

Rudy Cruz, Jr.
Mayor

Ruben Reyes
At Large

Cesar Nevarez
District 1/Mayor Pro Tem



Alejandro Garcia
District 2

Gina Cordero
District 3

Irene Rojas
District 4

**SPECIAL COUNCIL MEETING MINUTES
AUGUST 2, 2025 @ 8:00 A.M.**

MEMBERS PRESENT:

Mayor Rudy Cruz, Jr.
Ruben Reyes
Cesar Nevarez
Alejandro Garcia
Gina Cordero

MEMBERS ABSENT:

Irene Rojas

STAFF PRESENT:

Adriana Rodarte, City Manager
Victor Perez, Deputy City Manager
Olivia Navarro, City Clerk
Lorraine Quimiro, City Planner
Jim Martinez, City Attorney (*joined virtually*)

Estevan Gonzales, IT Director
Victor Reta Recreation Ctrs. Director
Carol Candelaria, HR Director
Alejandra Valadez
Isela Gonzalez, Court Coordinator
Lourdes Gomez, Finance Director
Julio Dominguez, PPW Supervisor

1. CALL TO ORDER

The meeting was called to order at 8:06 am

2. Pledge of Allegiance and a Moment of Silence.

Pledge of Allegiance was led by Estevan Gonzales

3. Establishment of Quorum

Quorum was established with five council members present.

PUBLIC COMMENT

4. PUBLIC COMENT

No speakers for Public Comment.

PRESENTATIONS

5. *WORKSHOP AND DISCUSSION AND ACTION ON FY 2025-2026 BUDGET FOR ALL CITY OF SOCORRO DEPARTMENTS INCLUDING REVENUE PROJECTIONS FOR FISCAL YEAR 2025-2026.* ADRIANA RODARTE

Presentation made by Adriana Rodarte, see Exhibit "A"

Mayor Rudy Cruz, Jr., stepped out of the meeting at 8:19 am.

Mayor Rudy Cruz, Jr., returned to the meeting at 8:21 am.

CONSENT AGENDA

6. *EXCUSE ABSENT COUNCIL MEMBERS.* OLIVIA NAVARRO

A motion was made by Alejandro Garcia seconded by Cesar Nevarez to *approve the Consent Agenda*. Motion passed.

Ayes: Ruben Reyes, Cesar Nevarez, Alejandro Garcia and Gina Cordero

Nays:

Absent: Irene Rojas

REGULAR AGENDA

7. *DISCUSSION AND ACTION TO ANNOUNCE A PROPOSED TAX RATE OF 0.645233 AS THE MAXIMUM TAX RATE THE CITY OF SOCORRO WILL CONSIDER FOR THE 2025-2026 BUDGET AND TO SET THE DATE THAT COUNCIL WILL CONSIDER ADOPTION OF THE ACTUAL RATE.* ADRIANA RODARTE

A motion was made by Alejandro Garcia seconded by Gina Cordero *to approve*

An amended motion was made by Alejandro Garcia seconded by Cesar Nevarez to *approve the proposed tax rate of 0.64233*. Motion passed.

Ayes: Ruben Reyes, Cesar Nevarez, Alejandro Garcia and Gina Cordero

Nays:

Absent: Irene Rojas

8. DISCUSSION AND ACTION ON ADVICE RECEIVED FROM CITY ATTORNEY IN CLOSED SESSION, AND ACTION TO APPROVE REAL ESTATE TRANSACTION; AUTHORIZE FILING OR SETTLEMENT OF LEGAL ACTION; AUTHORIZE EMPLOYMENT OF EXPERT WITNESSES AND CONSULTANTS, AND EMPLOYMENT OF SPECIAL COUNSEL WITH RESPECT TO PENDING LEGAL MATTERS.

ADRIANA RODARTE

9. DISCUSSION AND ACTION ON QUALIFICATIONS OF INDIVIDUALS FOR EMPLOYMENT AND FOR APPOINTMENT TO BOARDS & COMMISSIONS, JOB PERFORMANCE OF EMPLOYEES, REAL ESTATE ACQUISITION AND RECEIVE LEGAL ADVICE FROM CITY ATTORNEY REGARDING LEGAL ISSUES AFFECTING THESE MATTERS.

ADRIANA RODARTE

10. DISCUSSION AND ACTION REGARDING PENDING LITIGATION AND RECEIVE STATUS REPORT REGARDING PENDING LITIGATION.

ADRIANA RODARTE

A motion was made by Alejandro Garcia seconded by Gina Cordero to *delete items eight (8), nine (9), and ten (10).* Motion passed.

Ayes: Ruben Reyes, Cesar Nevarez, Alejandro Garcia and Gina Cordero

Nays:

Absent: Irene Rojas

2 Ayes: Ruben Reyes, Cesar Nevarez, Alejandro Garcia and Gina Cordero

Nays:

Absent: Irene Rojas

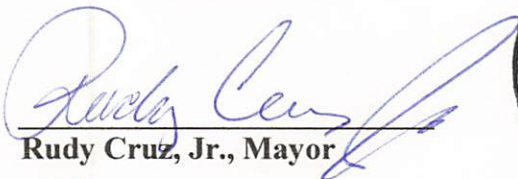
11. ADJOURN

A motion was made by Alejandro Garcia seconded by Gina Cordero to *adjourn at 8:39 am*

Ayes: Ruben Reyes, Cesar Nevarez, Alejandro Garcia and Gina Cordero

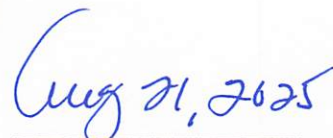
Nays:

Absent: Irene Rojas


Rudy Cruz, Jr., Mayor




Olivia Navarro, City Clerk

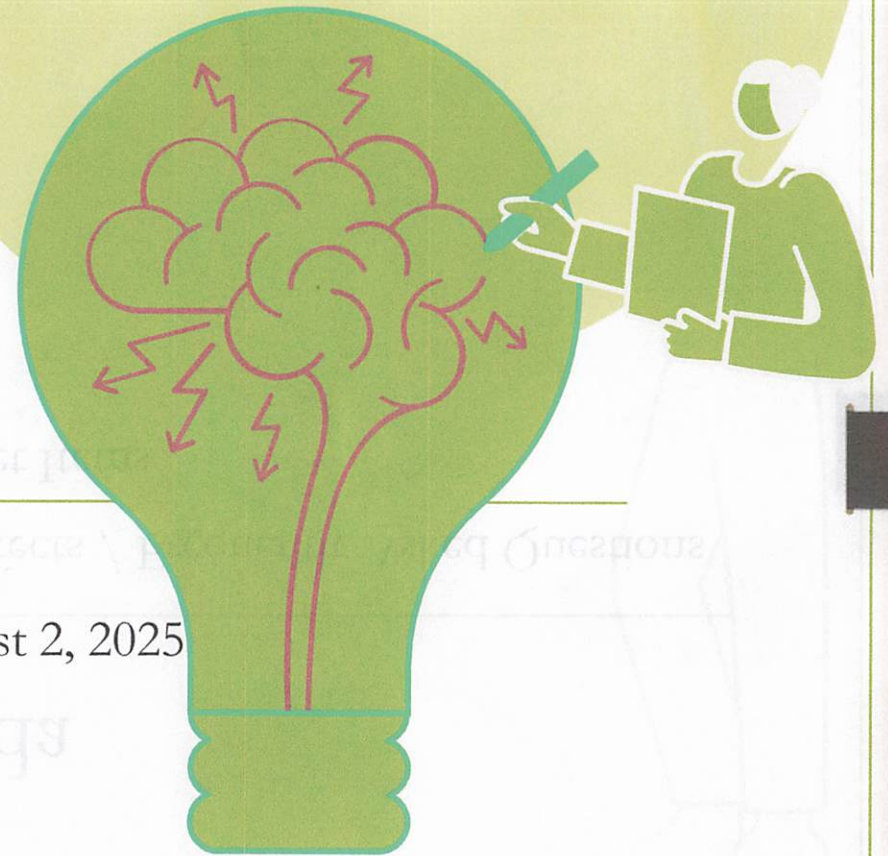

Date minutes were approved

Budget Meeting

By Adriana Rodarte

CITY MANAGER

August 2, 2025



Agenda

- Property Tax Analysis / Homeowner Effects / Frequently Asked Questions
- Essential List by Department / Big Ticket Items
- Financial Snapshot

2025-2026 Tax Analysis

City of Socorro

Tax Rate and Revenue Analysis

FYE 2025-2026

			FY 2026 No Change		FY 2026 No New Revenue Rate	FY 2026 Voter Approval Rate
Tax Rate	M&O		\$ 0.576028		\$ 0.543505	\$ 0.554361
Tax Rate	I&S		\$ 0.090872		\$ 0.090872	\$ 0.090872
Tax Rate	Combined		\$ 0.666900		\$ 0.634377	\$ 0.645233
Assessed Valuation - Debt Service			\$ 2,115,512,930		\$ 2,115,512,930	\$ 2,115,512,930
Assessed Valuation - M&O			\$ 1,880,389,304		\$ 1,880,389,304	\$ 1,880,389,304
Tax Revenue	M&O		\$ 10,831,569		\$ 10,220,010	\$ 10,424,145
Tax Revenue	I&S		\$ 1,922,409		\$ 1,922,409	\$ 1,922,409
Tax Revenue	Combined		\$ 12,753,978		\$ 12,142,419	\$ 12,346,554

HOME OWNER EFFECT

No Change | No New Revenue | Voter Approval

Home Value	\$ 100,000	\$ 666.90	\$ 634.38	\$ 645.23
Home Value	\$ 120,000	\$ 800.28	\$ 761.25	\$ 774.28
Home Value	\$ 140,000	\$ 933.66	\$ 888.13	\$ 903.33
Increase (Decrease) in Amount Paid Home Value \$100,000			\$ (45.53)	(30.33)

2025-2026 Tax Rate

Rate Type	Tax Rate	Description
No Change Rate	\$0.666900	Current tax rate; would require an election to re-adopt.
No New Revenue Rate	\$0.634377	Generates the same revenue as last year from the same properties.
Voter Approval Rate (Proposed)	\$0.645233	Maximum rate without triggering an election; proposed rate.

QUESTION #1 What if the evaluation of the home went up? Does that have anything to do with the tax rate

When the value (appraisal) of a home increases, even if the tax rate stays the same or goes down, the total tax bill may still increase. Here's a quick breakdown

How Home Value Affects Your Property Tax Bill

Formula: $\text{Tax Bill} = (\text{Home Value} \div 100) \times \text{Tax Rate}$

So if your home's appraised value goes up, your tax bill increases unless the tax rate is reduced enough to offset that increase.

Example with Rate at \$0.645233 (Proposed Rate)

Home Value	Tax Rate	Annual Tax Bill
\$100,000	\$0.645233	\$645.23
\$110,000	\$0.645233	\$709.75
\$120,000	\$0.645233	\$774.28

In this example, a 10% increase in home value results in a 10% increase in the tax bill, even though the rate stays the same.

Key Point:

The tax rate determines how much is levied per \$100 of value, but the value of the home is set by the appraisal district.

- If appraisals go up and the tax rate doesn't drop accordingly, the actual amount owed increases.
- That's why cities sometimes adopt the No New Revenue Rate to keep revenue flat, even if property values rise.

QUESTION #2 However, the tax rate is going down from last year?

Even though the tax rate is going down from \$0.666900 to the proposed \$0.645233, increased home values (set by the appraisal district) can still lead to higher tax bills for residents.

Why a Lower Tax Rate Doesn't Always Mean a Lower Tax Bill

- Tax Rate (set by the City):

The proposed rate for FY 2024–2025 is \$0.645233, a decrease from last year's \$0.666900.

- Home Value (set by the Appraisal District):

If a homeowner's property was appraised at \$100,000 last year, but is now valued at \$110,000, the tax bill can still go up, even with the lower rate.

Example Comparison

Even with a lower rate, the increase in appraised value more than offsets the tax rate reduction.

Year	Home Value	Tax Rate	Annual Tax Bill
Last Year	\$100,000	\$0.666900	\$666.90
This Year	\$110,000	\$0.645233	\$709.75
Change	↑ \$10,000	↓ Tax Rate	↑ \$42.85

QUESTION #3 Is this considered an increase in tax rate by going with the voter approval rate

No, adopting the voter approval rate (\$0.645233) is not considered an increase in the tax rate compared to last year's current rate of \$0.666900. In fact, it is a rate decrease in terms of the actual number.

However, under Texas Truth-in-Taxation laws, whether or not it's considered a "tax increase" is based on the total amount of revenue collected, not just the rate.

Here's how it breaks down:

- If the new rate brings in more revenue than last year from the same properties, it's technically considered a "tax increase" — even if the rate is lower — because property values have gone up.
- That's why the state defines the No-New-Revenue Rate as the rate that would collect the same amount of money as last year from existing properties.
- Since your proposed rate (\$0.645233) is above the No-New-Revenue Rate (\$0.634377), it will be classified as a tax increase for legal and notice purposes — even though it's lower than the current rate.

Summary:

- Yes, it's technically a tax revenue increase, not a tax rate increase.
- You're lowering the rate, but collecting more because property values have increased.

IGSA CUSTODIAL SERVICES

We are currently in the process of finalizing an Intergovernmental Support Agreement (IGSA) to provide custodial services for Fort Bliss. This collaboration marks a unique opportunity for our city to partner directly with the federal government, delivering high-quality services while creating significant value for our local community.

The agreement will impact the City's budget by approximately \$4.1 million. We are allocating this amount to support service delivery, and while the IGSA framework allows for the inclusion of a reasonable administrative fee or overhead cost to recover indirect expenses, we have made the strategic decision not to incorporate indirect cost recovery in this first year. As this is our initial year participating in such an agreement, we are prioritizing a strong, streamlined launch to establish a reliable service model and build a foundation for long-term success. Future iterations of the agreement may include indirect cost recovery, once our processes are refined and well-documented.

TRANSIT SERVICES

Another important addition to this year's budget is the establishment of a new Transit Department. This department was created in response to the findings of a recently conducted transit study, which concluded that implementing a microtransit system is both feasible and beneficial for the City of Socorro.

The Transit Department is being launched with an estimated cost of \$230,000. Its primary mission is to provide accessible, reliable transportation services to our residents—helping individuals travel throughout Socorro and, importantly, connecting them to the larger regional transportation network through Sun Metro. This integration expands mobility options for our community and improves access to employment, education, healthcare, and other essential services.

City Manager and Departments

There are no proposed changes to employee health insurance premiums for the upcoming fiscal year—premiums will remain stable, ensuring continued access to affordable healthcare coverage for staff.

In addition, step increases of up to **3%** will be available for eligible employees, based on performance evaluations. These increases are merit-based and contingent upon meeting specific criteria established by the City. It's important to note that some positions have already reached their salary cap based on the most recent salary analysis and, therefore, are not eligible for further increases at this time.

As part of our continued commitment to infrastructure improvements, we have also budgeted **\$650,000** for **Phase V of the City's sidewalk improvement project**. This ongoing initiative enhances pedestrian safety, accessibility, and neighborhood connectivity across Socorro. Phase V represents another step forward in our long-term vision to create a safer, more walkable community.

Parks & Public Works Department

Another key change proposed in this year's budget involves the restructuring of the Parks and Public Works Department. We are requesting to reclassify the current Parks and Public Works Director position to that of a **City Engineer**, to better align with the growing needs and complexity of our city's infrastructure.

This reclassification reflects an estimated budget increase of approximately **\$25,000**. Under the general direction of the City Manager, the City Engineer will be responsible for planning, directing, designing, constructing, inspecting, and maintaining the engineering operations of all City infrastructure and facilities. This includes streets, drainage systems, parks, and municipal buildings.

Key duties will include:

- Reviewing and approving engineering plans, specifications, plats, and permits;
- Managing service contracts in accordance with City procurement policies;
- Ensuring public infrastructure improvements are planned and executed with long-term sustainability in mind.

Police Department

In alignment with Council's prior approval, all eligible Police Department personnel will continue to receive their **2.5% annual step increase** over the next five years. This structured increase supports our commitment to maintaining a **competitive edge in recruitment and retention**, ensuring we continue to attract and retain high-quality officers dedicated to public safety.

Additionally, we are requesting to add a **full-time Crime Analyst** position to the department. This position, including fringe benefits, is estimated at **\$78,000** annually.

Municipal Court

Municipal Court

There are no staffing or operational changes proposed for the Municipal Court in this budget cycle. However, we have allocated **\$45,000** for necessary **courthouse improvements**, specifically targeting **flooring upgrades and restroom renovations**. These improvements are aimed at enhancing the functionality, safety, and overall user experience of the facility for both the public and court staff.

Planning and Zoning Department

Planning and Zoning Department

The Planning and Zoning Department is allocating **\$50,000** for the **digitization of records** and the **purchase of software** to support the effective administration and long-term management of department files. This investment will modernize workflows, increase operational efficiency, and improve accessibility to essential land use and zoning data.

- Additionally, **Code Enforcement personnel will now be organizationally aligned under the Planning and Zoning Department**, as their responsibilities are more closely connected to enforcing zoning regulations and city codes. This realignment ensures a more cohesive and streamlined enforcement process. While the staff will report under Planning and Zoning, **Code Enforcement will be physically housed at the Poona Station**, operating under the **direction of Ms. Quimiro**. This arrangement allows for continued community presence while enhancing coordination with zoning functions. There are **no other changes** proposed for this department at this time.

Human Resources Department

There are **no major changes** proposed for the Human Resources or Recreation departments in this budget cycle. Both departments will continue to operate under their current structure and staffing levels.

Health Contract Changes

We are allocating **\$50,000** for the City's health services contract, reflecting an **increase in usage and demand** for these services. This adjustment ensures continued access to essential health-related resources and supports the well-being of our community through contracted providers.

Finance Department

In response to the growing complexity and volume of grant management, particularly those associated with the Police Department. We are requesting to **outsource payroll services** in the upcoming fiscal year. The **estimated financial impact is \$45,000**.

This recommendation is driven by the increasing administrative burden placed on the Finance team, especially as it relates to managing **multiple complex grants** that involve time tracking, compliance, and reporting requirements. The **growth in total grant funding** has created significant strain on existing staff capacity, making it difficult to efficiently manage day-to-day operations while maintaining compliance and accuracy.

Outsourcing payroll will **alleviate time-intensive tasks**, reduce the potential for errors, and allow the Finance Department to focus more strategically on financial planning, grant oversight, and process improvements. It will also enhance internal controls and provide greater consistency in payroll processing, especially as the City continues to expand its grant portfolio.

Grants and Special Projects Department

To address growing administrative and coordination demands across multiple high-impact initiatives, we are requesting the addition of a **Grants & Special Projects Coordinator**. The estimated financial impact, including fringe benefits, is \$65,000.

This position is designed to **alleviate critical gaps and pressure points** currently impacting multiple departments and grant-related functions. At present, core grant preparation and project coordination responsibilities are being absorbed by existing staff, including time redirected from Alvina and Elizabeth, and direct oversight by the City Manager. As grant activity increases—particularly with programs such as **MS4 compliance** and **Economic Recovery initiatives**—these responsibilities are becoming unsustainable under the current structure.

City Clerk Department

The primary budget adjustment for the City Clerk's Office this fiscal year is the allocation of **\$105,000** to support the administration of the upcoming **November 2025 elections** for **Districts 1, 2, and 3**.

This funding will cover all associated election costs, including coordination with the County Elections Office, ballot preparation, polling site operations, and public notification requirements. Ensuring a transparent, secure, and well-organized election process remains a top priority for the City Clerk's Office.

No other significant changes are proposed for this department at this time.

Information Technology

The Information Technology Department will remain structurally unchanged in this fiscal year; however, **adjustments have been made to accommodate the City's growing technology needs.** As the City expands its use of digital tools and software platforms across multiple departments, the IT Department is responding to increased demand for:

- **Additional software licenses and user accounts**
- **System maintenance and updates**
- **Technical support and cybersecurity measures**

These adjustments are necessary to support ongoing modernization efforts, ensure the reliability of City systems, and protect sensitive data. The IT Department continues to play a critical role in maintaining operational continuity and enabling technology-driven service delivery across all areas of government.

Recreations Department.

The Recreation Department is requesting two key programmatic adjustments in this fiscal year to better align resources with community engagement and operational efficiency:

1. Discontinuation of Socorro Sundays

We are recommending the end of the **Socorro Sundays** program. Despite initial goals to increase community engagement and promote active recreation, the event has consistently seen **low attendance** and has not met expectations in terms of community participation. The program also requires **overtime staffing and additional operational costs** that are not justifiable given the limited impact. These resources can be better redirected toward programs with higher community value and participation.

2. Closure of Chayo Apodaca Community Center on Saturdays

We are also requesting to **close the Chayo Apodaca Community Center on Saturdays**, as current usage during that day is **extremely limited**. Operating the center on Saturdays incurs staffing and facility costs that are not offset by community benefit or attendance. This change will allow the department to reallocate resources to better-used facilities and programs.

Financial Snapshot

M&O Revenues Produced - Property Taxes	\$ 10,831,569	\$ 10,220,010	\$ 10,424,145
Total Other Revenues	<u>9,214,350</u>	<u>9,214,350</u>	<u>9,214,350</u>
Total Projected Revenues	<u>\$ 20,045,918.95</u>	<u>\$ 19,434,359.94</u>	<u>\$ 19,638,495.00</u>
Total Budget Expenditures	<u>\$ 23,034,732.00</u>	<u>\$ 23,034,732.00</u>	<u>\$ 23,034,732.00</u>
Projected Reserves Required	<u>\$ 2,988,813.05</u>	<u>\$ 3,600,372.06</u>	<u>\$ 3,396,237.00</u>
Increase in Reserve Required from "No Change"	<u>\$ -</u>	<u>\$ 611,559.01</u>	<u>\$ 407,423.95</u>

Thank you

Questions?

