

MINUTES OF THE CITY COUNCIL  
OF THE CITY OF RUIDOSO DOWNS  
CITY COUNCIL CHAMBERS  
REGULAR MEETING  
NOVEMBER 13, 2012  
5:30 P.M.

The Council of the City of Ruidoso Downs met in regular session on November 13, 2012. Mayor Williams called the meeting to order at 5:30 p.m. and asked Jim Kofakis to lead the Pledge of Allegiance. Mayor Williams asked Carol Virden, City Clerk/Treasurer to take roll call. The following were present:

Councilor Holman  
Councilor Miller

Councilor Perry

Absent: Councilor Hood

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

Also present:

H. John Underwood, City Attorney  
Terri Mosley, Finance Director  
Jim Kofakis, Museum Director

APPROVAL OF AGENDA

Mayor Williams stated next item on the agenda was Approval of Agenda.

Mayor Williams said it has been requested to move Item A & B under Other Business to Mayor's Comments and entertained a motion to approve the Agenda with those changes.

Councilor Miller moved to approve the agenda with those changes. Seconded by Councilor Perry.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

APPROVAL OF CONSENT AGENDA

Mayor Williams stated next item on the agenda was approval of the Consent Agenda.

Mayor Williams entertained a motion to approve the Consent Agenda.

Councilor Miller moved to approve the Consent Agenda. Seconded by Councilor Perry.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

APPROVAL OF MINUTES OF REGULAR MEETING OF OCTOBER 22, 2012

Councilor Miller moved to approve the Minutes of the Regular Meeting of October 22, 2012. Seconded by Councilor Perry.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

APPROVAL OF ACCOUNTS PAYABLE

Councilor Miller moved to approve Accounts Payable. Seconded by Councilor Perry.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

UNFINISHED BUSINESS

There was no Unfinished Business.

NEW BUSINESS

Mayor Williams stated the next item on the agenda was - Mayor's Comments.

Mayor Williams said the first item was the America Recycles Day Proclamation in Ruidoso Downs on November 15, 2012 to establish that. Would you like to comment on that Councilor Miller?

Councilor Miller said this is something we do every year and it's in conjunction with Keep America Beautiful and our committee in Ruidoso Downs, Keep Ruidoso Downs Beautiful. We have had a few events. On November 3<sup>rd</sup> we had the E-Cycle event in the Lawrence Brothers parking area and is shared by Greentree, Keep Ruidoso Beautiful, and Keep Ruidoso Downs Beautiful and anyone can bring anything from the whole community. We did have a great recycling on our tires not long ago and then we tried to put together an event on Saturday the 10<sup>th</sup> to collect cardboard, bottles, cans, and also have like a flea market for people to bring their stuff to share, trade, or sell and that's all a part of recycling also. As the years go on we may have more recycling events but this is a Proclamation that we call America Recycles Day. Our park does have the can recycling bin and cardboard recycling bin and I hope to soon have a plastic recycling bin. Greentree is not far away and they will recycle everything for you from newspaper to E-Waste and only a few items they don't.

Mayor Williams read the following:

Whereas, to focus the nation's attention on the importance of recycling, businesses, industries, government agencies, nonprofit organization, and individuals have joined together to celebrate America Recycles Day and are encouraging their friends,

neighbors, and coworkers to pledge to learn more about recycling options in their community and commit to recycle more materials;

Whereas, participating in America Recycles Day 2012 is one-way citizens can help raise awareness about the need to reduce waste by reusing, recycling, and buying recycled-content products:

Whereas, Ruidoso Downs, New Mexico leaders can also use this as an opportunity to spread the word about the excellent recycling programs that have been established, the growth of markets for recyclable materials, and the importance of buying recycled products;

Now, Therefore, be it resolved by Gary L. Williams, Mayor that Thursday, November 15, 2012 is hereby proclaimed an America Recycles Day in Ruidoso Downs, New Mexico resolved this 13<sup>th</sup> day of November 2012.

Mayor Williams said New Mexico is one of the leading states and Lincoln County is one of the leading counties to recycle. Greentree has done a really good job and we have been following through with the help of the Beautification Committee. I thank Councilor Miller and her great group of ladies that continue to pursue this and for the citizens of the community for participating in this.

Mayor Williams said the Employee of the 3<sup>rd</sup> Quarter is Charles Massey, Animal Control Officer. He has done a fantastic job out there and following in the footsteps of another great Animal Control Officer Peggy Lu Jane that was here previously. He is doing a great job of keeping the animals where they are supposed to be. I want to congratulate Charles Massey as Employee of the 3<sup>rd</sup> Quarter. Your plaque is a little bit delayed but is coming. There was a round of applause.

Mayor Williams said the next item on the agenda was – Councilor Comments.

There were no Councilor Comments.

Mayor Williams stated the next item on the agenda was – Discussion and Possible Action on Reduction in Force – Hubbard Museum of the American West within fiscal year 2012-2013.

Mayor Williams asked the Director of the Museum to step forward and we will start there.

Jim Kofakis, Museum Director said I want to thank you all for delaying this procedure until I got back from Dallas. I appreciate having the opportunity to be involved in this, mores so than I have been in the last two months. One of the problems the museum has always had, and we live in the greatest country in the world where everyone is allowed an opinion, sometimes based on fact and sometimes not. A couple of the news articles from both papers after the October 22<sup>nd</sup> Council meeting need some clarification. First in the Ruidoso News it was reported (he read from the article) that the R.D. and Joan Dale Hubbard Foundation has provided the City with \$100,000 annually to run the museum and that would be increased to

\$175,000 a year. Jim Kofakis said that \$175,000 is for this fiscal year only. Their letter was very specific that in subsequent years they would send a letter to the City after the fundraiser depending on the success they would determine how much we get. I wanted everybody to understand that the \$175,000 is this year and we got it literally through three months worth of me lobbying the various foundations after the revised budget was put in May saying I had to bump the revenue numbers to get this thing to show a zero balance. They are not realistic. I can't get them, I need some more money, I requested a total of \$155,000 and we got \$175,000. That's coming in installments and I'm not sure why but it is coming so I wanted to clarify that. The next articles were in both papers and they printed these from public comment about run away spending and open checkbook on exhibits. I have been an employee of the City of Ruidoso Downs at the Hubbard Museum for all but 11 months of City ownership and I'm here to tell you and everybody sitting behind me that is not the case. The most expensive exhibit we've done in the six and a half years I've been here was the "Arte en la Charrería" Exhibit which was an international traveling exhibit which the staff and I were able to negotiate at a very reduced rate for a longer period of time than someone else paid for it. An outside of staff kind of exhibit including the opening night reception including beverage, which was paid for by someone else. In the first page that I gave you I will tell you that I got all of these numbers from the Finance Director with the exception of the GRT which I got online. The problem with the museum as I see it and the museum finances, as you all know I've always said that payroll was an issue especially this year when 80% of expenses was payroll and associated expenses. I've been saying that for years. The Free Press article today, the \$1.5 million of the Hubbard money was never an endowment. By definition an endowment you never touch the principal, you invest it and work off the interest. It was never big enough to be an endowment. Per the Finance Director we did have it in investment accounts for four or five years and as that balance dwindled, interest rates went in the tank and that investment income disappeared. So living off the interest, unless the interest-bearing vehicle had a return of about 50% that was never going to happen. Let me clarify that it was not an endowment, never been an endowment and it was deposited in the museum fund as deferred revenue and it could have been used \$1.5 million in one year, two years, it didn't really matter per the agreement. The real problem as I see it and if you will look on there at the first year, fiscal year 05-06 the museum actually ended the year with a surplus of \$258,000 which included a transfer from the General Fund of \$104,000. I guess based on my financial background I know that it was budgeted but the City didn't need to transfer General Fund money that year. It's kind of like my checkbook is really plush but I'm going to transfer money from my savings account to make it more plush. The second year is probably the year that the first yellow flag should have been thrown because the museum ended the year with a deficit of \$25,000 including a transfer from the General Fund of \$100,000. The third year we ended in a surplus again of \$118,000, which included a \$100,000, transfer from the General Fund. Again, I go back to the first year, if you didn't need it why did we transfer it? The real red flag alarm, bells and whistles should have occurred in year four. With a deficit of almost \$94,000 everybody should have been saying what happened? Then it got worse every year after that. I think the real problem has been financial oversight from all areas starting with the former Director, Budget Committee, and Councils all should have taken note and said there is a problem here. Again, I got these numbers from the Finance Director and I'm not making them up. In the shaded area I've taken a look at the percentage of the General Fund revenue to the overall budget and the telling statistic here, and I'm doing the statistic for the benefit of the citizens of Ruidoso

Downs, the average GRT is about \$3.6 million dollars. The percentage of the seven-year average of General Fund non-restrictive monies to be used by the museum was 27/100th of 1% of GRT collected. That is skewed a little bit because there were no General Fund transfers in year five and six or six and seven. Five years where General Fund money was used that amounted to 54/100th of 1%. The Lodgers' tax was almost \$700,000 in seven years that is restricted use monies, as you all know. It can't be used to repair potholes or dig a sewer line unless it's for a tourist attraction being in All American Park, the museum, or something else. The other issue I have on the oversight, the previous Mayor and I met in July and August 2011 when we were trying to save the HUD grant and I specifically asked him about how much of the Hubbard money do you think is left? He said \$560,000 and I said there is no way; I doubt there is enough to get us through this fiscal year. He obviously was not aware that the Hubbard money was being used to cover that deficit or didn't understand it. The way our finances are reported, and I have a copy of the year-end of all seven fiscal years. The museum fund shows a deficit but it doesn't show how that deficit was covered that comes from the cash balance from the beginning of the year. Our City auditor tried to warn all of us a couple of times in the last two years about transfers and made the statement of a negative \$600,000 cash balance and didn't take the next step and say that's been covered by Hubbard money and everybody including me thought that money was coming out of the General Fund. I think those are telling statistics that unrestricted taxpayer money has not really supported this place as much as the perception the public has and that is something important to remember. I apologize for the lateness of the option that is before you. After the Directors meeting today I went back and met with four senior staff members. We had looked at all of the options that were presented to you at last Council. I respectfully request that Options A through D that were presented last time be removed from consideration because there was some massive miscommunications between the committee that met with my staff. All of those options, specifically options A, B, C, and D that are a part of this packet, originally had a 10% reduction in salary and reduction in hours from 40 to 37.5. When you actually crunch the numbers basically those options turned everybody into an hourly employee and their 10% salary was based on 1950 annual hours versus 2080 so the cut in pay was actually 15.625%. My staff, most of whom are sitting behind me, tell me that they were not aware of that until I got back from Dallas. Options E, F, G that have the 15% and 37.5 again when you crunch the numbers the cut in salaries actually calculates out to 20.3%. My staff told me they didn't understand that until I got back from Dallas and actually crunched the numbers myself. The option that is in front of you, there is only one, is the option, which I call D4, which is basically the original proposal that I had given the committee of three on September 18th that, eliminated certain positions on a 40-hour week. The major differences are the original one I put in it did not call for any reduction in salaries and this one the Director's salary is cut 25%. That puts me back to about where I was before I took the Director's position. The senior staff would reduce 12 1/2% based on 40. There would be zero reduction in salary for part-time and the one hourly employee who are the three lowest paid employees there would be zero. It also totally elimination the clothing allowance. In the past I've been told you can't really do that because if you give something to one employee you have to give it to all and obviously since the museum is the only department facing a reduction in salaries and reduction in benefits that doesn't hold policy but because we're not doing that to everyone. The staff and I met and we do have a consensus. I did not vote because all of the options that I have presented to my staff today the Director's position was the same and was cut 25%. The other thing that becomes a

point of efficiency, the original proposal I presented on September 18<sup>th</sup> that was the elimination of four employees, two full-time and two part-time, is the elimination of three, moving one of the full-time positions . . . Excuse me, let me back up. The original one had three full-time positions being eliminated and one part-time. This one for efficiency reasons eliminates two full-time, one part-time, and the other full-time that came out in September has been moved to part-time because all of the employees are going to be cross trained to do everything from running the Gift Shop, greet people at the front door and so on. My original proposal I had cut the only two people that could actually cross train the rest of us so I had to keep one. That makes sense to me and I have been kept out of the loop for almost two months for various reasons. This is the proposal that our staff who are a very dedicated group of people. The last two months have been extremely difficult for me personally. I have been pulled in twelve different directions. One member of the Governing Body saying I don't want to lay anybody off, members of the Budget Committee when we met in May I said we have to cut, this is the only thing we cannot survive without cutting and getting more efficient. I have other members of the Governing Body who say they don't want to do anything until after the first of the year and another one that says let's don't do anything before the holidays. I'm here to say I think we should do it now. The proposal in front of you and as you'll see in the summary the estimated cash balance if we get all the revenue will be a positive \$33,886. My staff is here. I told them if they wish to speak they could.

David Mandel, Curator of Exhibits, said I've been employed by the City for last seven years. The staff has had many concerns about the budget and at some point we felt as a staff that we weren't getting any information, we had no input. We had our first meeting on September 27<sup>th</sup>. At that meeting it was proposed to us that as a group, as a staff, come up with approximately \$200,000 in budget cuts. None of us had experience in cutting budgets in particular to the museum. We asked for a little more time. There were a number of things we said in that discussion that confused some of us. I sent a letter to Mr. Underwood asking for some clarification of things that had been said to us at that meeting and I have that letter with me and if I may I would like to read a couple of those questions. During the discussion with Mr. Underwood, Terri and Carol it was mentioned that the museum was an Enterprise Fund. I did not know what an Enterprise Fund was and I don't know if anyone else in the group knew what an Enterprise fund was. Terri explained that an Enterprise Fund was usually something like utility money for that Enterprise Fund could not come from the General Fund. I did not know what implications that had. I did some research to find out what an Enterprise Fund was and discovered it had nothing to do with the museum. So, one of the questions I asked Mr. Underwood was whether or not the Hubbard Museum was an Enterprise Fund. At the second meeting we had he said the museum was not an Enterprise Fund. So the question is why the subject of an Enterprise Fund came up to have that discussion to begin with. I think we were misled into believing that somehow the museum was an Enterprise Fund. Carol Virden said at some point that anticipated income was a promise and not based on previous actual income and therefore could not be included in the budget. Again, I did not understand what we were talking about. I eventually realized that the Hubbard's had made a commitment to give \$100,000 that they were paying in increments of \$25,000. I asked Mr. Underwood if there was a sum of money to be included in the budget whether we had to have the entire amount in our hands before it could be included in the budget and whether a signed contract was needed. Another question asked, we asked why the City had no plans for the

time the Hubbard money would run out. Carol Virden said that the responsibility was out of the City council. We can see that the responsibility would lie with the City council and asked wouldn't the Finance Director and the City Clerk have some responsibility to notify the Museum Director where the Hubbard monies were going. In a conversation with Jay Smith relatively recently, he said that when he left two years ago there was approximately \$600,000 left in the Hubbard Fund. For whatever reason the Directors don't seem to have been able to get direct information on the Hubbard Fund. The impression that's been given in the press is that the Hubbard museum has crazily been spending money and there were no brakes put on and the museum was acting irresponsibly. But as I see it, it is extremely difficult for the museum to know how much money is in the Hubbard Fund and to therefore budget accordingly. It also seemed that suddenly the Hubbard money runs out the end of the last fiscal year and now we are having to cut money from the budget well not cut money but we are trying to meet the same budget we had the year before but we don't have the cushion of the Hubbard money any more. Terri Mosley stated by the end of October there would not be enough money to pay museum salaries. At the end of the discussion Terri or Carol said if the City Council didn't approve the revised budget, which is going to be proposed, the museum would need to close by the end of October. A number of those things said to us that were misleading. They were not only misleading but very upsetting to many of us that have been working there that we had a secure job. At one point during the discussion when some of us were pushing to understand what had happened it is my belief that Mr. Underwood, Terri Mosley, and Carol Virden were not lying to us but they were misleading us. What they said to us created dissention among staff and tensions between us and Jim Kofakis. I pressed the issue of the museum's financial problems Mr. Underwood stated repeatedly that what did or didn't happen in our financial past was water under the bridge. Leaving many of us with the sense that there absolutely nothing we could do, there was nothing Jim could do, there's been a concerted effort to not review the true nature of our budgetary problems. I'm not sure everyone involved with in this is all working in the best of the City or the museum. I have no solutions. We have approved the budget that Jim is presenting tonight. The item is on the agenda tonight but is barely a stopgap and the museum can't function on bare bones. We would like to do be able things to raise more revenues from these things that we discussed with that committee, but again, our suggestions were not attended to, because what was most important at that point for us was the fact that \$200,000.00 had to be cut from the budget in order to function. What you can do with that I don't know. I was asked that we be allowed a little bit more lead way in the planning; we're requesting guidance from the council. What are the things we could do to improve the museum. It's been a great museum for quite awhile, but we're at the point now where practically everything we do for one reason or another, just doesn't work out.

Jim Kofakis, Museum Director said I wasn't involved in any of the meetings with my staff until after Dallas. They are a very dedicated group. They are will to do whatever you guys ultimately decide to do. But again, my personal opinion of the questions that the question David was asking. When I became Director I got the financials right away, I can't speak for the previous Director, I always got them. Because we were getting them on a timely basis in the two years I've been here, we've kind of been able to run things and I'll us the phone bill as an example. The phone bill just seemed so extraordinarily large \$1400.00 a month and we have ten employees. I had the Finance Director give me copies of bills and just took what we

had. When the Hubbard's gifted the museum to the City they had almost thirty employees. We were paying for eighteen phones and cut it down to three plus a dedicated fax line and were able to bundle our Internet and long distance. The phone bill is supposed to be about \$500 and the past two have been \$900 something. I have had five different sales reps and so half of the July bill and the August bill we will get a credit back. With the budget I inherited the first two months all I did was work the budget because I knew we had to cut. There was a revenue line item under "Other" of \$185,000 and when I asked what that was I was told we don't know, the Director said don't worry about it. I said well didn't somebody request that because usually a revenue line item that's titled "Other" is something other than is when somebody gave you some money that doesn't fit into admissions, sales, or membership. I did some research on that after and was told I didn't need to question it. The previous Director and I had a conversation with a pavement company to pave the upper parking lot and the \$185,000 seemed like a familiar number to me and it would probably cost \$185,000 to do it and so the former Director stuck it in there but that should have been done as a capital project and you can't count revenue that you're not going to get. You can't fluff the revenue numbers to try to get to a zero balance. It's always been about oversight, budget control, and Terri does an excellent job of providing me in the last two years with financial actual on a very timely basis and I've questioned a lot of things. Jim said I'll close now; the staff is committed to do whatever you guys want to do. The proposal that's in front of you, like I said is just a remake of the original option D, it does include elimination of three positions two full times and one part time, taking a full time to a part time based on 1300 hours annually, which is 25 hours a week. I still believe that going to five days a week from an efficiency standpoint is the right way to go. We don't save a whole lot of money, been dark would save a little bit because the lights won't be on, most of the utility bills aren't prorated on a five day, our electric bill is our electric bill, our water bill is our water bill, our phones are phone. I have been asked by a member of the Governing Body if cuts were made could we stay open seven days a week? My initial response to that was that we couldn't have someone work seven days a week, with whatever was left, my initial response to that was seven people can't work seven days, but after that conversation; particularly the time of year we're in right now; we don't have to have a full compliment of staff members that are totally cross trained every day; so, the answer to that question, yea; we could stay open seven days a week with what's left by rotating schedules, making sure there were at least four people there everyday and I have worked that out and I have talked to the staff about it, somebody it going to have to work weekends once every five weeks. So even that can be done. Will it impact the staff? Yea, maybe a little bit. Will it still provide the service to the community that's always been, seven days a week, the schools and everything else? Is it probably better to stay open seven with a reduced staff swapping out schedules to make sure there is at least four fully cross trained people there everyday.

Councilor Miller asked Jim Kofakis, Museum Director if that could be seasonal with five days during the winter and seven days in the summer?

Jim Kofakis, Museum Director said the summer is a different animal and we would have to take a hard look at seasonal employees and more volunteers but yes we could do that.

Councilor Perry asked how many volunteers do you have down there?

Jim Kofakis, Museum Director said actual ones that show up on a regular basis, about ten. The volunteers, Councilor Miller and I have had this conversation many, many times. The volunteer base when the City took over there were 182 names in the database. When the Cowboy Symposium split away from the museum in the transfer 170 of those disappeared because they were really in it to work the Symposium. We actively, maybe not as active as we should, so this is volunteers. We do have interns from ENMU. The intern thing, Dr. Roscoe keeps saying it's free labor and that's true but the university has specific things for their interns. Free labor, we could get fifty interns at no cost but if they were washing windows or mopping floors they could help us a ton but when the university has specific guidelines on what their interns are supposed to do, the interns are there to get an education and we're limited upon what we can do. Training, babysitting, and so that free labor becomes very expensive because you are taking away a trained staff member to train and babysit an intern. They are only there for sixty hours and then they are gone.

He said I don't know what to do with more volunteers. Our membership has dropped by 50% since the City took ownership. We've offered discounts, we added benefits with becoming a member, through increased discounts in the Gift Shop. Most of the long-time members, and Janis Rowe is sitting behind me and she can attest to this as well, the ones that used to be long-time members for fourteen or fifteen years that haven't come back, the majority of the responses when we talk to them were now that the Hubbard's don't own it we don't feel obligated to continue their membership to remain on their good side and the other, bigger majority say the City of Ruidoso Downs is going to screw it up and I'm not going to participate. I don't know how you counteract that. There is no response to that other than no, we're not going to screw it up and we're still doing exhibits, we're still doing everything we've done in the past. That membership used to be almost six hundred and we're lucky to get to three hundred now.

Mayor Williams asked Jim Kofakis, Museum Director if he has discussed this with the people who are going to be involved with this and what is their take on it?

Jim Kofakis, Museum Director said well they're not happy about losing their jobs in about fifteen days. It was based on current job performance, efficiency, who can be cross trained, who knows as much about every aspect of what we're doing as possible.

Mayor Williams asked where are they coming from, what department?

Jim Kofakis, Museum Director said the Curator of Education and the Gift Shop Manager and then the part-time VSR.

Mayor Williams said you're willing to take a 25% salary reduction, about how much are we talking about from your salary?

Jim Kofakis, Museum Director said the current salary is \$58,094.40 and with a 25% reduction would be \$43,572.80 and that's about \$14,500.

Mayor Williams said I appreciate that you want to take that much of a salary but again you are a Director and the responsibility of a Director at a museum is a little bit high-end and whether you make \$58,000 or \$50,000 or \$30,000 you should be compensated for what you do and I think 25% is really a generous salary reduction on your part but a little extreme. If you are looking at an ending cash balance of almost \$34,000 having a 15% salary reduction it would still keep you in a cash balance and give you the salary and benefits that you have earned as being the Director that was approved by Council two years ago and the responsibilities that come with it. The part-time employees you got one salary and the other is a part-time?

Jim Kofakis, Museum Director said there is one hourly full-time and the custodian, she is actually a full-time position. The museum pays half and half of her salary is paid by Finance/Administration. Her position was originally a part-time at the museum and a deal was cut to go full-time with part here and part there. My calculations are she's a full-time employees but those benefits are a piece of the museum.

Mayor Williams said when you're talking about cross training what specifically and who are you talking about and what are the duties and how would that happen?

Jim Kofakis, Museum Director said the most important part of the cross training is the Gift Shop, taking admissions and selling the merchandise. We have a new POS system that the Hubbard Foundation paid for to help get the inventory under control. That and the greeter would be the star positions. It's kind of a weird position right now. It used to be Security and was changed to VSR, Visitor Service Representative. I know there was a member of the Governing Body that told me their concern was the visitors walking through the door. They were afraid that all the remaining employees would be downstairs working. I kind of laughed at that. Common sense would tell you that we're not going to just open the door and the rest of us will be downstairs. Every current job description is going to have to be rewritten to include the cross training. Some of us have been already. I have but I don't do it often enough that every time I'm up in the Gift Shop I screw something up and have to write it down on a little slip of paper and then wait for someone who really knows what they're doing to fix it. Two of the downstairs employees if you will with the category downstairs/upstairs are already fully cross trained with the exception of maybe inventory reports and reordering. That's why I made the change with keeping one of the Gift Shop people as part-time. As far as what we do on a day-to-day basis I'm not going to cross train to do Curator of Exhibits or Curator of Collections job. I will certainly assist them if they need it. That's a very specific industry if you will. I don't want to be Curator of Exhibits but I will assist them if they need it. Eliminating the Curator of Education and I know a member of the Governing Body has asked me about that, actually more than one, would we be taking away from what we provide at the museum. If we don't do anything the answer is yes other than all of us are certainly capable of putting together a school tour through Joan Hubbard's Magic Bus grant paid for through a grant a couple of years ago where the Foundation pays for the transportation costs and we have volunteers. The educational programming really hasn't worked very well. The last two Curators not through their own fault but with budget cuts and other things. As I've talked about a change in business plan for months I've been talking about that the goal was to meet with ENMU-Ruidoso through Dr. Roscoe and Coda Omness who is their marketing person and who was the Curator of Education at the museum under the Hubbard's. We do some

stuff now with them but maybe we can get internship with them where their interns can create the Educational program in the time that they are there. The Cope Center Technology that would be a problem area if you will with eliminating the Curator of Education. She's been the lead person on that ever since we got the \$80,000 grant and completely redid the technology. However, part of our agreement with RD Technology is a full training session with all employees and we never could get that done because of his schedule and the current Curator of Education and we were never able to get everyone together at the same time. Janis Rowe and Tom Moorhead have a pretty good handle on how most of that works but part of our agreement was to train them and that has already been bought and paid for through the grant. We just have never been able to get the schedules together so that everybody can learn the applications through that technology.

Mayor Williams said when you're talking about the Curator of Exhibits and that is a job specific position and is a long-term planning that they go through the process. It doesn't happen in a period of weeks or even months. It can take up to two years to get and exhibit to the museum that you've worked on to get there. Being cross trained, would it detract from them to do their job at the level that you need to have done and to continue the exhibits that you are receiving which have been the high end which you have had in this small community. The high-end exhibits you've had in this museum are fabulous. Would it in any way if you had one of the members of those particular Curators off doing something else two or three days a week. . .

Jim Kofakis, Museum Director said it would never be that much. The employees that remain and the ones that have job specific, those two that we mentioned, we're not talking about two or three days, we're talking about eight or nine hours a week. It's not like okay, today you're going to sit up there all day long because all of us are going to have to do our original job.

Mayor Williams asked if he had done any actual planning on how he would schedule employees?

Jim Kofakis, Museum Director said I haven't shared that with anybody but I have a pretty good idea when it was five days but when I was asked if we could stay at seven that's when I started thinking about swapping and scheduling. If it's five everyone is going to be cross trained for an emergency if someone calls in sick or goes on vacation it might be a day but certainly not two or three days. An employee who has a very specific job would be taken away from that job. When I first started six and a half years ago I had no idea how much work was involved in an exhibit. I didn't know it took a year, two years of design and acquiring artifacts.

Mayor Williams said you've been Director for the last two years and you've seen these deficits have risen. What did you do to try to set that alarm up and to begin the process of the meeting the issues that would be developing because of these deficits and not like now where we are doing an extreme because we waited till this moment to address it. Two years ago even three years ago when it got over \$100,000 plus is when the brain should have started thinking what are we going to have to doing in the next couple of years to offset what is coming? As a Director the last two years we're talking nearly \$600,000 in the red. What were you doing to

try to formulate a plan to address that? If you knew that the deficit was going to continue you have one year and then the next year because we could see these faulty numbers we need to change that mentality and use realistic numbers but still is that going to be able to help you and why didn't you start beginning the process of what we may have to do with employees and what we may have to do with salaries? What we may have to do with hours and then working with staff and not waiting until now when Council is looking at these numbers saying whoa, this could have maybe been addressed earlier?

Jim Kofakis, Museum Director said I'm not sure how to answer that question.

Mayor Williams said it's not a question to put you on the spot but you're two years in.

I can tell you the first immediately was looking at where we were spending and where the revenues were and doing budget adjustments and cutting. I suspected the Hubbard money was being drawn down but didn't get actual proof of it until January 12, 2012 when that spreadsheet was given to me from the Mayor and from the Council. There were no documents, no financial statements in front of me to prove my suspicions until I got that and it took me almost a year to get that. Again I don't really know how to answer that. I cut previous budgets in half and then cut them again. I did realize that there was no way out of this unless we cut payroll. There is no way out of this. It can't work unless we cut payroll. I cut the day-to-day operating expenses down to the point where it was where we would ask to pay to use our restrooms and then that big number was associated with payroll.

Mayor Williams said I can honestly say that it is partially our fault being on the Council at that time that we made the cuts to the General Fund to the museum to offset a little of the loss obviously but during that process we were watching for the budget and trying to keep the budget within the financing to supplement operations in the City so we had to look and say okay, we can't afford General Fund money but we are hoping the revenues would offset the loss of that General Fund money. In a way, I'm partially to blame for that loss. We look at the numbers and we didn't really have what we see here ourselves at the time so we as a committee at the time didn't know what we were facing and so that's why we went the direction we did with the General Fund money but the citizens wanted to make sure how their taxpayer money was being spent.

Jim Kofakis, Museum Director said one of the first things that happened when the City took over, and this was before the previous Directors, previous employees, previous administrations, did a Long-Range Plan that was approved by Council at that time that was in June 2006 I believe. I was looking at it in going through all this stuff and one of the items that was identified in this 10-year plan was to figure out revenue options so that General Fund money didn't need to be used. But in the Long-Range plan that was the statement, that there was no plan. They said we need to come up with more revenue sources so the General Fund doesn't have to contribute. I don't know if that ever happened or if plans were made. The museum did change its business plan to no weddings, no parties, no receptions which is a good source of revenue. That was identified as a problem in 2006 in the Long-Range Plan to try to come up with some sources of revenue to offset General Fund transfers. Obviously it hasn't happened.

Councilor Miller asked if there was a new plan now to generate revenue? That's where I see instead of just talking cut, cut, cut we've got to find some way to generate some revenue over there in order to make it more appealing somehow. Advertise more, I don't know. Get the people in there somehow.

Jim Kofakis, Museum Director said there is and we talked about it in April and May of changing the business model and opening it back up to for weddings and parties. We get calls every day and we just take a number and say we will get back to you as soon as we know what we're doing. We don't say it quite that blunt but we say what's the date, we will give you the rental date and it will be cheaper than anyone else in town. A little bit of a problem and my staff brought it to my attention in opening it back up to weddings and parties is that if we are cutting staff and cutting hours who is going to be able to do it? We don't have any bodies left. I guess my response to that is we'll work it out. If we need help from Public Works we'll ask them to help us. I've always felt very strongly that we've lost the support of the local community because we became very restrictive. It really isn't that much work to move a few things and if I have to do it, which I do most of the time anyway, I will. We would have to take another look at our membership and maybe we don't do fees scaled. This is one fee straight across the board and if you want to get more as a donation we're totally open. I know there has been some discussion, and if memory serves me right, Mr. Underwood brought this up about changing the name and adding Ruidoso Downs Community Event Center to the name. I'm totally supportive of that but there would have to be a plan with that. Just putting that on the sign, what does that mean? There's been suggestions but just calling it a Community Event Center this is what's going to happen? There's a reduction in staff and payroll and then who is going to work it? What are we doing? I will also bring up, I know there has been some discussion, Mr. Hubbard has been talked to about removing his name from the museum. I want to go on public record that that was a huge mistake. Adding something else to it is fine but when you take the incentive away from our major fundraiser we're going to be right back where we are right now because they are responsible in their own pocket, the pockets of their inner circle is various foundations responsible for almost 50% of our revenue. If that incentive is gone the almost \$200,000 that we are trying to save now will be right back.

Councilor Miller said I agree with you. He is the founder of the museum and I believe his name should be on there. He was the founder and is a donor, this is the Hubbard Room and he donated \$20,000 so we could put the furniture in here and have what we have here. I do believe to just add City of Ruidoso Downs Hubbard Museum of the American West. I totally agree to leave his name in there and we should always be honored for this museum, he's the founder of it, they support it wholly and every time we need something they are right there and I agree with you on that. I don't want to shoot ourselves in the foot.

Jim Kofakis, Museum Director said that's my opinion that it's a big mistake.

Councilor Miller said something needs to happen. I don't know if it's getting more educational programs and getting closer with ENMU. This is our educational place in Ruidoso Downs. We have a lot there for internship and work- study students and they would

all be beneficial because it's bringing more people in and more interest in. If it becomes a little convention center then so what? It would all draw attention. I paid \$175 for an anniversary party at our Senior Center for two hours at one time so why not pay it to us instead of the County? There is a lot of ways to generate revenue there and to get the public's interest and to get the community's interest. We just have to find it and it's up to every one of the employees right there and the Council.

Mayor Williams asked if there were any other comments or questions from Council or staff?

There were no other comments or questions from Council or staff.

Mayor Williams said to Council that they must discuss amongst themselves to do what you want to do as is stated on the agenda - Discussion and Possible Action on Reduction in Force - Hubbard Museum of the American West within Fiscal Year 2012-2013. You have listened to everything tonight and gotten information and a plan from the Director that you didn't originally have in your options.

Councilor Miller said my idea is that we have to retain the most effective people, the most effective employees at the museum, the ones that are more or less the most talented and that make it work. If we don't have the people like Curators, and I also believe we need a Director there. We need a Director because of the fact that people can't just run amok. They need someone to go to, to look up to, and to ask questions if nothing else. I also talked to Jim about visibility. I like seeing their smiling faces when you walk in. Not only do they advise but if there is a volunteer down there they will help you to see what you want to look at. The VSR people are also our security. There was an incident where they did see someone handling some jewelry so what would have happened if they weren't there? To me that is very important. That's just hard because that is a large museum over there. I think that is what Jim was trying to do here.

Jim Kofakis, Museum Director said we will continue to have smiling faces. Every employee that has been active with visitors, even now, we do surveys all the time and they say it's the most friendly place I've ever been but it doesn't matter who is there, whether it's me sitting at the VSR desk. We have a brand new security camera system provided by the Hubbard Foundation. We greet and might even be able to take admissions there. That recommendation is based on the department head and the rest of the crew being the most integral pieces of this puzzle. It is very difficult to do. That was my job. As the City Clerk said today this isn't a personality competition. Sometimes you have to make really hard decisions that affect someone's life. It's not a pleasant thing to do but I stand by that that is the staff that needs to stay and work this place. We will continue to look for other avenues of revenue. I don't think you can get any more fiscally responsible not including payroll but from the non-payroll down we are as lean as we can possibly get. One of the things that I forgot to mention is that it is impossible to budget for a deteriorating physical plan. It is an old building and we can't possibly budget for the fire system break, which it did. We had to do what we had to do and this building cannot have a fire system that is non-operational. The first payment over budget was \$3,700 and the second part I am delaying because it's almost \$8,000. We have leaks in our roof. We had a light bulb explode and fortunately no one was standing underneath the wagon

the day we opened the Fall Photo Exhibit. The bulb was so hot it actually melted into the carpet. We've known that the electrical has been an issue for seven years. We've used a band-aid and a patch, we've use Public Works but it is impossible to budget for the building falling apart.

Mayor Williams asked what was the consensus of the Council? You have the options in front of you provided by staff and an option provided by the museum staff and information from staff and the museum staff? Questions to staff if you'd like. I need to know where you want to go with this. The agenda says possible action on the reduction of force

Councilor Miller said I spent three hours on Friday with most of the museum staff and they were all very sincere about doing the best for that museum. I enjoyed my morning with them and Jim came in at the end and he is also very sincere about doing the best for the museum. I don't like to do this to anybody, not any time, not even holidays but I think Jim has shown us a way to cut off almost \$200,000 from the expenses. That's a big chunk. I don't know for sure what the others think but looking at all of the other plans but I think the one Jim came up with is probably the best one.

Councilor Perry asked Terri Mosley, Finance Director if Jim's plan fit in with the other options and is this good option?

Terri Mosley, Finance Director said I've been adding up the numbers and it would work as long as the revenues come in as expected and the expenditures stay as low as we budgeted.

Councilor Holman said I don't know what to do. It's a real dilemma but the question asked to Terri helps me a little bit. I do know Judy has really worked on this issue this past week to get a solution but there is no way it's going to happen. I'm really frustrated with what to do and I wouldn't know how to vote. I've been reluctant to even say anything. Five and six years ago I've been saying the things that have been said the last month. There were people that did not listen at all. I addressed the general situation at least five years ago and three years ago the Hubbard money I expressed real concern that it would be gone in three years. As far as the Director to be able to respond to what he was doing two years ago it was already too late. There are a lot of people who know exactly what I'm saying and some that say he's just saying that. The Mayor and I have been on the Budget Committee for quite some time at one point and we disagreed. He and Jay Smith and I had some battles but the Mayor will tell you don't challenge him on whether or not he was saying this. He doesn't play fair. He will pull documentation on it. I did that on the Mayor in a fairly recent meeting and he will concur that is exactly. The newspapers know and they will tell you five years ago. They now more than the majority of our citizens and know more than some of our Councilors including myself because they keep up with this. They have to attend. There are Council minutes that will back this up. Now I don't know what to do. My concern five years ago was to not get to this point because you don't want to start solving a problem as difficult as this one when the walls and the ceiling are falling down on us. It's really frustrating then because now you are dealing with people's lives and their livelihood in addition to all the other junk that is going on. One thing I do think, having said what I said, if we don't do enough at this point we are going to be back doing this again. I guarantee I'm not going to go through it twice and be a very active

participant. I've already told Councilor Miller this. It's too hard. The staff at the museum has to be stressed out and I would not want to come back later and say we just didn't want to go far enough with it and here we are again, well I don't think I am. So, we've got to cut enough so that we're not doing this to them again. It's too emotional and hard on everybody. And yet if we cut too much and it becomes a second rate facility it will be hard for them to be successful with fundraisers and that kind of thing. It would have been tough enough five and six years ago and I told you three years ago that Hubbard's money is going to be gone. I've said it here and I've said it elsewhere and we're going to be in a serious situation when that money runs out. I was always trying to protect the General Fund and the Mayor will concur with that. I'm really stressed out and if I had to vote right now I don't know what the right thing to do would be. Councilor Miller has sure worked for a week on this and some of the things she is saying are accurate. I don't want us to be without a Director and someone in charge there. I commend the Director for the effort and the pay cut. I concur with the Mayor in what he's saying about the 25% and that it's just not fair for the Director to take a 25% cut. But, with these kind of things, the museum, there is so much money involved and has been as long as I've been aware of what's going on. Sometimes just thousands of dollars are just not enough to turn things around. The Director will also, and I can get documentation on that, I've said a long time ago that it is an asset and we've got to make it work. It's an addition to the City and not just a total liability. We just have a little too late. On a positive note Judy, thank you for what you've done in a week. I was hoping you'd come up with a miracle. Let's just try to do the right thing and do the best we can by the museum. I also concur with keeping the Hubbard name. I would not be for the name being removed for reasons already expressed. Mr. Hubbard does a good job with that fundraiser and we have to have it.

Mayor Williams said again Councilors; you need to be very specific about what you want to do and how you want to do it so we can vote on what your intentions are on discussion and possible action on reduction in force.

Councilor Miller said Mr. Underwood, you've looked at this and as far as the clothing allowance they are City employees. Can we treat them different?

H. John Underwood, City Attorney said let me defer that question to Carol.

Carol Virden, City Clerk/Treasurer said the answer to that question is that we all are to be treated equally and fairly. Because of the situation you have at hand, and it's a very serious one, and it's a very difficult decision the Governing Body will make. With the proposed Option D4 that Museum Director Jim Kofakis has brought forth I don't think you have a choice but to eliminate the clothing allowance. Please be reminded of this that if the museum revenues at some point start over and above what is expended then you have a recall of those employees that are going to be laid off and you implement back what has been lost and that would be the clothing allowance as well. That's going to take some time but they do have first choice, they are first choice.

Councilor Holman asked is that just for the museum employees we're talking about?

Carol Virden, City Clerk/Treasurer said all we are talking about here is the Hubbard Museum of the American West.

Councilor Holman said I have said in the past that clothing allowance is awfully nice but I've never felt like that is something the City needed to do. By eliminating the clothing allowance for just the museum employees again is like taking one bucket of water out of the ocean and saying maybe we lowered it a little bit. If you are going to do it, do it Citywide. We're looking at nickel and dime stuff and we need bigger solutions. Some of you will say yes he has said for years that you don't need to be doing that clothing allowance. There again, if you're going to take away the clothing allowance let's do it for everyone, not just the museum and maybe there will be enough there to make some kind of savings. The bankers downtown don't get a clothing allowance neither do the teachers and the schools. I think it's real nice. So is 90% benefits and we go way too far there too.

Mayor Williams asked City Councilors to make a decision or postpone to another meeting or you can do whatever you want.

Councilor Perry said as Jim Kofakis said let's get it done and we can move forward with other business. We can be here next year and discuss another option but let's get it done.

Councilor Holman asked the Mayor how he felt and did they need to postpone? He asked Councilor Miller how she felt? Should we postpone?

Councilor Miller said I'll never know if it's right or wrong for sure until it happens. I think with the sincerity of Jim and the staff willing to cut their wages to help us is wonderful. That's something not many people would do. That shows the sincerity that I felt over there. I think that's an awful lot too Jim.

Councilor Holman said Mayor; did we not hear Terri Mosley tell us this would be sufficient? If worries me that we're not going to do enough and we'll be back here doing this again. I don't think the museum staff can stand up to it. They're already stripped.

Carol Virden, City Clerk/Treasurer said City Hall staff is very stressed over this too. The estimated ending cash balance of the \$33,986 is just an estimate. We're not here, and I'm sure Mr. Kofakis will support me in this, the time frame of how long that \$33,986 ending cash balance to the end of June 30, 2013 is going to last. You need to be reminded of that. Revenues are coming in and we're spending. Operating, payroll. I know it's a very hard decision but you need to keep all of that in mind.

Councilor Holman said for people that are skeptical of this these two ladies have been stressed out for at least six years. Some people don't know this but it's affected Terri's health and it's affected Carol's health. So, you don't want to go there when you say they are indifferent and don't care. Far from the truth and not a fair statement. Don't try to blame them because they are employees. As elected officials we've had our chance for a long time and we haven't stepped up like we should have. Some of you have been told what you wanted to hear and that was a bad deal. I never told you what you necessarily wanted to hear. I stated facts and

generally that doesn't go down very well. You become the enemy. These ladies will tell you how it is and give you facts. It doesn't make them the enemies. They can't tell elected officials and giving facts if we don't follow through it's not their fault.

Mayor Williams entertained a motion and to be very specific on what you want to do and the option you want to carry with.

Councilor Miller moved to accept Option D4.

Mayor Williams said Option D4 consists of a 40-hour workweek for full-time, 25-hour workweek for part-time. That includes three positions eliminated, two full-time positions and one part-time. A 25% reduction in salary for the Museum Director and 12.5% reduction for Senior Staff, no percentage reduction for hourly and part-time employees and the clothing allowance is eliminated.

Councilor Perry seconded the motion.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

Mayor Williams called for a five-minute break.

Mayor Williams called the meeting back to order.

Mayor Williams stated the next item on the agenda was - Consider Approving Resolution No. 2012-19 - 1<sup>st</sup> Quarter Budget Adjustment.

Terri Mosley, Finance Director said these are adjustments to be made for the quarter ending September 30, 2012. There are only two adjustments. The expenditures in the General Fund will be increased for the Fire Department in the amount of \$8,629 because we received some equipment that we didn't budget for. We have added \$30,000 for maintenance & repairs in the Street Improvement Fund. In the Fire Protection Fund we've additional revenues of \$14,127 and we've also increased expenditures for that amount. Also included in the Resolution are the items you approved for the museum. We also received \$199,000 from the New Mexico Department of Transportation to improve Highway 70 pedestrian sidewalk.

Mayor Williams entertained a motion to approve Resolution No. 2012-19 - 1<sup>st</sup> Quarter Budget Adjustment.

Councilor Miller moved to approve Resolution No. 2012-19 - 1<sup>st</sup> Quarter Budget Adjustment. Seconded by Councilor Perry.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

Mayor Williams stated the next item on the agenda was – Consider Approving Agenda Briefing Memorandum – Expenditure for Previous Fiscal Year 2011-2012 Invoiced in Fiscal Year 2012-2013 – Staples \$167.99.

Councilor Miller moved to approve Agenda Briefing Memorandum – Expenditure for Previous Fiscal Year 2011-2012 Invoiced in Fiscal Year 2012-2013 – Staples \$167.99. Seconded by Councilor Holman.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

The next item was under the Consent Agenda – Consider Approving Wastewater Treatment Plant Operating Invoice for October 2012.

Councilor Miller moved to approve Wastewater Treatment Plant Operating Invoice for October 2012. Seconded by Councilor Perry.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

Mayor Williams stated the next item on the agenda was – Consider Approving Canceling November 26, 2012 City Council Meeting. He said there would not be any business items at that time and therefore would like to extend it to the December 10, 2012 meeting.

Councilor Miller moved to approve Canceling the November 26, 2012 City Council Meeting. Seconded by Councilor Perry.

Roll call votes: Councilor Holman, Aye; Councilor Miller, Aye; Councilor Perry, Aye. Motion carried.

#### OTHER BUSINESS

**(Items are for discussion only – no action will be taken)**

Two items under Other Business were moved to Mayor’s Comments under New Business.

#### PUBLIC INPUT

**(All concerns to be addressed only to the Governing Body as a Whole with a 3-minute Time Limit)**

Mayor Williams stated the next item on the agenda was – Public Input.

Mr. Mayor and members of the council, first of all I have a correction of the minutes from last time.

Mayor Williams said state your name sir.

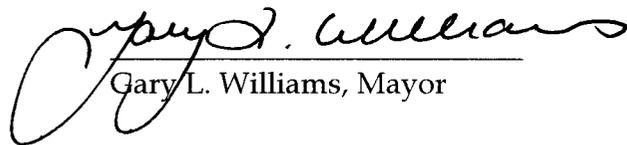
Oh, Wayne Williams. Correction of the minutes from last time. I thanked the Mayor and Dale from the Water Department in straightening out my meter problem not for washing my can, trashcan. That's the way it reads in the minutes. Second, two years ago when Mr. Kofakis was given the position he holds now, and this ship sink you call the museum, he jumped in I know because I talked to him the day he was appointed and given the job and we talked outside. And his first, the question you asked, it needs to be answered, I don't think he was expected to com, his first concern was how am I going to get this mess straightened out that Mr. Smith put us in? But being in the position he didn't want to point the finger. I'll point the finger. There is one gentleman that sits on City Council that has ever showed any restraint on wasteful spending, Mr. Dean Holman. You Mr. Mayor, have said it's free money, let's spend it. What you guys don't seem to get, why is it that me, a layman, a retired person that was a mechanic all his life, figured out six or seven years ago that this thing was going to go bankrupt? And we've been harping on it and preaching on it and its come down to all of a sudden we're out of money. How come? I'll tell you where the fault lies. I'll point the finger. The City Council for the last two administrations has not cut expenditures. If you wanted to subsidize the museum you should not have funded the transit system. That's \$75,000 a year you could have given to the museum if that's what you wanted to do. You could have not funded all these other little junky things that you did. When I commented on an open checkbook at the last meeting I wasn't talking I wasn't talking about a blank check over at his office he could sit down and write whatever he wanted. I was talking about every time he came to you, and I'm saying you and the past City Council that he was never told no on anything he wanted. Now that's a fact. Now if you give Mr. Kofakis here a handful of corks and say and dive into that boat that's three quarters full and plug the hole but you don't turn the water off. It's still filling. That's where part of the fault lies. The next fault lies to Mr. Kofakis and Mr. Smith because they are in charge. Why the administration before didn't fire him I have no idea. He's smart but he threw money around like it was free money. Like it wasn't his. Mr. Kofakis you have to give him credit because he's tried to straighten out this mess and has gotten no help from the City Council until now. Now the City Council says whoa, we're going to have to close the museum. The other fault lies with Mr. Kofakis administration. The second time, there's two or three of them that stayed, they came down and said well, it's not our fault, George Bush did it, we've heard that for four years in the presidential campaign. Now you guys are saying it's not my fault, I didn't know the museum was going under. The museum people are saying it's not my fault, I didn't know it was going under but they don't have the common sense to come down here and say Mr. Mayor at Public Input how come? I want to know how come you guys have not chose which is most important. Is it the museum? Is it the transit system or is it our City staying afloat? Right now the last three City Councils, including this one, by just handing him a bucket of corks and saying fix it has not done their job. Have the previous museum people done their job, no. Mr. Kofakis, whether he is doing his job or not I can't say because I do know that he's tried. Whether he's gotten help from you guys or not, I don't know. But by throwing blame by these people out here saying Carol and Terri wouldn't give them an answer, now I understand that because we've tried to get Accounts Receivable before and it's a pain the butt. Excuse my French. We've been doing this for six years and still haven't gotten the one statement we always wanted. I know you've talked to my wife and you know which one I'm talking about and we still don't get it because you guys don't do the books the way you're supposed to. You've been spending money you don't have. You've been throwing money away. Only one person, and I don't always agree with Dean,

and I don't always agree with the value of the museum for this community, but if you are going to subsidize the museum then get rid of the transit system that takes four or five people to the casino and put that \$75,000 which we are paying two thirds of or a third of and put it to the museum where it will do some good if you think that's where it goes but stop throwing my money away. I'm getting sick of it.

Governing Body as a whole, Joyce Gustafson. My heart goes out to all of you at the museum and Mr. Kofakis because you did take on a can of worms and to you guys. If I had lay offs anywhere I would put it all to him for wanting to so generously gave you all, the City, the museum, the property, a building that is falling down, and you're right Councilor Miller, it will be the City's responsibility to get that building repaired. Which you'll probably be better off from what I've been told to almost get a new building. I hate to see anyone laid-off. I know these folks work hard and they are proud of their work, as they should be. But, it comes down to our City does make decisions when it comes to our money. We have other things than the museum that we need to keep afloat and we have to make that determination or you all do. I agree with Mr. Williams that it should have been done a long time ago. It shouldn't have gone this far. Things don't need to be as stressed out as they are, the Council, the Mayor, City employees and employees at the museum and Jim Kofakis. The million and a half dollars that Mr. Hubbard put in, that money as far as I'm concerned, I didn't quite understand what Mr. Kofakis was saying about the \$600,000 because that should have been used up two years ago. My feeling over a seven-year period with just the salaries and benefits would take up that \$600,000 and utilities plus anything else in expenses. I don't think Terri and City staff have taken any of that money to supply funds for other departments. I appreciate everything Mr. Hubbard does but I do think it's a big mistake for him and Bob Miller who was Mayor and John Waters who was the City Manager and Judy Miller, Sue Garrett, Rene Olivo, and Margie Morales. I think those people were wrong to take on the City of 2500 people at that time to have taken on the cost of the museum even though Mr. Hubbard was giving it to the City plus a million and a half dollars. It's a wonderful thing to have if you're a larger city with a larger income and larger number of staff and volunteers that could go in there and help run it without having to pay out so many salaries that our City is having to pay out. I wish our City well, I wish the museum well and I hope and pray it works for everyone involved.

ADJOURNMENT

There being no further business to attend to, Mayor Williams adjourned the meeting at 7:43 p.m.

  
\_\_\_\_\_  
Gary L. Williams, Mayor

ATTEST:

  
\_\_\_\_\_  
Carol Virden, City Clerk/Treasurer