

**Minutes**  
**Public / Regular Trustee Meeting**  
**September 12, 2023**

The Village of Capitan Board of Trustees met in public Hearing on Tuesday, August 8, 2023 at the Village Hall in Capitan, New Mexico at 6:00 PM.

**Mayor Lowrance Called the meeting to order at 6:00 PM**

Roll Call: Mayor Lowrance – Present, Trustee Shearer – Present, Trustee Kerns – Present, Trustee Fraley – Absent, Trustee Hair – Present. Al Cavazos – Village Clerk, Angela Autrey – Deputy Clerk.

**Item #1 on the Agenda: Approval of the Agenda.**

**Trustee Shearer** made a motion to approve the agenda. **Trustee Kerns** Seconded the motion.

**Discussion:** No discussion was made.

**Roll Call:** All were in favor, the motion carried.

**Item #2 Public Input.**

No, comments from the public audience.

**Item #3 Mayor and Trustee Comments**

**Trustee Kerns** – Mr. Mayor, I have nothing at this time.

**Trustee Shearer** – I want to say congratulations to the OSO Grill for winning the Green Chile Cheese burger challenge for the 4<sup>th</sup> time. Great publicity for Capitan.

**Trustee Hair** – Nothing at this time Sir.

**Item #4 on the Agenda: Discussion/Action – Approval of the Minutes – Regular Trustee Meeting August 8, 2023.**

**Trustee Shearer** Moved for approval of the minutes. **Trustee Hair** seconded the motion.

**Discussion:**

**Trustee Shearer** – There was a minor error in there. There was something that I said was actually attributed to Sherry, but I think it's fine.

**Roll Call:** All in favor, motion passed.

**Item #5 on the Agenda: Discussion/Action – Approval of the Minutes – Ordinance Workshop Meeting August 23, 2023.**

**Trustee Shearer** made a motion to approve. **Trustee Hair** seconded the motion.

**Discussion:** No discussion of this item.

**Roll Call:** All in favor, motion passed.

**Item #6 on the Agenda: Discussion/Action – Approval of August 2023 Bills Paid.**

**Trustee Kerns** made the motion to approve. **Trustee Hair** seconded the motion.

**Discussion:**

**Trustee Shearer** – I have a continuing objection to us paying the Greentree Attorney's fees out of the general fund. I'm going to renew my pitch that, that be created as a line item. If we are going to continue to be spending it, it should be created as a line item in the solid waste enterprise fund. I can vote yes, but it is with exception to that expenditure.

**Roll Call:** Trustee Shearer – Yes, with the exception of the expenditure for attorney's fees related to Greentree. Trustee Kerns- Yes, Trustee Hair - Yes

**Item #7 on the Agenda: Discussion/Review – FY 23-24 Monthly Budget Overview.**

**Discussion:**

**Mayor Lowrance** - Did you want to handle that Angela, or did you pass them out?

**Deputy Clerk Autrey** – They are passed out. LeAnne is sick tonight.

**Trustee Shearer** - Is this what we got in the packed?

**Deputy Clerk Autrey** – Yes.

**Trustee Shearer** – Okay. I do have some questions.

**Deputy Clerk Autrey** – I will do my best.

**Mayor Lowrance** – Do you have any questions on the overview? (Question aimed to Trustee Hair)

**Trustee Hair** - I don't have any question on the overview. This is what was in putted into the LGBMS. When I came in and helped LeAnne present it into PowerPoint presentation, not changing any of the information within that, bases upon what she had reported to the State. I saw it through that process.

**Mayor Lowrance** – Kimble?

**Trustee Kerns** – I have no questions.

**Trustee Shearer** – When we are looking at our general administrative expenses, our general fund administrative. Our salaries, for one month only July, our salaries are at 9.94%. That should be running between 7 & 8% for one month. The fact that we are almost 10%, means we are running over budget. When we looked at our proposed budget, we had a total of \$233,438 budgeted for admin. for 5 positions. That's Al, Angela, LeAnne, Kevin, and Peggy Mason. Our current budget, is \$237,000. I'm back to thinking, we don't actually have Janiece's position in the budget, and it's causing us to exceed the budget. If we are running 10% per month, then we run out of money at the end of April for these positions. I brought a copy of the audit rule. It says, when we are audited, The IPA shall identify significant state statute rules and regulations aflickabal to the agency under audit, perform task of

compliance. It has a list of statutes. State agency's budget compliance and local government compliance with section 6-6-1 to 6-6-19. When we look at 6-6-6, it says, when any budget for a local public body has been approved and received by local public body, it is binding upon all officials of governing authorities. No governing authority or official shall allow or approve claims in excess thereof, and no official shall pay any check or warrant in excess thereof. And the allowances or claims or checks or warrants so paid shall be a liability against the officials, allowing the paying of claims. 6-6-9 says it shall be unlawful for the governing body of any council of any city, town, or village in the State of New Mexico, disperse expand or contract with the expenditure of more than the proportionate share of the fiscal year budget during any fiscal year in which the terms of office of such officials will expire. As the number of months such officials are in office fare as to the entire fiscal year. So, we can't use more than 50% of the budget through December 31<sup>st</sup>. If we are running 10% a month, we are on track to extend 60%. 6-6-10 any member of the board, county commission, or any governing board, or council or municipality, or any other official who shall violate the provisions of 6-6-7 through 6-6-10 shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine. 6-6-11, it shall be unlawful for any board or county commissioners, municipal governing body or any school board for what ever purpose to become indebted of any debts of any kind or nature whatsoever during any current year, which at the end of the current year is not and can not be paid out of money actually collected and belonging to that current year. Then it goes on to say you are guilty of a misdemeanor if you violate that. So, we need to revisit the budget. We don't want to go through until the end of the year and do a budget adjustment and take it out of reserves because we will be audit findings under all the statutes. Audit rule is telling us, you have to do this stuff. I'm going to ask again, that we look at having a budget workshop and looking at where we need to adjust here in order to cover all our expenses. I think our health insurance is running high, we've got some retirement payments that are running high. I think if we don't come back and fix this, we run out of money at the end of April as far as this budget.

**Trustee Hair** – I think that with the budget, if it's running over as indicated, it's difficult when have a key member that's not able to address those type of questions of why it's running over. I could very easily see that the overage amount contributed to individuals having to work extra hours because of the audit situation.

**Trustee Shearer** - I don't think it's in overtime.

**Trustee Hair** – When the budget was originally approved, did we have.. because you were a major factor in that portion of it. At that time, was the Village aware of the increases that would occur in retirement contributions or in health coverage. I know that that can be a complication with budgetary issues when the entity is contracted for health insurance and with the changes in laws with retirements, but that's not anticipated at the time, then you are going to have to adjust your budgets accordingly with that.

**Trustee Shearer** - LeAnne and Angela both they came up with the best starting number they could, but we were only at the third quarter at that point. We didn't know how much we had spent through the fourth quarter and our starting numbers are really the same starting numbers we used for last years budget. We didn't look at our fourth quarter. Francis had recommended.

**Francis Trailer** - When we look back and revamped, she did estimate the fourth quarter, but I don't think she realized there was going to be another position. I don't think she budgeted for the extra position.

**Trustee Shearer** – I doesn't appear that it was budgeted.

**Francis Trailer** – Probably what she needs to do is look at her budget and see where she can go through now and estimate closer and move money into cover the extra position.

**Trustee Shearer** – I think we need to take a look at it. If we are going to decide that it comes from one place to another, then the board really needs to do that and not put it on LeAnne and Angela.

**Deputy Clerk Autrey** – It wasn't just this position, Michael came back as well.

**Trustee Shearer** - But that's in Parks and Rec.

**Deputy Clerk Autrey** - She didn't account for that.

**Trustee Shearer** - That's not in the general fund.

**Deputy Clerk Autrey** – I understand that. She didn't account for that is what I was saying. There are other things that we do need to account for.

**Trustee Shearer** - There are, Parks and Rec. is running 9.55%. Water is running over, but at the same time we are not taking any payroll out of sewer and we did put a \$50,000 position in sewer. So, we need to go back and revisit this. We need to take a look at our fourth quarter at how much we are really spending. Again, I think our gross receipts are coming in a little bit higher. So, we could probably up our revenue some. I'd like us to do this in the first quarter, and not get to December 31<sup>st</sup> and we've violated the Statute.

**Trustee Hair** – I believe the idea is that there would be a budget overview for every month. That way we could see and compare month to month. This would establish a base line moving forward to future budgetary discussions. We could see where is it that we are having the most issues with meeting obligations. I'm not opposed to a workshop, I think that it's a good idea. I think we also need to be cognizant to the effort that's being put into this. Budgets are great, but you always have to make adjustments to them because you are going to have demands that are not going to be foreseen.

**Trustee Shearer** – That's right. The board needs to do that.

**Trustee Hair** – I don't have a problem with that at all.

**Trustee Shearer**- I would like us to take a look as we finish the first quarter through the end of September to look at some budget adjustments.

**Trustee Hair** – I think that's a wise decision.

**Trustee Shearer** – DFA recommends we look at it every quarter. Particularly we need to look at the first and second quarter this year.

**Trustee Hair** – I think that Francis brings up a good point. From her prospective of it is, that we have the ability to make adjustments and not be in violation of an audit, because we are looking at it on a regular basis and therefore, not waiting until the very last minute.

**Trustee Shearer** – That is the action plan I'm hoping we can pursue. I do have one question. We had a \$1,000 budgeted for fuel and we spent \$9,000. I am assuming that's because we got a bulk delivery?

**Deputy Clerk Autrey** - Yes.

**Trustee Shearer** – Is that all departments?

**Deputy Clerk Autrey** - Yes, it's all departments.

**Trustee Shearer** – So we need to spread that out.

**Deputy Clerk Autrey** – We didn't have the tanks over here full and we just got that ordered.

**Trustee Shearer** – So, we need to put some of that into the water department, because it makes it look like we are suddenly using \$10,000 in fuel for the admin cars. Again, I'm going to ask that if you are going to take attorney's fees for solid waste, that we create a line item for attorney's fees in solid waste.

**Trustee Hair** – Let's bring that up at the workshop. I think that would be the more appropriate time to do that.

**Trustee Shearer** – Okay

**Item #8 on the Agenda: Discussion/Action – Approval of Resignation of Municipal Judge – Manerva Davalos.**

Trustee Hair made a motion to accept. Trustee Kerns seconded the motion.

Discussion: There was no discussion on this item.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Hair – Yes

**Item #9 on the Agenda: Discussion/Action – Appointment of Interim Municipal Judge – Lorena LaMay**

Trustee Shearer made a motion for approval. Trustee Hair seconded the motion.

Discussion:

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Hair – Yes

**Item #10 on the Agenda: Discussion /Action – Approve Recommendation of Application for Portable Building 12'x16', 200 East Creek Road #2B Capitan NM – Wanda Polhemus (Tenant) Vergil Hall (Property Owner).**

Trustee Shearer made a motion to approve. Trustee Hair seconded the motion.

Discussion: There was no discussion on this item.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Hair – Yes

**Item #11 on the Agenda: Discussion/Action – Approve Recommendation of Application for New Construction at 423 Smokey Bear Blvd., Subdivision N/Bonito River, Capitan Tract A, Section 9 – Gerald Nesbit.**

Trustee Kerns motioned for approval. Trustee Shearer seconded the motion.

Discussion: There was no discussion on this item.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Hair – Yes

**Item #12 on the Agenda: Discussion/Action – Approve Recommendation of Application for New Construction at 424 Docray Capitan – Eddie Crain.**

Trustee Shearer motioned for approval. Trustee Hair seconded the motion.

Discussion: There was no discussion on this item.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Hair - Yes

**Item #13 on the Agenda: Discussion/Action – Approve Recommendation of Application for Mobile/Manufactured Home – 120 Carole Dr., Mountain View Subdivision, Lot A3, Capitan, NM – Joe Zamora.**

Trustee Kerns motioned to approve the application. Trustee Hair seconded the motion.

Discussion:

Mayor Lowrance – Before we get into that, go ahead Angela and tell them what happened.

**Deputy Clerk Autrey** – So, it showed that he had a few structures on the property. I was sick and was unable to explain to them and Mr. Zamora was unable to be there as well. When he had the new mobile home moved onto the property, he had that company move the old mobile home off.

**Trustee Kerns** – It's gone now?

**Deputy Clerk Autrey** – Yes. So, there is only one mobile home. But, they didn't know that at the time so they thought there were two structures.

**Trustee Kerns** - On the plat. It shows two doesn't it.

**Deputy Clerk Autrey** – Yes, so they didn't approve it.

**Trustee Kerns** – But, it's gone, the old one is gone.

**Deputy Clerk Autrey** – Yes.

**Trustee Shearer** – So you are recommending approval because they didn't have all of the information?

**Deputy Clerk Autrey** – Yes.

**Roll Call:** Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Hair - Yes

**Item #14 on the Agenda: Discussion – EGRT's For Capitan, Greentree.**

**Discussion:**

**Mayor Lowrance** – John would you like to start?

**John Appel, Attorney** – I can get an introduction. What Greentree is asking, and I think you discussed this a month ago when I wasn't present. They are asking that the Village provide them, basically transfer to them, the amount of the former environmental gross receipts tax. Technically there is no such thing anymore. Legislature abolished it in 2019. They are asking for the equivalent amount which would be, 0.0625% to be transferred to Greentree for them to use for general expenses. That's the amount that their board has asked the various contributing entities to continue to provide. That is a tax that was formerly diverted by tax and revenue to pay on a bond issue, that was issued by Greentree many years ago. In that since it would be continuing to divert the same amount of money to Greentree. However it's not clear to us the presenting authority for that in the Joint Powers Agreement. The Joint Powers Agreement provides for a single bond issue, to be issued by Greentree many years ago, that bond has now been paid off. It would be up to you whether you wanted to make that voluntary contribution to Greentree out of your gross receipt tax revenues. Angela and I both did independent calculations. What it would amount to be diverting approximately 4.3% of your gross receipt tax revenues to Greentree for Greentree to use for whatever purposes in which to use it for. There is no obligation that I can see for you to do that in the JPA or in any other of the governing documents it would strictly be a voluntary transfer by the Village for the benefit of Greentree.

**Trustee Shearer** – Do we know the amount? You said 4.3%, do you have an annual amount?

**Deputy Clerk Autrey** – Yes, and I put it in your packet. It's number...

**Trustee Shearer**- Is it 4,337.41 or is it the 10,000?

**Deputy Clerk Autrey** – It would be the 10,000 if we did the 4.35 from November. From when the loan stopped to this last....

**Trustee Kerns** – November of what year please?

**Deputy Clerk Autrey** – November of 22 to the last one that I show, I don't have August yet. So, November to July of 23.

**Trustee Shearer** – So, this is 8 months? What does that come out to about, 14,000 a year?



**Deputy Clerk Autrey** – 10,000

**Trustee Shearer** - What is it for 12 months?

**Deputy Clerk Autrey** – For 12 months?

**Trustee Shearer** - Yea. This is for 8 months. What does it come out...

**Deputy Clerk Autrey** – Yes, we stopped in November and that was our last payment.

**Trustee Shearer** – I'm trying to find out how much we would owe them every year. Looks about 14,000.

**Trustee Kerns** – About 14K and over here is 8K.

**Trustee Shearer** – We have an ordinance, 90-6 I think. Is it your position that that ordinance does not commit these fees to Greentree or solid waste?

**Mayor Lowrance** – Did you hear that John?

**John Appel, Attorney** – I heard that, I'm not familiar with that ordinance.

**Trustee Shearer** - It was adopted at the same time as the Joint Powers Agreement.

**John Appel, Attorney** – I assume that, that ordinance was adopted consistent with the Joint Powers Agreement. The Joint Powers Agreement, as I said, specifically provide for a one-time barrow loan by Greentree. Which in fact Greentree made. It was meant to be a single bond issue to acquire equipment and other necessities to start up Greentree. Basically, that was some 30 years ago. Moving on into the JPA, we look at some of the later parts of the JPA. It says, it is the intent of the parties that the authorities, that would be Greentree now, become self sufficient and that no party be required to contribute funds from its respected budget or taxing authority to operate the solid waste system.

**Trustee Shearer** - What year was that amendment?

**John Appel, Attorney** – That apparently has never happened. In fact, in its current year's budget, or actual incoming expenses there was an amount of \$269,493.94. So, a little less than 270,000 that was returned to Greentree by the New Mexico Finance Authority. That was money that the finance authority had collected from the entity's gross receipts taxes. To provide a reserve for the outstanding Greentree bond issue. Which has now been paid off. That was paid to Greentree by the finance authority on April 19<sup>th</sup> with instructions to determine which entities had originally paid that money in from the gross receipts taxes and return it to them according to the bond agreement. In fact, what happened with that money was, we've obtained the records from Greentree and found that what actually happened to that \$269,500 was, 150,000 was immediately transferred into Greentree's reserve account for possible future use. The remaining \$119,493 was simply kept in Greentree's general account. It has been used over the past 6 months roughly to pay Greentree's general expenses. That money has never come back to the contributing entity's and it looks like it never will. We have some concerns about that and now Greentree is asking for further subsidy of their general fund with an ongoing basis out of the Village's gross receipts tax. I think that is something you should take account of in determining whether you want to continue contributing a significant portion of your GRT to Greentree.

**Trustee Shearer** – I have a question. The information I had gotten from Greentree was, they indicated that the bulk of that 269,000 had originally come from their operating account as retainage. They were required to put up like 10% or what ever their retainage amount was and they had actually contributed most of that money out of their general fund at the time that was set up. The other thing is, this is an enterprise fund, and we have about 700 trash customers. So, if we don't contribute extra money, then it goes into the rates.

**Trustee Kerns** – It goes where?

**Trustee Shearer** – It goes into the trash rates. We'd have to make it up into the trash rates. If we don't put in an extra 10,000 a year, like I think the other 3 municipalities are doing, they are putting in their

1/16<sup>th</sup>, then there will be no choice but to raise the trash rates. Because it's an enterprise fund. This money doesn't come into our general fund. It would have to go into this enterprise fund. How do we say we're not going to do that if it raises the rates?

**Mayor Lowrance** - They've already raised them twice though.

**Trustee Shearer** - But, they've raised them by \$.49 a month.

**Mayor Lowrance** - Well, the first time we were supposed to get 10%. The first raise was 9.3? And we did it again in July, that was 1.8. So, that's 11%. It's supposed to be 2% a year for five years, that's 10% and we've already given them 11% cost override.

**Trustee Shearer** - But they are in the same boat we are, paying \$4 a gallon for gas.

**Mayor Lowrance** - Well, I don't know.

**Trustee Shearer** - I don't see how it doesn't come out of rates? If we pull this money back... This is an enterprise fund and we can't pay for it out of general. How do we not raise rates?

**Mayor Lowrance** - The basic question is, for thirty years they were supposed to be independent. So, how long, do we need to give them another 30 years before they are independent?

**Trustee Shearer** - How much do you want the rates to go up?

**Mayor Lowrance** - It just goes against my grain because, every time Corona, Ruidoso, and Carrizozo wants to do something, Capitan doesn't even get announcements.

**Trustee Kerns** - Capitan doesn't get a what?

**Mayor Lowrance** - Announcements. I was not present in October when they ratified that by 75%. If you look at the JPA, I gave you the paper where somebody signed for my name, authorizing them to do this extent. And I said no, I've had enough. You can go with this, and that, and there is stuff happening all around in Lincoln County and we'll find out soon, but there's other avenues. It's coming.

**Trustee Kerns** - Shouldn't a decision like that be made by the full board?

**Mayor Lowrance** - If we give them the money, yea.

**Trustee Kerns** - I'm talking about not signing on that agreement to begin with.

**Mayor Lowrance** - That's the board of Greentree that authorized that when they voted, but Capitan was not present.

**Trustee Kerns** - You were serving on that board is what you are saying.

**Mayor Lowrance** - Yea, secretary treasurer. We weren't represented at that deal. We still voted no. But by the JPA, every entity has to be there or they can't do it, and they did it anyway. They came over here and said, oh it was 75% done. I'm telling you, there are shenanigans going on over there. When they signed for me...

**Trustee Shearer** - How many meetings have you attended?

**Mayor Lowrance** - Uhhh, about 12.

**Trustee Shearer** - That's not what their records show.

**Mayor Lowrance** - Well, that's what their records show.

**Trustee Shearer** - Over three years, I think, they are only showing 3 or 4.

**Mayor Lowrance** - Well, they are wrong.

**Trustee Hair** - I have some concerns over the amount of the 269,500, forgive me I don't remember the remainder of that.

**Trustee Shearer** - 269,493

**Trustee Hair** - So, here's the complication, is that they are manipulating and moving funds around. There is no explanation to the entities which have contributed for 30 some odd years, recently paid off their bond. We have no further obligation to them. I understand Trustee Shearer's concerns that we



need to have some kind of resolution with the trash but, when they are manipulating the funding and providing no explanation. They are not look at the welfare of Capitan. What they are looking at is their own welfare. We can't take, if we're talking about budget issues, we can't grant any more of our limited funds, on our gross receipts tax to an entity that for 30 some odd years, has not become self sufficient as they stated that they needed to.

**Trustee Kerns** - Part of the argument was that they weren't being completely transparent. Can you be specific?

**Trustee Hair** – I'm being specific in that 269,500, and again, I understand Bobbi and I appreciate you giving me the amount but let's just call it 270,000 by rounding it up. Being it not being transparent with how they funded that money, they have not gone in and communicated to the best of the transmissions that I have seen in between. They are not working for Capitan, they are reserving all those funding backs and not giving us the money, our share of what has been paid to them. There you have a complication. I think that we need to do right by the people of Capitan. We need to resolve the situation with Greentree. If takes extra workshops, I think it is well worth doing. Then we also need to go and move forward to see if there are some competitive bids for other companies who can be self-sufficient, and provide better transparent and not this miscommunication that has occurred. Not pointing fingers at anybody, saying that something was done illegally, but it's not transparent and it should be if we are a true partner in that business.

**Trustee Shearer** - Can I add something to that?

**Trustee Hair** - Sure.

**Trustee Shearer** – They have their budget on their agenda every month. They are a public entity that gets audits, just like we do. And their audits are all caught up, and they don't have any findings. So, I think it's unfair to say that they haven't been transparent. I think if we were actively participating in that board, we would have a much better feel for what was going on with their budget.

**Mayor Lowrance** – So your legal experts is saying that...

**Trustee Shearer** – I'm not finished

**Mayor Lowrance** - If I don't show up, they can go against the JPA and everything that supposed to be a legal binding contract, and they can do it anyway without representation. That's your legal advice....

**Trustee Shearer** - I still have the floor.

**Mayor Lowrance** – No you don't. I didn't give it to you.

**Trustee Shearer** – At the meeting I went to, Ruidoso Downs said they had some of the same issues. They were getting real cross ways with Greentree. They did like us, they looked out at the other entity that could provide service and they found out that if you're not subsidized in that entity, if they didn't get all of this capital outlay and all this other stuff. They can't compete. The proposal made to us, I think you were on the board then, was for the same price we are paying now, was to have one single site in town for everyone to haul their garbage. Ruidoso Downs said they looked at that and they decided to sit down and negotiate with Greentree. They decided to try and work it out with Greentree because they were going to get worse trash service or a significantly higher rate. That's the reality.

**Trustee Hair** - I think it behooves any municipality to look at the best contractual situations and those may be changing in Lincoln County. I understand that they have been audited. I understand that they are a public entity that is supposed go in and demonstrate their information but they have not communicated on why they are putting the funds in the direction that they have been. That needs to be explained. The other factor that comes into this is that Greentree is struggling with several litigation situations with other entities in Lincoln County. We are not the only ones that are having a problem with

their service. As you just mentioned, Ruidoso Downs had the same complication. You don't want a monopoly, which has been created here by Greentree, that they are the only game in town so therefore you use us and you put up with what we are doing. Or you go on and haul your trash out yourself and you don't have the poly cart advantage. I'm saying that as a municipality, and as a board member, we have a responsibility to look at other options that could provide for the city of Capitán another opportunity to contract with a different company. We pursue it, not saying we are doing it, but we pursue looking at it and see if there are other entities. Because we want to do what's right for Capitán.

**Trustee Shearer** - I think you'll end up finding that we can't get the same trash service from a private company as we can from this public entity that we've invested half a million dollars of our own money into over the last 30 years.

**Public Francis Traylor** - Have you as a board tried to work with Greentree? Have you sat down, all of you, and had a meeting with Greentree and work this out?

**Trustee Hair** – Other than the presentation that was presented, not as distinctly as I think it deserved. I think that would be great to try to work things out with....

**Public Francis Traylor**- Don't you think that should be something that should be looked at before we start hauling trash again?

**Trustee Hair** – I do. I'm not looking forward to hauling trash either. I've done that for years and years. No one here, I think, wants to go back to doing that but at the same time, I don't want to be held hostage.

**Public Francis Traylor**- I get that, but I'm saying, don't you think you guys should try to work with Greentree, all of you? You are Trustees, you're all supposed to be working for us. Would that not be an option?

**Trustee Hair** – I think it would be much better than them dealing with just one person that's on the board. Yes.

**Public Francis Traylor**- I'm sorry, I didn't mean to...

**Mayor Lowrance** – That's alright.

**Trustee Hair** – I appreciate you making that.

**Trustee Shearer** – So, this is discussion only?

**Mayor Lowrance** – Discussion only.

**Trustee Shearer** - I think if you guys will look at their budget, you'll see where that money went. That's how Mr. Appel knows where that money went.

**Trustee Hair** - I would like for them to explain it and I think with Francis's point, with them coming to the board and explain their situation and why they did that. I know this is kind of cliché but, straight from the horse's mouth.

**Trustee Shearer** – I'm good with setting up a meeting. I mean, we should have done this last November. Instead of getting a year of attorneys' fees and crossways with them.

**Item #15 on the Agenda: Discussion - Audit.**

**Discussion:**

**Mayor Lowrance** – Al, do you want to give us an update on the audit?

**Village Clerk Al Cavazos** – As of two weeks ago, we had a discussion with Pam, as to what exactly she needed to be able to complete this audit. She gave us a list for four things that she needed.

**Trustee Shearer** - Are we talking about the 21? The FY 21.

**Village Clerk Al Cavazos** – Yes. She got together with LeAnne. There were a few items that we needed to come up with. Some of that Keven was able to get together. We got everything that we need. Angela contacted Pam and she asked, do you need for us to send it to you or do you want to come down and see these forms. She indicated that she wanted us to send them. Problem is, LeAnne went on vacation and today, she was sick. We feel like she has the information that she needs. We are ready to submit that. Soon as we get it, she said she would set up a date for the audit.

**Trustee Shearer** - Where are we at on the 22 audits?

**Village Clerk Al Cavazos** – The 22 audits are running in conjunction with the 21 and the 23. So, they are doing all three of them at the same time as far as the information that's going to be made available.

**Trustee Shearer** – Is it your expectation that we'll finish by December 15<sup>th</sup>?

**Deputy Clerk Angela Autrey** - We will hopefully have the 23 started before December 15<sup>th</sup>.

**Trustee Shearer** – So we will still be on the at-risk list?

**Village Clerk Al Cavazos** – I think all we have to do is get it started.

**Trustee Shearer** - Okay. The audit rules says that we have to send required status reports on...

**Deputy Clerk Angela Autrey** – I'm working on it.

**Trustee Shearer** - Okay, there's one due on September 15<sup>th</sup>. Is that one prepared?

**Deputy Clerk Angela Autrey** – Yes

**Trustee Shearer** – Can we get a copy of it?

**Deputy Clerk Angela Autrey** – Yes.

**Trustee Shearer** - Because, when I spoke to people at the auditor's office, and even to our own auditor, she thought that the board was seeing these letters every quarter.

**Deputy Clerk Angela Autrey** - I have been sending the letters.

**Trustee Shearer** - Right. But they thought that the board was approving these letters because the letters says, that detailed explanation of the agency's efforts to complete and submit its audit. Current status of any ongoing audit. Any obstacles encountered by the agency and a projected completion date. So, when I called and said, it's our understanding is the only thing holding us up is a tax letter. Everybody said, well aren't you reading those quarterly letters? Isn't the board reviewing and approving these quarterly letters? I think we need to be doing that.

**Deputy Clerk Angela Autrey** - That's fine. I can do that.

**Trustee Shearer** - And I'd like to get the most current one sent out to us.

**Deputy Clerk Angela Autrey** - That's fine.

**Trustee Shearer** – But, if we feel good that we are going to finish, then we need to look at capital outlay. Because the State has a 3 ½ billion-dollar surplus. That \$4 a gallon we're paying for gas, let's get some of that back.

**Deputy Clerk Angela Autrey** - We are not paying \$4 a gallon.

**Trustee Shearer** - No, I mean people in Capitan are paying \$3.99 at the gas station.

**Deputy Clerk Angela Autrey** - Okay, I'm sorry.

**Trustee Shearer** - We want to go get some of that money back for them. What capital outlay request, I guess we could put that on our next agenda, our capital outlay request.

**Village Clerk Al Cavazos** - I think Keven has been working pretty close with them over in capital outlay.

**Fire Chief Kevin Kennedy** - We have the Solar array at the Wetlands. We've got the water meters that Steve's wanting to change out, and we've got generators. When I talked to Harlan last year he said give me some low numbers. We can't do these \$800,000 jobs. We need some projects with low numbers so that I can get you some money. That's what we went for. Anywhere from 150 to 175,000.

**Trustee Shearer** - Okay, but the house isn't the only place that you can get capital outlay. The senate has more capital outlay than the house, and the Governor has got the lion's share of it.

**Fire Chief Kevin Kennedy** - You know, it's a crap shoot when you look at it.

**Trustee Shearer** - Right. I think we should, like we did last year, if we can get off the at-risk list, let's put together a \$10,000,000 water list and a \$20,000,000 water list. If senate decides to fund the water in some big bill, we need to have projects that are shovel ready. Ready to go. We don't want, plan, design, construct.

**Fire Chief Kevin Kennedy** - I've got a \$2,000,000 job right now.

**Trustee Shearer** - Okay, well then let's have those ready to go so that if we get into the session and money becomes available, we can go for that.

**Mayor Lowrance** - Alright, are we through talking about the Audit? Anyone want to motion to adjourn?

**Adjournment:**

**Trustee Hair**, made a motion to adjourn. **Trustee Shearer**, seconded the motion.

**Roll Call:** All were in favor, the motion carried.

Meeting adjourned at 6:50 PM.

**Attest:**

  
Al Cavazos, Village Clerk

  
Ron Lowrance, Mayor, Village of Capitan

