



CITY OF TATUM
REGULAR MEETING MINUTES
January 12, 2026
6:00 PM

Mayor

Michael Henry

City Council

Wendell Moore JR Smith
Tate Smith – Mayor Pro-Tem
Robin Palmer
Jonathan Knapp

City Secretary

Jackie Muckleroy

Meeting called to order by Mayor Michael Henry at 6 p.m.
Prayer observed by all in attendance.
The Pledge of Allegiance was respectfully observed by all in attendance.:
No citizen comments.

OLD BUSINESS: KPIs

Mayor Henry suggested this item is postponed to the next meeting.
Wendell Moore made a motion to approve moving this item to the next meeting the motion was seconded by JR Smith.
All in Favor

DEPARTMENTAL REPORTS:

Information Only:

- **Police Dept: Chief James Smith** provided monthly updates.
 - Council members were given a draft copy of PD Rules and Regulations for review and feedback prior to the next meeting.
 - Notified Council of Officer Kyle Greens' resignation, effective January 23, 2026.
- **Public Works: Mr. Mike Morton** provided monthly updates.
 - Notified council that a new compressor is needed for his truck and the estimated cost is around \$2,000.
 - Notified council on the need for a generator at the R/O, which will cost around \$5,000.
- **Volunteer Fire Dept: Chief Rayford Gibson** provided monthly updates.
 - Chief Gibson provided building capacity for the Sherman R. Smith Center. The capacity rating is 280 total. Noted that we would need to install occupancy limit signs for the large meeting room, kitchen/sitting area, and place on the front and back entrances per fire code. He recommended 4x4 or 6x6 size signs.
- **Economic Dev Corp: Mr. Nakia Smith** provided monthly updates.
 - Provided updates on new TEDCO Building
 - Discussed potential for using the building for training
 - Discussed the upcoming Christman in July Event.
- **City Administration: City Secretary Jackie Muckleroy** provided monthly updates.
 - Presented a brief update on the City's General Fund second quarter budget. Asked Council to review their financials provided in the agenda packet.
 - Reported that sales tax and franchise taxes fell below the budgeted amount, mainly due to timing. Explained that due dates are January 31, 2026, so it amounts to delayed tax receipts. Advised should reconcile before next report, once payments are received.
 - Noted that the marked increase in payroll expenses is due to vacation and sick time payouts.
 - Presented a brief update on City's Water Works budget for the 2nd quarter. Noted that it is on target, but some technical fees and deposits were not met, and this was due to timing of the month.
 - Reminded council of the tax increase paid in the previous fiscal year on the current budget.
 - Reported on the successful completion of the AOKA Permitting System.
 - Notified Council that all W-2's & 1099's was completed and mailed out as legally required.
 - Provided Election Information Update regarding the election date, the first and last day to file. Candidate packets are available for pickup at the front counter at City Hall.

- Advised Council that she and Mayor Henry were preparing for a call with TDA and Grant Works, Project Manager regarding construction phase of the Street Grant.
- **Mayor Mr. Mike Henry provided monthly updates.**
 - Will continue follow-up communications with TXDOT regarding damaged fence, culvert issues and flooding-prone areas on state roads and report back on responses and next steps.
 - Discussed posting of burn ban information on the website and social media. Will coordinate placement of burn-ban signage with the fire department.

NEW BUSINESS:

1. City Auditor David Godwin - Auditor Findings for Fiscal Year 2024 -2025

Motion to discuss auditor findings by Wendell Moore and seconded by JR Smith.

Auditor's Report

- a. Presented the required communication and independent audit report for the 2024-2025 Fiscal Year.
- b. This Audit is on schedule, unlike in the previous years.
- c. Commented on staff comprehension and noted that the right questions were being asked.
- d. Reported a clean opinion on the financial statements and no difficulties in management or standards.
- e. Discussed the audit adjustments and the improvement in bookkeeping over the past years' audits.
- f. Reiterated the duties of the City Secretary, Ms. Muckleroy. Stated that she is really doing the work of the City Manager as she oversees records management, is the chief election officer, HR Manager, agendas for council meeting, does website management, bookkeeping, Financial Manager amongst other roles. She is doing a good job. The city previously had huge turnovers in council and the City Secretary role, but that appears to be corrected, which is good news.
- g. Reminded council that in previous audits, they were not receiving good financials. Noted that is not the case now because financial statements are in order and up-to-date.
- h. Noted that we are trending downward around \$162K in our operating expenditures. Cautioned that we want to be careful and watch expenditures.
- i. Expressed excitement about investments in CDs.

Budget vs. Actual Analysis

- j. Compared the Budget vs. Actual Analysis, highlighting the significant revenue variance of \$85K due to unmet financial goals in PD fines and forfeitures. He highlighted the importance of accurate budgeting and the need for regular financial monitoring.
- k. Stated that the city is spending more than we are bringing in on the GF budget. Most of the expenditures are coming from PD expenses.
- l. Discussed the impact of sales tax revenue and the over-budget expenditures in the Public Safety Department.
- m. Explained the impact of debt service and capital outlay on the budget and the overall variance in the "expected" surplus.
- n. Stressed the importance of accurate budgeting and the need for regular financial monitoring.

Cash Investment and Operating Analysis

- o. Discussed the city's cash investment balances and the potential for earning interest on sweep accounts. Will look further into it and provide information to Ms. Muckleroy, he mentioned two floating observations related to the preparation of an investment policy and the tracking of restricted funds.
- p. Highlighted the importance of maintaining healthy cash reserves and the potential for debt financing for large projects.
- q. Noted that the city was in a downward trend of \$347,000 net loss mainly due to the city financials not being handled properly for several years, due to repeated turnover in the City Secretary/Administrator position. Expressed that the City Secretary position is a key position for the city that handles financial and compliance governance among other important issues that are responsible for good fiscal performance.
- r. Informed council that this marked improvement was due to the work Ms. Muckleroy was doing along with the support from Ms. Dana Buddecke and the council working with her.
- s. Mentioned the responsibilities of the City Administrator and its equivalency as it relates to government vs the private sector. City Administrator is the Chief Administrator of city affairs with responsibilities that support primary city governance.
- t. Noted that we were on a downward trend and needed to make better projections in our next

budgeting session.

- u. Mr. Godwin concluded with a summary of the City's financial health and the need for continued financial monitoring and planning.
- v. Mentioned two floating observations related to the preparation of an investment policy and the tracking of restricted funds.

JR Smith made a motion to approve audit findings for 2024-2025. The motion was seconded by

Robin

Palmer. All in Favor

2. Approval of December checks and meeting minutes.

Wendell Moore made a motion to approve checks and meeting minutes and the motion was seconded by JR Smith.

All in Favor

December meeting minutes were approved.

3. PD - New Hire Approval & Academy Training Pay

Motion to discuss by JR Smith and was seconded by Wendell Moore.

Approval to hire new PD/Cadet Officer and approval of resolution to pay for training of new hire, while in , academy at \$18 per hour for a 40- hour work week, with insurance after 3 months. This approval is contingent upon attorney approval of the Training Agreement.

Wendell Moore made a motion for Chief Smith to hire a candidate to start academy, to adopt agreement, pending attorney approval, and to pay \$18 per hour for a 40-hour week, while in training academy. This was seconded by

Jonathan Knapp.

Tate Smith made a motion to accept the resolution, pending attorney approval. Robin Palmer seconded the motion. All in Favor.

4. Water Works – approve pay rate increase for D. Burns allow him to drive city truck home as long as he lives inside of Tatum City limits.

Motion to discuss by Wendell Smith and seconded by JR Smith.

Motion to approve by JR Smith and seconded by Wendell Smith. All in Favor.

Dakota Burns approved for \$20.00 hourly rate beginning next payroll and will be allowed to drive truck home as long as he lives within the City of Tatum city limits.

5. City Administration – Approve pay rate increase for Y. Arellano by \$3.00 per hour.

Motion to discuss by JR Smith and seconded by Wendell Moore.

Motion to approve by JR Smith and seconded by Wendell Mooore. All in Favor

Y. Arellano approved for a \$3.00 per hour rate increase beginning next payroll.

6. City Administration – Hire Rebekah Tatum for the Water Clerk Position at \$18.00 per hour.

Motion to discuss by Wendell Moore and seconded by Jonathan Knapp

Motion to approve by Wendell Moore and seconded by JR Smith. All in Favor.

Rebekah Tatum hired as Full-time water clerk with starting pay at \$18.00 per hour.

7. City Administration – Approve City Hall Office Layout for Ms. Muckleroy to have a dedicated office.

Jonathan Knapp made a motion to approve a dedicated office. Motion was seconded by Wendell Moore.

Ms. Muckleroy advised council that she has been performing six different job duties and that it has been exceedingly difficult doing so. She expressed that due to the nature of her duties that it required time where she needed time to focus on the serious matters of the city. She explained that since a new clerk is hired that she would like an office.

a. Tate Smith requests to table it until new employee is trained and to bring back to council at that time.

b. Robin Palmer stated that Ms. Muckleroy had decided that this is what she wanted to do and decided to do it and expected council to have to walk outside in the weather in order to have executive session.

Ms. Muckleroy requested that Mr. Tate Smith and Mr. Robin Palmer provide responses to the following

questions:

- How does your decision, regarding assigning a dedicated office space for me, support what is in the best interest of the city?
- Why is there consistent pushback against requests pertaining to her?
- Why is there a striking difference in their responses to her requests and the request of other department heads?

Ms. Muckleroy stated that she wanted it on record that she has observed that both Tate Smith and Robin Palmer have consistently and repeatedly made a noticeable difference in how they vote or approve any requests brought before council by her versus those brought by Chief Smith. She repeatedly asked for clarification, yet none was provided. She asked that they both provide an answer to her, those citizens listening online via Face Book and those present in the meeting.

Mr. Palmer began stating that Ms. Muckleroy is “just wanting to argue”. Ms. Muckleroy stated that she was not arguing, but simply asking for clarification from the two of them.

Council Member JR Smith made a motion to postpone this item until the next meeting. Wendell Moore seconded the motion. Jonathan Knapp voted yes to postpone.

Tate Smith and Robin Palmer voted no.

Motion passed with two dissenting members- Tate Smith and Robin Palmer.

8. Council Approval for 2026 Official holidays for the City of Tatum & Kickoff Date for Ordinance Enforcement

Motion to discuss by Tate Smith and seconded by Robin Palmer.

Motion to approve removing the day after Thanksgiving and Christmas as a paid holiday by Wendell Moore and seconded by Tate Smith. All in Favor

9. SWEPCO Rate Case Resolution:

Motion to discuss by Jonathan Knapp and seconded by Wendell Moore.

Motion to approve resolution to deny proposed rate increase by Wendell Moore and seconded by JR Smith.

All in Favor

10. Establish weight limits on all city streets

Motion to discuss establishing weight limits on city streets.

Discussion around the unfair cost burdens on citizens from trucks carrying large loads. Requested the need to establish weight limits on city-maintained streets and that input from local businesses was needed.

Tate Smith suggest tabling the discussion until input is received from local business.

Motion to postpone by Tate Smith and seconded by Robin Palmer.

All in Favor

Michael Henry, Mayor

Date

Attest:

Jackie Muckleroy, City Secretary

Date