

MINUTES OF THE CITY COUNCIL
OF THE CITY OF RUIDOSO DOWNS
CITY COUNCIL CHAMBERS
REGULAR MEETING
MARCH 28, 2016
4:30 P.M.

The Council of the City of Ruidoso Downs met in regular session on March 28, 2016. Mayor Williams called the meeting to order at 4:30 p.m. Mayor Williams asked Judge Mansell to lead the Pledge of Allegiance.

Mayor Williams asked Carol Virden, City Clerk/Treasurer to take roll call. The following were present:

Councilor Morales
Councilor Romero

Councilor Miller
Councilor Walker

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

Also present:

H. John Underwood, City Attorney
Alexandra Bobbit, City Attorney
Mary Castaneda, Finance Director
Dale Graham, Public Works Director
Steve Dunigan, Planning & Zoning Director
Christopher Rupp, Police Chief
Bonnie Ambrose, Lincoln County Transit Manager
Harrold Mansell, Municipal Judge

APPROVAL OF AGENDA

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

Mayor Williams entertained a motion.

Councilor Morales moved for - Approval of the Agenda. Seconded by Councilor Miller.

Roll call votes: Councilor Miller, Aye; Councilor Morales, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

APPROVAL OF CONSENT AGENDA

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

Mayor Williams entertained a motion.

Councilor Miller moved for - Approval of the Consent Agenda. Seconded by Councilor Morales.

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

APPROVAL OF MINUTES OF ORGANIZATIONAL MEETING AND REGULAR MEETING OF MARCH 14, 2016.

Councilor Miller moved to approve minutes of Organizational Meeting and Regular Meeting of March 14, 2016. Seconded by Councilor Morales.

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

APPROVAL OF ACCOUNTS PAYABLES

Councilor Miller moved to approve Accounts Payables. Seconded by Councilor Morales.

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

APPROVAL OF MONTHLY REPORTS

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

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

COMMITTEE REPORTS

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

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

Mayor Williams asked for a motion to temporarily close the regular meeting of March 28, 2016 to go into Public Hearing.

Councilor Morales moved to temporarily close the regular meeting of March 28, 2016 to go into Public Hearing. Seconded by Councilor Miller.

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

PUBLIC HEARING

2017 Community Development block Grant (CDBG)

Purpose of Public Hearing is to serve as close out for 2015 CDBG Grant and to receive public input on Community Development needs and suggestions for future CDBG project.

Dora Batista, SENMEDD said my purpose in being here is to assist the City of Ruidoso Downs in the CDBG Public Hearing. Public Hearings are a mandatory requirement when the City currently has a CDBG project or they intend to apply for future CDBG funds. They are federal funds from HUD that filter down through the State and are released on a competitive basis. The 2016 applications were due today at 5:00 p.m. Ruidoso Downs was not able to apply because they have a current one going right now. This meeting is mandatory to close out the current one. The current project is Agua Fria Subdivision laying the water line. They received \$475,000 and they put up \$25,000 of City funds and they also used legislative grant funds to pay for engineering. The whole amount was about \$650,000. They really like to see when they are leveraging other funds. The way to apply for CDBG is you have to meet one of three criteria. Your primary beneficiary is you have to be 51% low to moderate income or this project has to eliminate or remediate or it is an emergency. Ruidoso Downs is 58% so you automatically qualify. Lincoln County as a whole is only 41%. You can apply for up to \$500,000 and you have to put up a 5% match and you can only apply once a year and most of the funds go to infrastructure. Part of this is Colonias and Ruidoso Downs is a Colonias.

Dora opened Public Hearing for 2017 CDBG.

Terry Proctor said they could pave the streets that the contractors pulled up in Agua Fria.

Tom Armstrong said I live on Valley View and I believe you need paving and drainage and water pipes.

Dora said after we do two more hearings the Council will vote and take your comments into consideration.

Sebrina Lundquist said maybe some lighting on the side streets.

Tom Armstrong said we need signs for the roads and some of the letters you can't read.

Councilor Walker asked if they could ask for funds for more efficient lighting?

Dora said you can't do anything for City Hall.

Councilor Walker said for the highway and possibly the museum.

Dora said you can do that.

Dora closed Public Hearing at 4:46 p.m.

Mayor Williams asked for a motion to go back into regular meeting session at 4:46 p.m.

Councilor Morales moved to open regular meeting session back to order. Seconded by Councilor Walker.

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Romero, Aye, Councilor Walker, Aye. Motion carried.

UNFINISHED BUSINESS

Mayor Williams stated the next item on the agenda was Unfinished Business.

A. Discussion and Possible Action - Approval of Special Audit.

Kevin Sourissean, Director of Special Audits. We were out here earlier and conducted a Special Audit of the Municipal Court. Last year about this time we met with the Mayor and he had some concerns that were shared and from the Finance Director as well with the handling of cash and some of the operations of the court. We came back in the fall and talked with Judge Mansell on the phone as well about policies and processes. We came up to an agreement of procedures. It's not an audit in the sense that you would have but they did agree to perform certain procedures related to financial matters and some payroll procedures. We signed a contract in November for these procedures. The report shows six findings. There are some dollars associated with some of those findings and there are some risks and concerns we have. The findings 1 and 2 we have a court administrator who was paid overtime during our audit period of 2012 through

2015. To us it didn't match the policies and procedures of the court. The court provided a couple of different policy manuals to us. One had some changes that had been adopted over time. We couldn't understand why a court administrator would be paid overtime. We found about \$1,000 in overtime. The second finding amounted to almost \$3,800 was court employees instead of taking a City vehicle to make deposits were taking their own vehicle and being paid mileage. We do understand that City vehicles are available for that. We feel that the City should take on that responsibility of depositing the cash. We also recommended that the court and the City come together and come out with a process that will provide accountability for the deposits and then work on a policy to put in place. Paying an employee mileage when there is a vehicle available is in conflict with City policies. The court does have their own personnel policies but the City's policy conflicts with paying mileage. We understand that there is a very minimal staff and to avoid fraud there should be a separation of duties with the person who is working in receivables or entering your tickets and fines into the system shouldn't also be accepting deposits and posting those against those fines and then also preparing the deposit. We think in that there should be some oversight and assistance and daily reconciliation and posting to ensure that no one person has full control. We have your financial auditor here today as well and this audit report will be passed on to this auditor and the auditor next year where we have these findings. We don't like to see findings repeated year after year. We also saw a conflict with employee's schedules and required hours of operation. This is something the court can take care of with a rewrite of their policy manual and that is entirely up to the court. Another concern was there wasn't good solid documentation and it wasn't adequate. The City should look at personnel files and make sure there is adequate documentation. Overall we found about \$5,000 that was spent on the overtime item and that's all we found. In this audit we have responses from both City management and from the court.

Councilor Miller said on the Executive Summary you said the person who was in a year ago in March and that nothing was done until December. Nine months.

Kevin said we had a change in administration and we had low staff and we also had a big case log.

Alexandra Bobbit, City Attorney said there was another aspect to that. During the meeting that took place approximately a year ago it was recommended that the City was asked to do first before we went on to the investigation part of it. The City was asked to do several memos and follow up with the court that are an issue today so that also delayed it. The City had to show the State that there was an attempt and that it wasn't successful and that it was urgent that they come in. Part of that wait period wasn't just the State but also the recommendations to the City before they take on that expense. That's when the ultimate decision was made in September was made to have them come back.

Kevin said we were here in January for an exit conference. We were here for a few days doing research of applicable laws to compile our report. On February 17th we had the court, Mr. Underwood, and the Mayor here for the exit conference. We were very firm with the findings and issues.

Councilor Miller said I agree that our departments need to work together. I read in the paper and here that your department didn't find intentional wrong-doing. These findings where the money was involved were line items in our budget for their department. This was all budgeted and voted on by our Council.

Kevin said we didn't see people with wheelbarrows pushing money out the door but that's not to say you're not a risk.

Councilor Walker said your findings look good but I think it could have been avoided to have a Special Audit. The audit cost around \$20,000 is that right? So, we found almost \$5,000 of issues here but there was a \$20,000 audit and if City workers had worked together they could have handled that internal. I think that was a waste of money and I think we need to be more careful how we spend money. I think we need to start taking votes when there is a Special Audit.

Councilor Morales said we did take a vote on the Special Audit. It was brought to Council and the money for the audit was approved by Council. One of the things that you don't know is they could not work together. We should all work together but it doesn't always happen. It wasn't something that was done by two Councilors or the Mayor. Could we have avoided spending the money? Probably so but at that point it was not going to happen.

Councilor Romero said as a citizen before I ran for the position I had no idea that this went on for a year. How would you communicate to citizens that there was a possible \$20,000 to be spent on an audit? I cannot find it anywhere.

Councilor Morales said it was on the agenda.

Councilor Romero said which agenda?

Councilor Morales said I don't know. I can't give you a specific date. Carol would be more apt to tell you.

Councilor Romero said I'm just pushing for the citizens. They need to know what's going on in my opinion.

Councilor Miller said I believe it was in Executive Session and that's why no one heard about it. Then when we came out to vote it did not say what the contract was for. I for one have never seen the contract or signed it. I saw you at the MOLI training and you put on the presentation and that's where I saw that Ruidoso Downs was going to be on it.

Mayor Williams said the audit request was brought forth by me. I had concerns about what was happening with tax payer's money. You look at the figures and it's this much, and this much, and this much. The fact is that the taxpayer's money wasn't being spent properly. As a Mayor I have a responsibility for oversight of public funds for the citizens. I had a concern and I had to talk to the people with the expertise. I contacted the State Auditor and asked them is there a situation of public funds not being spent properly? I asked them to come down here and take a look. Not knowing if they were going to find anything but to come down and take a look. They investigated it and went back with the information we provided them with. Council, on November 23, 2015 in Closed Session came out and said proceed. Whether you agree or not is not my concern. My concern was at the time that it was necessary and the findings say yes, there are internal controls that weren't being addressed from both our side and the court side. If we didn't find a solution to it we would be doing the citizens of this community wrong. You can harp all you want but you need to ask questions before you start making comments. This was done legitimately with the knowledge of Council and with the approval of Council on the recommendations. They didn't have to approve it but they felt the same thing that the Mayor's office felt, that there was a problem developing and we needed to find a solution before it go out of hand. It could have continued to happen if nothing was done. The responsibility of an elected official is to ensure to protect the public funds of the citizens. If there are any questions my office is open. Come in there and say why \$20,000? Who approved it? What was the meaning? Ask questions.

Councilor Walker said it's hard to ask questions. I went to the legislative meeting in Alamogordo and you weren't very friendly down there. You totally ignored me and totally did so not to talk to me so how am I supposed to react and feel like I can come and ask you questions whenever you treated me like that down there? This is part of the problem.

Mayor Williams said do not attack and this is not where we are going today. We are here to address the Special Audit to show there was a concern and the remedy is working together with the Court to ensure that the findings that were brought forth do not persist because if our audit shows findings we can't go out for funding. We can't find CDBG or Colonias money or legislative money. The purpose of this was to ensure that we stay safe. Are there any other questions to this special auditor?

Tom Armstrong asked why there is no audit from Dan every year? Wouldn't that have handled it? They are a part of the City and maybe that should be.

Kevin said a special audit has a much broader scope to details.

Mayor Williams entertained a motion.

Councilor Morales moved to accept Special Audit. Seconded by Councilor Miller. She said I have a question though Mary. I don't remember putting this in the budget.

Mary Castaneda, Finance Director said after your decision in the Council meeting to come out and approve the contract for services of the \$20,000 I went in and I added the line in for the Special Audit for \$20,000. In our small city assistance we have revenues set in there for \$70,000 that I put in there. We received \$90,000 so we received an excess of \$20,000 that will cover the cost of that expenditure. I did shoot an email to DFA on the budget and ask them about the situation where there is not a revenue to cover the expenditure. She said the General Fund will cover those expenditures. That was the answer I got.

Carol Virden, City Clerk/Treasurer said what took place on November 23, 2015 under the Closed Session was the item for specifically the purchase of an item with the cost of an item over \$2,500 as a sole source. I cannot disclose what happened in Executive Session but when you came out there was a motion and a second and it was unanimously approved that the sole source contract be approved.

H. John Underwood, City Attorney said the amount of the contract was disclosed in Executive Session.

Roll call votes: Councilor Walker, Aye; Councilor Romero, Aye; Councilor Morales, Aye, Councilor Miller, Aye. Motion carried.

Mayor Williams asked Mary to repeat what she said about the Special Audit.

Mary said I had budgeted on the revenue side of small cities assistance of \$70,000. We received \$90,000 on March 4th. That's an excess of \$20,000. Council came out of the session and approved the services and since the services were performed it came out to \$20,000. You had an excess of \$20,000 revenue and an expenditure of \$20,000 so it's a zero affect against the budget. I did email DFA and I did question them in a situation where something is brought before Council where it's not in our budget and you guys approved the budget and how it was handled.

Dale Graham, Public Works Director said Mr. Armstrong everybody hates those signs but those signs are out of our control. They belong to New Mexico DOT and that is the new highway administrations department.

NEW BUSINESS

Mayor Williams said one more comment on the streets in Agua Fria. There is funding to do the streets that has been applied for and we have applied for coop funding.

Councilor Morales said I've lived here probably way too long. Back a long time ago there was a little coffee shop across from Walmart and he had these matchbooks that said let's go to the Monday Night Fights at Ruidoso Downs. One thing is that we have new Councilors and old Councilors and we were elected and we need to work together and personalities and personal texts do not belong in a Council Chamber. I don't care who it's from. If we have personal issues then we need to say I have a problem and we need to talk. I do not want to see this Council go in the direction of let's go to the late night fights at City Hall

Councilor Miller said we had a great Easter Egg Hunt at Riverside Park and I was glad at the amount of people that showed up. We hid over 2500 eggs. Public Works gave us 2000 eggs. City Bank gave us \$150 for candy and we stuffed prize Easter baskets for every age category. I'd like to thank everybody that helped.

Councilor Romero said currently Ruidoso is experiencing a fire. I would like to recognize our Fire Department, the Village of Ruidoso, and Glencoe. I would also like to recognize Dale Graham and his employees for directing traffic Ricky Valdez, Israel Chavez, and Mike.

Discussion and Possible Action - Approval of Resolution No. 2016-04 A Resolution Authorizing Signatures for the City of Ruidoso Downs Accounts with all Financial Institutions Within the Surrounding Areas of the Municipality.

Carol Virden, City Clerk/Treasurer said this resolution updates the Mayor Pro Tem of Judy R. Miller.

Mayor Williams entertained a motion.

Councilor Morales moved to approve Resolution No. 2016-04 A Resolution Authorizing Signatures for the City of Ruidoso Downs Accounts with all Financial Institutions Within the Surrounding Areas of the Municipality. Seconded by Councilor Walker.

Roll call votes: Councilor Romero, Aye; Councilor Morales, Aye; Councilor

Walker, Aye, Councilor Miller, Aye. Motion carried.

Dan Austin CPA - Presentation of City of Ruidoso Downs Audit FY 2014-2015.

Dan Austin said I'd like to thank Mary and her staff. I think this has been one of the most difficult years I've ever had in auditing because there were new accounting standards. The State did an audit and found that PERA was unfunded by about two billion dollars. The account examiners came along and said that we had to include a certain portion of that two billion dollars into our financial statement. This audit was supposed to be done on December 15th to be submitted to the State. There wasn't a single audit approved by December 15th by the State Auditor. I had some issues as to how and who I was supposed to allocate that 2.4 million dollars. What I was reading was some of it was supposed to be allocated to the utility fund. I didn't know exactly what to do or what they wanted me to do. I elected not to send it until I had a more clear understanding of what I was supposed to do. I finally finished the report late in January and we had an exit conference on February 8th and the State Auditor approved it on March 8th. I did cause you guys a bit of a problem for a late audit report and may have affected the CDBG grant and issues with other funding. I regret it and that is what happened.

Dan said on page 7 & 8 is my opinion on the Financial Statement. We consolidate thirty funds into one set of financial statements. In the first paragraph on page 8 you will see me saying that they did an audit on the PERA fund. I don't know a lot about it and I can't rely on those numbers. I'm just telling you they are in there and I don't know if they are right or wrong. You can go to PERA's webpage and they have the audit there. Page 8, 9, 10, and 11 are the comparative financial statements and the General Fund ended up with one of those ending cash balances in excess of 5 million dollars. On page 14 it shows assets of \$26,896,102 as of June 30, 2015 and total liabilities of \$3,649,743. We're always concerned about cash and it was \$2,558,117 and utility funds at the end of that period. You also Capital Assets of \$2,157,302 of the combined water, sewer, and sanitation. In the liabilities section is a net and I mentioned earlier that on June 30, 2013 the Village had a total liability and we did a restatement of the equity. We started out that year with \$2,426,653 and what they do is go through there and look at what the PERA has invested in and if the market went up, how they contributed, and all kinds of variables included in that calculation and the number was \$1,814,000. I have a question as to whether PERA was to fail who is going to pay that? Is it our responsibility? Because it's on our financial statements now I don't know. I don't know if the contract says if we're going to go bankrupt who is going to pay that outstanding debt.

H. John Underwood, City Attorney said the legislature is going to have to deal with that and how they're going to deal with that is much like Medicaid.

Dan said if you go to page 15 this is a P & L for the village as a whole. The first column is total expenses of \$43,697,767. I go through and look at all of those thirty funds and I classify them and you can see them listed. In the utility you can it is \$1,508,834. Then there are program revenues and then you will see the restatement amount of (\$2,429,360). On page 16 you will see the Balance Sheet with the total of assets and liabilities of \$3,118,050. On page 18 you will see a more detailed side of the revenue funds. On page 20 is the budget for the General Fund. You started the year with \$3,287,369 and the final budget was \$3,336,112 with \$3,008,496 in a cash basis funds. Expenditures started with \$3,245,395 and adjusted it to \$3,268,018 and ended the year with \$2,906,040 and transferred in \$28,805 from other funds. On page 21 is the budget for the Museum fund you had revenues of \$258,400 and we adjusted that to \$278,400. Operational expenses were \$395,554 and adjusted it to \$413,908 and actually spent \$393,895. We transferred in \$110,000 from other funds and ended up with \$38,117 in the red. The Water and Sewer Fund had operating revenues of \$718,199 and the operational expenditures were 1,221,021. We had non-operating revenues of \$126,350 and GRT of \$512,299 so we ended the year with a net profit of \$121,153. This year the sanitation fund has a small loss of \$27,000 and in the utility fund of \$94,000 profit. On page 31 there is the Long-Term Debt for a total of \$1,584,548 at the beginning of the year. We added a new loan from New Mexico Finance Authority for utility operation for \$72,913 and we paid \$22,811 in principle and ended the year with total debt of \$1,584,650. On pages 69 -73 is the information on PERA. On page 75 is our cash in the bank and we ended the year with \$4,793,524. There were \$4,578,653 that were not insured by FDIC and there are state statutes requires that our depository institution secures those funds. A new report required this year from the State Auditor is on page 76 and we must report any bids for goods and services that are in excess of \$60,000. On page 78 is my letter to the State Auditor explaining my audit regarding internal control.

Discussion and Possible Action - Approving City of Ruidoso Downs FY 2014-2015 Audit.

Mayor Williams entertained a motion.

Councilor Miller moved to approve City of Ruidoso Downs FY 2014-2015 Audit.
Seconded by Councilor Romero.

Roll call votes: Councilor Walker, Aye; Councilor Morales, Aye; Councilor Miller, Aye, Councilor Romero, Aye. Motion carried.

Discussion and Possible Action - Reexamine the Procedure of City of Ruidoso Downs Utility Drop-Off.

Carol Virden, City Clerk/Treasurer said in July 2012 there was an incident where one of the departments felt that they had received a suspicious letter that contained possibly something. After we took extreme measures it came up with some emergency action plans and they are Policy #2012-01, 02, and 03 that we would like to still keep in place. What we would really like to do is remove the garbage bag from the mail drop-off across the street so the citizens of Ruidoso Downs has access to drop-off their water bill. I have provided each of you with a copy of those policies.

Mayor Williams said the suspicious letter was received by the court.

Mayor Williams entertained a motion.

Councilor Romero moved to restart the use of the City of Ruidoso Downs Utility Drop-Off. Seconded by Councilor Walker.

Roll call votes: Councilor Morales, Aye; Councilor Walker, Aye; Councilor Miller, Aye, Councilor Romero, Aye. Motion carried.

Discussion and Possible Action - Approval of Request from Tim Coughlin, Executive Director-Boys & Girls Club of Sierra Blanca-Use of All American Park-Summer Food Services Program-May 24, 2016 through August 12, 2016.

Tim Coughlin said the Ruidoso Downs Fire Department drove by my house and the update on the fire I just got was the Hot Shots, Mescalero, are all on site. The high school and mid-school were evacuated today. The word I got was it's over 50 acres or even up to 100 acres.

Tim said it's time for the annual Food Services Program. Every year the Boys and Girls Club has been the sponsor for this USDA program. We get reimbursed per meal that is served to kids under the age of 18. They are free meals. Two years ago we started serving in Mescalero. The state showed almost 14,000 meals served and we accounted for over \$7,000 just in Lincoln County and Mescalero. We did over 24,000 meals last year. Our star site was All American Park. We know there is a large need in the area. Last year the electronic message board helped to drive a lot more people to the park. We are coming to you each year to ask for use of the park and we set up over by the basketball courts where there is a shaded table. We serve Monday through Friday.

Mayor Williams entertained a motion.

Councilor Miller moved to approve request from Tim Coughlin, Executive

Director-Boys & Girls Club of Sierra Blanca-Use of All American Park-Summer Food Services Program-May 24, 2016 through August 12, 2016. Seconded by Councilor Romero.

Councilor Miller asked what time will you be serving?

Tim said I don't have a schedule yet but I think it was around noon.

H. John Underwood, City Attorney said what I've been doing on people using All American Park is drafting a contract so it provides liability insurance and hold us harmless. Do you have a problem with that?

Tim said no.

Roll call votes: Councilor Miller, Aye; Councilor Romero, Aye; Councilor Morales, Aye, Councilor Walker, Aye. Motion carried.

Discussion and Possible Action – Approval of Agenda Briefing Memorandum-Keep Ruidoso Downs Beautiful Service Agreements to Provide Youth Employment.

- Ashley Beatty
- Kaye Stewart
- Andrea Treptow

Councilor Miller said we are supposed to do Youth Employment through our grant. These three are teachers from Nob Hill and will be working in the Outdoor Learning Center. They are scheduled to do this May 12th. In the contract they are also supposed to help with our cleanup in the spring or fall. They receive \$100 each and that helps them with their supplies.

Mayor Williams entertained a motion.

Councilor Morales moved to approve Agenda Briefing Memorandum-Keep Ruidoso Downs Beautiful Service Agreements to Provide Youth Employment.

- Ashley Beatty
- Kaye Stewart
- Andrea Treptow

Seconded by Councilor Walker.

Roll call votes: Councilor Walker, Aye; Councilor Morales, Aye; Councilor Romero, Aye, Councilor Miller, Aye. Motion carried.

Discussion and Possible Action – Approval of Special Dispenser Permit Application-Ruidoso Downs Racing-NM State Police Brotherhood-April 23, 2016.

Mayor Williams said this event will be held at the museum. The staff and Director will be there for assistance.

Mayor Williams entertained a motion.

Councilor Miller moved to approve Special Dispenser Permit Application-Ruidoso Downs Racing-NM State Police Brotherhood-April 23, 2016. Seconded by Councilor Walker.

Roll call votes: Councilor Morales, Aye; Councilor Miller, Aye; Councilor Walker, Aye, Councilor Romero, Aye. Motion carried.

This item was from the Consent Agenda. Discussion and Possible Action – Wastewater Treatment Plant-Invoice-February 2016.

Councilor Miller moved to approve Wastewater Treatment Plant-Invoice-February 2016. Seconded by Councilor Morales.

OTHER BUSINESS

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

Mary Castaneda, Finance Director said Lincoln County Transit had a beginning cash balance of a negative \$8,643.69. Revenues of \$46,241.72. Expenditures of \$12,445.35 leaving them an ending cash balance of \$25,152.68. The Museum fund had a beginning cash balance of a negative \$14,472.41. Revenues of \$29,313.49. Transfers from Lodgers' Tax of \$9,166.00. Expenditures of \$24,262.23 leaving them a negative ending cash balance of \$255.15. These figures are balanced.

Mayor Williams stated the next item on the agenda was – Application for Lincoln County Funding for a new full-time driver.

Bonnie Ambrose, Transit Manager said I plan to send in my application for a full-time driver with benefits. Our ridership has increased and in order to keep that going I need another driver. Right now we go to Lincoln and Otero County and we hope to increase

our route. I will be making presentations to the Village of Ruidoso, Creative Aging, the County and ENMU.

PUBLIC INPUT

Mayor Williams stated the next item on the agenda was Public Input with a three-minute time limit.

Charles Massey said I am here on my own free will and that is about the situation with my Chief and the possibility of him being rehired. I have had some chiefs throughout my career in law enforcement and during my time in the Marine Corp. I can honestly say that I have never enjoyed serving with a more adequate Chief of Police than Chief Rupp. I was struck by something that an individual said here earlier. My father taught me a work ethic a long time ago that my actions and my ability to do what I do is what I will be judged on. I'm a little bewildered at the things I've heard and the things that I've been told of why Chief Rupp is facing this situation tonight. It's hard for me to see the possibility that he may be removed from this position. It's sickening. It's hard for me to understand that and I say that because our department when he took over was at a low and he asked me this question. What do you do to make our department better? He didn't take on any self-interest or anything like that.

James Marion said I want to read something that I wrote. We should take a few moments of your time to touch on five key points as to why Police Chief Rupp has earned the performance to serve for another term. 1) Performance and testing-I've worked with the law enforcement officer since he served in the capacity of a patrol officer. I was here when he tested for the multi-agency review board and was selected to become Corporal for the City of Ruidoso Downs. Testing and subsequent promotion were months in the making and was based on an extensive point calculation system. I remember when Mayor Williams came to then Corporal Rupp and asked him to run this Police Department upon the parting of the prior Chief. I witnessed the number of hours he put in and how then Corporal Rupp made efforts to boost this department's morale. With this department on his shoulders he moved it forward and continues to do this today as Police Chief. From a performance and selection standard I do all the above mentioned items as reason that Chief Rupp has earned the opportunity to serve this City for another appointment. 2) Since Police Chief Rupp has taken on his responsibilities there have been several events that have taken place. All American Park, Walmart that included dunking booths with all the proceeds going to charity. Not to mention the health fair at the schools where the Police Department does the DWI Safety. Both the Police Officers and the Dispatchers participated in the school's Reading Challenge which was to read some 60,000 pages. Additionally under Police Chief Rupp this department did a seat belt clinic where new car seats were given to those families and then properly installed in all of those vehicles. I could continue to list additional community policing events but I'm trying to say that this Police Department under the

supervision of Police Chief Rupp has had many positive interactions with this community in Ruidoso Downs. This relationship will translate in a positive long-term effect in crime reduction, crime mitigation and traffic safety. 3) Last year I saw a couple of new officers join the force. I've seen a couple officers leave. One because of a spouse transfer to another city. Another officer left to go to work for the State Department. Chief Rupp was personally interviewed by the State Department with this officer here in this department. Turnover does happen. This Police Department represents a very diverse group of officers and is a positive reflection on recruitment and hiring which is a direct responsibility of Police Chief Rupp. Final approval will be with the City Council. Public safety doesn't happen by accident. It should not be compromised. 4) Police training-Ruidoso Downs Police Department requires hundreds of hours of training per year to maintain certifications and licenses. Going to the gun range for both day and night shooting qualifications does not happen without practice and planning. It takes a tremendous amount of planning and recordkeeping and work. 5) Interfacing with law enforcement agencies-Police Chief Rupp attends weekly meetings involving other agencies including other types of support. Having someone with this knowledge is critical. In closing this knowledge doesn't come in six months or a year. With the racing season just months away it would be prudent and justifiable, on performance, to keep Police Chief Rupp in his position.

Darrell Chavez, Lieutenant said I have had the pleasure of serving with and for Chief Rupp since 2005. Through the years he has shown impeccable character. What that means is that you are going hear a great many things he's done for this department. It takes a special person with special character to dedicate yourself not only to a department but to the citizens of which he doesn't even reside. He works for this community day in and day out. He is selfless. With that being said I implore you as elected officials to do what is best for the citizens of Ruidoso Downs and to reappoint Chief Rupp to continue progress.

Bryce Bailey said I come to you as a citizen of the City and also a Police Officer that works for the department in support of Chief Rupp. I have worked for him for about 15 months now. When I first met Chief Rupp I was still at the Police Academy and he was trying to get me certified and get me away from my old department that I worked at. At first I was hesitant because I didn't know anyone up here and I had no family up but Chief Rupp got me to come up here. Since then this whole department has become my second family. The opportunity Chief Rupp has given me by being here has made my work ethic for the City much greater than what I had before. During my free time I volunteer at the Boys & Girls Club and I do all of the local events with the children and Chief Rupp lets me do that. He has allowed me to become a great officer and to work with everybody and they are dedicated. They don't just sit here in the office eight hours a day. We're all out patrolling and the people have noticed that. The kids are more welcome to come up to us and talk to us. Everything that's happened and the change

and what is still changing is all because of Chief Rupp. If Chief Rupp was to lose his job the City would lose a great leader for the community

Jennifer Phillips said I am an officer and a citizen of Ruidoso Downs. I'm reading this letter to voice my support for Chief Christopher Rupp. Although I am not stranger to the intricacies of politics I am shocked that I am now the one that has to write a reference letter for that man sitting right there. He needs no references as far as I'm concerned. Therefore my letter will be brief and to the point and try to refrain from portraying my opinion bluntly. Chief Rupp, his reputation, it would be ten. We are a reflection of him. He is an intelligent, well-versed Police Officer and an outstanding leader of men and women. He leads by example never expecting those who he stands above to do anything that he would not do himself. He is kind and constructively critical of those who he is in charge of. He is respected by members of the community and the members of the Ruidoso Downs Police Department all of whom are here to back and support him. While recently a member of another local law enforcement agency Chief Rupp recruited me for the Ruidoso Downs Police Department. He told me that he realized that I had more potential in me as a Police Officer and I was given credit. Chief Rupp promised me that he would see to it that I would be sent for certification by waiver course in Santa Fe and other training and he has made good on that word. That, Council members and Mayor, is the most paramount trait that Chief Rupp has where in fact he is honest. His constant and unquenching dedication to those he leads makes him one of the most admiral men that I have ever had the good fortune to work for. Since coming here I have been exceedingly happier and I look forward to every day being a new adventure. I always know that the moment I strap on that gun and put on that vest and come out to service the community that man has my back. He's done more for me in my career in law enforcement in two short months than anyone ever has. In all honesty I am at a loss for words as to why I even have to write this letter. This should not be happening. If the community of Ruidoso Downs desires to continue its forward and positive momentum and progression of having a more community-minded, well-educated, and capable Police force then the political means need to be put aside and we all need to stand behind the one man most capable of doing and help us achieve our cumulative goals and that man is my Chief, Christopher Rupp.

Celia Villareal said I'm known as CeCe and I'm going to read my letter. I transferred from within the City in 2013 from Lincoln Country Transit to my present job as secretary of police. I have worked for Ruidoso Downs for six years. Under the direction and support from Chief Rupp I have learned about law enforcement, administration and the function of our Police Department. I see that every day is a different day and a new chapter with our Police Department and personnel. Our department continues to evolve and upgrade into an organized and effective Police Department the City Ruidoso Downs needs and expects. Chief Rupp has pulled in a

sense of professionalism in his job. He is decisive and considerate individual always treating our department with dignity and respect. Our Police Officers are ever-present and quick to respond to the law enforcement needs or our community. I have the utmost respect for Chief Rupp. He provides the effective leadership in this department. I sincerely ask for you to reappoint Chief Rupp.

Charles Williams said I'm here to show my support for Chief Rupp. Chief Rupp, I met him back in 2014 during my active duty in the military. He came up to me explaining that this department was in the process of changing out officers and that he needed good officers to help this City out. Because I didn't want to take the chance of leaving the military and coming from Albuquerque I knew I had an opportunity to work for a big city and have every advantage for my family but due to Chief Rupp is why I stay here and work for him. He is somebody that no matter what time of day it is you can call him if you're struggling on a case or something. It's self-dedication and making us a family oriented department. We have our get together and gripe with each other but come in and do our job. There is a sense of trust that you don't find in a lot of departments. You find a lot of bickering and back stabbing even in the military but with his leadership we get through that. It takes a department to show their support. He shows by example his leadership and support and that's why we are all here today. That's why we think you guys should make the decision to reappoint him as our Chief.

Hari Gray said I'm a Police Officer with the City of Ruidoso Downs Police Department. After eleven years in the military and in law enforcement I was knew Charles and he's the one that told me about this department and what we do here. I was wanting to come to this department. I could have gone to Ruidoso or any other department coming out of the military but I chose this because of Chief Rupp. The stats are astronomical of what he's done for this department. I hope you will reconsider and reappoint Chief Rupp not only for the department but for the City.

Debra Villareal said I'm going to read you a short letter. I became a dispatcher in April 2016. Chief sent me to the New Mexico State Academy and I got certified. Being bilingual in this department really helps and helps this City. There are a lot of Spanish speaking people in the City of Ruidoso Downs. Everyone calls 911 and I talk on the radio with the officers. Without the Chief I don't know how they would do it and other agencies with Spanish speaking people. Chief Rupp is all important to our department. I hope you guys reappoint him. It's hurtful and he's my Chief and I love everyone I work with. I want to stand by him and I hope you will too.

Tim Winrow said I'm an officer with the Downs. I'm here to support Chief Rupp. I've known Rupp for over ten years. I got pulled over by then Lieutenant Rupp with the Tularosa Police Department. I then identified that I was an officer but Chief Rupp showed me respect and showed that he actually cared. That stuck in my mind. About

one month later I had put it out of my mind and had applied with the Tularosa Police Department just to work with him. When I started with the Tularosa Police Department I was an okay officer. I learned a lot from working with Chief Rupp. The day he left the Tularosa Police Department to come up to Ruidoso Downs that department started going downhill. It got to the point where I was tired being a police officer in the state of New Mexico. No other supervisor ever cared as much as Chief Rupp. He asked me to come to Ruidoso Downs and I talked to my wife. He was an officer at the time and injured but even though he was an officer and at home on Workman's Comp he still led me and any time I had problems I knew I could go to him. When he became Corporal for this department things got better. Once he became the Chief it got better. So, if Chief Rupp isn't her anymore I more than likely won't be either.

Clay Rains said I'm a dispatcher 911 here. I'm here to show my support for Chief Rupp. I'm coming on three years in September. I've been raised around law enforcement. My entire family is in law enforcement and I can tell you I have never seen a Chief go above and beyond of what is expected of him. I can guarantee you in any department if an officer calls in sick that Chief is not going to come in to cover that shift. Nowhere. I've seen him come in to cover multiple shifts. The Chief is a salaried position. Does he have to come in and do that? No. Could he call someone in to do that? Yes. But I guarantee you that he would come in. I know there is a lot of tension between the Police Department and the Courts and the City and City Council. What I'm worried about is I've heard everybody here say let's do what's best for the City and for the citizens. What I see here personally from what I understand is a lot of personal bias influencing the City but if you take a step back and look at facts I think the decision is very obvious that you've had multiple people come up and speak with you on what they feel and their feelings and personal and professional opinions for our Chief. I believe if you will just look at the facts of getting the job done and the results of his leadership there is no question on what the right decision would be to do. There are officers here and I don't mean to berate or attack anybody in these statements but it's easy to sit back and judge people when you're here 8 to 5 and everybody goes home. These guys stay out there and this isn't just a job for them it's a lifestyle choice. We can sit back and judge those decisions all day but those decisions have to be made right on point. To have somebody who has this amount of people come to show support off of these decisions isn't somebody who isn't doing the right thing. I guarantee you that no one is under a bigger microscope than these people back here. If they mess up everyone is all over it but every time they do something good nobody sees it. If you have questions I know the Chief has an open door policy and I haven't seen a lot of people take advantage of that. It might change your view if you see what these guys deal with every day. I implore you guys to look at the facts and take your personal out of it. Like several of you have said that it's for the citizens and the citizens are here. Your decision today will not just affect the town but will affect multiple so I want you to know how

important this decision is. Think about what you're doing, listen to the citizens and make the right decision for the community.

Donna Miller, Payroll/Personnel said I also wrote a letter. She read the following. I have had the utmost pleasure of working closely with Chief Rupp since I have been in the position of Payroll/Personnel clerk since January 2014. I've seen the Police Department go from a negative department to the most positive department within the City. All of the Police Officers seem to have a deep respect for Chief Rupp and they will quickly stand by his side. I feel this is because of his outstanding leadership in his department. He has a positive attitude. He praises others. He doesn't talk down to them. He stands up for what's right and fair. I've had several of his employees tell me he's the best boss they have ever worked for. I think that says a lot about him. Chief Rupp holds a very respected position and I have seen extreme dedication. He is always there to help out with a good attitude and a smile on his face. He is honest and I'm sorry but I just can't believe this is happening and that we have to get up here to defend him. He does whatever I ask of him and does it in a timely manner. I just don't understand. He has such great character. He supports all of the departments and works with everyone and he's honest. Please, please, think about your decision. I just don't understand.

Pam Williams said it's good to be back and I didn't even know this was happening until today and then I didn't realize what I was being told. I support Chief Rupp totally. I've seen how many Police Departments we've been through and I've dealt with a few. I feel like it's an honor to him that these people think so highly of him and there has been so much back stabbing in previous years. You all know that. I too pray that you all have the citizens in mind and I'm a citizen. Please, it's in your hands and to start over would be a shame. It would be a wrong-doing so do the right thing.

Dusty Beavers said I'm here to show support for Chief Rupp. I've been listening to these people and taking some notes. It's kind of a shocker that this is happening. We ought to be thanking them because look at the turn over that's happened in the last few years. There has been a lot of turn over in officers and I'm aware of all the stuff that goes on. I don't even know why the City is in consideration or why we're here. It kind of took me out in left field and I'm pretty aware of where the tachometer is where everybody is at and this took me way off. I feel like the City needs to look at itself and I didn't see one officer not come up here and give compliments to Chief Rupp. So, just be careful with your decision. I know we've got some new ones so think about things before you do them and make sure we're doing the right thing and look at the big picture.

Tony Bolden said Dusty and I have Downs Towing and we deal with law enforcement every day. We pick up vehicles that are impounded and other unrelated vehicles. I

know what they do. From my point I've watched the department over the last, I've been here 25 years, and I've known the officers and the Chiefs over there but I've seen this department right now be the strongest and the happiest just in the last three years. I've seen the turn over and the officers they have right now under Rupp are professional. I don't see the attitude that I see under entities around here. I deal with the people that come in to pick up their vehicles and I don't hear any complaints. He has instructed his officers to be cordial and that's the way he is with us also. The programs that everyone is talking about with the kids and families, in the last several years we've worked with the officers and Chief Rupp, for Thanksgiving and Christmas Downs Towing donates turkeys and hams and potatoes to families that need the help. I go to him and the lieutenant and ask them to find somebody and let them take it to the families. During Labor Day weekend we donate Gatorade to them to support them and the Fire Department. I know Chief Rupp as a leader and I enjoy him. If we get rid of him now all we're doing is starting over again. Right now the department is the strongest and the happiest and the safest that it has been in several years. I recommend keeping Chief Rupp as the chief.

CLOSED SESSION

Discussion subject to the attorney-client privileged pertaining to threatening and/or pending litigation in which the City of Ruidoso Downs is or may become a participant, pursuant to Section 10-15-1 H7 NMSA 1978.

- Working on implementation of the Special Master's Report in the Village of Ruidoso vs. City of Ruidoso Downs; Cause No. CV-10-353, also known as the Merritt Case.
- Limited Personnel Matters pursuant to Section 10-15-1 H7 NMSA 1978 for the discussion of hiring, promotion, demotion, dismissal, assignment or resignation of or the investigation or consideration of complaints or charges against any individual public employee.

Any action taken as a result of the Closed Session will be brought back into Open Session.

Mayor Williams entertained a motion for the discussion subject to the attorney-client privilege pertaining to threatened or pending litigation in which the City of Ruidoso Downs is or may become a participant pursuant to §10-15-1 H7, NMSA 1978 and Limited Personnel Matters pursuant to §10-15-1 H7, NMSA 1978 for the discussion of hiring, promotion, demotion, dismissal, assignment or resignation of or the investigation or consideration of complaints or charges against any individual public employee.

Any action will be brought back into Open Session.

Councilor Morales moved to go into Closed Session at 7:15 p.m. Seconded by Councilor Miller.

Roll call votes: Councilor Miller, Aye; Councilor Walker, Aye; Councilor Romero, Aye, Councilor Morales, Aye. Motion carried.

Mayor Williams invited Carol Virden, City Clerk/Treasurer, John Underwood and Alexandra Bobbit, City Attorneys, Christopher Rupp, Police Chief and Dale Graham, Public Works Director and called for a five minute break.

H. John Underwood, City Attorney said on the first part for pending litigation all I need in here is Dale Graham, Public Works Director along with the City Councilors. Then when we finish with that we'll go into the rest of the session. Then Dale can leave.

Mayor Williams called the regular meeting back to order at 11:18 p.m. and asked that a member of the City Council attest to the fact that the only items discussed in Closed Session was that of the attorney-client privilege pertaining to threatened or pending litigation in which the City of Ruidoso Downs is or may become a participant pursuant to §10-15-1 H7 NMSA 1978 and Limited Personnel Matters pursuant to §10-15-1 H7 NMSA 1978 for the discussion of hiring, promotion, demotion, dismissal, assignment or resignation of or the investigation or consideration of complaints or charges against any individual public employee and that no action was taken.

Councilor Morales attested to the fact and that no action was taken.

APPOINTMENT OF POLICE CHIEF

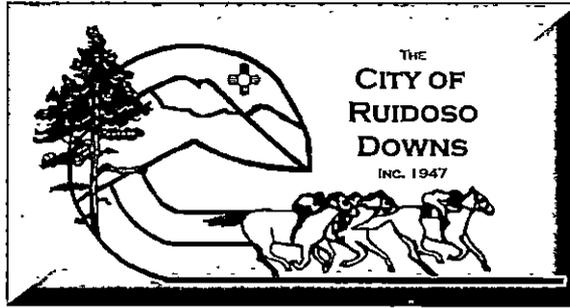
Mayor Williams brought up the name of Christopher Rupp as Police Chief.

Councilor Morales moved to approve the appointment of Christopher Rupp as Police Chief with (6) six month probation. Seconded by Councilor Miller.

Roll call votes: Councilor Walker, Aye; Councilor Morales, Aye; Councilor Miller, Aye, Councilor Romero, Aye. Motion carried.

ADJOURNMENT

There being no further business to attend to Councilor Morales moved to adjourn. Seconded by Councilor Miller. All were in favor and the meeting adjourned at 11:22 p.m.



Gary L. Williams, Mayor

**AGENDA FOR THE REGULAR MEETING
OF THE CITY COUNCIL
OF THE CITY OF RUIDOSO DOWNS
MONDAY, APRIL 11, 2016
4:30 P.M.
THE HUBBARD ROOM, CITY HALL
123 DOWNS DRIVE
RUIDOSO DOWNS, NEW MEXICO**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL

**ACCEPTANCE OF AGENDA: THOSE ITEMS ON THE AGENDA
INDICATED BY AN ASTERICK (*) ARE ON THE CONSENT AGENDA
AND WILL BE VOTED ON BY ONE MOTION.**

4. APPROVAL OF AGENDA
5. APPROVAL OF CONSENT AGENDA
6. *APPROVAL OF MINUTES OF REGULAR MEETING OF MARCH 28,
2016
7. *APPROVAL OF ACCOUNTS PAYABLES
8. UNFINISHED BUSINESS

9. NEW BUSINESS

- A. Mayor's Comments
- B. Councilor's Comments
- C. Discussion and Possible Action- Agenda Briefing Memorandum- Amending Resolution No. 2015-24 Open Meetings Act- (II) Open Meetings to take Formal Action A. Regularly Scheduled Open Meeting-Time
- D. Discussion and Possible Action- Appointment to Hubbard Museum Advisory Board- Ernestene Green, Ph.D.
- E. Discussion and Possible Action- Scheduling Date(s) & Time for Budget Workshop(s) for 2016-2017 Fiscal Year
- F. Discussion and Possible Action- Agenda Briefing Memorandum- Pay Prior Years FY 2012-2013 Outstanding Invoice No. 50279802-02 from L. N. Curtis & Sons-Dated 07/08/2013 in the amount of \$950.00
- G. Discussion and Possible Action- Agenda Briefing Memorandum- Funding for a New Ruidoso Downs Police Department Dispatch- Options for Replacement of Existing Dispatch Center
- H. Discussion and Possible Action- Beth Miller Request Use of All American Park- Farmers Market-Saturday 7 am to 3 pm- May 28, 2016 Through December 10, 2016

10. OTHER BUSINESS

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

- A. Updated Financial Status Report- Hubbard Museum of the American West and Lincoln County Transit

11. PUBLIC INPUT

(All concerns to be addressed only to the Governing Body as a Whole With a 3-Minute time limit)

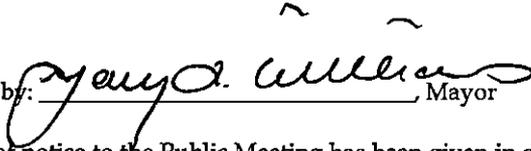
- 12. CLOSED SESSION. Discussion subject to the attorney-client privileged pertaining to threatening and or pending litigation in which the City of Ruidoso Downs is or may become a participant, pursuant to Section 10-15-1 H.7 NMSA 1978

- Working on implementation of the Special Master's Report in the Village of Ruidoso v City of Ruidoso Downs; Cause No. CV-10-353, also known as the Merritt case.

Any action taken as a result of the closed session will be brought back into Open session.

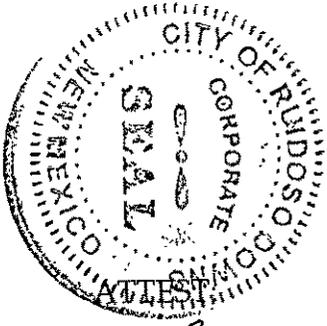
13. ADJOURNMENT

Approved by:

 Gary A. Miller, Mayor

I certify that notice to the Public Meeting has been given in compliance with Section 10-15-1 through 10-15-4 NMSA 1978 and Resolution 2015-24. Agendas are available at City of Ruidoso Downs, City Hall, 123 Downs Drive, Ruidoso Downs, NM. 88346. If you are an individual who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at City of Ruidoso Downs City Hall at least one week prior to the meeting or as soon as possible.

Carol Virden, MMC City Clerk:
Posted City Bulletin Board/ April 6, 2016
City of Ruidoso Downs Website: www.ruidosodowns.us/
Time: 10:00 a.m.



Gary L. Williams

Gary L. Williams, Mayor

Carol Virden

Carol Virden, City Clerk/Treasurer