

MINUTES OF THE
BUDGET WORKSHOP
OF THE CITY OF RUIDOSO DOWNS
CITY COUNCIL CHAMBERS
WEDNESDAY, MAY 21, 2008
3:00 P.M.

The Council of the City of Ruidoso Downs met in special session on May 21, 2008. Mayor Armstrong called the meeting to order at 3:00 p.m. and asked Steve Dunigan to lead the Pledge of Allegiance. Mayor Armstrong asked Carol Virden, City Clerk/Treasurer to take roll call. The following were present:

Councilor Hood
Councilor Holman

Councilor Williams
Councilor Olivo

Carol Virden, City Clerk/Treasurer informed Mayor Armstrong there was a quorum.

Also present:

Carol Virden, City Clerk/Treasurer
Terri Mosley, Finance/Procurement/Asset Control Director
Steve Dunigan, Planning & Zoning Director
Jay Smith, Museum Director
Alfred Ortiz, DPS Director
Harrold Mansell, Municipal Judge
Mark Lewis, Public Works Department

APPROVAL OF AGENDA

Mayor Armstrong stated next item on the agenda was approval of the agenda.

Mayor Armstrong entertained a motion to approve the agenda.

Councilor Olivo moved to approve the agenda. Seconded by Councilor Holman. Roll Call Votes: Councilor Hood, Aye; Councilor Williams, Aye; Councilor Holman, Aye; Councilor Olivo, Aye. Motion carried.

INTRODUCTION OF FISCAL YEAR 2008-2009 BUDGET

Mayor Armstrong stated next item on the agenda was Introduction of Fiscal Year 2008-2009 Budget.

Terri Mosley, Finance/Procurement/Asset Control Director said they have before them the preliminary budget that includes all of the budget requests. She said she and Carol Virden, City Clerk/Treasurer, Councilor Williams and Councilor Holman have met in preliminary sessions and the front page is a recap shows all of the funds. The General Fund has an estimated cash balance at the end of the fiscal year of \$1,457,273. She asked if they wanted to go through each line item? Carol Virden, City Clerk/Treasurer said she would like to bring their attention to Item G on the unaudited beginning cash balance for July 1, 2008 is at \$1,644,526. Those are unaudited estimates of what we think we will have available as of July 1, 2008. Terri Mosley said separately in their packets was all of the cap outs and hopefully this would justify things for everybody. She said in the preliminary budget General Fund there is \$424,254,000 of cap out requests. That includes Parks & Rec, Public Safety, Streets, Garage, Fire, and non-departmental. She said the directors may not have that in their packets but that they have the actual preliminary budget itself. She said we have been conservative on the estimated revenues and based it off of this year's projected revenues. She said we didn't increase any other than what they have estimated for the end of this year. Carol Virden, City Clerk/Treasurer said the reason they did not increase revenues significantly was because of the way the economy is going. She said if at mid-year our revenues exceed expenditures they will come back to the council for an increase in revenues versus expenditures in the budget. Terri Mosley said likewise if the revenues were not meeting expectations they would probably have to cut out some of the cap outs.

Terri Mosley, Finance/Procurement/Asset Control Director asked if there were any questions on the General Fund revenues?

Carol Virden, City Clerk/Treasurer said they may want to go to page one of the budget worksheet for revenues and go by category. She said they estimated:

GENERAL FUND - REVENUES

Total Taxes

(Franchise, State Dist. GRT, Property Taxes-Current, Property Taxes-Prior)
at: \$1,668,372

Intergovernmental

(Cigarette Tax-Regular 02, Municipal Dist. GRT 1.225%, Motor Vehicle-Registr.-all, State Racing Commission Tax)
at: \$1,389,275

Licenses & Permits

(Animal License, Animal Vaccination Fees, Building Permits, Business Registration, Late Fees, Liquor License, Sign Permits, Mobile Home Permits, Phosphorus Permit)
at: \$38,087

Charges for Services

(Printing & Copying Charges, Street Cut Repairs, P & Z Fees)
at: \$4,096

Fines & Forfeitures

(Court Fees, Bond Forfeitures, Court Automation Funds)
at: \$48,956

Miscellaneous

(Workforce reimbursement, Misc. Revenues, Interest Income, Grant Economic Development, SAP Grant-All Am. Park Lighting, Grant-Fire Station)
at: \$199,236

Councilor Williams asked on the Donations-Lincoln County Transit if we were anticipating anything on that even though we were pretty well involved with it? Carol Virden, City Clerk/Treasurer said we got an estimate of revenues of \$75,000 and \$15,000 according to Mickie Compton is estimating the fares fees, \$10,000 will come from Eastern New Mexico University. She said the county did agree to fund Lincoln County Transit in the amount of \$25,000, Ruidoso in the amount of \$25,000, and the City of Ruidoso Downs for \$25,000. She said that was a total of \$95,000 versus the \$41,000 for the Operating and Capital Outlay for those vans we are going to pick up. Terri Mosley, Finance/Procurement/Asset Control Director said they have set that up as a separate fund, fund 25.

Other Revenue Sources

(Small Cities Assistance, Bank of America rebate)
at: \$36,009

GENERAL FUND - REVENUES Totals:
at: \$3,384,031

GENERAL FUND - EXPENDITURES

Legislative

(Elected Officials, F.I.C.A.-Regular, F.I.C.A.-Medicare, WC Premium, Worker's Compensation -Assmnt, Travel-Mileage, Travel-Per Diem, Travel-Transportation, Vehicle Maintenance & Repair, Training, Vehicle Operation Costs, Telephone & Communications, Dues/Advertising/Subscriptions, Personnel Costs)
at: \$60,316

Municipal Courts Department

(Elected Officials, Full-Time Positions, Attendance Bonus, Part-Time Positions for Court, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt, Travel-Mileage, Travel-Per Diem, Building Maintenance & Repair, Vehicle Maintenance &

Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operations Costs, Uniforms, Telephone & Communications, Utilities, Dues/Advertising/Subscriptions, contracts & Professional Fees, Personnel Costs, Cap Out-Computer Equipment, Cap Out-Equipment)
at: \$154,775

Carol Virden, City Clerk/Treasurer said if the mayor and council will remember they approved the motion to approve the part-time Court Clerk for the Municipal Court based on the agreement.

Councilor Williams asked Judge Mansell if he agreed with the figures. Judge Mansell said everything was in order.

Councilor Williams asked Terri Mosley, Finance/Procurement/Asset Control Director to explain what the Cap Out consists of? Terri Mosley said the Cap Out-Equipment is for safety vest for their bailiff and the Cap Out-Equipment is for the replacement of older computer equipment. Judge Mansell said it would also be to add more memory. He said another thing is there is a court automation fund on the first page of \$3,500. He said out of every \$28 court cost there is money that goes to the court automation and each year you get back what went into that fund from the year before. If there is a frugal sale on a computer or a chair or something from court automation, they send it down to Ruidoso Downs, they basically loan the money for a month and then you get that back. He said it is only what goes in from one year to the next but you can't get back more than what you put in.

Councilor Williams asked when the part-time person will start working? Judge Mansell said he was hoping by the end of the month because he thought they were given \$2,000 for the rest of the fiscal year.

Election Department

(Other-Election Workers, Supplies-Election, Dues/Advertising/Subscriptions, Printing/Publishing/Advertising, Contracts & Professional Fees)
at: -0-

Terri Mosley, Finance/Procurement/Asset Control Director said they did not budget anything this year.

Executive Department

(Full-Time Positions, Attendance Bonus, F.I.C.A.-Reg., F.I.C.A.-Med., Retirement Contrib., Clothing Allowance, Insurance, WC Premium, Workers' Compensation (Assmt), Travel-Mileage, Travel-Per Diem, Travel-Transportation, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone &

Communications, Dues/Advertising/Subscriptions, Contract & Professional Fees, Personnel Costs)
at: \$106,624

Legal Department

(Materials & Supplies, Postage & Shipping, Contracts & Professional Fees, Financial Audit Services, Other-Grievance Costs/Other Legal)
at: \$287,088

Councilor Williams asked what the \$127,000 for Other-Grievance Costs, Other Legal was for? Carol Virden, City Clerk/Treasurer said it is monies funded for that line item for unusual circumstances that may arise with the city. Councilor Williams asked if it was for lawsuits? She said including pay-outs that are not covered under self-insurers. Councilor Williams asked if it was similar to the traffic light incident? Councilor Holman said the self-insurers fund covers different things in a lawsuit and then it is up to the municipality to cover the difference, such as back pay, they don't cover that.

Finance & Administration

(Full-time Positions-FA, Attendance Bonus, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation (Assmnt), Travel-Mileage, Travel-Per Diem, Travel-Transportation, Building Maintenance & Repair, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities, Dues/Advertising/Subscriptions, Insurance, Reappraisal Fees, Contracts & Professional Fees, Personnel Costs)
at: \$390,103

Jay Smith, Museum Director said he had a general question and it didn't reflect on Finance & Administration. He said travel and mileage, he has seen in the past he has seen that it was personal cars and asked if that had changed? Carol Virden, City Clerk/Treasurer said it was the same way, that if we were unable to take a city car and that's when that kicks in, when you have to take a personal vehicle.

Terri Mosley, Finance/Procurement/Asset Control Director said the one Cap Out item we have for that is for a fax machine.

Parks & Recreation

(Full-time Positions, Attendance Bonus, Part-time Maintenance, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Travel-Per Diem, Building Maintenance & Repair, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities,

Dues/Advertising/Subscriptions, Contract & Professional Fees, Personnel Costs, Cap Out-Equipment, Cap Imp-All American Park)
at: \$241,671

Councilor Williams asked Terri Mosley, Finance/Procurement/Asset Control Director to explain the Cap Out-Equipment of \$40,000 and Cap Imp-All American Park \$56,264. Terri Mosley said the Cap Out-Equipment was for playground equipment and the Cap Imp-All American Part was through a grant we received. Carol Virden, City Clerk/Treasurer said we received special appropriations funds from Representative "Dub" Williams through legislation in 2007 for \$71,700 for lighting in All American Park. She said all of the lighting that can be done has been done. In order for us to use the remaining funds for what the previous administration wanted as far as paving and possibly park equipment we requested from Representative "Dub" Williams to write a letter to the Department of Finance and Administration to reauthorize the remaining funds of \$56,264. She said we were hoping DFA will approve soon. Mark Lewis, Public Works Department said they thought they could redistribute that money and instead of using it on lighting that was unnecessary they could give it back to the kids and put playground equipment in, something they wouldn't have to worry about getting cut up and beat up on.

Senior Citizens Department

(Building Maintenance & Repair, Equipment Maintenance & Repair, Utilities, Activities, Funds for Van Driver)
at: \$36,082

Ada Hendryx, Program Director thanked them for all of their support over the past years. She said she had one question on the salary for the position of Cook Aide/Driver. She said the breakdown that was attached to her request was a total of \$27,108 and not the \$23,894. Carol Virden, City Clerk/Treasurer asked her when she submitted her request? Ada Hendryx said she submitted it on April 17, 2008. Carol Virden asked if she could make a copy of that breakdown and she made a copy. Councilor Hood said he is the manager at the Senior Center and it has been beneficial for the city to be involved in the program. He said the city has helped them a lot especially in special areas. He said our program is growing and there are more seniors in both communities that they are taking care of with Meals on Wheels and said he foresees it really growing as the population gets older our needs are going to grow.

Public Safety Department

(Full-time Positions-PD, Attendance Bonus, Temporary Positions-PD, Overtime-PD, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Travel-Per Diem, Building Maintenance & Repair, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle

Operation Costs, Uniforms, Telephone & Communications, Utilities, Other-
Ammunition, Other-Canine, Dues/Advertising/Subscriptions, Contracts &
Professional Fees, Personnel Costs, Cap Out-Vehicles, Cap Out-Cameras)

Terri Mosley, Finance/Procurement/Asset Control Director said there was an error
on F.I.C.A.-Medicare in that the figure of \$364 should be \$6,000. She said she would
make that correction.

Councilor Hood asked Chief Ortiz is only putting in for one vehicle would be
sufficient for the following year with his fleet getting so many miles on it? Chief
Ortiz said there was a possibility for two vehicles and that they would like to look at
it again in December. He said they were satisfied with one vehicle at this time.

at: \$1,078,591 (before correction)

Animal Control

(Full-time Positions, Attendance Bonus, Overtime, F.I.C.A.-Regular, F.I.C.A.-
Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium,
Workers' Compensation-Assmnt., Travel-Per Diem, Building Maintenance &
Repair, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials
& Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms,
Telephone & Communications, Utilities, Dues/Advertising/Subscriptions,
Contracts & Professional Fees, Personnel Costs)

at: \$56,088

Councilor Williams asked Chief Ortiz if \$100 will be enough for uniforms? Chief
Ortiz said they have been able to make this work for the uniforms. Carol Virden,
City Clerk/Treasurer said each of the employees also get a clothing allowance and
told them there was line item #10-63-42040 for clothing allowance to purchase more
uniforms as the year goes by.

Code Enforcement

(Full-time Positions, Attendance Bonus, F.I.C.A.-Regular, F.I.C.A.-Medicare,
Retirement Contributions, Clothing Allowance, WC Premium, Workers'
Compensation-Assmnt., Travel-Per Diem, Building Maintenance & Repair, Vehicle
Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies,
Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone &
Communications, Utilities, Dues/Advertising/Subscriptions, Contracts &
Professional Fees, Personnel Costs)

at: \$40,470

Mayor Armstrong asked why there was a zero under Insurance on the first page
under 10-64-42050? Terri Mosley, Finance/Procurement/Asset Control Director
said there was one employee and that employee does not have insurance.

Steve Dunigan, Planning & Zoning Director asked about WC Premium of \$183. Terri Mosley, Finance/Procurement/Asset Control Director said the \$183 was based it off the way it is setup of the coding. She said there was another employee in this line item before. Carol Virden, City Clerk/Treasurer said to remember that the Code Enforcement officer prior to the new one coming on board was making a higher wage than the current one so that makes a lot of difference.

Steve Dunigan, Planning & Zoning Director there is some training dollars which is great and there have been some other additions on other line items which is great but asked if he shouldn't have some in per diem for training that we should spend? He said they did not participate in very much training during the past year and there is only one employee. Carol Virden, City Clerk/Treasurer asked which one? Steve Dunigan, Planning & Zoning Director said they have no money set aside in per diem and while they only used a small amount this last year, if they find the right class it is not hard to use up to \$500 for one week out of town. He said he can move dollars from other lines but if there was a way to put something in that it would be good. Councilor Hood asked how much he needed for that? Steve Dunigan, Planning & Zoning Director said it used to be \$1,000 but that \$500 would be more than enough.

Planning & Personnel Services

(Full-time Positions, Attendance Bonus, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Reimb.-Political sign deposits, Travel-Per Diem, Building Maintenance & Repair, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities, Dues/Advertising/Subscriptions, Contracts & Professional Fees, Personnel Costs)
at: \$171,741

Councilor Williams said he thought they had bumped up the Vehicle Operation Costs by \$200 the last time they met. Terri Mosley, Finance/Procurement/Asset Control Director said she would correct that.

Street Department

(Full-time Positions, Attendance Bonus, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions-St., Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Travel-Per Diem, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Other-Traffic Light & Sign Maintenance, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities, Dues/Advertising/Subscriptions, Contracts & Professional Fees, Personnel Costs, Cap Out-Street Light Poles, Cap Out-Equipment)
at: \$282,060

Terri Mosley, Finance/Procurement/Asset Control Director said the Cap Out breakdown is an over the road truck at \$30,000, a street sweeper at \$28,000, and a snow plow at \$41,000.

Garage

(Full-time Positions, Attendance Bonus, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Travel-Per Diem, Building Maintenance & Repairs, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities, Dues/Advertising/Subscriptions, Contracts & Professional Fees, Personnel Costs, Cap Imp-Office & Training Room)
at: \$222,943

Councilor Williams said he thought they had raised the Vehicle Maintenance & Repair to \$3,500. Terri Mosley, Finance/Procurement/Asset Control Director said she would make that correction.

Fire Department

(Full-time Position, Attendance Bonus, Overtime-Fire, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Travel-Mileage, Travel-Per Diem, Building Maintenance & Repair, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Utilities, Dues/Subscriptions/Fees-Fire, Contracts & Professional Fees, Personnel Costs, Cap Out-Vehicles, Cap Out-Computer Equipment, Cap Out-Equipment, Wood Lane Fire Station)
at: \$208,501

Carol Virden, City Clerk/Treasurer asked Chief Ortiz to explain the \$41,000 the received under the State Appropriations and what they were going to do on the location of the fire station.

Chief Ortiz said the \$41,000 was a grant that was given to us from the state. He said they initially asked for a sub-station at the Wood Lane location but since then are trying to get another location because the area has not been approved by the fire marshal's office. They are looking at another site but they have two more years to put up the sub-station and find a location. The fire marshal's office has told them to go ahead and find another site and as soon as they determine another site they will utilize those funds.

Councilor Williams asked Chief Ortiz if they were going to get the vehicle they want? Chief Ortiz said the Cap Out-Vehicle would be for a fire vehicle. Councilor Williams asked if that would be a replacement vehicle? Chief Ortiz said yes, there are two high mileage vehicles and this would replace one of them. Councilor Williams asked what the money from the state funding would be used for? Chief

Ortiz said it is fire protection fund money and is used for operation costs. Councilor Williams asked if the \$41,000 was going to be used for the vehicles at the new sub station? Chief Ortiz said they will use the funds at that time.

Terri Mosley, Finance/Procurement/Asset Control Director said the \$3,600 would be used for hand-held radios.

Nondepartmental-1

(Humane Society)
at: \$27,000

Nondepartmental-2

(VOR Library, Safety Incentives/Awards, Visitors Center Bldg.)
at: \$108,000

Wayne Williams asked if the \$100,000 was just the Visitors Center building or if that was to include utilities that might be put in? Carol Virden, City Clerk/Treasurer said that was just for the building construction.

Transfers

(Trsf. from Gas Tax, Trsf. -10% Admin. Fees, Trsf. to Museum Fund, Trsf. to Solid Waste for Community Roll Off)
at: \$99,231

GENERAL FUND - EXPENDITURES Totals:
at: \$3,571,284

Terri Mosley, Finance/Procurement/Asset Control Director said that includes transfers. She said on the recap on the front page it is broken down.

GENERAL FUND - ACTUAL EXPENDITURES Totals:
at: \$3,472,053

Carol Virden, City Clerk/Treasurer said this will change with the corrections of Planning & Zoning of \$500, the \$3,214 for Workers' Comp, and the additional Medicare and Vehicle Operations.

Councilor Williams said the General Fund on page five for Revenue Sources the total is \$3,384,031. He said our expenses were going to be a little higher than \$3.5. Terri Mosley, Finance/Procurement/Asset Control Director said as of this printout our expenditures exceed our revenues by \$88,022. She said of that \$424,254 of Cap Out items will be one time expenditures.

LOCAL GOVERNMENT CORRECTION-REVENUE

(Correction Fees)
at: \$13,000

LOCAL GOVERNMENT CORRECTION-REVENUE Totals:
at: \$13,000

LOCAL GOVERNMENT CORRECTION-EXPENDITURES

(Building Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies,
Contracts & Professional Fees, Cap Out-Furniture, Cap Out-Equipment)
at: \$13,000

LOCAL GOVERNMENT CORRECTION-EXPENDITURES Totals:
at: \$13,000

Carol Virden, City Clerk/Treasurer said what is brought in is spent. She said the Local Government Correction Fees comes from the Municipal Courts.

JUDICIAL EDUCATION-REVENUE

(Judicial Education Fees)
at: \$1,500

LOCAL GOVERNMENT CORRECTION-REVENUE Totals:
at: \$1,500

JUDICIAL EDUCATION-EXPENDITURES

(Judicial Education Fees)

JUDICIAL EDUCATION-EXPENDITURES Totals:
at: \$1,500

Carol Virden, City Clerk/Treasurer said these also filter through the Municipal Courts.

COURT AUTOMATION-REVENUE

(DWI Lab Fees, DWI Prevention Fees, Court Automation Fees)
at: \$3,500

COURT AUTOMATION-REVENUE Totals:
at: \$3,500

COURT AUTOMATION-EXPENDITURES

(Court Automation Fees, DWI Lab Fees, DWI Prevention Fees)
at: \$3,500

COURT AUTOMATION-EXPENDITURES Totals:
at: \$3,500

LINCOLN TRANSIT-REVENUES

Carol Virden, City Clerk/Treasurer said we are now in Fund 25 which we call the Lincoln Transit. She said they will be plugging in the revenues of the \$15,000 for the fares, the costs on the van, the \$10,000 from Eastern New Mexico University, the \$25,000 from the Village of Ruidoso, the \$25,000 from the Lincoln County government, and the \$25,000 the City of Ruidoso Downs has pledged.

LINCOLN TRANSIT-EXPENDITURES

(Operations & Admin., Cap Out-Vehicles)
at: \$41,200

LINCOLN TRANSIT-Totals:
at: \$ 41,200

EMERGENCY MEDICAL SERVICES-REVENUE

(Emergency Medical Services)
at: \$11,288

EMERGENCY MEDICAL SERVICES-Lincoln Transit Totals:
at: \$11,288

EMERGENCY MEDICAL SERVICES-EXPENDITURES

(Travel-Per Diem, Equipment Maintenance & Repair, Materials & Supplies,
Training/Seminars-EMS, Cap Out-Equipment)
at: \$11,288

EMERGENCY MEDICAL SERVICES-Lincoln Transit Totals:
at: \$11,288

STREET IMPROVEMENT-REVENUE

(NMDOT Coop Grant 07-08, GRIP II Grant)
at: \$322,962

STREET IMPROVEMENT-EXPENDITURES

(Street Drainage-Maint. & Repair, Reconst.-West Drive, Replacement-Parker Bridge, Right of Way Acq.)
at: \$520,256

STREET IMPROVEMENT-TRANSFERS

(Trsf.-for Street Maintenance, Trsf.-Infrastructure)
at: (\$144,692)

STREET IMPROVEMENT Totals:
at: \$375,564

Councilor Williams asked how much has been spent so far on Parker Bridge for the engineering evaluation? Carol Virden, City Clerk/Treasurer said as of April 2008 it has been \$57,488. Councilor Williams asked if that was out of 261? Carol Virden, City Clerk/Treasurer said out of 261 but they haven't received any of that reimbursement yet.

GAS TAX ROAD FUND-REVENUE

(Gas Tax-.01, Gas Tax-.02)
at: \$14,412

GAS TAX ROAD FUND-TRANSFERS

(Trsf. to St Imp-Maint. & Repair, Trsf. to GF)
at: \$14,412

GAS TAX ROAD FUND Totals:
at: \$14,412

FIRE PROTECTION FUND-REVENUE

(Fire Allotment-DFA)
at: \$67,938

FIRE PROTECTION FUND-EXPENDITURES

(Travel-Mileage, Travel-Per Diem, Building Maintenance & Repair, Vehicle Maintenance & Repair, Materials & Supplies, Training, Telephone & Communications, Utilities, Personnel Costs, Cap Out-Vehicles, Cap Out-Truck Payments)
at: \$67,938

Councilor Williams asked Chief Ortiz if he knew how much more he had to pay on the fire vehicle that they are paying \$16,000 on? He said it was the 1999 model. Chief Ortiz said he did not know what the balance was on it. Terri Mosley, Finance/Procurement/Asset Control Director said she just made a payment and would get that total. She reported as of the payment date of May 13, 2008 the balance is \$82,008.56.

FIRE PROTECTION FUND Totals:
at: \$67,938

LAW ENFORCEMENT PROTECTION-REVENUE

(Law Enforcement-DFA)
at: \$24,800

LAW ENFORCEMENT PROTECTION-EXPENDITURES

(Travel-Per Diem, Materials & Supplies, Training, Uniforms, Cap Out-Computer Equip., Cap Out-Cameras)
at: \$24,800

LAW ENFORCEMENT PROTECTION Totals:
at: \$24,800

LODGERS' TAX FUND-REVENUE

(Lodgers' Tax 2%, Lodgers' Tax 3%)
at: \$187,152

LODGERS' TAX FUND

LODGERS' TAX FUND-EXPENDITURES PROMO

(Zia Festival, Golden Aspen Rally, Aspen Cash Rally, RD Auxiliary, Concert Series, Radio Advertising, Cowboy Symposium, Run to Ruidoso Downs, Alto Artists' Studio Tour, Military Appreciation Weekend, Chamber Music Festival, RD Chamber of Commerce)
at: \$26,000

LODGERS' TAX FUND-EXPENDITURES NON-PROMO

(Police/Traffic Control Coverage, All American Park-Walkway Constr.)
at: \$67,426

LODGERS' TAX FUND-TRANSFERS

(Trsf.-10% Admin Fees, Trsf.-Museum Fund, Trsf.-Museum of Am West)
at: \$108,149

LODGERS' TAX FUND Totals:
at: \$201,575

MUSEUM FUND-REVENUE

(Investment Income, Hubbard Museum Admissions, Museum Membership, Education/
Workshop Fees, Fall Photo Show, Gift Shop, Hubbard Found Contract, Fund Raising,
Donations, Other Revenue, Facility Rental)
at: \$785,542

Jay Smith, Museum Director said there was a line item left off for Foundation Contributions in the amount of \$35,000. He said this was a line item that was not created prior to this year because of the creation of the Hubbard Museum of the American West Foundation. He said it could be added to the Donation line. Terri Mosley, Finance/Procurement/Asset Control Director asked if it was a grant? Jay Smith, Museum Director said no and that it was anticipated revenues from the Foundation over the course of a year. He said it was in the Budget Request form that he sent to her. She said she would add that in.

MUSEUM FUND-MISCELLANEOUS

(HUD Grant)
at: \$87,458

MUSEUM FUND Totals:
at: \$908,000 (including \$35,000 correction)

MUSEUM FUND-EXPENDITURES

(Full-Time Positions, Attendance Bonus, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Comp-Assmnt., Travel-Per Diem, Travel-Transportation, Building Maintenance & Repair, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Other-Merchant Fees, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities, Dues/Advertising/Subscriptions, Insurance, Other-GRT, Contracts & Professional Fees, Personnel Costs, Fall Photo Reimb to Artists, Other-Gift

Shop Stock, Cap Out-Computer Equip., Cap Out-Imp Storage Bldg., Cap Out-Bldgs. & Imp.)
at: \$1,310,669

MUSEUM FUND-TRANSFERS

(Trsf.-General Fund, Trsf.-Lodgers' Tax Non-Promo, Trsf.-Lodgers' Tax-Museum & Fun)
at: (189,424)

MUSEUM FUND Totals:
at: \$1,121,245

RECREATION FUND-REVENUE

(Cigarette Tax Recreation)
at: \$1,400

RECREATION FUND-EXPENDITURES

(Youth Recreation Programs)
at: \$1,400

RECREATION FUND Totals:
at: \$1,400

INFRASTRUCTURE FUND-REVENUE

(Infrastructure-1/8 cent, Infra-Water & Sewer-1/8 cent)
at: \$270,648

INFRASTRUCTURE FUND-TRANSFERS

(Trsf.-Street Improvement, Trsf. to W & S Improvement)
at: 270,648

INFRASTRUCTURE FUND Totals:
\$270,648

DEBT FUND-REVENUE

(Debt Tax Collection)
at: \$37,733

DEBT FUND-EXPENDITURES

(Reappraisal Fees, Debt Payment-Principal, Debt Payment-Interest)
at: \$95,196

DEBT FUND TRANSFERS Totals:
at: \$95,196

COLONIAS GRANT-PH B1/B2-REVENUE

(CDBG Colonias Grant Reimb)
at: \$500,000

COLONIAS GRANT-PH B1/B2-EXPENDITURES

(Cap Imp-Water Improvement-Plb1)
at: \$550,000

COLONIAS GRANT-PH B1/B2 Totals:
\$550,000

SANITATION FUND-REVENUE

(Solid Waste Service Sales, NMGRT SW Service Sales, 1/16th Environmental GRT)
at: \$217,836

Carol Virden, City Clerk/Treasurer said when they collect the 1/16th Environmental Gross Receipts that it is a wash-out. She said as soon as it comes in they make a check out to the Lincoln County Solid Waste Authority and that is by ordinance

SANITATION FUND-EXPENDITURES

(Community Roll Out, Solid Waste Service Sales, 1/16th Environmental GRT)
at: \$221,576

SANITATION FUND-TRANSFERS

(Trsf. from General Fund)
at: \$23,000

SANITATION FUND Totals:
at: \$198,576

JOINT WATER & SEWER FUND

WATER REVENUE

(Water Sales, Late Fees, Sales Tax, Water Connections-TAPS, Water Re-connection Fees, Other Revenues, Interest Income)

at: \$446,790

SEWER REVENUE

(Inspection Fees, Sewer Sales, Sales Tax)

at: \$306,833

JOINT WATER & SEWER FUND Totals:

at: \$753,623

WATER-EXPENDITURES

(Full-Time Positions-WATER, Attendance Bonus, Overtime-WATER, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Travel-Per Diem, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities, Dues/ Advertising/Subscriptions, Other-Utility GRT, Contracts & Professional Fees, Personnel Costs, Other-NMED Water Conservation, Cap Out-Computer Equipment, Cap Out-Equipment, Cap Out-Improvements, Other-GMAC Payment)

at: \$423,114

Terri Mosley, Finance/Procurement/Asset Control Director said she wanted to point out that the \$25,000 for Cap Out-Improvements was for fencing to go around our spring. Mark Lewis, Public Works Department said they got a sanitary deficiency from the Environment Department, actually a couple of times. He said this has been carried over and that they were going to get it done and it enclosed with a proper building over the top of it.

Terri Mosley, Finance/Procurement/Asset Control Director said the \$3,000 in Cap Out-Equipment is a pipe locator. Mark Lewis, Public Works Department said in the past they have used a brass rod to locate pipes and it was time to come into the 21st century with more modern equipment.

SEWER-EXPENDITURES

(Full-Time Positions-SEWER, Attendance Bonus, F.I.C.A.-Regular, F.I.C.A.-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Workers' Compensation-Assmnt., Travel-Per Diem, Vehicle Maintenance & Repair, Equipment Maintenance & Repair, Materials & Supplies, Postage & Shipping, Training, Vehicle Operation Costs, Uniforms, Telephone & Communications, Utilities, Dues/ Advertising/Subscriptions, Other-Wastewater Treatment Ops, Other-WW Reserve Funds, Other-Utility GRT, Contracts & Professional Fees, Personnel Costs, Cap Out-Equipment)

at: \$291,881

Terri Mosley, Finance/Procurement/Asset Control Director said this was based off our current and that they had just received a new budget from the JUAB meeting and would make adjustments to that.

Terri Mosley, Finance/Procurement/Asset Control Director said the Cap Out-Equipment of \$5,000 is for sewer pumps. Mark Lewis, Public Works Department said these are lift station pumps. He said they have replaced three in the past year. One at the circle lift station and did not have a backup for it so they would put a backup there. Another unit was replaced at Turkey Canyon as well as took that one and rebuilt it so they do have a backup for Turkey Canyon.

Councilor Williams asked under Contracts & Professional Fees if that was for Dennis Engineering? Terri Mosley, Finance/Procurement/Asset Control Director said no. She said the engineers were mainly being paid out of fund 56 which is Water & Sewer Improvement.

WATER & SEWER NON-DEPARTMENTAL

(RR Restoration, Other-WCS Loan, Other-WWTP Loan, Other-Agua Fria Bond Payment)
at: \$78,810

TRANSFERS

(Transfer from W & S Imp.)
at: \$(55,000)

JOINT WATER & SEWER FUND Totals:
at: \$793,805

Carol Virden, City Clerk/Treasurer said the utility clerk is paid half from the water and half from the sewer. She said everything is split between the accounts.

WATER & SEWER IMPROVEMENTS

REVENUE

(SAP 04-STB Wastewater Pl Upg, SAP 07 STB Wastewater Pl Upg, STAG Grant WWTP, SAP 05-Water Well Drilling, SAP 05-Water Well (NMGF), SAP 06-Sewer Line Constr.)
at: \$1,860,825

Terri Mosley, Finance/Procurement/Asset Control Director said the well drilling of \$495,000 and \$225,000 are grants that are included that they will be using. Carol Virden, City Clerk/Treasurer said it is in conjunction with the 2005 CDBG grant. She said they also did not place the \$750,000 grant provided by the 2008 legislature until the grant is executed

by the City of Ruidoso Downs officials. She said once we do that they will come back and do a budget adjustment increase for the revenues and expense.

EXPENDITURES

(Prop & Water Rights Acq., Agua Fria Sewerline Imp 1, Water & Sewer Line Replacement, Well Dev-Riverside Site)
at: \$760,000

TRANSFERS

(Trsf-1/16th GRT from Infra)
at: \$(135,324)

WATER & SEWER IMPROVEMENTS Totals:
at: \$624,676

Terri Mosley, Finance/Procurement/Asset Control Director said the total includes the transfer that is coming in.

SEWER SYSTEM CAP EQUIP & INFRA

REVENUE

(Reserve Fund)
at: \$7,500

Terri Mosley, Finance/Procurement/Asset Control Director said at this time there are no expenditures.

WATER SECURITY FUND

REVENUE

(Water Meter Deposits)
at: \$2,500

EXPENDITURES

(Refund Deposit)
at: \$1,900

Carol Virden, City Clerk/Treasurer said the Water Security Fund is also known as a Public Trust account because it does not belong to us.

GRAND TOTALS:

at: \$572,141

Jay Smith, Museum Director said there was something missed for the Museum on the expenditure side under Clothing Allowance. He said they need to up that and the figure they talked about at the budget meeting was \$14,500. Councilor Hood asked what page that was on. Jay Smith said on page 55. Terri Mosley, Finance/Procurement/Asset Control Director asked him to explain this. He said unsure of why this happened but not all of his full-time employees were receiving the clothing allowance and it was his understanding that all full-time employees were to receive the clothing allowance. When it was brought to his attention he said he discussed it with Carol Virden, City Clerk/Treasurer it was taken care of at the time and this would be an adjustment to that.

Terri Mosley, Finance/Procurement/Asset Control Director said she was asked to work up several different scenarios of cost of living wages. She said this was in the side pocket of their packages and had it broken out with the documents behind it. As of right now what she had in this preliminary budget is the 5% increase without an administrator. If there was no increase without an administrator it would be \$2,773,780.15. If there was no increase with an administrator it would be 2,879,073.14. The difference would be \$105,292.99. She said she did it with and without an administrator at 4%, 4 1/2%, and 5%.

Carol Virden, City Clerk/Treasurer said the question they need to ask in order to go forward in order to make the corrections that were brought up at the budget workshop is what direction they would like to take as far as an increase for employees excluding four? Terri Mosley, Finance/Procurement/Asset Control Director said the increases do not involve herself, the city clerk, the Public Works Director, the Payroll/Personnel, and the part-time parks employees.

Councilor Williams asked who does the hiring of the part-time parks employees? Carol Virden, City Clerk/Treasurer said the department director goes through the process of advertising and interviewing and then will make a personnel recommendation to the council for approval. Councilor Williams asked if we normally hire a seasonal? Steve Dunigan, Planning & Zoning Director said they have in the past. Jay Smith, Museum Director said he had a question to ask Mayor Armstrong. He said they have a step system for employees, a three-year step system. He asked if that was something that was going to be looked at in the future or was it going to remain in place at least as a policy for new employees? He said the reason he asks is that the museum employees are coming up on that three-year mark and a lot will cross that during the next fiscal year.

Mayor Armstrong said he did not know. Carol Virden, City Clerk/Treasurer said the step system is created through the budget process and was not an actual policy. She said it is a resolution up until June 30, 2008. She said they don't have a copy of the salary sheets and they didn't include step system in that.

Carol Virden, City Clerk/Treasurer said the preliminary budget has to be in Santa Fe by June 1st. Councilor Williams asked what the process was now? Carol Virden, City Clerk/Treasurer said they just need some direction because they cannot take action during budget workshop. Once they make corrections to the budget worksheet and with some type of direction of what the council is looking at as far as an increase. Councilor Williams said their budget is solid right now and they don't have any deficiencies they can identify, everything is covered that needs to be covered without surprises that come up. He said with our revenue projection and our economy being in the position we are in right now and being conservative as they had talked about in the workshop, he wanted to thank the department directors for being conservative. He said they wanted to increase the cost of operation of vehicles because of the cost of gas. He said hopefully by mid-budget year they would be able to do something for the public safety and retirement issue they talked about.

Carol Virden, City Clerk/Treasurer said what was discussed with the finance and budget committee in looking at possibly the Public Retirement Employees Retirement Plan. She said at mid-year they were going to come up with something after they get all the numbers from PERA on possibly getting into a different plan. This means the percentage or dollar amount for employer/employee will certainly increase, it may not be this year but maybe the next fiscal year. Councilor Williams said right now the public safety is in the municipal retirement fund instead of the police retirement fund which is obviously a disadvantage when competing with others and that we are working toward that and our ability to retain them. He said the city offers insurance at 90/10 right now and are looking at going to 80/20 eventually, it's cost-effective for the city and beneficial for employees too. He said right now we just want to give 5% and said he felt that was a strong message to our employees that they deserve to have something solid.

Jay Smith, Museum Director asked what the actual percentage is that we save from our self-insurer's fund for doing the safety training, the 16 and 8 hours that we are asked to give? Steve Dunigan, Planning & Zoning Director said they have not done a cost analysis on that because you cannot put a price on safety. He said he thought they had reached about a \$14,000 range and that wouldn't cover the amount of hours. Carol Virden, City Clerk/Treasurer said the safety hours have a relationship to Workers' Comp and is based on the past two years.

Carol Virden, City Clerk/Treasurer said they would make the increases requested by the department directors and other adjustments discussed along with the 5% increase. She said the mayor and councilors would have a clean preliminary budget in their packages for the May 27th council meeting.

Councilor Olivo thanked Terri and Carol for the work they put into the budget process. Councilor Hood agreed that they worked hard on the budget and always have.

ADJOURNMENT

Mayor Armstrong entertained a motion to adjourn.

Councilor Olivo moved to adjourn at 5:05 p.m. Seconded by Councilor Hood. Motion passed unanimously.

Tom E. Armstrong, Mayor

ATTEST:

Carol Virden, City Clerk/Treasurer