



EVERMAN CITY COUNCIL REGULAR MEETING

Tuesday, September 09, 2025 at 6:00 PM

213 North Race Street Everman, TX 76140

AGENDA

1. MEETING CALLED TO ORDER

2. INVOCATION

3. PLEDGE OF ALLEGIANCE

4. CONSENT AGENDA

A. Minutes

July 8, 2025 Regular Meeting Minutes

July 8, 2025 Budget Meeting Minutes

July 11, 2025 Workshop Meeting Minutes

July 22, 2025 Regular Meeting Minutes

August 5, 2025 Workshop Meeting Minutes

August 12, 2025 Budget Workshop Meeting Minutes

August 12, 2025 Regular Meeting Minutes

B. Financials

July 2025

5. PRESENTATIONS

A. Swearing In Ceremony -

Officer James Clark - #279

Officer Jennifer Frias - #280

B. Proclamation Honoring September 11th as Patriot Day & National Day of Service and Remembrance

C. FY 2025 - 2026 Benefits Presentation - Rodney Dryden; HUB International

6. CITIZEN'S COMMENTS

A. PUBLIC HEARING - Public Hearing to hear citizen testimony on the proposed Fiscal Year 2025-2026 Budget. This budget will raise more revenue from property taxes than last year's budget by an amount of \$139,061, which is a 4.13% increase from last year's budget. The

property tax revenue to be raised from new property added to the tax roll this year is \$140,064.

7. DISCUSSION ITEMS

A. Monthly Staff Reports:

1. Police Department
2. Code Enforcement
3. Animal Services
4. Public Works
5. Fire Department

B. Upcoming Events & Activities

- 1) 9/11 Remembrance Walk - September 11th
- 2) Hispanic Heritage Celebration - September 27th
- 3) National Night Out - October 7th
- 4) Halloween Festival - October 30th

C. Staff Report - Wichita Street Construction Project

8. CONSIDERATION AND POSSIBLE ACTION

A. RESOLUTION NO. 2025-08-04 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2025 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

B. RESOLUTION NO. 2025-09-02 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, APPROVING AND ADOPTING THE UPDATED COMPREHENSIVE FINANCIAL MANAGEMENT POLICY STATEMENTS FOR THE CITY OF EVERMAN; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

C. ORDINANCE NO. 842 AN ORDINANCE ADOPTING A BUDGET AND APPROPRIATING RESOURCES FOR THE BUDGET YEAR BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2026 APPROVING BUDGET FIGURES FOR FISCAL YEAR 2026; PROVIDING FOR THE FILING OF THE BUDGET AS REQUIRED BY STATE LAW;

PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES;
PROVIDING A SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE.

D. ZONING CASE

A. The Council will conduct a PUBLIC HEARING on Case #4360 a request for zoning change from A2 Single Family Residential to C1 Neighborhood Commercial for the property located at 503 W. Enon Avenue.

To achieve a timely and orderly meeting, the Council asks that the following rules and procedures be respected. Each case will be called in the sequence as listed on the agenda unless otherwise directed by the Mayor. All ensuing dialogue shall be directed to the Council only. After the staff presentation, the applicant and support will be given an opportunity to speak for 3 minutes each to present their case. Opposition may then speak for 3 minutes each. At the conclusion of the opposition, the applicant will be granted 3 minutes for rebuttal. Continuation beyond the speakers allotted time will be at the sole discretion of the Mayor. Those who are unable to speak today are encouraged to submit written comments. Following the official close of each case hearing, the council will remain in open session to deliberate and vote on the item in question. During that time, no further testimony or commentary will be allowed unless directed by the Mayor.

B. CONSIDERATION AND ACTION OF ORDINANCE NO. 844 - AN ORDINANCE OF THE CITY OF EVERMAN, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE, MAP AND PLAN OF THE CITY OF EVERMAN, TEXAS, AS HERETOFORE AMENDED, BY GRANTING A CHANGE IN ZONING FROM A-2 SINGLE FAMILY RESIDENTIAL (A-2) TO C-1 NEIGHBORHOOD COMMERCIAL (C-1) FOR AN APPROXIMATELY 0.31 ACRE PARCEL DESIGNATED AS VAUGHN, R A ADDITION, LOT 6 & 7, BLOCK 2 IN THE TOWN OF EVERMAN, TARRANT COUNTY, TEXAS ACCORDING TO THE PLAT RECORDED IN VOLUME 11848, PAGE 1831, DEED RECORDS OF TARRANT COUNTY, TEXAS AND BEING MORE COMMONLY KNOWN AS 507 W. ENON AVENUE IN THE CITY OF EVERMAN, TARRANT COUNTY, TEXAS; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

9. EXECUTIVE SESSION

A. Section 551.074 - Personnel Matters - Past performance, review and evaluation of the City Manager

10. CITY MANAGERS REPORT

11. MAYOR'S REPORT

12. ADJOURN

I hereby certify that this agenda was posted on the City of Everman bulletin board at or before 5:00 p.m. on Thursday, September 4, 2025.

/s/ Mindi Parks
City Secretary

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- A. Section 551.071 - Pending or Contemplated Litigation or to Seek Advice of the City Attorney.*
- B. Section 551.072 - Purchase, Sale, Exchange, Lease, or Value of Real Property.*
- C. Section 551.073 - Deliberation Regarding Prospective Gift.*
- D. Section 551.074 - Personnel Matters.*
- E. Section 551.087- Deliberation Regarding Economic Development Negotiations.*
- F. Section 551.089 - Deliberations Regarding Security Devices or Security Audits.*

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EVERMAN CITY COUNCIL BUDGET WORKSHOP - PAYROLL, BENEFITS, WATER & SEWER AND SPECIAL REVENUE FUNDS

Tuesday, July 08, 2025 at 5:00 PM
213 North Race Street Everman, TX 76140

MINUTES

1. MEETING CALLED TO ORDER

Mayor Pro-Tem Mackey called meeting to order at 5:06pm.

2. DISCUSSION ITEMS

A. Budget Workshop

- Payroll & Benefits
- Water & Sewer Funds
- Special Revenue Funds

City Manager Craig Spencer reviewed and discussed the Payroll and Benefits, Water and Sewer, and the Special Revenues with the council. The council was pleased with the presentation from Craig and had no changes to the Budget at this time.

3. ADJOURN

Mayor Pro-Tem Mackey adjourned the meeting at 6:03pm.

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/s/ Mindi Parks
City Secretary

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EVERMAN CITY COUNCIL REGULAR MEETING

Tuesday, July 08, 2025 at 6:00 PM

213 North Race Street Everman, TX 76140

MINUTES

1. MEETING CALLED TO ORDER

Mayor Pro-Tem called meeting to order at 6:09pm.

2. INVOCATION

3. PLEDGE OF ALLEGIANCE

4. CONSENT AGENDA

5. PRESENTATIONS

A. Presentation of the FY2024 Annual Audit Report - Patillo, Brown & Hill, LLP

Jacob Boman with Patillo, Brown & Hill, LLP, an outside auditing firm outside of Waco presented the FY2024 Annual Audit Report for the City of Everman. Jacob did go over this report with the council and touched on some of the key factors in this report. The results of this Audit came back as an Unmodified Opinion which is the best you can get. Jacob stated that there were no issues and no material misstatements and that it is a clean Audit Report.

6. CITIZEN'S COMMENTS

We had no citizens comments.

7. DISCUSSION ITEMS

A. Staff Report - Celebrate America Festival

Craig stated that it went really well and got really good feedback and compliments on the setup. Overall it was a great event.

8. CONSIDERATION AND POSSIBLE ACTION

A. RESOLUTION NO. 2025-06-03 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, ACCEPTING THE FISCAL YEAR 2024 ANNUAL AUDIT REPORT AS PRESENTED AND ATTACHED HERETO AS EXHIBIT A; PROVIDING AN EFFECTIVE DATE.

Motion made by Place 5 Sellers, Seconded by Place 2 Renfro.

Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila

Motion Carried

B. ORDINANCE NO. 835 AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF EVERMAN, TEXAS, CHAPTER 2 "ADMINISTRATION", ARTICLE II "COUNCIL", BY AMENDING SECTION 2-21 "MEETINGS", SUBSECTION (a); PROVIDING

FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE .

Motion made by Place 5 Sellers, Seconded by Place 6 Davila.

Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila

Motion Carried.

C. Discussion and Consideration of Appointments to the Tax Increment Financing Reinvestment Zone #1

Motion made by Place 3 Allen, Seconded by Place 5 Sellers to table this item until the next meeting.

Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila

Motion Carried.

9. EXECUTIVE SESSION

10. CITY MANAGERS REPORT

City Manager had nothing to report.

11. MAYOR'S REPORT

Mayor was no present at the meeting to report anything.

12. ADJOURN

Mayor Pro-Tem Mackey adjourned the meeting at 6:31pm.

I hereby certify that this agenda was posted on the City of Everman bulletin board at or before 5:00 p.m. on Friday July 4, 2025.

/s/ Mindi Parks
City Secretary

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- E. Section 551.087- Deliberation Regarding Economic Development Negotiations.
- F. Section 551.089 - Deliberations Regarding Security Devices or Security Audits.

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EVERMAN CITY COUNCIL BUDGET WORKSHOP - GENERAL FUND EXPENDITURES

Friday, July 11, 2025 at 1:00 PM

213 North Race Street Everman, TX 76140

MINUTES

1. MEETING CALLED TO ORDER

Mayor Pro-Tem Mackey called meeting to order at 1:16pm.

2. DISCUSSION ITEMS

A. Budget Workshop - General Fund Expenditures

City Manager Craig Spencer discussed and reviewed the General Fund Expenditures with the council and staff. He did go over the Credit rating as well with the council. The main concern was how we got to where the city is now. Craig explained that we are at a Triple B- credit rating. Also he stated that we have got to build up the reserves to get this up. There was key factors and issues and emergencies that we had to deal with that caused this to go down and has the city, 980 thousand dollars in the red in the reserves.

3. ADJOURN

Mayor Pro-Tem Mackey adjourned the meeting at 3:32pm.

I hereby certify that this agenda was posted on the City of Everman bulletin board at or before 5:00 p.m. on Monday July 7, 2025.

/s/ Mindi Parks
City Secretary

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EVERMAN CITY COUNCIL WORKSHOP

Tuesday, August 05, 2025 at 5:00 PM

213 North Race Street Everman, TX 76140

MINUTES

1. MEETING CALLED TO ORDER

Pro-Tem Mackey called meeting to order at 5:07pm.

2. DISCUSSION ITEMS

- A. Budget Workshop - Proposed Tax Rates & Revenues and submit No New Revenue and Voter Approval Tax Rates to Council

Maintaining the same Property Tax rate for this Fiscal year as the same of the last fiscal year.

Craig Spencer presented and discussed the Revenues for the new Budget. He stated that the city is maintaining the same Property Tax rate for this Fiscal Year as the same of the last Fiscal Year. He discussed the increases and decreases for certain line items in the Budget. Decrease of \$208,000.00 in the Revenues. Council had no questions on these Revenues. Also, Craig wanted to inform council of a Work Session at 5pm on next Tuesday's meeting before the Regular meeting for the changes on the Expenditures.

3. EXECUTIVE SESSION

4. ADJOURN

Pro-Tem Mackey adjourned the meeting at 6:32pm.

I hereby certify that this agenda was posted on the City of Everman bulletin board at or before 5:00 p.m. on Friday August 1, 2025.

/s/ Mindi Parks
City Secretary

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EVERMAN CITY COUNCIL REGULAR MEETING

Tuesday, July 22, 2025 at 6:00 PM

213 North Race Street Everman, TX 76140

MINUTES

1. MEETING CALLED TO ORDER

Mayor Richardson called meeting to order at 6:01pm.

2. INVOCATION

3. PLEDGE OF ALLEGIANCE

4. CONSENT AGENDA

A. Minutes

June 10, 2025 Regular Council Meeting

June 24, 2025 Regular Council Meeting

Motion made by Place 5 Sellers, Seconded by Place 4; Mayor Pro-Tem Mackey.

Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Mayor Richardson

Motion Carried

5. PRESENTATIONS

We had no presentations.

6. CITIZEN'S COMMENTS

We had no citizens comments.

7. DISCUSSION ITEMS

A. Monthly Staff Reports on Activities:

1) Police Department

2) Fire Department

3) Code Compliance

4) Animal Services

5) Public Works

Police Department Monthly Activity Report for June 24 - 22, 2025 was presented by James Thompson. Officers were dispatched to 1682 calls for service including 4 traffic crashes, 15 alarms, 4 assault, 5 assist other agency, 2 burglary in-progress, 3 burglary investigations, 26

disturbance calls, 1 deceased person, 6 calls involving mentally ill, 5 parking violations, 21 firework/shots fired, 3 stolen vehicle calls, 20 Suspicious persons/vehicle, 7 thefts, 3 threats, 1 man with a gun, and 2 arrest. Traffic enforcement activities resulted in 50 citations, 33 warnings and 32 parking violations addressed. Currently there are two candidates nearing completion of the hiring process. Once the final testing is completed, we anticipate these officers to come on board potentially within the first 10 days of August.

The Fire Department Report and Code Compliance Report will be presented with next months report.

Code Compliance report will be presented next month.

Municipal Animal Services Monthly Report for June 2025 presented by Ray Rentshler. For the month of June they did an intake of 62 dogs, and 32 cats. Transfers out to Rescues were at 55. Ray stated that they also had 16 adoptions. The live release rate was at 84% and for dogs only it was 87% and for cats it was 69%. Ray stated that they had a total of 1686 calls for the month of June. They had 4 events and they were able to adopt out 9 animals with the mobile adoption unit.

Public Works Monthly Report will be presented next month as well.

B. 2025 Water Rate Evaluation

Craig presented council with a report on the 2025 Water Rate Evaluation. He noted that the last rate changes had been in 2021, and 2024. This presentation is recommending for the council to raise the water rates by 5%. This presentation explains the goals that the water rates have for the city. Rates must be set at a level that covers the full cost of producing, treating, storing, and distributing.

8. CONSIDERATION AND POSSIBLE ACTION

- A. RESOLUTION NO. 2025-07-01 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, AUTHORIZING THE CITY MANAGER TO INITIATE THE REZONING PROCESS FOR PROPERTY LOCATED AT 503 W. ENON AVENUE, EVERMAN, TEXAS, FROM A-1 SINGLE FAMILY RESIDENTIAL TO C-1 NEIGHBORHOOD COMMERCIAL; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 4; Mayor Pro-Tem Mackey, Seconded by Place 5 Sellers.
Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Mayor Richardson

Motion Carried.

- B. RESOLUTION NO. 2025-07-02 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS APPOINTING THREE MEMBERS TO THE BOARD OF DIRECTORS OF THE TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER ONE ("TIF 1") OF THE CITY OF EVERMAN, TEXAS, APPOINTING ONE MEMBER OF THE BOARD TO SERVE AS CHAIRMAN FOR THE ENSUING YEAR; PROVIDING FOR OTHER MATTERS RELATED TO THE BOARD; AND PROVIDING AN EFFECTIVE DATE.

Amended motion-Judy Sellers to approve the Resolution with these names appointed to the TIF Board which is

Susan Mackey, Judy Sellers, and Pastor Michael Gee, and as chairman Judy Sellers.

Motion made by Place 5 Sellers, Seconded by Place 4; Mayor Pro-Tem Mackey.
Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Mayor Richardson

Motion Carried.

- C. RESOLUTION NO. 2025-07-03 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, APPROVING AN INTERLOCAL AGREEMENT (MEMORANDUM OF UNDERSTANDING) BETWEEN THE CITY OF EVERMAN AND THE EVERMAN INDEPENDENT SCHOOL DISTRICT FOR THE PROVISION OF SCHOOL RESOURCE OFFICERS (SROs); AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 4; Mayor Pro-Tem Mackey, Seconded by Place 5 Sellers.
Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Mayor Richardson

Motion Carried.

- D. ORDINANCE NO. 836 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EVERMAN CITY, TEXAS, ADOPTING A WATER CONSERVATION PLAN ADDING TO CHAPTER 20 OF THE CODE OF ORDINANCES BY PROVIDING FOR YEAR-ROUND WATERING AND IRRIGATION RESTRICTIONS; PROVIDING FOR AFFIRMATIVE DEFENSES AND EXCEPTIONS TO PROSECUTION; PROVIDING FOR VARIANCE PROCEDURES; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE, PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENAL TY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 4; Mayor Pro-Tem Mackey to approve Agenda item 8.D. with the following amendments: (1) Section 2 shall be amended by deleting from the first sentence the phrase which reads "The Section 98-444(a) of the Everman City Code of Ordinances is hereby amended to read as follows:" and replacing it with "he Code of Ordinances of the City of Everman, Texas is hereby amended by amending section 20-17 "Variances", with that section being repealed and replaced in its entirety, to read as follows:" and (2) Section 3 shall be amended by adding at the beginning of that section the following language, "The Code of Ordinances of the City of Everman, Texas is hereby amended by amending section 20-18 "Lawn and landscape irrigation conservation", with that section being repealed and replaced in its entirety to read as follows:" Seconded by Place 5 Sellers.

Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Mayor Richardson

Motion Carried.

9. EXECUTIVE SESSION

- A. Section 551.071 - Seek Advice of the City Attorney regarding consideration and possible adoption of a temporary Voluntary Retirement Incentive Program and/or a Voluntary Separation Incentive Program.

Mayor opened Executive Session at 6:41pm.

Mayor closed Executive Session at 7:04pm

10. CONSIDERATION AND POSSIBLE ACTION AS A RESULT OF EXECUTIVE SESSION

Motion made by Place 4; Mayor Pro-Tem Mackey to approve the Voluntary Retirement Incentive Policy and Voluntary Separation Incentive Policy as discussed in executive session effective immediately, with the city manager authorized to set the effective start and end dates for acceptance of applications for each program, Seconded by Place 5 Sellers.
 Voting Yea: Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Mayor Richardson

Motion Carried

11. CITY MANAGERS REPORT

Chicken and Chill is having a Grand opening this Saturday at 4pm. 1717 Everman Parkway. They have fully renovated this location. There are several senior citizens events and they are on the website. There will be one special meeting for budget possibly 2. The county is breaking ground on Wichita Street. They have 6 months left on the construction on Enon. Craig will send out something about this so the citizens will know.

12. MAYOR'S REPORT

Mayor just recommended to council to freeze the Budget for this year for the council budget. No spending to help out on the budget numbers.

13. ADJOURN

Mayor adjourned the meeting at 7:11pm.

I hereby certify that this agenda was posted on the City of Everman bulletin board at or before 5:00 p.m. on Friday July 18, 2025.

/s/ Mindi Parks
 City Secretary

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- A. Section 551.071 - Pending or Contemplated Litigation or to Seek Advice of the City Attorney.
- B. Section 551.072 - Purchase, Sale, Exchange, Lease, or Value of Real Property.
- C. Section 551.073 - Deliberation Regarding Prospective Gift.
- D. Section 551.074 - Personnel Matters.
- E. Section 551.087- Deliberation Regarding Economic Development Negotiations.
- F. Section 551.089 - Deliberations Regarding Security Devices or Security Audits.

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EVERMAN CITY COUNCIL REGULAR MEETING

Tuesday, August 12, 2025 at 6:00 PM

213 North Race Street Everman, TX 76140

MINUTES

1. MEETING CALLED TO ORDER

Mayor Richardson called meeting to order at 6:04pm.

2. INVOCATION

3. PLEDGE OF ALLEGIANCE

4. CONSENT AGENDA

A. Financial Report

June 2025

Motion made by Place 5 Sellers, Seconded by Place 4; Mayor Pro-Tem Mackey.
Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey,
Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

5. PRESENTATIONS

A. Proclamation Honoring the 60th Wedding Anniversary of Dwaine & Janice Hope

Mayor Richardson read Proclamation Honoring the 60th Wedding Anniversary of Dwaine & Janice Hope. Their daughter at this time presented to council a little bio about her parents.

Mayor Recessed at 6:13pm and called meeting back to order from recess at 6:27pm.

6. CITIZEN'S COMMENTS

Jamal Williams - Executive Assistant to Commissioner Roderick Miles - Spoke on a new Oak Grove Rd Street Improvement Project

7. DISCUSSION ITEMS

A. Staff Report - "Operation Clean & Clear" Code Enforcement Blitz

City Manager Craig Spencer displayed a presentation for the council to see information on the Operation Clean and clear. There were multi-disciplinary teams comprised of more than 20 city officials. There were more than 275 violations. The focus areas were Trash/Refuse, Trees/Grass Trimming, Junk Vehicles, Parking Violations, and highly visible or intrusive violations. The goal was to gain voluntary compliance through positive contacts and education about Code Compliance. In result of this we have had many violations already since been corrected or addressed. Code Enforcement will continue to follow-up on all instances to ensure compliance. Overall, very good feed back from the community.

B. Staff Report - Wichita Street Construction Project

City Manager Craig Spencer displayed a presentation for the council on the Wichita Street Construction Project and update them on where it is at. This project is currently underway and this will be a complete reconstruction of roadway to include updated signage, lane markers, barriers, and flex delineators. Commissioner Rodrick Miles is the one seeing over this construction project and he is the one that made this happen. This project is anticipated to be complete on Thursday August 21st. We are excited for this to get completed.

C. Staff Report - Hanna Ranch Sewer Main Project Update

City Manager Craig Spencer stated that this project is still underway. Originally we anticipated this project being done before the start of school. Unfortunately, with any construction project there can be delays. Currently as it stands they are at a six month delay, so we do not expect this project to be done until the end of the year. Craig stated the portion by Hickory Stick should be cleared up and done in the next week to allow the East side to go back to two lane traffic. The West side on Enon will remain closed until the project is complete. This is where this project is at this time.

D. Staff Report - Everman Police Officer Great Cycle Challenge

City Manager Craig Spencer wanted to just share this with council. Everman PD Corporal Schrader is riding 400 miles in the month of September to fight kids cancer and save little lives. This is a Great Cycle Challenge. He shared the link with council and of course letting them know they can donate at that link to help support.

E. 50th Year Community Development Block Grant (CDBG) Waterline Project - City Engineer

Andrew Luce with TNP, our City Engineer presented to council about the 50th Year Community Development Block Grant Waterline Project. Andrew stated that they did have a Bid Opening at the County offices July 9th and they received 8 responsive bidders. This is for the 6 inch waterline replacement on Marlene between Christopher and Russell. The original estimate going into the bid was \$195,000.00. We had a low bid at \$155,000.00. The second low bid was at \$164,000.00. The total County allocation on this project is \$180,163.00. He is recommending the City to go with the second low bidder and the reason for that is the low bidder has 3 low bid projects with the County and they had no information on them and it raised concerns so they want to go with the second low bidder for that reason. Pipe Crew LLC is the second lowest bidder and who they recommend the city to go with. Council had no questions or comments.

8. CONSIDERATION AND POSSIBLE ACTION

A. RESOLUTION NO. 2025-08-01 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, AUTHORIZING THE CITY MANAGER TO ENTER INTO THE PURDUE SETTLEMENT AND AUTHORIZING THE SUBMISSION OF THE SUBDIVISION PARTICIPATION AND RELEASE FORM REGARDING THE PURDUE SETTLEMENT AND FULL RELEASE OF ALL CLAIMS; AND PROVIDING AN EFFECTIVE DATE

Motion made by Place 4; Mayor Pro-Tem Mackey, Seconded by Place 5 Sellers.
Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

B. RESOLUTION NO. 2025-08-02 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, AUTHORIZING THE CITY MANAGER TO ENTER INTO THE OPIOID

SETTLEMENTS WITH ALVOGEN, AMNEAL, APOTEX, HIKMA, INDIVIOR, MYLAN, SON AND ZYDUS AND AUTHORIZING THE SUBMISSION OF THE SUBDIVISION PARTICIPATION AND RELEASE FORM(S) REGARDING THE SETTLEMENT AND FULL RELEASE OF ALL CLAIMS; AND PROVIDING AN EFFECTIVE DATE

Motion made by Place 5 Sellers, Seconded by Place 1 Sanders.

Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

- C. RESOLUTION NO. 2025-08-03 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, RECOMMENDING AWARD OF BID FOR THE 50TH YEAR CDBG PROJECT – WATER LINE IMPROVEMENTS FOR MARLENE DRIVE – TO PIPE CREW, LLC IN THE AMOUNT OF \$164,496.00, IN ACCORDANCE WITH THE ENGINEER’S RECOMMENDATION; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 4; Mayor Pro-Tem Mackey, Seconded by Place 1 Sanders.

Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

- D. ORDINANCE NO. 837 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES, CITY OF EVERMAN, BY AMENDING CHAPTER 10, “HEALTH, SAFETY AND NUISANCES,” BY ADDING A NEW ARTICLE XI, TO BE ENTITLED, “DONATION COLLECTION BINS,” TO ADOPT REGULATIONS FOR THE PLACEMENT AND USE OF DONATION COLLECTION BINS IN THE CITY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF FIVE HUNDRED DOLLARS (\$500.00) FOR EACH OFFENSE AND, IN CASES OF ENDANGERMENT TO PUBLIC HEALTH AND SAFETY, A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.090) FOR EACH OFFENSE ; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 5 Sellers, Seconded by Place 1 Sanders.

Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

- E. ORDINANCE NO. 838 AN ORDINANCE OF THE CITY OF EVERMAN, TEXAS, ABANDONING ALL RIGHT, TITLE AND INTEREST IN A PORTION OF THE TRICE STREET RIGHT-OF-WAY BEING PARTICULARLY DESCRIBED AND DEPICTED IN EXHIBIT “A” ATTACHED HERETO; PROVIDING FOR THE FURNISHING OF A CERTIFIED COPY OF THIS ORDINANCE FOR RECORDING IN THE OFFICIAL PUBLIC RECORDS OF TARRANT COUNTY, TEXAS, AS A QUITCLAIM DEED; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY DOCUMENTS NECESSARY TO COMPLETE SAID ABANDONMENT; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 4; Mayor Pro-Tem Mackey, Seconded by Place 5 Sellers.

Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

- F. ORDINANCE NO. 839 AN ORDINANCE OF THE CITY OF EVERMAN, TEXAS, APPROVING AND ADOPTING AN UPDATED SCHEDULE OF RATES AND FEES FOR WATER, SEWER, REFUSE, AND RELATED UTILITY SERVICES; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Motion made by Place 4; Mayor Pro-Tem Mackey, Seconded by Place 1 Sanders.

Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Voting Nay: Place 3 Allen

Motion Carried.

- G. ORDINANCE NO. 840 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES, CITY OF EVERMAN, BY AMENDING CHAPTER 20, "UTILITIES," ARTICLE VIII "UTILITY AND TELECOMMUNICATIONS FACILITIES WITHIN THE RIGHT-OF-WAY" BY AMENDING SECTION 20-343 "RESTORATION OF RIGHT-OF-WAY" AND SECTION 20-347 "PENALTY"; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF FIVE HUNDRED DOLLARS (\$500.00) FOR EACH OFFENSE AND, IN CASES OF ENDANGERMENT TO PUBLIC HEALTH AND SAFETY, A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 5 Sellers, Seconded by Place 1 Sanders.

Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

- H. ORDINANCE NO. 841 AN ORDINANCE OF THE CITY OF EVERMAN, TEXAS, AMENDING THE "CITY COUNCIL, BOARDS, COMMISSIONS, AND COMMITTEES RULES AND PROCEDURES," LAST AMENDED BY ORDINANCE NO. 788, TO INCORPORATE NEW STATE LAW; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A CONFLICTS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Motion made by Place 4; Mayor Pro-Tem Mackey, Seconded by Place 1 Sanders.

Voting Yea: Place 1 Sanders, Place 2 Renfro, Place 3 Allen, Place 4; Mayor Pro-Tem Mackey, Place 5 Sellers, Place 6 Davila, Mayor Richardson

Motion Carried.

9. EXECUTIVE SESSION

10. CITY MANAGERS REPORT

Craig will be on vacation next week, if council needs anything to get with Susan.

11. MAYOR'S REPORT

Mayor did state that he sent out the City Managers evaluation and needs to have it back before the next meeting. He also said they will work on narrowing down this evaluation.

12. ADJOURN

Mayor Richardson adjourned the meeting at 7:06pm.

I hereby certify that this agenda was posted on the City of Everman bulletin board at or before 5:00 p.m. on Friday August 8, 2025.

/s/ Mindi Parks
City Secretary

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EVERMAN CITY COUNCIL BUDGET WORKSHOP

Tuesday, August 12, 2025 at 5:00 PM

213 North Race Street Everman, TX 76140

MINUTES

1. MEETING CALLED TO ORDER

Mayor Richardson called meeting to order at 5:00pm.

2. DISCUSSION ITEMS

A. Review and Discussion of the Fiscal Year 2026 Proposed Budget

City Manager Craig Spencer reviewed and discussed the Fiscal Year 2026 Proposed Budget and discussed options to help balance the budget.

3. ADJOURN

Mayor Richardson adjourned the meeting at 5:45pm.

I hereby certify that this agenda was posted on the City of Everman bulletin board at or before 5:00 p.m. on Friday December 31, 2021.

/s/ Mindi Parks
City Secretary

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P Proclamation

HONORING SEPTEMBER 11TH as PATRIOT DAY & NATIONAL DAY OF SERVICE AND REMEMBRANCE

WHEREAS, on September 11, 2001, the United States of America suffered coordinated terrorist attacks that claimed the lives of 2,977 innocent people and forever changed our nation; and

WHEREAS, we remember the extraordinary courage of first responders and civilian heroes who rushed toward danger to save others, including 343 firefighters, 23 members of the New York City Police Department, 37 members of the Port Authority Police Department, and 125 military and civilian personnel at the Pentagon; and

WHEREAS, the selfless actions of the passengers and crew of United Flight 93, who sacrificed their lives to prevent further loss, stand as a timeless testament to American bravery and unity; and

WHEREAS, the families of the fallen, the survivors, and the countless Americans who served in the days, months, and years that followed continue to bear the weight of that day, reminding us of our duty to support them with compassion and resolve; and

WHEREAS, Patriot Day is also a National Day of Service and Remembrance, calling on every American to honor the memory of those lost by performing acts of service, strengthening community ties, and renewing our commitment to preparedness and resilience; and

WHEREAS, the City of Everman recognizes and honors our own first responders—Police, Fire/EMS, Emergency Management, Code, Public Works, and the dedicated professionals of our regional communications center—whose daily service and readiness protect our neighbors and safeguard our community; and

WHEREAS, we affirm that remembrance without action is incomplete, and we pledge to transform memory into meaningful service, training, and readiness that keep Everman safe and strong.

NOW, THEREFORE, the Everman City Council does hereby proclaim **September 11, 2025** as **PATRIOT DAY & NATIONAL DAY OF SERVICE AND REMEMBRANCE** in Everman, and I **encourage all residents** to (1) observe a moment of silence at **7:46 a.m. CDT** (8:46 a.m. EDT) and at appropriate times throughout the morning; (2) display the **United States flag at half-staff** from sunrise to sunset in honor of the victims and in tribute to first responders and service members; and (3) engage in **acts of service**, preparedness training, and community support that reflect the unity and spirit that carried our nation forward.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City to be affixed this **11th day of September, 2025**.

September 9, 2025
Date of Enactment

Ray Richardson, Mayor

NOTICE OF PUBLIC HEARING

Fiscal Year 2025 – 2026 Budget

This budget will raise more revenue from property taxes than last year's budget by an amount of \$139,061, which is a 4.13 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$140,064.

The City Council of the City of Everman, Texas will hold a public hearing on the Fiscal Year 2025 – 2026 Proposed Budget on **Tuesday, September 9, 2025, at 6:00 PM** at the Everman Civic Center, 213 N. Race Street, Everman, TX 76140 (Live & Virtual Meeting).

The purpose of the public hearing is to receive public comment regarding the proposed budget. To submit written comments, please email the City Secretary at mparks@evermantx.net. The meeting will be available for viewing on the City website: www.evermantx.us.

The proposed budget and budget message are available for public inspection at:

- Everman Civic Center, 213 N. Race Street, by appointment. Please contact the City Secretary at mparks@evermantx.net; and
- The City of Everman website: www.evermantx.us.

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 23.65 per month
Rider CEE Surcharge	\$ 0.03 per month ¹
Total Customer Charge	\$ 23.68 per month
Commodity Charge – All <u>Ccf</u>	\$ 0.74748 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2025.

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 94.00 per month
Rider CEE Surcharge	\$ 0.01 per month ¹
Total Customer Charge	\$ 94.01 per month
Commodity Charge – All Ccf	\$ 0.22261 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2025.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 200 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 1,848.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.7678 per MMBtu
Next 3,500 MMBtu	\$ 0.5623 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1206 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

This tariff is not available to customers with a maximum daily demand of 1,000 MMBtu or greater and a daily/annual load factor of 10% or less. Load factor is calculated as follows: annual usage / (maximum daily connected demand X 365). Load factors will be recalculated once each year to determine appropriate eligibility for Rate T.

Type of Service

Company's receipt and delivery of all gas quantities under the applicable Transportation Agreement will be on a wholly interruptible basis subject to the Terms and Conditions incorporated in the Transportation Agreement. If Customer is an Industrial Customer, then Customer may elect, at the reasonable discretion of Company, to contract for Plant Protection transportation quantities defined as the minimum natural gas required to prevent physical harm and/or protect critical safety to the plant facilities, plant personnel, or the public when such protection cannot be achieved through the use of an alternate fuel. Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 1,848.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.7678 per MMBtu
Next 3,500 MMBtu	\$ 0.5623 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1206 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest “midpoint” price for the Katy point listed in *Platts Gas Daily* in the table entitled “Daily Price Survey” during such month, for the MMBtu of Customer’s monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer’s receipt quantities for the month.

Overpull Fee

Upon notification by Company of an event of interruption of Customer’s deliveries, Customer will, for each MMBtu delivered in excess of the stated level of interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled “Daily Price Survey.”

Replacement Index

In the event the “midpoint” or “common” price for the Katy point listed in *Platts Gas Daily* in the table entitled “Daily Price Survey” is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company’s Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Application

This Rider is applicable to customer classes in the incorporated areas under the RRM tariff as authorized by the state or any governmental entity, a municipality, or a regulatory authority pursuant to any statute, ordinance, order, rule, contract, or agreement.

Monthly Calculation

Surcharges will be calculated in accordance with the applicable statute, ordinance, order, rule, contract, or agreement.

FASB ASC 740-10 (Fin48) Refund

Applicable to Customers taking service under Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation.

To ensure that gas utility customers receive the benefit associated with the changes in the Company's Uncertain Tax Positions ("UTPs") arising from recognition of Texas Margin Tax returns.

The decrease shall be calculated as follows:

Beginning with implementation of rates from the negotiated RRM Tariff, and annually thereafter, the portion of UTP liabilities identified in Schedule FIN48-1.1 for the prior fiscal year shall be allocated based on the final class allocations of GUD No. 10170 as per the RRM Tariff, divided by the annual bill count to derive rates to be refunded through Rider SUR in the subsequent fiscal year. Each year's calculation will include a true-up (+ or -) due to account for over/under collections. Amounts identified in Schedule FIN48-1 shall be adjusted to reflect any audit adjustments received from the Texas Comptroller of Public Accounts.

No action on the part of the Regulatory Authority is required to give effect to the amount to be refunded to customers. However, any amount refunded to customers shall be fully subject to review for reasonableness and accuracy in the gas utility's next statement of intent proceeding with the Railroad Commission of Texas, and if applicable, the gas utility shall be required to reconcile any discrepancies.

The following refund as authorized in the most recent negotiated RRM Tariff shall be refunded to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer's monthly bill in each month for a 12-month period. The refund amount by month by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ (0.12)
Rate C – Commercial Sales	\$ (0.41)
Rate I – Industrial Sales	\$ (8.68)
Rate T – Transportation	\$ (8.68)

RIDER:	TAX – TAX ADJUSTMENT	
APPLICABLE TO:	Entire Division as Set Forth Below	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	PAGE:

Application

Applicable to Customers taking service under Rate R, Rate C, Rate I, and Rate T, except for exempt State Agency Customers, to the extent of state gross receipts taxes only.

1. State Gross Receipts Taxes

Applicability - Entire Division except for Unincorporated Areas

Each monthly bill shall be adjusted for Miscellaneous state gross receipts taxes imposed by Sections 182-021 - 182-025 of the Texas Tax Code.

Entire Division

Each monthly bill shall also be adjusted by an amount equivalent to the amount of all applicable taxes and any other governmental impositions, rentals, fees, or charges (except state, county, city, and special district ad valorem taxes and taxes on net income) levied, assessed, or imposed upon or allocated to Company with respect to the Gas Service provided to Customer by Company, and any associated facilities involved in the performance of such Gas Service. Each monthly bill shall also be adjusted by an amount equivalent to the proportionate part of any increase or decrease of any tax and any other governmental imposition, rental, fee, or charge (except state, county, city, and special district ad valorem taxes and taxes on net income) levied, assessed, or imposed subsequent to the effective date of this tariff, upon or allocated to Company's operations, by any new or amended law, ordinance, or contract.

2. Federal or State Tax Law or Rate Changes:

Applicability – All Customers in the Mid-Tex Division (“MTX”) Under the RRM Tariff

Applicable to Customers taking service under Rate R, Rate C, Rate I, and Rate T.

To ensure that gas utility customers receive the benefits or costs associated with the changes in tax rates at a federal or state level, MTX shall establish and accrue on its books and records, as of the effective date of the federal or state tax law or rate change: 1) regulatory liabilities to reflect the impact of a decrease in federal corporate income tax rates or state margin tax rates; or, 2) regulatory assets to reflect the impact of an increase in federal corporate income tax rates or state margin tax rates.

The gas utility may not change rates to give effect to a change in Federal or State Tax law or rates through the Rider TAX unless and until the city issues final authorization, an Accounting Order, or other express guidance authorizing such recovery through the RRM process.

Company may also not change rates to capture the impacts associated with the effects of Public Law 117-169, 136 STAT. 1818 of August 16, 2022 (“Tax Act 2022”) and certain other tax-related costs that will change from the amounts included in the most recent base revenue requirement established through an RRM filing unless and until the city issues a final authorization, an Accounting Order, or other express guidance authorizing such recovery.

Upon receipt of authorization from the city through an Accounting Order, final authorization or other express guidance, the calculation applicable to the aforementioned federal or state tax rate or law changes are as follows; however, to the extent there is a conflict between the calculation or methodology

RIDER:	TAX – TAX ADJUSTMENT	
APPLICABLE TO:	Entire Division as Set Forth Below	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	PAGE:

prescribed by an Accounting Order, final authorization, or other express guidance, and those contained in this rate schedule, the Accounting Order, final authorization, or other express guidance controls:

Calculations

1. With regard to changes in the tax rates at a federal or state level, the increase or decrease shall be calculated as follows:
 - a. A portion of the gas utility's revenue representing the difference between: 1) the cost of service as approved by the Commission or the applicable regulatory authority in the gas utility's most recent statement of intent or other rate proceeding, and 2) the cost of service that would have resulted had the rates been based on the new federal income tax rate (increase or decrease) or state margin taxes (increase or decrease), as of the effective date of the change;
 - b. If applicable, the portion of the gas utility's revenue representing the difference between: 1) each Interim Rate Adjustment surcharge approved by the regulatory authority since the gas utility's most recent statement of intent or other rate proceeding, and 2) each Interim Rate Adjustment surcharge that would have resulted had the surcharges been based on the new federal income tax rate (increase or decrease) or state margin taxes (increase or decrease), as of the effective date of the change; and
 - c. The excess or deficient deferred tax reserve, including any associated gross up in taxes, caused by the reduction or increase in the federal corporate income tax rate or state related tax increases, as of the effective date of the change.

Upon the receipt of authorization from the Commission or applicable regulatory authority, the gas utility shall separately refund to customers based on a decrease in federal or state tax rates or separately collect from customers based on an increase in federal or state tax rates within twelve (12) months or, pursuant to applicable Internal Revenue Code ("IRC") rules and regulations, as follows:

- d. The amount collected/refunded by the gas utility that reflects the difference in base rates between: 1) the cost of service approved by the regulatory authority in the gas utility's most recent statement of intent rate proceeding, and 2) the cost of service that would have resulted had the rates been based upon the new federal or state tax rates, between the effective date of this order and the effective date of the changes.
- e. If applicable, the amount collected/refunded by the gas utility that reflects the difference between: 1) each Interim Rate Adjustment surcharge approved by the Commission or the regulatory authority since the gas utility's most recent statement of intent rate proceeding, and 2) each Interim Rate Adjustment surcharge that would have resulted had the rates been based upon the new federal or state tax rates, between the effective date of this order and the effective date of the changes.
- f. The amount collected/refunded by the gas utility that reflects the difference in the excess or deficient deferred tax reserve included in base rates between: 1) the cost of service approved by the Commission or the regulatory authority in the gas utility's most recent statement of intent rate proceeding, and 2) the cost of service that would have resulted had the rates been based upon the new federal or state tax rates, between the effective date of this order and the effective date of the changes. These amounts shall be refunded or collected from customers based upon IRC rules and regulations if applicable.

RIDER:	TAX – TAX ADJUSTMENT	
APPLICABLE TO:	Entire Division as Set Forth Below	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	PAGE:

2. With regard to the Tax Act 2022 and certain other tax-related costs that will change from the amounts included in the base revenue requirement established through an RRM filing, any change in rates shall be calculated as follows:

- (a) The amount shall be calculated as the product of Company's grossed-up rate of return authorized in the cost of service as approved by the Commission or the applicable regulatory authority in the gas utility's most recent statement of intent or other rate proceeding times the Corporate Alternative Minimum Tax deferred tax asset ("CAMT DTA") estimated at September 30 of the fiscal year or applicable quarter-end within a fiscal year prior to the annual change in the rates pursuant to this tariff, less the income tax credits received in accordance with IRC requirements applicable to the Tax Act 2022 grossed-up for income taxes to a revenue equivalent.
- (b) The estimated CAMT DTA and the related effects on the rider revenue requirements shall be trued up to the actual effects in the following year and the over/under recovery amortized over the twelve months that each year's recalculated tariff rates are in effect. The over/under recovery shall include a grossed-up rate of return as authorized in Company's most recent statement of intent or other rate proceeding.
- (c) The methodology for computing Company's CAMT is as follows:
 - i. Confirm when Atmos Energy Corporation and its affiliates are subject to CAMT as an "applicable corporation" as defined the Tax Act 2022, then there will be MTX's CAMT DTA in the tariff.
 - ii. Calculate the Mid-Tex Division's (MTX) contribution to Adjusted Financial Statement Income ("AFSI") on a stand-alone basis. MTX's AFSI is calculated by adjusting MTX's applicable financial statement income by adjustments to depreciation, pension costs and federal income tax to arrive at AFSI. AFSI is intended to be computed consistent with applicable IRC requirements.
 - iii. Compare MTX's CAMT stand-alone amount with MTX's regular stand-alone tax liability. If the stand alone CAMT is in excess of the stand-alone regular tax, the CAMT DTA is recorded to MTX.

If the Internal Revenue Service issues new guidance related to the Tax Act 2022, Company shall have the right to make additional filings to recognize such adjustments.

Any Commission filing made to give effect to Federal or State Tax Law or Rate Changes shall be filed within 12-months following the enactment of a tax rate change with the Commission's Oversight and Safety Division or as part of a Statement of Intent.

Any city filing made to give effect to Federal or State Tax Law or Rate Changes shall be filed within 12-months following the enactment of a tax rate change and addressed to the city official at the address of record with the Mid-Tex Division.

With the exception of the authorization required from the Commission to allow the gas utility to recognize the new federal income tax rate (increase or decrease) or state taxes (increase or decrease) or the impacts associated with the effects of the Tax Act 2022 and certain other tax-related costs that will change from the amounts included in the base revenue requirement in the last approved RRM Tariff filing, no action on the part of the regulatory authority is required to give effect to the amount to be refunded or

RIDER:	TAX – TAX ADJUSTMENT	
APPLICABLE TO:	Entire Division as Set Forth Below	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	PAGE:

collected from customers. However, any amount refunded or collected from customers shall be fully subject to review for reasonableness and accuracy in the gas utility's next statement of intent proceeding, and if applicable, the gas utility shall be required to reconcile any discrepancies.

Regulatory orders issued pursuant to this mechanism are ratemaking orders and shall be subject to appeal under Sections 102.001(b) and 103.021, et seq., of the Texas Utilities Code (Vernon 2007). Rate changes subject to the provisions of this tariff may be implemented upon the filing of an appeal to the relevant authority.

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

- i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification
- $WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf
- R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.
- HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class
- NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.
- ADD = billing cycle actual heating degree days.
- BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j^{th} customer in i^{th} rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j^{th} customer in i^{th} rate schedule.

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2025	

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	9.61	0.1476	91.65	0.7406
Austin	8.19	0.1394	183.99	1.1581
Dallas	12.74	0.2017	193.53	1.1001
Waco	9.23	0.1277	148.26	0.7631
Wichita Falls	10.43	0.1387	122.94	0.7038

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at www.atmosenergy.com/MTXtariffs, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2024

Line No.	Description	Average Volumes	Current Rates	Proposed Rates	Current Average Bill	Proposed Average Bill	Amount Change	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<u>Rate R @ 42.1 Ccf</u>							
2	Base Rates:							
3	Customer Charge		\$ 22.95	\$ 23.65	\$ 22.95	\$ 23.65	\$ 0.70	
4	Consumption Charge (Ccf)	42.1	\$ 0.58974	\$ 0.74748	24.80	31.44	6.64	
5	Total Base Rates				<u>\$ 47.75</u>	<u>\$ 55.09</u>	<u>\$ 7.34</u>	15.37%
6								
7	Gas Cost:							
8	Rider GCR Part A (Ccf)	42.1	\$ 0.20875	\$ 0.20875	\$ 8.78	\$ 8.78	\$ -	
9	Rider GCR Part B (Ccf)	42.1	\$ 0.53838	\$ 0.53838	22.64	22.64	-	
10	Total Gas Cost				<u>\$ 31.42</u>	<u>\$ 31.42</u>	<u>\$ -</u>	0.00%
11								
12	Total Base with Gas Cost				\$ 79.17	\$ 86.51	\$ 7.34	
13	Rider FF & Rider TAX		0.06725	0.06725	5.32	5.82	0.49	9.27%
14								
15	Total Residential Average Bill				<u>\$ 84.49</u>	<u>\$ 92.33</u>	<u>\$ 7.83</u>	<u>9.27%</u>
16								
17	<u>Rate C @ 367.6 Ccf</u>							
18	Base Rates:							
19	Customer Charge		\$ 81.75	\$ 94.00	\$ 81.75	\$ 94.00	\$ 12.25	
20	Consumption Charge (Ccf)	367.6	\$ 0.19033	\$ 0.22261	69.97	81.83	11.86	
21	Total Base Rates				<u>\$ 151.72</u>	<u>\$ 175.83</u>	<u>\$ 24.11</u>	15.89%
22								
23	Gas Cost:							
24	Rider GCR Part A	367.6	\$ 0.20875	\$ 0.20875	\$ 76.74	\$ 76.74	\$ -	
25	Rider GCR Part B	367.6	\$ 0.37860	\$ 0.37860	139.18	139.18	-	
26	Total Gas Cost				<u>\$ 215.92</u>	<u>\$ 215.92</u>	<u>\$ -</u>	0.00%
27								
28	Total Base with Gas Cost				\$ 367.64	\$ 391.75	\$ 24.11	
29	Rider FF & Rider TAX		0.06725	0.06725	24.72	26.35	1.62	6.56%
30								
31	Total Commercial Average Bill				<u>\$ 392.36</u>	<u>\$ 418.10</u>	<u>\$ 25.73</u>	<u>6.56%</u>
32								

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2024

Line No.	Description	Average Volumes	Current Rates	Proposed Rates	Current Average Bill	Proposed Average Bill	Amount Change	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
33	<u>Rate I at 1277 MMBTU</u>							
34	Base Rates:							
35	Customer Charge		\$1,587.75	\$ 1,848.75	\$ 1,587.75	\$ 1,848.75	\$ 261.00	
36	Block 1 - Consumption Charge (MMBtu)	1,277	\$ 0.6553	\$ 0.7678	836.99	980.69	143.69	
37	Block 2 - Consumption Charge (MMBtu)	-	\$ 0.4799	\$ 0.5623	-	-	-	
38	Block 3 - Consumption Charge (MMBtu)	-	\$ 0.1029	\$ 0.1206	-	-	-	
39	Total Base Rates	<u>1,277</u>			<u>\$ 2,424.74</u>	<u>\$ 2,829.44</u>	<u>\$ 404.69</u>	16.69%
40								
41	Gas Cost:							
42	Rider GCR Part A (MMBtu)	1,277	\$ 2.07711	\$ 2.07711	\$ 2,653.03	\$ 2,653.03	\$ -	
43	Rider GCR Part B (MMBtu)	1,277	\$ 0.88986	\$ 0.88986	1,136.59	1,136.59	-	
44	Total Gas Cost				<u>\$ 3,789.63</u>	<u>\$ 3,789.63</u>	<u>\$ -</u>	0.00%
45								
46	Total Base with Gas Cost				\$ 6,214.37	\$ 6,619.07	\$ 404.69	
47	Rider FF and Rider TAX		0.06725	0.06725	417.92	445.14	27.22	6.51%
48								
49	Total Industrial Average Bill				<u>\$ 6,632.29</u>	<u>\$ 7,064.20</u>	<u>\$ 431.91</u>	6.51%
50								
51	<u>Rate T at 4534 MMBTU</u>							
52	Base Rates:							
53	Customer Charge		\$1,587.75	\$ 1,848.75	\$ 1,587.75	\$ 1,848.75	\$ 261.00	
54	Block 1 - Consumption Charge (MMBtu)	1,500	\$ 0.6553	\$ 0.7678	982.95	1,151.70	168.75	
55	Block 2 - Consumption Charge (MMBtu)	3,034	\$ 0.4799	\$ 0.5623	1,456.19	1,706.22	250.03	
56	Block 3 - Consumption Charge (MMBtu)	-	\$ 0.1029	\$ 0.1206	-	-	-	
57	Total Base Rates	<u>4,534</u>			<u>\$ 4,026.89</u>	<u>\$ 4,706.67</u>	<u>\$ 679.78</u>	16.88%
58								
59	Gas Cost:							
60	Rider GCR Part B (MMBtu)	4,534	\$ 0.88986	\$ 0.88986	\$ 4,034.96	\$ 4,034.96	\$ -	
61	Total Gas Cost				<u>\$ 4,034.96</u>	<u>\$ 4,034.96</u>	<u>\$ -</u>	0.00%
62								
63	Total Base with Gas Cost				\$ 8,061.85	\$ 8,741.63	\$ 679.78	
64	Rider FF and Rider TAX		0.06725	0.06725	542.17	587.88	45.72	8.43%
65								
66	Total Transportation Average Bill				<u>\$ 8,604.01</u>	<u>\$ 9,329.51</u>	<u>\$ 725.50</u>	8.43%

RESOLUTION NO. 2025-08-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2025 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

WHEREAS, the City of Everman, Texas (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), and a regulatory authority with an interest in the rates, charges, and services of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC”), a coalition of similarly-situated cities served by Atmos Mid-Tex (“ACSC Cities”) that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by the

Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2025, Atmos Mid-Tex filed its 2025 RRM rate request with ACSC Cities based on a test year ending December 31, 2024; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2025 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$205.6 million on a system-wide basis with an Effective Date of October 1, 2025; and

WHEREAS, ACSC agrees that Atmos' plant-in-service is reasonable; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications.

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

Section 1. That the findings set forth in this Resolution are hereby in all things approved.

Section 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$205.6 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex’s 2025 RRM filing, is in the public interest, and is consistent with the City’s authority under Section 103.001 of the Texas Utilities Code.

Section 3. That despite finding Atmos Mid-Tex’s plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

Section 4. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$205.6 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

Section 5. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex’s next RRM filing shall be as set forth on Attachment 2, attached hereto and incorporated herein.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company’s 2025 RRM filing.

Section 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.

Section 8. That the meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 9. That if any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 10. That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2025.

Section 11. That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF _____, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE _____ DAY OF _____, 2025.

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney



CITY OF EVERMAN
212 North Race Street Everman, TX 76140
STAFF REPORT

AGENDA TITLE: RESOLUTION NO. 2025-08-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2025 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

MEETING DATE: August 26, 2025

PREPARED BY: Lloyd Gosselink Rochelle & Townsend, P.C. Law Firm

RECOMMENDED ACTION:

Approval

BACKGROUND

The City, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering

Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2025, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2024, entitled it to additional system-wide revenues of \$245.2 million.

Application of the standards set forth in ACSC’s RRM Tariff reduces the Company’s request to \$225.6 million, \$163.5 million of which would be applicable to ACSC members. After reviewing the filing and conducting discovery, ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$185.6 million instead of the claimed \$245.2 million.

After several settlement meetings, the parties have agreed to settle the case for \$205.6 million. This is a reduction of \$20 million to the Company’s initial request. This includes payment of ACSC’s expenses. The Effective Date for new rates is October 1, 2025. ACSC members should take action approving the Resolution/Ordinance before October 1, 2025.

RATE TARIFFS

Atmos generated rate tariffs attached to the Resolution/Ordinance that will generate \$205.6 million in additional revenues. Atmos also prepared a Proof of Revenues supporting the settlement figures. ACSC consultants have agreed that Atmos’ Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of \$7.83 on a monthly basis, or 9.27%. The increase for average commercial usage will be \$25.73 or 6.56%. Atmos provided bill impact comparisons containing these figures.

SUMMARY OF ACSC’S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission’s review of annual GRIP filings or allow recovery of Cities’ rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC’s view, the GRIP process unfairly raises customers’ rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on October 1, 2025, ACSC residents will maintain an economic monthly advantage over GRIP and DARR rates.

Comparison to Other Mid-Tex Rates (Residential)

	<u>Average Bill</u>	<u>Compared to RRM Cities</u>
RRM Cities:	\$54.68	-
DARR:	\$58.57	\$3.89

ATM Cities:	\$57.39	\$2.71
Environs:	\$55.96	\$1.28

Note: ATM Cities and Environs rates are as-filed. Also note that DARR uses a test year ending in September rather than December.

EXPLANATION OF “BE IT RESOLVED” PARAGRAPHS:

1. This section approves all findings in the Resolution/Ordinance.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that Cities may challenge future costs associated with gas leaks.
4. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$205.6 million on a system-wide basis.
5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution/Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution/Ordinance.

8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution/Ordinance. This section further directs that the remaining provisions of the Resolution/Ordinance are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.
11. This section directs that a copy of the signed Resolution/Ordinance be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$245.2 million in additional system-wide revenues, the RRM settlement at \$205.6 million for ACSC members reflects substantial savings to ACSC cities. Settlement at \$205.6 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution/Ordinance before October 1, 2025. New rates become effective October 1, 2025.

CITY OF EVERMAN, TEXAS

RESOLUTION NO. 2025-09-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, APPROVING AND ADOPTING THE UPDATED COMPREHENSIVE FINANCIAL MANAGEMENT POLICY STATEMENTS FOR THE CITY OF EVERMAN; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

WHEREAS, the City of Everman, Texas (the “City”) is committed to sound financial management through integrity, planning, accountability, communication, and transparency; and

WHEREAS, the purpose of the Comprehensive Financial Management Policy Statements is to compile all of the City’s financial policies into one document and provide guidelines for managing and planning the City’s finances in a manner that safeguards fiscal stability and ensures long-term financial health; and

WHEREAS, the Financial Management Policy is reviewed annually and updated, revised, or refined as deemed necessary to reflect current legal requirements, best practices, and Council priorities; and

WHEREAS, City staff has prepared and presented an updated **Comprehensive Financial Management Policy Statements** attached hereto and incorporated herein as *Exhibit A*; and

WHEREAS, the City Council finds it to be in the best interest of the City and its citizens to formally adopt the updated Comprehensive Financial Management Policy Statements as the official Financial Policy of the City of Everman.

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

SECTION 1. The City Council of the City of Everman, Texas hereby approves and adopts the updated Comprehensive Financial Management Policy Statements, attached hereto as *Exhibit A* and incorporated herein by reference as the official Financial Policy of the City of Everman.

SECTION 2. This Resolution shall take effect immediately upon its passage and approval.

SECTION 3. It is hereby officially found and determined that the meeting at which this Resolution is passed was open to the public as required by the Texas Open Meetings Act, and

that notice of the time, place, and subject matter of said meeting was given in accordance with law.

PASSED AND APPROVED THIS ____ DAY OF _____, 2025.

APPROVED:

Ray Richardson, Mayor

ATTEST:

Mindi Parks, City Secretary

APPROVED AS TO FORM:

Victoria Thomas, City Attorney

Exhibit A

[Comprehensive Financial Management Policy]

4925-2788-3110, v. 1

City of Everman
Comprehensive Financial Management Policy Statements
 Amended: 08/30/2025

The City of Everman, Texas (City) is committed to financial management through integrity, planning, accountability, communication, and full transparency. The purpose of this Financial Management Policy is to compile all the City's financial policies into one document and provide guidelines in managing and planning the City's finances. These policy statements safeguard the fiscal stability required to achieve the City's objectives and ensure long-term financial health. Some policy statements are driven by requirements of state law or City Charter, while others are formally documented through policies and procedures.

The Financial Management Policy Statements will be reviewed annually and updated, revised, or refined as deemed necessary. Policy statements adopted by City Council are guidelines, and occasionally exceptions may be appropriate and required. Exceptions to stated policies will be identified, documented, and explained to City Council and/or the City Manager.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. Maintain accounting practices that conform to generally accepted accounting principles and comply with prevailing federal, state, and local statutes and regulations. Prepare and present regular reports that analyze and evaluate the City's financial performance and economic condition.

Accounting Practices and Principles

The City will maintain accounting practices that conform to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB), the authoritative standard setting body for units of local government. All city financial documents, except monthly interim financial reports, including official statements accompanying debt issues, Annual Financial Reports and continuing disclosure statements will meet GASB standards. Monthly interim financial reports are on a cash basis and will be reported as budgeted. At year-end the general ledger and financials will be converted to full accrual basis.

The City accounts and budgets for all Governmental Funds using the modified accrual basis of accounting. This basis means that revenue is recognized in the accounting period in which it becomes available and measurable, while expenditures are recognized in the accounting period in which it is incurred. Because the appropriated budget is used as the basis for control and comparison of budgeted and actual amounts, the basis for preparing the budget is the same as the basis of accounting. Exceptions to the modified accrual basis of accounting include:

- Grants, which are considered revenue when awarded, not received; and
- Principal and interest on long-term debt, which are recognized when paid.

The City's Proprietary Funds, which include the enterprise funds, are accounted and budgeted using the full-accrual basis of accounting. Under this method, revenues are recognized when they are earned and measurable, while expenses are recognized when they are incurred regardless of timing or related cash flows. The basis for preparing the budget is the same as the basis of accounting except for principal payments on long-term debt and capital outlay expense which are treated as budgeted expenses.

Financial and Management Reports

Pursuant to the City Charter requirements, Interim Financial Reports will be provided monthly to management and City Council that explain key economic and fiscal developments and note significant deviations from the budget. These reports will be reviewed monthly with the City Manager and provided to City Council. These reports will be prepared on a cash basis. Quarterly, departments will report on service level measures and/or indicators as compared to target and prior years to the Finance Department. Capital Projects will be reported and reviewed quarterly to the City Manager and provided to City Council.

Annual Audit

Pursuant to State Statute, the City shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be performed by a certified public accounting (CPA) firm, licensed to practice in the State of Texas. The annual financial statement, including the auditor's opinion, shall be filed with the City Secretary within 180 days after the last day of the fiscal year. The audit firm shall provide a management letter to the City prior to the filing of the audit. The audit firm shall also provide a Single Audit of Federal and State grants, when necessary.

The objective of the ordinary audit of financial statements by the independent auditor is the expression of an opinion on the fairness with which they present, in all material respects, financial position, results of operations, and its cash flows in conformity with generally accepted accounting principles. The auditor has a responsibility to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud.

An official Comprehensive Annual Financial Report (CAFR) shall be issued no later than six (6) months following the end of the fiscal year. The CAFR shall be prepared to meet the requirements of the Certificate of Achievement for Excellence in Financial Reporting program through GFOA. This program establishes criteria that go beyond the minimum requirements for Generally Accepted Accounting Principles to prepare CAFRs that evidence the spirit of transparency and full disclosure. The Finance Director shall be responsible for establishing a process to ensure timely resolution of audit recommendations.

Continuing Disclosure

The Finance Director will ensure that the Municipal Securities Rulemaking Board's EMMA® website is current, and all disclosures are filed timely. EMMA® is the official repository for information on virtually all municipal securities. Continuing disclosure includes annual disclosure required within 180 days of fiscal year end, as well as material event disclosure required under the Securities and Exchange Commission (SEC) Rule 15c2-12 within 10 days of the occurrence of the event.

Signature of Checks

All checks shall have two signatures. Three persons shall be authorized to sign checks: the City Manager, the Assistant City Manager and/or Director of Finance, and the Mayor. Signatures shall be affixed to all City checks via facsimile signatures, either with a signature plate, with a secure laser check printing system, or through handwritten signatures affixed to each check.

Financial Consultants

The City will employ qualified financial advisors and consultants as needed in the administration and management of the City's financial functions. These areas include but are not limited to: audit services, debt administration, delinquent tax collection attorney, and financial modeling. The City shall implement evaluation criteria for each financial consultant to ensure the City receives the highest quality services available. The principal factors in the selection of these consultants will be experience/expertise, ability to perform, the services offered, references, and methodology to name a few. In no case should price be allowed to serve as the sole criterion for the selection.

Delinquent Tax Collections

Due to the nature and expertise required, the City shall hire a delinquent tax collection attorney to collect delinquent taxes, represent the City in filing bankruptcy claims, foreclose on real property, seize personal property, and represent the City in court cases and property sales.

- The City shall contract for a delinquent tax collection attorney either through Tarrant County in conjunction with the contract for billing and collection of the City's property taxes or shall contract directly with an attorney.
- The City shall review delinquent tax collection services and determine if they choose to contract direct or contract through the County either at the end of a direct contract for delinquent tax services or annually if contracted with Tarrant County.
- If the City chooses to contract directly for delinquent tax collection services, requests for proposals and statements of qualifications are to be solicited at least every five years.
- There is not a requirement for rotation.

Bond Counsel

Bond Counsel to the City has the role of an independent expert who provides an objective legal opinion concerning the issuance and sale of bonds and other debt instruments. As bond counsel are specialized attorneys who have developed necessary expertise in a broad range of practice areas, the City will always use a consultant for these services. Generally, bonds are not marketable without the opinion of nationally recognized bond counsel stating that the bonds are valid and binding obligations stating the sources of payment and security for the bonds and that the bonds are exempt from State and Federal income taxes (if applicable).

Bond Counsel is responsible for the following tasks in a transaction:

1. Prepares and oversees bond proceedings;
2. Gets required government approval;
3. Ensures that the City meets all the legal requirements and authorization of the bond offering;
4. Discloses and analyzes all relevant legal proceedings that may have a bearing on the validity of the offering;
5. Interprets relevant regulations and laws and assists in structuring the issue;
6. Writes key financing documents.

Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with Bond Counsel shall be considered evergreen, however with a termination clause.

BUDGET AND LONG-RANGE FINANCIAL PLANNING

Establish guidelines for budgeting to ensure a financially sound City and to establish a long-range financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets.

Balanced Budget

The City Manager shall file annually a structurally balanced budget for the ensuing fiscal year with City Council in compliance with state law and the City Charter. A structurally balanced budget is further defined as recurring revenues funding recurring expenditures and adherence to fund balance policies. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques.

Current Funding Basis (Recurring Revenues)

The City shall budget and operate on a current funding basis. Revenues and expenditures shall be budgeted on a cash basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues. Recurring expenses will be funded exclusively with recurring revenue sources to facilitate operations on a current funding basis.

Use of Non-Recurring Revenues

Non-recurring revenue sources, such as a one-time revenue remittance or fund balance in excess of policy can only be budgeted and/or used to fund non-recurring expenditures, such as capital purchases or capital improvement projects. This will ensure that recurring expenditures are not funded by non-recurring sources.

Tax Rate

By law, the City must levy a tax rate sufficient to generate revenues that will meet outstanding debt obligations, net of outside funding sources (transfers from other funds). The City Manager will recommend a tax rate that the City finances require to operate efficiently, yet effectively, and meets the City Council's expectations of services provided and service levels.

As economic conditions permit, the City Manager will recommend a tax rate not greater than the no-new revenue tax rate (formerly effective tax rate) plus 3%. The goal is not to exceed an average annual increase in the residential tax bill of 3% unless the voters approve a general obligation bond referendum. The following shall be considered in managing growth in the average tax bill: property revaluation, tax rate adjustments and/or changes to the residential homestead exemption.

The no-new revenue tax rate is defined by the State of Texas as the tax rate that raises the same amount of total tax revenue in the current year as the prior year's tax rate for properties taxed in both years. The no-new revenue tax rate is calculated based on a formula mandated by the state truth in taxation laws and excludes new property value. Depending on valuation changes, the no-new revenue tax rate may be

higher or lower than the prior year's tax rate and generate the same amount of total property tax levy. The only increase in tax revenue is from new value added to the tax roll since the prior year. Therefore, the no-new revenue tax rate plus 3% also may result in an increase to the nominal tax rate in order to achieve a 3% increase in the tax levy, excluding new value.

- *Homestead Exemption*

The City shall review the homestead exemption annually as part of the budget process. When the financial health of the City's finances and economic and market conditions of the local economy justify, the City Manager may recommend a change to the homestead exemption. In accordance with state statute, any recommended change in the homestead exemption will be presented to Council for approval prior to July 1. The total exemption percentage granted shall not exceed the state statute limitation. The City does not currently offer a local homestead exemption.

- *Over-Age and Disabled Persons Exemptions*

The City shall grant a \$35,000 over-age exemption and disabled persons' exemption each year when economic and financial conditions allow. This amount shall remain stable during the period in which the City is considering adjusting the homestead exemption. If a tax freeze were ever implemented for over-age and disabled persons, these exemptions would be reduced to zero. (Chapter 2 Article V Sec 2-119, Code of Ordinances)

Pay-As-You-Go Capital Projects

The transfer from the City's General Fund and the City's Water & Sewer Fund to fund pay-as-you-go capital projects will be budgeted when financially feasible and when projects present themselves with funding. The transfer will be based on the financial health of each fund with the long-term goal of adequately funding rehabilitation.

Revenue Estimating for Budgeting

In order to protect the City from revenue shortfalls and to maintain a stable level of service, the City shall use a conservative, objective, reasonable and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends. This approach is intended to reduce the likelihood of actual revenues falling short of budget estimates and should avoid mid-year service changes.

- The City whenever possible, will seek outside sources of revenue, such as federal, state, and local grants, in order to leverage local dollars.
- Estimates from grant sources will be projected only to the specific date on which the entitlement will end.
- The Water & Sewer Fund revenues will be budgeted based on the average consumption over the last three years, pursuant to the rate model. The City will anticipate neither drought nor wet conditions. Adjustments to utility rates shall be made based on revenue requirements over the five-year forecast for the utility fund and increases necessary to maintain revenue coverage requirements shall be made in advance of anticipated bond issues, if possible, to allow for smaller increases to be made over time.

Employee Compensation

When funding is available, the proposed budget shall include an amount adequate to cover annual employee increases as determined annually by the City Manager. This amount will be calculated for each department, based on budgeted salaries for the year, and will be placed in the appropriate budget accounts. The City may also opt to give cost of living allowances, if the budget allows for it.

The City's compensation plan shall be approved by City Council and administered by the City Manager. All employees shall be paid within the approved budget and established salary ranges.

Budget Preparation

Article VI of the City Charter sets forth the basic policies for the overall management of the City finances. The annual city budget shall serve as a policy document, financial plan, operations guide, and a communication device. The City's primary objective is to adopt a balanced budget that is prepared in accordance with Texas State Law.

- The Council establishes certain policy goals within the budget; these are reflected in spending amounts and spending priorities. The budget is the single most comprehensive document which encapsulates information pertinent to issues the city wants to address and outcomes it wants to achieve. Such items as capital projects, planning documents, salary and compensation issues, and performance goals are implemented through expenditures programmed in the budget.
- The budget outlines estimated revenues and anticipated expenditures for each fund and each department in the City Government. Per the Texas State Constitution, the city must pass a balanced budget where expenditures cannot exceed revenue for the year, and any fund balance it may have.
- The budget document contains departmental missions and goals it wishes to accomplish, staffing tables, narratives and highlights that describe the scope of operations. This function of the budget starts to go into detail how the Council goals and objectives will be carried out.
- The budget is a document that is presented to the public where they can learn about the city's operations. By law, there must be a budget transmittal letter and information about the city's finances. There are also narratives describing the different aspects of the budget.
- The City will seek to obtain the Government Finance Officers Association Distinguished Budget Presentation Award. The Budget will be presented in a way that not only meets the criteria of the award, but also clearly communicates the budget to the public.

Budget Management

The budget is adopted by City Council through one reading of an ordinance. Upon approval, the budget can be either amended or adjusted based on the level of changes needed.

- Amendment – an increase to the overall appropriation in the fund or capital project. Must be approved by City Council through one reading of an ordinance.
- Adjustment – a reallocation of funds between departments without changing the total operating fund budget. Must be approved by the City Manager.

Operating Budget Adjustments

The City Manager is responsible for managing the operating budget after it is formally adopted by City Council, including the transfer of funds within program, between programs, between departments, and expenditure of contingency funds if there is no change in service levels because of the adjustments. The City Manager may further delegate levels of authority for the daily operation of the budget.

Operating Budget Amendments

Under State law, the budget must be adopted before a tax rate can be adopted. Should the adopted tax rate generate more or less ad valorem tax revenue than the adopted budget, the operating budget shall be amended as soon as possible to ensure that budgeted expenditures remain balanced with anticipated revenue sources.

Budget reductions shall be targeted to regain structural balance and focus on reductions to recurring expenditures for non-core services, when the imbalance is due to a recurring shortfall.

In order to preserve projected fund balances / ending balances based on projected revenues and expenditures for the current fiscal year, City Council will amend the annual operating budget for all funds, excluding capital improvements funds, as set forth in the projections. City Council will amend the current fiscal year budget to projections annually through adoption of an ordinance amending the budget.

Long-Range Financial Plans

The City shall develop and maintain a five-year Financial Forecast for each major operating fund, in conjunction with the annual budget process. Major operating funds are as follows:

- General Fund
- Debt Service Fund
- Water/Sewer Utility Fund
- Economic Development Corporation
- Five-Year Capital Improvement Program

The forecast assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve the City's goals. The forecast will provide an understanding of available funding; evaluate financial risk; assess the likelihood that services can be sustained; assess the level at which capital investment can be made; identify future commitments and resource demands; and identify the key variables that may cause change in the level of revenue.

The forecast will be used to identify anticipated financial issues so that a plan can be developed to correct anticipated issues before they become reality. The assumptions used to prepare the five-year forecast shall be consistent with those used to prepare the annual operating budget, unless specifically directed by a majority of City Council.

REVENUES & OTHER SOURCES

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions, which may adversely impact that source.

- Property Taxes
- Sales Tax Revenue
- Administrative Services Charges & Other Utility Transfers
 - The City shall determine annually the administrative services charges due to the General Fund from the enterprise funds for overhead and staff support using a cost allocation model.
- Water Revenue
- User Fees
 - General Fund
 - For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. Where services provide a public benefit, the City shall recover the costs of those services through property and sales taxes.
 - At a minimum, the City will strive to cover direct costs.
 - User fees should be reviewed, at a minimum, every two to three years and adjusted to avoid sharp changes.
 - Factors in setting fees shall include, but not be limited to: market and competitive pricing, effect of demand for services, and impact on users, which may result in recovering something less than direct, indirect and overhead costs.
 - The City may set a different fee for residents versus non-residents.
 - User fees should be adopted by Council Ordinance and included in the Annual Fee Schedule.
 - Enterprise Funds
 - Utility rates and other Enterprise Fund user fees shall be set at levels sufficient to cover operating expenditures (direct and indirect), meet debt obligations and debt service coverage, provide pay-as-you-go funding for capital improvements, and provide adequate levels of working capital.
 - The City may set a different fee for residents versus non-residents.
 - The Five-Year Financial Plan (rate model) and proposed operating budget shall serve as the basis for rate change considerations.
 - When necessary, the Five-Year Financial Plan (rate model) will be built around small rate increases annually versus higher rate increases periodically.
- One-time Revenue Sources
 - One-time, unpredictable revenue sources should not be used for ongoing expenses/expenditures.
 - One-time, unpredictable revenue sources will be used or one-time purchases such as increase in fund balance requirements, capital equipment purchase, capital improvements, etc.

Revenue Collections

The City shall maintain high collection rates for all revenues by monitoring monthly receivables. The City shall follow an aggressive, consistent, yet reasonable approach to fully collecting revenues allowed by law for all delinquent taxpayers and others overdue in payments to the City.

The City shall contract for billing and collection services when it makes financial sense to do so.

- Emergency Medical Transport billing requires a high level of knowledge relating to medical billing; in this case, outsourcing the billing & collection of EMS transport fees is the most prudent thing to do.
- Property Tax billing & collection requires certification of a tax assessor/collector and significant staff time; contracting this service to Tarrant County makes financial sense.
- The City shall contract for collection of delinquent receivables when it makes economic sense for the City to do so. The City currently contracts directly for the following delinquent receivables:
 - Ambulance Billing
 - Court Fines/Fees & Warrants
 - Fire Billing
 - Utility Billing
 - Property Taxes

Write-off of Uncollectible Receivables (excludes court fines and warrants)

- Receivables shall be considered for write-off as follows:
 - Undeliverable mail – accounts that remain outstanding for 6 months and all steps have been exhausted
 - State Statute authorizing the release or extinguishment, in whole or in part, of any indebtedness, liability, or obligation, if applicable
 - Accounts outstanding for 3 years, identified as uncollectible, and all attempts to collect have been taken
 - The write-off of uncollected accounts is a bookkeeping entry only and does not release the debtor from any debt owed to the City.
 - The City shall estimate uncollectible accounts through an allowance for doubtful accounts in each fund with receivables.

EXPENDITURES AND SERVICES

Identify services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of those services.

Purchasing and Vendor Selection

The City Manager shall maintain policies and procedures to ensure compliance with state laws relating to procurement of goods and services.

It is the policy of the city that, when lowest qualified bid is not the sole determining factor for a contract award, the contract shall be awarded to the highest ranked vendor based on merit as determined by a thorough evaluation by a team of staff evaluators. Merit factors that can be taken into consideration include: qualifications, past experience, quality of team, equipment, scheduling, and proven performance. In accordance with state law, City Council approval is required on purchases that will expend more \$100,000 of City funds over the term of the contract. After purchasing staff verification that all applicable state laws, purchasing policies, and procedures have been followed, a recommendation for award is made to City Council by staff.

Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain service levels.

Periodic Program/Services Reviews

The City Manager and staff shall undertake periodic reviews of City programs and services for both efficiency and effectiveness. Programs or services determined to be inefficient and/or ineffective shall be recommended through the annual budget process to be reduced in scope or eliminated.

Outsourcing of City Services

The City provides many municipal services to its citizens covering a wide variety of disciplines. Attempting to perform all of these services in-house could dilute the City's efficiency and not be cost effective. Two of the management tools utilized by the City to maximize efficiency and cost effectiveness are outsourcing and managed competition processes, the mere consideration of which provides economic benefits that flow from competition. The economic benefits of competition include lower costs and improved quality of performance irrespective of whether a given service is ultimately performed in-house or outsourced.

FUND BALANCE AND RESERVES

Maintain the fund balance and working capital of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position during emergencies or economic fluctuations. Should the budgeted fund balance drop below the minimum identified by the policy below, the City will establish a plan to replenish the balances within two years. The Government Accounting Standards Board (GASB) requires the City Council to make certain decisions regarding the use of resources and classifications of ending fund balance for the annual financial reports (audits) to follow generally accepted accounting principles (GAAP). The intent is to improve the usefulness of the amounts reported in ending fund balance on the year-end financial reports by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

A hierarchy of fund balance classifications has been created. These classifications are based primarily on the extent to which governments are bound by the constraints placed on resources reported in those funds. This approach is intended to provide users with more consistent and understandable information about a fund's net resources. For the City of Everman, this impacts the City's General Fund, Special Revenue Funds, and the Debt Service Fund. There are five categories required for ending fund balances:

Governmental Fund Balances

There are five categories of Fund Balance in all governmental funds, not all will always be present. The categories are defined below:

Nonspendable Fund Balance

- Amounts that cannot be spent due to form, for example, inventories and prepaid amounts. Also, long-term loan and notes receivables, and property held for resale would be reported here unless the proceeds are restricted, committed or assigned.
- Amounts that must be maintained intact legally or contractually (principal of a permanent fund)

Restricted Fund Balance

- Amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed Fund Balance

- Amounts constrained for a specific purpose by a government using its highest level of decisions-making authority. It would require action by the same group to remove or change the constraints placed on the resources.
- Action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent period.

Assigned Fund Balance

- For all governmental funds other than the general fund, any remaining positive amounts not classified as nonspendable, restricted or committed.
- For the general fund, amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts. Amount reported as assigned should not result in a deficit in unassigned fund balance.

Unassigned Fund Balance

- For the general fund, amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance.

- For all governmental funds other than the general fund, amount expended in excess of resources that are nonspendable, restricted, committed, or assigned (a residual deficit). In determining a residual deficit, no amount should be reported as assigned.
- Only the General Fund has an unassigned category since money remaining in any other fund is automatically designated or assigned to the purposes of that fund. If the balance of a Special Revenue Fund is not formally restricted or committed by fiscal year end, then it must be reported as part of the General Fund for fiscal year end audited financial statement purposes. For some of the city's special revenue funds, this necessitates the City Council to provide direction on the intended use of resources for the future. Staff recommend that the City Council adopt the following list of the city's Special Revenue Funds and their expected ending fund balances classifications:

Street Improvement Fund – Restricted
 Crime Control Fund – Restricted
 Economic Development Fund – Restricted
 Confiscated Property Fund – Restricted

General Fund Unrestricted Fund Balance

The City shall maintain the General Fund unrestricted fund balance equivalent to 2 months of recurring operating expenditures, based on current year expenditures. If the fund balance exceeds this amount, funding non-recurring expenditures in the following fiscal year may be used to draw down the balance.

Water/Sewer Unreserved Working Capital

The City shall maintain a working capital sufficient to provide reserves for emergencies and revenue shortfalls. A cash-equivalent operating reserve will be established and maintained at 25% of the current year's budget for recurring operating expenses.

The cash operating reserve is derived by dividing the total cash equivalents balance by recurring operating expenses.

Use of Fund Balance/Working Capital

Fund balance/Working Capital shall only be used for emergencies, non-recurring expenditures/ expenses or major capital purchases that cannot be accommodated through current year savings. Should such use reduce balances below the level established as the objective for that fund, restoration recommendations will accompany the request/decision to utilize said balances.

Debt Service Fund Unrestricted Fund Balance

The City shall maintain the debt service fund balance at 10% of annual debt service requirements OR a fund balance reserve as required by bond ordinances, whichever is greater.

Property/Liability Insurance Fund Unrestricted Fund Balance

The Property/Liability Insurance Fund accounts for uninsured and deductible claims for the City's property and liability insurance. Claims cannot be reasonably predicted and budgeted for; therefore, the fund will maintain a balance that approximates the prior average annual expense for the last three years, excluding extraordinary expenses in the fund.

Employee Benefits Fund Unrestricted Fund Balance

The Employee Benefits Fund is funded through City and employee contributions. Estimated costs shall be determined during each budget year and the contributions adjusted accordingly. There is no minimum balance for this fund.

Community Development Corporation

As sales tax revenue fluctuates due to changes in economic conditions, the CDC shall maintain a fund balance of no less than 10% of budgeted sales tax revenues.

Water/Sewer Revenue Debt Coverage Reserves

Revenues shall be maintained at 1.15 times coverage in a fiscal year where the water/sewer fund is not issuing additional debt and 1.4 times coverage in a year where debt is anticipated to be issued.

Bond Issuance Reserves

Debt service reserves should be maintained for each bond issue as required by bond covenants. J. Contingency Fund Pursuant to the City Charter, a provision shall be made within the annual budget for a contingency fund in an amount not more than seven percent of the total budget (General Fund) to be used in case of unforeseen items of expenditure.

Committed Fund Balance

The City Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at the City's Council meeting.

The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

Assigned Fund Balance

The City Council has authorized the City's Financial Director as the official authorized person to assign fund balances to a specific purpose as approved by this fund balance policy.

Order of Expenditure of Funds

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

CAPITAL EXPENDITURES AND IMPROVEMENTS

Capitalization Threshold for Tangible Capital Assets

- Tangible capital items should be capitalized only if they have an estimated useful life of 2 years or more following the date of acquisition or significantly extend the useful life of the existing asset and cannot be consumed, unduly altered, or materially reduced in value immediately by use and have a cost of not less than \$5,000 for any individual item.
- The capitalization threshold of \$5,000 will be applied to individual items rather than to a group of similar items (i.e.: desks, chairs, etc.).
- Accurate inventories of all tangible items will be maintained to ensure proper stewardship of public property.

Five-Year Capital Improvement Plan (CIP)

- The City shall annually prepare a five-year capital improvement plan based on the needs for capital improvements and equipment, the status of the City infrastructure, replacement and renovation needs, and potential new projects. Capital projects are improvements or additions to the City's physical plant/facilities/infrastructure and become a part of the City's asset inventory. Capital projects can be further categorized into land, buildings, improvements other than buildings, and infrastructure, which includes roads, sidewalks, bridges, utility lines, physical plants, etc. Capital costs typically consist of preliminary design, final design, and construction, and may involve the acquisition of land or easements. For purposes of the CIP Plan, a Capital Improvement Project should generally exceed the cost of \$50,000.
- For the most part, projects in the CIP should be based upon master plans or developer agreements. This ensures that the City's CIP, which is the embodiment of the recommendations of these individual planning studies, is responsive to the officially stated direction of the City as contained in the Comprehensive Plan and supporting master plans.
- For every project identified in the CIP, a project scope and project justification will be provided. Also, project costs shall be estimated, funding sources identified, and annual operation and maintenance costs computed.
- The Planning and Zoning Commission will be provided with opportunities to review the list of CIP projects for the CIP and may suggest additions and/or changes to the plan as appropriate.
- The City Manager is charged with recommending a Capital Improvement Plan to City Council. The CIP shall be filed and adopted in conjunction with the annual budget.

- Annually, through the budget process and at year-end, projects are to be reviewed. For those identified as complete, any remaining funds will be close to fund balance. For those projects with identified savings, the project budget will be reduced, and the subsequent savings will flow to fund balance. These funds can then be re-appropriated during the next fiscal year capital budget. Funds remaining from bond proceeds will only be used in accordance with the legal use of those funds.
- Appropriations for capital projects are for the life of the project; therefore, re-appropriation of capital funding for each fiscal year for budgeted projects is not necessary.

Replacement of Capital Assets on a Regular Schedule (Fleet, Streets, and Technology)

- The City shall annually prepare a schedule for the replacement of its fleet, streets, and high technology capital assets. Funding for the replacement of these assets will be accomplished using an annual depreciation structure charged to each participating fund at 100% of annual depreciation based on lifecycle or useful life of the asset. Within the resources available each fiscal year, the City shall replace these assets according to City policies.

Capital Expenditure Financing

- The City recognizes that there are three basic methods of financing its capital requirements: Funding from current revenues; funding from fund balance; or funding through the issuance of debt. Types of debt and guidelines for issuing debt are set forth in the Debt Policy Statements.

Pay-As-You-Go Capital Improvements

- The City will pay cash for capital improvements within the financial affordability of each fund versus issuing debt when funding capital improvements and capital purchases. This will reduce/minimize the property tax and utility rate impacts on Pearland citizens.
- The City will seek out and use intergovernmental funding sources for capital improvements in order to leverage City funding and to minimize property and utility rate impacts.

Capital Improvements/Project Reporting

- A summary/status report on the City's various capital projects will be prepared monthly and available to the City Manager and to City Council. Income statements on the City's CIP funds will be prepared monthly and include budget-to-actual for each project as well as list of major contracts, expense to date, and % contract completion.

DEBT

The City shall establish guidelines for debt financing that will provide needed facilities, land, capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

Use of Debt Financing

Debt financing, to include general obligation bonds, revenue bonds, certificates of obligations, certificates of participation, lease/purchase agreements, and other obligations permitted to be issued or incurred under Texas law, shall only be used to purchase capital assets that cannot be prudently acquired from either current revenues or fund balance/working capital and to fund infrastructure improvements and additions. Debt financing is utilized to better ensure inter-generational equity by spreading payments of assets and infrastructure over their useful lives. Debt will not be used to fund operating expenditures.

The City will pay cash, when possible, for capital improvements within the financial affordability of each fund versus issuing debt when funding capital expenditures and capital improvements. Projects that are rehabilitative in nature shall be earmarked for funding from cash instead of debt when possible. (This is not intended to include reconstruction projects that significantly extend the useful life of an asset.) Cash sources include, but are not limited to general fund one-time revenues, utility and airport system revenues, economic development corporation funding, developer fees, inter-local agreements, and state and federal grants.

Bond Ratings

In evaluating the issuance of additional debt to finance projects, the City shall consider the statements of the rating agencies regarding the City's financial condition.

Ratings reflect the assessment of the following factors, and these must be evaluated to determine the impact of potential bond issues:

- Local economic activity
- Strong financial policies as evaluated under the Financial Management Assessment methodology
- Budgetary performance & flexibility
- Total liquidity and reserve balances
- Debt and contingent liability- evaluation of debt carrying costs as a percentage of expenditures
 - With adjustments for self-supporting debt
- Impact of future debt issuance on bond ratings/debt profile and outlook

Affordability

The City shall use an objective analytical approach to determine whether it can afford to issue new general-purpose debt, both General Obligation bonds and Certificates of Obligation. This process shall compare City accepted standards of affordability to the current values for the City. These standards may include debt per capita, debt as a percentage of taxable value, taxable value per capita, and tax rate. The process shall also examine the direct costs and benefits of the proposed expenditures. In addition, the analysis will evaluate the capacity within the General Fund to take on the operating expenditures associated with the completion of the proposed capital improvements. When a project will have a significant impact on the operating budget, the tax rate shall be shifted from debt service to maintenance & operations to support the increased expenditures. Further debt capacity shall be evaluated based on the remaining debt service tax capacity. The decision on whether to issue new debt shall be based on these costs and benefits, current conditions of the municipal bond market, and City's ability to "afford" new debt as determined by the standards.

Debt Capacity

The City shall complete an annual debt capacity assessment to ensure that proposed debt is affordable and contributes to the financial strength of the City. The debt capacity is the upper limit on the dollar amount of capital improvements that the City can afford to fund from debt.

Debt capacity calculations for long-term planning shall assume market rates for the average annual interest costs at the time the capacity is determined. The analysis shall not assume future refunding of any outstanding bonds and shall consider both debt service requirements on current and proposed debt.

For property tax supported debt, maximum capacity shall be determined by an amount of annual debt service that the City can absorb within the proposed tax rate allocation for debt based on assumed growth in assessed valuation.

For revenue debt, maximum capacity shall be determined by the amount of annual debt service that the City can absorb within a proposed rate structure that has been reviewed with City Council, and which can support the proposed debt within the additional bonds test as defined in the revenue bond covenants. The City shall not exceed debt capacity as defined through bond covenants or fall below bond coverage ratios for additional revenue bonds.

Factors that will be included in the annual debt capacity determination shall include:

- Existing debt obligations
- Evaluation of revenue and expenditure trends
- Various measures of debt burden on the community
- Debt per capita
- Debt to assessed value ratio
- Taxable value per capita
- Statutory or constitutional requirements
- Market factors such as interest rates, credit ratings or market status

Certificate of Obligation (CO's)

Certificates of Obligation may be issued without voter approval to finance any public works project or capital improvement, as permitted by State law. However, it is the policy of the City to utilize Certificates of Obligation to finance public improvements in certain circumstances and only after determining the City's ability to assume additional debt based on the standards identified above.

Circumstances in which Certificates might be issued include, but are not limited to the following:

- The City may issue CO's when there is insufficient funding on general obligation bond-financed capital improvement;
- The City may issue CO's when conditions require capital improvement to be funded rapidly rather than waiting for a GO bond election;
- The City may issue CO's for projects when the City can leverage dollars from others to reduce the City's capital cost for community improvement;
- The City may issue CO's for projects when there is no other funding source available and the project is determined to be in the best interest of the City.

- The City may issue CO's if it would be more economical to issue Certificates of Obligation rather than issuing revenue bonds; and
- The City may issue CO's for projects for which the City will be reimbursed by Developer (principal plus interest)

General Obligation Bonds (GO's)

General Obligation bonds require voter approval. When the list of unfunded projects contains projects that the City Council wishes to fund but cannot afford, then the City will consider taking a GO Bond Proposition(s) to the voters.

- Bond Elections
 - Timing of general obligation bond elections shall be determined by the inventory of current authorized, unissued bonds remaining to be sold and the City's ability to fund projects in the five-year CIP
 - The total dollar amount of bond election propositions recommended to the voters may not exceed the City's estimated ability to issue the bonds within a seven-year period after the election passes.
 - An analysis showing how the new debt combined with current debt impacts the City's tax rate and debt capacity will accompany every bond issue proposal. The analysis will also include the estimated impact on the operations and maintenance portion of the tax rate.
- General Obligation bonds must be issued to accomplish projects identified in the bond referendum and associated material.
- General Obligation bonds must be issued for projects that are consistent with the wording in the bond propositions.
- In the tax year after a GO bond election, the tax rate is to be increased by the projected impact - before any projects from the GO bond election are funded in the CIP. If the tax rate is not adjusted to fully fund approved projects, the projects will not be included in the CIP nor bonds issued.

Revenue Bonds

For the City to issue new revenue bonds, revenues, as defined in the ordinance authorizing the revenue bonds in question, shall be a minimum of 125% of the average annual debt service and 110% of the debt service for the year in which debt requirements are scheduled to be the greatest. Annual adjustments to the City's rate structures for enterprise funds will be made as necessary to maintain the coverage factor.

When the City issues CO's for enterprise fund projects, the City shall prepare a five-year financial plan to ensure that the enterprise fund maintains appropriate reserves and coverage requirements without overly burdening rates and user fees.

Debt Structures

- The City shall normally issue bonds with a life not to exceed 25 years for general obligation bonds and 25 years for revenue bonds, but in no case longer than the useful life of the asset.
- The City shall seek level or declining debt repayment schedules and shall seek to retire 50% of the total principal outstanding within 10 years of the year of issuance.

- There should be no debt structures that include increasing debt service levels in subsequent years, with the first and second year of a bond payout schedule the exception or as special situations may warrant.
- There shall be no “balloon” bond repayment schedules, which consist of low annual payments and one large payment of the balance due at the end of the term.
- There shall always be at least interest paid in the first fiscal year after a bond sale and principal payments starting generally no later than the second fiscal year after the bond issue.
- Normally, there shall be no capitalized interest included in the debt structure except for debt issuances reimbursing developers for infrastructure, which shall not exceed 2 years of capitalized interest.

Debt Refinancing

The City’s financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the net present value savings of a particular refunding should exceed 3.0% of the refunded maturities unless (1) a debt restructuring is necessary or (2) bond covenant revisions are necessary to facilitate the ability to provide services or to issue additional debt.

Interest Earnings and Remaining Bond Proceeds

Interest earnings on bond proceeds will be limited to funding changes to the bond financed Capital Improvement Plan in compliance with the voted propositions, cost overruns on bond projects, or be applied to debt service payments on the bonds issued. Issued but unspent bond proceeds may be appropriated for projects consistent with the ballot language after completion of projects identified in the approved bond propositions.

Sale Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale. The City will utilize a negotiated process when the issue is, or contains, a refinancing that is dependent on market/interest rate timing. The City shall award the bonds based on a true interest cost (TIC) basis. However, the City may award bonds based on a net interest cost (NIC) basis if the financial advisor agrees that the NIC basis can satisfactorily determine the lowest and best bid.

Underwriting Syndicates

The City’s financial advisor shall attempt to involve qualified and experienced firms, which consistently submit ideas to the City and financial advisors and actively participate in the City’s competitive sale in its negotiated underwritings. In conjunction with the City, the City’s financial advisor shall recommend the structure of underwriting syndicates, which will be optimal for the type and amount of debt being issued.

Bond Ratings

Full disclosure of operations and open lines of communications shall be maintained with the rating agencies. Credit ratings will be sought from one or more of the nationally recognized municipal bond rating agencies, as recommended by the City's financial advisor.

The City will continually strive to maintain or increase the City's current bond ratings by prudently managing its funds and by reviewing and monitoring financial policies, budgets, forecasts and the financial health of the City.

Covenant Compliance

The City will comply with all covenants stated in the bond ordinance, including providing for annual disclosure information and providing for material event notices.

Arbitrage Rebate Monitoring and Reporting

Arbitrage is the interest earned on the investment of bond proceeds above the interest paid on the debt. The City will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS regulation. The recordkeeping shall include tracking project expenditures, interest earned on the bonds, calculating rebate payments, and remitting any rebatable earnings to the federal government in a timely manner to preserve the tax-exempt status of the outstanding debt. Arbitrage rebate calculations will be performed annually on all debt issues and the liability recorded for any positive arbitrage. Due to the specialized nature of the calculations, this function will typically be outsourced.

Lease/Purchase Agreements

The City will use lease/purchase agreements for the acquisition of equipment when it is cost-effective and provides for attractive terms.

CASH MANAGEMENT AND INVESTMENTS

To maintain the City's cash in such a manner to ensure the absolute safety of principal, to meet the liquidity needs of the City, and to achieve the highest possible yield in compliance with the Public Funds Investment Act (Chapter 2256 of the Local Government Code) and the City's Investment Policy.

Investment Policy

All aspects of cash/investment management shall be designed to ensure safety and integrity of the City's financial assets. Cash/Investment management activities shall be conducted in full compliance with prevailing local, state, and federal regulations. Please refer to the City's Investment Policy as adopted annually by City Council.

The City shall design and establish policies relating to a variety of cash/investment management issues, such as the eligibility and selection of various broker/dealers, safekeeping requirements, collateral requirements, delivery versus payment requirements, weighted average maturity requirements and such other aspects of the program, which necessitate standard setting in pursuit of appropriate prudence and enhanced protection of assets.

Investment Strategy

The City of Everman maintains a consolidated portfolio in which it pools its funds for investment purposes. The City's investment program seeks to achieve safety of principal, adequate liquidity to meet cash needs, and reasonable yield commensurate with the preservation of principal and liquidity.

Interest Income

Interest earned from investments shall be distributed to the funds from which the funds were provided.

Arbitrage Investments and Reporting

The City's investment position as it relates to arbitrage is as follows: Investments on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. Investment of bond proceeds will be clearly tracked and investment earnings recorded for arbitrage purposes.

Depository Bank

Pursuant to State law, the City of Everman may approve a depository services contract whose term does not exceed five years. There is no requirement for rotation. The City of Everman will select its official banking institution through a formal process based on best value in order to provide the City with the most comprehensive, flexible, and cost-effective banking services available. Depository accounts may only be opened by employees with authority specifically granted in the depository agreements approved by City Council.

Collateralization of Deposits

The City shall have pledged collateral held at an independent third-party institution and evidenced by a written receipt. The value of the pledged collateral should be marked to market monthly and shall be at least 102 percent of par or market value of the investments, whichever is greater. The City's depository

bank monitors the required collateral and makes necessary adjustment to increase or decrease it. Substitutions of collateral shall meet the requirements of the collateral agreement and have prior written approval. Collateral shall not be released until the replacement collateral has been received. The pledge of collateral shall comply with the City's Investment Policy.

Grants

The City will seek, apply for, and effectively administer federal, state and local grants, which support the City's current priorities and policy objectives in accordance with all applicable statutes, rules, regulations, and guidelines.

Grant Guidelines

- The City shall apply and facilitate the application for only those grants that are consistent with the objectives and high priority needs identified by Council and City Management.
- Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs.

- The potential for incurring ongoing costs, including assumptions of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.
- Finance will serve as fiscal oversight authority for all grant-related expenditures and reimbursements.
- Finance will ensure efficient administration of the grant.

Grant Review and Acceptance

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's goals. If there is a cash match requirement, the source of funding shall be identified prior to application.

All grants must be reflected in the budget. Grants may be officially accepted by action of the City Council during budget adoption or with a budget adjustment. If the funding is not already included in the annual budget, the budget shall be amended to reflect revenues and expenditures associated with the grant.

Budgeting for Grant Expenditures

Annually via the budget process, departments will submit for possible funding, known grant opportunities. These grant opportunities will be prioritized and ranked along with all other supplemental requests. If approved, the expenditure and associated revenue will be appropriated in the Grant Fund. If there are grant opportunities that arise during the year and are received by the City, the budget will be amended via the projections, if the City can fund the local match required.

Approving and Processing Grant Expenditures

The City shall ensure that all expenditures funded by grants are allowable, permitted by the grant award, reasonable, and properly documented. Purchases shall comply with the City's purchasing policies, competitive procurement rules, and grant specific requirements.

All grant-related expenditures must be paid first from City funds (General Fund, Water & Sewer Fund, departmental budget, or project-specific account). Departments are prohibited from paying grant-related invoices using personal funds or credit cards.

Departments must submit invoices, receipts, and any other related documentation along with the payment request to the Finance for approval and payment.

The City shall ensure prompt payment of all grant-eligible expenses. Late fees, penalties, or interest resulting from failure to process invoices promptly may not be reimbursable by the grant and will be charged back to the originating department.

Grant Reimbursement

The City shall seek reimbursement in compliance with grant agreements, while maintaining accountability, transparency, and proper fiscal responsibility of public funds. Reimbursement requests shall be made in accordance with the schedule outlined within each grant (i.e.: monthly, quarterly, or upon grant completion).

- Reimbursement requests must be complete, accurate, and submitted in a timely manner.
- All grant-related expenditures must be incurred and paid by the City prior to seeking grant reimbursement, unless prior approval is given by the grantor.
- Reimbursement requests must include:
 - Itemized invoices and receipts
 - Proof of payment (cleared checks, check register, or payment confirmations)
 - Approved purchase order
 - Payroll records, timesheets, or benefit allocations (if personnel costs are being reimbursed)
 - Travel authorization forms and receipts, if applicable
 - Any other supporting documentation required by the granting agency
- Reimbursement requests must be made electronically or by mail as required by the grantor.
- Any delays or issues in reimbursement shall be reported to Finance and the City Manager immediately.

Distribution of Reimbursed Funds

Reimbursed funds shall be deposited into the City's pooled cash account and credited back to the department that incurred the original expense.

Finance shall ensure the accuracy of all financial information. proper reconciliation between reimbursed amounts, match requirements, and actual expenditures reported. Finance will also be responsible for recording all grant-related expenditures in the capital asset management software.

Grant Reporting

All terms, conditions, and reporting requirements set forth within each individual grant agreement must be met in compliance with federal, state (Texas Local Government Code), and Office of the Governor regulations.

Grant Record Retention and Audit Compliance

The City shall maintain all grant-related records to support all administrative and/or financial audits for no less than five (5) years after the grant closing out, or longer if required by the grantor.

- Records must be maintained for immediate retrieval during audits or monitoring.
- Records must be stored securely to prevent unauthorized access or distribution.
- Records containing any personal identifiable information (PII) or sensitive data must comply with federal and state privacy laws.

Grant Termination and/or Reduced Grant Funding

In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process, unless the City is obligated through the terms of the grant to maintain the positions.

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, and it is determined that the program no longer supports City goals and/or is no longer in the best interest of the City, unless the City has obligated itself through the terms of the grant to maintain the positions after the grant period ends.

Compliance

Failure to comply with any of this policy may result in repayment of disallowed costs, loss of grant eligibility, and/or disciplinary action for responsible employees.

ORDINANCE No. 842

AN ORDINANCE ADOPTING A BUDGET AND APPROPRIATING RESOURCES FOR THE BUDGET YEAR BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2026 APPROVING BUDGET FIGURES FOR FISCAL YEAR 2026; PROVIDING FOR THE FILING OF THE BUDGET AS REQUIRED BY STATE LAW; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Everman, (hereinafter referred to as the “City”), is a Home Rule municipality located in Tarrant County, created in accordance with the provisions of Chapter 6 of the Local Government Code and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, the City Manager of the City submitted a budget proposal to the City Council prior to the beginning of the fiscal year, and in said budget proposal set forth the estimated revenues and expenditures; and

WHEREAS, the City Manager of the City has filed with the City Secretary a budget outlining all proposed expenditures of the Government of the City for the fiscal year beginning October 1, 2025 and ending September 30, 2026, (hereinafter referred as the “Budget”) and

WHEREAS, the Budget, a copy of which is attached hereto as Exhibit “A” and incorporated herein for all purposes, specifically sets forth each of the various projects for which appropriations are delineated, and the estimated amount of money carried in the Budget for each of such projects; and

WHEREAS, the budget has been filed with the City Secretary for at least thirty (30) days before the date the City Council makes its tax levy for the fiscal year and such Budget has been available for inspection by any taxpayer; and

WHEREAS, the public notice of a public hearing on the proposed Budget, stating the date, time, place and subject matter of said public hearing, was given as required by the laws of the State of Texas; and

WHEREAS, such public hearing was held on September 9, 2025, prior approval of such date being hereby ratified and confirmed by the City Council, and those wishing to speak on the Budget were heard; and

WHEREAS, the City Council has studied the Budget and listened to the comments of the taxpayers at the public hearing held therefore and has determined that the Budget attached hereto is in the best interest of the City and that same should be approved and adopted.

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

SECTION 1. All of the above premises are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The Budget as set forth in Exhibit “A”, of the revenue of the City and the expenses of conducting the affairs thereof for the ensuing fiscal year beginning October 1, 2025, and ending September 30, 2026, as modified by the City Council, be, and the same is, in all things adopted and approved as the Budget of the City of Everman for the fiscal year beginning October 1, 2025 and ending September 30, 2026, and there is hereby appropriated from the funds indicated therein such sums for the projects, operations, activities, purchases and other expenditures proposed in the Budget.

SECTION 3. The City Manager shall file or cause to be filed a true and correct copy of this ordinance, along with the approved Budget attached hereto, with the City Secretary. The City Manager shall file or cause to be filed a true and correct copy of this ordinance, along with the approved Budget attached hereto, and any amendments thereto, in the office of the County Clerk of Tarrant County, Texas as required by State law.

SECTION 4. That the revised figures, prepared and submitted by the City Manager for the 2025/2026 Budget, be, and the same are hereby, in all things, approved and appropriated, and any necessary transfers between accounts and departments are hereby authorized, approved and appropriated.

SECTION 5. Any and all ordinances, resolutions, rules, regulations, policies or provisions in conflict with the provisions of this ordinance are hereby repealed and rescinded to the extent to conflict therewith.

SECTION 6. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 7. That this ordinance be in full force and effect from and after its adoption.

PASSED AND APPROVED IN OPEN SESSION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS ON THE 9th DAY OF SEPTEMBER, 2025.

APPROVED:

Ray Richardson
Mayor

ATTEST:

Mindi Parks
City Secretary

**AN ORDINANCE OF THE CITY OF EVERMAN, TEXAS
ORDINANCE NO. 844**

AN ORDINANCE OF THE CITY OF EVERMAN, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE, MAP AND PLAN OF THE CITY OF EVERMAN, TEXAS, AS HERETOFORE AMENDED, BY GRANTING A CHANGE IN ZONING FROM A-2 SINGLE FAMILY RESIDENTIAL (A-2) TO C-1 NEIGHBORHOOD COMMERCIAL (C-1) FOR AN APPROXIMATELY 0.31 ACRE PARCEL DESIGNATED AS VAUGHN, R A ADDITION, LOT 6 & 7, BLOCK 2 IN THE TOWN OF EVERMAN, TARRANT COUNTY, TEXAS ACCORDING TO THE PLAT RECORDED IN VOLUME 11848, PAGE 1831, DEED RECORDS OF TARRANT COUNTY, TEXAS AND BEING MORE COMMONLY KNOWN AS 507 W. ENON AVENUE IN THE CITY OF EVERMAN, TARRANT COUNTY, TEXAS; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Planning and Zoning Commission and the governing body of the City of Everman, Texas, in compliance with the laws of the State of Texas and pursuant to the Comprehensive Zoning Ordinance of the City of Everman, have given requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally, and to all persons interested and situated in the affected area and in the vicinity thereof, the said governing body is of the opinion that zoning change should be approved, and in the exercise of legislative discretion have concluded that the Comprehensive Zoning Ordinance, Map and Plan should be amended.

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

SECTION 1. The Comprehensive Zoning Ordinance and Map and the Comprehensive Plan of the City of Everman, Texas, duly passed by the governing body of the City of Everman, Texas, as heretofore amended, be and the same are hereby amended by granting a change in zoning from A-2 Single Family Residential (A-2) to C-1 Neighborhood Commercial (C-1) for an approximately 0.31 acre parcel designated as Vaughn, R A Addition, Lot 6 & 7, Block 2 in the Town of Everman, Tarrant County, Texas according to the Plat recorded in Volume 11848, Page 1831, Deed Records of Tarrant County, Texas and being more commonly known as 503 W. Enon Avenue in the City of Everman, Tarrant County, Texas and being more particularly described and depicted in Exhibit "A," attached hereto and incorporated herein by this reference (the "Property").

SECTION 2. The development, construction, use, and maintenance of the Property shall be in compliance with all regulations for C-1 Neighborhood Commercial (C-1) District as codified in the Code of Ordinances.

SECTION 3. Should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be unconstitutional, illegal or invalid, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 4. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Comprehensive Zoning Ordinance, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

SECTION 5. Any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Comprehensive Zoning Ordinance of the City of Everman, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 6. This ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and charter in such cases provide.

PASSED, APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF EVERMAN, TARRANT COUNTY, TEXAS THIS THE ____ DAY OF _____, 2025.

Ray Richardson, Mayor

ATTEST:

APPROVED AS TO FORM:

Mindi Parks
City Secretary

Victoria Thomas
City Attorney

EXHIBIT A
Legal Description and/or Survey of the Property

4917-5605-7396, v. 1

LOCATION

Address: [503 W ENON AVE](#)
City: EVERMAN
Georeference: 44570-2-6
Subdivision: VAUGHN, R A ADDITION
Neighborhood Code: 1E050E

Latitude: 32.6307800817
Longitude: -97.2873615735
TAD Map: 2060-348
MAPSCO: TAR-106J



Google Map or type unknown

This map, content, and location of property is provided by Google Services.

PROPERTY DATA

Legal Description: VAUGHN, R A ADDITION Block
 2 Lot 6 & 7

Jurisdictions:

CITY OF EVERMAN (009)
 TARRANT COUNTY (220)
 TARRANT COUNTY HOSPITAL (224)
 TARRANT COUNTY COLLEGE (225)
 EVERMAN ISD (904)

State Code: C1

Year Built: 0

Personal Property Account: N/A

Agent: None

Protest Deadline Date: 5/15/2025

Site Number: 03257134

Site Name: VAUGHN, R A ADDITION-2-6-20

Site Class: C1 - Residential - Vacant Land

Parcels: 1

Approximate Size⁺⁺⁺: 0

Percent Complete: 0%

Land Sqft^{*}: 13,400

Land Acres^{*}: 0.3076

Pool: N

⁺⁺⁺ Rounded.

^{*} This represents one of a hierarchy of possible values ranked in the following order: Recorded, Computed, System, Calculated.

OWNER INFORMATION

Current Owner:

EVERMAN CITY OF

Primary Owner Address:

212 N RACE ST
 EVERMAN, TX 76140-3213

Deed Date: 12/29/1994

Deed Volume: 0011848

Deed Page: 0001831

Instrument: 00118480001831

Previous Owners	Date	Instrument	Deed Volume	Deed Page
WHITE J E	6/5/1985	00082020002144	0008202	0002144
WYCHE CAROLYN;WYCHE CHARLES	5/10/1985	00081800000292	0008180	0000292
ROBBINS A L	12/31/1900	00000000000000	0000000	0000000

VALUES

This information is intended for reference only and is subject to change. It may not accurately reflect the complete status of the account as actually carried in TAD's database. [Tarrant County Tax Office Account Information](#).

Year	Improvement Market	Land Market	Total Market	Total Appraised ⁺
2025	\$0	\$48,400	\$48,400	\$48,400
2024	\$0	\$48,400	\$48,400	\$48,400
2023	\$0	\$48,400	\$48,400	\$48,400
2022	\$0	\$30,000	\$30,000	\$30,000
2021	\$0	\$30,000	\$30,000	\$30,000
2020	\$0	\$40,000	\$40,000	\$40,000

Pending indicates that the property record has not yet been completed for the indicated tax year.

+ Appraised value may be less than market value due to state-mandated limitations of value increases.

EXEMPTIONS / SPECIAL APPRAISAL

- PUBLIC PROPERTY 11.11

Per Texas Property Tax Code Section 25.027, this website does not include exemption information indicating that a property owner is 65 years of age or older for unauthorized individuals.