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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2025-__

INTRODUCED BY:

Councilor Carol Romero-Wirth

Councilor Jamie Cassutt

Councilor Pilar Faulkner

Mayor Alan Webber

BLACK – AMENDMENT A - incorporated as adopted by Quality of Life Committee 9/3/2025

BLUE – AMENDMENT B – Councilor Jamie Cassutt and Councilor Pilar Faulkner

A RESOLUTION

**ADOPTING IMPROVEMENTS TO THE BUDGET PROCESS FOR THE FISCAL YEAR
2026-2027 ANNUAL OPERATING BUDGET.**

WHEREAS, Article V, Section 5.01 (M) of the City of Santa Fe’s (“City”) Charter requires that the Mayor “[w]ork with City personnel and prepares an annual budget and spending priority for review and approval by the finance committee and the governing body”; and

WHEREAS, Section 11-2.1(A) of the City’s Code requires that the operating budget to include the following elements:

- anticipated revenues by fund;
- planned expenditures by fund, department and category;
- planned cash transfers between funds;
- estimated beginning and ending cash balances;
- costs for personnel salaries and benefits by fund and department;
- general obligation and revenue bonded debt service; and
- Line-item detailed reports for all funds and detailed personnel schedules, which must

1 be prepared and be available upon request; and

2 **WHEREAS**, Section 11-2.1(B) of the City’s Code provides that the annual budget may
3 include the following components in a multi-year section of the budget:

- 4 • Schedules of lease purchase agreements;
- 5 • Capital outlay appropriations authorized for up to three years;
- 6 • Grant appropriations authorized for up to the term of the relevant grant;
- 7 • “Special” appropriations, which are limited-duration, non-capital appropriations,
8 authorized for up to three years;
- 9 • Reauthorizations of multi-year appropriations unexpended during the initial
10 appropriation term and deemed necessary; and
- 11 • Deauthorizations of prior-year(s), unexpended, multi-year appropriations; and

12 **WHEREAS**, Section 11-2.5 of the City Code requires that, prior to the mayor’s
13 recommendation of the annual budget to the governing body, the city manager shall direct all
14 departments to review all fees and charges assessed by that department; and

15 **WHEREAS**, the process used in fiscal years 2023, 2024, and 2025 to prepare the City’s
16 operating budget was not tied to long-range goals and one-year priorities adopted by the Governing
17 Body, and did not include a formal mechanism in advance of the Finance Committee and
18 Governing Body budget hearings for the Governing Body to develop an understanding and to
19 provide input into budget development, and focused on line expenditure items rather than service
20 levels and outcomes; and

21 **WHEREAS**, a “management system” that includes Governing Body goals and priorities
22 and Key Performance Indicators (“KPIs”) for department goals and objections should be used to
23 provide performance feedback for the Governing Body and for all City employees; and

24 **WHEREAS**, the City’s budget process should be performance-based and focused on
25 service levels and outcomes so that it is a key policy document for oversight of City services; and

1 **WHEREAS**, the Governing Body wishes to engage the community in early budgeting
2 discussions which will help inform the setting of goals and priorities for the 2026-2027 Fiscal Year
3 budget; and

4 **WHEREAS**, on July 28, 2025, the City’s Finance Director and the Mayor’s Senior
5 Advisor and Public Engagement Coordinator presented a schedule and process to the City’s
6 Finance Committee to integrate strategic planning, key indicators, and performance-based
7 budgeting into the City’s budgeting process for Fiscal Year 2026-2027; and

8 **WHEREAS**, the Governing Body wishes to adopt the proposed plan and schedule for
9 adopting Mayor and Governing Body goals and priorities; Departmental goals, objectives, and key
10 performance indicators; and performance-based budgeting that will provide a framework for the
11 Governing Body’s review and approval of the Mayor’s budget.

12 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
13 **CITY OF SANTA FE** that the City Manager shall work with staff to implement the following
14 schedule and process for preparation of the Fiscal Year 2026-2027 budget:

15 July - August 2025

- 16 • Meet with the Finance Committee to discuss reforms and adjustments to the City’s
17 budgeting process by adopting this Resolution.

18 October 2025

- 19 • Hold a Study Session with the Governing Body to discuss goals, objectives, and
20 key performance indicators for Fiscal Year-2025-2026.

21 December 2025

- 22 • Hold a special meeting of the Governing Body during which Department
23 Directors present the status of Fiscal Year 2025-2026 goals, objectives, key
24 performance indicators, and progress updates. Invite mayor-elect and councilor-
25 elects to the meeting.

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January 2026

- ~~• Hold a town hall meeting to obtain feedback from residents and businesses about priorities for the coming year’s budget (Fiscal Year 2026-2027).~~
- Hold community round table discussions where residents and businesses can participate in a City budgeting exercise, including determining tradeoffs and prioritizations necessary to provide recommendations and feedback on priorities for the coming year’s budget (Fiscal Year 2026-2027).
- Hold a day-long, special Governing Body meeting to set mid-range goals and one-year priorities based on constituent feedback from the community round tables and other constituent communications to Governing Body members, and discuss and clarify City governance, norms, and roles
- Officially start the budget process for Fiscal Year 2026-2027.

Late January 2026

- Work with the Finance Department to provide best estimates for Fiscal Year 2026-2027 revenues and steady state expenditures.
- Work with the Mayor and Finance Department to provide departments directions for submitting their budget requests, including any proposed modifications to fees or charges.

February--March 2026

- Governing Body adopts a resolution establishing mid-range policy goals and one-year policy priorities based on the special meeting of the Governing Body and feedback from the community roundtable discussions.
- Ensure that departments submit budget proposals, including goals, objectives, and key performance indicators, and any augmentation requests for additional funding
- Take steps necessary to coordinate the Finance Department and other

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Departments preparing the Mayor’s budget proposal for submission to the Finance Committee and Governing Body for consideration in April and May. These steps include coordinating meetings with the Mayor, City Manager and Finance Department with departments to discuss budget proposals and shape the proposed 2026-2027 budget.

- Provide the Governing Body with a report on the status of goals, objectives, and indicators for Fiscal Year 2025-2026.

April - May 2026

- Hold joint hearings of the Finance Committee and the Governing Body to review ~~departmental budget requests~~ the proposed budget including tradeoffs and choices made in the budget proposal development process.
- Finance Committee considers the proposed budget at a meeting of the Finance Committee and provides a recommend[s]ation ~~budget~~ to the Governing Body.

May 2026

- The Governing Body adopts the Fiscal Year 2026-2027 annual budget.

June 2026

- The City submits its Fiscal Year 2026-2027 budget to the New Mexico Department of Finance and Administration for approval.

July 2027

- Ensure that departments present status updates on Fiscal Year 2025-2026 goals to the Governing Body

PASSED, APPROVED, and ADOPTED this _____ day of _____, 2025.

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ALAN WEBBER, MAYOR

ATTEST:

ANDRÉA SALAZAR, CITY CLERK

APPROVED AS TO FORM:

ERIN K. McSHERRY, CITY ATTORNEY

Legislation/2025/Resolutions/FY26-27Budget Development Resolution