

**Minutes
Special Meeting
January 24th, 2022**

The Village of Capitan Board of Trustees met in a Special Meeting on Monday, January 24th, 2022 at the Village Hall in Capitan, New Mexico at 6:00 PM.

Mayor Lowrance asked for a moment of silence and led the assembly in the Pledge of Allegiance.

Mayor Lowrance called the meeting to order at 6:01 PM.

Roll Call: Mayor Lowrance – present, Trustee Kearns – present, Trustee Fraley – present, Trustee Hair – present, Trustee Shearer – present. Al Cavazos – Village Clerk, Grace Centrella – Finance Officer, J. Leinneweber – Administrative Assistant, Angela Autrey – Court Clerk/Human Resources Clerk, Steve Osborn – Water Utilities Supervisor, Johnathan LaMay – Street Department Supervisor, Ronnie Montes – Parks and Rec. Supervisor, Randy Spear – Police Chief and Kevin Kennedy – Fire Chief/Project & Grants Administrator were also present. A list of others in attendance is attached.

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

Trustee Hair made a motion to Approve the Agenda. Trustee Fraley seconded the motion.

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

Item #2 on the Agenda: Public Input. (2 Minute Limit per Speaker).

There was no Public Input.

Item #3 on the Agenda: Mayor and Trustee Comments.

Trustee Kearns had no comments at this time.

Trustee Shearer had no comments at this time.

Trustee Hair had no comments at this time.

Trustee Fraley had no comments at this time.

The Mayor had no comments at this time.

Item #4 on the Agenda: Approval of the Minutes: Regular Meeting – January 11th, 2022.

Trustee Fraley made a motion to Approve the Minutes: Regular Meeting – January 11th, 2022. Trustee Hair seconded the motion.

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

Item #5 on the Agenda: Discussion – 2021/2022 Fiscal Year Budget.

Discussion: After reviewing the financial reports with Grace, the Board had questions regarding the remaining cash balance in the Village's General Fund after revenue and expenses have been calculated. Grace informed the Board that the numbers she provided are not correct, she used the figures from the Local Government Budget Management System (LGBMS) as well as figures provided by Suzanne.

Item #5 on the Agenda: Discussion – 2021/2022 Fiscal Year Budget. (Continued)

Grace told the Board "If I did it wrong, I did it wrong, I didn't know what I was doing. I was just trying to do the best I can." Grace said the Board had asked for a Budget Amendment in LGBMS and this is what she came up with.

Trustee Shearer asked Grace if she verified that the funding amounts are correct? Grace said no she didn't, she went by last year's figures.

Grace also advised the Board that Suzanne is still working on adding in all the Capital Projects so not all are included in the financial report before the Board today.

Trustee Shearer had concerns that the Restricted funds, the Certificate of Deposit, the Fire Funds and the Police Funds were included in the General Fund cash balance because they shouldn't be. If they are included, then that would lower the balance available, after revenues and expenses have been calculated, of approximately \$450,000 in the General Fund, by approximately \$300,000. Grace replied that she didn't think they were but would check with Suzanne.

The Board decided to wait on transfers from the General Fund to other departments' funds until Grace determined if the restricted fund balances were included in the General Fund balance.

Trustee Shearer said the Board hasn't "adopted a budget that includes these." The Village has "this money but the budget documents don't show it", causing an audit finding for the last several years. For this reason, Trustee Shearer thinks the Board needs to adopt a new budget to get a correct budget on file with the State so the Village doesn't receive an audit finding for going over budget when the Village does have the money.

The Mayor asked Grace to confirm with Suzanne that the restricted funds are not included in the General Fund balance. Then he asked Grace to prepare a New Budget that the Board can adopt to avoid future audit findings for going over budget.

Trustee Shearer wants to wait for the new budget to be sure that the transfers Grace has proposed are the correct amounts. She feels Grace's numbers are close but feels they need to be accurate.

The Mayor agreed and went on to say that after the new budget is adopted, the Auditors, on Monday can come in and audit the new corrected budget.

The Mayor asked the Board if they agreed that at this time the Budget Adjustment nor the BAR, item #s 6 & 7 on the Agenda are needed at this time.

Trustee Shearer said she agrees; a new budget is needed before approving the Budget Adjustment and the BAR.

Trustee Kearns agreed a new budget should be submitted first, "making an adjustment at this point doesn't seem like a good idea."

Grace asked if this means that she won't be able to submit her Budget Adjustment and BAR until after? She reminded the Board that these are due by the end of the month.

The Mayor said, she won't be late she just needs to find out about the restricted funds, the CDs, and if they were not included in the General Fund balance then the current budget should be good.

The Mayor said a Special Meeting of the Trustees can be held this Friday.

Grace advised the Board that even with the meeting on Friday, she may be late in her submission to the State.

The Board agreed to hold a Special Meeting, Friday January 28th at 10 AM. Trustee Shearer advised the Board that she will be unable to attend as she will be working in Santa Fe with the current State legislating session. The Mayor said that there would still be a quorum of the Board without Trustee Shearer in attendance.

Item #5 on the Agenda: Discussion – 2021/2022 Fiscal Year Budget. (Continued)

J. confirmed with the Mayor and the Board that the Resolutions for the Budget Adjustment and the Bar would not be included on the Special Meeting Agenda, only a Resolution to Adopt a New Budget. The Mayor confirmed “yes, ratify the Budget” would be the only item on the Special Meeting Agenda.

Item #6 on the Agenda: Discussion/Possible Action – Adopt Resolution 2022-02 Budget Adjustment.

Trustee Shearer made a motion to Table the Adoption of Resolution 2022-02 Budget Adjustment.

Trustee Hair seconded the motion.

Discussion:

Roll Call: All were if favor, the motion carried.

Item #7 on the Agenda: Discussion/Possible Action – Adopt Resolution 2022-03 Authorizing Budgetary Adjustments and Revisions (BAR).

Trustee Shearer made a motion to Table the Adoption of Resolution 2022-32 Authorizing Budgetary Adjustments and Revisions (Bar). Trustee Hair seconded the motion.

Discussion:

Roll Call: All were if favor, the motion carried.

Item #8 on the Agenda: Discussion/Possible Action – Approve a Request of \$10,000 by the Capitan Public Library to Contribute to the Cost of the Purchase of an Electronic Sign to Serve the Community.

Trustee Kearns made a motion to Approve a Request of \$10,000 by the Capitan Public Library to Contribute to the Cost of the Purchase of an Electronic Sign to Serve the Community. Trustee Hair seconded the motion.

Discussion: Trustee Hair thinks it’s a worthwhile opportunity.

Trustee Fraley said there is enough money in the account so he doesn’t have a problem with it.

Trustee Shearer said since it’s such a small amount she will be voting in favor of it. She doesn’t feel it will make a big impact on the Budget.

Roll Call: Trustee Kearns – yes, Trustee Shearer – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #9 on the Agenda: Discussion/Possible Action – For Northview Tie-In Bypass, Approve Purchase of Two Hot-Taps and Field Supplies for the Water Department at a Cost of \$5.169.48.

Trustee Shearer asked if this expense has been included in the Budget? The Mayor replied no, it will be coming out of the Water fund which has enough to cover the expense. Trustee Shearer is not confident that this is true and wants to see the New Budget first.

Trustee Kearns asked if this was an emergency and can it wait until after the Board has received and reviewed the New Budget?

The Mayor asked the Board if they would like to hear from Steve Osborn. The Mayor said it isn’t an emergency but that Water would like to get started on it before Street begins work on the road.

Steve Osborn said it can wait until the next Regular Meeting on February 8th.

Trustee Kearns made a motion to Postpone, until the next Regular Meeting, For Northview Tie-In Bypass, Approve Purchase of Two Hot-Taps and Field Supplies for the Water Department at a Cost of \$5.169.48. Trustee Shearer seconded the motion.

Discussion: There was no further discussion of this item.

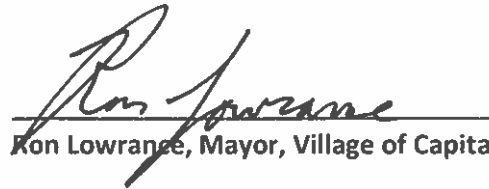
Roll Call: Trustee Kearns – yes, Trustee Shearer – yes, Trustee Fraley – yes, Trustee Hair – yes

ADJOURNMENT:

Trustee Hair made a motion to adjourn. Trustee Fraley seconded the motion.

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

Mayor Lowrance Adjourned the meeting at 6:50 PM



Ron Lowrance, Mayor, Village of Capitán

Attest:



Al Cavazos, Village Clerk

6:00 PM

[illegible]