

The Early City Council met in special called session on Friday, August 20, 2021 at 12:00 p.m. with the following members present:

Mayor Mangrum  
Council members:  
Charles Matlock  
Travis Eoff  
Benny Allcorn  
Garry Forisha  
Leland Acker

City Administrator Tony Aaron  
Economic Development Director Larry McConn  
City Secretary Brenda Kilgo

City Attorney Mark Bessent was absent.

Establishing a quorum present, Mayor Mangrum called the meeting to order. Mr. Acker gave the invocation and led the Pledge of Allegiance.

**Consideration of the minutes of regular meeting held on August 10, 2021, and special called meeting held on August 13, 2021.**

Mr. Matlock made motion, seconded by Mr. Forisha to approve the minutes for both meetings as presented. All members present voted "aye".

**Citizen's comments**

There were no citizens present.

**Public Hearing – 2021-2022 Budget**

Mayor Mangrum opened the Public Hearing at 12:02 p.m. and indicated for Mr. Aaron to begin the presentation. Mr. Aaron noted that the presentation, prepared by Ricky Ray, showing on the smart screen monitor is also available each member's iPad and will be emailed to each member for their viewing convenience over the course of the fiscal year.

Total Operating Revenue	\$11,312,943
Total Operation Expenditures	\$10,403,098

General Fund Budget revenue is based mainly on the proposed property tax and Sales Tax receipts as well as grants and other income in addition to a healthy fund balance due to the one-time payment of sales tax audit collection.

General Fund expenditures include equipment and vehicle purchases within all departments, a new Crew Chief position in the Streets department, addition of another full-time firefighter, and a new Code Enforcement Office within the Police department.

Municipal Development District revenue consists of sales tax receipts, lease income and facility rental as well as a strong fund balance due to the one-time payment of sales tax audit collection. Most of the expenditures included within the Special Projects is related to the Early Town Center project.

An increase in the utility base rates affect revenue in all three funds for water, sewer, and sanitation departments and expenditures include for system infrastructure repairs within scheduled projects such as street improvements to Autumn Drive and McDonald Drive and the Crescent Street sewer remediation, as well as equipment updates, service and maintenance items. Sanitation department expenditures include the purchase of new dumpsters for replacements and new commercial developments.

This fiscal year budget also includes an increase in employee benefits such has a pay increase for department pay scales to be more competitive in the market and a higher health benefit contribution with more options for the employees and their dependents. The implementation of a capital improvement plan begins within this fiscal year budget as well. This plan includes all capital improvements from street improvements to equipment and vehicle purchases and replacements over a moving 5-year schedule.

Mr. Aaron noted that all fund balances include a reserve amount as designated within the Comprehensive Financial Management Policy.

Having no questions or further discussion regarding the 2021-2022 FY Budget, Mayor Mangrum closed the Public Hearing at 12:26 p.m.

**Consideration to approve Ordinance 2021-06, adopting 2021-2022 FY Budget.**

Mr. Allcorn made motion, seconded by Mr. Matlock, to approve Ordinance 2021-06 adopting 2021-2022 FY Budget as presented. All members present voted "aye".

**Consideration to approve Ordinance 2021-07, for 2021 Tax Rate.**

Mr. Acker made motion, seconded by Mr. Forisha, to approve Ordinance 2021-07 adopting 2021 Tax Rate as 0.4993. All members present voted "aye".

**Consideration to approve Ordinance 2021-08, amending Water rates.**

Mr. Forisha made motion, seconded by Mr. Acker, to approve Ordinance 2021-08 amending water rates as presented. All members present voted "aye".

**Consideration to approve Ordinance 2021-09, amending Sewer rates.**

Mr. Matlock made motion, seconded by Mr. Forisha, to approve Ordinance 2021-09 amending sewer rates as presented. All members present voted "aye".

**Consideration to approve Ordinance 2021-10, amending Sanitation rates.**

Mr. Acker made motion, seconded by Mr. Matlock, to approve Ordinance 2021-10 amending sanitation rates as presented. All members present voted "aye".

**Consider a Resolution, 2021-EDR04, approving Early Municipal Development District 2021-2022 fiscal year budget.**

Mr. Aaron noted that the MDD Board approved the 2021-2022 FY Budget for Municipal Development District in a special called meeting earlier this week.

Mr. Acker made motion to approve Resolution 2021-EDR04, approving the EMDD 2021-2022 FY Budget. Mr. Matlock seconded the motion and all members present voted "aye".

**Consider a Resolution, 2021-CVR03, approving Convention and Visitors Bureau 2021-2022 fiscal year budget.**

The CVB budget is included within the City's 2021/2022 fiscal budget. The CVB main revenue source is Hotel Occupancy Tax receipts and included within the expenditures, and upon the approval of the Resolution, is funding for Hotel Occupancy Tax Grants as listed in the notes of "Special Projects" line item to promote Early, Texas and encourage tourism.

Mr. Allcorn made motion, seconded by Mr. Matlock, to approve Resolution 2021-CVR35 for the 2021/2022 CVB fiscal year budget. All members present voted "aye".

**Discussion and consideration of establishing a new bank account for the American Rescue Plan-Coronavirus Local Fiscal Recovery Fund projects.**

Mr. Aaron explained that the funds received from the American Rescue Funds are currently in the General Fund checking account but, with the restrictions placed on the use and type of expenditures allowed, it will be easier to document and track the use and balance of the funds if they were separated into another bank account. The first tranche payment of \$391,501 was received today and the second payment of equal amount will be eligible for release 12-months from the receipt of first tranche payment. Mr. Aaron also noted that a budget and project schedule will be established for the eligible uses and expenditures for these funds. Projects for these funds are anticipated through 2024.

Mr. Acker made motion, seconded by Mr. Matlock, to authorize establishing a new bank account for the ARP funds as presented. All members present voted "aye".

No Executive Session was needed as the economic development grant is below the dollar amount threshold requiring Council approval.

There was no Administrator Report.

Handouts were provided to the Council for their review, but individual department presentations were not given.

August 27, 2021 – Fundraising event at City Hall in benefit of Officer Contreras with his battle of cancer and medical expenses; BBQ lunch and raffle tickets for various donated items.

September 11, 2021 – 9/11 Tribute Concert Event at Stagecoache Event Venue in Early, with special ceremonies honoring first responders, military personnel and 9/11 victims and survivors.

September 14, 2021 – Council meeting

Completing all business matters, Mr. Acker made motion to adjourn the meeting. Mr. Eoff seconded the motion and all members present voted "aye", adjourning the meeting at 12:41 p.m.

Robert L. May

Brenda Kilgo  
CITY SECRETARY