



Special City Council Meeting Budget Work Session

Thursday, May 28, 2026, at 5:00 PM

Minutes

The Aledo City Council convened on Thursday, May 28, 2026, at 05:30 PM, in the City Hall Training Room, 200 Old Annetta Road, Aledo, Texas, for the purpose of a work session, with the meeting being open to the public and notice of said meeting having been posted as prescribed by Chapter 551, Texas Government Code, with the following members being present:

Council Present

- Mayor Shane Davis
- Councilmember Ben Clark
- Councilmember Todd Covington
- Councilmember Matthew Poston
- Councilmember Melanie Allen
- Councilmember Summer Jones

Staff Present

- Candice Edmondson, City Manager
- Staci L. King, City Secretary

1. Call to Order

Mayor Shane Davis called the meeting to order at 05:30 PM.

2. Citizen Appearances

No one came forward to address the Council.

3. Regular Agenda

a. FY 2026 Budget Review

Candice Edmondson, City Manager, gave the following report to Council:

General Fund

- a. The General Fund remains in a strong position at mid-year, with revenues at approximately 85% of budget while expenditures are tracking at 50% of budget, resulting in a current surplus of approximately \$1.6 million.
- a. Sales tax revenues continue to perform well, with both General Fund and AEDC sales tax collections trending ahead of budget projections at mid-year.
- b. Property tax revenues have already exceeded annual budget projections at the halfway point of the fiscal year, reflecting strong collections.

Enterprise Fund

- a. The Water/Wastewater Fund remains financially stable overall, with revenues exceeding expenditures by approximately \$979,000 at mid-year. Impact fee revenue has significantly outperformed projections, reaching approximately 193% of budget.
- b. Several wastewater operational accounts are currently tracking above budget due to

ongoing operational and infrastructure needs, but staff will continue monitoring expenditures closely as part of the year-end budget process.

Debt Service Fund

The Debt Service Fund remains healthy, with revenues tracking ahead of budget and sufficient resources available to meet all scheduled debt obligations

AEDC Fund

The Economic Development Fund continues to perform strongly, with sales tax revenues at approximately 65% of budget and expenditures remaining well below budgeted levels at mid-year.

b. 2nd Quarter Investment Report

Candice Edmondson, City Manager, presented the second quarter investment report, noting that the City's cash and investment portfolio remained strong and in compliance with the Investment Policy. As of March 31, 2026, total cash and investments were approximately \$24.7 million. The City earned nearly \$200,000 in interest revenue during the quarter, with the majority of reserves invested in highly liquid and secure investment vehicles. Staff also reported that bank deposits remained significantly over-collateralized, providing a strong level of protection for City funds.

**c. City of Aledo Financial Profile and Debt Service Overview
Presentation by Erick Macha, Hilltop Securities**

Erick Macha, Hilltop Securities, gave the Council an in-depth analysis of the City's financial profile and debt service, including information on current debt and maturity dates.

d. FY 2027 Budget Discussion

Discussion was held on the following topics. No action was taken.

- i. Budget Timeline**
- ii. Revenue Forecast**
- iii. City Council Priorities**
- iv. Operations & Maintenance**
- v. Capital Projects**
- vi. TIRZ Fund**

4. Executive Session

- a. Section 551.087 – Deliberation Regarding Economic Development Negotiations. The City Council may convene in executive session to discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the City and with which the City is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect described above, including the following items:**

- i. **Dean Ranch Development**
- ii. **Downtown Development**
- b. **Section 551.074 - Personnel Matters. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee, to include:**
 - i. **City Manager Staffing Study**

Mayor Davis recessed the meeting into Executive Session at 7:35 p.m.

Mayor Davis called the meeting back to regular session at 9:08 p.m.

MOTION by Ben Clark, second by Todd Covington, to authorize the City Manager to hire a Director of Development Services. MOTION CARRIED by unanimous vote.

5. Adjourn

The meeting was adjourned at 09:09 PM

Shane Davis, Mayor

ATTEST:

Staci L. King, City Secretary