



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

AGENDA TITLE: RESOLUTION NO. 2026-03-04 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EVERMAN, TEXAS, ADOPTING AN ASSET MANAGEMENT POLICY FOR THE CITY OF EVERMAN; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

MEETING DATE: March 10, 2026

PREPARED BY: Susanne Helgesen – Assistant City Manager

RECOMMENDED ACTION:

Approval

BACKGROUND

The City of Everman is currently pursuing federal grant funding that requires the governing body to formally adopt an Asset Management Policy as a condition of eligibility.

Although the City has long maintained internal procedures, financial controls, inventory tracking systems, and capital asset oversight practices, these practices have not previously been formally adopted by the City Council through an approved policy.

Federal funding agencies increasingly require documented governing-body approval of asset management standards to demonstrate fiscal accountability, property control compliance, and long-term infrastructure stewardship.

PURPOSE

The purpose of this resolution is to:

- Formally adopt the City's Asset Management Policy
- Ensure compliance with federal grant requirements
- Document and standardize existing internal asset control practices
- Establish governing body oversight of capital asset management

- Strengthen the City's eligibility for current and future grant funding

This action formalizes procedures that are already operationally in place.

POLICY OVERVIEW

The proposed Asset Management Policy outlines:

- Capital asset capitalization thresholds
- Inventory control procedures
- Asset tracking and tagging standards
- Depreciation and financial reporting requirements
- Surplus and disposal procedures
- Grant-funded asset tracking requirements
- Physical inventory verification processes
- Roles and responsibilities for departmental asset oversight

The policy aligns with generally accepted accounting principles (GAAP), federal grant compliance requirements, and best practices for municipal asset stewardship.

DISCUSSION

Formal adoption of this policy:

- Demonstrates fiscal responsibility and transparency
- Ensures consistent treatment of City-owned assets
- Provides documented compliance for federal and state funding programs
- Reduces risk of audit findings
- Establishes a clear framework for lifecycle asset management

While the City has historically exercised strong internal controls, codification and Council approval provide an added layer of governance oversight and compliance assurance.

FISCAL IMPACT

There is no direct fiscal impact associated with adoption of this policy.

The City's asset tracking and financial reporting systems are already operational. This action formalizes governance approval rather than creating new expenditures.

Adoption may improve the City's competitiveness for federal funding and reduce risk of questioned costs in future audits.

STRATEGIC IMPACT

Approval of this policy:

- Enhances financial accountability
- Strengthens infrastructure stewardship
- Improves long-term capital planning
- Supports audit readiness
- Positions the City for grant funding eligibility

Formalizing asset management practices reflects responsible municipal governance and prudent stewardship of public resources.

LEGAL CONSIDERATIONS

Federal grant programs require documented asset management policies approved by the governing body to demonstrate compliance with 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

Adoption of this resolution ensures the City meets those requirements.