

MINUTES OF THE CITY COUNCIL
OF THE CITY OF RUIDOSO DOWNS
CITY COUNCIL CHAMBERS
BUDGET WORK SESSION
MAY 17, 2010
3:00 P.M.

The Council of the City of Ruidoso Downs met in regular session on May 17, 2010. 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 Olivo
Councilor Holman

Councilor Williams
Councilor Hood

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

Also present:

Carol Virden, City Clerk/Treasurer
Steve Dunigan, Planning & Zoning Director
Cleatus Richards, Public Works Director
Terri Mosley, Finance Director
Jay Smith, Museum Director
A.C. Ortiz, Chief of Police

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 Williams.

Roll call votes: Councilor Olivo, Aye; Councilor Williams, Aye; Councilor Holman, Aye; Councilor Hood, Aye. Motion carried.

INTRODUCTION OF FISCAL YEAR 2010-2011 BUDGET

Mayor Armstrong stated next item on the agenda was the Introduction of Fiscal Year 2010-2011 Budget.

Terri Mosley, Finance Director said the Budget Committee met on several meetings with Department Directors to work on the 2010-2011 preliminary budget. She said we have worked with them and believe with making a few cuts from their original requests they were now presenting a workable budget.

Terri said she wanted to point out that they have excluded all of the cap-out purchases from the General Fund and most of the other funds. The only capital expenditures will be the projects which are budgeted with grant money involved. There is no cost of living increase and no health insurance increase. We have put the same amount of \$27,000 in for the Humane Society. We have include \$24,000 for the 911 Program and \$5,000 for the Ruidoso Library. She said they have a transfer to the Hubbard Museum from the General Fund of \$40,000 and that is a \$40,000 decrease from this year. There is an overall budget decrease in the General Fund expenditures of \$88,271 and a significant increase in the Sewer Department of \$75,613 for the Wastewater Treatment Plant Operations and Reserves. She said they do meet the 1/12th reserves from the General Fund which is mandated by DFA and that is currently \$270,468.00.

Terri said they could go over each one of these by department or by fund.

Councilor Holman said he would like for Terri to just give them an overall picture of the status of how they are doing as far as assets and liabilities and how much they owe on long-term. He asked if they were good on the long-term?

Terri Mosley, Finance Director said they were in good shape. There is plenty of money in the beginning cash balances. Revenues in the General Fund are a little bit lower than our expenditures in the new budget but it has decreased from what it was from the last fiscal year. We are still working on the Wastewater Treatment Plant and we still have the grant money we are using for that. She said she thought they would be finished with it in March 2011. The bare budget is the one that has really increased. Most of the others did try to decrease their expenditures by 10% and they were pretty bare bones budgets anyway. The arrears for the General Fund was \$84,171.00

Terri said there are a couple of changes she has to make on the budget. She said she got a memo from DFA on Friday afternoon. She said they need to remove the cigarette recreation tax distribution that they budgeted for this year because they are not going to get those. So, on page 1 is the worksheet they need to make the \$3,320 to a zero. On page 61 the \$1,400 they were going to get on cigarette recreation tax they need to zero both the expenditure and revenue. On page 65 they need to add in CDBG Grant in the amount of \$472,898 in the revenues and expenditures.

Terri said they have been told that there is a chance with the next legislature that they will do away with the Hold Harmless Clause for our food. If that happens she said they will come back before the council and decrease the budget because that is what most of the General Fund budget is.

Mayor Armstrong asked what the total is on that?

Terri said the projection is that they could stand to lose \$600,000.00

Terri asked if they would like for her to go by each department?

Councilor Hood said yes.

Councilor Williams asked if the Hold Harmless was lifted would the food tax be reinstated?

Carol Virden, City Clerk/Treasurer said there is a strong possibility that the 2011 Legislative Session may come up and do away with the Hold Harmless provision that is in place that they fought so hard for through the New Mexico Municipal League. If the legislators do away with the food tax our General Fund budget will have to decrease and they came up with a figure close to \$600,000.00. She said January is not far away for the 60-day sessions.

Terri said they need to make another change before starting on page 4 under the Litter and Beautification Grant that they budgeted \$7,000 and she has just been told it will be \$6,500.00. She said on page 33 the expenditure that goes with that revenue they had the budget set at \$7,000 and that needs to go to \$6,500.00.

Terri said the other report that is in the binder has the totals and she was going to read from that as follows:

General Fund-Revenues

Taxes (Franchise, State Dist. GRT, Property Taxes-Current, Property Taxes-Prior)	\$1,690,540
Intergovernmental (Gasoline Tax, Municipal Dist. GRT 1.225%, Motor Vehicle- Registr.-all, State Racing Comm. Tax)	\$1,384,831

Licenses & Permits <i>(Animal License, Animal Vacc. Fees, Bldg. Permits, Bus. Reg., Late Fees, Liquor License, Sign Permits, Mob. Home Permits, Phosphorus Permits)</i>	\$ 14,040
Charges for Services <i>(Printing & Copying Charges, Street Cut Repairs, P & Z Fees, Ballfield Fees)</i>	\$ 3,569
Fines & Forfeitures <i>(Court Fees, Bond Forfeitures, Mag. Court Fee, Court Automation Funds, Court Overpayments)</i>	\$ 80,743
Miscellaneous <i>(Workforce Reimb., PD-Reimb. OT JAG, PD-Warrant Enf. Program, LCDWI Grant, Misc. Rev., Donations-Flood Disaster, Misc. Donations, Insurance Claim, PD Donation-Compass Bank, FD Reimb.-NM State Forest, Interest Income, Sale of Declared Surplus, Parks Donations-City Cleanup, Grant-EMNRD (Fire), Grant-Economic Dev., SAP Grant-All Amer. Park lighting, Grant-Fire Station, Grant-Litter Control & Beaut., Deposit- Arts & Crafts Show)</i>	\$ 13,112
Other Revenue Sources <i>(Small Cities Assistance, Bank of America rebate, Wright Express rebate)</i>	\$ 37,677

General Fund-Total Revenues \$3,224,512

General Fund-Expenditures

Legislative	\$ 54,050
Municipal Courts Department	\$ 163,305
Election Department	-0-
Executive Department	-0-

Legal Department	\$ 264,448
Finance & Administration	\$ 523,478
Parks & Recreation	\$ 164,074
Senior Citizens Department	\$ 10,168
Police Department	\$1,078,257
Animal Control	\$ 56,759
Code Enforcement	\$ 54,051
Planning & Zoning	\$ 185,127
Street Department	\$ 349,413
Garage	\$ 200,068
Fire Department	\$ 75,914
Nondepartmental-1 <i>(Humane Society, Litter & Beautification Control)</i>	\$ 34,000
Nondepartmental-2 <i>(E 911 Safety Incentive, Ruidoso Library)</i>	\$ 32,500
Transfers <i>(to and from)</i>	\$ 63,071
<u>General Fund-Total Expenditures</u>	<u>\$3,308,683</u>

Local Government Correction

Revenue	\$ 13,000
Expenditures	\$ 13,000

Local Government Correction-Totals \$ -0-

Judicial Education

Revenue \$ 3,000

Expenditures \$ 3,000

Judicial Education Education-Totals \$ -0-

Court Automation

Revenue \$ 6,950

Expenditures \$ 6,950

Court Automation-Totals -0-

Lincoln County Transit-Revenues

Charges for Services \$ 15,000
(Fares)

Miscellaneous \$ 200,710
(Insurance Claim, Grant)

Other Revenue Sources \$ 51,000
(ENMU Match, VOR Match, Lincoln County Match)

Total Revenues-Totals \$ 266,710

Lincoln County Transit-Expenditures

Expenditures-Totals \$ 283,337

Lincoln County Transit-Transfers

Transfers-Totals	-\$ 28,308
<u>Lincoln County Expenditure-Totals</u>	<u>\$ 255,029</u>
<u>Lincoln County Transit-Totals</u>	<u>\$ 11,681</u>

Emergency Medical Services-Revenues

Revenue-Totals	\$ 5,750
----------------	----------

Emergency Medical Services-Expenditures

Expenditures-Totals	\$ 5,750
<i>(Travel-Mileage, Travel-Per Diem, Equip. Maint. & Repair, Materials & Supplies, Training/Seminars-EMS, Safety Equip.-EMS, Encumbrances-Carry Over, Cap Out-Computer Equip., Cap Out-Equip.)</i>	

<u>Emergency Medical Services-Totals</u>	<u>-0-</u>
--	------------

Street Improvement-Revenues

Revenue-Totals	\$ 34,145
<i>(NMDOT Coop Grant 08-09, NMDOT Coop Grant 2010, NMDOT Coop Grant 07-08, GRIP II Grant, GRIP II Grant-Hwy 70 Pedestrian)</i>	

Street Improvement-Charges for Services

Charges for Services-Totals	\$ -0-
-----------------------------	--------

Street Improvement-Expenditures

Expenditures-Totals	\$ 65,527
<i>(Street Drainage-Maint. & Repair, Encumberances-Carry Over, Hwy 70 Pedestrian Access, Reconst. of Nevada Ln., Reconst. of West Dr., Replacement-Parker Bridge, Right of Way Acq.)</i>	

Street Improvement-Transfers

Transfers-Totals \$ 162,081
(Street Maint., Infrastructure, from GF)

Street Improvement-Totals \$ 130,699

Gas Tax Road Fund-Revenues

Revenue-Totals \$ 13,320
(Gas Tax .01 and Gas Tax .02)

Gas Tax Road Fund-Expenditures

Expenditures-Totals \$ -0-

Gas Tax Road Fund-Transfers

Transfers-Totals \$ 13,320
(Trsf. To St Imp-Maint. & Repair, Trsf. to GF)

Gas Tax Road Fund-Totals \$ -0-

Fire Protection Fund-Revenues

Revenue-Totals \$ 58,584
(Fire Allotment -DFA)

Fire Protection Fund-Expenditures

Expenditures-Totals \$ 58,584
(Travel-Mileage, Travel-Per Diem, Bldg. Maint. & Repair, Materials & Supp., Veh. Maint. & Repair, Materials & Supp., Training, Veh. Oper. Costs, Telephone & Comm., Utilities, Personnel Costs, Encumbrances-Carry Over, Cap-Out: Vehicles, Computer Equip., Office Equip/Operation, Equip., Oper Materials/Tools, Improvements, Truck Pmts.)

Fire Protection Fund-Totals \$ -0-

Federal Emergency Mgmt Agency-Revenues

Revenues-Totals \$ 29,730
(PW-59 (0), 67, 68, 150, 151, 158, 159, 148)

Federal Emergency Mgmt Agency-Expenditures

Expenditures-Totals \$ 100,945
(same)

Federal Emergency Mgmt Agency-Transfers

Transfers-Totals - \$ 2,792
(Trsf from General Fund)

Federal Emergency Mgmt. Agency-Totals -\$ 68,423

Law Enforcement Protection-Revenues

Revenues-Totals \$ 24,800

Law enforcement Protection-Expenditures

Expenditures-Totals \$ 24,800
(Travel-Mileage, Travel-Per Diem, Veh. Maint. & Repair, Materials & Supp., Training, Uniforms, Encumberances, Capt-Out: furniture, vehicles, computer equip., cameras, equip., oper. Materials & tools)

Law Enforcement Protection-Totals \$ -0-

Lodgers' Tax Fund-Revenues

Revenues-Totals	\$ 177,285
Lodgers' Tax Fund-Misc. Donations	
Misc. Donations	\$ -0-
Lodgers' Tax Fund-Expenditures	
Expenditures-Promo	\$ -0-
Lodgers' Tax Fund-Non Promo	
Non-Promo <i>(Materials & Supp., Police/Traffic Control Coverage, All Amer. Park)</i>	\$ 28,000
Lodgers' Tax Fund-Transfers <i>(Lincoln Co. Transit, 10% Admin. Fees, HMAW- Promotional, HMAW-Non Promotional)</i>	\$ 135,461
Lodgers' Tax Fund-Totals	\$ 13,824

Museum Fund-Revenues

Revenues-Totals <i>(Investment Income, Admissions, Memberships, Educ./Workshop Fees, WAA Gross Proceeds, Fall Photo Show, Gift Shop, Hubbard Gift, Found. Contract, Fund Raising, Dontions, Found. Contri- butions, Other Revenue, Facility Rental)</i>	\$ 881,000
--	------------

Museum Fund-Miscellaneous

Miscellaneous-Totals <i>(Ins. Claim, Sale of Declared Surplus, HUD Grant, Hubbard Found. Grant, NM Tourism Advert. Grant, Cope Learning Center, Donation-Microphones, Grant)</i>	\$ 33,000
---	-----------

Museum Fund-Expenditures

Expenditures-Totals	\$ 981,055
<i>(Full-Time Positions, Safety/Longevity Pay, Part-Time Positions, Overtime, FICA-Reg., FICA Medicare, Retirement Contributions, Clothing Allow., Insurance, WC Premium, WC Assmnt., Travel-Mileage, Travel-Per Diem, Travel-Transportation, Bldg. Maint. & Repair, Veh. Maint. & Repair, Equip. Maint. & Repair, Materials & Supp., Postage & Shipping, Training, Other-Merchant Fees, Veh. Oper. Costs, Veh. Oper. Costs, Uniforms, Tele. & Comm., Utilities, Dues/Advert./Subscriptions, Insurance, Other-GRT, Contracts & Prof. Fees, Personnel Costs, WAA Whole Reimb. to Artists, Reimb. to Artists-consignments, Fall Photo Reimb. to Artists, Encumbrances-Carry Over, Other-Gift Shop Stock, Cope Learning Center, Cap Out: computer equip., equip., Imp.(Storage Bldg.), Bldgs. & Imp.)</i>	

Museum Fund-Transfers

Transfers-Totals	\$ 129,424
<i>(General Fund, Lodgers' Tax Non-Promo, Lodgers' Tax Promotional)</i>	

Museum Fund-Expenditure Totals	\$ 851,631
---------------------------------------	-------------------

<u>Museum Fund- Totals</u>	<u>\$ 62,369</u>
----------------------------	------------------

Recreation Fund-Revenues

Revenues-Totals	\$ -0-
-----------------	--------

Recreation Fund-Miscellaneous

Misc.-Totals	\$ -0-
--------------	--------

Recreation Fund-Expenditures

Expenditures-Totals	\$ -0-
---------------------	--------

<u>Recreation Fund-Totals</u>	<u>\$ -0-</u>
-------------------------------	---------------

Infrastructure Fund-Revenues

Revenues-Totals <i>(Infrastructure-1/8 cent, Water & Sewer 1/8 cent, WWTP 1/8 cent)</i>	\$ 273,506
--	------------

Infrastructure-Expenditures

Expenditures-Totals <i>(principal, interest)</i>	\$ 6,116
---	----------

Infrastructure-Tranfers

Transfers-Totals <i>(Street Improvement, trst. To W & S Improvement)</i>	\$ 136,753
---	------------

<u>Infrastructure-Totals</u>	<u>\$ 267,390</u>
------------------------------	-------------------

Debt Fund-Revenues

Revenues-Totals <i>(Bond Proceeds, Debt Tax Collection-Current, Debt Tax- Prior, Interest on Investment)</i>	\$ 114,573
---	------------

Debt Fund-Expenditures

Expenditures-Totals <i>(Reappraisal Fees, Debt Payment-Principal, Debt Tax Collection-Prior, Interest on Investment)</i>	\$ 95,104
---	-----------

Debt Fund-Transfers

Transfers-Totals	\$ -0-
------------------	--------

<u>Debt Fund-Totals</u>	<u>\$ 19,469</u>
-------------------------	------------------

Debt Service-WWTP-Revenues

Revenues-Totals	\$	-0-
Expenditures-Totals	\$	-0-
Transfers-Totals	\$	-0-
<u>Debt Service-Totals</u>	\$	<u>-0-</u>

Infrastructure Grant-PH 1

Expenditures-Totals	\$	-0-
Transfers-Totals	\$	-0-
<u>Infrastructure Grant-PH 1-Totals</u>	\$	<u>-0-</u>

Sanitation Fund

Revenues-Totals <i>(Solid Waste Service Sales, NMGRT SW Service Sales, 1/16th Environmental GRT)</i>	\$	230,556
Expenditures-Totals <i>(Community Roll Out, Solid Waste Service Sales, 1/1/6th environmental GRT, Encumberances-Carry Overs)</i>	\$	256,556
Transfers-Totals <i>(Trsf. from General Fund)</i>	-\$	26,000
<u>Sanitation Fund-Totals</u>	\$	<u>-0-</u>

Joint Water & Sewer Fund

Water Revenues-Totals <i>(Water Sales, late Fees, Sales Tax, NSF check for utility accts., Water Connections (TAPS), Water Re-connect fees,</i>	\$458,637
--	-----------

Other Revenues, Insurance Claim, Interest Income, Sale of Declared Surplus, Clean-Up)

Sewer Revenues-Totals \$315,675
(Inspection Fees, Sewer Sales, Sales Tax, Connection Fee, Misc. Revenues-Sewer materials, Sale of Declared Surplus)

Water Expenditures -Totals \$466,051
(Full-Time Positions-WATER, Safety/Longevity Pay, Overtime-WATER, FICA Regular, FICA-Medicare, Retirement Contributions, Clothing Allowance, Insurance, WC Premium, Worker's Comp. (Assmnt.), Travel-Mileage, Travel-Per Diem, Travel-Transportation, Bldg. Maint. & Repair, Veh. Maint. & Repair, Equip. Maint. & Repair, Materials & Supplies, Postage & Shipping, Training, Veh. Operation Costs, Uniforms, Tele. & Comm., Utilities, Dues/Advert/ Subscriptions, Other-Utility GRT, Contracts & Prof. Fees, Personnel Costs, Other-NMED Water Cons., encumbrances-Carry Over, Emergency-flood, Cap Out-furniture, vehicles, computer equip., office Equip. Operation, equip, Oper. Materials/Tools, improvements, Cap Out, Other-GMAC Payment, Bad debt, Interest Exp, depreciation)

Sewer Expenditures-Totals \$330,601
(same as above)

Water & Sewer Non-Departmental-Totals \$ 94,833
(Refund-overpayment, Prof. Hydrology Service, Encumbrances-Carry Over, RR Restoration, Settlement Agmt., Other-WCS Loan, Other-WWTP loan, WC Premium W & S, Other-Agua Fria Bond Pmt.)

Transfers-Totals \$ 39,333
(Trsf. from W & S Imp., Trsf. to Reserve Fund)

Joint Water & Sewer Fund-Totals: \$ 77,840

Water & Sewer Improvements

Revenues-Totals	\$1,980,893
<i>(SAP 04-NMGF Water Tank, SAP 06-(STB) WWT Plant Upg, SAP 06 (GF) WWT Plant Upg, SAP 06 07 (GF) WWT Upg, SAP 04 (STB) WWT Plant Upg, SAP 07 (STB) WWT Plant Upg, STAG Grant WWT Plant Upg, SAP 08 (STB) WWT Plant Upg, EDA Grant-WWTP, Stimulus Grant, Gov Innovative Funding, USDA Proceeds, SAP 05-Water Well (NMGF), SAP 06-Sewer Line Const.)</i>	

Expenditures-Totals	\$2,010,000
<i>(Encumbrances-Carry Over, Other-Late Charges, Prop & Water Rights Acq, Wood Lane/Miriam Sewerline, Agua Fria Sewer Line Imp 1, Water or Sewer Line Replacement, Cap Imp-Wastewater Plant Imp, WWTP Const Bond Proceeds, Cap Imp-Recon Water Storage Tank, Cap Imp-Water Tank Constr, Cap Imp-Denton Well Imp, Well Dev-Riverside Site, Gov Innovative Funding Imp)</i>	

Transfers-Totals	\$ 85,420
<i>(Trst-1/16th GRT from Infra, Trsf-GO Bond, Trsf-to F55, Trsf-Water Fund, Trsf-Water)</i>	

<u>Water & Sewer Improvements-Totals</u>	<u>\$ 56,313</u>
--	------------------

Sewer System Cap Equip & Infra

Revenues-Totals	\$ -0-
<i>(Reserve Fund)</i>	

Expenditures-Totals	\$ -0-
<i>(Cap Out-Equipment)</i>	

Transfers-Totals	\$ 12,000
<i>(Trsf-W & S Fund)</i>	

<u>Sewer System Cap Equip & Infra-Totals</u>	<u>\$ 12,000</u>
--	------------------

Asset Mgt. Reserve

Transfers-Totals \$ -0-
(Trst-Infrastructure)

Asset Mgt. Reserve-Totals \$ -0-

Water Security Fund

Revenues-Totals \$ 2,000
(Water Meter Deposits)

Miscellaneous-Totals \$ -0-
(Misc. Revenues)

Expenditures-Totals \$ 1,595
(Materials & Supplies, Refund Deposit, Apply deposit
to account)

Water Security Fund-Totals \$ 76,326

Terri Mosley, Finance Director asked if there were any questions?

There were no questions.

Mayor Armstrong asked if there was any discussion?

There was no discussion.

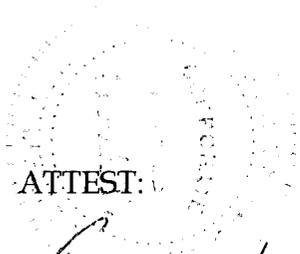
Carol Virden, City Clerk/Treasurer said the preliminary budget will be on the May 24th Council Agenda for approval. The preliminary budget will be in Santa Fe prior to June 1, 2010. During June and July our budget analyst will look through the preliminary budget. Once it is authorized as approval they will get a letter in the latter part of July. At that point we will issue a notice to the public that there will be a Public Hearing on the final budget for fiscal year 2010-2011. At that time the governing body will adopt and approve it as the FY 2010-2011 budget to be submitted to the Department of Finance and Administration.

ADJOURNMENT

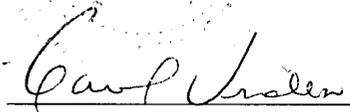
They're being no further business to attend to Mayor Armstrong entertained a motion to adjourn.

Councilor Holman moved to adjourn at 3:45 p.m. Seconded by Councilor Williams.

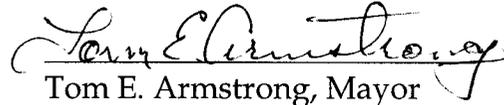
All were in favor and motion passed.



ATTEST:



Carol Virden, City Clerk/Treasurer



Tom E. Armstrong, Mayor