Renard U. Johnson
Mayor

Dionne Mack
City Manager

City Council
Alejandra Chávez, District 1
Josh Acevedo, District 2
Deanna Maldonado-Rocha, District 3
Cynthia Boyar Trejo, District 4
Ivan Niño, District 5
Art Fierro, District 6
Lily Limón, District 7
Chris Canales, District 8

CITY COUNCIL SPECIAL MEETING MINUTES
May 27, 2026
COUNCIL CHAMBERS, CITY HALL AND VIRTUALLY
9:05 A.M.

The City Council met at the above place and date. The meeting was called to order at 10:14 a.m. Mayor Renard Johnson was present and presiding. The following Council Members answered roll call: Alejandra Chávez, Josh Acevedo, Deanna Maldonado-Rocha, Ivan Niño, Art Fierro, Lily Limón, and Chris Canales. Late arrival: Cynthia Boyar Trejo at 10:22 a.m.

AGENDA

1. For presentation and discussion: FY 2026 - 2027 Budget as presented by the City Manager.

City Manager Overview

Ms. Dionne Mack, City Manager, opened the meeting and began the presentation, followed by Mr. Robert Cortinas, Chief Financial Officer, and Mr. Sasho Andonoski, Office of Management and Budget Director. They were also available throughout the meeting to offer additional comments and answer questions posted by Council members.

The FY 2027 Preliminary Budget Overview presented the City Manager's proposed budget development process, emphasizing fiscal responsibility while maintaining core City services during a challenging financial environment. The presentation outlined an improved budget process that includes program-based budgeting, a two-year financial outlook, earlier Council workshops, and increased opportunities for public input. The proposed budget aligns with the City's Strategic Plan by prioritizing public safety, economic mobility, infrastructure, and good governance while reinforcing long-term financial sustainability. Key investments include recruiting and retaining police officers and firefighters, maintaining infrastructure programs, supporting workforce compensation, and preserving essential City services despite increasing financial pressures.

The presentation also highlighted the City's financial outlook and the factors driving the proposed FY 2027 budget, including a General Fund budget of $655.3 million. Major cost drivers include negotiated salary increases for police and fire personnel, wage increases for civilian employees, election costs, contractual obligations, debt service, and investments in public safety. At the same time, the City faces significant revenue challenges resulting from State-mandated property tax exemptions, the expiration of federal ARPA funding, and rising operating costs. To address these pressures without relying on one-time revenues or fund balance, the City proposed eliminating or defunding approximately 75% of vacant positions, conducting departmental expenditure reviews, and identifying additional saving opportunities through fee studies and other revenue sources.

Financial projections presented during the workshop showed modest growth in property and sales tax revenues, while taxable values continue to be affected by expanding State property tax exemptions. The preliminary property tax rate reflects the need to offset lost revenues, support voter-approved debt obligations, and maintain City operations. The City also reported maintaining a healthy unrestricted fund balance above its policy target and preserving strong bond ratings while planning future capital investments. The presentation concluded with the remaining budget schedule, including additional workshops, community meetings, filing of the proposed budget in July, and final adoption of the FY 2027 budget and tax rate in August.

Mayor Johnson and Representatives Chávez, Acevedo, Maldonado-Rocha, Boyar Trejo, Niño, Limón, and Canales commented.

....

The Special Meeting was **RECESSED** at 12:22 p.m. for lunch.

The Special Meeting was **RECONVENED** at 1:32 p.m.

....

Department Budget Profiles

The following City staff members presented a PowerPoint presentation (copy on file in the City Clerk's Office).

- Mr. Michael Wachsmann, Animal Services Deputy Director
- Ms. Debbie Olivas, Aviation Business and Finance Assistant Director
- Mr. Javier Acosta, Capital Improvement Director
- Mr. Joaquin Rodriguez, Grant Funded Programs Director
- Mr. Sergio Estrada, Deputy City Attorney
- Ms. Laura Prine, City Clerk
- Mr. Steve Alvarado, Code Enforcement Director
- Ms. Nickole Rodriguez, Community and Human Development Director
- Ms. Brooke Underwood, Destination El Paso President and Chief Executive Officer
- Mr. Ben Fyffe, Quality of Life Managing Director
- Ms. Karina Brasgalla, Economic and International Development Director
- Mr. Nicholas Ybarra, Environmental Services Director
- Fire Chief Jonathan Killings
- Ms. Mary Wiggins, Chief Human Resources Officer
- Ms. Yvette Griffin, Risk Management Director
- Ms. Carolyn Patrick, Chief Information Officer
- Ms. Ernesto Arriola, Chief Information Security Officer
- Mr. Adrian Serrano, Chief Internal Auditor
- Mr. Roberto Tinajero, International Bridges Director

Ms. Claudia Garcia, Purchasing and Strategic Sourcing Director, responded to questions from Council.

The budget workshop presentation provided an overview of the proposed FY 2027 budgets for multiple City departments, highlighting each department's mission, funding levels, major budget changes, and strategic priorities. Across departments, the proposed budgets reflect a continued emphasis on maintaining core services while addressing increased personnel costs, contractual obligations, and operational expenses. Many departments identified salary increases as the primary driver of budget growth, while others experienced changes due to grant funding adjustments, capital project investments, or organizational restructuring. Each department also demonstrated how its programs support the City's Strategic Plan through the pillars of Public Safety, Economic Mobility, Infrastructure, Quality of Life, and Good Governance.

Several departments presented initiatives focused on strengthening public safety and essential community services. The City Attorney's Office emphasized expediting legal reviews, supporting infrastructure projects, prosecuting nuisance violations, and improving public access to legal information. The City Clerk’s Office highlighted its responsibility for supporting transparent government through City Council meetings, elections, and Boards and Commissions, with a significant budget increase primarily attributable to the November 2026 municipal election. Code Enforcement outlined continued efforts to address public health concerns, nuisance properties, abandoned vehicles, zoning compliance, and neighborhood beautification, and Community and Human Development focused on expanding affordable housing, homelessness prevention, neighborhood leadership, accessibility, and services for vulnerable residents.

....

The Special Meeting was **RECESSED** at 3:03 p.m.

The Special Meeting was **RECONVENED** at 3:11 p.m.

....

The presentation also showcased departments responsible for promoting economic development and quality of life. Destination El Paso discussed investments in venue operations, destination marketing, water parks, and tourism initiatives designed to increase visitation and economic impact. The Economic and International Development Department presented strategies to attract new businesses, support small businesses, encourage redevelopment, and leverage public-private partnerships to diversify the tax base and create jobs. Environmental Services highlighted programs supporting waste collection, recycling, beautification, landfill operations, graffiti removal, air quality, and public education, with budget adjustments reflecting lower planned capital expenditures while continuing to provide reliable environmental services.

The workshop concluded with presentations from departments supporting the City's internal operations and emergency services. The Fire Department's proposed budget focuses on recruitment and retention, emergency response readiness, communications, community health, training, and facility improvements, with increased funding driven largely by collective bargaining agreements and operational costs. Human Resources emphasized recruitment, employee retention, learning and development, payroll, and benefits administration, and noted the separation of Risk Management into its own department to strengthen enterprise risk oversight and workplace safety. Information Technology presented investments in cybersecurity, public safety communications, technology infrastructure, contract management, and digital services. Internal Audit reaffirmed its role in promoting accountability, transparency, and efficient government operations through independent oversight and performance reviews. The International Bridges Department reinstated its continued commitment to optimize the effective use of financial resources while continuing to facilitate cross-border movements of people and goods, and provide motorists with parking services so they can have convenient parking spaces equipped with state-of-the-art technology

NO ACTION was taken on this item.

....

Motion made by Representative Limón, seconded by Representative Fierro, and unanimously carried to **ADJOURN** the meeting at 5:03 p.m.

AYES: Representatives Chávez, Acevedo, Maldonado-Rocha, Boyar Trejo, Niño, Fierro, Limón, and Canales
NAYS: None

....

APPROVED AS TO CONTENT:

Laura D. Prine, City Clerk