

1 CITY OF SANTA FE, NEW MEXICO

2 BILL NO. 2025-7

3 INTRODUCED BY:

4  
5 Mayor Alan Webber

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10 A BILL REGARDING ANNUAL BUDGETS INCLUDING MULTI-YEAR  
11 APPROPRIATIONS; AMENDING SECTION 11-2.1 TO CONFORM WITH THE CITY'S  
12 CHARTER; ESTABLISH MULTI-YEAR APPROPRIATIONS FOR CAPITAL OUTLAY,  
13 GRANT-FUNDED PROJECTS, AND "SPECIAL APPROPRIATIONS"; AND,  
14 EFFECTIVE DECEMBER 31, 2025, AMENDING SECTION 11-2.4 TO SUNSET THE  
15 FINANCE DIRECTOR'S BUDGET AMENDMENT AUTHORITY TO CARRY-OVER  
16 CERTAIN UNEXPENDED APPROPRIATIONS INTO THE NEXT FISCAL YEAR.

17 BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

18 Section 1. Section 11-2.1 of SFCC 1987 (being Ord. No. 2008-20, § 1, as  
19 amended) is amended to read:

20 **11-2.1 Appropriation.**

21 Upon preparation and submission of an annual budget by the mayor ~~[city manager]~~, the  
22 governing body shall adopt the ~~[next fiscal year's]~~ budget by resolution that includes an operating  
23 budget and multi-year appropriations.

24 A. The final operating budget ~~[document]~~ shall include summaries of the following:

- 1           [A-]    1. Anticipated revenues by fund;  
2           [B-]    2. Planned expenditures by fund, department, and category;  
3           [C-]    3. Planned cash transfers between funds;  
4           [D-]    4. Estimated beginning and ending cash balances;  
5           [E-]    5. Costs for personnel salaries and benefits by fund and department;  
6           [F-]    6. General obligation and revenue bonded debt service; and  
7                    7. [The annual budget includes all ]Line-item detailed reports for all funds and  
8                            detailed personnel schedules, which must be prepared and be available upon  
9                            request.

10           B.    The following components may be included in a multi-year section of the budget:

- 11           [G-]    1. Schedules of lease purchase agreements; [and]  
12                            2. C[e]apital outlay appropriations authorized for up to three years;  
13                            3. Grant appropriations authorized for up to the term of the relevant grant;  
14                            4. “Special” appropriations, which are limited-duration, non-capital  
15                            appropriations, authorized for up to three years; and  
16                            5. Reauthorizations of multi-year appropriations unexpended during the initial  
17                            appropriation term and deemed necessary.  
18                            6. Deauthorizations of prior-year(s), unexpended, multi-year appropriations.

19           **Section 2.       Section 11-2.2 through 11-2.5 of SFCC 1987 (being Ord. No. 2008-20,**  
20           **§ 1; SFCC 1981, § 9-3-3; SFCC 1981, § 9-3-4; No. Ord. #2001-37, § 1; and No. Ord. #2003-27,**  
21           **§ 1, as amended, respectively) is included for reference without amendments:**

22           **11-2.2 Limitation on amount appropriated.**

23           The total amount appropriated by the governing body in any particular fiscal year shall not  
24           exceed the probable amount of available money at the beginning of the year plus anticipated

1 revenue during the fiscal year.

2 **11-2.3 State approval required.**

3 The governing body shall submit its adopted budget to the local government division of  
4 the department of finance and administration for review, amendment, if required, and approval.  
5 Upon receipt of the approved budget the governing body shall cause such budget to be made a part  
6 of the minutes of the governing body.

7 **11-2.4 Annual Audit.**

8 A. The finance director shall complete an annual comprehensive financial report  
9 including all city funds. The finance director shall also ensure an annual audit is  
10 contracted with the state auditor or an independent auditing firm in accordance with  
11 generally accepted auditing standards, state statutes, and other written state auditor's  
12 office policies and procedures.

13 B. A copy of the annual comprehensive financial report shall be distributed to all  
14 members of the governing body when released by the state auditor. The auditors  
15 completing the audit shall present a summary of the audit report to the finance  
16 committee.

17 C. The city manager shall direct department directors to resolve the findings included  
18 in the audit report, and report to the finance committee within ninety (90) days of  
19 the presentation of the audit report. Findings not resolved shall be brought back to  
20 the finance committee every ninety (90) days until resolutions are final.

21 **11-2.5 Review of fees and charges.**

22 Prior to the mayor's [~~city manager's~~] recommendation of the annual budget to the governing body,  
23 the city manager shall direct all departments to review all fees and charges assessed by that department.

24 **Section 3. Section 11-4 of SFCC 1987 (being Ord. No. 2020-33, § 2, as amended) is**

1 amended to read:

2 **11-4 BUDGET ADJUSTMENTS.**

3 When budget adjustments are needed during the fiscal year, the following procedures shall apply:

- 4 A. The finance director has the authority to approve budget increases or decreases in  
5 revenue or transfers-in or in expenditures, expenses or transfers-out, that reflect  
6 increases or decreases in the budget up to and including five thousand dollars  
7 (\$5,000.00).
- 8 B. The city manager has the authority to approve budget increases or decreases in  
9 revenue or transfers-in or in expenditures, expenses or transfers-out, that reflect  
10 increases or decreases in the budget up to and including sixty thousand dollars  
11 (\$60,000.00).
- 12 C. The governing body shall approve budget increases or decreases in revenue or  
13 transfers-in or in expenditures, expenses or transfers-out, that reflect increases or  
14 decreases in the budget that are over sixty thousand dollars (\$60,000.00).
- 15 D. Budget adjustments approved by the finance director, city manager, and the  
16 governing body shall be included by fund in a quarterly budget resolution approved  
17 by the governing body.
- 18 E. Budget adjustment requests will conform to the rules and regulations adopted by  
19 the local government division of the department of finance and administration.
- 20 F. For budgets associated with grants and grant agreements, the following shall apply:
- 21 (1) The finance director may approve grant applications, grant awards, grant  
22 match requirements, and agreements up to and including five thousand dollars  
23 (\$5,000.00).
- 24 (2) The city manager may approve grant applications, grant awards, grant  
25 match requirements, and grant agreements up to and including sixty thousand

1 dollars (\$60,000.00), or in any amount if the deadline to approve grant  
2 applications, grant awards, grant match requirements, or grant agreements occurs  
3 before the deadline to include the application or award on the agenda for the  
4 governing body's next regularly scheduled meeting, in which case the application  
5 or award shall be subject to ratification by the governing body at the next scheduled  
6 meeting for which an agenda has not yet been posted.

7 (3) The city manager may approve budget revenue and related  
8 expenditure/expense increases exceeding sixty thousand dollars (\$60,000.00)  
9 (including budget adjustments or decreases, as applicable), for grants provided that  
10 all of the following conditions are met:

11 (a) The governing body has already approved the grant application  
12 including the recommended match (if applicable), unless the  
13 deadline to seek or accept the funds occurs before the deadline to  
14 include the agreement on the agenda for the governing body's next  
15 regularly scheduled meeting, in which case the agreement shall be  
16 subject to ratification by the governing body at the next scheduled  
17 meeting for which an agenda has not yet been posted; and

18 (b) The final grant award does not significantly differ from the grant  
19 application in the amount, match, requirements, or other  
20 requirements on the part of the city; and

21 (4) Any city department receiving a grant shall submit a copy of the final  
22 award agreement and documentation for the grant to the finance department for  
23 financial tracking, reporting and auditing purposes.

24 G. Until December 31, 2025, or until the city implements software appropriate for accounting  
25 for multi-year appropriations for grants and capital projects, whichever is later, [U]nspent amounts

1 from multi-year grants and capital projects that the governing body approved in the prior fiscal year  
2 may be appropriated in the following fiscal year if the department administering the grant or capital  
3 project requests, and the finance director approves, such an appropriation. The appropriation shall  
4 be the entire remaining balance and it shall be budgeted for the same purpose and project that were  
5 approved by the governing body during the prior fiscal year. The finance department shall include  
6 such amounts in a quarterly budget resolution for review and approval of the governing body.

7 PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

8 APPROVED AS TO FORM:

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11 ERIN K. McSHERRY, CITY ATTORNEY

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22 *Legislation/2025/Bills/Multi-year Budgeting for Capital and Special Appropriations*