capital projects programs have reasonably predictable draw down schedules. Therefore, investment maturities should generally follow the anticipated cash flow requirements. Demand deposit accounts, money market accounts, short term investment pools, and money market mutual funds will provide readily available funds generally equal to one month's anticipated cash flow needs, or a competitive yield alternative for short-term fixed maturity investments.

4. Marketability – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

5. Diversification – Market conditions and arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for bond proceeds. Generally, if investment rates exceed the applicable cost of borrowing, the City is best served by locking in most investments. If the cost of borrowing cannot be exceeded, then current market conditions will determine the attractiveness of diversifying maturities or investing in shorter and larger amounts. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.

6. Yield – Achieving a positive spread to the cost of borrowing is the desired objective, within the limits of the investment policy's risk constraints. The yield of an equally weighted, rolling six-month Treasury-Bill portfolio will be the minimum yield objective for non-borrowed funds. Yields on debt proceeds that are not exempt from federal arbitrage regulations are limited to the arbitrage yield of the debt obligation. The Investment Officer(s) will seek to preserve principal and optimize the yield of these funds in compliance with current federal regulations.

#### C. DEBT SERVICE FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for Debt Service Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the investment policy.

2. Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Debt Service Funds to not exceed the debt service payment schedule the market risk of the overall portfolio will be minimized.

3. Liquidity – Debt Service Funds have predictable payment schedules. Therefore, investment maturities should not exceed the anticipated cash flow requirements. Demand deposit accounts, money market accounts, short term investments pools, and money market mutual funds may provide a competitive yield alternative for short-term fixed maturity investments.

4. Marketability – Securities with active and efficient secondary markets are not necessary as the event of an unanticipated cash flow requirement is not probable.

5. Diversification – Market conditions influence the attractiveness of fully extending maturity to the next “unfunded” payment date. Generally, if investment rates are anticipated to decrease over time, the City is best served by locking in most investments. If the interest rates are potentially rising, then investing in shorter and larger amounts may provide advantage. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

6. Yield – Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury-Bill portfolio shall be the minimum yield objective.

#### D. DEBT SERVICE RESERVE FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for Debt Service Reserve Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the investment policy.

2. Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Debt Service Reserve Fund maturities to not exceed the call provisions of the borrowing will reduce the investment’s market risk if the City’s debt is redeemed and the Reserve Fund liquidated. No stated final investment maturity shall exceed the shorter of the final maturity of the borrowing or five years. Annual mark-to-market requirements or specific maturity and average life limitations within the borrowing’s documentation will influence the attractiveness of market risk and influence maturity extension.

3. Liquidity – Debt Service Reserve Funds have no anticipated expenditures. The Funds are deposited to provide annual debt service payment protection to the City’s debt holders. The funds are “returned” to the City at the final debt service payment. Market conditions and arbitrage regulation compliance determine the advantage of investment diversification and liquidity. Generally, if investment rates exceed the cost of borrowing, the City is best served by locking in investment maturities and reducing liquidity. If the borrowing cost cannot be exceeded, then current market conditions will determine the attractiveness of locking in maturities or investing shorter and anticipating future increased yields.

4. Marketability – Securities with less active and efficient secondary markets are acceptable for Debt Service Reserve Funds.

5. Diversification – Market conditions and the arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Debt Service Reserve Funds. At no time shall the final debt service payment date of the bond issue be exceeded in an attempt to bolster yield.

6. Yield – Achieving a positive spread to the applicable borrowing cost is the desired objective. Debt Service Reserve Fund portfolio management shall operate within the limits of the Investment Policy’s risk constraints.

## II. INVESTMENT TYPES

### A. AUTHORIZED INVESTMENTS

Funds of the City may be invested in the following instruments as authorized by the PFIA. While the PFIA authorizes additional investment types, only those instruments listed below are authorized.

#### A. Financial Institution Deposit Investments

- (1) Interest-bearing financial institution deposits that are guaranteed or insured by: the Federal Deposit Insurance Corporation (FDIC) or its successor; or the National Credit Union Share Insurance Fund or its successor.
- (2) is secured by obligations in a manner and amount provided by law for deposits of the City, or
- (3) is placed in a manner that meets the requirements of the PFIA.

#### B. Other Obligations

- (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;
- (2) direct obligations of this state or its agencies and instrumentalities;
- (3) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; and
- (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

#### C. Money market funds with limitations described below:

No-load money market mutual fund is authorized if it:

- (1) is registered and regulated by the Securities and Exchange Commission;
- (2) provides the City with a prospectus and other information required by law;
- (3) has a dollar-weighted average stated maturity of 60 days or fewer, and
- (4) includes in its investment objectives the maintenance of a stable net asset value of \$1.0000 for each share.

#### D. Local government investment pools (organized in compliance with the PFIA) and specifically authorized by resolution of the City Council. A local government investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA. A local government investment pool created to function as a money market mutual fund must mark to market daily and, to the extent possible, stabilize at a \$1.00 net asset value. The investment pool must be continuously rated no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating.

### B. PROHIBITED INVESTMENTS– Section 2256.009(b)

The Investment Officer has no authority to use any of the following investment instruments which are strictly prohibited by the PFIA:

- (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- (4) collateralized mortgage obligations the interest of which is determined by an index that adjusts opposite to the changes in a market index.

Further, the City will not invest in Commercial Paper, including local government investment pools which invest in Commercial Paper, planned amortization classes (PAC), derivatives and other instruments with embedded features, such as swaps, forwards or futures, options, foreign exchange, floaters, interest rate caps, floors, and collars, etc.

**C. INVESTMENTS WITH REQUIRED RATINGS**

Investments with minimum required ratings such as local government investment pools, no-load money market mutual funds, and securities do not qualify as authorized investments during the period the investment does not have the minimum rating. The City shall take all prudent measures that are consistent with this investment policy to liquidate an investment that does not have the minimum rating. (Section 2256.021)

**D. EXEMPTION FOR EXISTING INVESTMENTS**

The City is not required to liquidate investments that were authorized investments at the time of purchase. (Section 2256.017)

**III. INVESTMENT RESPONSIBILITY AND CONTROL**

**A. BROKER/DEALERS**

The Investment Committee shall annually review and approve a list of Approved Broker/Dealers as required under 2256.025 of the PFIA.

**B. CERTIFICATION (See Exhibit A)**

In accordance with 2256.005(k), a written copy of this investment policy shall be presented to any local government investment pool or discretionary investment management firm seeking to engage in an investment transaction with the City and shall execute a written instrument substantially to the effect that the registered principal has:

- (1) received and thoroughly reviewed the investment policy of the City; and
- (2) acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization:
  - a. is dependent on an analysis of the makeup of the City's entire portfolio;
  - b. requires an interpretation of subjective investment standards; or

- c. relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The Investment Officer(s) may not acquire any authorized investment described in this investment policy from any business organization (investment pool) who has not delivered to the City such an instrument in substantially the form provided on Exhibit A, according to Section 2256.005(l). As a best practice, the investment policy shall also be offered to all investment providers for receipt acknowledgement.

**C. COMPETITIVE ENVIRONMENT**

It is the policy of the City to require a competitive environment for all individual security purchases and sales, financial institution time deposit placements and financial institution transaction accounts, and money market mutual fund and local government investment pool selections. The Finance Director shall develop and maintain procedures for ensuring a competitive environment in the investment of the City's fund.

**D. DELIVERY VS. PAYMENT**

It will be the policy of the City that all securities shall be purchased using the "Delivery vs. Payment" (DVP) method through the Federal Reserve System or other industry standard system. By so doing, City funds are not released until the City has received the securities purchased. Securities will be held in the City's name by a third-party custodian as evidenced by safekeeping receipts of the institution with which the securities are deposited. (Section 2256.005(b)(4)(E))

**E. ELECTRONIC FUNDS TRANSFER**

The City may use electronic means to transfer or invest all funds collected or controlled by the City. (Section 2256.051)

**F. DIVERSIFICATION**

The City will diversify its investments by security type and issuer, as appropriate. The asset allocation in the portfolio should be flexible and responsive to the outlook for the economy and the markets. Diversification of the portfolio also considers maturity date. In no case shall a single investment transaction be more than 25% of the entire portfolio at the time of purchase, except bond proceeds.

**G. AUDIT CONTROL**

The City, in conjunction with its annual audit by an independent auditor, shall have a compliance audit of management controls on investments and adherence to the City's investment policy. (Section 2256.005(m)). Additionally, the City's investment reports shall be formally reviewed at least annually by an independent auditor, and the results of the review shall be reported to the City Council by that auditor.

## **IV. INVESTMENT REPORTING AND PERFORMANCE EVALUATION**

**A. INVESTMENT REPORT**

In accordance with the PFIA (section 2256.023), the Investment Officer(s) shall prepare and submit to the City Council a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

- (1) describe in detail the investment position of the City on the date of the report;
- (2) be prepared jointly by all investment officers of the City;
- (3) be signed by each investment officer of the City;
- (4) contain a summary statement of each pooled fund group that states the:
  - (A) beginning market value for the reporting period;
  - (B) ending market value for the period; and
  - (C) fully accrued interest for the reporting period;
- (5) state the book value and market value of each separately invested asset at the end of the reporting period by type of asset and fund type invested;
- (6) state the maturity date of each separately invested asset that has a maturity date;
- (7) state the account or fund or pooled group fund in the City for which each individual investment was acquired; and
- (8) state the compliance of the investment portfolio of the City as it relates to:
  - (A) the investment strategy expressed in the City's investment policy; and
  - (B) relevant provisions of the PFIA.

**B. PERFORMANCE STANDARDS**

The investment portfolio shall be managed in accordance with the objectives specified in this policy (safety, liquidity, and yield). The portfolio should seek to attain a market rate of return throughout budgetary and economic cycles. To determine portfolio performance, this policy establishes "weighted average yield to maturity" as the standard calculation.

**C. MARKET VALUATION**

If applicable, the market value of the portfolio shall be calculated as part of the investment report. The market value of each investment shall be obtained from an independent source. (Section 2256.005(d))

## **V. COLLATERAL**

**A. COLLATERALIZATION**

Collateralization shall be required for all uninsured collected balances, plus accrued interest. In order to anticipate market changes and provide a level of additional protection for all funds, the collateralization level required will be 102% of the principal and interest of the deposit net of FDIC coverage, with the exception of deposits secured with irrevocable letters of credit which shall be at least equal to 100% of the principal and anticipated accrued interest of the deposit net of FDIC coverage.

A written collateral agreement must establish a perfected security interest in compliance with Federal and State regulations, including:

- (1) The agreement must be in writing;

- (2) The agreement must 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 authorized 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.

The City chooses to accept collateral based on the list of investments authorized under the Public Funds Collateral Act. The City reserves the right to accept or reject any proposed collateral at its sole discretion.

Securities pledged as collateral will be held in an account in the City's name by an approved, independent custodian. The custodial agreement is to specify the acceptable collateral, including provisions relating to possession of the collateral, the substitution or release of all or a portion of the collateral, ownership of the collateral, and the method of valuation of the collateral. The custodial agreement must clearly state that the custodian is instructed to release collateral to the City in the event the City has determined that the depository institution has failed to pay on any request, or has determined that the funds of the City are in jeopardy for whatever reason, including involuntary closure or change of ownership. The City shall receive a monthly collateral report listing each security, description, maturity, cusip number, par value and market value of each security, and the collateral totals. Collateral shall be reviewed monthly to assure that the market value of the pledged collateral is adequate.

## **VI. ANNUAL REVIEW AND ADOPTION**

The City Council shall review this investment policy, and the incorporated investment strategies, not less than annually. The City Council shall adopt a 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.

**EXHIBIT A**  
**CERTIFICATION BY BUSINESS ORGANIZATION**  
**As required by Texas Government Code 2256.005(k)**

**CITY OF BUNKER HILL VILLAGE, TEXAS**

This certification is executed on behalf of the City of Bunker Hill Village, Texas (the “City”), 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 City 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 offering to enter an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code; and
2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the City; 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 City that are not authorized by the City’s Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City’s entire portfolio, requires an interpretation of subjective investment standards, or relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

Qualified Representative of Business Organization

Firm: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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



**EXHIBIT B**  
**City of Bunker Hill Village**  
**Independent Training Sources**

In compliance with the Public Funds Investment Act and the City of Investment Policy, the Investment Committee authorizes the following list of independent training sources to provide Investment Officer education:

American Institute of Certified Public Accountants  
Council of Governments  
International City/County Management Association  
Government Finance Officers Association  
Government Finance Officers Association of Texas  
Government Treasurers' Organization of Texas  
Texas City Management' Association  
Texas Municipal Clerks Association  
Texas Municipal League  
TEXPO  
University of North Texas Center for Public Management

**EXHIBIT C**  
**City of Bunker Hill Village**  
**Authorized Broker/Dealers**

In compliance with the Public Funds Investment Act and the City Investment Policy, the Investment Committee authorizes the following list of qualified broker/dealers to engage in investment transactions with the City of :

Texas CLASS Investment Pool  
FHN Financial  
Multi Bank Securities  
RBC Capital Markets  
Rice Financial Products  
Wells Fargo Securities

**I. INVESTMENT AUTHORITY AND SCOPE OF POLICY**

**A. PURPOSE**

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**B. POLICY**

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**C. SCOPE**

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The Investment Committee shall meet periodically and include in its deliberations such topics as economic outlook, investment strategies, portfolio diversification, maturity structure, potential risk to the City's funds, evaluation and authorization of broker/dealers, acceptable training sources, rate of return on the investment portfolio, and review of compliance with the investment policy. The Investment Committee will also advise the City Council of any future amendments to the investment policy that are deemed necessary or recommended.

**E. DELEGATION OF AUTHORITY**

The Finance Officer is designated as the Investment Officer of the City In the event the Finance Officer can not perform the duties of the Investment Officer, the City Administrator will be designated the acting Investment Officer in the Finance Officer's absence. Responsibility for the operation of the investment program is hereby delegated to the Investment Officer, who shall act in accordance with established procedures and internal controls for the daily operations of the investment program. No other person(s) may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer.

Authority granted to the Investment Officer is effective until rescinded by City Council. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of employees involved in investment activities. The system of controls shall be designed to provide reasonable assurance that the assets of the City are protected from loss, theft, or misuse. 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.

In the event the position of Finance Officer becomes vacant, the City Administrator shall serve as Investment Officer during such vacancy. (Section 2256.005(f))

**F. ETHICS AND CONFLICTS OF INTEREST**

Investment Officer(s) shall refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officer(s) who have a personal business relationship with an entity or are related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City must file a statement disclosing that personal business interest or relationship with the Texas Ethics Commission and the City Council in accordance with Government Code 2256.005(i).

**G. PRUDENCE**

Investments shall be made with judgement and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. The determination of whether an Investment Officer has exercised prudence with respect in an investment decision shall be made taking into consideration the investment of all funds rather than a consideration as to the prudence of a single investment. (Section 2256.006)

The Investment Officer(s), and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from the expectations for a specific issuer's credit risk or market price changes are reported in a timely manner to the City Council and that appropriate action is taken to control adverse developments.

**H. INVESTMENT TRAINING**

The Investment Officer(s) shall accumulate (a) not less than ten (10) hours of training within twelve (12) months after taking office or assuming duties and (b) not less than eight (8) hours of training every (2) two years, relating to their investment responsibilities. The two-year training cycle coincides with the City's fiscal year. Training must include education as required by the PFIA and include investment controls, security risk, strategy risks, market risks, diversification, and compliance. The training must be provided by an independent source approved by the Investment Committee. (Section 2256.008)

**I. QUALITY AND CAPABILITY OF INVESTMENT MANAGEMENT**

It is the City's policy to provide training required by the PFIA for the Investment Officer(s) through courses and seminars offered by independent, professional organizations and associations in order to ensure the quality, capability and currency of investment management. (Section 2256.005(b))

**J. OBJECTIVES**

The City strives to invest funds in a manner where the yield is secondary to the safety of principal and liquidity. To accomplish this, the City's principal investment objectives in order of priority are:

- (1) Safety – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. Investments are limited to the safest types, and pre-qualification is required for broker/dealers, financial institutions, and any investment advisors with which the City will do business.

Investments shall be diversified by type and maturity to eliminate the risk of loss resulting from the concentration of assets in a specific maturity, issuer, or class, as appropriate.

It is the City's full intent, at the time of purchase, to hold all investments until maturity to ensure the return on all invested principal.

- (2) Liquidity – The City's portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements. Financial institution deposits, investment pools and no-load money market mutual funds provide daily liquidity and can be utilized as an alternative to fixed maturity investments.
- (3) Yield – The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to safety and liquidity objectives.

**K. INVESTMENT STRATEGIES**

In accordance with the PFIA, Section 2256.005(d), the governing body shall adopt a separate written investment strategy for each fund or pooled group of funds under the

City's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities of importance:

- (1) understanding of the suitability of the investment to the financial requirements of the entity;
- (2) preservation and safety of principal;
- (3) liquidity;
- (4) marketability of the investment if the need arises to liquidate the investment before maturity;
- (5) diversification of the investment portfolio; and
- (6) yield.

#### A. GENERAL, ENTERPRISE OR OPERATING-TYPE FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for General, Enterprise, or Operating-type funds.

2. Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the weighted average days to maturity of each fund's portfolio to less than 270 days and restricting the maximum allowable maturity to two years will minimize the price volatility of the portfolio.

3. Liquidity – General, Enterprise, or Operating-type Funds require the greatest short-term liquidity of any of the fund-types. Demand deposit accounts, money market accounts, short-term investment pools, and money market mutual funds will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

4. Marketability – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

5. Diversification – Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Diversifying the appropriate maturity structure up to the two-year maximum will reduce interest rate risk.

6. Yield – Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury-Bill portfolio will be the minimum yield objective.

#### B. CAPITAL PROJECT FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for Capital Projects Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the investment policy.

2. Safety of Principal – All investments will be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Capital Projects Funds to not exceed the anticipated expenditure schedule, the market risk

of the overall portfolio will be minimized. No stated final investment maturity shall exceed the shorter of the anticipated expenditure schedule or three years.

3. Liquidity – Most capital projects programs have reasonably predictable draw down schedules. Therefore, investment maturities should generally follow the anticipated cash flow requirements. Demand deposit accounts, money market accounts, short term investment pools, and money market mutual funds will provide readily available funds generally equal to one month's anticipated cash flow needs, or a competitive yield alternative for short-term fixed maturity investments.

4. Marketability – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

5. Diversification – Market conditions and arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for bond proceeds. Generally, if investment rates exceed the applicable cost of borrowing, the City is best served by locking in most investments. If the cost of borrowing cannot be exceeded, then current market conditions will determine the attractiveness of diversifying maturities or investing in shorter and larger amounts. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.

6. Yield – Achieving a positive spread to the cost of borrowing is the desired objective, within the limits of the investment policy's risk constraints. The yield of an equally weighted, rolling six-month Treasury-Bill portfolio will be the minimum yield objective for non-borrowed funds. Yields on debt proceeds that are not exempt from federal arbitrage regulations are limited to the arbitrage yield of the debt obligation. The Investment Officer(s) will seek to preserve principal and optimize the yield of these funds in compliance with current federal regulations.

#### C. DEBT SERVICE FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for Debt Service Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the investment policy.

2. Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Debt Service Funds to not exceed the debt service payment schedule the market risk of the overall portfolio will be minimized.

3. Liquidity – Debt Service Funds have predictable payment schedules. Therefore, investment maturities should not exceed the anticipated cash flow requirements. Demand deposit accounts, money market accounts, short term investments pools, and money market mutual funds may provide a competitive yield alternative for short-term fixed maturity investments.

4. Marketability – Securities with active and efficient secondary markets are not necessary as the event of an unanticipated cash flow requirement is not probable.

5. Diversification – Market conditions influence the attractiveness of fully extending maturity to the next “unfunded” payment date. Generally, if investment rates are anticipated to decrease over time, the City is best served by locking in most investments. If the interest rates are potentially rising, then investing in shorter and larger amounts may provide advantage. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

6. Yield – Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury-Bill portfolio shall be the minimum yield objective.

#### D. DEBT SERVICE RESERVE FUNDS

1. Suitability – Any investment eligible in the investment policy is suitable for Debt Service Reserve Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the investment policy.

2. Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Debt Service Reserve Fund maturities to not exceed the call provisions of the borrowing will reduce the investment’s market risk if the City’s debt is redeemed and the Reserve Fund liquidated. No stated final investment maturity shall exceed the shorter of the final maturity of the borrowing or five years. Annual mark-to-market requirements or specific maturity and average life limitations within the borrowing’s documentation will influence the attractiveness of market risk and influence maturity extension.

3. Liquidity – Debt Service Reserve Funds have no anticipated expenditures. The Funds are deposited to provide annual debt service payment protection to the City’s debt holders. The funds are “returned” to the City at the final debt service payment. Market conditions and arbitrage regulation compliance determine the advantage of investment diversification and liquidity. Generally, if investment rates exceed the cost of borrowing, the City is best served by locking in investment maturities and reducing liquidity. If the borrowing cost cannot be exceeded, then current market conditions will determine the attractiveness of locking in maturities or investing shorter and anticipating future increased yields.

4. Marketability – Securities with less active and efficient secondary markets are acceptable for Debt Service Reserve Funds.

5. Diversification – Market conditions and the arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Debt Service Reserve Funds. At no time shall the final debt service payment date of the bond issue be exceeded in an attempt to bolster yield.



6. Yield – Achieving a positive spread to the applicable borrowing cost is the desired objective. Debt Service Reserve Fund portfolio management shall operate within the limits of the Investment Policy’s risk constraints.

## II. INVESTMENT TYPES

### A. AUTHORIZED INVESTMENTS

Funds of the City may be invested in the following instruments as authorized by the PFIA. While the PFIA authorizes additional investment types, only those instruments listed below are authorized.

#### A. Financial Institution Deposit Investments

- (1) Interest-bearing financial institution deposits that are guaranteed or insured by: the Federal Deposit Insurance Corporation (FDIC) or its successor; or the National Credit Union Share Insurance Fund or its successor.
- (2) is secured by obligations in a manner and amount provided by law for deposits of the City, or
- (3) is placed in a manner that meets the requirements of the PFIA.

#### B. Other Obligations

- (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;
- (2) direct obligations of this state or its agencies and instrumentalities;
- (3) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; and
- (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

#### C. Money market funds with limitations described below:

No-load money market mutual fund is authorized if it:

- (1) is registered and regulated by the Securities and Exchange Commission;
- (2) provides the City with a prospectus and other information required by law;
- (3) has a dollar-weighted average stated maturity of 60 days or fewer, and
- (4) includes in its investment objectives the maintenance of a stable net asset value of \$1.0000 for each share.

#### D. Local government investment pools (organized in compliance with the PFIA) and specifically authorized by resolution of the City Council. A local government investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA. A local government investment pool created to function as a money market mutual fund must mark to market daily and, to the extent possible, stabilize at a \$1.00 net asset value. The investment pool must be continuously rated no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating.

### B. PROHIBITED INVESTMENTS– Section 2256.009(b)

The Investment Officer has no authority to use any of the following investment instruments which are strictly prohibited by the PFIA:

- (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- (4) collateralized mortgage obligations the interest of which is determined by an index that adjusts opposite to the changes in a market index.

Further, the City will not invest in Commercial Paper, including local government investment pools which invest in Commercial Paper, planned amortization classes (PAC), derivatives and other instruments with embedded features, such as swaps, forwards or futures, options, foreign exchange, floaters, interest rate caps, floors, and collars, etc.

**C. INVESTMENTS WITH REQUIRED RATINGS**

Investments with minimum required ratings such as local government investment pools, no-load money market mutual funds, and securities do not qualify as authorized investments during the period the investment does not have the minimum rating. The City shall take all prudent measures that are consistent with this investment policy to liquidate an investment that does not have the minimum rating. (Section 2256.021)

**D. EXEMPTION FOR EXISTING INVESTMENTS**

The City is not required to liquidate investments that were authorized investments at the time of purchase. (Section 2256.017)

**III. INVESTMENT RESPONSIBILITY AND CONTROL**

**A. BROKER/DEALERS**

The Investment Committee shall annually review and approve a list of Approved Broker/Dealers as required under 2256.025 of the PFIA.

**B. CERTIFICATION (See Exhibit A)**

In accordance with 2256.005(k), a written copy of this investment policy shall be presented to any local government investment pool or discretionary investment management firm seeking to engage in an investment transaction with the City and shall execute a written instrument substantially to the effect that the registered principal has:

- (1) received and thoroughly reviewed the investment policy of the City; and
- (2) acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization:
  - a. is dependent on an analysis of the makeup of the City's entire portfolio;
  - b. requires an interpretation of subjective investment standards; or

- c. relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The Investment Officer(s) may not acquire any authorized investment described in this investment policy from any business organization (investment pool) who has not delivered to the City such an instrument in substantially the form provided on Exhibit A, according to Section 2256.005(1). As a best practice, the investment policy shall also be offered to all investment providers for receipt acknowledgement.

**C. COMPETITIVE ENVIRONMENT**

It is the policy of the City to require a competitive environment for all individual security purchases and sales, financial institution time deposit placements and financial institution transaction accounts, and money market mutual fund and local government investment pool selections. The Finance Director shall develop and maintain procedures for ensuring a competitive environment in the investment of the City's fund.

**D. DELIVERY VS. PAYMENT**

It will be the policy of the City that all securities shall be purchased using the "Delivery vs. Payment" (DVP) method through the Federal Reserve System or other industry standard system. By so doing, City funds are not released until the City has received the securities purchased. Securities will be held in the City's name by a third-party custodian as evidenced by safekeeping receipts of the institution with which the securities are deposited. (Section 2256.005(b)(4)(E))

**E. ELECTRONIC FUNDS TRANSFER**

The City may use electronic means to transfer or invest all funds collected or controlled by the City. (Section 2256.051)

**F. DIVERSIFICATION**

The City will diversify its investments by security type and issuer, as appropriate. The asset allocation in the portfolio should be flexible and responsive to the outlook for the economy and the markets. Diversification of the portfolio also considers maturity date. In no case shall a single investment transaction be more than 25% of the entire portfolio at the time of purchase, except bond proceeds.

**G. AUDIT CONTROL**

The City, in conjunction with its annual audit by an independent auditor, shall have a compliance audit of management controls on investments and adherence to the City's investment policy. (Section 2256.005(m)). Additionally, the City's investment reports shall be formally reviewed at least annually by an independent auditor, and the results of the review shall be reported to the City Council by that auditor.

## **IV. INVESTMENT REPORTING AND PERFORMANCE EVALUATION**

**A. INVESTMENT REPORT**

In accordance with the PFIA (section 2256.023), the Investment Officer(s) shall prepare and submit to the City Council a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

- (1) describe in detail the investment position of the City on the date of the report;
- (2) be prepared jointly by all investment officers of the City;
- (3) be signed by each investment officer of the City;
- (4) contain a summary statement of each pooled fund group that states the:
  - (A) beginning market value for the reporting period;
  - (B) ending market value for the period; and
  - (C) fully accrued interest for the reporting period;
- (5) state the book value and market value of each separately invested asset at the end of the reporting period by type of asset and fund type invested;
- (6) state the maturity date of each separately invested asset that has a maturity date;
- (7) state the account or fund or pooled group fund in the City for which each individual investment was acquired; and
- (8) state the compliance of the investment portfolio of the City as it relates to:
  - (A) the investment strategy expressed in the City's investment policy; and
  - (B) relevant provisions of the PFIA.

**B. PERFORMANCE STANDARDS**

The investment portfolio shall be managed in accordance with the objectives specified in this policy (safety, liquidity, and yield). The portfolio should seek to attain a market rate of return throughout budgetary and economic cycles. To determine portfolio performance, this policy establishes "weighted average yield to maturity" as the standard calculation.

**C. MARKET VALUATION**

If applicable, the market value of the portfolio shall be calculated as part of the investment report. The market value of each investment shall be obtained from an independent source. (Section 2256.005(d))

## **V. COLLATERAL**

**A. COLLATERALIZATION**

Collateralization shall be required for all uninsured collected balances, plus accrued interest. In order to anticipate market changes and provide a level of additional protection for all funds, the collateralization level required will be 102% of the principal and interest of the deposit net of FDIC coverage, with the exception of deposits secured with irrevocable letters of credit which shall be at least equal to 100% of the principal and anticipated accrued interest of the deposit net of FDIC coverage.

A written collateral agreement must establish a perfected security interest in compliance with Federal and State regulations, including:

- (1) The agreement must be in writing;

- (2) The agreement must 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 authorized 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.

The City chooses to accept collateral based on the list of investments authorized under the Public Funds Collateral Act. The City reserves the right to accept or reject any proposed collateral at its sole discretion.

Securities pledged as collateral will be held in an account in the City's name by an approved, independent custodian. The custodial agreement is to specify the acceptable collateral, including provisions relating to possession of the collateral, the substitution or release of all or a portion of the collateral, ownership of the collateral, and the method of valuation of the collateral. The custodial agreement must clearly state that the custodian is instructed to release collateral to the City in the event the City has determined that the depository institution has failed to pay on any request, or has determined that the funds of the City are in jeopardy for whatever reason, including involuntary closure or change of ownership. The City shall receive a monthly collateral report listing each security, description, maturity, cusip number, par value and market value of each security, and the collateral totals. Collateral shall be reviewed monthly to assure that the market value of the pledged collateral is adequate.

## **VI. ANNUAL REVIEW AND ADOPTION**

The City Council shall review this investment policy, and the incorporated investment strategies, not less than annually. The City Council shall adopt a 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.

**EXHIBIT A**  
**CERTIFICATION BY BUSINESS ORGANIZATION**  
**As required by Texas Government Code 2256.005(k)**

**CITY OF BUNKER HILL VILLAGE, TEXAS**

This certification is executed on behalf of the City of Bunker Hill Village, Texas (the “City”), 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 City 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 offering to enter an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code; and
2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the City; 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 City that are not authorized by the City’s Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City’s entire portfolio, requires an interpretation of subjective investment standards, or relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

Qualified Representative of Business Organization

Firm: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**EXHIBIT B**  
**City of Bunker Hill Village**  
**Independent Training Sources**

In compliance with the Public Funds Investment Act and the City of Investment Policy, the Investment Committee authorizes the following list of independent training sources to provide Investment Officer education:

American Institute of Certified Public Accountants  
Council of Governments  
International City/County Management Association  
Government Finance Officers Association  
Government Finance Officers Association of Texas  
Government Treasurers' Organization of Texas  
Texas City Management' Association  
Texas Municipal Clerks Association  
Texas Municipal League  
TEXPO  
University of North Texas Center for Public Management

**EXHIBIT C**  
**City of Bunker Hill Village**  
**Authorized Broker/Dealers**

In compliance with the Public Funds Investment Act and the City Investment Policy, the Investment Committee authorizes the following list of qualified broker/dealers to engage in investment transactions with the City of :

Texas CLASS Investment Pool

FHN Financial

Multi Bank Securities

RBC Capital Markets

Rice Financial Products

Wells Fargo Securities





RESOLUTION NO. 11-15-22 C

**Resolution to Participate**

WHEREAS, the Public Funds Investment Act, Texas Government Code, Section 2256.001 et seq. (the Act) requires the governing body of each local government in this state to adopt investment policies in accordance with the terms of the Act; and

WHEREAS, pursuant to the requirements of the Act, the Board of Trustees (the Governing Body) of the City of Bunker Hill Village (the Local Government) has previously reviewed and adopted an investment policy (the Policy) that provides in part that the funds of the local government will be invested in investments permitted by the Act in order to: (i) invest only in investments legally permitted under Texas law; (ii) minimize risk by managing portfolio investments so as to preserve principal and maintain a stable net asset value; (iii) manage portfolio investments to ensure that cash will be available as required to finance operations; and (iv) maximize current income to the degree consistent with legality, safety, and liquidity; and

WHEREAS, pursuant to the Policy and the Act, the Local Government has appointed Susan Grass (the Investment Officer) to act as the investment officer of the Local Government; and

WHEREAS, the Act provides that funds under the control of a Local Government may be invested through investment pools meeting the standards of Section 2256.016 of the Act; and

WHEREAS, the Local Government has received and reviewed the Information Statement, dated December 2016 (the Information Statement), of Texas Cooperative Liquid Assets Securities System Trust (the Program), an investment pool administered by Public Trust Advisors, LLC that sets forth the information required by Section 2256.016(b) of the Act; and

WHEREAS, the Local Government has determined that the investments proposed to be acquired by the Program are of a type that are permitted by the Act and are consistent with the Policy; and

WHEREAS, the Local Government has determined that an investment in the Program will assist the Local Government in achieving the goals set forth in the Policy and will tend to preclude imprudent investment activities arising out of investment transactions conducted between the Local Government and the Program; and

WHEREAS, the Local Government understands that the Program operates through the Eighth Amended and Restated Trust Agreement dated as of April 8, 2019 (the Trust Agreement), that provides the terms on which the Program will operate and the rights of the Participants in the Program and sets forth the responsibilities of Public Trust Advisors, LLC as the administrator of the Program (the Administrator) and of Wells Fargo Bank as custodian (the Custodian);



NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE LOCAL GOVERNMENT:

That the form, terms, and provisions of the Trust Agreement, a draft of which was presented and reviewed at this meeting, providing for the creation of the Program and for the rights of the Program Participants and the duties and responsibilities of the Administrator be and the same are hereby approved and adopted; and that the Investment Officer be and he or she is hereby authorized and directed to execute and deliver to the Administrator and the Custodian in the name and on behalf of the Local Government a participation certificate evidencing the agreement of the Local Government to be bound by the Trust Agreement substantially in the form of the Trust Agreement reviewed and approved at this meeting, together with such changes therein as may be approved by the said officer, such approval to be conclusively evidenced by the execution thereof; and be it further

Resolved that the investment program established by the Trust Agreement is hereby found and determined to be consistent with the Policy and to preclude imprudent investment activities arising out of investment transactions conducted between the Local Government and the Program; and be it further

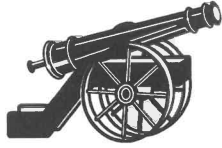
Resolved that the Governing Body hereby officially finds and determines that the facts and recitations contained in the preamble of this Resolution are true and correct; and be it further

Resolved that the Governing Body hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this Resolution was adopted was posted for the time required by law preceding this meeting and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof were discussed, considered, and formally acted upon all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and the Act; and be it further

Resolved that the officers of the Local Government, and each of them, shall be and each is expressly authorized, empowered, and directed from time-to-time to do and perform all acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Local Government all certificates, instruments, and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution and of the Trust Agreement hereby authorized and approved, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument, or other paper; and be it further

Resolved that this Resolution shall take effect and be in full force upon and after its passage.

_____	_____	Mayor Robert P Lord
Authorized Signature	Date	Printed Name
_____	_____	Karen Hajda Glynn
Authorized Signature	Date	Printed Name



**CITY OF BUNKER HILL VILLAGE**  
**CITY COUNCIL**  
**Agenda Request**

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<b>Agenda Date:</b>	November 15, 2022
<b>Agenda Item Number:</b>	XII
<b>Subject/Proceeding:</b>	CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN ADDENDUM TO THE 2022 ENGAGEMENT LETTER WITH BELT HARRIS PECHACEK LLP FOR AUDIT SERVICES FOR 2022
<b>Exhibits:</b>	<i>Addendum is forthcoming</i>
<b>Approval(s):</b>	Karen Glynn, City Administrator Susan Grass, Finance Director
<b>Budget:</b>	<i>Propose Budget Adjustment Between Line Items to Fund</i>

**Executive Summary**

The Engagement Letter for the annual audit was approved at the September 20, 2022, City Council meeting.

The Audit–Finance Committee discussed adding additional services to complete an Annual Comprehensive Financial Report. The City currently completes an Annual Financial Report. Belt Harris Pechacek LLP has proposed \$8,500 for the first-year additional services and \$6,500 for year 2023 and 2024 to complete the comprehensive report.

The Annual Comprehensive Financial Report is the highest standard of reporting the financials of the City and provides financial transparency. This report will include an Introductory, Financial and Statistical section in the report.

Staff recommends the Council to approve the addendum.



**CITY OF BUNKER HILL VILLAGE**  
**CITY COUNCIL**  
**Agenda Request**

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Agenda Date:	November 15, 2022
Agenda Item Number:	XIII
Subject/Proceeding:	Possible Animal Control Agreements with the Cities of Piney Point and/or Hunters Creek
Exhibits:	Red-Line Copy of Proposed Amendments
Approval(s):	Steve Smith Karen Glynn
Budget:	<i>This would be considered a revenue for the City of Bunker Hill recovering basic costs.</i>

**Executive Summary**

Bunker Hill currently has been under contract for Animal Control Services with the Cities of Piney Point and Hunters Creek over the years. In 2018, Piney Point and Bunker Hill executed an updated interlocal agreement to ensure Bunker Hill's liability when performing work in the other cities. This agreement also included an increase in Bunker Hill's hourly rate to provide these services and included an after-hours hourly rate. Hunters Creek chose to handle animal control on their own.

As Council is aware, Animal Control has been a discussion item over the past year with Memorial Villages Police Department and the member Cities. MVPD had proposed including Animal Control in their budget; however, this was not approved by the Cities. As a result, MVPD has been working with Bunker Hill since Bunker Hill is the only City (of the three) that has a kennel and most calls for service have been after hours or on weekends. The new Public Works Building will also have kennels. As a result, the interlocal agreement has been reviewed and changes have been proposed including the cost of services.

The agreement previously had an hourly rate for normal hours and weekends. There have been several instances this year where Bunker Hill has provided Animal Control and outlined the costs based on the current agreement. The rates have resulted in concerns by Piney Point and also, Hunters Creek leading to discussions with the Mayors. Based on the City's process, Bunker Hill has calculated the actual costs to the City for the Public Works Team and the Cities are proposing a daily rate for simplicity in budgeting and billing. The proposed cost does not include any "overhead costs."

The agreement and process are still under review and discussion by the Cities; however, staff is requesting City Council direction and possible authorization for the Mayor to execute the Agreement(s) based on the daily rates and terms included. Staff would use these rates to bill the member cities for services in 2022.

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

INTERLOCAL AGREEMENT BETWEEN THE CITY OF BUNKER HILL VILLAGE AND  
THE CITY OF PINEY POINT VILLAGE FOR ANIMAL CONTROL SERVICES

This Interlocal Agreement is made and entered into by and between the City of Bunker Hill Village, Texas, hereinafter referred to as “Bunker Hill,” and the City of Piney Point Village, Texas, hereinafter referred to as “Piney Point.”

WHEREAS, Bunker Hill employs an animal control officer and has facilities to provide animal control services for its citizens; and

WHEREAS, Bunker Hill has entered into an evergreen agreement with Harris County (“County”) executed in 2006 (the “County Agreement”) whereby the County agrees to house and quarantine animals found within the city limits of Bunker Hill; and

WHEREAS, Piney Point desires that Bunker Hill assist it in the provision of animal control services within Piney Point, including animal control officer services and the sheltering, maintenance, and disposition of certain animals impounded on behalf of Piney Point in the enforcement of its animal control regulations; and

WHEREAS, Bunker Hill desires to assist Piney Point in the provision of animal control services; and

WHEREAS, the governing bodies of Bunker Hill and Piney Point have duly authorized this Agreement; and

WHEREAS, this Agreement is made pursuant to and under the provisions of the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code, as amended; now therefore,

For and in consideration of the mutual promises, obligations, and benefits hereinafter set forth, Bunker Hill and Piney Point hereby agree as follows:

1. Bunker Hill shall:
  - (a) use all reasonable efforts to provide Animal Control Officer services, on an “as call” basis, between ~~normal working the~~ hours ~~which include of~~ 7:030 a.m. and 4:000 p.m., Monday through ~~Friday~~ Thursday and 7:00 a.m. to 12:00 noon on Friday, other than holidays, within the corporate limits of Piney Point, provided such request for service is made from a city official of Piney Point. Bunker Hill will provide services pursuant to this Agreement ~~before 7:30 a.m. or after 4:00 p.m. Monday through Friday~~ outside of these normal working hours or on weekends or official holidays recognized by Bunker Hill at the rates noted;
  - (b) through its Animal Control Officer, provide Piney Point information pertaining to all animals delivered to the City’s kennel and/or the County, including the name of the owner, if known, the approximate time and location where an animal was picked up, and other pertinent information such as needs for medical care or special attention;
  - (c) dispose of all seriously sick or injured animals as soon after arrival as possible; and
  - (d) submit to Piney Point on a monthly basis an invoice for all fees and charges for which Piney Point is responsible hereunder.

2. Piney Point shall:

- (a) pay to Bunker Hill the daily rate of \$ 200.00 per day for normal working hours ~~\$300.00 per hour, with a one (1) hour minimum for each call~~, for time expended by its animal control officer in responding to calls for animal control services for Piney Point. This amount includes typical staff time, transportation, food, kennel use, and county processing; and
- (b) pay to Bunker Hill the daily rate of ~~\$450.00~~ 300.00 per day ~~per hour~~ during time called in outside working hours, which is based on a three (3) ~~with a two (2)~~ hour minimum for each call, for time expended by its animal control officer in responding to calls for animal control services for ~~Hunters Creek~~Piney Point. This amount includes staff time, transportation, food and shelter; and
- (c) ~~pay all other fees and costs for which Bunker Hill may be held responsible due to requirements of the County Agreement, state law, county regulations, or city ordinance; and~~
- (d) reimburse Bunker Hill for any and all additional costs incurred by Bunker Hill while performing work for Piney Point pursuant to this Agreement including, but not limited to, repairs to equipment or facilities, damages for personal injuries suffered by Bunker Hill employees, legal fees, insurance deductibles, claims for damages from third parties, and any other costs; and
- (e) ~~—~~
- (e) pay to Bunker Hill the City's impound and daily fee as included in the City's Fee Schedule if Piney Point chooses to utilize the City's kennel (prior

notification must be provided) for housing animals that Piney Point has collected; and

(f) payments for animal services provided in 2022 will be reconciled and billed based on these rates; and

(g) make all payments due to Bunker Hill pursuant to this Agreement within thirty (30) days of the receipt of an invoice from Bunker Hill therefor.

3. All payments made by Piney Point pursuant to this Agreement shall be made from current revenues available to Piney Point.

4. The rates set forth in Sections 2 a. and b. of this agreement may be subject to change by action of the Bunker Hill City Council upon ninety (90) days written notice to Piney Point. Notwithstanding any other provision of this Agreement, Piney Point may terminate this Agreement upon written notice to Bunker Hill provided no less than thirty (30) days following such rate change.

5. Bunker Hill may refuse, in accordance with the County Agreement, to transport animals when conditions at the County's facility would not be conducive to the proper care of the animals. Every effort to accept an animal for quarantine shall be made.

6. Solutions to problems encountered shall follow each responsive City's chain of command.

7. The initial term of this Agreement shall be for a period of one year, beginning on the date of execution hereof; provided, however, this Agreement shall be automatically renewed for successive one-year terms unless written notice of non-renewal is given by either party to the other at least thirty (30) days prior to the expiration of the initial or any renewal term hereof.



Provided further, either party may terminate this Agreement by giving ninety (90) days advance written notice thereof to the other.

8. To the extent permitted by law, Piney Point agrees to indemnify and hold harmless Bunker Hill from and against any and all suits, actions, or claims brought or made for or on account of any injuries or damages received or sustained by any person, persons, or property arising out of, or occasioned by, the acts or omissions of Bunker Hill or its officers or employees, or the acts or omissions of Harris County or its officers or employees relating to Piney Point's use of the Animal Shelter pursuant to this Agreement. To provide for such indemnity Piney Point agrees to procure and maintain during the term hereof contractual indemnity insurance for the benefit of Bunker Hill.

Executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST:

CITY OF BUNKER HILL VILLAGE, TEXAS

\_\_\_\_\_  
Karen H. Glynn,  
Acting City Secretary

\_\_\_\_\_  
Robert P. Lord  
Mayor

ATTEST:

CITY OF PINEY POINT VILLAGE, TEXAS

\_\_\_\_\_  
Karen Farris, City Secretary

\_\_\_\_\_  
Mark Kobelan, Mayor