

MINUTES OF THE CITY COUNCIL
OF THE CITY OF RUIDOSO DOWNS
CITY COUNCIL CHAMBERS
REGULAR MEETING
FEBRUARY 24, 2014
4:30 P.M.

The Council of the City of Ruidoso Downs met in regular session on February 24, 2014. Mayor Williams called the meeting to order at 4:30 p.m. and asked Ray Pawley 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 Hood
Councilor Perry

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

Also present:

H. John Underwood, City Attorney
Mary Castaneda, Finance Director
Ray Pawley, Independent Consultant, Hubbard Museum
Steve Dunigan, Planning & Zoning Director
Christopher Rupp, Police Chief
Cleatus Richards, Public Works Director

APPROVAL OF AGENDA

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

Councilor Miller moved to approve the agenda. Seconded by Councilor Holman.

Roll call votes: Councilor Holman, Aye; Councilor Hood, 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 for Approval of the Consent Agenda.

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

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

APPROVAL OF MINUTES OF REGULAR MEETING OF FEBRUARY 10, 2014.

Councilor Miller moved to approve Minutes of Regular Meeting of February 10, 2014. Seconded by Councilor Hood.

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

APPROVAL OF ACCOUNTS PAYABLES

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

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

APPROVAL OF MONTHLY REPORTS

Councilor Miller moved to approve Monthly Reports. Seconded by Councilor Hood.

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

APPROVAL OF COMMITTEE REPORTS

Councilor Miller moved to approve Committee Reports. Seconded by Councilor Hood.

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

UNFINISHED BUSINESS

Mayor Williams stated the next item on the agenda was – Discussion and Possible Action – Agenda Briefing Memorandum – Job Description Changes, Promotions and Salary Increases and Uniform Allowance Restored.

Mary Castaneda, Finance Director said I have given everybody a handout and on that it shows, per your request, to cut out the \$75,000 revenues that were not in the fund on the revenue side. On the expense side in order to balance the budget \$75,000 needed to be cut. I was only able to \$35,067 which leaves it \$39,933 short of making that \$75,000 cut. Per the Councilors request on the second to the last page on the different salaries that you had requested according to year and the rates they were I put in the actual rates so you could see the total annual salaries for the ones in question. On the last page is the synopsis of Mr. Pawley's request and the figures for that are listed.

Mayor Williams entertained a motion for approval- Discussion and Possible Action – Agenda Briefing Memorandum – Job Description Changes, Promotions and Salary Increases and Uniform Allowance Restored.

Councilor Miller moved for approval – Discussion and Possible Action – Agenda Briefing Memorandum – Job Description Changes, Promotions and Salary Increases and Uniform Allowance Restored. Seconded by Councilor Hood.

Councilor Miller said I've been going over this today and I can see that of course we need money and we all know that. This is the last four months of the year before the new budget kicks in. We haven't collected the \$50,000 from the Hubbard Foundation as yet and we should request that. If we accept Mr. Pawley's request to leave us that will be \$3,000 a month more and also what he asked for now for the next four months will be \$7,893.64 right? If we could get that \$8,000 in the meantime from Lodgers' Tax which we have a whole lot of those brochures to give out to all of the hotels in town and maybe some of the surrounding towns that when people come to this area they see what's here and come so if we make an attempt to do that I think it's very fair to get \$8,000 from Lodgers' Tax. What I'm looking at right here is \$12,000 more for the next three months. It would be \$8,000 from Lodgers' Tax and \$50,000 from the Foundation and that should take us through to the next budget year.

Mary Castaneda, Finance Director said the \$50,000 you are requesting from the Foundation is already included in the budget.

Councilor Miller said but we haven't received that yet.

Mary Castaneda, Finance Director said but even with that we are still in addition and that is already done. As far as using Lodgers' Tax to cover the salaries I would have to check with DFA.

Councilor Miller said maybe all of my figuring wasn't what I thought it was. I just feel like this is ours and we have to keep it running. I heard some ideas come out from the Board for some revenues coming in. I think Mr. Pawley's requests are not really a raise it's just restoring what we took away from them.

Councilor Perry had no comments.

Councilor Holman said I think what Councilor Miller is saying is if we can do that I concur that we should. The meeting this morning of the Hubbard Museum Advisory Board the thing that alarmed me greatly was the monies in arrears that we haven't received and they simply aren't going to have the money to reimburse that. I did make the statement because it had been presented that we just don't have it in the General Fund to go with loans again to the museum without probably cutting services. I just cannot go with anything that would affect the health, safety, and welfare of the citizens and the City. We're talking about

cuts from the Police Department, Fire Department, and Public Works. If we're not sure of having it worked out tonight I suggest we postpone maybe some of the decisions until we know what might be coming in. I agree with Councilor Miller that if there is any way we can do this we need to do it. I just don't want to go into the General Fund if it's going to affect this. We're bound as Councilors to do those things for the citizens. We've had the museum for a long time. I for one don't want to see it go into a second rate situation. Another thing we've got to consider on this long-term on the museum and we're just trying to get things done now but on the long-term we've already brought up that building is deteriorating. You're going to have to address that too. That is going to be insurmountable nearly.

Councilor Hood said I read where Mr. Pawley is going to resign. It looks like we're going to need to do something because of Janis and the other employees we have down there. Last year we took a lot away from them. This is just for the reinstatement. I'm for the museum and I don't want them to go back to a second rate. The museum has a lot of volunteers.

Councilor Miller said this is our only year round attraction for Ruidoso Downs. If we want to keep getting gross receipts tax and people visiting we have to have something for them to keep them here. The racetrack is here and it's wonderful but it's three months out of the year. The museum is twelve months but it's the only attraction we have at this time. If the citizens don't support this and realize this is a tourist town and this is what we need to keep our revenues up in this town then there is something wrong. I told our residents, every one that's against it, to go every day and take that walk around the horses and then see if you don't like it anymore. It's beautiful, educational, and cultural. We have more interest in this town because of the museum. I feel like we need to do whatever we can and as for departments being compromised they each have their own budget and those budgets are sufficient. There is no way the museum is going to compromise the Police Department or the Fire Department or any other department or I would be the first one yelling. You know what? We need the museum. We've got good employees and have good ideas. My thought on this for a long time has been to call it the Hubbard Museum of the American West/Ruidoso Downs Convention Center and maybe we can get in some more revenue. If you want it there is a way.

Councilor Holman said Judy, do you think what you presented that we can do this without getting in that General Fund at least at this time and that we could at least, and I would concur, at least get a short-term solution on some of the things we are concerned about now and then address the long-term at a later date.

Councilor Miller said that's exactly how I feel.

Councilor Holman asked if we could rephrase the motion to what extent we are going to try to cover?

Councilor Miller moved to amend her previous motion.

Mayor Williams reminded Councilor Miller the discussion was Job Description Changes, Promotions and Salary Increases and Uniform Allowance Restored.

Councilor Miller said that's kind of what I would like but I would like Interim Director in here for Janis.

Mayor Williams asked Carol to clarify on that motion.

Carol Virden, City Clerk/Treasurer said the Agenda Briefing specifically states Job Description Changes and if you look at the job description there is nowhere in there that says Director. It says Associate Director.

Councilor Miller said whatever.

Mayor Williams said I have a motion with the memorandum with the job description changes, salary increases, and uniform allowances restored.

Mayor Williams asked Carol for roll call.

Carol Virden, City Clerk/Treasurer asked if Councilor Miller made her motion?

Councilor Miller said no.

Mayor Williams said no amendment. Motion is stated.

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

PUBLIC HEARING 2014 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The purpose of these Public Hearings will be to report on past CDBG program activities and to receive public input on community development needs and suggestions for future CDBG projects.

Dora Bautista, SENMEDD said I believe Mayor Williams that you have to recess the meeting briefly before the Public Hearing.

Carol Virden, City Clerk/Treasurer said these are the new rules and regulations. We will recess at 4:48 p.m. to hold the Public Hearing for the FY 2014 Community Development Block Grant (CDBG).

Mayor Williams entertained a motion to recess in order to hold the Public Hearing for the FY 2014 Community Development Block Grant (CDBG).

Councilor Hood moved to go into recess for the Community Development Block Grant Public Hearing at 4:48 p.m. Seconded by Councilor Perry.

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

Mayor Williams stated the next item on the agenda was – Public Hearing – Report on past CDBG program activities and to receive public input on community development needs and suggestions for future CDBG projects.

Dora Bautista, SENMEDD said my purpose for being here is to assist the City of Ruidoso Downs with the CDBG Public Hearing. CDBG stands for Community Development Block Grant. There are federal funds that come from HUD and they are given to New Mexico and distributed state-wide. One of the main things that CDBG stresses is that you hold these hearings to give information about Community Development Block Grants and to get citizen input on the type of projects they want to see their town try to do. She gave a brief run down on what CDBG is. Any projects that are selected must address one of three state objectives. The first and main one that most cities and towns qualify for is that the primary beneficiaries of the project be 51% or more low to moderate income. The second objective if you don't meet the first is that does this project aid in the prevention of slum and blithe. The third one is it meeting an urgent community need that has occurred as an emergency within the last eight months. HUD takes census data from the last census to determine with their formulas what percentage of every town or city and what their low to moderate income is. The City of Ruidoso Downs according to the 2010 Census is 56% low to moderate income. That means on CDBG projects you would automatically qualify. That's great for you. You have to turn in your application and sign in sheet at these hearings and minutes on these hearings. They have to grade those applications and they are competitive. Are you ready once you get this funding? There are several steps that you have to hit to get this funding. Cleatus does a good job. This is the third CDBG Hearing the City has had. The first hearing and the second hearing these were the items that were brought up by the public. It was to continue street improvements, water line replacement in the Agua Fria Subdivision, and drainage improvements on Highland north and Joe Welch Drive. We will open it up for any other public input if anyone has any suggestions.

Councilor Miller asked if we town hall meetings and what the people decide on those priorities from those meetings would that also count? A Public Hearing?

Dora said a Public Hearing should be advertised. Written comments can be sent in to Carol.

Councilor Miller said I've gotten comments on renovation of the Senior Center. We should just tell people to write their comments and take them to City Hall.

Dora said you have a CDBG project and all we're waiting for is for DFA to close it out and that is for improvements on River Lane and Nevada Lane and the second phase of that. There is a threshold date of March 14th. Dora asked for any input from the public.

There were not comments.

Mayor Williams closed the Public Hearing.

NEW BUSINESS

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

Mayor Williams said one thing I would like to mention and we're hoping the Governor is very generous and our signature is very clear that the City was able through the legislative process right now approved a Capital Outlay funding and we were able to temporarily receive \$150,000 for the Agua Fria water system Phase I. The Director has mentioned that this money could possibly go for engineering.

Mayor Williams said I was made a mention of that I should do this and I concur that members of the Council who have represented the City through their service to the Council and citizens should be recognized. Councilor Holman's last Council meeting is tonight. We've been on either side of whatever has been discussed and gone over at least on my six years and he's been here for eight years. There's been a lot of back and forth, a lot of beating up on each other to get our point across but when it came down to it I never doubted the sincerity of the decision making of the Councilor was for the City. He has shown that he is a representative of all of us that will do what is best for us and also to have that kind of public servant is something that is needed and most communities should have that kind of servant. From my end of it I would like to thank Councilor Holman for my two years as mayor. He's been very supportive of what we are trying to accomplish for the City. Some of the things he has agreed with me and disagreed with me. I want to thank you sincerely for your service to the community and know that the citizens thank you.

There was a round of applause.

Councilor Holman said it's hard for an elected official not to respond to things. Thank you.

Councilor Miller said I appreciate working with Dean. We worked on the budget together pretty closely for two years. He is very intelligent and put me in my place sometimes. I've enjoyed working with you.

Councilor Perry said I would just like to say thank Mr. Holman and I know that he taught me a lot through my life and he's not finished yet. Thank you for everything you've done for me and Ruidoso Downs.

Councilor Hood said Dean it's been my pleasure and it's been a great experience.

Carol Virden, City Clerk/Treasurer said Councilor Holman it's been a great pleasure working with you in this administration for eight years. I certainly hope that you can at some point come back and take care of your citizens in Ruidoso Downs. Thank you very much for everything.

Mary Castaneda, Finance Director said Councilor Holman it's been a pleasure working with you even though it's been a short amount of time. You are a man with lots of wisdom and I hope you continue to show up over here and share your wisdom.

H. John Underwood, City Attorney said Tex, I've enjoyed your commercial for your pickup and I have enjoyed working with you for the past four years. One thing I can count on with Councilor Holman is that he is very steady. His decisions are well thought out and usually before he speaks he considers his words very carefully. Those types of attributes can be really beneficial in the political process. It's a difficult process and not always pretty to watch but being in the process I've learned that somehow it works and it's because of people like Dean Holman that it works. Ruidoso Downs owes you a great debt of gratitude. Thank you.

Steve Dunigan, Planning & Zoning Director said Councilor Holman, every time I've worked with you it seemed you were on the same page with our goals for the City. For the years that I've known you and how you have served with your knowledge to the City it has always been for the best interest and welfare of our residents. Thank you.

Cleatus Richards, Public Works Director said I'm going to miss you. You've been a steady hand and on board with everything the City is trying to accomplish. I've enjoyed working with you.

Chief Rupp said sometimes things are hard to handle and I've been in your situation being up there. It's been a pleasure working with you.

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

There were no Councilor's Comments.

Mayor Williams stated the next item on the agenda was - Discussion and Possible Action - Approval of Resolution No. 2014-03 FY 2013-2014 Mid-Year Budget Adjustments.

Mary Castaneda, Finance Director said it is recommended that you approve the Resolution for the Mid-Year Budget Adjustments. I had some increases in revenues for the General Fund and offset expenditures. Also in the Museum Fund the \$75,000 and the reduction of the \$35,000. This has to be balanced where the \$39,000 is out and direction on how to deal with that and make that balance.

Councilor Miller asked if we have until June 1st?

Mayor Williams asked legal counsel if he had anything since Mary said we do have to have it balanced for DFA? Council needs to make a decision on how to get there.

Councilor Miller said the way I see is if we give some in Lodgers' Tax and also his request to leave that will be \$20,000.

Carol Virden, City Clerk/Treasurer said if you will look on page two of the expenditures comparison to the budget for the seven months ending January 31st. If you look at line item 36-40-47-210 that's Contracts and Professional Fees. We've already spent \$23,986 not including what is in February or March. I'm going to guess that Mr. Pawley will submit his thirty day notice so you have an additional thirty days from that date. That will be approximately \$6,000 plus the mileage to and from his home to the museum.

Councilor Miller said so it won't be total wages of four months, it will be more like three months.

Carol Virden, City Clerk/Treasurer said first of all you are already in the red \$39,933. Whatever is left over from that line item.

Mary Castaneda, Finance Director said I can do \$16,000 off that line and then from Lodgers' but then what about the extra \$8,000?

Councilor Miller said I'm hoping that our revenue will be up and it's coming to summer time. Spring break is coming too and that was my thought and they have an idea of how to bring in \$20,000 I heard today. Projected revenue. I know the wages on the two new hired people were a lot less than the wages on the two that left.

Mary Castaneda, Finance Director said that is figured in the total on the last page.

Carol Virden, City Clerk/Treasurer said it didn't help the budget because you had previously the Director leaving and you had to pay out his vacation but the last two, the Curator of Collections as well as the Curator of Exhibits we also had to pay out their vacation time.

Councilor Miller said that was unexpected in the expenses.

Carol Virden, City Clerk/Treasurer said I'm not sure if Lodgers' Tax can pay for any type of salaries other than special events for Police Department who offsets some of their salaries such as traffic safety under the racetrack and that helps offset some of the salaries there. I don't know if you can use it on a reoccurring basis for that.

Councilor Miller asked what about promotions like for Janis? She does a lot of promotions. Could that help in her salary because of what she does?

Mayor Williams asked Mary to explain what Promotional and Non-Promotional is.

Mary Castaneda, Finance Director said Lodgers' Tax Promotional is advertising and Non-Promotional is like events such as the motorcycle event. It's to bring people in. I have to check with DFA.

Mayor Williams told Council if you are going to accept this it has to be specifically identified on where it's going to.

Mary Castaneda, Finance Director said on which event and what it's going to.

Mayor Williams said the only other alternative is to take it from the General Fund which you can't really do because the revenues and expenses need to be offset.

Councilor Miller said I thought we had an overage of \$12,000 or something. We had an overage of what we needed.

Mayor Williams said it was about \$7,000. How much do we need Mary to cover it?

Mary Castaneda, Finance Director said about \$23,000.

Councilor Miller said all I can think of is to have the revenues up in spring and beginning of summer.

Mayor Williams said we can't anticipate or project. It will affect our audits and we can't go in with an unbalanced budget.

H. John Underwood, City Attorney said I went over some of this during the Advisory Board meeting this morning so that I could understand it better. As I understand it all of the projected revenue and the increase that will happen in May is already in this budget. So, the \$39,000 that we're short is taking all of that into consideration and if you look at the museum's revenues in one line item it was like at 60% and others at 40%. It seems to be running in line with the projections. The problem that we still have is that even if should Ray turn in his resignation it's on the table, he plans on doing it tomorrow, which will provide for a two week or a full at a time. If that's \$16,000 the problem is that whatever that balance is between \$16,000 and \$39,000 is because every bit of the budget is accounted for in current obligation that we have to the Police Department, Fire Department, Road Department, that in order to meet the \$43,000 without the increase in pay we have to adjust our budget which means that because we didn't get the other \$75,000 from the Foundation we are going to have to get this and it can only come from other departments in the General Fund. As I understand it has to be done tonight.

Mary Castaneda, Finance Director said it doesn't have to be done tonight but you can't send an unbalanced budget to DFA.

H. John Underwood, City Attorney asked do you have a suggestion?

Mary Castaneda, Finance Director said the only suggestion I have is what's been done in the past and that is a temporary transfer. I'm not suggesting that but it's the only thing I'm aware of in the past.

Mayor Williams said it would have to be paid back and we did that with transit but it would have to be paid back.

Mary Castaneda, Finance Director said you could cut more from the museum than we've already cut. She said I've gotten as close as I can unless you want to transfer out. That's \$16,000 and then we still need \$23,000 and that doesn't include the increase in their salaries.

Mayor Williams said that's \$31,000.

Councilor Miller asked if there was a reason why we didn't get the \$75,000 that we budgeted for from the Foundation. I wonder if we asked them very nicely if they would do half of that \$75,000?

Mayor Williams said I'm going to stop it right now on any more discussion and ask for a first and second on Mid-Year Budget Adjustments.

Councilor Hood moved to approve Resolution No. 2014-03 FY 2013-2014 Mid-Year Budget Adjustments. Seconded by Councilor Perry.

Mayor Williams said here is what we need, \$23,000 plus another \$7,000. We're \$31,000 short. Somehow we need to pull \$15,000 out of the Directors.

Carol Virden, City Clerk/Treasurer said you cannot transfer any monies from the Enterprise Fund and that is the Joint Water Fund.

Mayor Williams said we can take it from the Street Fund right?

Carol Virden, City Clerk/Treasurer said let's back up a little bit. The General Fund revenues have already been spent and budgeted for in all expenses such as Legislative, Judicial, Non-Legal, Legal, Street, Garbage, Fire, Police, Garage, Senior Citizens. All those revenues have already been budgeted. There is no extra monies in there. Period.

Mayor Williams said \$31,000 has got to come from somewhere and we cannot have an unbalanced budget.

Carol Virden, City Clerk/Treasurer said before we send this Mid-Year Budget Adjustment by the end of tomorrow.

H. John Underwood, City Attorney asked if there was a deadline to have it received by DFA?

Mary Castaneda, Finance Director said most mid-year adjustments are done by January 31st. Then you have the quarter in March. You will have money overspent here and money underspent there and need to make adjustments.

Councilor Miller said this \$75,000 was unexpected. We'll have to be careful in the next budget that we don't forget things.

H. John Underwood, City Attorney said it's very difficult tonight to go through line by line to make \$40,000 to cut.

Carol Virden, City Clerk/Treasurer said I assume you mean the Museum Fund.

H. John Underwood, City Attorney said no, everywhere to cover our budget.

Carol Virden, City Clerk/Treasurer said that would be a transfer anyways because they are different funds.

H. John Underwood, City Attorney said I don't know if you need a Budget Workshop to find where you're going to get that \$40,000 because every department is going to have to be looked at. What I'm hearing is there is no more revenue available for the museum and you have made \$35,000 worth of cuts in the Museum Fund do we then have a workshop and cut the other departments for \$23,000? I don't know how the Council could do that tonight.

Carol Virden, City Clerk/Treasurer said this is only a suggestion. You have no choice and I am certainly not making a recommendation on this. It is only a suggestion because it is the Councilors, the Governing Body of the City of Ruidoso Downs responsibility to oversee the finance. You are aware that there is a fund that is in the deficit again. It has been reoccurring and I will certainly stand to be corrected. There is always a transfer from somewhere. That somewhere is always the General Fund and Lodgers' Tax. In order to send a Mid-Year Budget Adjustment with revenues compared to expenses that are equal then do a transfer. It's your choice from the General Fund or Lodgers' Tax but to hold off on those increases until the next fiscal year. You'll have a cleaner picture if the Hubbard Foundation is only going to contribute \$100,000. Well, we will take that \$100,000 and all of the little revenues coming in and that's all you have to spend. The Preliminary Budget has to be in by July 1st.

H. John Underwood, City Attorney said I would recommend that if you're going to do that the best thing to do is a temporary transfer because there are some questions on the Lodgers' Tax.

Mayor Williams asked Council for a recommendation via staff.

Carol Virden, City Clerk/Treasurer said it was a suggestion.

H. John Underwood, City Attorney said if the choice is to do Ray's termination which is effective tomorrow gives the Council the option to either take him up within fifteen days if they would like thereby adding another possible \$1,500 to that. Ray is fine with the fifteen. Another thing, if your transfer is to include the action that the Council took earlier tonight in restoring the salaries and uniform allowance then the transfer needs to include that. The next Council will have to take action on Ray Pawley's contract but I think you need to take that into consideration if you do that. If you want to reconsider the action that you took earlier and leave that as an issue to be discussed in this budgetary process for the next budget someone in the majority will have to move to reconsider that motion.

Councilor Miller said in other words this should have been on the agenda before the other.

Councilor Holman said that's what I think. I think what I'm hearing is we do have a way out. At least temporarily.

H. John Underwood, City Attorney said if you want to leave that on the table for an issue to be discussed in the ongoing budget for the next fiscal year you can do that by someone voting for the majority and then move to reconsider and then someone to second that. That way the transfer that you want to make would only be for the amount that you're short, the \$39,000 less the amount of Ray Pawley's.

Councilor Miller said my thought is we are going to get busy over there with summer coming and they cannot have full-time people like a person in the Gift Shop. This dress allowance was taken away from that department. My understanding is that everyone who is a full-time employee of the City of Ruidoso Downs gets \$75 a month dress allowance.

Carol Virden, City Clerk/Treasurer said there are different classifications. The Police Department gets \$125 and so does Public Works. Clerical gets \$75.

Councilor Miller asked how many in the museum were going to get it?

Mayor Williams said there are seven employees at the museum that were going to get it.

Councilor Miller said I've heard Dean say this too but I feel like the employees of the City of Ruidoso Downs get quite a few incentives. I think uniformed people yes should get that

dress allowance and the parks people. I worked at the schools sixteen years and no one ever gave me dress allowance.

Mayor Williams said that's a discussion for a later date.

Councilor Miller said yes it is but we're looking at a way to cut.

Mayor Williams said we're looking at the budget for the rest of the fiscal year. Council needs to decide what we are going to do, \$23,000 or \$31,000.

Carol Virden, City Clerk/Treasurer said the majority voting aye in the affirmative would have to bring it back to the next Council Meeting, Reorganizational Meeting on March 10th. Last fiscal year there was a temporary transfer of \$50,000. This fiscal year there was a temporary transfer not to exceed \$75,000 and we did the whole \$75,000.

Councilor Miller said and it's not been paid back.

Carol Virden, City Clerk/Treasurer said none.

Councilor Miller said it makes it look bad if we keep doing that.

Mayor Williams said we have to be aware of our taxpayers and the services we provide and the General Fund. You can't keep digging into something. You have to get a remedy for the situation. There are no guarantees that the revenues from the museum are going to cover the expenditures. It has to find a solution.

Councilor Miller said we cut the budget for the museum in half last year and we thought that would work. Evidently it didn't.

Mayor Williams said it's unfortunate that the process of what we believed the Foundation was going to give the City was not. We don't blame them. There are some responsibilities here. Council is the fiscal agent.

Councilor Hood said I think the best thing to do is postpone the raises and clothing allowance until we get into the budget hearings for next year.

Mayor Williams said I understand that Councilor but it still doesn't get us to the \$23,000 that we need to cover. That money right there is not going to affect what we need to do.

Councilor Holman said it's been my experience, and I've said this many times that we have the best City Clerk in the whole State of New Mexico, when we listen to Carol I don't know of a time that we haven't been in good shape. My feeling is that we need to listen to our professional people. They know more about this. The mayor seems to be better versed by

far than we are. Mayor you seem to better understand this other than Carol. Do you have a suggestion?

Mayor Williams said the only suggestion, and it's going to be damaging because you're going to cut service to the citizens and that is to go into the budget, reevaluate it and make cuts in order to offset what the museum needs. We don't want to do that. I will not personally want to go in to him and tell him I need some money out of your budget for whatever. They already have their budget set and have the money spent for what they are doing. I don't have an answer. The Clerk has and the Finance Director has suggested.

Councilor Miller said since we had the unexpected expenses and having to pay all the back pay and stuff it has hurt the budget quite a bit. All we've done is cut and cut and cut. I don't know how we can cut any more over there. In fact, they have felt like our stepchild by the way we have cut them.

Mayor Williams said alright. I'll tell you what I'm going to do Council. I'll beg, borrow, and steal, and grovel and go over to the Foundation tomorrow and talk to Mr. Donaldson. Where the judgment is tonight I don't know until tomorrow. I'll do my part tomorrow. Council needs to decide what to do with the budget.

Councilor Miller said well, let's put it off until the next meeting then.

Mayor Williams said it's not fair to Carol or Mayor to keep putting it off.

H. John Underwood, City Attorney, said the win for our budget is to do a temporary transfer. That needs to be done. The win for the City is for the Mayor to have a successful discussion tomorrow. To make cuts to the budget tonight is impossible. By the time we have our next meeting perhaps the best thing to do would be to authorize a temporary transfer of either the \$23,000 or \$31,000 depending on whether the Council wants to keep the \$8,000 increase to be reconsidered and to ask if that could also be tabled until the next meeting so you can make a determination on that and go ahead with the temporary transfer. I believe with the vote of this Council the \$8,000 would become effective tomorrow. That would be my recommendation to take it off the table tonight for reconsideration at the next meeting.

Councilor Holman said I think Councilor Perry started to say something a while ago and then changed it.

Councilor Perry said I think our best bet at this point is to do what Mr. Underwood has recommended. Take the raise and stuff off the table and I would like to say one thing on that deal. We didn't take those wages away. They volunteered. They were the ones that came to us and told us what they wanted. That's why the clothing allowance was cut. Our best bet is to take it all off the table tonight, think about it, see if the Mayor can get the funding and then give them the raises.

H. John Underwood, City Attorney said I think the temporary transfer is going to have to be the \$39,000.

Mayor Williams said Council you have two options. One is to reconsider the original discussion and action that you took regarding the Job Description Changes , Promotion and Salary Increases and Uniform Allowance Restored. Two is to take \$39,000 out of our General Fund. Three is to take \$48,000 if you do the salary increases.

Councilor Holman said my preference is to allow Councilor Miller to make the motion that she sees as the best one. The feeling among us all might be better and that we're not ganging up on her.

Councilor Miller said I thought it was just going to be that \$8,000 immediately. But we need the whole thing. The only solution I know since we already voted on the \$40,000 is if he comes up with more money plus not keeping Mr. Pawley maybe we can put that back in.

Mayor Williams asked Councilor Miller does that mean the \$8,000 stays?

Councilor Miller said I don't want to reduce the staff there. We need the staff.

H. John Underwood, City Attorney said what we need to do is the temporary transfer of \$39,900 plus the increases. Then at the next meeting adjustments would be made on Mr. Pawley's termination and anything that the Mayor may be able to come up with.

Mayor Williams asked Mary Castaneda, Finance Director do you have the numbers so that when they make the motion it is clear?

Mary Castaneda, Finance Director said it's \$48,000 and that's before Mr. Pawley.

Councilor Hood moved to make a temporary transfer out of the General Fund to the museum.

Carol Virden, City Clerk/Treasurer asked Councilor Hood to amend his motion to read - to approve Resolution No. 2014-03 FY 2013-2014 Mid-Year Budget Adjustment with a transfer of \$48,000 from the General Fund to the Hubbard Museum of the American West.

Councilor Hood said I amend my motion as stated by the Clerk.

Seconded by Councilor Miller.

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

Mayor Williams stated the next item on the agenda was – Discussion and Possible Action – Approval of Agenda Briefing – Destruction of Records – Ruidoso Downs Police Department.

Chief Rupp said the Police Department recently had an inventory of Police records down in storage. The inventory was old and guidelines were followed for choosing destruction of records. There were approximately thirty-nine boxes for destruction.

Mayor Williams entertained a motion to approve Agenda Briefing – Destruction of Records – Ruidoso Downs Police Department.

Councilor Hood moved to approve Agenda Briefing – Destruction of Records – Ruidoso Downs Police Department. Seconded by Councilor Perry.

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

Mayor Williams stated the next item on the agenda was – Discussion and Possible Action – Approval of Personnel Recommendation – Planning & Zoning Department – Position – Secretary.

Steve Dunigan, Planning & Zoning Director said I am presenting a recommendation to hire Alejandra Jiron for Planning & Zoning Secretary. She scored the highest on the interview process. She is bilingual and has the background as an administrative secretary. She would be a great addition to the department and I certainly hope you approve the recommendation.

Mayor Williams entertained a motion to approve – Personnel Recommendation – Planning & Zoning Department – Position – Secretary.

Councilor Hood moved to approve –personnel Recommendation – Planning & Zoning Department – Position – Secretary. Seconded by Councilor Holman.

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

Mayor Williams stated the next item on the agenda was – Discussion and Possible Action – approving Memorandum of Agreement – Comprehensive Community DWI Prevention Program Between the City of Ruidoso Downs, the County of Lincoln and the Village of Ruidoso.

Mr. Hanson said this is the same grant that we do every year. It is money collected by the court and sent to Traffic Safety. It's \$50 for every DWI and the money costs Ruidoso Downs nothing. The money that is collected on behalf of Ruidoso Downs you can't touch unless you have a Coordinator, DWI Council, and the whole bit which I'm the only one in that County that is qualified to do that. All the money goes to overtime for the State Police to work DWI overtime. I don't have to give money out of my distribution. I can then give more money to other departments in the County.

Mayor Williams entertained a motion to approve - Memorandum of Agreement - Comprehensive Community DWI Prevention Program Between the City of Ruidoso Downs, the County of Lincoln and the Village of Ruidoso.

Councilor Hood moved to approve - Memorandum of Agreement - Comprehensive Community DWI prevention Program Between the City of Ruidoso Downs, the County of Lincoln and the Village of Ruidoso. Seconded by Councilor Perry.

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

Mayor Williams stated the next item on the agenda was - Discussion and Possible Action - executing FTA Fiscal Year 2014 Certification and Assurances - Lincoln County Transit.

Mayor Williams said this is by agreement to do this is that we comply with all federal standards, statutes, and regulations and protocol of federal guidance. It does tell the federal government that we are willing to go by a process of how to run the system and the funding will be spent according to their guidelines. This allows us to continue to access funding by the DOT.

Mayor Williams entertained a motion to execute FTA Fiscal Year 2014 Certification and Assurances - Lincoln County Transit.

Councilor Miller moved to approve to execute FTA Fiscal Year 2014 Certification and Assurances - Lincoln County Transit. Seconded by Councilor Holman.

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

Mayor Williams stated the next item on the agenda was - Discussion and Possible Action - Renewal of Senior Citizen Lease with County of Lincoln.

Renee said today I am here just to discuss with you and see if you have any questions about the Senior Citizen Center lease. I am not in any position to make anything legal or make any absolute commitments but I'm here to answer any questions. As of now the County

does support the Senior Center and the operations and the free services that are offered. Currently we don't fund transportation but we are working on that to help compromise.

H. John Underwood, City Attorney said I had an opportunity to visit with Renee today and Mr. Morel the attorney for the County. Mr. Dunigan had toured the facility with Ms. Taylor and Mr. Morel as far as repairs that are needed at the center. The County is hiring an engineer to review some of the concerns for the building at the center. The County is responsible for the maintenance of the building but not the structure. The report will tell us a lot about the situation and the County will be able to tell us what they are willing to do subject to the report. In the meantime we are on a month-to-month lease. There were some issues about the City's right to the facility when the County is not using it for the senior meals program. She gave to me and I passed it out in your packet a sheet that shows what the rules and regulations are for the use of the center by the City or groups of the City. We will make that an addendum of the new contract. The lease amount, under the law between two government agencies can be for less than the fair market value. In this case it is \$1 a year. The reason for that the service the County provides to the citizens of Ruidoso Downs of the meal program and across the County costs approximately \$208,000 per year. Because we don't have a new lease to negotiate at this time I wanted to set up discussion and action cannot be taken at this time.

Councilor Miller said we need more communication with the County on the building. I heard it had been leaking for years and they didn't know it. The only ones that knew it were the ones that were there and we need more communication. Another thing is we have reserved it for City functions. I use it for my cleanups and have used it before for Easter and Christmas. I don't mind asking ahead of time and all that so I definitely want to keep that in the contract. We've had several citizens suggest that we maybe do an addition and I think that's a great idea and have a little community center. I've seen it in Fort Worth and it works. Our parks and rec could use it as a concession stand and make a little bit of money. I would like to see a shorter contract in case we did get funds and could do that community center for the City.

OTHER BUSINESS

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

Mayor Williams stated the next item on the agenda was - Updated Financial Status Report - Hubbard Museum of the American West and Lincoln County Transit.

Mary Castaneda, Finance Director said with the reimbursements for October, November, and December for Lincoln County Transit they are in the black \$4,089.17.

Mayor Williams stated the next item on the agenda was - Update on Greentree Solid Waste Authority.

Mayor Williams said as you know there has been an ongoing situation between Greentree with Lincoln County and it's gotten to the point where the discussing and talking has really not been a good thing. You hear a lot about it in the news and it's a colossal mess right now. The County is willing to sit down and talk with Greentree about continuing the service. To tell you the truth I don't know if it's going to work out. The County pulled out of their possibly considering. I don't think Greentree could exist with that loss of revenue. How that would affect us and the services they would provide to our community I don't know. I don't know if they would cut back on slash removal, recycling, and maybe go to regular trash containers instead of polycarts or what. Right now it's really, really difficult to understand what is happening. We are hopeful the County and Greentree sit down and discuss the issues. Stay out of the paper and make it person to person. The County wants to meet with each individual entity. They have met with the other three and they want to meet with us in the Downs to talk about it. There is a substantial loan that has to be paid on and we are residents of the County. We are partners on the Otero and Lincoln County landfill. It has to be remedied and it would definitely hurt us as a community. I will keep the community and the Council informed.

PUBLIC INPUT

(All concerns to be addressed on 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.

Wayne Williams said we had an incident in our neighborhood the other night. We had a bunch of gun shots go off in our neighborhood. Before we could get off the phone with the lady officer at night they had already stopped the car and got his information and everything before we got off the phone. He needs to be recognized for it. Two police officers from Ruidoso also showed up. I thought she was very professional and put our concern at ease and had already stopped the car, got their information, and found out what they were doing over there. The other thing I want to talk about is River Park. There is some construction going on and as far as I know there is nothing that has been approved by City Council. I don't know what's going on but I'd like to maybe by the next meeting know what's going on. It's my understanding that anything with construction has to go through City Council. And, I have a suggestion for your \$48,000. Maybe we can take a cut in our legal fees.

Beth Miller asked how much are we spending exactly from the village monies annually or even monthly?

Mayor Williams said you should probably come in and talk to her because she doesn't have the figures right now.

Carol Virden, City Clerk/Treasurer said I was under the impression from the previous administration and this current administration that we were not going to respond to

questions asked of staff. They can come in in the morning and we will provide them with that information.

H. John Underwood, City Attorney said we're not supposed to respond back because then you end up in a dialogue.

Beth Miller said I've asked privately too.

H. John Underwood, City Attorney said if you will come in and speak to Carol or Mary they will give you that information.

Beth Miller said is that something all the public should know?

H. John Underwood, City Attorney said it's public information. It's in the budget.

ADJOURNMENT

There being no further business to attend to Mayor Williams entertained a motion to adjourn.

Councilor Miller moved to adjourn at 6:30 p.m. Seconded by Councilor Holman.



Gary L. Williams

Gary L. Williams, Mayor

ATTEST:

Carol Virden

Carol Virden, City Clerk/Treasurer