Agenda

Regular Meeting of the Governing Body
March 25, 2026 at 5:00 PM
City Council Chambers, City Hall
200 Lincoln Avenue

Procedures for Governing Body Meeting

Viewing: *If the relevant technology is available to record the meeting in City Hall*, members of the public may stream the meeting live on the City of Santa Fe's YouTube channel. The YouTube live stream can be accessed from most smartphones, tablets, or computers.

The video recording*, if created,* of this and all past meetings of the Governing Body will also remain available for viewing at any time on the City's YouTube channel. Staff is available to help members of the public access pre-recorded Governing Body meetings online at any time during normal business hours. Please call 955-6521 for assistance.

Written Public Comment: Members of the public may submit written comments on legislation by clicking this link: https://santafenm.gov/city-clerk-community-engagement/city-clerk-1/governing-body-public-comment

If relevant technology is available and functioning for City use, the following options may be available:
Virtual Public Comment: To provide public comment during Petitions from the Floor, Public Comment, Final Action on Legislation, or Public Hearings virtually, you must join the Zoom meeting by internet or phone, using the following link: https://santafenm-gov.zoom.us/j/84566758349

- Internet: Join the Zoom meeting on the internet using a computer, laptop, smartphone, or tablet. Attendees should use the "Raise Hand" function to be recognized by the Mayor to speak at the appropriate time.
- Phone: To join the Zoom meeting using a phone, use the following phone numbers and Webinar ID: US: 1 (346) 248-7799 - Webinar ID: 819 0647 0889. Phone attendees should press *9 to use the "Raise Hand" function to be recognized by the Mayor to speak at the appropriate time.

1. Call to Order
2. Pledge of Allegiance
   a. Councilor Chavez
3. Salute to the New Mexico Flag

a. Councilor Feghali

4. Invocation and Rememberances

   a. Councilor Barrett

5. Roll Call

6. Approval of Agenda

7. Approval of Consent Agenda

8. Presentations

   a. Citizen Recognition for Courageous Action (Scott Ouderkirk, Interim Fire Chief; Santa Fe Fire Department; slouderkirk@santafenm.gov)

   b. 2026 Capital Outlay Requests and Analysis. (JD Bullington, Government Relations, LLC)

   c. Fiscal Year 2025 Audit Report. (Anrdrea K. Phillips, Deputy City Manager and Interim Finance Director; akphillips@santafenm.gov and Matthew Bonifer, Accounting Officer; mtbonifer@santafenm.gov and Alan D. A.J. Bowers Jr., Carr Riggs & Ingram, L.L.C.; Abowers@CRIadv.com)

9. Action Items: Consent Agenda

   a. Request for Approval of the March 11, 2026, Regular Governing Body Meeting Minutes. (Geralyn Cardenas, Interim City Clerk; gfcardenas@santafenm.gov)

      Committee Review:
      Governing Body: 03/25/2026

   b. Request for Approval of a Lease Agreement with Mark A Lopez Development, to Operate a Retail Gift Shop and Hallway Displays at the Santa Fe Regional Airport in the Amount of $6,734.75 for the First Year with a 2.5% Yearly Increase, Plus a Gross Receipts Fee of 12% for an Initial Term of Five Years and Two Option Terms of Five Years Each. (Jimmy Gunn, jdgunn@santafenm.gov; Terry Lease, tjlease@santafenm.gov)

      Committee Review:
      Public Works and Utilities Committee: 03/16/2026
      Finance Committee: 03/23/2026
      Governing Body: 03/25/2026

   c. Request for Approval of Amendment No. 1 to Item # 24-0304 with New Mexico Aging and Long-Term Services Department to Decrease the Compensation Amount by $72,000 for a New Total Amount of $241,120 for Volunteer

Program Services. (Manuel Sanchez, Interim Community Services Department Director/Senior Services Division Director; mnsanchez@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/16/2026
Finance Committee: 03/23/2026
Governing Body: 03/25/2026

d. CONSIDERATION OF RESOLUTION NO. 2026-____. (Mayor Michael Garcia) A Resolution Authorizing the Sale and Consumption of Beer and Hard Cider During the Party on the Pitch Soccer Tournament on May 30, 2026, Pursuant to Section 23-6.2(C) SFCC 1987. (Geralyn Cardenas, Interim City Clerk; gfcardenas@santafenm.gov)

Committee Review:
Governing Body (Introduced): 03/11/2026
Public Works and Utilities Committee: 03/16/2026
Governing Body: 03/25/2026

e. CONSIDERATION OF RESOLUTION NO. 2026-____. (Mayor Michael Garcia) Approving Budget Amendments and Requesting that New Mexico Department of Finance and Administration Approve the City of Santa Fe's Second Quarter Budget Amendments for Fiscal Year 2026. (Christina Martinez, Senior Budget Analyst; cfmartinez@santafenm.gov, Andy Hopkins, Budget Officer; ajhopkins@santafenm.gov)

Committee Review:
Governing Body: 03/11/2026
Public Works and Utilities Committee: 03/16/2026
Finance Committee: 03/23/2026
Governing Body: 03/25/2026

10. Action Items: Discussion Agenda

a. Request for Ratification of Aviation Grant Agreement #SAF-26-02 with the New Mexico Department of Transportation, Aviation Division in the Amount of $56,200 for the Reconstruct of the Electrical Vault at the Santa Fe Municipal Airport. (Jimmy Gunn, Interim Airport Manager; jdgunn@santafenm.gov)

Committee Review:
Governing Body: 03/25/2026

b. Request for Approval of Amendment No. 1 to Aviation Grant Agreement Item #25-0035 with the New Mexico Department of Transportation Aviation Division to Increase Compensation by $61,933 for a New Total Amount of $1,296,856 for Reconstruction of the Terminal Apron. (Jimmy Gunn, Interim Airport

Director; jdgunn@santafenm.gov)

1. Request for Approval of a Budget Amendment Resolution (BAR) in the Total Amount of $1,296,856 to Increase WIP Construction Fund Using NMDOT Funding for the Reconstruction of the Terminal Apron.

Committee Review:
Governing Body: 03/25/2026

c. Request for Ratification of a Notice of Intent to Disburse Law Enforcement Retention Funds from the New Mexico Department of Public Safety in the Total Amount of $104,783.97 for the Purpose of Providing Retention Differential Disbursements to Eligible Santa Fe Police Department Officers. (Ben Valdez, Deputy Chief of Police; bpvaldez@santafenm.gov)

1. Request for Approval of a Budget Adjustment Request (BAR) in the Total Amount of $104,783.97 from New Mexico Department of Public Safety to Police Incentives and Police FICA.

Committee Review:
Governing Body: 03/25/2026

11. Matters from the City Manager

12. Matters from the City Attorney

    a. EXECUTIVE SESSION

    In accordance with the Open Meetings Act, NMSA 1978, Section 10-15-1, Subpart (H)(8), Discussion of the Purchase, Acquisition or Disposal of Real Property or Water Rights by the Public Body of City-Owned Property at 2571 Cristo's Rd/Camino Entrada. (Marcos Martinez, Interim City Attorney; mdmartinez@santafenm.gov)

13. Executive Session Action Items

    a. Discussion and Action Regarding the Disposition of City-Owned Property.

14. Matters from the City Clerk

15. Communications from the Governing Body

16. Introduction of Legislation

    a. CONSIDERATION OF RESOLUTION NO. 2026-___. (Councilor Amanda Chavez)
    A Resolution Authorizing City of Santa Fe Representatives and Agents to Sign

Agreements and Requests for Payment Regarding New Mexico Office of the State Engineer Grant Agreement DSB-FY26-JJPD-01, to Plan and Design the Rehabilitation of McClure Dam. (Taylor Jurgens, Engineer, Water Division; trjurgens@santafenm.gov)

Committee Review:
Governing Body (Introduced): 03/25/2026
Public Works and Utilities Committee: 03/30/2026
Finance Committee: 04/01/2026
Governing Body: 04/07/2026

b. CONSIDERATION OF RESOLUTION NO. 2026-___. (Councilor Alma Castro)
A Resolution Approving the Consumption of Beer and Wine During Site Santa Fe's Annual Gala Dinner Event on July 1st, 2026, at The Ramada in the Railyard Park, Pursuant to Subsection 23-6.2(C) SFCC 1987. (Geralyn F. Cardenas, Interim City Clerk; gfcardenas@santafenm.gov)

Committee Review:
Governing Body (Introduced): 03/25/2026
Quality of Life Committee: 04/01/2026
Governing Body: 04/07/026

c. CONSIDERATION OF RESOLUTION NO. 2026-___. (County Commissioner Lisa Cacari Stone and Mayor Michael Garcia)
A Joint Resolution Recognizing the Value of Periodic Joint Meetings Between Santa Fe County and the City of Santa Fe and Establishing a Framework for Conducting Those Meetings. (Brian Moya, Interim City Manager; bjmoya@santafenm.gov)

Committee Review:
Governing Body (Introduced): 03/25/2026
Public Works and Utilities Committee: 03/30/2026
Quality of Life Committee: 04/01/2026
Finance Committee: 04/06/2026
Governing Body: 04/07/2026

17. Petitions from the Floor

18. Public Comment on Bills (First Public Comment, No Action)

a. CONSIDERATION OF BILL NO. 2026-8. ADOPTION OF ORDINANCE NO. 2026-____. (Councilor Alma Castro)
A Bill Amending Section 23-6, SFCC 1987 to Remove the Resolution Requirement for the Purpose of Approving Sales and Consumption of Alcohol at Public Events on City Property and Requiring that Governing Body Approval Be Recorded in Regular Governing Body Minutes Upon the City Clerk's

Recommendation for Approval. (Marci Eannarino, Legislation and Policy Innovation Manager; maennarino@santafenm.gov; Christine Spiers, Legislative Coordinator; cmspiers@santafenm.gov; Palmer Anderson, Policy Analyst; pcanderson@santafenm.gov)

Committee Review:
Governing Body (Introduction): 03/11/2026
Governing Body (Public Comment): 03/25/2026
Quality of Life Committee: 04/01/2026
Governing Body (Public Hearing): 04/29/2026

b. CONSIDERATION OF BILL NO. 2026-5. ADOPTION OF ORDINANCE NO. 2026-____.(Councilor Amanda Chavez and Councilor Pilar Faulkner)
A Bill Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement By and Between the New Mexico Finance Authority ("NMFA") and the City of Santa Fe, New Mexico (the "Borrower/Grantee"), in the Total Amount of $2,500,000, Including a Loan in the Amount of $1,000,000 Evidencing an Obligation of the Borrower/Grantee to Utilize the Loan/Grant Amount Solely for the Purpose of Financing the Costs of Designing McClure Dam to the Outlet Conduit and Spillway, Including Related Work and Revisions, and Solely in the Manner Described in the Loan/Grant Agreement; Providing for the Pledge and Payment of the Loan Amount and an Administrative Fee Solely From the Net Revenues of the Water Utility System of the Borrower/Grantee; Certifying that the Loan/Grant Amount, Together with Other Funds Available to the Borrower/Grantee; is Sufficient to Complete the Project; Approving the Form of and Other Details Concerning the Loan/Grant Agreement; Ratifying Actions Heretofore Taken; Repealing All Action Inconsistent with this Ordinance; and Authorizing the Taking of Other Actions in Connection with the Execution and Delivery of the Loan/Grant Agreement. (Alan Hook, Water Resources Coordinator; aghook@santafenm.gov)

Committee Review:
Governing Body (Introduction): 03/11/2026
Governing Body (Public Comment): 03/25/2026
Public Works and Utilities Committee: 03/30/2026
Finance Committee: 04/06/2026
Governing Body (Public Hearing): 04/29/2026

19. Final Action on Legislation (Public Hearing)

a. CONSIDERATION OF BILL NO. 2026-02. ADOPTION OF ORDINANCE NO. 2026-____. (Mayor Michael Garcia)
A Bill Amending SFCC 1987, Section 11-13 to Expand Exemptions Permitted by NMSA 1978, Sections 13-1-98 Through 13-1-98.2, Including Certain Purchase Types and Legal Service Types; Adding Exemptions for Certain Prepayment Required Items, Not Exceeding $100,000 and for Lobbying

Services Representing the City of Santa Fe's Interests; Requiring the Procurement Manual to be Adopted by Resolution; Establishing an Eight-Year Maximum Term for Professional Service Contracts; Authorizing the Chief Procurement Officer to Approve Purchase Orders and to Approve the Use of Requests for Applications; Adopting Construction Manager at Risk Delivery Method Procedures; Modifying Certain Amounts Listed in NMSA 1978, Section 13-1-125; Authorizing the City Manager to Approve Contract Amendments that Do Not Materially Alter the Scope of Work. (Travis Dutton-Leyda, Purchasing Officer; tkduttonleyda@santafenm.gov)

Committee Review:
Governing Body (Introduced): 02/11/2026
Governing Body (Public Comment): 02/25/2026
Public Works and Utilities Committee: 03/02/2026
Quality of Life Committee: 03/04/2026
Finance Committee: 03/09/2026
Governing Body: 03/25/2026

20. Public Hearings (Land Use Cases, Appeals and Other Items Required to Have a Public Hearing)

21. Appointments

    a. Appointment of Marcos Martinez to City Attorney - Term Ending December 31, 2029

    b. Appointment of Geralyn Cardenas to City Clerk and Director of Community Engagement - Term Ending December 31, 2029

    c. Occupancy Tax Advisory Board

        - Michael Trujillo - Appointment (At-Large Member)

    d. Historic Districts Review Board

        - Joe Simmons - Appointment - Term Ending 01/2028

22. Adjourn

Closed captions are provided for this meeting. Persons with disabilities in need of additional accommodations, contact the City Clerk's office at 505-955-6521, five (5) working days prior to meeting date.

Analysis of 2026 Statutory Changes to the Capital Outlay and Reauthorization Processes; Capital Outlay Appropriations to the City of Santa Fe; Final Status of Capital Outlay Reauthorization Requests for the City of Santa Fe

2026 Capital Outlay Appropriations Awarded to the City of Santa Fe

TOP FIVE PRIORITIES
#1 Large Capacity Non-Congregate Shelter: $750,000
#2 Paseo Real WW Reclamation Facility: $0
#3 Police Training Facility (Shooting Range & Driving Course): $50,000
#4 Airport Terminal Expansion Phase 2: $3,250,000
#5 Midtown Redevelopment Infrastructure Improvements: $0

TOTAL FUNDING FOR PRIORITIES: $4,050,000.00

TOP FOUR DISTRICT PRIORITIES
Dist.#1 Arroyo Torreon Channel Improvements: $100,000
Dist. #2 Ragle Park Baseball Fields Phase 3: $750,000
Dist. #3 Santa Fe Median Beautification Project Phase 1: $450,000
Dist. #4 Herb Martinez Park Improvements: $700,000

TOTAL FUNDING FOR COUNCIL DISTRICT PRIORITIES: $2,000,000.00

TOTAL FUNDING FOR TOP NINE CITY OF SANTA PRIORITIES: $6,050,000.00

OTHER CAPITAL PROJECTS FUNDED WITHIN THE CITY WORTH NOTING

A) Camino Torcido Loop Design: $50,000 -- NMDOT
B) Cerrillos Rd./Camino del los Arroyos Infra Imp: $375,000 – NM Env Dept
C) Santa Fe Affordable Home Const: $1,550,000 – NM Mortgage Fin Authority
D) North Ridgetop Rd. Housing Dev (sewer, roads): $650,000 – NMDOT
E) NM Emergency Ops Ctr Const: $10,000,000 – NM Homeland Security Dept
F) Arts & Cultural Bldg Ren: $250,000 – Appropriated to Santa Fe through the DFA Local Government Division; NOTE: Due to statutory changes going into effect for FY'27, this type of project will likely not be eligible for future

capital outlay appropriations that exceed $100,000 because this is a local government division project for the City of Santa Fe, and this project is not listed on the City's ICIP (unless it was referenced by ICIP ID# 36137 – Midtown Redevelopment Infrastructure Improvements); however, this is probably not a Midtown infrastructure improvement project.

G) Santa Fe Fire Dept Fitness Equipment Purchase: $250,000 -- Appropriated to Santa Fe through the DFA Local Government Division; NOTE: Due to statutory changes going into effect for FY'27, this type of project will likely not be eligible for future capital outlay appropriations that exceed $100,000 because this is a local government division project for the City of Santa Fe, and this project is not listed on the City's ICIP. There is an ICIP ID number (40038) for "remodeling of fire station facilities"); however, this appropriation is for the purchase of fitness equipment and is probably not for facility remodeling.
H) Santa Fe Plaza Improvements: $1,000,000 – DFA/Governor MLG
I) Tierra Contenta Aff Housing Inf Imp: $275,000 – Workforce Solutions Dept
J) Santa Fe Community Park Const in Acequia Trail Area: $900,000 – Workforce Solutions Dept.

2026 Capital Outlay Reauthorization Requests – Includes Vetoed Requests

Six capital outlay reauthorization requests were submitted to the Legislature for approval. All six requests were incorporated into HB 332; however, Governor MLG vetoed three of the six requests with the exact same executive message for each one: "this appropriation has not been spent to date." The rationale used by the Governor for her line-item veto was that there has been no spending activity for the three projects since the appropriation was originally approved.

Reauthorization Req #1: Harrison Road Improvements
Signed
$85,000 Secured

Reauthorization Req #2: Pacheco St. Road Improvements
Signed
$150,000 Secured

Reauthorization Req #3: Tierra Contenta Trail Improvements
Signed
$113,520 Secured

Reauthorization Req #4: Gov. Miles Road Improvements
Vetoed
($300,000)

Reauthorization Req #5: Median Beautification Projects
Vetoed
($1,700,000)

Reauthorization Req #6; Supportive Housing Project - Lamplighter
Vetoed
($844,470)

2026 Statutory Changes to the Capital Outlay Process

House Bill 247 (Signed into law by the Governor) – Key Provisions

- **No capital outlay project may be reauthorized more than once for a period of no more than two years and at least ten percent of the initial appropriation must have been encumbered by January 1 of that initial fiscal year as determined by the DFA – not the local government;**
- **No capital outlay reauthorization can alter the original purpose of the project;**
- **No capital outlay appropriation for $100,000 or more is allowed UNLESS that project is included on an ICIP;**
- **If a capital outlay project is funded with general fund money or if severance tax bonds are issued for a project but no money has been expended or encumbered by January 1 of the fiscal year in which the balance will revert, the DFA shall freeze the account and any encumbrance after that date shall be considered invalid;**
- **DFA shall provide a report each year to the Legislature by January 15 on the capital outlay projects that have been frozen**

City of Sante Fe – Audit 2025
City Council Presentation
March 25, 2026

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Agenda

- Scope of Work
- Audit Timeline
- Responsibilities
- Auditor's Report

Scope of Work

Scope of Work

Audit of Financial Statements for June 30, 2025

Single audit compliance testing – each major Federal Program

- 20.106 – Airport Improvement Program
- 20.507 – Federal Transit Formula Grants
- 20.205 – Highway Planning and Construction

Compliance with NM State Audit Rule

Timeline

Timeline

Timeline	
Entrance Conference	July 30, 2025
Audit Execution	July 2025 – January 2026
Exit Conference	FS – December 19, 2025 SA – February 9, 2026
Independent Auditor's Report Date*	FS – January 16, 2026 SA – February 9, 2026
State Auditor's Release of Financial Statements	FS – March 3, 2026 SA – March 16, 2026

*Due to federal compliance supplement delays, deadline extensions to January 20, 2026 (financial statement) and February 9, 2026 (single audit).

Auditor’s Reports

Auditor's Reports

Independent Auditor's Report

- Opinion on the Financial Statements
  - Unmodified – Best opinion
    - Financial Statements are presented fairly in accordance with U.S. GAAP
    - No audit where an opinion could not be rendered
- Pages 16-19 (Annual Comprehensive Financial Report)

Auditor's Reports

Independent Auditor's Report on Internal Controls over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

- Negative Assurance
  - 2 Financial Statement Findings (2 MW)
  - 3 State Audit Rule Findings (2 ONC, 1 OM)
- Report Pages 304-305 (Annual Comprehensive Financial Report); pages 8-9 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)
- Schedule of Findings and Responses Pages 307-318 (Annual Comprehensive Financial Report); Schedule of Findings and Questioned Costs Pages 21-34 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

Auditor's Reports

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

- Airport Improvement Program
  - Unmodified Opinion – Previously Audited in 2021, 2022, 2023, 2024
  - 1 MW over internal controls over compliance
- Federal Transit Cluster
  - Unmodified Opinion – Previously Audited in 2021, 2023, 2024
  - No findings noted
- Highway Planning and Construction
  - Unmodified Opinion
  - No findings noted
- Report Pages 10-13 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)
- Schedule of Findings and Questioned Costs Pages 21-34 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

Auditor Responsibility

Our responsibility under U.S. & *Government Auditing Standards*

- Form and express opinion if financial statements prepared by management are fairly presented in conformity with U.S. GAAP.
- Obtain reasonable, rather than absolute, assurance if financial statements are free from material misstatement.
- Consideration of internal controls for purpose of determining and designing audit procedures.
- Communicate significant matters related to financial statement audit.

Management Responsibility

Management, with oversight from those charged with governance, is responsible for:

- Establishing and maintaining internal controls, including monitoring ongoing activities.
- Selection and application of accounting principles.
- Fair presentation of the financial statements and results of operations in conformity with the applicable framework.
- Maintenance of complete and accurate accounting records.
- Design and implementation of programs and controls to prevent and detect fraud.
- Board to participate in the audit process (entrance conference, exit conference, etc.).

Auditor's Report – Finding Summary

FS Finding 2025-001 (2024-001) – Controls over Construction in Process (MW)

- Pages 308-309 (Annual Comprehensive Financial Report)
- Pages 22-23 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

FS Finding 2025-002 (2024-002) – General Ledger Corrections (MW)

- Pages 310-311 (Annual Comprehensive Financial Report)
- Pages 24-25 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

Auditor's Report – Finding Summary

Federal Finding 2025-006 (2023-006) – Equipment and Real Property Management (MW)

- Airport Improvement Program
- Pages 26-27 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

State Audit Rule Finding 2025-003 – Budgetary Compliance (ONC)

- Pages 312-314 (Annual Comprehensive Financial Report)
- Pages 28-30 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

Auditor's Report – Finding Summary

State Audit Rule Finding 2025-004 (2021-020) – Cash Appropriations in Excess of Available Cash Balances (ONC)

- Pages 315-316 (Annual Comprehensive Financial Report)
- Pages 31-32 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

State Audit Rule Finding 2025-005 – Stale Dated Checks (OM)

- Pages 317 (Annual Comprehensive Financial Report)
- Pages 33 (Single Audit Report and Report on the Schedule of Expenditures of Federal Awards)

Auditor's Report – Finding Summary

Corrected findings

- 2024-003 – Reimbursement Requests – Resolved
- 2024-004 (2023-004) – Activities Allowed, Allowable Costs over Payroll – Resolved
- 2024-006 – Subrecipient Monitoring – Resolved
- 2024-007 (2021-017) – Pledged Collateral – Resolved

Questions?

Thank You

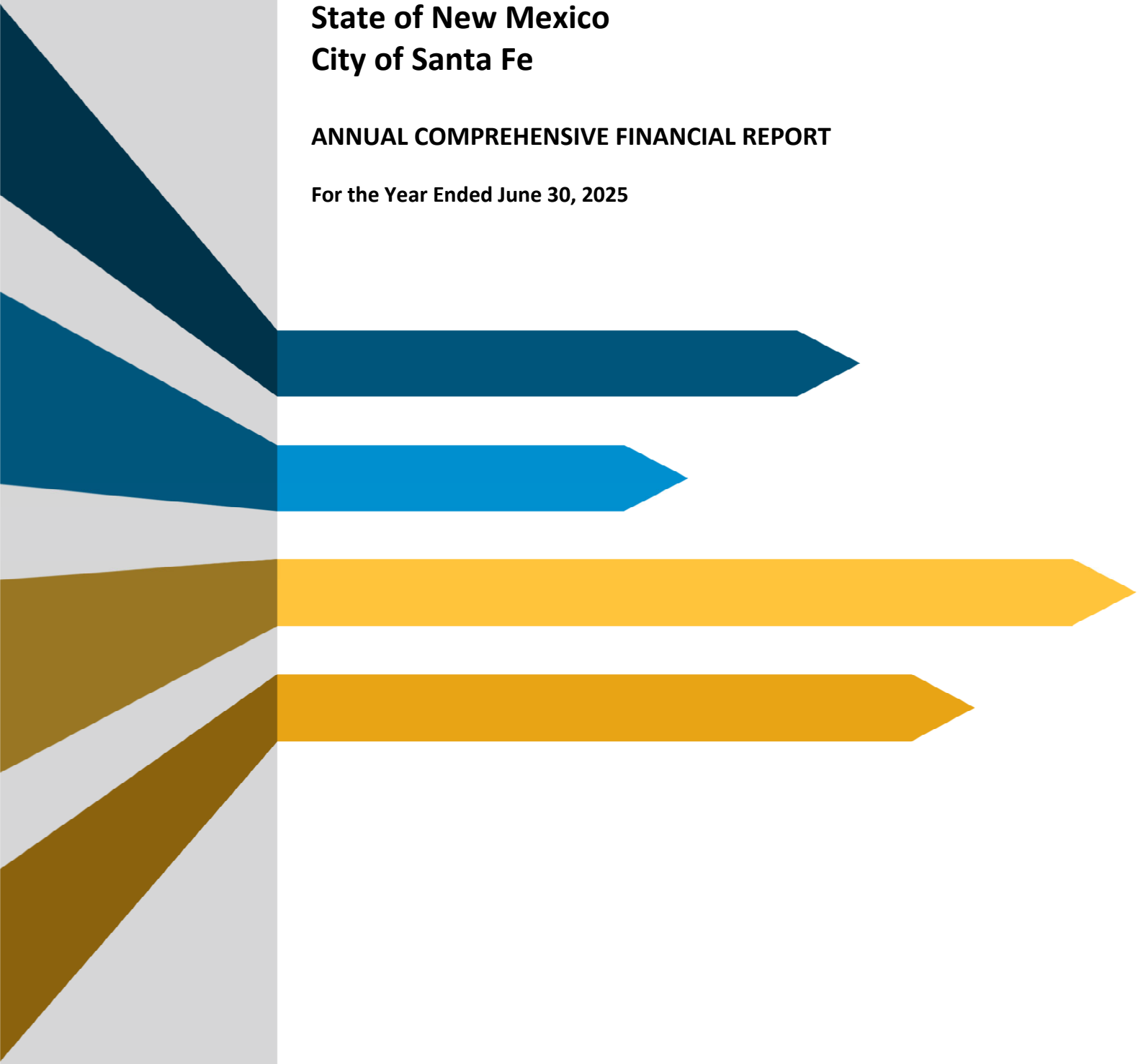
Alan D. "A.J." Bowers, Jr., CPA, CITP
Partner
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State of New Mexico
City of Santa Fe

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2025



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City of Santa Fe, New Mexico
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City of Santa Fe, New Mexico

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www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
Alma G. Castro, District 1
Michael J. Garcia, District 2
Carol Romero-Wirth, District 2
Lee Garcia, District 3
Pilar F.H. Faulkner, District 3
Jamie Cassutt, District 4
Amanda Chavez, District 4

January 16, 2026

To the Honorable Mayor, the Governing Body, and the Citizens of the City of Santa Fe:

In accordance with New Mexico statutes, we are pleased to present the Annual Comprehensive Financial Report of the City of Santa Fe (City) for the fiscal year ended June 30, 2025 (FY25). The report was prepared by the City's Finance Department to provide information regarding the financial position of the City. The financial statements and supporting schedules have been prepared in conformity with U.S. generally accepted accounting principles (GAAP), as established by the Governmental Accounting Standards Board (GASB), and with the requirements of the State of New Mexico, Office of the State Auditor.

The responsibility for the accuracy, completeness, and fairness of the data presented, including disclosures, rests with management of the City. Management assumes full responsibility for the completeness and reliability of the information presented in this report based on a comprehensive internal control framework that is intended to provide reasonable assurance that assets are safeguarded against loss or unauthorized use, and that financial records can be relied upon to produce financial statements according to GAAP. Management believes this report is accurate in all material respects and is presented in a manner which fairly sets forth the financial position and results of operations of the City. Management is responsible for establishing and maintaining internal accounting controls designed to provide reasonable, but not absolute, assurance that these financial statements are complete and accurate in their presentation. “Reasonable assurance” is intended to recognize that the cost of maintaining the system of internal accounting controls should not exceed the benefits derived. The City’s comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. The City’s Management team asserts that, to the best of our knowledge, this financial report is complete and reliable in all material respects.

New Mexico State Statute 12-6-3, NMSA 1978 mandates that the financial affairs of the City be thoroughly examined and audited each year by independent auditors approved by the state auditor. The City selected Carr, Riggs & Ingram to perform the June 30, 2025, audit. The audit was conducted in accordance with generally accepted government auditing standards (GAGAS) issued by the Comptroller General of the United States. The audit provides an independent review to help ensure a fair presentation of the City's financial position and results of operations. Carr, Riggs & Ingram issues a separate report on the City's internal control systems.

Management's Discussion and Analysis (MD&A) accompanies the independent auditor's report and provides a narrative overview and analysis to accompany the basic financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

FACTORS AFFECTING FINANCIAL CONDITION

The financial statement information is best understood when it is considered from the broader perspective of the specific environment in which the City of Santa Fe operates.

Profile of the City

The City's form of government has a direct bearing on its financial operations. The City of Santa Fe was founded in 1609 and chartered as a town in 1891 under territorial law. In December 1997 the City approved, by electoral vote, a Municipal Charter that became effective in March 1998. The City is empowered to levy a property tax on real property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

The City of Santa Fe has operated under the Mayor-Council-City Manager form of government since 1954. In 2014 the citizens voted to change the status of the Mayor from a part-time to a full-time Mayor, with a significant increase in duties and responsibilities. The City's Mayor, Alan Webber, was elected in March 2018 to serve a four-year term. Mayor Webber was re-elected in November 2021 and began his second four-year term as Mayor in January 2022. Prior to his service as the 43rd Mayor, and the City's first full-time executive, Mayor Webber built a career in business and journalism, most notably as the Editorial Director of the Harvard Business Review and Co- Founder and Co-Editor-in-Chief of Fast Company magazine.

The governing body consists of eight City Councilors and the Mayor, who are all elected on a nonpartisan basis. City Council members serve four-year staggered terms with four city councilors elected every two years within four districts. Policy-making and legislative authority are vested in the governing body. The governing body is responsible for passing ordinances and adopting the budget and creating or abolishing departments.

The Mayor appoints and may remove the City Manager, the City Attorney, the City Clerk and members of advisory commissions, subject to the approval of the governing body. The City Manager is the chief administrative officer of the City and is responsible for carrying out the policies and ordinances approved by the governing body. In addition to overseeing the day-to- day operations of the City, the City Manager also appoints the directors of the various departments, prepares the annual budget, and keeps the governing body informed of the financial condition and needs of the City.

Santa Fe is located in the north central part of the state. It is the oldest state capital in the United States. Its current population is approximately 90,000 residents. The City provides a full range of services including police and fire protection; public works; highways and streets; waste water operations; refuse collection and transport; water services; transit; parking facilities operations; convention center services; recreational activities; cultural events; community welfare; and the municipal airport. The City has no component units or blended component units that are legally separate entities. The City is the Fiscal Agent for two jointly governed organizations, the Buckman Direct Diversion Project (BDD) and Santa Fe Solid Waste Management Agency (SWMA). As Fiscal Agent the City holds pooled cash in a Custodial Fund on behalf of BDD and SWMA and has other fiduciary responsibilities to these entities.

Local Economy

As the state's capital, Santa Fe benefits from a stable, educated government workforce. Many city residents also work at Los Alamos National Laboratory in neighboring Los Alamos, one of the country's premier scientific research centers. Santa Fe's economy is based largely on tourism and, as the capital city, state government, which is the largest employer in the area. Known as "The City Different," Santa Fe is also one of the top art markets in the world and the third largest art market in the United States.

Santa Fe's spectacular Rocky Mountain setting and stunning wealth of cultural resources; including over 250 art galleries, over 20 museums, four-star hotels and resorts, a globally recognized opera company, dozens of major annual festivals, and many award-winning restaurants, shops and spas, draw visitors and second homeowners from all over the globe. Santa Fe attracts an average of 2 million overnight visitors annually and has been named as one of the top tourist destinations in the world by Travel + Leisure magazine. In 2025 Santa Fe was ranked the #1 city on the list of "15 Best Cities in the U.S." and the #19 city on the list of "25 Favorite Cities in the World" in the Travel + Leisure 2025 World's Best Awards.

The steady volume of visitors supported strong occupancy of Santa Fe's hotels and drove a robust shortterm rental market in FY25. In 2025 Santa Fe earned many national and international accolades including:

- Santa Fe ranked #2 on the Conde Nast Traveler list of "The Best Small Cities in the U.S." in the 2025 Readers' Choice Awards.
- Ranked as the #1 small city on the Moviemaker Magazine 2025 list of the "Best Places to Live and Work as a Moviemaker"
- The Santa Fe Railyard Arts District was voted by USA Today readers into the #7 spot on the 2025 list of the "10 Best Art Districts in the US."

FY25 saw a time of relative economic stability in the aftermath of the coronavirus pandemic and the associated economic fallout. Federal policy changes enacted by the Trump Administration in Washington, D.C. created uncertainty regarding the future of federal grant revenues in the second half of FY25. The fiscal year 2026 (FY26) budget continues the Webber administration’s record of responsible fiscal management and investment in increased compensation for City employees.

Financial Overview and Policies

The largest single source of revenue to the City is Gross Receipts Tax, which represents 36.2% of total budgeted operating City revenue for FY25. Since 2011, gross receipt tax revenue (GRT) has grown at a robust pace, although in FY25 year-over-year growth showed signs of leveling off. The City maintains sound reserves as a buffer against economic slowdowns, and funds over 40% of its total expenditures from utility rates, fees, and grants.

Through the diligent and collective efforts of the elected officials and city staff, measures continue to be taken to limit expenditures, prioritize services and projects and budget conservatively while delivering high-quality community services.

In FY25 the City invested in pay increases for all City employees as part of the implementation of recommendations from a Classification and Compensation study (Class and Comp). The FY25 operating budget includes $10.6 million to fund pay increases recommended by the Class and Comp study, plus an additional $4.1 million to pay for a 3% across the board pay increase for all City employees.

Early in FY25, budget increases totaling $38.8 million in one-time appropriations for special projects were approved by the City’s Governing Body. Funding for these one-time projects was drawn from accumulated balances in the General Fund, the ½% Gross Receipts Tax Capital Projects fund, and Utility enterprise funds. These balances accumulated primarily due to two factors: 1) in previous years actual revenues came in above budgeted estimates, and 2) prior year expenditures came in below budget.

Mayor Webber’s administration has built up the City’s “rainy day funds,” or reserves, which have enabled the City to continue investing in core services and prioritize funding to build and support community initiatives. Reserves are intentionally built-up during years of revenue growth with the prospect of using the reserves to help during times of financial hardship or uncertainty. Overall, the adopted FY25 budget reflects an addition of $8.4 million into the City’s cash reserves.

The City has two industrial revenue bonds (IRBs) that include tax abatements. The Ridgetop Road office campus project IRB was approved by the City's Governing Body in 2007 to promote industry and develop trade and other economic activity to secure and maintain a balanced and stable economy in the City. The office campus is the headquarters of Thornburg Investment Management, a privately owned global investment firm. The El Castillo Retirement Residences project IRB was approved in 2019 for the purpose of acquiring, constructing, and equipping a new adult residential retirement facility. The La Secoya de El Castillo senior living community opened in 2022 and has 68 independent living units.

Cash Management

The City invests cash in demand deposits, certificates of deposit, securities issued by the United States Government and its Agencies, and money market funds. Investment terms may range from 0 to five-year maximum maturities under the City's Investment Policy. A review and update of the City's Investment Policy is planned for calendar year 2026.

Debt Management

The City issued 2025 Series General Obligation Improvement Bonds in August 2025, pledging property tax revenues received from Santa Fe County. The City raised $25,000,000 dedicated to improving streets throughout the City over the next three years.

Procurement

The City has a centralized purchasing office that reviews all procurements for compliance. In January 2018, the City adopted the State of New Mexico Procurement Code. The Purchasing team is working to streamline the contracting process through technology and business process improvements. The City has a widely used Purchasing Card program and a City-wide WEX fuel card program. The Chief Procurement Officer is leading an effort to update and modernize the City's procurement ordinances and procurement manual.

Budget

The City prepares an annual operating budget. The annual budget serves as the foundation for Santa Fe's financial planning and control. All departments of the City are required to submit requests for appropriations to the City Manager each year. The City Manager uses these requests as the starting point for developing a proposed budget for the upcoming fiscal year. The City Manager presents this proposed budget to the Finance Committee, which is composed of five city councilors, through a series of public meetings. The city council reviews the finance committee's recommended budget and adopts a final budget by June 1 for the fiscal year commencing July 1. The appropriated budget is prepared by fund, function (e.g., public safety), and division (e.g., water). The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the function level for the general fund; the fund level for special revenue and capital improvement funds; and at the division level for the enterprise funds. The Municipal Charter allows the City Manager to approve transfers of appropriations within a department up to $60,000. Transfers over $60,000 or between funds, as well as any net budget increases or decreases, require city council approval. Budget-to-actual comparisons are provided in this report at the function level for the general fund, and at the fund level for the major special revenue funds. These comparisons are presented in this report as part of the basic financial statements for governmental funds.

Risk Management

The risk management programs include workers' compensation, comprehensive loss coverage, medical, safety, and other employee coverage programs. As part of this comprehensive plan, resources are accumulated in internal service funds from premiums assessed to all departments and funds to cover the costs of potential losses. In combination with third-party administrators, the City also utilizes controls including safety checks, employee prevention and reporting training, reviews to recognize liability exposure, health and wellness information and other cost controls.

Pension Plan

The City of Santa Fe participates in the State of New Mexico's Public Employees Retirement plan in which substantially all employees participate. The plan is a cost-sharing, multiple- employer, defined benefit plan that is authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978). The contribution requirements of defined benefit plan members and the City of Santa Fe are established in state statute under Chapter 10, Article 11, NMSA 1978. The City makes the required payments as determined by PERA through City and member contributions.

Other Postemployment Benefit Plan

The City contributes to the New Mexico Retiree Health Care Fund, a cost sharing, multiple- employer, defined benefit, post-employment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. The City makes the required payments as determined by RHCA through City and member contributions.

Acknowledgements

We would like to express our appreciation to the staff of the Finance Department whose dedication made the timely preparation of the audit report possible. Several other City departments provided information and assisted in the audit report preparation. We gratefully acknowledge their efforts and contributions to this report.

We also wish to thank the staff of Carr, Riggs & Ingram and CliftonLarsonAllen for their counsel, technical assistance, and continued support in the preparation of this report.

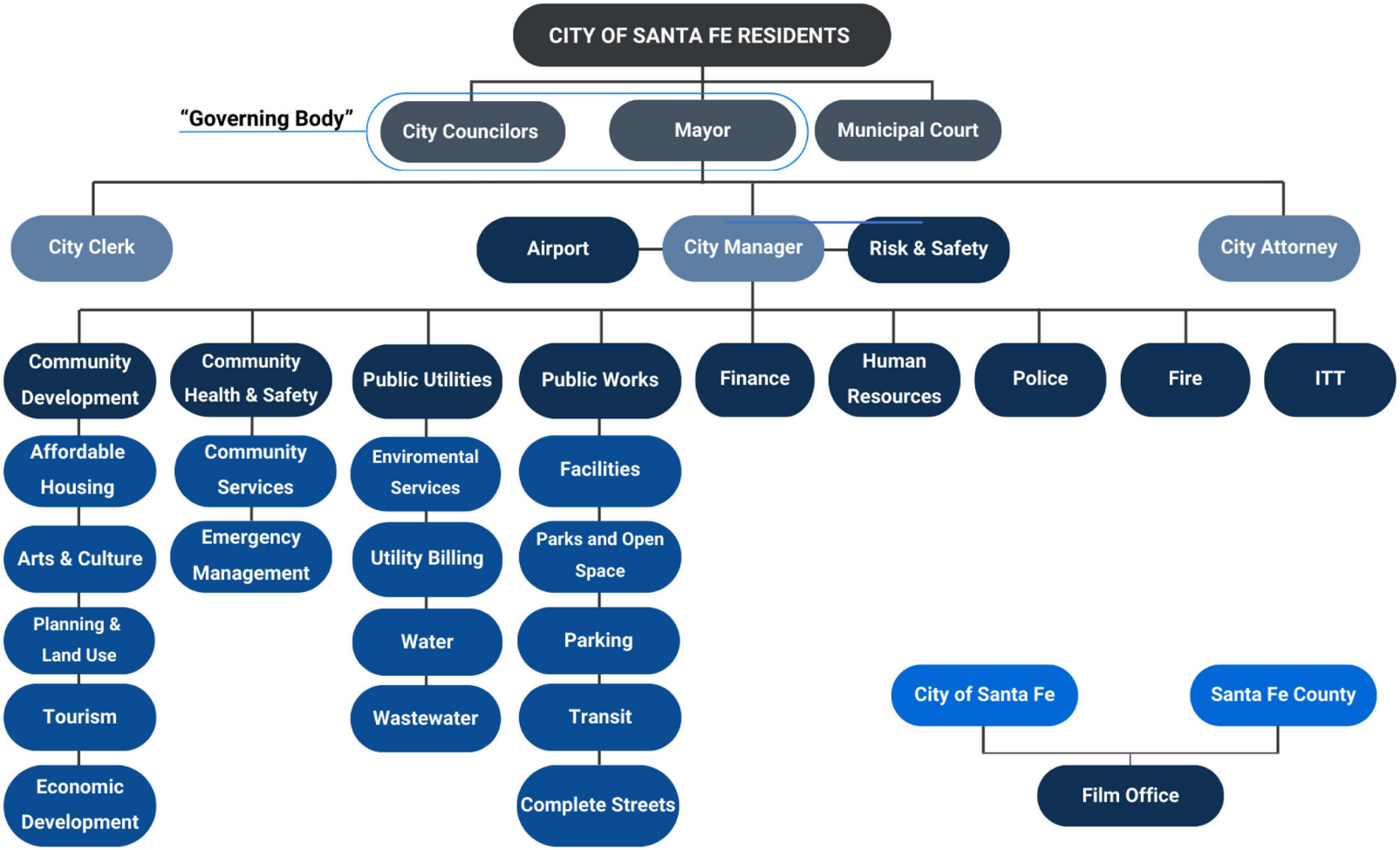
Finally, we wish to thank you for your continued interest in the financial operations of the City. The annual audit report will be featured on the City's web page: www.santafenm.gov.

Respectfully submitted,

Mark Scott (Dec 9, 2025 18:27:56 MST)

Mark Scott	Emily K. Oster
City Manager	Finance Director and Chief Financial Officer

I. CITY OF SANTA FE - ORGANIZATIONAL CHART



City of Santa Fe, New Mexico
Organizational Chart
June 30, 2025

City of Santa Fe, New Mexico
City Officials
June 30, 2025

MAYOR

Alan M. Webber

MAYOR PRO TEM

Signe I. Lindell, District 1

CITY COUNCIL

Alma Castro, District 1
Carol Romero-Wirth, District 2
Michael Garcia, District 2
Pilar F. H. Faulkner, District 3
Lee Garcia, District 3
Jamie Cassutt, District 4
Amanda Chavez, District 4

CITY MANAGER

Mark Scott

FINANCE DEPARTMENT

Emily Oster, Finance Director
Alexis Lotero, Assistant Finance Director
Josefa Bolden, Controller
Travis Dutton-Leyda, Chief Procurement Officer
Andrew Hopkins, Budget Officer
Melanie Lerma, Payroll Officer
Matt Bonifer, Accounting Officer

FINANCIAL SECTION

CARR, RIGGS & INGRAM, L.L.C.

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2424 Louisiana Boulevard NE
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INDEPENDENT AUDITOR'S REPORT

Joseph M. Maestas, P.E., CFE, New Mexico State Auditor
The Mayor and Members of City Council
City of Santa Fe
Santa Fe, New Mexico

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the City of Santa Fe, New Mexico (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Correction of Error

As described in Note 2 to the financial statements, the prior year financial statements have been corrected for errors in accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 20 through 30, the GASB required pension schedules on pages 134 through 137, the GASB required other post-employment benefit schedules on pages 138 through 141, and the notes to the required supplementary information on page 142 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining nonmajor fund financial statements, budgetary comparison schedules, and supporting schedules, as identified in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, and supporting schedules, as identified in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

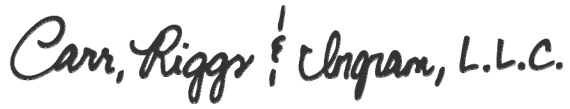
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and other disclosures but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Carr, Riggs & Ingram, L.L.C.
Albuquerque, New Mexico
January 16, 2026

As management of the City of Santa Fe (the "City"), we offer readers of the City's financial statements this discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. This analysis is intended to serve as an introduction to the City's basic financial statements and to provide an analytical overview of the City's operations. We encourage readers to consider the information presented here in conjunction with the City's *Basic Financial Statements* starting on page 32, the *Notes to the Financial Statements* starting on page 58, and additional information provided.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $829,435,203 (net position). The City's net position that is restricted for capital projects and other purposes is $129,967,734. The City's net investment in capital assets is $677,979,290. The City has an overall unrestricted net position as of June 30, 2025 of $21,488,179.

- Change in net position for the year ended June 30, 2025 was an increase of $47,761,197 as a result of operations. The increase is primarily due to an increase in revenues of 4%. Overall, the City continues to have a strong financial position, operating reserves, and assets available to provide services to citizens.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $54,296,150 or 39% of total general fund expenditures.

- The City's total debt outstanding at June 30, 2025 is $176,288,604.

THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and 3) notes to the financial statements. This set of financial statements provides both long-term and short-term views of the City's financial activities and financial position. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements are reported using the economic resources measurement focus and the accrual basis of accounting and include the *statement of net position* and the *statement of activities*.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

THE BASIC FINANCIAL STATEMENTS (Continued)

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from those functions that are intended to recover all or a portion of these costs through user fees and charges (*business-type activities*). The governmental activities of the City include basic services such as general government, physical environment (public works), economic environment, public safety, human services (health and welfare), and culture and recreation. The governmental services are supported by general City revenues such as taxes, and by specific program revenues such as fees.

The business-type activities of the City include waste water management, water management, environmental services, Santa Fe Convention Center, College of Santa Fe, municipal recreation complex, parking, railyard properties, airport, transit system, and Genoveva Chavez Community Center. Unlike governmental services, these services are generally supported by charges paid by users based on the amount of service they use.

The government-wide financial statements are prepared on the accrual basis of accounting that means they include all economic resources of the City as a whole. The government-wide financial statements can be found on pages 32 through 35 of this report.

***Fund financial statements*.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into two categories: governmental funds and proprietary funds.

***Governmental Funds*.** Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

THE BASIC FINANCIAL STATEMENTS (Continued)

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City has four governmental fund types: the general fund, the special revenue funds, capital projects funds, and the debt service funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund and the ½% gross receipts tax capital projects fund, which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all of its funds. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with these budgets. The basic governmental fund financial statements can be found on pages 36 through 45 of this report.

***Proprietary Funds*.** Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the Statement of Net Position. The City has presented four major proprietary funds within the financial statements: the waste water management fund, the water management fund, the environmental services fund, and the Santa Fe convention center fund. Data from the other nonmajor proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 46 through 55 of this report.

***Notes to the financial statements*.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 58 through 132 of this report.

***Other information*.** The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor proprietary funds, and internal service funds are presented immediately following the Required Supplementary Information. The combining fund financial statements can be found on pages 146 through 237 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $829,435,664 at the close of the most recent fiscal year. The City had revenues that exceeded expenditures during the year in the amount of $47,761,197 which increased net position in the current year as a result of operations.

The City net position reflects its investment in capital assets (e.g., land, buildings, other improvements, and furniture and equipment) less any related debt used to acquire those assets that is still outstanding. This net position category of $677,979,290 reflects that the City has more net cost value than debt related to its capital assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	June 30, 2025			June 30, 2024			
Governmental Activities	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total	Percent Change
Current and other assets	$ 253,313,445	$ 202,978,627	$ 456,292,072	$ 245,853,160	$ 219,010,620	$ 464,863,780	-1.84%
Net capital assets	387,109,874	467,594,576	854,704,450	369,537,623	428,683,645	798,221,268	7.08%
Total assets	640,423,319	670,573,203	1,310,996,522	615,390,783	647,694,265	1,263,085,048	3.79%
Deferred outflows of resources	44,329,074	11,673,924	56,002,998	45,075,161	12,208,545	57,283,706	-2.24%
Total assets and deferred outflows of resources	$ 684,752,393	$ 682,247,127	$ 1,366,999,520	$ 660,465,944	$ 659,902,810	$ 1,320,368,754	3.53%
Current liabilities	$ 62,737,510	$ 26,749,979	$ 89,487,489	$ 63,045,666	$ 26,294,498	$ 89,340,164	0.16%
Long-term liabilities	262,008,848	142,606,087	404,614,935	257,533,567	144,119,923	401,653,490	0.74%
Total liabilities	324,746,358	169,356,066	494,102,424	320,579,233	170,414,421	490,993,654	0.63%
Deferred inflows of resources	23,814,496	19,647,397	43,461,893	31,569,825	22,667,610	54,237,435	-19.87%
Net investment in capital assets	310,029,912	367,949,378	677,979,290	281,638,552	325,835,872	607,474,424	11.61%
Restricted	129,967,734	-	129,967,734	101,198,694	-	101,198,694	0.00%
Unrestricted (deficit)	(103,806,107)	125,294,286	21,488,179	(74,520,360)	140,984,907	66,464,547	-67.67%
Total net position	336,191,539	493,243,664	829,435,203	308,316,886	466,820,779	775,137,665	7.00%
Total liabilities, deferred inflows of resources, and net position	$ 684,752,393	$ 682,247,127	$ 1,366,999,520	$ 660,465,944	$ 659,902,810	$ 1,320,368,754	3.53%

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position

The City's total revenues of $389,135,730 and expenses of $341,374,533 resulted in a change in net position of $47,761,197 as a result of City operations. Comparative information for changes in net position is shown in the table below.

	June 30, 2025			June 30, 2024			
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total	Percent Change
Revenues							
Program revenues							
Charges for services	$ 23,537,523	$ 88,914,140	$ 112,451,663	$ 24,195,869	$ 92,996,432	$ 117,192,301	-4%
Operating grants and contributions	11,942,447	13,762,679	25,705,126	10,839,935	7,153,428	17,993,363	43%
Capital grants and contributions	9,520,474	6,570,348	16,090,822	6,095,022	4,651,829	10,746,851	0%
General revenues and transfers							
Gross receipts tax	166,805,927	7,158,542	173,964,469	162,558,672	-	162,558,672	7%
Other taxes	39,417,848	-	39,417,848	37,077,926	6,976,298	44,054,224	-11%
Investment income (loss)	10,090,494	6,609,984	16,700,478	9,483,089	7,145,445	16,628,534	0%
Transfers in (out)	(25,648,437)	25,648,437	-	(31,541,713)	31,541,713	-	0%
Other revenues	3,925,476	879,848	4,805,324	2,746,030	1,053,947	3,799,977	100%
Total revenues and transfers	239,591,752	149,543,978	389,135,730	221,454,830	151,519,092	372,973,922	4%
Expenses							
General government	52,817,300	-	52,817,300	43,179,035	-	43,179,035	22%
Public safety	79,325,361	-	79,325,361	75,724,543	-	75,724,543	5%
Public works	45,447,569	-	45,447,569	29,744,323	-	29,744,323	53%
Community development	16,993,583	-	16,993,583	13,932,038	-	13,932,038	22%
Culture and recreation	17,609,378	-	17,609,378	21,495,260	-	21,495,260	-18%
Education	4,316,219	-	4,316,219	3,442,367	-	3,442,367	25%
Interest and other charges	1,783,788	-	1,783,788	1,945,657	-	1,945,657	-8%
Issuance costs	2,667	-	2,667	2,818	-	2,818	0%
Wastewater management	-	17,449,420	17,449,420	-	16,040,945	16,040,945	9%
Water management	-	38,873,447	38,873,447	-	35,292,352	35,292,352	10%
Environmental services	-	17,302,095	17,302,095	-	16,726,439	16,726,439	3%
College of Santa Fe	-	4,744,157	4,744,157	-	4,887,953	4,887,953	-3%
Santa Fe Convention Center	-	7,733,774	7,733,774	-	5,911,145	5,911,145	31%
All other proprietary funds	-	36,975,775	36,975,775	-	31,219,412	31,219,412	18%
Total expenses	218,295,865	123,078,668	341,374,533	189,466,041	110,078,246	299,544,287	14%
Increase in net position	21,295,887	26,465,310	47,761,197	31,988,789	41,440,846	73,429,635	-35%
Net position - beginning of year, as originally reported	308,316,886	466,820,779	775,137,665	296,637,893	428,426,814	725,064,707	7%
Change in accounting principle (Note 2)	1,361,116	(1,133,171)	227,945	-	-	-	100%
Error corrections (note 2)	5,217,650	1,090,746	6,308,396	(20,309,796)	(3,046,881)	(23,356,677)	100%
Net position - beginning of year, after corrections	314,895,652	466,778,354	781,674,006	276,328,097	425,379,933	701,708,030	11%
Net position - ending	$ 336,191,539	$ 493,243,664	$ 829,435,203	$ 308,316,886	$ 466,820,779	$ 775,137,665	7%

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $188,453,305, an increase of $248,268 in comparison with the prior year. Approximately 28.8% percent of this total amount, $54,186,140, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted, or assigned for other purposes to indicate that it is not available for new spending.

The general fund is the main governmental operating fund of the City. Its total fund balance for the fiscal year-ended June 30, 2025, was approximately $54.4 million as compared to $83.4 million at the prior year-end, amounting to a net $29 million decrease. Two measures of the General Fund's liquidity are: (1) the percent of total fund balance as a percent of expenditures and (2) the spendable/unassigned fund balance as a percent of expenditures. The total fund balance was 81.7 percent of expenditures, and the spendable/ unassigned component was 23.5 percent of expenditures. The unassigned fund balance represents 39.2 percent of the total general fund expenditures or approximately 5 months of operating equity.

BUDGETARY HIGHLIGHTS

The overall City financial picture as of June 30, 2025 is consistent with what was expected when the FY25 budget was adopted in the spring of 2024. The largest single source of revenue to the City is Gross Receipts Tax (GRT), which represents 30% of the City's total operating revenue budget. As of the fourth quarter of FY25, GRT ended up approximately 8% over budget, and this figure reflects a 2.61% increase over the FY24 GRT number. This performance, while reflecting a positive development, reflects the trend staff have noted in previous GRT disbursements of FY25, wherein the annual GRT growth curve seen in the previous few years has appeared to be tapering off or flattening. The Finance Department will continue to monitor these trends as the FY26 GRT earnings numbers come in and will revise future earnings estimates accordingly. As for the remainder of the revenue picture, other major items such as Property Tax, Lodgers' Tax, Ambulance Fees, Housing Fees, and Utility Fees have also performed above budgeted estimates, though some categories such as Impact Fees, Franchise Fees, and Fines & Forfeitures ended up underperforming in FY25. Overall, however, the revenue picture is a positive one, with total overall revenues coming in at 1.1% under budget. On the expenditure side, we have seen the trend continue from past years, wherein major expense categories such as Contractual Services, Repairs & Maintenance, Supplies and Travel/Training ended the year well under budget. Overall expenses came in at 18.7% below budgeted levels at the end of FY25.

BUDGETARY HIGHLIGHTS (Continued)

The revenue and expenditure situation for the General Fund is quite similar to the overall picture, with GRT coming in at approximately 8.7% over budget, or 2.6% over the previous fiscal year. Some other revenue categories such as Property Taxes, Ambulance Fees, Other Taxes, Licenses & Permits, and Recreation Fees performed significantly better than expected, while some others, including Franchise Fees, Planning/Land Use Fees. Other Fees & Services and Fines & Forfeitures came in below budgeted estimates. Overall General Fund revenues came in at 7.9% over budget for the fiscal year. Meanwhile, expenditure trends in the General Fund are largely similar to those seen in all funds arena, with major categories such as Contractual, Repairs & Maintenance, Supplies, and Travel/Training expected to come in well under budget, and some categories such as Salaries, Benefits, and Utilities projected to come in appreciably over budget. Overall, General Fund expenditures ended the fiscal year at 6.6% below budget for FY25.

ADMINISTRATION OF CAPITAL ASSETS AND DEBT

Capital Assets

The City's investment in capital assets for its governmental activities as of June 30, 2025, amounts to $310,029,912 for governmental activities and $367,949,378 for business-type activities (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, right of way, art, buildings and structures, improvements, equipment and machinery, furniture and fixtures, vehicles, data processing and software, traffic signals, streets, right-to-use assets- equipment, and right-to-use assets- subscriptions. The tables on the ensuing pages show the summarized capital assets of the City as of June 30, 2025.

ADMINISTRATION OF CAPITAL ASSETS AND DEBT (Continued)

Governmental Activities Asset Description	Carrying Amount	Accumulated Depreciation and Amortization	Net Position Balance
Capital assets not being depreciated and amortized			
Land	$ 172,049,821	$ -	$ 172,049,821
Construction in progress	48,897,275	-	48,897,275
Right of Way	78,281	-	78,281
Art	885,046	-	885,046
Total capital assets not being depreciated and amortized	221,910,423	-	221,910,423
Capital assets being depreciated and amortized			
Buildings and Structures	81,074,100	32,530,325	48,543,775
Improvements	121,399,607	98,236,443	23,163,164
Equipment and Machinery	31,973,880	20,564,227	11,409,653
Furniture and Fixtures	1,818,056	684,669	1,133,387
Vehicle	47,295,012	28,873,571	18,421,441
Data Processing and Software	16,576,085	12,971,915	3,604,170
Traffic Signals	23,683,156	23,517,434	165,722
Streets and bridges	252,604,924	194,391,441	58,213,483
Right of use asset- equipment	226,212	77,785	148,427
Right of use asset- subscriptions	715,580	319,351	396,229
Total capital assets being depreciated and amortized	577,366,612	412,167,161	165,199,451
Total capital assets	$ 799,277,035	$ 412,167,161	$ 387,109,874

ADMINISTRATION OF CAPITAL ASSETS AND DEBT (Continued)

Business-type Activities Asset Description	Carrying Amount	Accumulated Depreciation and Amortization	Net Position Balance
Capital assets not being depreciated and amortized			
Land	$ 38,260,558	$ -	$ 38,260,558
Water Rights	3,434,979	-	3,434,979
Construction in progress	68,597,565	-	68,597,565
Art	219,971	-	219,971
Total capital assets not being depreciated and amortized	110,513,073	-	110,513,073
Capital assets being depreciated and amortized			
Buildings and Structures	342,649,677	136,621,920	206,027,757
Improvements	184,711,853	153,466,053	31,245,800
Sewerlines and Utility Systems	220,252,598	121,726,412	98,526,186
Equipment and Machinery	23,553,482	23,677,504	(124,022)
Furniture and Fixtures	2,235,023	647,326	1,587,697
Vehicles	49,659,348	33,927,414	15,731,934
Data Processing and Software	4,102,784	2,932,337	1,170,447
Streets	-	-	-
Right of use asset- equipment	335,951	320,378	15,573
Right of use asset- subscriptions	3,104,283	204,152	2,900,131
Total capital assets being depreciated and amortized	830,604,999	473,523,496	357,081,503
Total capital assets	$ 941,118,072	$ 473,523,496	$ 467,594,576

Additional information on the City's capital assets can be found in Note 7 on pages 93 through 96 of this report.

Long-Term Debt

At the end of the current fiscal year, the City had the following long-term debt outstanding.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 12,425,000	$ 13,860,000	$ -	$ -	$ 12,425,000	$ 13,860,000
Revenue bonds/loans	43,636,500	50,140,500	65,178,500	69,617,198	108,815,000	119,757,698
Other loans/notes payable	16,379,393	17,237,218	25,755,495	26,069,398	42,134,888	43,306,616
Bond premiums	3,698,130	4,658,032	6,221,995	6,902,355	9,920,125	11,560,387
Compensated absences	7,109,190	6,074,185	2,067,969	2,025,432	9,177,159	8,099,617
Lease and subscription liabilities	579,458	1,247,498	2,414,133	100,890	2,993,591	1,348,388
Claims payable	11,745,318	10,818,395	-	-	11,745,318	10,818,395
Total long-tem debt	$ 95,572,989	$ 104,035,828	$ 101,638,092	$ 104,715,273	$ 197,211,081	$ 208,751,101

Additional information on the City's debt can be found in Note 8 on pages 97 through 110 of this report.

ECONOMIC FACTORS AND THE FISCAL YEAR 2026 ADOPTED BUDGET

Like other communities around the nation, the City of Santa Fe had to quickly adapt to rapidly changing situations during the COVID-19 pandemic. The City has continued to adapt to hybrid work formats and continued its efforts in working together with community counterparts. The City focused significant efforts in employee retention and recruitment, including continued steps to implement a new pay plan based on a compensation and classification study completed in FY24.

A driving force in developing our budget each year is the estimation of City revenues. Gross Receipts Tax (GRT) accounts for 65.1% of the total FY26 General Fund budgeted revenues. The remaining General Fund revenues are comprised primarily of property taxes, franchise fees, licenses and permits, and fees and service charges.

Regarding the future outlook, our guidance for FY26 budget development was to begin with the FY25 adopted budget, less one-time items. The adopted FY26 budget includes a 3% adjustment in salaries and salary-dependent benefits for all employees, which increased budget for reoccurring expenses by $4.5 million dollars. Projected revenues remained in line with the City's financial policy goal to maintain reserves of at least double the amount required by the State of New Mexico Department of Finance and Administration. The State requires that one-twelfth of General Fund revised-budgeted expenditures be maintained as a cash reserve.

The overall City's adopted FY26 expenditure budget is $480.6 million as compared to FY25 adopted expenditures of $440.1 million. Overall City budgeted revenues for FY26 were $482.7 million as compared to FY25 adopted revenues of $448.9 million.

Looking ahead, early FY26 GRT revenue data suggests volatility, with some months significantly above FY25 levels, and some significantly below. Inflationary pressures and labor market constraints are concerns that continue to be monitored closely by management. With national unemployment at 4.4% (the highest level since October 2021) and local labor force participation hovering around 57% (one of the lowest in the country), Santa Fe could face moderation in job growth through FY26. This aligns with broader economic projections of a decelerating U.S. GDP, slowing from a strong Q2 2025 pace (3.8%) down towards 1-2% growth, due to factors like weaker job growth, consumer spending cooling, and federal policy impacts. Concurrently, consumer spending, a key driver of GRT, is projected to continue to cool, particularly among lower-income groups, as consumers struggle with economic uncertainty and higher costs of essentials like groceries and housing. These factors may temper GRT revenue growth and necessitate careful fiscal planning to sustain long-term financial stability for many New Mexico municipalities. For Santa Fe, this will be offset by continued population growth and expansion of the city as a regional center, which will continue to attract businesses that boost GRT revenue growth. Santa Fe's diversified revenue streams and strong fiscal management position the city to weather potential economic downturns.

ECONOMIC FACTORS AND THE FISCAL YEAR 2026 ADOPTED BUDGET (Continued)

Strategic adjustments to expenditure forecasts and proactive monitoring of GRT trends will be essential in ensuring balanced budgets and stable service delivery amid evolving economic conditions. Property Tax revenue and Lodger's Tax revenues are expected to continue to steadily increase, driven by strong anticipated performance from the luxury tourism sector and increasing property values.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of Santa Fe, Finance Director, P.O. Box 909, City of Santa Fe, NM 87504.

BASIC FINANCIAL STATEMENTS

City of Santa Fe, New Mexico
Statement of Net Position

June 30, 2025	Primary Government Governmental Activities	 Business-type Activities	 Total
Assets			
Current assets			
Cash, cash equivalents, and investments	$ 202,378,513	$ 161,821,196	$ 364,199,709
Receivables			
Taxes	32,956,756	1,245,842	34,202,598
Intergovernmental	7,652,609	12,127,456	19,780,065
Customer, net	-	12,286,008	12,286,008
Other	5,318,883	280,998	5,599,881
Leases receivable, current	311,498	519,576	831,074
Inventory	81,580	400,547	482,127
Prepaid expenses	17,667	511,114	528,781
Total current assets	248,717,506	189,192,737	437,910,243
Noncurrent assets			
Restricted cash, cash equivalents, and investments	1,526,429	-	1,526,429
Leases receivable, net of current portion	3,069,510	13,785,890	16,855,400
Capital assets not being depreciated	221,910,423	110,513,073	332,423,496
Capital assets being depreciated	576,424,820	827,164,765	1,403,589,585
Right-to-use assets - leases	226,212	335,951	562,163
Right-to-use assets - subscriptions	715,580	3,104,283	3,819,863
Accumulated amortization - leases	(77,785)	(320,378)	(398,163)
Accumulated amortization - subscriptions	(319,351)	(204,152)	(523,503)
Accumulated depreciation	(411,770,025)	(472,998,966)	(884,768,991)
Total noncurrent assets	391,705,813	481,380,466	873,086,279
Total assets	640,423,319	670,573,203	1,310,996,522
Deferred outflows of resources			
Deferred outflows - pension	38,000,180	9,883,262	47,883,442
Deferred outflows - OPEB	6,328,894	1,790,662	8,119,556
Total deferred outflows of resources	44,329,074	11,673,924	56,002,998
Total assets and deferred outflows of resources	$ 684,752,393	$ 682,247,127	$ 1,366,999,520

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Net Position (Continued)

June 30, 2025	Primary Government Governmental Activities	Business-type Activities	Total
Liabilities			
Current liabilities			
Accounts payable	$ 18,426,234	$ 10,501,181	$ 28,927,415
Accrued payroll	3,742,055	1,064,346	4,806,401
Due to other governments	6,158	2,059,185	2,065,343
Unearned revenue	6,045,640	65,137	6,110,777
Deposits held in trust for others	8,845,242	2,352,824	11,198,066
Other current liabilities	756,850	1,310,422	2,067,272
Accrued interest payable	429,992	281,244	711,236
Claims and judgments	11,745,318	-	11,745,318
Compensated absences, due within one year	2,270,699	620,392	2,891,091
Lease liabilities, due within one year	64,550	16,456	81,006
Subscription liabilities, due within one year	219,114	569,749	788,863
Long term liabilities, due within one year	10,185,658	7,909,043	18,094,701
Total current liabilities	62,737,510	26,749,979	89,487,489
Noncurrent liabilities			
Net pension liability	172,190,990	44,784,216	216,975,206
Net OPEB liability	18,730,208	5,299,419	24,029,627
Compensated absences, due in more than one year	4,838,491	1,447,577	6,286,068
Lease liabilities, due in more than one year	87,089	-	87,089
Subscription liabilities, due in more than one year	208,705	1,827,928	2,036,633
Long term liabilities, due in more than one year	65,953,365	89,246,947	155,200,312
Total noncurrent liabilities	262,008,848	142,606,087	404,614,935
Total liabilities	324,746,358	169,356,066	494,102,424
Deferred inflows of resources			
Deferred inflows - unamortized gain on refund of bonds	361,481	75,075	436,556
Deferred inflows - leases	3,171,346	13,902,720	17,074,066
Deferred inflows - pension	3,009,972	782,847	3,792,819
Deferred inflows - OPEB	17,271,697	4,886,755	22,158,452
Total deferred inflows of resources	23,814,496	19,647,397	43,461,893
Net position			
Net investment in capital assets	310,029,912	367,949,378	677,979,290
Restricted for			
Debt service	4,569,626	-	4,569,626
Capital projects	40,585,199	-	40,585,199
Special revenue	84,812,909	-	84,812,909
Unrestricted (deficit)	(103,806,107)	125,294,286	21,488,179
Total net position	336,191,539	493,243,664	829,435,203
Total liabilities, deferred inflows of resources, and net position	$ 684,752,393	$ 682,247,127	$ 1,366,999,520

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Activities

For the Year Ended June 30, 2025		Program Revenues	
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**
Primary Government			
Governmental activities			
General government	$ 52,817,300	$ 16,912,564	$ -
Public safety	79,325,361	666,393	4,202,126
Public works	45,447,569	4,204,531	128,287
Culture and recreation	16,993,583	77,779	253,834
Community development	17,609,378	1,676,256	7,358,200
Education	4,316,219	-	-
Interest and other charges	1,783,788	-	-
Issuance costs	2,667	-	-
Total governmental activities	218,295,865	23,537,523	11,942,447
Business-type activities			
Wastewater management	17,449,420	15,291,291	-
Water management	38,873,447	39,449,003	3,294,000
Santa Fe Convention Center	7,733,774	938,139	-
College of Santa Fe	4,744,157	528,151	921,578
Environmental services	17,302,095	17,107,802	-
Municipal recreation complex	3,883,910	2,031,871	-
Parking	5,728,314	5,190,754	-
Railyard properties	1,551,951	1,139,697	-
Airport	9,243,052	3,909,202	2,964,051
Transit system	11,722,889	1,726,338	6,508,050
Genoveva Chavez Community Center	4,845,659	1,601,892	75,000
Total business-type activities	123,078,668	88,914,140	13,762,679
Total primary government	$ 341,374,533	$ 112,451,663	$ 25,705,126

General revenues and transfers
Taxes
Gross receipts
Lodgers'
Property
Other
Lease revenue
Investment income
Other revenues
Gain from sale of assets
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning of year, as originally reported
Change in accounting principle (Note 2)
Error corrections (note 2)
Net position - beginning of year, after corrections
Net position - end of year

The accompanying notes are an integral part of these financial statements

Program Revenues	Net (Expense) Revenue and Changes in Net Position		
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
$ 49,050	$ (35,855,686)	$ -	$ (35,855,686)
-	(74,456,842)	-	(74,456,842)
6,800,648	(34,314,103)	-	(34,314,103)
2,123,667	(14,538,303)	-	(14,538,303)
547,109	(8,027,813)	-	(8,027,813)
-	(4,316,219)	-	(4,316,219)
-	(1,783,788)	-	(1,783,788)
-	(2,667)	-	(2,667)
9,520,474	(173,295,421)	-	(173,295,421)
300,634	-	(1,857,495)	(1,857,495)
662,753	-	4,532,309	4,532,309
6,458	-	(6,789,177)	(6,789,177)
-	-	(3,294,428)	(3,294,428)
-	-	(194,293)	(194,293)
-	-	(1,852,039)	(1,852,039)
-	-	(537,560)	(537,560)
-	-	(412,254)	(412,254)
5,600,503	-	3,230,704	3,230,704
-	-	(3,488,501)	(3,488,501)
-	-	(3,168,767)	(3,168,767)
6,570,348	-	(13,831,501)	(13,831,501)
$ 16,090,822	(173,295,421)	(13,831,501)	(187,126,922)
	166,805,927	7,158,542	173,964,469
	17,923,699	-	17,923,699
	13,382,136	-	13,382,136
	8,112,013	-	8,112,013
	331,893	431,227	763,120
	10,090,494	6,609,984	16,700,478
	2,347,895	448,621	2,796,516
	1,245,688	-	1,245,688
	(25,648,437)	25,648,437	-
	194,591,308	40,296,811	234,888,119
	21,295,887	26,465,310	47,761,197
	308,316,886	466,820,779	775,137,665
	1,361,116	(1,133,171)	227,945
	5,217,650	1,090,746	6,308,396
	314,895,652	466,778,354	781,674,006
	$ 336,191,539	$ 493,243,664	$ 829,435,203

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Balance Sheet – Government Funds

June 30, 2025	General Fund	1/2% Gross Receipts Tax Capital Projects Fund
Assets		
Cash, cash equivalents, and investments	$ 51,661,003	$ 6,735,480
Receivables		
Taxes	20,696,132	4,983,368
Intergovernmental	248,552	-
Other, net	765,972	-
Leases	-	-
Inventory	81,149	-
Total assets	$ 73,452,808	$ 11,718,848
Liabilities, deferred inflows of resources, and fund balances		
Liabilities		
Accounts payable	$ 5,943,131	$ 394,390
Pooled cash - cash overdrawn	-	-
Accrued payroll	3,093,210	60,199
Due to other governments	6,158	-
Unearned revenue	-	-
Deposits held in trust for others	8,181,926	-
Other current liabilities	693,925	14,167
Total liabilities	17,918,350	468,756
Deferred inflows of resources		
Unavailable revenue - leases	-	-
Unavailable revenue - property taxes	1,048,526	-
Unavailable revenue - other	108,633	-
Total deferred inflows of resources	1,157,159	-
Fund balances		
Nonspendable	81,149	-
Spendable		
Restricted	-	11,250,092
Unassigned (deficit)	54,296,150	-
Total fund balances	54,377,299	11,250,092
Total liabilities, deferred inflows of resources, and fund balances	$ 73,452,808	$ 11,718,848

The accompanying notes are an integral part of these financial statements

Nonmajor Governmental Funds	Total Governmental Funds
$ 124,133,361	$ 182,529,844
7,277,256	32,956,756
7,404,057	7,652,609
3,423,115	4,189,087
3,381,008	3,381,008
-	81,149
$ 145,618,797	$ 230,790,453
$ 9,819,940	$ 16,157,461
237,202	237,202
409,166	3,562,575
-	6,158
6,045,640	6,045,640
663,316	8,845,242
48,758	756,850
17,224,022	35,611,128
3,171,346	3,171,346
226,591	1,275,117
2,170,924	2,279,557
5,568,861	6,726,020
-	81,149
122,935,924	134,186,016
(110,010)	54,186,140
122,825,914	188,453,305
$ 145,618,797	$ 230,790,453

The accompanying notes are an integral part of these financial statements

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City of Santa Fe, New Mexico
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2025

Fund balances - total governmental funds	$	188,453,305
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		384,365,586
Right to use assets, net of accumulated amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds		148,427
Internal service funds are used by management to charge the costs of activities, such as insurance, to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in governmental activities in the statement of net position		2,315,666
Delinquent items not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the statement of activities		
Delinquent property taxes		1,275,117
Liquor licenses		108,633
Land sales		2,170,924
Deferred outflows and inflows of resources related to pensions, OPEB, and long-term debt are applicable to future periods and, therefore, are not reported in funds		
Deferred outflows - pension		36,291,228
Deferred inflows - pension		(2,874,607)
Deferred outflows - OPEB		6,016,093
Deferred inflows - OPEB		(16,418,056)
Deferred inflows - unamortized gain on refunding of bonds		(361,481)
Liabilities, including accrued interest, accrued compensated absences, bonds payable, loans payable, net pension liability, net OPEB liability, and subscription liabilities are not due and payable in the current period and, therefore, are not reported in the funds		
Accrued interest		(429,992)
Current portion of accrued compensated absences		(2,036,452)
Long term accrued compensated absences		(4,290,531)
Current portion of lease liabilities		(64,550)
Long term portion of lease liabilities		(87,089)
Current portion of long term debt payable		(10,185,658)
Long term portion of long term debt payable		(65,953,365)
Net pension liability		(164,447,179)
Net OPEB liability		(17,804,480)
Net position - governmental activities	$	336,191,539

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes In Fund Balance – Governmental Funds

For the year ended June 30, 2025	General Fund	(Formerly Major) Community Development	1/2% Gross Receipts Tax Capital Projects Fund
Revenues			
Taxes			
Gross receipts	$ 108,907,004	$ -	$ 28,634,110
Lodgers'	-	-	-
Property	10,811,409	-	-
Other	6,607,554	-	-
Intergovernmental			
Federal operating	-	-	-
State operating	-	-	-
Federal capital	-	-	-
State capital	-	-	-
Local	-	-	-
Lease revenue	-	-	-
Charges for services	16,892,764	-	-
Investment income (loss)	3,618,394	-	590,325
Other revenues	712,290	-	-
Total revenues	147,549,415	-	29,224,435
Expenditures			
Current			
General government	21,223,892	-	6,580,897
Public safety	68,482,745	-	-
Public works	31,437,757	-	-
Community development	1,588,883	-	-
Education	4,143,934	-	-
Culture and recreation	5,122,672	-	-
Capital outlay	6,452,197	-	212,691
Debt service			
Principal payments	89,839	-	-
Interest	8,903	-	-
Debt issuance costs	-	-	-
Total expenditures	138,550,822	-	6,793,588
Excess (deficiency) of revenues over expenditures	8,998,593	-	22,430,847
Other financing sources (uses)			
Proceeds from sale of assets	-	-	-
Debt proceeds	-	-	-
Proceeds from leases	-	-	-
Transfers in	5,831,752	-	1,600,000
Transfers (out)	(35,253,226)	-	(28,248,265)
Total other financing sources (uses)	(29,421,474)	-	(26,648,265)
Net change in fund balances	(20,422,881)	-	(4,217,418)
Fund balances - beginning of year	83,395,375	5,798,739	(2,554,719)
Adjustments (Note 2)	-	(5,798,739)	-
Error corrections (Note 2)	(8,595,195)	-	18,022,229
Fund balances - beginning of year, after adjustments and error corrections	74,800,180	-	15,467,510
Fund balances - end of year	$ 54,377,299	$ -	$ 11,250,092

The accompanying notes are an integral part of these financial statements

(Formerly Major) Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 29,264,813	$ 166,805,927
-	17,923,699	17,923,699
-	1,956,477	12,767,886
-	1,504,459	8,112,013
-	5,377,101	5,377,101
-	6,565,346	6,565,346
-	1,146,865	1,146,865
-	8,373,609	8,373,609
-	453,364	453,364
-	331,893	331,893
-	6,624,959	23,517,723
-	5,131,167	9,339,886
-	1,077,152	1,789,442
-	85,730,904	262,504,754
-	16,558,416	44,363,205
-	3,277,972	71,760,717
-	2,976,499	34,414,256
-	15,065,143	16,654,026
-	-	4,143,934
-	5,943,179	11,065,851
-	28,528,167	35,193,055
-	9,830,600	9,920,439
-	3,155,243	3,164,146
-	2,667	2,667
-	85,337,886	230,682,296
-	393,018	31,822,458
-	1,383,723	1,383,723
-	142,652	142,652
-	57,926	57,926
-	61,787,304	69,219,056
-	(39,953,793)	(103,455,284)
-	23,417,812	(32,651,927)
-	23,810,830	(829,469)
3,177,688	98,387,954	188,205,037
(3,177,688)	8,976,427	-
-	(8,349,297)	1,077,737
-	99,015,084	189,282,774
$ -	$ 122,825,914	$ 188,453,305

The accompanying notes are an integral part of these financial statements

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City of Santa Fe, New Mexico
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2025

Net change in fund balances - total governmental funds	$	(829,469)
Amounts reported for governmental activities in the statement of activities are different because		
Change in net position of the internal service funds, which are presented in the statement of activities as governmental activities but are not presented with the governmental fund financial statements		6,285,331
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense		
Capital expenditures - governmental funds		35,193,055
Depreciation expense		(20,359,320)
Amortization of right-to-use assets		(1,002,397)
Capital asset disposals		(138,035)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds		
Change in unavailable revenue related to property taxes receivable		614,250
Change in unavailable revenue related to liquor licenses		19,800
Governmental funds report city pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as pension and OPEB expense		
Contributions subsequent to the measurement date - pension		9,030,166
Pension expense		(22,566,012)
Contributions subsequent to the measurement date - OPEB		1,410,563
OPEB benefit		4,675,739
The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities		
Increase in accrued compensated absences		(2,152,973)
Decrease in accrued interest		41,084
Proceeds of new debt payable		(142,652)
Proceeds from new leases		(57,926)
Principal payments on debt payable		8,939,477
Principal payments on subscription liabilities		939,152
Principal payments on lease liabilities		41,810
Amortization of deferred loss on extinguishment of debt		394,342
Amortization of bond premiums		959,902
Change in net position of governmental activities	$	21,295,887

The accompanying notes are an integral part of these financial statements

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City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual – General Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ 98,962,863	$ 100,223,948	$ 108,907,004	$ 8,683,056
Property	9,516,085	9,611,246	10,811,409	1,200,163
Other	7,384,270	7,384,270	6,607,554	(776,716)
Charges for services	18,274,130	18,274,130	16,892,764	(1,381,366)
Investment income (loss)	1,174,851	1,174,851	3,618,394	2,443,543
Other revenues	107,750	107,750	712,290	604,540
Total revenues	135,419,949	136,776,195	147,549,415	10,773,220
Expenditures				
Current				
General government	26,098,049	28,421,293	21,223,892	7,197,401
Public safety	61,289,009	64,195,021	68,482,745	(4,287,724)
Public works	31,203,103	34,593,028	31,437,757	3,155,271
Community development	1,878,513	1,957,576	1,588,883	368,693
Education	-	-	4,143,934	(4,143,934)
Culture and recreation	9,585,083	9,510,394	5,122,672	4,387,722
Capital outlay	3,707,195	9,654,249	6,452,197	3,202,052
Debt service				
Principal	-	-	89,839	(89,839)
Interest and other charges	-	-	8,903	(8,903)
Total expenditures	133,760,952	148,331,561	138,550,822	9,780,739
Excess (deficiency) of revenues over expenditures	1,658,997	(11,555,366)	8,998,593	20,553,959
Other financing sources (uses)				
Designated cash (budgeted cash increase)	2,280,109	41,608,054	-	(41,608,054)
Proceeds from software subscriptions	-	-	-	-
Transfers in	1,837,019	5,831,753	5,831,752	(1)
Transfers (out)	(5,776,125)	(35,884,441)	(35,253,226)	631,215
Total other financing sources (uses)	(1,658,997)	11,555,366	(29,421,474)	(40,976,840)
Net change in fund balances	-	-	(20,422,881)	(20,422,881)
Fund balances - beginning of year	-	-	83,395,375	83,395,375
Error corrections (Note 2)	-	-	(8,595,195)	(8,595,195)
Fund balances - beginning of year, after error corrections	-	-	74,800,180	74,800,180
Fund balances - end of year	$ -	$ -	$ 54,377,299	$ 54,377,299

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Net Position – Enterprise Funds

June 30, 2025	Business-type Activities - Enterprise Funds Waste Water Management	Water Management	Environmental Services
Assets			
Current assets			
Cash, cash equivalents, and investments	$ 27,474,985	$ 68,836,883	$ 31,894,606
Receivables			
Taxes	622,921	-	622,921
Intergovernmental	4,328	5,509,329	-
Customer, net	2,083,115	6,493,974	1,890,286
Other	1,715	69,588	1,237
Prepaid expenses	-	511,114	-
Lease receivable	-	112,084	-
Inventory	-	400,547	-
Total current assets	30,187,064	81,933,519	34,409,050
Noncurrent assets			
Leases receivable, less current portion	-	1,585,512	-
Capital assets not being depreciated	18,889,833	35,690,049	858,085
Capital assets being depreciated	139,596,976	332,405,106	26,215,248
Right-to-use lease assets - leases	-	-	-
Right-to-use lease assets - subscriptions	431,239	953,855	400,316
Accumulated amortization - leases	-	-	-
Accumulated amortization - subscriptions	-	-	-
Accumulated depreciation	(90,736,585)	(190,867,685)	(17,559,057)
Total capital assets, net accumulated depreciation	68,181,463	178,181,325	9,914,592
Total noncurrent assets	68,181,463	179,766,837	9,914,592
Total assets	98,368,527	261,700,356	44,323,642
Deferred outflows of resources			
Deferred outflows - pension	1,413,138	2,484,140	1,578,588
Deferred outflows - OPEB	258,829	454,815	288,752
Total deferred outflows of resources	1,671,967	2,938,955	1,867,340
Total assets and deferred outflows of resources	$ 100,040,494	$ 264,639,311	$ 46,190,982

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds			Governmental Activities
Santa Fe Convention Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
$ 11,939,382	$ 21,675,340	$ 161,821,196	$ 25,837,176
-	-	1,245,842	-
-	6,613,799	12,127,456	-
-	1,818,633	12,286,008	-
344	208,114	280,998	1,129,796
-	-	511,114	17,667
26,985	380,507	519,576	-
-	-	400,547	431
11,966,711	30,696,393	189,192,737	26,985,070
296,735	11,903,643	13,785,890	-
71,499	55,003,607	110,513,073	484,083
50,826,730	278,120,705	827,164,765	4,944,420
-	335,951	335,951	-
-	1,318,873	3,104,283	715,580
-	(320,378)	(320,378)	-
-	(204,152)	(204,152)	(319,351)
(19,946,684)	(153,888,955)	(472,998,966)	(3,228,871)
30,951,545	180,365,651	467,594,576	2,595,861
31,248,280	192,269,294	481,380,466	2,595,861
43,214,991	222,965,687	670,573,203	29,580,931
471,143	3,936,253	9,883,262	1,708,952
86,203	702,063	1,790,662	312,801
557,346	4,638,316	11,673,924	2,021,753
$ 43,772,337	$ 227,604,003	$ 682,247,127	$ 31,602,684

June 30, 2025	Business-type Activities - Enterprise Funds Waste Water Management	Water Management	Environmental Services
Current liabilities			
Accounts payable	$ 2,274,482	$ 1,807,455	$ 1,430,913
Pooled cash - cash overdrawn	-	-	-
Accrued payroll	140,372	253,716	178,418
Accrued interest payable	42,888	98,246	-
Unearned revenue	-	2,835	-
Other liabilities	-	532,114	677,374
Due to other governments	26,278	1,654,646	378,253
Deposits held in trust for others	16,150	1,597,373	-
Bonds payable, current, net of amortized discounts	762,878	1,397,689	-
Notes payable, current	-	984,396	-
Lease liabilities, current	-	-	-
Subscription liabilities, current	71,967	159,183	66,806
Compensated absence payable, current	96,323	188,402	108,578
Claims and judgment payable	-	-	-
Total current liabilities	3,431,338	8,676,055	2,840,342
Noncurrent liabilities			
Bonds payable, net of unamortized discounts	12,187,409	29,594,916	-
Notes payable	-	5,991,235	-
Compensated absences, net of current portion	224,753	439,604	253,348
Lease liabilities, net of current portion	-	-	-
Subscription liabilities, net of current portion	254,237	562,346	236,006
Net pension liability	6,403,378	11,256,434	7,153,088
Net OPEB liability	765,997	1,346,015	854,555
Total noncurrent liabilities	19,835,774	49,190,550	8,496,997
Total liabilities	23,267,112	57,866,605	11,337,339
Deferred inflows of resources			
Deferred inflows - unamortized gain on refunding of bonds	-	-	-
Deferred inflows - leases	-	1,635,397	-
Deferred inflows - pension	111,934	196,767	125,039
Deferred inflows - OPEB	706,350	1,241,201	788,011
Total deferred inflows of resources	818,284	3,073,365	913,050
Net position			
Net investment in capital assets	54,904,972	139,491,560	9,611,780
Unrestricted (deficit)	21,050,126	64,207,781	24,328,813
Total net position	75,955,098	203,699,341	33,940,593
Total liabilities, deferred inflows of resources, and net position	$ 100,040,494	$ 264,639,311	$ 46,190,982

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds			Governmental Activities
Santa Fe Convention Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
$ 125,120	$ 4,863,211	$ 10,501,181	$ 2,268,773
-	-	-	4,224,876
45,811	446,029	1,064,346	179,480
48,462	91,648	281,244	-
-	62,302	65,137	-
-	100,934	1,310,422	-
-	8	2,059,185	-
603,143	136,158	2,352,824	-
1,411,020	1,785,897	5,357,484	-
-	1,567,163	2,551,559	-
-	16,456	16,456	-
-	271,793	569,749	219,114
14,114	212,975	620,392	234,247
-	-	-	11,745,318
2,247,670	9,554,574	26,749,979	18,871,808
14,274,509	9,963,878	66,020,712	-
-	17,235,000	23,226,235	-
32,933	496,939	1,447,577	547,960
-	-	-	-
-	775,339	1,827,928	208,705
2,134,899	17,836,417	44,784,216	7,743,811
255,117	2,077,735	5,299,419	925,728
16,697,458	48,385,308	142,606,087	9,426,204
18,945,128	57,939,882	169,356,066	28,298,012
-	75,075	75,075	-
301,224	11,966,099	13,902,720	-
37,319	311,788	782,847	135,365
235,251	1,915,942	4,886,755	853,641
573,794	14,268,904	19,647,397	989,006
15,266,016	148,675,050	367,949,378	2,168,042
8,987,399	6,720,167	125,294,286	147,624
24,253,415	155,395,217	493,243,664	2,315,666
$ 43,772,337	$ 227,604,003	$ 682,247,127	$ 31,602,684

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds

For Year Ended June 30, 2025	Business-type Activities - Enterprise Funds Waste Water Management	Water Management	Environmental Services
Operating revenues			
Charges for services	$ 15,284,634	$ 38,909,491	$ 16,835,905
Facilities rentals	-	65,925	266,000
Other revenues	6,657	473,587	5,897
Premiums	-	-	-
Total operating revenues	15,291,291	39,449,003	17,107,802
Operating expenses			
Salaries, wages, and fringe benefits	4,172,912	8,207,268	5,258,302
Contractual services and utilities	3,885,247	6,609,237	5,575,796
Repairs and maintenance	2,550,730	782,026	1,109,377
Supplies	1,151,832	2,167,160	495,627
Small equipment	954,118	749,101	439,614
Depreciation and amortization expense	2,974,719	8,872,772	1,881,741
Insurance	-	-	-
Claims and judgments	-	-	-
Other	1,298,741	10,446,493	2,536,983
Total operating expenses	16,988,299	37,834,057	17,297,440
Operating income (loss)	(1,697,008)	1,614,946	(189,638)
Non-operating revenues (expenses)			
Investment income (loss)	1,260,911	3,110,568	1,412,180
Intergovernmental			
State-shared taxes	3,579,256	-	3,579,286
Federal	-	-	-
State	-	3,294,000	-
Lease revenue	-	126,775	-
Interest expense, net of premium amortization	(461,121)	(1,039,390)	(4,655)
Other nonoperating revenue (expense)	-	-	-
Total non-operating revenues (expenses)	4,379,046	5,491,953	4,986,811
Income (loss) before transfers and capital contributions	2,682,038	7,106,899	4,797,173
Capital grants			
Federal	-	662,753	-
State	300,634	-	-
Transfers			
Transfers in	3,551,286	3,515,060	1,489,205
Transfers (out)	(1,757,264)	(4,158,872)	(1,604,200)
Change in net position	4,776,694	7,125,840	4,682,178
Net position - beginning of year before adjustments	71,323,110	196,866,290	29,435,418
Adjustments (Note 2)	-	-	-
Change in accounting principle (Note 2)	(181,807)	(345,426)	(191,307)
Error corrections (Note 2)	37,101	52,637	14,304
Net position - beginning of year, after adjustments	71,178,404	196,573,501	29,258,415
Net position - end of year	$ 75,955,098	$ 203,699,341	$ 33,940,593

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds (Continued)

Business-type Activities - Enterprise Funds				Governmental Activities
Santa Fe Convention Center	(Formerly Major) College of Santa Fe	Nonmajor Enterprise Funds	Total	Internal Service Funds
$ 941,757	$ -	$ 13,475,232	$ 85,447,019	$ 14,710,970
(8,373)	-	1,134,091	1,457,643	-
4,755	-	1,518,582	2,009,478	105,089
-	-	-	-	33,937,456
938,139	-	16,127,905	88,914,140	48,753,515
2,066,364	-	17,225,811	36,930,657	7,586,462
463,442	-	5,494,312	22,028,034	3,715,383
126,770	-	1,856,603	6,425,506	316,522
120,742	-	1,209,417	5,144,778	2,751,862
159,959	-	1,160,460	3,463,252	3,381,677
1,211,794	-	7,629,563	22,570,589	1,968,608
5,870	-	869,831	875,701	4,223,170
-	-	-	-	26,956,651
3,182,208	-	5,226,211	22,690,636	891,278
7,337,149	-	40,672,208	120,129,153	51,791,613
(6,399,010)	-	(24,544,303)	(31,215,013)	(3,038,098)
168,894	-	657,431	6,609,984	750,608
-	-	-	7,158,542	-
-	-	6,913,031	6,913,031	-
-	-	3,555,648	6,849,648	-
22,368	-	282,084	431,227	-
(396,625)	-	(1,047,724)	(2,949,515)	(14,970)
-	-	448,621	448,621	-
(205,363)	-	10,809,091	25,461,538	735,638
(6,604,373)	-	(13,735,212)	(5,753,475)	(2,302,460)
-	-	-	662,753	-
6,458	-	5,600,503	5,907,595	-
7,838,121	-	19,470,726	35,864,398	8,800,722
(69,848)	-	(2,625,777)	(10,215,961)	(212,931)
1,170,358	-	8,710,240	26,465,310	6,285,331
22,813,350	17,992,625	128,389,986	466,820,779	(3,839,478)
-	(17,992,625)	17,992,625	-	
(30,293)	-	(384,338)	(1,133,171)	(191,304)
300,000	-	686,704	1,090,746	61,117
23,083,057	-	146,684,977	466,778,354	(3,969,665)
$ 24,253,415	$ -	$ 155,395,217	$ 493,243,664	$ 2,315,666

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Cash Flows – Enterprise Funds

For Year Ended June 30, 2025	Business-type Activities - Enterprise Funds Waste Water Management	Water Management	Environmental Services
Cash flows from operating activities			
Cash received from customers	$ 15,336,124	$ 36,078,872	$ 17,234,736
Cash payments to suppliers for goods and services	(10,518,087)	(26,960,988)	(11,619,441)
Cash payments to employees for services	(3,816,849)	(3,727,840)	(3,559,211)
Net cash provided (used) by operating activities	1,001,188	5,390,044	2,056,084
Cash flows from noncapital financing activities			
Intergovernmental taxes and grants	3,579,256	3,294,000	3,579,286
Transfers in from other funds	3,551,286	3,515,060	1,489,205
Transfers out to other funds	(1,757,264)	(4,158,872)	(1,604,200)
Cash received from leases	-	126,775	-
Net cash provided (used) by noncapital financing activities	5,373,278	2,776,963	3,464,291
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(17,743,976)	(19,326,814)	(4,054,459)
Proceeds from capital grants	300,634	662,753	-
Proceeds from bonds and notes	-	2,196,000	-
Principal paid on bonds, notes, leases, and SBITAs	(745,035)	(2,323,953)	(97,504)
Interest paid on bonds, notes, leases, and SBITAs	(551,664)	(1,420,782)	(4,655)
Net cash provided (used) by capital and related financing activities	(18,740,041)	(20,212,796)	(4,156,618)
Cash flows from investing activities			
Interest and dividends on investments	1,260,911	3,110,568	1,412,180
Net cash provided (used) by investing activities	1,260,911	3,110,568	1,412,180
Net increase (decrease) in cash, cash equivalents, and investments	(11,104,664)	(8,935,221)	2,775,937
Cash, cash equivalents, and investments - beginning of year	38,579,649	77,772,104	29,118,669
Cash, cash equivalents, and investments - end of year	$ 27,474,985	$ 68,836,883	$ 31,894,606

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds			Governmental Activities
Santa Fe Convention Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
$ 976,798	$ 18,418,944	$ 88,045,474	$ 48,670,273
(5,501,342)	(15,092,876)	(69,692,734)	(41,510,891)
(402,483)	(15,665,311)	(27,171,694)	(8,527,345)
(4,927,027)	(12,339,243)	(8,818,954)	(1,367,963)
-	10,541,536	20,994,078	-
7,838,121	19,470,726	35,864,398	8,800,722
(69,848)	(2,625,777)	(10,215,961)	(212,931)
22,368	282,084	431,227	-
7,790,641	27,668,569	47,073,742	8,587,791
(294,075)	(16,319,627)	(57,738,951)	-
6,458	5,600,503	6,570,348	-
-	-	2,196,000	-
(1,132,050)	(3,441,099)	(7,739,641)	(342,848)
(622,262)	(1,211,083)	(3,810,446)	(14,970)
(2,041,929)	(15,371,306)	(60,522,690)	(357,818)
168,894	657,431	6,609,984	750,608
168,894	657,431	6,609,984	750,608
990,579	615,451	(15,657,918)	7,612,618
10,948,803	21,059,889	177,479,114	13,999,682
$ 11,939,382	$ 21,675,340	$ 161,821,196	$ 21,612,300

(Continued)

For Year Ended June 30, 2025	Business-type Activities - Enterprise Funds Waste Water Management	Water Management	Environmental Services
Reconciliation of operating income (loss) To net cash provided (used) by Operating activities			
Operating income (loss)	$ (1,697,008)	$ 1,614,946	$ (189,638)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation/Amortization/Bad debt expense	2,974,719	8,872,772	1,881,741
Difference between deferred outflows and related to pensions and OPEB	324,304	326,686	258,612
Difference between deferred inflows and related to pensions and OPEB	(496,051)	(667,250)	(473,967)
Difference between deferred inflows related to leases	-	(126,775)	-
Difference between net pension/OPEB liability	(648,590)	(179,148)	(316,305)
Change in assets and liabilities			
(Increase) decrease in accounts receivables	(53,162)	2,167,022	82,753
(Increase) decrease in grants receivables	(4,328)		
(Increase) decrease in other receivables	275	212	207
(Increase) decrease in lease receivables	-	109,003	-
(Increase) decrease in taxes receivable	7,095	(5,509,329)	7,095
(Increase) decrease in prepaid expense	-	-	-
(Increase) decrease in due from other funds	94,053	-	585,447
Increase (decrease) in accounts payable	769,070	(2,328,581)	365,147
Increase (decrease) in lease payable	-	-	-
Increase (decrease) in gross receipts tax payable	-	(13,099)	-
Increase (decrease) in compensated absences payable	(226,232)	(275,269)	(199,636)
Increase (decrease) in accrued wages payable	(28,544)	(1,087)	(74,178)
Increase (decrease) in other liabilities	-	-	677,374
Increase (decrease) in due to other governments	23,922	1,642,502	33,972
Increase (decrease) in customer deposits	900	(532,383)	-
Increase (decrease) in unearned revenue	-	2,835	(582,540)
Increase (decrease) in inventory	-	286,987	-
Increase (decrease) in claims payable	-	-	-
Increase (decrease) in due to other funds	(39,235)	-	-
Net cash provided (used) by operating activities	$ 1,001,188	$ 5,390,044	$ 2,056,084

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds			Governmental Activities
Santa Fe Convention Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
$ (6,399,010)	$ (24,544,303)	$ (31,215,013)	$ (3,038,098)
1,211,794	7,629,563	22,570,589	1,968,608
(91,590)	(283,391)	534,621	461,833
(30,370)	(542,392)	(2,210,030)	(626,402)
(22,368)	(578,183)	(727,326)	-
566,546	2,838,893	2,261,396	(1,053,881)
-	58,101	2,254,714	(1,116,019)
		(4,328)	
(344)	1,117,142	1,117,492	1,032,777
61,371	190,098	360,472	-
-	1,589,376	(3,905,763)	-
-	-	-	(17,667)
-	-	679,500	-
(223,780)	724,030	(694,114)	(201,258)
-	(84,434)	(84,434)	-
-	42,996	29,897	-
(22,600)	(366,900)	(1,090,637)	298,108
(6,972)	(85,710)	(196,491)	(20,541)
-	-	677,374	-
-	(86,383)	1,614,013	-
30,296	(22)	(501,209)	-
-	42,276	(537,429)	-
-	-	286,987	17,654
-	-	-	926,923
-	-	(39,235)	-
$ (4,927,027)	$ (12,339,243)	$ (8,818,954)	$ (1,367,963)

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Fiduciary Net Position

June 30, 2025		Custodial Funds
Assets		
Cash, cash equivalents, and investments	$	116,322,595
Total assets	$	116,322,595
Net position		
Held For		
Santa Fe Solid Waste Management Agency	$	26,431,935
Buckman Direct Diversion Project		89,890,660
Total net position		116,322,595
Total net position	$	116,322,595

The accompanying notes are an integral part of these financial statements

City of Santa Fe, New Mexico
Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2025		Custodial Funds
Additions		
Contributions		
Members	$	23,055,078
Proceeds from capital grants		946,427
Total contributions		24,001,505
Investment Earnings		
Interest Income		5,053,681
Total Investment Earnings		5,053,681
Total additions		29,055,186
Deductions		
Distribution to Members		18,272,909
Total deductions		18,272,909
Net increase in fiduciary net position		10,782,277
Net position - beginning of year		105,540,318
Net position - end of year	$	116,322,595

The accompanying notes are an integral part of these financial statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Santa Fe, New Mexico (the "City") is a municipal corporation governed by an elected mayor and an eight-member council. The accompanying financial statements present the government as an entity for which the City is considered to be financially accountable. The City has no component units or blended component units that are legally separate entities.

The City is a body politic and corporate under the name and form of government selected by its qualified electors. The City may:

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have common seal, which may be altered at pleasure;
5. Exercise such other privileges that are incident to corporations of like character or degree that are not inconsistent with the laws of New Mexico;
6. Protect generally the property of its municipality and its inhabitants;
7. Preserve peace and order within the municipality; and
8. Establish rates for services provided by municipal utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

The City's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

This summary of significant accounting policies of the City is presented to assist in the understanding of City's financial statements. The financial statements and notes are the representation of City's management who is responsible for their integrity and objectivity.

Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39, GASB Statement No. 61, GASB Statement No. 80, and GASB Statement No. 90. Blended component units, although legally separate entities, are in substance part of the government's operations.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based on the application of these criteria, the City has no component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, enterprise funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the enterprise fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes, net of estimated refunds, are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, subject to the availability criterion. Gross receipts taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place, and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, subject to the availability criterion. All other revenue items are considered to be measurable and available only when cash is received by the government.

Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. The business-type activities column incorporates data from enterprise funds. Separate financial statements are provided for governmental funds, enterprise funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category—governmental, enterprise, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and major enterprise funds, each displayed in a separate column on their respective financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds in their respective financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Under the requirements of GASB Statement No. 34, the City is required to present certain of its governmental and enterprise funds as major based upon certain criteria.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City reports the following major governmental funds:

The G*eneral Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund includes the state shared gross receipts tax income fund and the state shared gas tax income fund. The general fund also includes revenues and costs associated with community services, community development, and building codes.

The *1/2% Gross Receipts Tax Capital Projects Fund* is used to account for the City's portion of gross receipts taxes collected by the State of New Mexico per Ordinance No. 1981-45. The Ordinance dedicates ½ of 1 percent for capital improvements to City facilities and street and road construction and re-construction to include any future operating expenditures (i.e., personnel or administrative costs) necessitated by the expansion of the services and facilities to the public.

The City reports the following enterprise funds as major funds:

The *Waste Water Management Fund* accounts for the operation of the City's waste water treatment and sewage system.

The *Water Management Fund* accounts for the activities of the City's water supply, transmission, and distribution systems.

The *Environmental Services Fund* accounts for the operation of the City's solid waste collection service.

The *Santa Fe Convention Center Fund* (formerly known as Sweeney Convention Center) accounts for the operation of the City's convention center.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund types:

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes other than capital projects.

Debt service funds are used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Capital projects funds account for the acquisition and construction of the City's major capital facilities, other than those financed by enterprise funds.

Internal service funds account for the City's Risk Management Fund, Health/Dental Fund, Unemployment Claims Fund, Services to Other Departments, and Workers' Compensation Fund. These funds account for services provided to City departments on a cost reimbursement basis.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others that cannot be used to support the government's own programs. *Custodial funds* are purely custodial and do not involve measurement of results of operations.

The City reports the following fiduciary fund:

The *Custodial Fund* is an external investment pool fund, which represents the amounts held in the City's pooled cash on behalf of the Buckman Direct Diversion Project (Buckman) and Santa Fe Solid Waste Management Agency (SWAMA). As the Fiscal Agent for both Buckman and SWAMA, the City has fiduciary responsibilities to these entities.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

City funds are invested in accordance with New Mexico State Statute 6-10-10, and with the City of Santa Fe Investment Policy, which states:

City funds shall be invested in accordance with New Mexico Statute 6-10-10 and shall be equitably distributed among all banks and credit unions having their main or manned branch offices within the municipal boundaries and who are interested in doing business with the City, as directed by Statute 6-10-10, Paragraph C. Collateralization will be required on all deposits in excess of amounts insured by the Federal Deposit Insurance Corporation, or the National Credit Union Association. The collateralization level will be 102% of the market value of principal, per City of Santa Fe Investment Policy. The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments or individual financial institutions and limit maturities to five years or less to avoid interest rate risk. Certain investments may be held to accommodate debt reserve requirements may have maturities in excess of five years.

The investment policy provides for the following authorized investments:

- United States Treasury Securities (Bills, Notes, and Bonds).
- Insured and/or collateralized (with securities of the U.S. Government, its agencies or instrumentalities, municipal securities, or Letters of Credit from the Federal Home Loan Bank of Dallas) checking or savings accounts, or certificates of deposit of banks or credit unions, pursuant to State Board of Finance Collateral Policies.
- Other securities issued by the United States government or its agencies or instrumentalities that are either direct obligations of the United States, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank, or the Federal Farm Credit Bank, or are backed by the full faith and credit of the United States Government.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

- Money market funds that are registered with the SEC, carried an AAA rating and maintain total asset size, invest entirely in U.S. government and/or U.S. government agency securities (as defined above), and maintain total asset size of not less than $100,000,000.
- Bonds or negotiable securities of the state of New Mexico or of any county, municipality, or school district which has a taxable valuation of real property of at least one million dollars and has not defaulted in payment of interest or sinking fund obligations or failed to pay any bonds at maturity at any time within the past five years and is rated AA equivalent or better on purchase date. Reasonable prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.
- Investments in the New Mexico Local Government Investment Pool (NM LGIP).
- Repurchase agreements and forward purchase agreements with equivalent collateral of at least one hundred two percent of the market value of the securities plus accrued interest.

For amounts held in the NM LGIP, investments are valued at amortized cost based on quoted market prices as of the evaluation date. The NM LGIP is not SEC registered but does maintain an AAA rating (highest rating for pools) from Standard and Poor's. Section 6-10-10.I NMSA 1978 empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The NM LGIP are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1F NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the accounting entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the NM LGIP is voluntary.

Interest earnings on pooled investments are distributed annually to participating funds based on the average of beginning and ending balances. Investments for the City are stated at fair market value.

Receivables and Payables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded when levied. Property taxes are considered to be 100% collectible.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after November 10th and April 10th are considered delinquent and the City may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent. Property taxes are collected by Santa Fe County and remitted monthly to the City.

Unbilled receivables – An amount for unbilled revenue is recorded in the enterprise funds for services rendered but not yet billed as of the end of the fiscal year. The receivable is derived from the cycle billings generated subsequent to fiscal year end and prorated for usage before year-end.

Allowance for doubtful accounts – Accounts receivable have been reported net of the allowance for doubtful accounts. Accounts receivable in excess of 90 days is subject to being considered uncollectible.

Interfund Activities and Transactions

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between enterprise funds are netted as part of the reconciliation to the government-wide financial statements.

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Inventories and Prepaid Items

Inventories are valued at cost, which approximates market value, using the first-in, first-out (FIFO) method. Expenditures in governmental funds and expenses in enterprise funds are recorded as the inventory items are consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

The City of Santa Fe is a party to a contract with the Bureau of Reclamation, United States of America which provides certain rights to purchase water from the San Juan Chama renewable water resource system. Per contract dating from 1976 and made permanent in 2006, the City of Santa Fe has rights to purchase 5,230-acre feet per year from the San Juan Chama system for which it pays a predetermined rate. The City may utilize the water in the year it purchases it or in a later year if utilization does not match the annual amount purchased. Amounts acquired in excess of those amounts utilized are recorded as prepaid water assets in the statement of net position. The amount recorded as of June 30, 2025, was $81,580 in the governmental funds and $400,547 in the proprietary funds.

Leases Receivable

The City's leases receivable are measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable.

Restricted Assets

Certain assets of the City are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

Bond and loan debt service accounts – Includes certain proceeds from issuance of revenue bonds, as well as certain resources set aside for the repayment of bonds or lease obligations.

Endowment funds – Includes privately donated funds for the Southside Library, expenditure of which is limited to interest by the donor and by City resolution.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, leased assets, right-to-use assets, right-to-use subscription assets and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, as a Phase 2 government, the historical cost of infrastructure assets, (retroactive to June 30, 1980) are included as part of the governmental capital assets reported in the government wide statements.

Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at acquisition value at the date of donation, of which none were received for the year ended June 30, 2025. City land acquired prior to 1987 was primary by land grant or donation and is estimated to be 4,217 acres. Because original values are unknown, the parcels are valued at one dollar each.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest incurred during the construction phase of capital assets of City is expensed as it is incurred.

Land, construction in progress, right of way assets, water rights, and art are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years	Assets	Years
Buildings and Structures	50	Vehicles	4-8
Improvements	10	Equipment and Machinery	4-10
Furniture and Fixtures	10	Sewerlines and Utility Systems	25
Data Processing Equipment	3	Software	10
Streets and Bridges	25	Traffic Signals	10

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Leases and right-to-use assets

Lease contracts that provide the City with control of a non-financial asset, such as land, buildings or equipment, for a period of time in excess of twelve months are reported as a right-to-use asset with a related lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The right-to-use asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

Deferred Outflows/Inflows of Resources

The City has two (2) items that qualify for reporting as deferred outflows of resources, the deferred amount related to pension and the deferred outflows related to net other postemployment benefit (OPEB) liability, both reported in the government-wide statements of net position and the enterprise funds statement of net position. The deferred outflows related to pensions and OPEB are an aggregate of items related to pensions as calculated in accordance with GASB Codification (GASBC) Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. These amounts are deferred and recognized as outflows of resources in future periods and will reduce the net pension liability and net other post-employment benefit liability, respectively, in future periods.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four (4) items that qualify for reporting as deferred inflows of resources in the statement of net position. The deferred inflows related to pensions and OPEB are an aggregate of items related to pensions and OPEB as calculated in accordance with GASBC Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred inflows related to pensions and OPEB will be recognized as a reduction to pension expense and OPEB expense in future reporting years. The third deferred inflow is related to leases are associated with amounts owed to the City, as lessor, by entities leasing the City's capital assets. Deferred inflows - unamortized gain on refund of bonds is related to a previous refunding of long-term liabilities that resulted in a gain on refunding which is recognized over a period of time.

Deferred inflows reported in the governmental funds balance sheet represents unavailable revenue, which arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from three sources: leases, property taxes and liquor license and land sales, categorized as "other" deferred inflows. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Accrued Payroll

Accrued payroll is comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2025, along with applicable FICA, Medicare, PERA, retiree health care, and other benefits expenses.

Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, four types of leave qualify for liability recognition for compensated absences – vacation, sick leave, comp time, and floating holidays. The City uses a Last-In, First- Out (LIFO) method to determine the usage and valuation of sick leave, comp time, and floating holidyas. Under this method, the newest hours accrued are assumed to be used first. The liability for compensated absences is reported as incurred in the government-wide financial statements and the enterprise fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

City employees are entitled to certain compensated absences based on their employment classification and length of employment. It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory hours, and sick pay benefits. There is a liability for these benefits since the City has a policy to pay any amount when the employee has earned the benefits. All vacation and compensatory hours are accrued when incurred in the government-wide and enterprise fund financial statements. The City's employees can utilize these balances for early retirement or buy-out options or donate the hours to a sick leave bank to be used by other employees.

Subscription-Based Information Technology Arrangements

Subscription agreements that provide the City with access to a software or similar intangible asset for a period of time in excess of twelve months are reported as a right-to-use subscription asset with a related subscription liability. The liability is recorded at the present value of future subscription payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The right-to-use subscription asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Subscription assets are amortized over the shorter of the useful life of the asset or the lease term. The subscription liability is reduced for payments made, less the interest portion of the payment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Unearned Revenues

Unearned revenues are comprised of advanced funded grants for which eligible expenditures have not yet been incurred and payments made in advance by customers for various services (i.e. prepaid rent, golf pro shop gift cards, etc.) provided by the City as of June 30, 2025.

Long-term Obligations

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued.

The face amount of debt issued is reported as other financing sources, net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association ("PERA") and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions ("OPEB")

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority ("NMRHCA") and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Fund Balance Classification Policies and Procedures

The City has implemented GASB No. 54 and has defined the various categories reported in fund balance. Fund balances of the governmental funds are reported in the order of spending: first committed fund balance, then assigned fund balance, and, finally, unassigned fund balance, and are classified as follows:

Nonspendable fund balances are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The City classified $81,149 of fund balance as nonspendable related to inventory in the government fund balance sheet at June 30, 2025.

Restricted fund balances are amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. Enabling legislation includes a legally enforceable requirement that resources be used only for specific purposes stipulated in the legislation. Legal enforceability means the government can be impelled by an external party to use resources for the purpose specified by the legislation.

Committed fund balances are amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned fund balances are amounts that are constrained by the City's intent to use them for a specific purpose but are neither restricted nor committed. The City has not established a policy regarding the assignment of funds, so this category of fund balance represents the residual amounts not otherwise reported as nonspendable, restricted, or committed in governmental funds outside of the general fund. The City had no assigned fund a balance as of June 30, 2025.

Unassigned fund balances are all other spendable amounts. The general fund should be the only fund that reports a positive unassigned fund balance amount.

Minimum Fund Balance Policy – The City's is required by the New Mexico Department of Finance and Administration to maintain a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the City holds a cash reserve of 1/12th of General Fund expenditures. As of June 30, 2025, the City's required minimum cash reserve was $12,442,397.

Note 16 shows more detail regarding these classifications of fund balances in the governmental funds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Net Position

In business-type activities, enterprise funds, and internal service funds, equity is classified as net position and displayed in three components:

Net investment in capital assets is intended to reflect the portion of net position which is associated with capital assets. It consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, debt service, and capital projects" are described on pages 62-63 and 146-149. The City also maintains restricted net position for post closure obligations and has received privately donated endowment funds for the Southside Library, expenditure of which is limited to interest by the donor and by City resolution.

Unrestricted net position consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Revenues and Expenditures/Expenses

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the City's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues.

Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of City facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as small cities assistance to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state and federal sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

The City reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. The City does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenue of the City's major enterprise fund is charges for services for the City's utilities. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the City's financial statements include the fair value of investments, value of liabilities and right-of-use assets related to leases and subscription-based IT arrangements, allowance for uncollectible accounts, expected useful lives of capital assets, accrued compensated absences, the estimate for landfill closure and post closure costs, and actuarial estimates included in the calculation of the net pension liability and net OPEB liability.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 16, 2026. See note 20 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

During the fiscal year ended June 30, 2025, the City adopted GASB Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. The implementation of GASB Statement No. 101 did not have a significant impact on the City. The implementation of GASB Statement No. 102 did not have a significant impact on the City.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement aim to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement aim to improve reporting on capital assets by separately disclosing specific types of capital assets in financial statement notes. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

The City is evaluating the requirements of the above statements and the impact on reporting.

Note 2: ERROR CORRECTION

The City's fiscal year 2025 financial statements reflect the correction of errors in previously issued financial statements. GASB Statement No. 100, *Accounting Changes and Error Corrections,* requires disclosure of their nature and effect on amounts reported in the financial statements.

- GASB Statement No. 101, *Compensated Absences*, resulted in adjustments to beginning net position in the governmental activities, business-type activities, and enterprise funds as summarized below.
- The Community Development Grants Fund and Debt Service Fund were presented as major funds in separate columns in the City's 2024 governmental fund financial statements. However, for fiscal year 2025, the funds no longer met the quantitative threshold that requires major fund presentation. The City consequently reclassified the funds as nonmajor funds and presented them in the aggregate nonmajor funds column in the governmental fund financial statements.
- The College of Santa Fe Fund was presented as major a fund in separate column in the City's 2024 enterprise fund financial statements. However, for fiscal year 2025, the fund no longer met the quantitative threshold that requires major fund presentation. The City consequently reclassified the fund as a nonmajor funds and presented it in the aggregate nonmajor funds column in the enterprise fund financial statements.
- The City discovered during the year that June 30, 2024 unearned revenue balances in the nonmajor governmental funds, the Santa Fe Convention Center Fund, and the nonmajor enterprise funds should have been recognized as revenue in the year ended June 30, 2024. This resulted in the "error correction – unearned revenue" summarized below.
- The City discovered during the year that June 30, 2024 gross receipts tax (GRT) balances were recorded to in the nonmajor governmental funds (Gross Receipts Tax Fund) instead of the 1/2 Gross Receipts Tax Fund in the amount of $18,022,229, show as "error correction – GRT allocation" below.
- The City discovered during the year that the Opioid Fund was included in the General Fund when a separate fund was required per the guidance from the New Mexico Department of Finance, Local Government Division. This is presented as "error correction – opioid" in the summary below.
- The City discovered during the year that the Affordable Housing Trust Fund was included in the Community Development Grants Fund when it should have been reported separately, resulting in a restatement to both funds of $67,251 and $(67,251), respectively. Both funds are included in the aggregate nonmajor governmental funds As such, they do not appear in the chart below.
- The City discovered during the year that June 30, 2024 transfers from Buckman Direct Diversion Project (BDD) were not recorded in the amount of $275,519 in the aggregate nonmajor funds as summarized below in item "error correction – transfer from BDD".
- The City discovered various inaccuracies in the beginning balances of capital assets and the related accumulated depreciation, which impacted the enterprise funds and governmental activities. These corrections are presented as "error correction – capital assets" in the summary below.

Note 2: CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTION (Continued)

The following table summarizes the corrections to the City's beginning fund balance:

	Governmental Funds		
	General Fund	Community Development Grants Fund	1/2 Gross Receipts Tax fund
Fund balance, beginning of year, as previously reported	$ 83,395,375	$ 5,798,739	$ (2,554,719)
Change from major to nonmajor presentation	-	(5,798,739)	-
Error correction - opioid fund	(8,595,195)	-	-
Error correction - GRT allocation	-	-	18,022,229
Error correction - unrecorded transfer from BDD	-	-	-
Error correction - unearned revenue	-	-	-
Fund balance, beginning of year, as adjusted	$ 74,800,180	$ -	$ 15,467,510

	Governmental Funds	
	Debt Service Fund	Nonmajor Governmental Funds
Fund balance, beginning of year, as previously reported	$ 3,177,688	$ 98,387,954
Change from major to nonmajor presentation	(3,177,688)	8,976,427
Error correction - opioid fund	-	8,595,195
Error correction - GRT allocation	-	(18,022,229)
Error correction - unrecorded transfer from BDD	-	275,519
Error correction - unearned revenue	-	802,218
Fund balance, beginning of year, as adjusted	$ -	$ 99,015,084

	Enterprise Funds		
	Waste Water Management	Water Management	Environmental Services
Net position, beginning of year, as previously reported	$ 71,323,110	$ 196,866,290	$ 29,435,418
Change from major to nonmajor presentation	-	-	-
Change in accounting principle	(181,807)	(345,426)	(191,307)
Error correction - capital assets	37,101	52,637	14,304
Error correction - unearned revenue	-	-	-
Net position, beginning of year, as adjusted	$ 71,178,404	$ 196,573,501	$ 29,258,415

Note 2: CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTION (Continued)

	Enterprise Funds		
	Santa Fe Convention Center	College of Santa Fe	Nonmajor Enterprise Funds
Net position, beginning of year, as previously reported	$ 22,813,350	$ 17,992,625	$ 128,389,986
Change from major to nonmajor presentation	-	(17,992,625)	17,992,625
Change in accounting principle	(30,293)	-	(384,338)
Error correction - capital assets	-	-	375,058
Error correction - unearned revenue	300,000	-	311,646
Net position, beginning of year, as adjusted	$ 23,083,057	$ -	$ 146,684,977

	Internal Service Funds
Net position, beginning of year, as previously reported	$ (3,839,478)
Change in accounting principle	(191,304)
Error correction - capital assets	61,117
Net position, beginning of year, as adjusted	$ (3,969,665)

	Governmental Activities	Business-Type Activities
Net position, beginning of year, as previously reported	$ 308,316,886	$ 466,820,779
Change in accounting principle	1,361,116	(1,133,171)
Error correction - unrecorded transfer from BDD	275,519	-
Error correction - capital assets	4,139,913	479,100
Error correction - unearned revenue	802,218	611,646
Net position, beginning of year, as adjusted	$ 314,895,652	$ 466,778,354

Note 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets for governmental funds are adopted based on generally accepted accounting principles (GAAP basis). Annual budgets for enterprise funds are adopted on a basis other than generally accepted accounting principles. Depreciation is not budgeted for enterprise funds. All annual appropriations lapse at the fiscal year-end.

The City is required to submit a proposed budget, which has been approved by the governing body, for each fiscal year on or before June 1st with the Local Government Division of the State of New Mexico Department of Finance and Administration. Before July 1st, the Local Government Division approves and certifies an operating budget for use pending approval of the final budget. Prior to the first Monday in September, the Local Government Division must certify a final budget for the municipality.

Because the non-GAAP basis of accounting is not the generally accepted accounting method for propriety funds, differences result from budgeting for various items.

The Local Government Division must also approve the following changes throughout the fiscal year:

- budget increases;
- transfers of budget between funds;
- transfers of cash, both permanent and temporary, between funds; and
- any combination of the above.

New Mexico state law prohibits municipalities from making expenditures in excess of the approved expenditures. State law mandates that municipalities develop and operate within the confines of a balanced budget. The total amount which the governing body appropriates in any particular fiscal year cannot exceed the probable amount of money available at the beginning of the year (cash balance or reserves) plus anticipated revenues during the fiscal year. As required by the state, the City prepares a budget for all fund types.

The appropriated budget is prepared by fund, function, and division. All amendments to the appropriated budget require City Council approval. The City Manager may approve budget amendment increases or decreases of appropriations up to $60,000. The Finance Director may approve budget amendment increases or decreases up to $5,000. The amendments below the $60,000 threshold are ratified by City Council at the end of each quarter. Budget amendments in excess of $60,000 require Council approval. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the function level for the general fund; the fund level for special revenue and capital improvement funds; and at the division level for the enterprise funds. The City Council approved supplemental budgetary appropriations during the fiscal year, primarily for new grant awards and additional project amounts, which did not materially affect cash reserves of related funds.

Note 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

Encumbrance accounting is employed in all funds. Encumbrances (purchase orders, contracts and other commitments for the expenditure of resources) outstanding at year-end are reappropriated by request to the new fiscal year and do not constitute expenditures or liabilities because the commitments will be part of the following years budget and honored during that following year.

The budgetary information presented in these financial statements has been properly amended by City Council in accordance with the above procedures. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	**Final Budget**
Budgeted governmental funds		
General Fund	$ 1,658,997	$ (11,555,366)
1/2% Gross Receipts Tax Fund	22,550,941	13,830,234
Other governmental funds	2,384,993	(64,247,667)
Budgeted proprietary funds		
Waste Water Management Fund	1,308,650	(31,230,617)
Water Management Fund	8,239,929	(26,195,998)
Environmental Services Fund	1,042,631	(2,258,093)
Santa Fe Convention Center Fund	(8,485,086)	(9,701,298)
Nonmajor proprietary funds	(1,928,691)	(17,947,435)
Internal Service Fund	(10,986,902)	(13,528,930)

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on a budgetary basis.

Note 4: DEPOSITS AND INVESTMENTS

State statutes and the City's investment policy authorize the investment of City funds in a wide variety of instruments including certificates of deposit and other similar obligations, the state investment pool, money market accounts, and United States Government obligations. All invested funds of the City properly followed State investment requirements as of June 30, 2025.

Deposits of funds may be made in interest bearing or non-interest-bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the City. Deposits may be made to the extent that they are insured by an agency of the United States or by collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance for accounts held by the City.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

The City's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of $250,000 for demand deposit accounts and $250,000 for time and savings accounts.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. At June 30, 2025, $10,499,430 of the City's bank balance of $10,993,772 was subject to custodial credit risk. Of this amount, $10,499,430 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the City's name and $0 of the City's deposits were uninsured and uncollateralized at June 30, 2025.

Note 4: DEPOSITS AND INVESTMENTS (Continued)

	Citibank	Wells Fargo	Sterling National Bank	Total
Amount of deposits	$ 113,373	$ 10,749,430	$ 130,969	$ 10,993,772
FDIC/SIPC coverage	(113,373)	(250,000)	(130,969)	(494,342)
Total uninsured public funds	-	10,499,430	-	10,499,430
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the City's name	-	10,499,430	-	10,499,430
Uninsured and uncollateralized	$ -	$ -	$ -	$ -
Collateral requirement (50%)	$ -	$ 5,249,715	$ -	$ 5,249,715
Pledged securities	-	21,465,296	-	21,465,296
Over (under) collateralized	$ -	$ 16,215,581	$ -	$ 16,215,581

The collateral pledged is listed on page 243 of this report. The types of collateral allowed are limited to direct obligations of the United States Government, all bonds issued by any agency, city or political subdivision of the State of New Mexico, or revenue bonds that are underwritten by a member of the financial industry regulatory authority, known as FINRA, and are rated BAA or above by a nationally recognized bond rating service.

The City utilizes pooled accounts for their funds. Cash and investments of the General, Special Revenue, Capital Projects, Enterprise Funds, and Custodial Funds are pooled and held in multiple accounts.

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Reconciliation to the Statement of Net Position

Cash, cash equivalents, and investments per statement of net position	$ 364,199,709
Restricted cash, cash equivalents and investments per statement of net position	1,526,429
Cash and cash equivalents per statement of fiduciary net position	116,322,595
Total cash, cash equivalents, and investments	482,048,733
Plus outstanding checks	7,016,751
Less outstanding deposits	(1,399,745)
Less restricted NMFA debt funds	(73,762)
Less New Mexi*GROW* LGIP	(87,544,591)
Less Principal cash and investments - City	(309,484,794)
Less Principal cash and investments - BDD	(79,562,545)
Less petty cash	(6,275)
Bank balance of deposits	$ 10,993,772

Investments

The City's investments at June 30, 2025 include the following:

Investment Type	Weighted Average Maturities	Fair Value	Rating*
New Mexi*GROW* LGIP	18 day WAM (R) and 75 day WAM (F)	$ 87,544,591	AAAm
Money market funds	<365 days	389,047,339	Not Rated
Total		$ 476,591,930	

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk – Investments. Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The investment policy limits the City's exposure to interest rate risk by limiting the maximum maturity of securities to five years and certificates of deposit to three years. The City uses duration as its measure of interest rate risk. The fair value of the securities exposed to interest rate risk is $389,047,339. These securities do not have call options.

Maturity rates consist of the following as of June 30, 2025:

Investment Type	Amount	Not subject to Interest Rate Risk	Less than 1 Year	1-5 Years
New Mexi*GROW* LGIP	$ 87,544,591	$ 87,544,591	$ -	$ -
Money Market Funds	389,047,339	389,047,339	-	-
Total investments	$ 476,591,930	$ 476,591,930	$ -	$ -

Credit Risk – Investments. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's investment policy requires that fixed income securities and equities have a weighted average of no less than investment grade, as rated by *Moody's* and *Standard & Poor's*.

Concentration of Credit Risk – Investments. For an investment, concentration of credit risk is when any one issuer is 5% or more of the investment portfolio of the City. The City's investment policy specifies that the City shall diversity its investments to avoid a concentration of any one issuer, with the exception of U. S. Treasury securities. Money Market Funds, savings accounts, NM LGIP and cash accounts have no duration. NM LGIP and Money Market Funds represent 100% of the total portfolio.

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Fair Value Measurement - The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability,
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See above for discussion of valuation methodologies used to measure fair value of investments.

The City's investment of $87,544,591 with the NM LGIP is valued at amortized cost and is not subject to fair market valuation.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The City maintained a balance of $389,047,339 which are disclosed as investments, but considered cash equivalents at June 30, 2025, which required fair value disclosure. The following table sets forth by level within the fair value hierarchy of the City's assets at fair value as of June 30, 2025:

	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 389,047,339	$ -	$ -	$ 389,047,339
Total investments	$ 389,047,339	$ -	$ -	$ 389,047,339

Note 5: RECEIVABLES

Receivables as of June 30, 2025, per the governmental funds balance sheet are as follows:

	General Fund	1/2% Gross Receipts Tax Fund	Nonmajor Governmental	Total Government
Taxes				
Property	$ 1,266,819	$ -	$ 277,111	$ 1,543,930
Gross receipts	11,481,323	4,983,368	732,850	17,197,541
Gasoline and oil taxes	-	-	134,646	134,646
Other	7,947,990	-	6,132,649	14,080,639
Intergovernmental				
Federal operating grants	-	-	1,746,508	1,746,508
State operating grants	248,552	-	1,830,667	2,079,219
State capital grants	-	-	3,826,882	3,826,882
Other				
Interest	312,294	-	4,428	316,722
Ambulance receivable	6,913,633	-	-	6,913,633
Allowance - ambulance receivable	(6,687,396)	-	-	(6,687,396)
Miscellaneous	227,441	-	5,075,729	5,303,170
Allowance - uncollectable miscellaneous	-	-	(1,657,042)	(1,657,042)
Lease revenue	-	-	3,381,008	3,381,008
Totals	$ 21,710,656	$ 4,983,368	$ 21,485,436	$ 48,179,460

Note 5: RECEIVABLES (Continued)

Receivables as of June 30, 2025, per the enterprise funds statement of net position are as follows:

	Waste Water Management	Water Management	Environmental Services	Santa Fe Convention Center
Taxes				
Gross receipts taxes	$ 622,921	$ -	$ 622,921	$ -
Intergovernmental				
Federal operating grants	-	19,329	-	-
State operating grants	4,328	5,490,000	-	-
Customer				
Charges for services	2,588,239	7,633,180	2,435,968	-
Allowance - charges for services	(668,420)	(1,139,206)	(545,682)	-
Notes receivable	163,296	-	-	-
Other				
Other revenue	1,715	69,588	1,237	344
Lease revenue	-	1,697,596	-	323,720
Totals	$ 2,712,079	$ 13,770,487	$ 2,514,444	$ 324,064

(Continued)

	Nonmajor Enterprise Funds	Total	Internal Service Funds
Taxes			
Gross receipts taxes	$ -	$ 1,245,842	$ -
Intergovernmental			
Federal operating grants	2,513,161	2,532,490	-
State operating grants	4,100,638	9,594,966	-
Customer			
Charges for services	2,531,152	15,188,539	-
Allowance - charges for services	(712,519)	(3,065,827)	-
Notes receivable	-	163,296	-
Other			
Other revenue	208,114	280,998	1,129,796
Lease revenue	12,284,150	14,305,466	-
Totals	$ 20,924,696	$ 40,245,770	$ 1,129,796

Note 5: RECEIVABLES (Continued)

In accordance with GASB Statement No. 33, property tax revenues in the amount of $1,275,117, license fees in the amount of $108,633, and land sales in the amount of $2,170,924 that were not collected within the period of availability have been reclassified as deferred inflows of resources in the governmental fund financial statements.

Lease Receivables

The City has recorded lease receivables in accordance with GASB 87 for the governmental and business-type activities. The lease receivables are initially measured at an amount equal to the initial measurement of the related deferred inflow of resources.

The City, as part of their governmental activities, entered into agreements to lease real property. The terms of the lease agreements range from 16 months to 401 months, with discount rates between 0.18% and 1.65%, which were estimated based on municipal bond index rates as of June 30, 2021.

During the year ended June 30, 2025, the following changes occurred in lease receivables reported on the statement of net position for governmental activities:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025	Due Within One Year
SF Health Club	$ 23,530	$ -	$ 14,652	$ 8,878	$ 8,840
Kitchen Angels	1,837,574	-	131,373	1,706,201	110,073
Sanchez Family	26,347	-	2,494	23,853	2,595
Verizon 18-1097	742,237	-	43,164	699,073	44,329
New Food Depot	863,233	-	67,251	795,982	67,372
B&GC	214,978	-	74,529	140,449	76,846
Highland	1,162	-	1,083	79	1,443
Place Modern Botique	-	7,215	722	6,493	-
Total lease receivable	$ 3,709,061	$ 7,215	$ 335,268	$ 3,381,008	$ 311,498

The future minimum lease payments for governmental activities to be received as of June 30, 2025 are as follows:

Fiscal Year Ending June 30,	Payment	Interest	Total Lease Receivable
2026	$ 311,498	$ 23,931	$ 335,429
2027	317,663	21,424	339,087
2028	261,248	19,220	280,468
2029	268,408	17,093	285,501
2030	1,561,639	51,002	1,612,641
2031-2035	660,552	3,267	663,819
Totals	$ 3,381,008	$ 135,937	$ 3,516,945

Note 5: RECEIVABLES (Continued)

Lease Receivables (Continued)

Total lease revenue and interest revenue recognized in the governmental activities for the year ended June 30, 2025 was $331,893.

The City's airport, as part of their business-type activities, entered into lease agreements to lease their land and hanger sites. The terms of the lease agreements range from 5 years to 25 years with a discount rate of 0.50% and 1.75%, which was set by the New Mexico Department of Finance and administration.

During the year ended June 30, 2025, the following changes occurred in lease receivables reported on the statement of net position for business-type activities:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025	Due Within One Year
Warehouse	$ 7,702,484	$ -	$ 248,755	$ 7,453,729	$ 197,824
Wiskey Golf	21,896	-	3,024	18,872	3,058
Spectra Airport	707,187	-	18,481	688,706	19,383
T-Mobile	553,136	-	42,458	510,678	42,517
Verizon 18-0851	668,514	-	35,491	633,023	37,102
Verizon 18-0852	584,950	-	31,055	553,895	32,465
Verizon 18-1098	393,081	-	22,731	370,350	23,408
Verizon 19-0533	337,101	-	26,713	310,388	20,684
Gate 13	136,652	-	3,550	133,102	3,724
La Bocal Feliz	242	-	242	-	-
Jet Center	674,395	-	11,637	662,758	21,984
Hotel Chimayo	19,465	-	6,133	13,332	6,301
Horno Restraurant	16,650	-	8,287	8,363	4,315
Signature Flight Support a	1,903,640	-	26,950	1,876,690	41,542
Signature Flight Support b	563,242	-	11,432	551,810	12,215
Signature Flight Support c	324,323	-	6,720	317,603	7,030
Signature Flight Support d	18,178	-	2,208	15,970	2,306
Los Magueyes	15,231	-	3,714	11,517	3,894
Tres Colores	25,571	-	6,485	19,086	6,625
Asepect	-	17,592	4,175	13,417	4,395
Artyard Condominium	-	144,102	1,925	142,177	28,804
Total lease receivable	$ 14,665,938	$ 161,694	$ 522,166	$ 14,305,466	$ 519,576

Deferred inflows of resources are recorded for leases at the date the lease is entered into, in an amount equal to the initial lease receivable. The deferred inflows of resources are amortized on a straight-line basis over the term of the related leases.

Note 5: RECEIVABLES (Continued)

Lease Receivable (Continued)

The future minimum lease payments for business-type activities to be received as of June 30, 2025 is as follows:

Fiscal Year Ending June 30,	Payment	Interest	Total Lease Receivable
2026	$ 519,576	$ 226,836	$ 746,412
2027	495,163	219,583	714,746
2028	499,589	212,188	711,777
2029	506,525	204,826	711,351
2030	520,728	197,383	718,111
2031-2035	2,809,755	867,257	3,677,012
2036-2040	2,754,384	647,363	3,401,747
2041-2045	2,456,042	425,441	2,881,483
2046-2050	2,247,494	189,197	2,436,691
2051-2055	1,383,357	40,816	1,424,173
2056-2059	112,853	-	112,853
Totals	$ 14,305,466	$ 3,230,890	$ 17,536,356

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Total lease revenue and interest revenue recognized in the business-type activities for the year ended June 30, 2025 was $341,114.

Note 6: TRANSFERS

Net operating transfers, made to close out funds and to supplement other funding sources, were as follows for the year ended June 30, 2025:

Fund	Transfers Out	Transfers In
Governmental Funds		
General	$ 35,253,226	$ 5,831,752
Economic Development	96,874	7,389,813
Lodger's Tax	8,925,550	750,000
Gross Receipts Tax	25,843,066	-
Emergency Services	123,161	-
Resource Conservation	-	1,403,254
City Drainage Fund	68,552	293,534
Impact Fee	3,037,899	2,773
Transportation Grants	18,400	58,628
Community Development Grants	3,321	8,400,325
Senior Citizen Grants/Programs	138,485	2,786,272
Affordable Housing Trust	-	3,855,027
Library	74,996	1,149,850
Plaza Use	-	94,896
Quality of Life	101,622	326,480
Recreation Programs	55,920	2,069,789
SF Film Office	1,200	465,000
Resource Conservation Fund	-	125,563
Facilities CIP	-	12,470,000
Special Projects	-	3,042,700
City Street Projects	1,356,947	4,309,527
CIP Community Development	105,027	800,000
Art for CIP Projects	-	434,164
City Parks and Trails Improvements	2,773	1,544,753
1/2% Gross Receipts Tax	28,248,265	1,600,000
Debt Service	-	10,014,956

(Continued)

Note 6: TRANSFERS (Continued)

Fund	Transfers Out	Transfers In
Enterprise Funds		
Waste Water Management	1,757,264	3,551,286
Water Management	4,158,872	3,515,060
Environmental Services	1,604,200	1,489,205
Railyard Properties	3,009	1,619,365
Santa Fe Convention Center	69,848	7,838,121
College of Santa Fe	-	2,749,369
Municipal Recreation Complex	15,243	4,870,658
Parking Enterprise	161,871	-
Transit Bus System	159,850	6,407,872
Airport	1,982,758	-
Genoveva Chavez Community Center	303,046	3,823,462
Internal Service Funds		
Risk Management	2,120	3,107,873
Santa Fe Health / Dental	75,000	-
Workers' Compensation	-	3,157,281
Services to Other Departments	135,811	2,535,568
Total Transfers	$ 113,884,176	$ 113,884,176

Note 7: CAPITAL ASSETS

A summary of governmental activities' capital assets and changes occurring during the year ended June 30, 2025, follows. Land, construction in progress, right-of-way, and art are not subject to depreciation.

Governmental activities	Balance June 30, 2024	Error Correction	Additions	Deletions	Balance June 30, 2025
Capital assets not being depreciated or amortized					
Land	$ 172,049,821	$ -	$ -	$ -	$ 172,049,821
Construction in progress	51,504,017	-	26,668,620	(29,275,362)	48,897,275
Right-of-Way	78,281	-	-	-	78,281
Art	885,046	-	-	-	885,046
Total capital assets not being depreciated or amortized	224,517,165	-	26,668,620	(29,275,362)	221,910,423
Capital assets being depreciated or amortized					
Buildings and Structures	78,369,741	58,342	2,646,017	-	81,074,100
Improvements	108,912,522	4,499,453	7,987,632	-	121,399,607
Equipment and Machinery	27,330,715	2,380,856	2,788,049	(525,740)	31,973,880
Furniture and Fixtures	1,374,496	-	443,560	-	1,818,056
Vehicles	43,685,391	145,299	5,031,201	(1,566,879)	47,295,012
Data Processing and Software	15,295,940	333,520	946,625	-	16,576,085
Traffic Signals	23,683,156	-	-	-	23,683,156
Streets and bridges	234,596,117	110,020	17,898,787	-	252,604,924
Right-to-use asset- equipment	208,498	-	57,926	(40,212)	226,212
Right-to-use asset- subscriptions	5,281,899	-	597,844	(5,164,163)	715,580
Total capital assets being depreciated or amortized	538,738,475	7,527,490	38,397,641	(7,296,994)	577,366,612
Total capital assets	763,255,640	7,527,490	65,066,261	(36,572,356)	799,277,035
Accumulated depreciation and amortization					
Buildings and Structures	30,402,468	8,751	2,119,106	-	32,530,325
Improvements	90,097,916	1,920,911	6,217,616	-	98,236,443
Equipment and Machinery	17,614,027	1,093,159	2,382,781	(525,740)	20,564,227
Furniture and Fixtures	563,599	-	121,070	-	684,669
Vehicles	26,324,700	54,487	3,923,228	(1,428,844)	28,873,571
Data Processing and Software	10,618,140	297,067	2,056,708	-	12,971,915
Traffic Signals	23,477,191	-	40,243	-	23,517,434
Streets and bridges	190,767,274	13,202	3,610,965	-	194,391,441
Right-to-use asset- equipment	75,093	-	42,904	(40,212)	77,785
Right-to-use asset- subscriptions	3,777,609	-	1,705,905	(5,164,163)	319,351
Total accumulated depreciated and amortized	393,718,017	3,387,577	22,220,526	(7,158,959)	412,167,161
Net capital assets	$ 369,537,623	$ 4,139,913	$ 42,845,735	$ (29,413,397)	$ 387,109,874

Note 7: CAPITAL ASSETS (Continued)

Depreciation expense for the year ended June 30, 2025 was charged to governmental activities as follows:

General Government	$	3,286,355
Public Safety		3,257,492
Public Works		9,568,881
Community Development		610,780
Culture and Recreation		5,497,018
Total depreciation and amortization	$	22,220,526

The City has lease liabilities associated with the right-to-use assets as of June 30, 2025, which are further described in Note 8.

Note 7: CAPITAL ASSETS (Continued)

A summary of business-type activities capital assets and changes occurring during the year ended June 30, 2025 follows. Land, water rights, construction in progress, and art are not subject to depreciation.

Business-type activities	Balance June 30, 2024	Error Correction	Additions	Deletions	Balance June 30, 2025
Capital assets not being depreciated or amortized					
Land	$ 38,260,558	$ -	$ -	$ -	$ 38,260,558
Water Rights	3,434,979	-			3,434,979
Construction in Progress	66,254,459	-	47,145,152	(44,802,046)	68,597,565
Art	219,971	-	-	-	219,971
Total capital assets not being depreciated or amortized	108,169,967	-	47,145,152	(44,802,046)	110,513,073
Capital assets being depreciated or amortized					
Buildings and Structures	334,841,747	-	7,807,930	-	342,649,677
Improvements*	164,270,027	176,050	20,265,776	-	184,711,853
Sewerlines and Utility Systems	203,888,063	-	16,364,535	-	220,252,598
Equipment and Machinery	21,761,349	549,448	1,242,685	-	23,553,482
Furniture and Fixtures	805,807	-	1,429,216	-	2,235,023
Vehicles	43,184,150	96,785	6,961,012	(582,599)	49,659,348
Data Processing and Software	2,570,249	43,366	1,489,169	-	4,102,784
Right-to-use asset- equipment	335,951	-	-	-	335,951
Right-to-use asset- subscriptions	-	-	3,104,283	-	3,104,283
Total capital assets being depreciated or amortized	771,657,343	865,649	58,664,606	(582,599)	830,604,999
Total capital assets	879,827,310	865,649	105,809,758	(45,384,645)	941,118,072
Accumulated depreciation and amortization					
Buildings and Structures	128,905,092	-	7,716,828	-	136,621,920
Improvements*	150,194,382	64,541	3,207,130	-	153,466,053
Sewerlines and Utility Systems	116,606,026	-	5,120,386	-	121,726,412
Equipment and Machinery	20,642,247	241,635	2,793,622	-	23,677,504
Furniture and Fixtures	647,326	-	-	-	647,326
Vehicles	31,429,620	42,154	3,032,947	(577,307)	33,927,414
Data Processing and Software	2,478,689	38,219	415,429	-	2,932,337
Right-to-use asset- equipment	240,283	-	80,095	-	320,378
Right-to-use asset- subscriptions	-	-	204,152	-	204,152
Total accumulated depreciated and amortized	451,143,665	386,549	22,570,589	(577,307)	473,523,496
Net capital assets	$ 428,683,645	$ 479,100	$ 83,239,169	$ (44,807,338)	$ 467,594,576

* Improvements includes streets which were previously separately presented but were combined for presentation for the year ended June 30, 2025.

Note 7: CAPITAL ASSETS (Continued)

Depreciation and amortization expense for the year ended June 30, 2025 was charged to business-type activities as follows:

Santa Fe Convention Center	$	1,211,794
Parking Operations		993,544
Environmental Services		1,881,741
Waste Water Management		2,974,719
Water Management		8,872,772
Municipal Recreation Center		252,316
Genoveva Chavez Community Center		1,112,158
Airport		1,968,976
Transit Operations		1,145,952
Railyard		389,213
College of Santa Fe		1,767,404
Total depreciation and amortization	$	22,570,589

The City has lease liabilities and subscription liabilities associated with the right-to-use assets as of June 30, 2025, which are further described in Note 8.

Note 8: LONG-TERM LIABILITIES

Governmental Activities

During the year ended June 30, 2025, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year
General obligation bonds	$ 13,860,000	$ -	$ 1,435,000	$ 12,425,000	$ 1,490,000
GRT senior lien revenue bonds	31,232,500	-	2,683,000	28,549,500	2,828,500
GRT subordinate lien revenue bonds	18,908,000	-	3,821,000	15,087,000	4,001,800
NMFA notes payable	121,103	-	121,103	-	-
Bank notes payable	15,634,798	-	879,374	14,755,424	925,209
CWSRF loan payable	1,481,317	142,652	-	1,623,969	-
Bond premiums	4,658,032	-	959,902	3,698,130	940,149
Lease liabilities	135,523	57,926	41,810	151,639	64,550
Subscription liabilities	1,111,975	597,844	1,282,000	427,819	219,114
Claims payable	10,818,395	27,883,574	26,956,651	11,745,318	11,745,318
Total long-term liabilities	$ 97,961,643	$ 28,681,996	$ 38,179,840	$ 88,463,799	$ 22,214,640

General Obligation Bonds

At June 30, 2025, the City had three general revenue bond outstanding which have been approved by the voters and issued for various municipal improvements. These bonds are liquidated by property tax revenues and paid out of the debt service fund. The general obligation bonds are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Series 2013 GO Bond	7/23/2013	8/1/2032	4.00%	$ 12,000,000	$ 5,935,000
Series 2014 GO Bond	8/4/2014	8/1/2034	4.00%	5,800,000	3,490,000
Series 2019 GO Bond	11/14/2019	8/1/2029	5.00%	5,445,000	3,000,000
Total general obligation bonds					$ 12,425,000

Note 8: LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

The annual requirements to amortize the general obligation bonds as of June 30, 2025, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 1,490,000	$ 574,843	$ 2,064,843
2027	1,550,000	416,244	1,966,244
2028	1,610,000	350,944	1,960,944
2029	1,680,000	283,019	1,963,019
2030	1,755,000	212,144	1,967,144
2031-2035	4,340,000	309,107	4,649,107
Totals	$ 12,425,000	$ 2,146,301	$ 14,571,301

GRT Senior Lien Revenue Bonds

At June 30, 2025, the City had three GRT senior lien revenue bonds outstanding which have been approved by the voters and issued for various municipal improvements. These bonds are liquidated by gross receipts tax revenues and paid out of the debt service fund. The GRT senior lien revenue bonds are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Series 2014	9/30/2014	6/1/2029	5.00%	$ 15,460,000	$ 9,500,000
Series 2016 B	7/13/2016	6/1/2035	5.00%	15,330,000	2,929,500
Series 2018A	12/11/2018	6/1/2038	5.00%	20,000,000	16,120,000
Total GRT senior lien revenue bonds					$ 28,549,500

Note 8: LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

The annual requirements to amortize the GRT senior lien revenue bonds as of June 30, 2025, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 2,828,500	$ 1,392,790	$ 4,221,290
2027	3,699,000	1,253,850	4,952,850
2028	3,879,500	1,071,490	4,950,990
2029	4,068,000	885,600	4,953,600
2030	1,388,500	684,930	2,073,430
2031-2035	8,011,000	2,359,950	10,370,950
2036-2038	4,675,000	475,000	5,150,000
Totals	$ 28,549,500	$ 8,123,610	$ 36,673,110

GRT Subordinate Lien Revenue Bonds

At June 30, 2025, the City had three GRT subordinate lien revenue bonds outstanding which have been approved by the voters and issued for various municipal improvements. These bonds are liquidated by gross receipts tax revenues and paid out of the debt service fund. The GRT subordinate lien revenue bonds are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Series 2013B	7/23/2013	8/1/2032	4.00%	$ 13,780,000	$ 8,805,000
Series 2016D	7/13/2016	6/1/2028	5.00%	2,020,000	700,000
Series 2018	2/27/2018	6/1/2028	5.00%	10,290,000	3,645,000
Series 2021	12/14/2021	12/13/2026	5.00%	9,894,000	1,937,000
Total GRT subordinate lien revenue bonds					$ 15,087,000

Note 8: LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

The annual requirements to amortize the GRT subordinate lien revenue bonds as of June 30, 2025, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 4,001,800	$ 495,275	$ 4,497,075
2027	2,150,000	408,125	2,558,125
2028	2,240,000	316,975	2,556,975
2029	-	226,675	226,675
2030	-	226,675	226,675
2031-2035	3,130,000	828,200	3,958,200
2036	3,565,200	124,950	3,690,150
Totals	$ 15,087,000	$ 2,626,875	$ 17,713,875

Bank Note Payable

The City entered into an agreement with Sterling National Bank for the financed purchase of solar power equipment for various City of Santa Fe buildings. Debt service will be paid from the annual savings earned by the City buildings. The bank note is as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Solar Energy Project	3/29/2021	12/1/2039	2.150%	$ 17,244,894	$ 14,755,424
Total bank notes payable					$ 14,755,424

Note 8: LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

The annual requirements to amortize the bank note payable as of June 30, 2025, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 925,209	$ 311,571	$ 1,236,780
2027	972,996	291,470	1,264,466
2028	1,022,817	270,334	1,293,151
2029	1,074,747	248,117	1,322,864
2030	1,128,871	224,775	1,353,646
2031-2035	4,768,460	787,082	5,555,542
2036-2040	4,862,324	270,141	5,132,465
Totals	$ 14,755,424	$ 2,403,490	$ 17,158,914

Lease Liabilities

The City's governmental activities have entered into agreements to lease property. The lease agreements haves been recorded at the present value of the future lease payments as of the date of their inception or, for leases existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2021. Lease liabilities, right-of-use assets, and lease terms are as follows at June 30, 2025:

	Effective Date	End Date	Monthly Payments	Borrowing Rate	Lease Liability	Right-to-Use Lease Asset, net amortization
Santa Fe Animal Shelter	9/1/2023	6/30/2028	$ 1,680	2.13%	$ 59,272	$ 57,524
Solace Crisis Treatment	7/1/2023	6/30/2027	1,620	2.13%	39,736	37,804
CIR Properties LLC	5/1/2025	5/31/2027	1,620	3.70%	52,631	53,099
Total					$ 151,639	$ 148,427

Note 8: LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

Lease debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 64,550	$ 2,455	$ 67,005
2027	41,810	1,649	43,459
2028	45,279	815	46,094
Totals	$ 151,639	$ 4,919	$ 156,558

Subscription Liabilities

The City has four (4) software arrangements that require recognition under GASBS No. 96. The City now recognizes subscription-based information technology arrangements (SBITA) liabilities and intangible right-to-use subscription assets for various software packages and applications. The City used discount rates as detailed below for the arrangements. There are no residual value guarantees in the agreements.

Subscription liabilities, right-of-use assets, and terms are as follows at June 30, 2025:

Description	Date of Issue	Due Date	Interest Rate	Subscription Liability	Subscription Asset, Net Amortization
Ardham Current 20-0000-21-00014	9/21/2021	4/1/2026	7.00%	$ 19,980	$ 23,825
Ameresco	7/3/2023	6/30/2027	3.70%	-	-
Justice Systems	7/1/2024	6/30/2027	3.70%	80,560	77,182
Ardham 3250215	7/1/2024	6/30/2027	3.70%	327,279	295,222
Total				$ 427,819	$ 396,229

Subscription debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 219,114	$ 11,101	$ 230,215
2027	208,705	-	208,705
Totals	$ 427,819	$ 11,101	$ 438,920

Note 8: LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

Compensated Absences

A summary of compensated absences as of June 30, 2025 is as follows:

	Balance June 30, 2024	Change in Accounting Principle	Net Change	Balance June 30, 2025	Due Within One Year
Compensated absences					
Annual leave	$ 6,074,185	$ (1,361,116)	$ 2,396,121	$ 7,109,190	$ 2,270,699
Total compensated absences	$ 6,074,185	$ (1,361,116)	$ 2,396,121	$ 7,109,190	$ 2,270,699

Business-Type Activities

The enterprise funds have incurred various forms of debt which were used for the purposes of constructing, expanding, repairing and making improvements to its property, plant and equipment. The following schedule shows the changes to its various forms of debt during the fiscal year ended June 30, 2025:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year
GRT senior lien revenue bonds	$ 1,357,500	$ -	$ 102,000	$ 1,255,500	$ 106,500
GRT subordinate lien revenue bonds	4,187,000	-	959,000	3,228,000	1,002,750
Revenue bonds	22,665,000	-	1,635,000	21,030,000	1,720,000
Utility revenue bonds	41,407,698	-	1,742,698	39,665,000	1,855,000
NMFA notes payable	26,069,398	2,196,000	2,509,903	25,755,495	2,551,559
Bond premiums	6,902,355	-	680,360	6,221,995	673,234
Lease liabilities	100,890	-	84,434	16,456	16,456
Subscription liabilities	-	3,104,283	706,606	2,397,677	569,749
Total long-term liabilities	$ 102,689,841	$ 5,300,283	$ 8,420,001	$ 99,570,123	$ 8,495,248

Note 8: LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

GRT Senior Lien Revenue Bonds

At June 30, 2025, the City had one GRT senior lien revenue bonds outstanding which have been approved by the voters and issued for various municipal improvements. These bonds are liquidated by gross receipts tax revenues and paid out of the enterprise funds. The GRT senior lien revenue bonds are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Series 2016B	7/13/2016	6/1/2023	5.00%	$ 6,570,000	$ 1,255,500
Total GRT senior lien revenue bonds					$ 1,255,500

The annual requirements to amortize the senior lien revenue bonds as of June 30, 2025, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 106,500	$ 47,910	$ 154,410
2027	111,000	43,650	154,650
2028	115,500	39,210	154,710
2029	117,000	36,900	153,900
2030	121,500	32,220	153,720
2031-2035	684,000	84,300	768,300
Totals	$ 1,255,500	$ 284,190	$ 1,539,690

GRT Subordinate Lien Revenue Bonds

At June 30, 2025, the City had two GRT subordinate lien revenue bonds outstanding which have been approved by the voters and issued for various municipal improvements. These bonds are liquidated by gross receipts tax revenues and paid out of the enterprise funds. The GRT subordinate lien revenue bonds are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Series 2017	6/2/2017	6/1/2033	4.00%	$ 4,530,000	$ 2,505,000
Series 2021	12/14/2021	12/13/2026	5.00%	13,590,000	723,000
Total GRT subordinate lien revenue bonds					$ 3,228,000

Note 8: LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

The annual requirements to amortize the subordinate lien revenue bonds as of June 30, 2025, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 1,002,750	$ 117,432	$ 1,120,182
2027	290,000	73,486	363,486
2028	295,000	64,902	359,902
2029	305,000	55,786	360,786
2030	320,000	45,965	365,965
2031-2033	1,015,250	72,050	1,087,300
Totals	$ 3,228,000	$ 429,621	$ 3,657,621

Revenue Bonds

At June 30, 2025, the City had two revenue bonds outstanding, which have been approved by the voters and issued for specific improvements. These bonds are liquidated through the operations of the business-type activities for which they were issued. These revenue bonds are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Series 2015 Convention Center	4/8/2015	6/15/2035	4.00%	$ 21,287,700	$ 13,248,900
Series 2015 Parking	4/8/2015	6/15/2035	4.00%	12,502,300	7,781,100
Total revenue bonds					$ 21,030,000

Note 8: LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

The annual requirements to amortize the revenue bonds as of June 30, 2025, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 1,720,000	$ 847,024	$ 2,567,024
2027	1,810,000	759,304	2,569,304
2028	1,900,000	666,994	2,566,994
2029	1,995,000	570,094	2,565,094
2030	2,060,000	508,249	2,568,249
2031-2035	11,545,000	1,459,690	13,004,690
Totals	$ 21,030,000	$ 4,811,355	$ 25,841,355

Utility Revenue Bonds

At June 30, 2025, the City had two utility revenue bonds outstanding which have been approved by the voters for utility improvements. These bonds are liquidated through the revenues of the Water and Water and Waste Water enterprise funds. The utility revenue bonds are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
Series 2016	6/14/2016	6/1/2039	5.00%	$ 36,665,000	$ 27,945,000
Series 2019	3/20/2019	6/1/2038	5.00%	13,550,000	11,720,000
Total utility revenue bonds					$ 39,665,000

Note 8: LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

The annual requirements to amortize the revenue bonds as of June 30, 2025, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 1,855,000	$ 1,609,950	$ 3,464,950
2027	1,910,000	1,552,600	3,462,600
2028	1,975,000	1,493,250	3,468,250
2029	2,070,000	1,394,500	3,464,500
2030	2,760,000	1,291,000	4,051,000
2031-2035	15,570,000	4,628,800	20,198,800
2036-2039	13,525,000	1,613,800	15,138,800
Totals	$ 39,665,000	$ 13,583,900	$ 53,248,900

NMFA Loans

The City entered into loan agreements with the New Mexico Finance Authority, wherein the City pledged revenue from various sources to service debt. These loans are as follows:

Description	Date of Issue	Due Date	Interest Rate	Original Amount of Issue	Outstanding June 30, 2025
NMFA 2014 Fleet	12/1/2014	6/1/2026	2.59%	$ 3,500,000	$ 332,163
NMFA WPF #6319	7/25/2025	6/1/2047	0.25%	2,196,000	2,196,000
NMFA DW #2 Buckman	12/1/2008	6/1/2038	1.75%	15,150,000	3,506,931
NMFA DW #4	12/1/2013	6/1/2035	1.75%	2,525,000	1,250,401
NMFA Refunding 2019	7/12/2019	12/1/2030	3.60%	23,705,000	18,055,000
NMFA 2019 Parking	8/1/2019	6/1/2027	1.90-2.15%	1,575,000	415,000
Total NMFA loans					$ 25,755,495

The NMFA 2014 loan was secured for the purpose of purchasing transit buses. This loan will be repaid from the municipal gross receipts tax share allocated to Transit.

Note 8: LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

Buckman Direct Diversion Project Notes NMFA DW #2 and DW #4 were secured as part of the City's role as fiscal agent for the Buckman Direct Diversion Project, a regional water project. The notes were secured to partially fund construction of the Project and to partially fund a solar photovoltaic system for the Project, respectively.

The NMFA Refunding 2019 loan was a refinancing of a previous NMFA loan used to acquire and improve land, buildings, and other real property owned by the Santa Fe University of Art and Design. The debt is serviced through the payment of rent on the property to the City.

The NMFA Parking loan was secured for the purpose of building a parking structure.

The annual requirements to amortize the NMFA notes payable as of June 30, 2025, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 2,551,559	$ 752,314	$ 3,303,873
2027	2,274,127	689,878	2,964,005
2028	2,114,253	635,154	2,749,407
2029	2,169,783	582,087	2,751,870
2030	1,303,752	525,846	1,829,598
2031-2035	7,063,320	1,936,236	8,999,556
2036-2039	8,278,701	602,896	8,881,597
Totals	$ 25,755,495	$ 5,724,411	$ 31,479,906

Compensated Absences

A summary of compensated absences as of June 30, 2025 is as follows:

	Balance June 30, 2024	Change in Accounting Principle	Net Change	Balance June 30, 2025	Due Within One Year
Compensated absences					
Annual leave	$ 2,025,432	$ 1,133,171	$ (1,090,634)	$ 2,067,969	$ 620,392
Total compensated absences	$ 2,025,432	$ 1,133,171	$ (1,090,634)	$ 2,067,969	$ 620,392

Note 8: LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

Lease Liabilities- Business-Type Activities

The City's business-type activities have entered into agreements to lease equipment. The lease agreements haves been recorded at the present value of the future lease payments as of the date of their inception or, for leases existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2021.

Lease liabilities, right-of-use assets, and lease terms are as follows at June 30, 2025:

	Effective Date	End Date	Monthly Payments	Borrowing Rate	Lease Liability	Right-to-Use Lease Asset, net amortization
Golf Carts	12/9/2021	9/1/2025	6,675	0.40%	$ 16,456	$ 15,573
Total					$ 16,456	$ 15,573

Lease debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 16,456	$ -	$ 16,456
Totals	$ 16,456	$ -	$ 16,456

Subscription Liabilities

The City has 3 software arrangements that requires recognition under GASBS No. 96. The City now recognizes subscription-based information technology arrangements (SBITA) liabilities and intangible right-to-use subscription assets for various software packages and applications. The City used discount rates as detailed below for the arrangements. There are no residual value guarantees in the agreements. Subscription liabilities, right-of-use assets, and terms are as follows at June 30, 2025:

Description	Date of Issue	Due Date	Interest Rate	Liability	Right-to-use Asset, Net Amortization
Remix Tech	7/1/2024	6/30/2027	3.70%	$ 105,878	$ 100,829
Vertosoft	1/31/2025	1/30/2030	3.70%	1,350,567	1,635,666
CTS	11/4/2024	11/3/2029	3.70%	941,232	1,163,636
Total				$ 2,397,677	$ 2,900,131

Note 8: LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

Subscription debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 569,749	$ 76,662	$ 646,411
2027	597,212	54,006	651,218
2028	579,073	33,319	612,392
2029	619,392	11,187	630,579
2030	32,251	587	32,838
Totals	$ 2,397,677	$ 175,761	$ 2,573,438

Note 9: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries various insurance. The City administers its insurance coverage through the Risk Management Office. The Risk Management Fund, Santa Fe Health/Dental Fund, and Workers' Compensation Fund are reported as Internal Service funds. Premiums are paid into the funds by other funds and are available to pay claims, claim reserves, and administrative costs of the programs. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for other risks of loss. The City has had no significant reduction in insurance coverage from the prior year and, as of June 30, 2025, such interfund premiums did not exceed reimbursable expenditures.

The Risk Management Fund accounts for general liability, auto liability, public official errors and omissions, and law enforcement liability through independent conventional insurance carriers. The City is self-insured for the first $100,000 per public official errors and omissions and the first $50,000 for general and auto liability claims and law enforcement liability claims.

The Santa Fe Health/Dental Fund accounts for the self-insured program for employee health and major medical benefits. Claims are handled by a professional third-party claims administrator. The City maintains specific stop loss coverage for individual claims in excess of $225,000 and aggregate coverage of cumulative claims in excess of 125% of expected claims.

The Workers' Compensation Fund accounts for the self-insured program and for workers' compensation coverage. Claims are handled by a professional, third-party claims administrator. The City maintains specific stop loss coverage for individual claims in excess of $500,000 with a $1,000,000 statutory limit.

Note 9: RISK MANAGEMENT (Continued)

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and the damage award. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether these expenses are allocated to specific claims. Estimated recoveries, such as recoveries from salvage or subrogation, are another component of the claims liability estimated. An excess coverage insurance policy covers individual claims at various levels. Settlements have not exceeded coverage for any of the past three fiscal years. The Union Sick Leave Bank accounts for donations of leave from union employees to support other union employees in need of leave.

Changes in the balances of claim liabilities during the past two years are as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2023-2024				
Risk Management Fund	$ 4,832,280	$ 2,255,628	$ 2,124,217	$ 4,963,691
Santa Fe Health/Dental Fund	1,323,000	20,110,241	19,950,241	1,483,000
Workers' Compensation Fund	4,262,061	1,237,745	1,128,102	4,371,704
Unemployment Claims Fund	-	78,602	78,602	-
Total	$ 10,417,341	$ 23,682,216	$ 23,281,162	$ 10,818,395
2024-2025				
Risk Management Fund	$ 4,963,691	$ 6,765,411	$ 5,055,399	$ 6,673,703
Santa Fe Health/Dental Fund	1,483,000	21,687,312	21,618,312	1,552,000
Workers' Compensation Fund	4,371,704	(602,822)	249,267	3,519,615
Unemployment Claims Fund	-	33,673	33,673	-
Total	$ 10,818,395	$ 27,883,574	$ 26,956,651	$ 11,745,318

Note 10: OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

A. Deficit fund balance of individual funds are as follows for the year ended June 30, 2025.

Governmental Funds	
Nonmajor Funds	
Transportation Grant	$ (81,026)
NEA Grants	(28,984)
Total nonmajor funds	(110,010)
Total governmental funds	$ (110,010)
Internal Service Funds	
Risk Management	$ (2,442,034)
Services to Other Departments	(10,792,797)
Total internal service funds	$ (13,234,831)

Note 10: OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (Continued)

B. Actual expenditures in excess of amount budgeted at the budgetary authority level. Budgetary legal level of control is at the fund level. The City had the following funds that exceeded budget at the fund level for the year ended June 30, 2025.

Governmental Funds	
Non Major Funds	
Capital Equipment Reserve	$ 45
Franchise Fee	2
Public Campaign	66
Gross Receipts Tax	38,550
Fire Environmental Services	203
Opioid	605
Affordable Housing Trust	4,314,208
Historic Perservation Grant	34
Public Facilities Purchase	13
Land Development	250
CIP Reallocation	50
City Drainage Project	162
UNSICKLV	84
Suspense	4
Total governmental funds	$ 4,354,276

C. Designated cash appropriations in excess of available balances. The following funds had designated cash appropriations in excess of available amounts for the year ended June 30, 2025:

	Budgeted Deficit - Cash Appropriations	Beginning Year Cash & AR Available	Cash Appropriation in Excess of Available
Governmental Funds			
Major Funds			
The 1/2% Gross Receipts Tax	$ (12,818,031)	$ (7,226,995)	$ (12,818,031)
Non Major Funds			
Bond Acquisition	(1,454,507)	1,318,465	(136,042)
CIP Community Development	(2,086,901)	734,964	(1,351,937)
Proprietary Funds			
Non Major Funds			
Munreccmp	(4,309,615)	2,722,156	(1,587,459)

Note 11: PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

General Information about the Pension Plan

Plan description. The Public Employees Retirement Fund (PERA Fund) is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal Fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), and the provisions of Sections 29-4-1 through 29-4-11, NMSA 1978 governing the State Police Pension Fund, each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund, unless specifically excluded.

Benefits Provided. Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service.

The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available.

TIER II. The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least five years of service credit and the sum of the member's age and service credit equals at least 85 or at age 65 with 5 or more years of service credit. General members hired on or before June 30, 2013 (Tier I) remain eligible to retire at any age with 25 or more years of service credit. Under Tier II, police and firefighters in Plans 3, 4 and 5 are eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in Tier II may retire at age 60 with 5 or more years of service credit. Generally, under Tier II pension factors were reduced by 0.5%, employee Contribution increased 1.5 percent and effective July 1, 2014 employer contributions were raised 0.05 percent. The computation of final average salary increased as the average of salary for 60 consecutive months.

Note 11: PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

General Information about the Pension Plan (Continued)

Contributions. See PERA's Annual Comprehensive Financial Report for a summary of various statutory PERA coverage rates, for both Tier I and Tier II, on page 36 of the annual audit report at http://www.nmpera.org/financial-overview/retirement-fund-valuation-reports/. The PERA coverage options that apply to the City are: Municipal General Division. Municipal Fire Division and Municipal Police Division. Statutorily required contributions to the pension plan from the City were $13,074,770.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The total pension liability was rolled forward from the valuation date to the plan year ending June 30, 2024 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2024. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2024. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

For PERA Fund Municipal General Division, at June 30, 2025, the City reported a liability of $111,467,361 for its proportionate share of the net pension liability. At June 30, 2024, the City's proportion was 4.6712 percent, which decreased from its proportion measured as of June 30, 2023, by 0.1689 percent.

For the year ended June 30, 2025, the City recognized PERA Fund Municipal General Division pension expense of $14,799,593. At June 30, 2025, the City reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 10,586,021	$ 415,687
Net difference between projected and actual earnings on pension plan investments	4,631,867	-
Changes of assumption	3,584,027	-
Changes in proportion and differences between the City's contributions and proportionate share of contributions	1,485,504	2,164,807
City's contributions subsequent to the measurement date	7,022,669	-
Total	$ 27,310,088	$ 2,580,494

Note 11: PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

General Information about the Pension Plan (Continued)

$7,022,669 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2024 will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ 4,826,705
2026	11,752,011
2027	1,623,890
2028	(495,681)
Thereafter	-
Total	$ 17,706,925

For PERA Fund Municipal Police Division, at June 30, 2025, the City reported a liability of $43,895,526 for its proportionate share of the net pension liability. At June 30, 2024, the City's proportion was 4.1569 percent, which decreased from its proportion measured as of June 30, 2022, by 0.0731 percent.

For the year ended June 30, 2025, the City recognized PERA Fund Municipal Police Division pension expense of $7,278,848. At June 30, 2025, the City reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 4,695,871	$ -
Net difference between projected and actual earnings on pension plan investments	1,673,818	-
Changes of assumption	-	80,839
Changes in proportion and differences between the City's contributions and proportionate share of contributions	1,379,028	407,001
City's contributions subsequent to the measurement date	2,762,335	-
Total	$ 10,511,052	$ 487,840

Note 11: PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

General Information about the Pension Plan (Continued)

$2,762,335 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2024 will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ 2,553,131
2026	4,372,957
2027	510,662
2028	(175,873)
Thereafter	-
Total	$ 7,260,877

For PERA Fund Municipal Fire Division, at June 30, 2025, the City reported a liability of $61,612,319 for its proportionate share of the net pension liability. At June 30, 2024, the City's proportion was 6.3117 percent, which decreased from its proportion measured as of June 30, 2023, by 0.1283 percent.

For the year ended June 30, 2025, the City recognized PERA Fund Municipal Fire Division pension expense of $8,013,769. At June 30, 2025, the City reported PERA Fund Municipal Fire Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 5,233,422	$ -
Net difference between projected and actual earnings on pension plan investments	1,166,003	-
Changes of assumptions	37,641	-
Changes in proportion and differences between the City's contributions and proportionate share of contributions	335,470	724,485
City's contributions subsequent to the measurement date	3,289,767	-
Total	$ 10,062,303	$ 724,485

Note 11: PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

General Information about the Pension Plan (Continued)

$3,289,767 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2024 will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ 2,444,479
2026	3,340,025
2027	402,360
2028	(138,813)
Thereafter	-
Total	$ 6,048,051

Actuarial assumptions. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry Age Normal
Amortization period	25 years
Actuarial Assumptions:	
Investment rate of return, net	7.25% annual rate
Projected salary increases	3.25% to 13.50% annual rate
Includes inflation at	2.50%
Mortality assumptions	Pre-retirement mortality: PUB-2010 General Employees Mortality table, projected with the ultimate rates from the MP-2020 mortality improvement scale using a base year of 2010. For non-public safety group, 25% of inservice deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups. Post-retirement mortality (non-disabled): PUB-2010 General Mortality table, Below Median Income, projected with the ultimate rates from the MP-2020 mortality improvement scale using a base year of 2010.
Experience Study Dates	July 1, 2018 to June 30, 2023

Note 11: PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

General Information about the Pension Plan (Continued)

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2023. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2024. These assumptions were adopted by the Board use in the June 30, 2023 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

ALL FUNDS - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	46.00%	3.90%
Core Fixed Income	13.00%	2.20%
Credit	17.00%	2.30%
Absolute Return	6.00%	2.60%
Real Assets	18.00%	5.90%
Total	100.00%	

Discount rate. A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2023. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

Note 11: PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

General Information about the Pension Plan (Continued)

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

PERA Fund Municipal General Division	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	$ 160,330,971	$ 111,467,361	$ 71,073,120

PERA Fund Municipal Police Division	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	$ 63,250,911	$ 43,895,526	$ 28,145,457

PERA Fund Municipal Fire Division	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	$ 79,999,438	$ 61,612,319	$ 46,609,819

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA financial report.

Payables to the pension plan. At June 30, 2025 there were no contributions due and payable to PERA for the City.

Note 12: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

General Information about the OPEB

Plan description. Employees of the City are provided with OPEB through the Retiree Health Care Fund ("the Fund")—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority ("NMRHCA"). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act ("the Act") of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

Benefits provided. The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

Employees covered by benefit terms. At June 30, 2024, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan Membership	
Current retirees and surviving spouses	52,978
Inactive and eligible for deferred benefit	12,552
Current active members	93,595
	159,125

Active membership	
State general	18,462
State police and corrections	1,260
Municipal general	17,283
Municipal police	3,169
Municipal Fire	2,419
Educational Retirement Board	51,002
	93,595

Note 12: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

General Information about the OPEB (Continued)

Contributions – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the City were $1,902,878 for the year ended June 30, 2025.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the City reported a liability of $24,029,627 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023 and rolled forward to June 30. 2024. The City's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2024. At June 30, 2024, the City's proportion was 1.3464 percent.

For the year ended June 30, 2025, the City recognized OPEB benefit of ($7,175,928). At June 30, 2025 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 4,496,545	$ 15,238,074
Net difference between projected and actual earnings on pension plan investments	214,802	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,247,805	4,410,378
Difference between expected and actual experience	257,526	2,510,000
City's contributions subsequent to the measurement date	1,902,878	-
Total	$ 8,119,556	$ 22,158,452

Note 12: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Deferred outflows of resources totaling $1,902,878 represent the City's contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:		
2025	$	(5,566,109)
2026		(6,198,501)
2027		(3,433,844)
2028		(857,881)
2029		114,561
Total	$	(15,941,774)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions:

Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.30% for ERB members; 2.50% for PERA members.
Projected payroll increases	3.25% to 13.00%, based on years of service, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 8.5% graded down to 4.5% over 16 years for Medicare medical plan costs
Mortality	ERB members: 2020 GRS Southwest Region Teacher Mortality Table, set back one year (and scaled at 95% for males). Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. PERA members: Headcount-eighted RP-2014 Blue Collar Annuitant Mortality, set forward one year for females, projected generationally with Scale MP-2017 times 60%.

Note 12: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Rate of Return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for the long-term expected rate of return is summarized as follows:

Asset Class	Long-Term
U.S. core fixed income	1.60%
U.S. equity - large cap	6.90%
U.S. equity - small/mid cap	6.90%
Non U.S. - developed equities	7.20%
Non U.S. - emerging markets	8.70%
Private equity	9.90%
Credit and structured finance	3.70%
Absolute return	3.20%
Real estate	3.60%

Discount Rate. The discount rate used to measure the Fund's total OPEB liability is 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. The 7.00% discount rate, which includes the assumed inflation rate of 2.50% for PERA members, was used to calculate the net OPEB liability.

Note 12: OTHER POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

***Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates*.** The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
$ 30,302,940	$ 24,029,627	$ 18,887,126

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

1% Decrease	Current Trend Rates	1% Increase
$ 18,569,835	$ 24,029,627	$ 38,051,053

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2024.

Payable Changes in the Net OPEB Liability. At June 30, 2025, the City did not have amounts payable to the NMRHCA.

Note 13: CONTINGENT LIABILITIES

The City is party to various claims and lawsuits arising in the normal course of business. The City Attorney's Office is involved in several legal actions arising from the ordinary course of operations. With respect to these actions, the City Attorney's Office believes the outcomes will not have a material adverse effect on the City's financial position.

Note 14: JOINTLY GOVERNED ORGANIZATIONS

Under authorization of the New Mexico State Statute 11-1-1, the City of Santa Fe joined the County of Santa Fe to jointly undertake their powers to dispose of solid waste as mandated by state and federal regulations and provide a more efficient and cost-effective method of solid waste disposal to the City and County citizens. The Solid Waste Management Agency was established February 1995, as a public entity separate from the City or the County. The Board of Directors for the joint venture consists of three members who are appointed by the City's mayor with the approval of the City Council and three members who are appointed by the Board of County Commissioners. The Agency is charged to comply with all laws, rules, and regulations of operations under the permit issued from the New Mexico Environment Department.

The Solid Waste Management Agency has its own financial statements as a separate entity, audited on an annual basis. The City serves as the fiscal agent for the agency. Completed financial statements for the Agency may be obtained at the Santa Fe Solid Waste Management Agency, 149 Wildlife Way, Santa Fe, NM 87506.

Under a joint powers agreement for the Buckman Direct Diversion Project (BDD) dated January 11, 2005, the City of Santa Fe joined the County of Santa Fe to design and construct the BDD project in order to divert surface water from the Rio Grande to the independent water systems of the City and County. The City and County each own 50 percent of the BDD project and have established a board to oversee the planning, procurement, financing, permitting, design, construction, operations, and management of the BDD project. The BDD board is comprised of two members of the governing body of the City of Santa Fe, two members of the board of Santa Fe County commissioners and one citizen member at large appointed by a majority vote of the four other members. The project is essentially complete as of December 2010. First water delivery was approved to enter the Santa Fe region water systems as of January 2011 by the New Mexico Environment Department. The City of Santa Fe and Santa Fe County are responsible on an ongoing basis for financial and operating costs of the system. The City is a fiscal agent for the project through a project management and fiscal services agreement in effect through December 2015, and month to month thereafter until a new Fiscal Agent agreement is finalized or terminated by either party. Fiscal services include maintaining separate books and accounts of all transactions that relate to the project including third party transactions. The BDD project has its own financial statements and is audited on an annual basis. Completed financial statements for the BDD project may be obtained from: City of Santa Fe, P.O. Box 909, Santa Fe, NM 87504-0909.

The City of Santa Fe appoints open board positions for the Santa Fe Housing Authority, a related organization. The Housing Authority is not financially accountable to the City. The City leases certain land to the Housing Authority for $1 per year, providing significant in kind support to the Housing Authority for its operations. No other transactions between the organizations occurred.

Note 15: RESTRICTED NET POSITION

The government-wide statement of net position reports $129,967,734 of restricted net position for governmental activities, all of which is restricted by enabling legislation. For descriptions of the related enabling legislation for special revenue, capital projects, and debt service funds, see pages 62-63 and 146-149.

Note 16: FUND BALANCE

Fund balances on the modified accrual basis were classified as follows as of June 30, 2025:

	General Fund	1/2% Gross Receipts Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances				
Nonspendable				
Inventories	$ 81,149	$ -	$ -	$ 81,149
Restricted for				
General government	-	-	27,328,908	27,328,908
Public safety	-	-	24,449,618	24,449,618
Public works	-	-	17,020,464	17,020,464
Community development	-		15,232,320	15,232,320
Culture and recreation	-	-	4,576,822	4,576,822
Capital projects	-	11,250,092	30,025,841	41,275,933
Debt service	-	-	4,301,951	4,301,951
Unassigned (deficit)	54,296,150	-	(110,010)	54,186,140
Total fund balances	$ 54,377,299	$ 11,250,092	$ 122,825,914	$ 188,453,305

Note 17: TAX ABATEMENTS

The City has entered into several agreements with entities pursuant to the NMSA 3-32-1 through 3-32-16 Municipal Bond Act for the purpose of promoting industry and trade by inducing manufacturing, industrial, and commercial enterprises to locate or expand in the state. The City has abated certain taxes as terms of the agreements. As required by GASB Statement No. 77, *Tax Abatement Disclosure*, the City has provided the disclosure of agreements and abated taxes, as well as agreement entered into by other governments and entities who abated taxes that affected the City.

Agency Number	6160
Agency Name	City of Santa Fe, New Mexico
Agency Type	Municipality
Tax Abatement Agreement Name	Ridgetop Road, LLC IRB
Recipient(s) of tax abatement	Ridgetop Road, LLC
Parent company(ies) of recipient(s) of tax abatement	Thornburg Investment Management
Tax abatement program (name and brief description)	Industrial Revenue Bond for the construction of the Thornburg Campus
Specific Tax(es) Being Abated	Property Tax
Legal authority under which tax abatement agreement was entered into	NMSA 1978, Sections 3-32-1 to 3-32-16, Industrial Revenue Bond Act.
Criteria that make a recipient eligible to receive a tax abatement	Construction of a "new" non-speculative office building not engaged in the sale of goods or commodities.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Title to the facility is held by the City of Santa Fe and not on the County Assessors tax role thereby eliminating property tax.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	The property is held in the City (Issuers name) and not on the County's tax roll. Therefore no property tax is levied on the facility.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Section 4.17 of the lease specifies, in the event the Lessee ceases operations of the facilities (other than a temporary cessation not exceeding 60 days, during holiday periods, for maintenance and retooling, or because of short-term slack demand or other similar circumstances, or for such reasonable periods as my be required for the repair of facilities destroyed or damaged by casualty or resulting from labor dispute) with five years after the issuance of the Bond, the Lessee will pay tot he Issuer, within 90 days of such termination or such cessation, an amount equal to (i) that percentage of the ad valorem taxes on real and personal Project Property that the Lessee would have been required to pay if the Bond had not between issued by the Issuer and the Project Property had been subject to the ad valorem taxation, calculated using mill levies and actual property tax valuations and rates for each tax year, plus (ii) the Applicable Percentage of the amount of gross receipts tax that would have been payable by vendors of Project Property if the Bond had not been issued and receipts from sales or Project Property had not been deductible from gross receipts of the vendors, plus (iii) the Applicable Percentage of the amount of compensating tax that would have been payable by the Lessee with respect to Project Property if the bond had not been issued.

Note 17: TAX ABATEMENTS (Continued)

Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	$50,551.85
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	The authority is provided for in the lease agreement between the City and Ridgetop Road, LLC. Every four years, starting in 2009, Ridgetop Road, LLC will have an appraisal done on the subject property which will be use for the next four years as basis for the PILOT. Using the School district property tax rate stated on the County of Santa Fe Certificate of Property Tax Rates in Mills, the mill rate is multiplied by the appraised property value. Thornburg, in compliance with New Mexico statute methodology regarding business personal property provides the City with its valuation estimate annually. That valuation is the basis to calculate the property tax. Then the two taxes are added together and a check is sent to the City. In turn, the City transfers the exact payment on to the Santa Fe Public Schools.
List each specific commitment made by your agency or any other government, other than the tax abatement.	1. The Issuer has authorized the execution, delivery and performance of the Bond Documents and the issuance of the Bond all for the purpose of financing the project and paying certain costs related to the issuance of the Bond. 2. That the City will sell the property at the expiration or sooner termination of the agreement. 3. Assignment of Rights, the City will assign certain rights to RRLLC. 4. Will not sell, transfer, assign or convey its rights, title, or interests in this agreement or property.
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes. County of Santa Fe, Santa Fe Community College, State of New Mexico, Santa Fe Public Schools.
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	NA

Agency Number	6160
Agency Name	City of Santa Fe, New Mexico
Agency Type	Municipality
Tax Abatement Agreement Name	El Castillo Retirement Residences
Recipient(s) of tax abatement	El Castillo Retirement Residences
Parent company(ies) of recipient(s) of tax abatement	El Castillo Retirement Residences

Note 17: TAX ABATEMENTS (Continued)

Tax abatement program (name and brief description)	Industrial Revenue Bond for the construction of an adult residential retirement facility to be located at 401 Old Taos Highway, Santa Fe, NM.
Specific Tax(es) Being Abated	Property Tax
Legal authority under which tax abatement agreement was entered into	NMSA 1978, Sections 3-32-1 to 3-32-16, Industrial Revenue Bond Act.
Criteria that make a recipient eligible to receive a tax abatement	New Mexico Industrial Revenue Bond Act, Chapter 3, Article 32 NMSA 1978, as amended (the "Act") to issue industrial revenue bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to pay, among other things, the cost of acquisition, construction and installation of certain facilities constituting a 501(c) (3) corporation project (as defined und the Act) and for the purposes of refinancing a 501(c)(3) corporation project in accordance with Section 3-32-6 NMSA 1978
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	The Obligor conveys all of its right, title and interest in project to Issuer. Please see section 3.2 of Lease.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	See Appraisal schedule in Section 3.10 (A). The appraised value as determined by lease will be multiplied by the individual government entity's property tax mill rate annually.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Section 3.11 Clawback Provisions dictates the schedule and reasons when the Obligor would need to repay abated property taxes based on criteria listed in this section.
List each specific commitment made by the recipient of the abatement.	See Section 3.11 for a detailed List. Subsection A, Closing the facilities within the first five years on a declining percentage. Subsection B, Job Creation Minimum Requirements in a detailed table.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	$23,408
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	The authority is provided for in the lease agreement between the Obligor and Issuer in Section 3.10 Section which states the value in which the rate is applied and the duration of the PILOT. For the first five years the Obligor will pay 100% of property tax abated to SFPS and Santa Fe Community College and will pay 100% of all property tax abated (State, City, County, School District, and Community College) from 2024-2048
List each specific commitment made by your agency or any other government, other than the tax abatement.	1. The Issuer has authorized the execution, delivery and performance of the Bond Documents and the issuance of the Bond all for the purpose of financing the project and paying certain costs related to the issuance of the Bond. 2. That the City will convey the property at the expiration or sooner termination of the agreement; will at the expense of the Obligor make all filings required, will not take any action related to the Series 2019 Project and Bonds and proceeds of the boasts that is not provided for this Agreement or Bond Indenture without the written consent of the Obligor and an opinion of the Bond Counsel.
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes. County of Santa Fe, Santa Fe Community College, State of New Mexico, Santa Fe Public Schools
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	NA

Note 18: CONCENTRATIONS

The City depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the City is subject to changes in the specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Note 19: CONDUIT DEBT OBLIGATIONS

The City of Santa Fe has issued Industrial Revenue Bonds to provide financial assistance to private-sector and nonprofit entities for the acquisition and construction of industrial, commercial, educational, and health care facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received from the entities involved. Upon repayment of the bonds, ownership of the acquired facilities transfers to the entity served by the bond issuance. Neither the City nor the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

In the normal course of operations, the City receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

Note 20: SUBSEQUENT EVENTS

On August 14, 2024, the City's Governing Body approved a resolution to submit to the November 5, 2024 General Election ballot a question of the issuance of its general obligation bonds in the maximum principal amount of $25 million to be repaid from property taxes for the purpose of improving roads and streets within the City. The bond question was approved by voters and was issued in August of 2025.

On August 14, 2024, the City's Governing Body adopted an ordinance authorizing the City to enter into a loan agreement with the New Mexico Environment Department (NMED) for the purpose of obtaining project loan funds in the amount of up to $151 million, plus accrued interest, to assist in financing improvements to the City's Water, Waste Water and Environmental Services public utility systems. The loan agreements were executed in July of 2025. The project loan funds consist of three loans. The first is a $114 million line of credit for four projects: UV Disinfection Replacement, Waste Water Collection Division Equip and Admin, Sanitary Sewer Line Repair, and WasteW ater Treatment Plan Repair and Rehabilitation. The second consists of $17 million line of credit for the Nichols Dam Outlet Works Rehabilitation. The third is a $20 million line of credit for the maintenance of the Administrative Building.

Note 20: SUBSEQUENT EVENTS (Continued)

The loan principal and interest will be repaid with pledged revenues from the Water Management, Waste Water Management and Environmental Services enterprise funds. The lines of credit carry an interest rate of 0.01% and are available for three years. Repayment terms will be further defined upon issuance of the final loan agreements.

The City entered into two new NMFA State Water Trust Board Project loan/grant agreements subsequent to June 30, 2025. The first, WPF-6316, was executed in August of 2025 in the amount of $5.5 million ($2.2 million loan and $3.3 million grant). The loan proceeds are to be used for improvements to the Nichols Dam Outlet Conduit. The second, WPF 6315, was executed in October of 2025 in the amount of $2 million ($800k loan and $1.2 million grant). The loan and grant proceeds are to be used for the design of the San Juan-Chama Return Flow Pipeline. Both loans carry an interest rate of 0.25% and mature in June of 2047.

REQUIRED SUPPLEMENTARY INFORMATION

City of Santa Fe, New Mexico
Schedule of the City's Proportionate Share of the Net Pension Liability of PERA Fund
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years

	June 30,			
Fiscal Year	**2025**	**2024**	**2023**	**2022**
Measurement Date	**2024**	**2023**	**2022**	**2021**
City of Santa Fe's proportion of the net pension liability				
Municipal General	4.67%	4.84%	4.63%	4.61%
Municipal Police	4.16%	4.23%	3.78%	3.74%
Municipal Fire	6.31%	6.44%	6.45%	6.14%
City of Santa Fe's proportionate share of the net pension liability				
Municipal General	$ 111,467,361	$ 102,554,027	$ 82,172,010	$ 51,959,877
Municipal Police	43,895,526	40,803,876	30,394,382	19,337,294
Municipal Fire	61,612,319	57,993,806	48,951,798	37,243,200
	$ 216,975,206	$ 201,351,709	$ 161,518,190	$ 108,540,371
City of Santa Fe's covered payroll				
Municipal General	$ 56,249,517	$ 52,773,846	$ 45,070,560	$ 44,932,990
Municipal Police	11,846,697	11,361,204	9,212,824	8,662,615
Municipal Fire	12,410,269	11,036,366	10,096,995	8,408,680
	$ 80,506,483	$ 75,171,416	$ 64,380,379	$ 62,004,285
City of Santa Fe's proportionate share of the net pension liability as a percentage of its covered payroll				
Municipal General	198.17%	194.33%	182.32%	115.64%
Municipal Police	370.53%	359.15%	329.91%	223.23%
Municipal Fire	496.46%	525.48%	484.82%	442.91%
Plan fiduciary net position as a percentage of the total				
Municipal General	66.00%	67.26%	69.35%	77.25%
Municipal Police	66.00%	67.26%	69.35%	77.25%
Municipal Fire	66.00%	67.26%	69.35%	77.25%

City of Santa Fe, New Mexico
Schedule of the City's Proportionate Share of
the Net Pension Liability of PERA Fund
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years (Continued)

	June 30,					
	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015
	4.98%	5.04%	5.04%	5.26%	5.28%	5.46%
	3.91%	4.01%	4.51%	4.73%	4.49%	4.71%
	6.38%	6.44%	6.64%	6.76%	7.07%	6.89%
	$ 100,650,298	$ 87,167,781	$ 80,279,724	$ 72,228,756	$ 84,294,324	$ 55,705,113
	33,544,013	29,585,909	30,741,220	26,273,806	33,098,305	22,640,627
	48,260,429	44,258,054	42,523,848	38,675,254	47,146,743	35,553,318
	$ 182,454,740	$ 161,011,744	$ 153,544,792	$ 137,177,816	$ 164,539,372	$ 113,899,058
	$ 43,261,864	$ 45,942,073	$ 46,293,968	$ 46,164,487	$ 45,175,990	$ 45,329,706
	8,256,683	8,909,101	7,518,896	9,746,730	8,900,280	9,228,017
	7,980,522	8,569,312	8,442,319	7,848,810	7,848,810	7,848,819
	$ 59,499,069	$ 63,420,486	$ 62,255,183	$ 63,760,027	$ 61,925,080	$ 62,406,542
	232.65%	189.73%	173.41%	156.46%	186.59%	122.89%
	406.26%	332.09%	408.85%	269.57%	371.88%	245.35%
	604.73%	516.47%	503.70%	492.75%	600.69%	452.98%
	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%
	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%
	70.30%	70.52%	71.13%	73.74%	69.18%	76.99%

City of Santa Fe, New Mexico
Schedule of the City's Contributions
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years*

As of and for the Year Ended June 30,	2025	2024	2023	2022
Contractually required contribution				
Municipal General	$ 7,022,669	$ 6,580,131	$ 5,422,738	$ 4,417,264
Municipal Police	2,762,335	2,166,919	2,168,646	1,764,256
Municipal Fire	3,289,767	2,542,908	2,544,910	2,211,188
	$ 13,074,770	$ 11,289,958	$ 10,136,294	$ 8,392,708
Contributions in relation to the contractually required				
Municipal General	$ (7,022,669)	$ (6,580,131)	$ (5,422,738)	$ (4,417,264)
Municipal Police	(2,762,335)	(2,166,919)	(2,168,646)	(1,764,256)
Municipal Fire	(3,289,767)	(2,542,908)	(2,544,910)	(2,211,188)
	$ (13,074,770)	$ (11,289,958)	$ (10,136,294)	$ (8,392,708)
Contribution deficiency (excess)				
Municipal General	$ -	$ -	$ -	$ -
Municipal Police	-	-	-	-
Municipal Fire	-	-	-	-
	$ -	$ -	$ -	$ -
City of Santa Fe's covered payroll				
Municipal General	$ 61,698,702	$ 56,249,517	$ 52,773,846	$ 45,070,560
Municipal Police	13,416,603	11,846,697	11,361,204	9,212,824
Municipal Fire	14,525,155	12,410,269	11,036,366	10,096,995
	$ 89,640,460	$ 80,506,483	$ 75,171,416	$ 64,380,379
Contributions as a percentage of covered payroll				
Municipal General	11.30%	10.80%	10.30%	9.80%
Municipal Police	23.40%	22.90%	22.40%	19.15%
Municipal Fire	20.65%	20.15%	19.65%	21.90%

City of Santa Fe, New Mexico
Schedule of the City's Contributions
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years* (Continued)

	2021	2020	2019	2018	2017	2016
	$ 4,403,433	$ 4,131,508	$ 4,387,468	$ 4,421,074	$ 4,408,708	$ 4,167,065
	1,663,222	1,560,513	1,683,820	1,799,071	1,842,132	1,682,505
	1,841,501	1,727,783	1,855,256	1,827,762	1,773,462	1,682,505
	$ 7,908,156	$ 7,419,804	$ 7,926,544	$ 8,047,907	$ 8,024,302	$ 7,532,075
	$ (4,403,433)	$ (4,131,508)	$ (4,387,468)	$ (4,421,074)	$ (4,408,708)	$ (4,167,065)
	(1,663,222)	(1,560,513)	(1,683,820)	(1,799,071)	(1,842,132)	(1,682,505)
	(1,841,501)	(1,727,783)	(1,855,256)	(1,827,762)	(1,773,462)	(1,682,505)
	$ (7,908,156)	$ (7,419,804)	$ (7,926,544)	$ (8,047,907)	$ (8,024,302)	$ (7,532,075)
	$ -	$ -	$ -	$ -	$ -	$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -	$ -
	$ 44,932,990	$ 43,261,864	$ 45,942,073	$ 46,293,968	$ 46,164,487	$ 45,175,990
	8,662,615	8,256,683	8,909,101	7,518,896	9,746,730	8,900,280
	8,408,680	7,980,522	8,569,312	8,442,319	7,848,810	7,848,810
	$ 62,004,285	$ 59,499,069	$ 63,420,486	$ 62,255,183	$ 63,760,027	$ 61,925,080
	9.80%	9.80%	9.55%	9.55%	9.55%	9.55%
	19.15%	19.15%	18.90%	18.90%	18.90%	18.90%
	21.90%	21.90%	21.65%	21.65%	21.65%	21.65%

City of Santa Fe, New Mexico
Schedule of Employer's Proportionate Share of the Net OPEB Liability of New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years*

	June 30,		
Fiscal Year	**2025**	**2024**	**2023**
Measurement Date	**2024**	**2023**	**2022**
City of Santa Fe's proportion of the net OPEB liability	1.34635%	1.39710%	1.34735%
City of Santa Fe's proportionate share of the net OPEB liability	$ 24,029,627	$ 23,791,710	$ 31,145,376
City of Santa Fe's covered-employee payroll	79,838,999	74,563,014	63,772,953
City of Santa Fe's proportionate share of the net OPEB liability as a percentage of its covered payroll	30.10%	31.91%	48.84%
Plan fiduciary net position as a percentage of the total OPEB liability	46.99%	44.16%	33.33%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

City of Santa Fe, New Mexico
Schedule of Employer's Proportionate Share of the Net OPEB Liability of New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years* (Continued)

June 30,				
2022 2021	2021 2020	2020 2019	2019 2018	2018 2017
1.36373%	1.44720%	1.57395%	1.60610%	1.54336%
$ 44,871,488	$ 60,766,670	$ 49,562,956	$ 69,838,711	$ 69,732,971
62,040,365	59,640,075	61,730,000	64,392,990	61,850,783
72.33%	101.89%	80.29%	108.18%	108.79%
25.39%	16.50%	18.92%	11.34%	11.34%

City of Santa Fe, New Mexico
Schedule of Employer Contributions
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years*

As of and for the Year Ended June 30,	2025	2024	2023
Contractually required contributions	$ 1,902,878	$ 1,759,581	$ 1,600,216
Contributions in relation to the contractually required contribution	(1,902,878)	(1,759,581)	(1,600,216)
Contribution deficiency (excess)	$ -	$ -	$ -
City of Santa Fe's covered payroll	$ 88,435,824	$ 79,838,999	$ 74,563,014
Contributions as a percentage of covered payroll	2.00%	2.00%	2.00%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

City of Santa Fe, New Mexico
Schedule of Employer Contributions
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years* (Continued)

2022	2021	2020	2019	2018
$ 1,352,060	$ 1,328,945	$ 1,277,038	$ 1,321,022	$ 1,375,677
(1,352,060)	(1,328,945)	(1,277,038)	(1,321,022)	(1,375,677)
$ -	$ -	$ -	$ -	$ -
$ 63,772,953	$ 62,040,365	$ 59,640,075	$ 61,730,000	$ 64,392,990
2.00%	2.00%	2.00%	2.00%	2.00%

Public Employees Retirement Association (PERA) Plan

Changes of benefit terms. The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA ACFR available at https://www.nmpera.org/financial-overview.

Changes in Assumptions. The Public Employees Retirement Association of New Mexico Annual Actuarial Valuations as of June 30, 2024 report is available at https://www.nmpera.org/financial-overview/retirement-fund-valuation-reports/.

New Mexico Retiree Health Care Authority (MRHCA)

In the total OPEB liability measured at June 30, 2024, changes in assumptions include adjustments resulting from an increase in the discount rate from 6.22% to 7.00%.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

Capital Equipment Reserve – to account for proceeds from the sale of City-owned assets and for transfers for contingent purposes. Council Directive.

Franchise Fee Fund – to account for proceeds from the franchise fee collected from Comcast. NMSA 1978 Article 38 Licenses and Taxes 3-38-1

Economic Development – to account for funds designated to promote business in Santa Fe. Section 5-10-1 to 13 NMSA 1978

Lodgers' Tax Fund – to account for taxes raised from the special Lodgers' Tax per Ordinance Nos. 1969-13 and 1987-45. Revenues are utilized for promotion of tourist development, advertising, and future improvements to the convention center. Section 3-8-13 to 24 NMSA 1978

Public Campaign Financing – to account for contributions given to any candidate who is seeking election to a Santa Fe City municipal office. Ordinance Nos. 2009-44 and 2011-28

Gross Receipts Tax Fund - to account for the City's portion of gross receipts taxes collected by the state of New Mexico per Ordinance No. 1981-45. These proceeds are used for various City functions. Section 7-9-10 to 18 NMSA 1978.

Animal Services – to account for revenues related to regulation and control of animal services. Section 3-18-3 NMSA 1978

Emergency Services – to account for grants from the state of New Mexico. The grants are used to upgrade emergency medical services. Section 24-lOA-1 to 9 NMSA 1978

Fire Environmental Services – to account for City and grant monies received for the purpose of clearing wild land areas within the City of Santa Fe to reduce fire danger. City Ordinance 7-19D-10.

Law Enforcement – to account for City and grant funds and service charges received for the purpose of developing public awareness on crime prevention, administering DWI programs, and public safety related expenditures. Section 29-13-1 to 9 NMSA 1978.

Opioid – to account for the proceeds of the National Opioid Settlement. The nationwide settlements were reached to resolve opioid litigation brought by states and local political subdivisions against opioid manufacturers, distributors, and retailers for actions contributing to the opioid epidemic. The allocation of settlement funds from the state Opioid Settlement Restricted Fund (NMSA 2023 Section 6-4-28 to 6-4-29) is governed by the New Mexico Opioid Allocation Agreement, which requires a separate fund to be created and used only on opioid related expenditures.

SPECIAL REVENUE FUNDS (Continued)

Resource Conservation Fund – to account for the installation of energy saving equipment at various City buildings.

City Drainage Fund – to account for expenditures related to drainage projects. Santa Fe City Code Chapter XIII – STORMWATER UTILITY / 13-1 STORMWATER UTILITY SERVICE CHARGE / 13.1.7

Impact Fee Fund – to account for the collection of arterial, parks, police, and fire impact fees and signalization impact fees collected by the City and the projects they fund. Section 5-8-4 NMSA 1978.

Transportation Grants – to account for grant funds received through the state of New Mexico for purposes of designing and implementing multi-modal transportation planning programs. Section 3-52-14 NMSA 1978.

Community Development Grants – to account for the City's federal, and state grant awards. These funds are used for various projects such as homebuyer's assistance, emergency shelter for the homeless, and other community development projects. Section 3-60-26 NMSA 1978.

Senior Citizen Grants/Programs – to account for federal and state grant funds used to operate programs providing social services, in-home services, meals, transportation, and companionship to senior citizens. Section 28-4-1 NMSA 1978

Historic Preservation – to account for funding received through the state of New Mexico for the purpose of performing archaeological and historic surveys. Section 18-8-4 NMSA 1978

Affordable Housing Trust – to account for the costs of acquisition, development, construction, renovation or conversion, financing, operation or owning affordable housing or infrastructure to support affordable housing which meets agreed upon community housing goals and objectives. Ord. #2007-23, § 5; Ord. #2019-30, § 13.

Library– to account for a grant from the state of New Mexico for library development purposes. Section 18-2-5 NMSA 1978

NEA Grants – funds distributed into the public schools through the Santa Fe Partners in Education.

Plaza Use Fund – to account for funds appropriated for planning the use of the Plaza area. This fund was established by Resolution No. 1981-19.

Public Facilities Fund – to account for money donated by subdividers in lieu of land contributions per Ordinance No. 1982-11. State law requires the contributions from subdividers in order to enable the development of public facilities in new subdivisions.

SPECIAL REVENUE FUNDS (Continued)

Quality of Life– to account for a portion of gross receipts taxes collected by the State of New Mexico per Ordinance No. 1993-40. The proceeds are used to fund projects in the areas of recreation, open space acquisition, libraries, and parks.

Recreation Programs – to account for 1) the portion of the state-shared gross receipts tax received by the City and required by state law to be used for recreation purposes, and 2) a U.S. Department of Agriculture grant used to provide lunches to children who are participants in the summer recreation program. Sections 7-1-6 .1 lA and 7-12-15 & 16 NMSA 1978

Land Development – to account for the sale and construction of affordable housing associated with mortgage agreements. Santa Fe City Code Chapter 14 – LAND DEVELOPMENT / City Code Chapter 11 – FINANCE AND BUDGET / NMSA Chapter 3 – MUNICIPALITIES.

Special Recreation Leagues – to account for the assets, investment earnings, and operations of various City-sponsored recreation leagues. Santa Fe City Code Chapter XXIII STREETS, SIDEWALKS AND PUBLIC PLACES / 23-4.13 City Sports Fields; league and school fees; requirements.

SF Film Office – To account for the funding of the Santa Fe Regional Film Office, overseen by the City in contribution with Santa Fe County in accordance with MOA 2021-0121-CMO/BT.

CAPITAL PROJECT FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital projects other than those financed by proprietary funds.

Capital Improvement Projects (CIP) Reallocation Fund - to account for accumulating interest earnings and savings on CIP to be used for other capital improvement projects as approved by the City Council.

Resource Conservation - to account for the installation of energy saving equipment at various City buildings.

Facilities CIP - to account for renovations to various City buildings.

Special Projects - to account for the cost of the City's web-based financial system.

City Street Projects - to account for the design of street construction projects.

Bond Acquisition - to account for the proceeds of the City Gross Receipts Tax Revenues Bond issues designated to fund various capital improvement projects.

City Drainage Projects - to account for the design and construction of erosion control for various City drainage and river embankment projects.

CAPITAL PROJECT FUNDS (CONTINUED)

CIP Community Development - to account for projects pertaining to the City's community development.

Art for CIP Projects - to account for the financing of art in public places.

City Parks and Trails Improvements - to account for improvements to existing City parks and trails as well as construction of future parks.

Library Improvements - *to account for the design and renovation of the City's libraries.*

DEBT SERVICE FUNDS

Debt Service – to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

City of Santa Fe, New Mexico
Combining Balance Sheet – Nonmajor Governmental Funds

June 30, 2025	Special Revenue: Capital Equipment Reserve	Special Revenue: Franchise Fee	Special Revenue: Economic Development
Assets			
Cash and cash equivalents	$ 472,512	$ 25,699	$ 6,758,599
Receivables			
Taxes	-	26,584	122,142
Intergovernmental	-	-	200,000
Other, net	54,000	-	48,211
Leases	-	-	3,381,008
Total assets	$ 526,512	$ 52,283	$ 10,509,960
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	$ -	$ -	$ 919,279
Pooled Cash - Cash Overdrawn	-	-	-
Accrued payroll	-	-	13,249
Unearned Revenue	-	-	20,000
Deposits held in trust for others	-	-	19,285
Other Current Liabilities	-	-	2,000
Total liabilities	-	-	973,813
Deferred inflows of resources			
Unavailable revenue - leases	-	-	3,171,346
Property Taxes	-	-	-
Unavailable revenue - other	-	-	50,775
Total deferred inflows of resources	-	-	3,222,121
Fund balances			
Spendable			
Restricted	526,512	52,283	6,314,026
Unassigned (deficit)	-	-	-
Total fund balances	526,512	52,283	6,314,026
Total liabilities, deferred inflows of resources, and fund balances	$ 526,512	$ 52,283	$ 10,509,960

City of Santa Fe, New Mexico
Combining Balance Sheet –
Nonmajor Governmental Funds (Continued)

	Special Revenue					
Lodger's Tax	Public Campaign Financing	Gross Receipts Tax	Animal Services	Emergency Services	Fire Environmental Service
$ 14,584,326	$ 690,734	$ 1,014,063	$ 117,909	$ 4,074,205	$ 2,094,221
1,745,620	-	3,737,525	-	-	-
-	-	-	-	1,620,522	124,208
12,121	-	-	-	-	-
-	-	-	-	-	-
$ 16,342,067	$ 690,734	$ 4,751,588	$ 117,909	$ 5,694,727	$ 2,218,429
$ 670,428	$ -	$ 98,756	$ -	$ 87,475	$ -
-	-	-	-	-	-
83,021	-	-	-	-	-
84,690	-	-	-	695,269	-
5,500	-	-	-	-	-
-	-	10,625	-	-	-
843,639	-	109,381	-	782,744	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,498,428	690,734	4,642,207	117,909	4,911,983	2,218,429
-	-	-	-	-	-
15,498,428	690,734	4,642,207	117,909	4,911,983	2,218,429
$ 16,342,067	$ 690,734	$ 4,751,588	$ 117,909	$ 5,694,727	$ 2,218,429

(Continued)

City of Santa Fe, New Mexico
Combining Balance Sheet –
Nonmajor Governmental Funds (Continued)

June 30, 2025	Special Revenue: Law Enforcement	Special Revenue: Opioid	Special Revenue: Resource Conservation
Assets			
Cash and cash equivalents	$ 7,637,371	$ 6,243,022	$ 1,029,385
Receivables			
Taxes	622,920	-	-
Intergovernmental	159,979	-	-
Other, net	492,870	2,591,066	-
Leases	-	-	-
Total assets	$ 8,913,140	$ 8,834,088	$ 1,029,385
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	$ 497,900	$ -	$ -
Pooled Cash - Cash Overdrawn	-	-	-
Accrued payroll	12,014	-	-
Unearned Revenue	12,839	-	-
Deposits held in trust for others	-	-	-
Other Current Liabilities	23,178	-	-
Total liabilities	545,931	-	-
Deferred inflows of resources			
Unavailable revenue - leases	-	-	-
Property Taxes	-	-	-
Unavailable revenue - other	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances			
Spendable			
Restricted	8,367,209	8,834,088	1,029,385
Unassigned (deficit)	-	-	-
Total fund balances	8,367,209	8,834,088	1,029,385
Total liabilities, deferred inflows of resources, and fund balances	$ 8,913,140	$ 8,834,088	$ 1,029,385

City of Santa Fe, New Mexico
Combining Balance Sheet –
Nonmajor Governmental Funds (Continued)

	Special Revenue					
City Drainage	Impact Fee	Transportation Grants	(Formerly Major) Community Development Grants	Senior Citizen Grants/ Programs	Affordable Housing Trust
$ 10,520,135	$ 5,510,013	$ -	$ 20,421,487	-	$ 1,374,737
-	-	-	244,283	-	-
128,288	-	168,750	937,431	237,997	-
191,775	-	3,569	-	-	-
-	-	-	-	-	-
$ 10,840,198	$ 5,510,013	$ 172,319	$ 21,603,201	$ 237,997	$ 1,374,737
$ 243,717	$ -	$ 79,006	$ 2,233,276	$ 60,334	$ -
-	-	167,047	-	41,171	-
13,093	2,582	7,292	4,019	92,482	-
87,740	-	-	4,913,802	-	-
-	-	-	638,531	-	-
-	12,000	-	-	-	-
344,550	14,582	253,345	7,789,628	193,987	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
10,495,648	5,495,431	-	13,813,573	44,010	1,374,737
-	-	(81,026)	-	-	-
10,495,648	5,495,431	(81,026)	13,813,573	44,010	1,374,737
$ 10,840,198	$ 5,510,013	$ 172,319	$ 21,603,201	$ 237,997	$ 1,374,737

(Continued)

City of Santa Fe, New Mexico
Combining Balance Sheet –
Nonmajor Governmental Funds (Continued)

June 30, 2025	Special Revenue: Historic Preservation	Special Revenue: Library	Special Revenue: NEA Grants
Assets			
Cash and cash equivalents	$ 353,788	$ 842,975	$ -
Receivables			
Taxes	-	-	-
Intergovernmental	-	-	-
Other, net	-	25,000	-
Leases	-	-	-
Total assets	$ 353,788	$ 867,975	$ -
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	$ -	$ 1,843	$ -
Pooled Cash - Cash Overdrawn	-	-	28,984
Accrued payroll	-	25,066	-
Unearned Revenue	-	-	-
Deposits held in trust for others	-	-	-
Other Current Liabilities	-	-	-
Total liabilities	-	26,909	28,984
Deferred inflows of resources			
Unavailable revenue - leases	-	-	-
Property Taxes	-	-	-
Unavailable revenue - other	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances			
Spendable			
Restricted	353,788	841,066	-
Unassigned (deficit)	-	-	(28,984)
Total fund balances	353,788	841,066	(28,984)
Total liabilities, deferred inflows of resources, and fund balances	$ 353,788	$ 867,975	$ -

Special Revenue						
Plaza Use	Public Facilities	Quality of Life	Recreation Programs	Land Development	Special Recreation Leagues
$ 159,901	$ 135,951	$ 415,396	$ 1,962,389	$ 2,585,519	$ 124,793
-	-	-	366,425	-	-
-	-	-	-	-	-
75	-	-	-	-	-
-	-	-	-	-	-
$ 159,976	$ 135,951	$ 415,396	$ 2,328,814	$ 2,585,519	$ 124,793
$ 5,633	$ -	$ 29,856	$ 91,706	$ -	$ -
-	-	-	-	-	-
-	-	-	121,137	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,633	-	29,856	212,843	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,120,149	-
-	-	-	-	2,120,149	-
154,343	135,951	385,540	2,115,971	465,370	124,793
-	-	-	-	-	-
154,343	135,951	385,540	2,115,971	465,370	124,793
$ 159,976	$ 135,951	$ 415,396	$ 2,328,814	$ 2,585,519	$ 124,793

(Continued)

City of Santa Fe, New Mexico
Combining Balance Sheet –
Nonmajor Governmental Funds (Continued)

	Special Revenue	Capital Projects	
June 30, 2025	SF Film Office	CIP Reallocation	Resource Conservation
Assets			
Cash and cash equivalents	$ 599,462	$ 508,921	$ 616,674
Receivables			
Taxes	-	-	-
Intergovernmental	-	-	-
Other, net	-	-	-
Leases	-	-	-
Total assets	$ 599,462	$ 508,921	$ 616,674
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	$ 296,390	$ -	$ -
Pooled Cash - Cash Overdrawn	-	-	-
Accrued payroll	7,620	-	-
Unearned Revenue	-	-	-
Deposits held in trust for others	-	-	-
Other Current Liabilities	-	-	-
Total liabilities	304,010	-	-
Deferred inflows of resources			
Unavailable revenue - leases	-	-	-
Property Taxes	-	-	-
Unavailable revenue - other	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances			
Spendable			
Restricted	295,452	508,921	616,674
Unassigned (deficit)	-	-	-
Total fund balances	295,452	508,921	616,674
Total liabilities, deferred inflows of resources, and fund balances	$ 599,462	$ 508,921	$ 616,674

City of Santa Fe, New Mexico
Combining Balance Sheet –
Nonmajor Governmental Funds (Continued)

Capital Projects					
Facilities CIP	Special Projects	City Street Projects	Bond Acquisition	City Drainage Projects	CIP Community Development
$ 12,009,406	$ 2,390,678	$ 6,445,741	$ 1,049,751	$ 1,677,287	$ 1,027,545
-	-	134,646	-	-	-
377,978	-	2,834,087	73,350	-	19,528
-	-	-	-	-	-
-	-	-	-	-	-
$ 12,387,384	$ 2,390,678	$ 9,414,474	$ 1,123,101	$ 1,677,287	$ 1,047,073
$ 751,649	$ 369,249	$ 2,992,857	$ 68,276	$ -	$ 153,494
-	-	-	-	-	-
-	3,068	24,523	-	-	-
231,300	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
982,949	372,317	3,017,380	68,276	-	153,494
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,404,435	2,018,361	6,397,094	1,054,825	1,677,287	893,579
-	-	-	-	-	-
11,404,435	2,018,361	6,397,094	1,054,825	1,677,287	893,579
$ 12,387,384	$ 2,390,678	$ 9,414,474	$ 1,123,101	$ 1,677,287	$ 1,047,073

(Continued)

City of Santa Fe, New Mexico
Combining Balance Sheet –
Nonmajor Governmental Funds (Continued)

June 30, 2025	Capital Projects		
	Art for CIP Projects	City Parks and Trails Improvements	Library Improvements
Assets			
Cash and cash equivalents	$ 719,297	$ 3,677,147	$ 14,364
Receivables			
Taxes	-	-	-
Intergovernmental	19,165	502,774	-
Other, net	-	-	-
Leases	-	-	-
Total assets	$ 738,462	$ 4,179,921	$ 14,364
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	$ 2,428	$ 166,388	$ -
Pooled Cash - Cash Overdrawn	-	-	-
Accrued payroll	-	-	-
Unearned Revenue	-	-	-
Deposits held in trust for others	-	-	-
Other Current Liabilities	-	-	-
Total liabilities	2,428	166,388	-
Deferred inflows of resources			
Unavailable revenue - leases	-	-	-
Property Taxes	-	-	-
Unavailable revenue - other	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances			
Spendable			
Restricted	736,034	4,013,533	14,364
Unassigned (deficit)	-	-	-
Total fund balances	736,034	4,013,533	14,364
Total liabilities, deferred inflows of resources, and fund balances	$ 738,462	$ 4,179,921	$ 14,364

Debt Service		
(Formerly Major) Debt Service		Total Nonmajor Governmental Funds
$ 4,247,958	$	124,133,361
277,111		7,277,256
-		7,404,057
4,428		3,423,115
-		3,381,008
$ 4,529,497	$	145,618,797
$ -	$	9,819,940
-		237,202
-		409,166
-		6,045,640
-		663,316
955		48,758
955		17,224,022
-		3,171,346
226,591		226,591
-		2,170,924
226,591		5,568,861
4,301,951		122,935,924
-		(110,010)
4,301,951		122,825,914
$ 4,529,497	$	145,618,797

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds

For the year ended June 30, 2025	Special Revenue		
	Capital Equipment Reserve	Franchise Fee	Economic Development
Revenues			
Taxes			
Gross Receipts Taxes	$ -	$ -	$ 701,658
Lodgers' Taxes	-	-	-
Property	-	-	-
Other	-	51,730	-
Intergovernmental			
Federal operating	-	-	-
State operating	-	-	350,000
Federal capital	-	-	-
State capital	-	-	-
Local	-	-	-
Lease revenue	-	-	331,893
Charges for services	-	-	187,204
Investment income (loss)	18,127	985	27,105
Other revenues	-	-	-
Total revenues	18,127	52,715	1,597,860
Expenditures			
Current			
General government	52,751	2	3,046,299
Public safety	-	-	-
Public works	-	-	-
Community development	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	56,610
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Debt issuance costs	-	-	-
Total expenditures	52,751	2	3,102,909
Excess (deficiency) of revenues over expenditures	(34,624)	52,713	(1,505,049)
Other financing sources (uses)			
Proceeds from sale of assets	383,723	-	500,000
Debt proceeds	-	-	-
Proceeds from leases	-	-	-
Transfers in	-	-	7,389,813
Transfers (out)	-	-	(96,874)
Total other financing sources (uses)	383,723	-	7,792,939
Net change in fund balances	349,099	52,713	6,287,890
Fund balances - beginning of year	177,413	(430)	26,136
Adjustments (Note 2)	-	-	-
Error corrections (Note 2)	-	-	-
Fund balances - beginning of year, after adjustments and error corrections	177,413	(430)	26,136
Fund balances - end of year	$ 526,512	$ 52,283	$ 6,314,026

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

	Special Revenue					
Lodger's Tax	Public Campaign Financing	Gross Receipts Tax	Animal Services	Emergency Services	Fire Environmental Service
$ -	$ -	$ 21,475,609	$ -	$ -	$ -
17,923,699	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,007,158	-
106,730	-	-	-	1,379,040	5,802
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	21,355	-	-
884,640	26,498	1,721,686	4,523	161,104	80,340
282,622	1,820	-	-	2,639	-
19,197,691	28,318	23,197,295	25,878	2,549,941	86,142
9,306,080	66	623,992	-	-	-
-	-	-	1,012	659,358	203
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
560	-	-	-	794,097	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,306,640	66	623,992	1,012	1,453,455	203
9,891,051	28,252	22,573,303	24,866	1,096,486	85,939
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
750,000	-	-	-	-	-
(8,925,550)	-	(25,843,066)	-	(123,161)	-
(8,175,550)	-	(25,843,066)	-	(123,161)	-
1,715,501	28,252	(3,269,763)	24,866	973,325	85,939
13,782,927	662,482	25,934,199	93,043	3,938,658	2,132,490
-	-	-	-	-	-
-	-	(18,022,229)	-	-	-
13,782,927	662,482	7,911,970	93,043	3,938,658	2,132,490
$ 15,498,428	$ 690,734	$ 4,642,207	$ 117,909	$ 4,911,983	$ 2,218,429

(Continued)

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

For the year ended June 30, 2025	Special Revenue		
	Law Enforcement	Opioid	Resource Conservation
Revenues			
Taxes			
Gross Receipts Taxes	$ 3,579,256	$ -	$ -
Lodgers' Taxes	-	-	-
Property	-	-	-
Other	-	-	-
Intergovernmental			
Federal operating	57,549	-	-
State operating	1,019,733	-	-
Federal capital	-	-	-
State capital	-	-	-
Local	-	-	-
Lease revenue	-	-	-
Charges for services	645,038	-	-
Investment income (loss)	288,346	239,498	-
Other revenues	19	-	297,464
Total revenues	5,589,941	239,498	297,464
Expenditures			
Current			
General government	-	-	-
Public safety	2,616,794	605	-
Public works	-	-	180
Community development	-	-	-
Culture and recreation	-	-	-
Capital outlay	2,618,663	-	-
Debt service			
Principal	41,810	-	879,374
Interest and other charges	-	-	330,678
Debt issuance costs	-	-	-
Total expenditures	5,277,267	605	1,210,232
Excess (deficiency) of revenues over expenditures	312,674	238,893	(912,768)
Other financing sources (uses)			
Proceeds from sale of assets	-	-	-
Debt proceeds	-	-	-
Proceeds from software subscriptions	-	-	-
Transfers in	-	-	1,403,254
Transfers (out)	-	-	-
Total other financing sources (uses)	-	-	1,403,254
Net change in fund balances	312,674	238,893	490,486
Fund balances - beginning of year	8,054,535	-	196,960
Adjustments (Note 2)	-	-	-
Error corrections (Note 2)	-	8,595,195	341,939
Fund balances - beginning of year, after adjustments and error corrections	8,054,535	8,595,195	538,899
Fund balances - end of year	$ 8,367,209	$ 8,834,088	$ 1,029,385

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

Special Revenue					
City Drainage	Impact Fee	Transportation Grants	(Formerly Major) Community Development Grants	Senior Citizen Grants/ Programs	Affordable Housing Trust
$ -	$ -	$ -	$ 1,403,316	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,834,147	478,247	-
128,287	-	-	98,011	1,170,983	-
180,000	-	403,151	-	-	-
-	-	104,049	-	-	-
-	-	17,052	100,000	-	-
-	-	-	-	-	-
2,974,208	1,180,949	-	29,893	57,990	1,401,169
395,031	327,854	-	363,772	-	-
-	-	-	-	280,423	-
3,677,526	1,508,803	524,252	5,829,139	1,987,643	1,401,169
-	-	-	-	-	-
-	-	-	-	-	-
1,166,931	73,986	709,056	-	-	-
-	-	-	6,560,509	4,190,426	4,314,208
-	-	-	-	-	-
1,008,464	-	-	520,269	762,330	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,175,395	73,986	709,056	7,080,778	4,952,756	4,314,208
1,502,131	1,434,817	(184,804)	(1,251,639)	(2,965,113)	(2,913,039)
-	-	-	-	-	500,000
142,652	-	-	-	-	-
-	-	-	-	-	-
293,534	2,773	58,628	8,400,325	2,786,272	3,855,027
(68,552)	(3,037,899)	(18,400)	(3,321)	(138,485)	-
367,634	(3,035,126)	40,228	8,397,004	2,647,787	4,355,027
1,869,765	(1,600,309)	(144,576)	7,145,365	(317,326)	1,441,988
8,692,303	7,095,740	63,550	-	361,336	-
-	-	-	5,798,739	-	-
(66,420)	-	-	869,469	-	(67,251)
8,625,883	7,095,740	63,550	6,668,208	361,336	(67,251)
$ 10,495,648	$ 5,495,431	$ (81,026)	$ 13,813,573	$ 44,010	$ 1,374,737

(Continued)

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

	Special Revenue		
For the year ended June 30, 2025	Historic Preservation	Library	NEA Grants
Revenues			
Taxes			
Gross Receipts Taxes	$ -	$ -	$ -
Lodgers' Taxes	-	-	-
Property	-	-	-
Other	-	-	-
Intergovernmental			
Federal operating	-	-	-
State operating	31,530	20,574	-
Federal capital	-	-	-
State capital	-	-	-
Local	-	-	-
Lease revenue	-	-	-
Charges for services	-	26,023	-
Investment income (loss)	13,572	4,951	-
Other revenues	-	-	-
Total revenues	45,102	51,548	-
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Community development	-	-	-
Culture and recreation	34	1,404,197	-
Capital outlay	-	9,509	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Debt issuance costs	-	-	-
Total expenditures	34	1,413,706	-
Excess (deficiency) of revenues over expenditures	45,068	(1,362,158)	-
Other financing sources (uses)			
Proceeds from sale of assets	-	-	-
Debt proceeds	-	-	-
Proceeds from software subscriptions	-	-	-
Transfers in	-	1,149,850	-
Transfers (out)	-	(74,996)	-
Total other financing sources (uses)	-	1,074,854	-
Net change in fund balances	45,068	(287,304)	-
Fund balances - beginning of year	308,720	1,128,370	(28,984)
Adjustments (Note 2)	-	-	-
Error corrections (Note 2)	-	-	-
Fund balances - beginning of year, after adjustments and error corrections	308,720	1,128,370	(28,984)
Fund balances - end of year	$ 353,788	$ 841,066	$ (28,984)

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

	Special Revenue					
	Plaza Use	Public Facilities	Quality of Life	Recreation Programs	Land Development	Special Recreation Leagues
$	-	$ -	$ -	$ 2,104,974	$ -	$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	95,000	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	39,307	-	-	-	-	12,449
	2,494	5,215	7,309	-	99,188	4,787
	-	-	-	-	212,015	-
	41,801	5,215	102,309	2,104,974	311,203	17,236
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	126,353	13	310,315	3,904,090	250	2,858
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	126,353	13	310,315	3,904,090	250	2,858
	(84,552)	5,202	(208,006)	(1,799,116)	310,953	14,378
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	94,896	-	326,480	2,069,789	-	-
	-	-	(101,622)	(55,920)	-	-
	94,896	-	224,858	2,013,869	-	-
	10,344	5,202	16,852	214,753	310,953	14,378
	143,999	130,749	368,688	1,901,218	154,417	110,415
	-	-	-	-	-	-
	-	-	-	-	-	-
	143,999	130,749	368,688	1,901,218	154,417	110,415
$	154,343	$ 135,951	$ 385,540	$ 2,115,971	$ 465,370	$ 124,793

(Continued)

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

	Special Revenue	Capital Projects	
For the year ended June 30, 2025	SF Film Office	CIP Reallocation	Resource Conservation
Revenues			
Taxes			
Gross Receipts Taxes	$ -	$ -	$ -
Lodgers' Taxes	-	-	-
Property	-	-	-
Other	-	-	-
Intergovernmental			
Federal operating	-	-	-
State operating	-	-	-
Federal capital	-	-	-
State capital	-	-	-
Local	336,312	-	-
Lease revenue	-	-	-
Charges for services	-	-	-
Investment income (loss)	5,204	19,524	14,332
Other revenues	-	-	150
Total revenues	341,516	19,524	14,482
Expenditures			
Current			
General government	567,790	50	237
Public safety	-	-	-
Public works	-	-	-
Community development	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Debt issuance costs	-	-	-
Total expenditures	567,790	50	237
Excess (deficiency) of revenues over expenditures	(226,274)	19,474	14,245
Other financing sources (uses)			
Proceeds from sale of assets	-	-	-
Debt proceeds	-	-	-
Proceeds from software subscriptions	57,926	-	-
Transfers in	465,000	-	125,563
Transfers (out)	(1,200)	-	-
Total other financing sources (uses)	521,726	-	125,563
Net change in fund balances	295,452	19,474	139,808
Fund balances - beginning of year	-	489,447	476,866
Adjustments (Note 2)	-	-	-
Error corrections (Note 2)	-	-	-
Fund balances - beginning of year, after adjustments and error corrections	-	489,447	476,866
Fund balances - end of year	$ 295,452	$ 508,921	$ 616,674

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

Capital Projects					
Facilities CIP	Special Projects	City Street Projects	Bond Acquisition	City Drainage Projects	CIP Community Development
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,452,729	-	-	-
-	-	-	-	-	-
330,000	-	-	-	-	1,829,656
-	-	248,367	-	-	-
50,161	-	5,863,970	-	-	547,109
-	-	-	-	-	-
-	-	-	-	-	-
-	-	49,374	-	-	-
-	-	134,378	40,272	64,345	12,758
-	-	-	-	-	-
380,161	-	7,748,818	40,272	64,345	2,389,523
676	2,940,908	-	-	-	-
-	-	-	-	-	-
-	-	1,026,184	-	162	-
-	-	-	-	-	-
-	-	-	-	-	-
4,317,384	-	10,303,376	277,015	-	2,632,664
-	849,313	-	-	-	-
-	2,587	-	-	-	-
-	-	-	-	-	-
4,318,060	3,792,808	11,329,560	277,015	162	2,632,664
(3,937,899)	(3,792,808)	(3,580,742)	(236,743)	64,183	(243,141)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
12,470,000	3,042,700	4,309,527	-	-	800,000
-	-	(1,356,947)	-	-	(105,027)
12,470,000	3,042,700	2,952,580	-	-	694,973
8,532,101	(750,108)	(628,162)	(236,743)	64,183	451,832
2,872,334	2,768,469	7,025,256	1,291,568	1,613,104	441,747
-	-	-	-	-	-
-	-	-	-	-	-
2,872,334	2,768,469	7,025,256	1,291,568	1,613,104	441,747
$ 11,404,435	$ 2,018,361	$ 6,397,094	$ 1,054,825	$ 1,677,287	$ 893,579

(Continued)

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

For the year ended June 30, 2025	Capital Projects		
	Art for CIP Projects	City Parks and Trails Improvements	Library Improvements
Revenues			
Taxes			
Gross Receipts Taxes	$ -	$ -	$ -
Lodgers' Taxes	-	-	-
Property	-	-	-
Other	-	-	-
Intergovernmental			
Federal operating	-	-	-
State operating	-	-	-
Federal capital	-	315,347	-
State capital	19,165	1,789,155	-
Local	-	-	-
Lease revenue	-	-	-
Charges for services	-	-	-
Investment income (loss)	10,939	94,697	550
Other revenues	-	-	-
Total revenues	30,104	2,199,199	550
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Community development	-	-	-
Culture and recreation	29	195,040	-
Capital outlay	21,592	5,205,634	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Debt issuance costs	-	-	-
Total expenditures	21,621	5,400,674	-
Excess (deficiency) of revenues over expenditures	8,483	(3,201,475)	550
Other financing sources (uses)			
Proceeds from sale of assets	-	-	-
Debt proceeds	-	-	-
Proceeds from software subscriptions	-	-	-
Transfers in	434,164	1,544,753	-
Transfers (out)	-	(2,773)	-
Total other financing sources (uses)	434,164	1,541,980	-
Net change in fund balances	442,647	(1,659,495)	550
Fund balances - beginning of year	293,387	5,673,028	13,814
Adjustments (Note 2)	-	-	-
Error corrections (Note 2)	-	-	-
Fund balances - beginning of year, after adjustments and error corrections	293,387	5,673,028	13,814
Fund balances - end of year	$ 736,034	$ 4,013,533	$ 14,364

Debt Service		
	(Formerly Major) Debt Service	Total Nonmajor Governmental Funds
$	-	$ 29,264,813
	-	17,923,699
	1,956,477	1,956,477
	-	1,504,459
	-	5,377,101
	-	6,565,346
	-	1,146,865
	-	8,373,609
	-	453,364
	-	331,893
	-	6,624,959
	57,143	5,131,167
	-	1,077,152
	2,013,620	85,730,904
	19,565	16,558,416
	-	3,277,972
	-	2,976,499
	-	15,065,143
	-	5,943,179
	-	28,528,167
	8,060,103	9,830,600
	2,821,978	3,155,243
	2,667	2,667
	10,904,313	85,337,886
	(8,890,693)	393,018
	-	1,383,723
	-	142,652
	-	57,926
	10,014,956	61,787,304
	-	(39,953,793)
	10,014,956	23,417,812
	1,124,263	23,810,830
	-	98,387,954
	3,177,688	8,976,427
	-	(8,349,297)
	3,177,688	99,015,084
$	4,301,951	$ 122,825,914

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Capital Equipment Reserve Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Other	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	2,492	2,492	18,127	15,635
Other revenues	-	-	-	-
Total revenues	2,492	2,492	18,127	15,635
Expenditures				
Current				
General government	-	52,706	52,751	(45)
Capital outlay	-	-	-	-
Total expenditures	-	52,706	52,751	(45)
Excess (deficiency) of revenues over expenditures	2,492	(50,214)	(34,624)	15,590
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(2,492)	50,214	-	(50,214)
Proceeds from sale of assets	-	-	383,723	383,723
Total other financing sources (uses)	(2,492)	50,214	383,723	333,509
Net change in fund balances	-	-	349,099	349,099
Fund balances - beginning of year	-	-	177,413	177,413
Fund balances - end of year	$ -	$ -	$ 526,512	$ 526,512

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Franchise Fee Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Other	$ 65,600	$ 65,600	$ 51,730	$ (13,870)
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	985	985
Other revenues	-	-	-	-
Total revenues	65,600	65,600	52,715	(12,885)
Expenditures				
Current				
General government	-	-	2	(2)
Capital outlay	-	-	-	-
Total expenditures	-	-	2	(2)
Excess (deficiency) of revenues over expenditures	65,600	65,600	52,713	(12,887)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers (out)	(65,600)	(65,600)	-	65,600
Total other financing sources (uses)	(65,600)	(65,600)	-	65,600
Net change in fund balances	-	-	52,713	52,713
Fund balances - beginning of year	-	-	(430)	(430)
Fund balances - end of year	$ -	$ -	$ 52,283	$ 52,283

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Economic Development Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ 637,590	$ 637,590	$ 701,658	$ 64,068
Intergovernmental				
State operating grants	250,000	400,000	350,000	(50,000)
Lease revenue	550,000	550,000	331,893	(218,107)
Charges for services	-	-	187,204	187,204
Investment income (loss)	-	-	27,105	27,105
Other revenues	-	-	-	-
Total revenues	1,437,590	1,587,590	1,597,860	10,270
Expenditures				
Current				
General government	3,403,416	6,648,606	3,046,299	3,602,307
Capital outlay	-	295,090	56,610	238,480
Total expenditures	3,403,416	6,943,696	3,102,909	3,840,787
Excess (deficiency) of revenues over expenditures	(1,965,826)	(5,356,106)	(1,505,049)	3,851,057
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(15,833)	(2,761,833)	-	2,761,833
Proceeds from sale of assets	825,000	825,000	500,000	(325,000)
Transfers in	1,156,659	7,389,813	7,389,813	-
Transfers (out)	-	(96,874)	(96,874)	-
Total other financing sources (uses)	1,965,826	5,356,106	7,792,939	2,436,833
Net change in fund balances	-	-	6,287,890	6,287,890
Fund balances - beginning of year	-	-	26,136	26,136
Fund balances - end of year	$ -	$ -	$ 6,314,026	$ 6,314,026

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Lodgers' Tax Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Lodgers'	$ 17,040,001	$ 17,040,001	$ 17,923,699	$ 883,698
Intergovernmental				
State operating grants	-	154,293	106,730	(47,563)
Charges for services	-	-	-	-
Investment income (loss)	186,142	186,142	884,640	698,498
Other revenues	219,000	219,000	282,622	63,622
Total revenues	17,445,143	17,599,436	19,197,691	1,598,255
Expenditures				
Current				
General government	8,840,696	10,046,555	9,306,080	740,475
Capital outlay	2,000	2,000	560	1,440
Total expenditures	8,842,696	10,048,555	9,306,640	741,915
Excess (deficiency) of revenues over expenditures	8,602,447	7,550,881	9,891,051	2,340,170
Other financing sources (uses)				
Designated cash (budgeted cash increase)	613,986	1,612,066	-	(1,612,066)
Transfers in	-	750,000	750,000	-
Transfers (out)	(9,216,433)	(9,912,947)	(8,925,550)	987,397
Total other financing sources (uses)	(8,602,447)	(7,550,881)	(8,175,550)	(624,669)
Net change in fund balances	-	-	1,715,501	1,715,501
Fund balances - beginning of year	-	-	13,782,927	13,782,927
Fund balances - end of year	$ -	$ -	$ 15,498,428	$ 15,498,428

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Public Campaign Financing Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	12,883	12,883	26,498	13,615
Other revenues	-	-	1,820	1,820
Total revenues	12,883	12,883	28,318	15,435
Expenditures				
Current				
General government	-	-	66	(66)
Capital outlay	-	-	-	-
Total expenditures	-	-	66	(66)
Excess (deficiency) of revenues over expenditures	12,883	12,883	28,252	15,369
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(12,883)	(12,883)	-	12,883
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(12,883)	(12,883)	-	12,883
Net change in fund balances	-	-	28,252	28,252
Fund balances - beginning of year	-	-	662,482	662,482
Fund balances - end of year	$ -	$ -	$ 690,734	$ 690,734

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Gross Receipts Tax Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ 19,514,698	$ 20,100,140	$ 21,475,609	$ 1,375,469
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	198,461	198,461	1,721,686	1,523,225
Other revenues	-	-	-	-
Total revenues	19,713,159	20,298,601	23,197,295	2,898,694
Expenditures				
Current				
General government	-	585,442	623,992	(38,550)
Capital outlay	-	-	-	-
Total expenditures	-	585,442	623,992	(38,550)
Excess (deficiency) of revenues over expenditures	19,713,159	19,713,159	22,573,303	2,860,144
Other financing sources (uses)				
Designated cash (budgeted cash increase)	877,207	6,129,907	-	(6,129,907)
Transfers in	-	-	-	-
Transfers (out)	(20,590,366)	(25,843,066)	(25,843,066)	-
Total other financing sources (uses)	(19,713,159)	(19,713,159)	(25,843,066)	(6,129,907)
Net change in fund balances	-	-	(3,269,763)	(3,269,763)
Fund balances - beginning of year	-	-	25,934,199	25,934,199
Error corrections	-	-	(18,022,229)	(18,022,229)
Fund balances - beginning of year, after error corrections	-	-	7,911,970	7,911,970
Fund balances - end of year	$ -	$ -	$ 4,642,207	$ 4,642,207

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Animal Services Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	32,100	32,100	21,355	(10,745)
Investment income (loss)	2,846	2,846	4,523	1,677
Other revenues	-	-	-	-
Total revenues	34,946	34,946	25,878	(9,068)
Expenditures				
Current				
Public safety	28,050	28,050	1,012	27,038
Capital outlay	-	-	-	-
Total expenditures	28,050	28,050	1,012	27,038
Excess (deficiency) of revenues over expenditures	6,896	6,896	24,866	17,970
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(6,896)	(6,896)	-	6,896
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(6,896)	(6,896)	-	6,896
Net change in fund balances	-	-	24,866	24,866
Fund balances - beginning of year	-	-	93,043	93,043
Fund balances - end of year	$ -	$ -	$ 117,909	$ 117,909

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Emergency Service Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Federal operating grants	300,000	1,042,856	1,007,158	(35,698)
State operating grants	1,091,173	1,401,173	1,379,040	(22,133)
Charges for services	-	-	-	-
Investment income (loss)	-	-	161,104	161,104
Other revenues	-	-	2,639	2,639
Total revenues	1,391,173	2,444,029	2,549,941	105,912
Expenditures				
Current				
Public safety	1,201,354	2,090,268	659,358	1,430,910
Capital outlay	311,194	967,467	794,097	173,370
Total expenditures	1,512,548	3,057,735	1,453,455	1,604,280
Excess (deficiency) of revenues over expenditures	(121,375)	(613,706)	1,096,486	1,710,192
Other financing sources (uses)				
Designated cash (budgeted cash increase)	244,536	736,867	-	(736,867)
Transfers in	-	-	-	-
Transfers (out)	(123,161)	(123,161)	(123,161)	-
Total other financing sources (uses)	121,375	613,706	(123,161)	(736,867)
Net change in fund balances	-	-	973,325	973,325
Fund balances - beginning of year	-	-	3,938,658	3,938,658
Fund balances - end of year	$ -	$ -	$ 4,911,983	$ 4,911,983

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Fire Environmental Services Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
State operating grants	-	-	5,802	5,802
Charges for services	-	-	-	-
Investment income (loss)	29,345	29,345	80,340	50,995
Other revenues	-	-	-	-
Total revenues	29,345	29,345	86,142	56,797
Expenditures				
Current				
Public safety	-	-	203	(203)
Capital outlay	-	-	-	-
Total expenditures	-	-	203	(203)
Excess (deficiency) of revenues over expenditures	29,345	29,345	85,939	56,594
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(29,345)	(29,345)	-	29,345
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(29,345)	(29,345)	-	29,345
Net change in fund balances	-	-	85,939	85,939
Fund balances - beginning of year	-	-	2,132,490	2,132,490
Fund balances - end of year	$ -	$ -	$ 2,218,429	$ 2,218,429

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Law Enforcement Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ 3,252,450	$ 3,259,641	$ 3,579,256	$ 319,615
Intergovernmental				
Federal operating grants	-	229,792	57,549	(172,243)
State operating grants	875,592	2,452,959	1,019,733	(1,433,226)
Charges for services	448,210	448,210	645,038	196,828
Investment income (loss)	170,049	170,049	288,346	118,297
Other revenues	25,500	25,500	19	(25,481)
Total revenues	4,771,801	6,586,151	5,589,941	(996,210)
Expenditures				
Current				
Public safety	3,229,650	4,728,459	2,616,794	2,111,665
Capital outlay	1,634,695	3,102,376	2,618,663	483,713
Debt service				
Principal	-	-	41,810	(41,810)
Interest and other charges	-	-	-	-
Total expenditures	4,864,345	7,830,835	5,277,267	2,553,568
Excess (deficiency) of revenues over expenditures	(92,544)	(1,244,684)	312,674	1,557,358
Other financing sources (uses)				
Designated cash (budgeted cash increase)	92,544	1,244,684	-	(1,244,684)
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	92,544	1,244,684	-	(1,244,684)
Net change in fund balances	-	-	312,674	312,674
Fund balances - beginning of year	-	-	8,054,535	8,054,535
Fund balances - end of year	$ -	$ -	$ 8,367,209	$ 8,367,209

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Opioid Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	239,498	239,498
Other revenues	-	-	-	-
Total revenues	-	-	239,498	239,498
Expenditures				
Current				
Public safety	-	-	605	(605)
Capital outlay	-	-	-	-
Total expenditures	-	-	605	(605)
Excess (deficiency) of revenues over expenditures	-	-	238,893	238,893
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	238,893	238,893
Fund balances - beginning of year	-	-	-	-
Error corrections	-	-	8,595,195	8,595,195
Fund balances - beginning of year, after error corrections	-	-	8,595,195	8,595,195
Fund balances - end of year	$ -	$ -	$ 8,834,088	$ 8,834,088

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Resource Conservation Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	-	-
Other revenues	297,464	297,464	297,464	-
Total revenues	297,464	297,464	297,464	-
Expenditures				
Current				
Public works	500,000	500,000	180	499,820
Capital outlay	-	-	-	-
Debt service				
Principal	879,374	879,374	879,374	-
Interest and other charges	330,678	330,678	330,678	-
Total expenditures	1,710,052	1,710,052	1,210,232	499,820
Excess (deficiency) of revenues over expenditures	(1,412,588)	(1,412,588)	(912,768)	499,820
Other financing sources (uses)				
Designated cash (budgeted cash increase)	9,334	9,334	-	(9,334)
Transfers in	1,403,254	1,403,254	1,403,254	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	1,412,588	1,412,588	1,403,254	(9,334)
Net change in fund balances	-	-	490,486	490,486
Fund balances - beginning of year	-	-	196,960	196,960
Error corrections	-	-	341,939	341,939
Fund balances - beginning of year, after error corrections	-	-	538,899	538,899
Fund balances - end of year	$ -	$ -	$ 1,029,385	$ 1,029,385

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
City Drainage Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Federal capital grants	-	-	180,000	180,000
State operating grants	-	670,771	128,287	(542,484)
State capital grants	-	-	-	-
Charges for services	3,300,000	3,300,000	2,974,208	(325,792)
Investment income (loss)	137,570	137,570	395,031	257,461
Other revenues	-	-	-	-
Total revenues	3,437,570	4,108,341	3,677,526	(430,815)
Expenditures				
Current				
Public works	2,777,709	5,502,101	1,166,931	4,335,170
Capital outlay	860,970	648,673	1,008,464	(359,791)
Total expenditures	3,638,679	6,150,774	2,175,395	3,975,379
Excess (deficiency) of revenues over expenditures	(201,109)	(2,042,433)	1,502,131	3,544,564
Other financing sources (uses)				
Designated cash (budgeted cash increase)	203,334	1,817,451	-	(1,817,451)
Transfers in	-	293,534	293,534	-
Transfers (out)	(2,225)	(68,552)	(68,552)	-
Total other financing sources (uses)	201,109	2,042,433	367,634	(1,674,799)
Net change in fund balances	-	-	1,869,765	1,869,765
Fund balances - beginning of year	-	-	8,692,303	8,692,303
Error corrections	-	-	(66,420)	(66,420)
Fund balances - beginning of year, after error corrections	-	-	8,625,883	8,625,883
Fund balances - end of year	$ -	$ -	$ 10,495,648	$ 10,495,648

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Impact Fee Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	3,170,000	3,170,000	1,180,949	(1,989,051)
Investment income (loss)	-	-	327,854	327,854
Other revenues	-	-	-	-
Total revenues	3,170,000	3,170,000	1,508,803	(1,661,197)
Expenditures				
Current				
Public works	97,475	98,552	73,986	24,566
Capital outlay	-	-	-	-
Total expenditures	97,475	98,552	73,986	24,566
Excess (deficiency) of revenues over expenditures	3,072,525	3,071,448	1,434,817	(1,636,631)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(3,072,302)	(36,322)	-	36,322
Transfers in	-	2,773	2,773	-
Transfers (out)	(223)	(3,037,899)	(3,037,899)	-
Total other financing sources (uses)	(3,072,525)	(3,071,448)	(3,035,126)	36,322
Net change in fund balances	-	-	(1,600,309)	(1,600,309)
Fund balances - beginning of year	-	-	7,095,740	7,095,740
Fund balances - end of year	$ -	$ -	$ 5,495,431	$ 5,495,431

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Transportation Grants Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Federal capital grants	400,000	500,091	403,151	(96,940)
State operating grants	71,772	71,772	-	(71,772)
State capital grants	442,452	483,146	104,049	(379,097)
Local	25,126	25,126	17,052	(8,074)
Charges for services	-	-	-	-
Investment income (loss)	-	-	-	-
Other revenues	-	-	-	-
Total revenues	939,350	1,080,135	524,252	(555,883)
Expenditures				
Current				
Public works	667,840	836,878	709,056	127,822
Capital outlay	-	-	-	-
Total expenditures	667,840	836,878	709,056	127,822
Excess (deficiency) of revenues over expenditures	271,510	243,257	(184,804)	(428,061)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(311,738)	(283,485)	-	283,485
Proceeds from sale of assets	-	-	-	-
Transfers in	58,628	58,628	58,628	-
Transfers (out)	(18,400)	(18,400)	(18,400)	-
Total other financing sources (uses)	(271,510)	(243,257)	40,228	283,485
Net change in fund balances	-	-	(144,576)	(144,576)
Fund balances - beginning of year	-	-	63,550	63,550
Fund balances - end of year	$ -	$ -	$ (81,026)	$ (81,026)

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Community Development Grants Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ 1,275,180	$ 1,275,180	$ 1,403,316	$ 128,136
Intergovernmental				
Federal operating grants	600,000	5,040,600	3,834,147	(1,206,453)
State operating grants	-	106,695	98,011	(8,684)
Local	-	-	100,000	100,000
Charges for services	877,540	877,540	29,893	(847,647)
Investment income (loss)	-	-	363,772	363,772
Other revenues	-	-	-	-
Total revenues	2,752,720	7,300,015	5,829,139	(1,470,876)
Expenditures				
Current				
Community development	14,348,944	27,925,973	6,560,509	21,365,464
Capital outlay	-	3,284,182	520,269	2,763,913
Total expenditures	14,348,944	31,210,155	7,080,778	24,129,377
Excess (deficiency) of revenues over expenditures	(11,596,224)	(23,910,140)	(1,251,639)	22,658,501
Other financing sources (uses)				
Designated cash (budgeted cash increase)	10,564,545	11,373,109	-	(11,373,109)
Proceeds from sale of assets	285,000	285,000	-	(285,000)
Transfers in	750,000	12,255,352	8,400,325	(3,855,027)
Transfers (out)	(3,321)	(3,321)	(3,321)	-
Total other financing sources (uses)	11,596,224	23,910,140	8,397,004	(15,513,136)
Net change in fund balances	-	-	7,145,365	7,145,365
Fund balances - beginning of year	-	-	5,798,739	5,798,739
Error corrections	-	-	869,469	869,469
Fund balances - beginning of year, after error corrections	-	-	6,668,208	6,668,208
Fund balances - end of year	$ -	$ -	$ 13,813,573	$ 13,813,573

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Senior Citizen Grants/Programs Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Federal operating grants	477,449	473,307	478,247	4,940
State operating grants	574,833	1,376,377	1,170,983	(205,394)
Charges for services	80,000	80,000	57,990	(22,010)
Investment income (loss)	-	-	-	-
Other revenues	304,000	313,120	280,423	(32,697)
Total revenues	1,436,282	2,242,804	1,987,643	(255,161)
Expenditures				
Current				
Community development	4,650,374	4,746,808	4,190,426	556,382
Capital outlay	87,776	773,788	762,330	11,458
Total expenditures	4,738,150	5,520,596	4,952,756	567,840
Excess (deficiency) of revenues over expenditures	(3,301,868)	(3,277,792)	(2,965,113)	312,679
Other financing sources (uses)				
Designated cash (budgeted cash increase)	22,866	(1,210)	-	1,210
Transfers in	3,417,487	3,417,487	2,786,272	(631,215)
Transfers (out)	(138,485)	(138,485)	(138,485)	-
Total other financing sources (uses)	3,301,868	3,277,792	2,647,787	(630,005)
Net change in fund balances	-	-	(317,326)	(317,326)
Fund balances - beginning of year	-	-	361,336	361,336
Fund balances - end of year	$ -	$ -	$ 44,010	$ 44,010

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Affordable Housing Trust Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	1,401,169	1,401,169
Investment income (loss)	-	-	-	-
Other revenues	-	-	-	-
Total revenues	-	-	1,401,169	1,401,169
Expenditures				
Current				
Community development	-	-	4,314,208	(4,314,208)
Capital outlay	-	-	-	-
Total expenditures	-	-	4,314,208	(4,314,208)
Excess (deficiency) of revenues over expenditures	-	-	(2,913,039)	(2,913,039)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	3,855,027	3,855,027
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	4,355,027	4,355,027
Net change in fund balances	-	-	1,441,988	1,441,988
Fund balances - beginning of year	-	-	-	-
Error corrections	-	-	(67,251)	(67,251)
Fund balances - beginning of year, after error corrections	-	-	(67,251)	(67,251)
Fund balances - end of year	$ -	$ -	$ 1,374,737	$ 1,374,737

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Historic Preservation Grant Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
State operating grants	60,000	60,000	31,530	(28,470)
Charges for services	-	-	-	-
Investment income (loss)	5,239	5,239	13,572	8,333
Other revenues	-	-	-	-
Total revenues	65,239	65,239	45,102	(20,137)
Expenditures				
Current				
Culture and recreation	-	-	34	(34)
Capital outlay	-	-	-	-
Total expenditures	-	-	34	(34)
Excess (deficiency) of revenues over expenditures	65,239	65,239	45,068	(20,171)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(65,239)	(65,239)	-	65,239
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(65,239)	(65,239)	-	65,239
Net change in fund balances	-	-	45,068	45,068
Fund balances - beginning of year	-	-	308,720	308,720
Fund balances - end of year	$ -	$ -	$ 353,788	$ 353,788

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Library Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
State operating grants	-	357,760	20,574	(337,186)
Charges for services	26,250	26,250	26,023	(227)
Investment income (loss)	20,215	20,215	4,951	(15,264)
Other revenues	-	-	-	-
Total revenues	46,465	404,225	51,548	(352,677)
Expenditures				
Current				
Culture and recreation	1,096,319	1,465,379	1,404,197	61,182
Capital outlay	-	29,000	9,509	19,491
Total expenditures	1,096,319	1,494,379	1,413,706	80,673
Excess (deficiency) of revenues over expenditures	(1,049,854)	(1,090,154)	(1,362,158)	(272,004)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	15,300	-	(15,300)
Transfers in	1,124,850	1,149,850	1,149,850	-
Transfers (out)	(74,996)	(74,996)	(74,996)	-
Total other financing sources (uses)	1,049,854	1,090,154	1,074,854	(15,300)
Net change in fund balances	-	-	(287,304)	(287,304)
Fund balances - beginning of year	-	-	1,128,370	1,128,370
Fund balances - end of year	$ -	$ -	$ 841,066	$ 841,066

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
NEA Grants Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	-	-
Other revenues	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	(28,984)	(28,984)
Fund balances - end of year	$ -	$ -	$ (28,984)	$ (28,984)

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Plaza Use Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	35,500	35,500	39,307	3,807
Investment income (loss)	2,904	2,904	2,494	(410)
Other revenues	-	-	-	-
Total revenues	38,404	38,404	41,801	3,397
Expenditures				
Current				
Culture and recreation	133,300	133,300	126,353	6,947
Capital outlay	-	-	-	-
Total expenditures	133,300	133,300	126,353	6,947
Excess (deficiency) of revenues over expenditures	(94,896)	(94,896)	(84,552)	10,344
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	94,896	94,896	94,896	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	94,896	94,896	94,896	-
Net change in fund balances	-	-	10,344	10,344
Fund balances - beginning of year	-	-	143,999	143,999
Fund balances - end of year	$ -	$ -	$ 154,343	$ 154,343

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Public Facilities Purchase Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	2,196	2,196	5,215	3,019
Other revenues	-	-	-	-
Total revenues	2,196	2,196	5,215	3,019
Expenditures				
Current				
Culture and recreation	-	-	13	(13)
Capital outlay	-	-	-	-
Total expenditures	-	-	13	(13)
Excess (deficiency) of revenues over expenditures	2,196	2,196	5,202	3,006
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(2,196)	(2,196)	-	2,196
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(2,196)	(2,196)	-	2,196
Net change in fund balances	-	-	5,202	5,202
Fund balances - beginning of year	-	-	130,749	130,749
Fund balances - end of year	$ -	$ -	$ 135,951	$ 135,951

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Quality of Life Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
State operating grants	-	95,000	95,000	-
Charges for services	-	-	-	-
Investment income (loss)	9,630	9,630	7,309	(2,321)
Other revenues	-	-	-	-
Total revenues	9,630	104,630	102,309	(2,321)
Expenditures				
Current				
Culture and recreation	336,110	370,340	310,315	60,025
Capital outlay	-	-	-	-
Total expenditures	336,110	370,340	310,315	60,025
Excess (deficiency) of revenues over expenditures	(326,480)	(265,710)	(208,006)	57,704
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	40,852	-	(40,852)
Proceeds from sale of assets	-	-	-	-
Transfers in	326,480	326,480	326,480	-
Transfers (out)	-	(101,622)	(101,622)	-
Total other financing sources (uses)	326,480	265,710	224,858	(40,852)
Net change in fund balances	-	-	16,852	16,852
Fund balances - beginning of year	-	-	368,688	368,688
Fund balances - end of year	$ -	$ -	$ 385,540	$ 385,540

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Recreation Program Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ 1,912,770	$ 1,912,770	$ 2,104,974	$ 192,204
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	-	-
Other revenues	-	-	-	-
Total revenues	1,912,770	1,912,770	2,104,974	192,204
Expenditures				
Current				
Culture and recreation	4,450,913	4,634,998	3,904,090	730,908
Capital outlay	5,000	5,000	-	5,000
Total expenditures	4,455,913	4,639,998	3,904,090	735,908
Excess (deficiency) of revenues over expenditures	(2,543,143)	(2,727,228)	(1,799,116)	928,112
Other financing sources (uses)				
Designated cash (budgeted cash increase)	921,282	713,359	-	(713,359)
Transfers in	1,677,781	2,069,789	2,069,789	-
Transfers (out)	(55,920)	(55,920)	(55,920)	-
Total other financing sources (uses)	2,543,143	2,727,228	2,013,869	(713,359)
Net change in fund balances	-	-	214,753	214,753
Fund balances - beginning of year	-	-	1,901,218	1,901,218
Fund balances - end of year	$ -	$ -	$ 2,115,971	$ 2,115,971

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Land Development Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	15,344	15,344	99,188	83,844
Other revenues	-	-	212,015	212,015
Total revenues	15,344	15,344	311,203	295,859
Expenditures				
Current				
Culture and recreation	-	-	250	(250)
Capital outlay	-	-	-	-
Total expenditures	-	-	250	(250)
Excess (deficiency) of revenues over expenditures	15,344	15,344	310,953	295,609
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(15,344)	(15,344)	-	15,344
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	(15,344)	(15,344)	-	15,344
Net change in fund balances	-	-	310,953	310,953
Fund balances - beginning of year	-	-	154,417	154,417
Fund balances - end of year	$ -	$ -	$ 465,370	$ 465,370

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Special Recreation Leagues Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	5,800	5,800	12,449	6,649
Investment income (loss)	1,880	1,880	4,787	2,907
Other revenues	-	-	-	-
Total revenues	7,680	7,680	17,236	9,556
Expenditures				
Current				
Culture and recreation	5,526	5,526	2,858	2,668
Capital outlay	-	-	-	-
Total expenditures	5,526	5,526	2,858	2,668
Excess (deficiency) of revenues over expenditures	2,154	2,154	14,378	12,224
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(2,154)	(2,154)	-	2,154
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	(2,154)	(2,154)	-	2,154
Net change in fund balances	-	-	14,378	14,378
Fund balances - beginning of year	-	-	110,415	110,415
Fund balances - end of year	$ -	$ -	$ 124,793	$ 124,793

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
SF Film Office Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	408,188	336,312	(71,876)
Charges for services	-	-	-	-
Investment income (loss)	-	-	5,204	5,204
Other revenues	-	-	-	-
Total revenues	-	408,188	341,516	(66,672)
Expenditures				
Current				
General government	-	700,119	567,790	132,329
Capital outlay	-	-	-	-
Total expenditures	-	700,119	567,790	132,329
Excess (deficiency) of revenues over expenditures	-	(291,931)	(226,274)	65,657
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	(171,869)	-	171,869
Proceeds from software subscriptio	-	-	57,926	57,926
Transfers in	-	465,000	465,000	-
Transfers (out)	-	(1,200)	(1,200)	-
Total other financing sources (uses)	-	291,931	521,726	229,795
Net change in fund balances	-	-	295,452	295,452
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ 295,452	$ 295,452

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
The 1/2% Gross Receipts Tax Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ 26,019,597	$ 26,800,185	$ 28,634,110	$ 1,833,925
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	145,695	145,695	590,325	444,630
Other revenues	-	-	-	-
Total revenues	26,165,292	26,945,880	29,224,435	2,278,555
Expenditures				
Current				
General government	3,207,100	12,431,514	6,580,897	5,850,617
Capital outlay	407,251	684,132	212,691	471,441
Total expenditures	3,614,351	13,115,646	6,793,588	6,322,058
Excess (deficiency) of revenues over expenditures	22,550,941	13,830,234	22,430,847	8,600,613
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(11,786,001)	12,818,031	-	(12,818,031)
Transfers in	-	1,600,000	1,600,000	-
Transfers (out)	(10,764,940)	(28,248,265)	(28,248,265)	-
Total other financing sources (uses)	(22,550,941)	(13,830,234)	(26,648,265)	(12,818,031)
Net change in fund balances	-	-	(4,217,418)	(4,217,418)
Fund balances - beginning of year	-	-	(2,554,719)	(2,554,719)
Error corrections	-	-	18,022,229	18,022,229
Fund balances - beginning of year, after error corrections	-	-	15,467,510	15,467,510
Fund balances - end of year	$ -	$ -	$ 11,250,092	$ 11,250,092

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
CIP Reallocation Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	8,569	8,569	19,524	10,955
Other revenues	-	-	-	-
Total revenues	8,569	8,569	19,524	10,955
Expenditures				
Current				
General government	-	-	50	(50)
Capital outlay	-	-	-	-
Total expenditures	-	-	50	(50)
Excess (deficiency) of revenues over expenditures	8,569	8,569	19,474	10,905
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(8,569)	(8,569)	-	8,569
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(8,569)	(8,569)	-	8,569
Net change in fund balances	-	-	19,474	19,474
Fund balances - beginning of year	-	-	489,447	489,447
Fund balances - end of year	$ -	$ -	$ 508,921	$ 508,921

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Resource Conservation Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	80,909	80,909	14,332	(66,577)
Other revenues	-	-	150	150
Total revenues	80,909	80,909	14,482	(66,427)
Expenditures				
Current				
General government	-	-	237	(237)
Capital outlay	-	14,251	-	14,251
Total expenditures	-	14,251	237	14,014
Excess (deficiency) of revenues over expenditures	80,909	66,658	14,245	(52,413)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(80,909)	(192,221)	-	192,221
Transfers in	-	125,563	125,563	-
Total other financing sources (uses)	(80,909)	(66,658)	125,563	192,221
Net change in fund balances	-	-	139,808	139,808
Fund balances - beginning of year	-	-	476,866	476,866
Fund balances - end of year	$ -	$ -	$ 616,674	$ 616,674

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Facilities CIP Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
State operating grants	-	550,000	330,000	(220,000)
State capital grants	-	1,843,793	50,161	(1,793,632)
Charges for services	-	-	-	-
Investment income (loss)	211,593	211,593	-	(211,593)
Other revenues	-	-	-	-
Total revenues	211,593	2,605,386	380,161	(2,225,225)
Expenditures				
Current				
General government	-	-	676	(676)
Capital outlay	-	17,883,681	4,317,384	13,566,297
Total expenditures	-	17,883,681	4,318,060	13,565,621
Excess (deficiency) of revenues over expenditures	211,593	(15,278,295)	(3,937,899)	11,340,396
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(211,593)	2,808,295	-	(2,808,295)
Transfers in	-	12,470,000	12,470,000	-
Total other financing sources (uses)	(211,593)	15,278,295	12,470,000	(2,808,295)
Net change in fund balances	-	-	8,532,101	8,532,101
Fund balances - beginning of year	-	-	2,872,334	2,872,334
Fund balances - end of year	$ -	$ -	$ 11,404,435	$ 11,404,435

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Special Projects Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	-	-
Other revenues	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
General government	-	5,077,796	2,940,908	2,136,888
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	849,313	(849,313)
Interest and other charges	-	-	2,587	(2,587)
Total expenditures	-	5,077,796	3,792,808	1,284,988
Excess (deficiency) of revenues over expenditures	-	(5,077,796)	(3,792,808)	1,284,988
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	2,035,096	-	(2,035,096)
Transfers in	-	3,042,700	3,042,700	-
Total other financing sources (uses)	-	5,077,796	3,042,700	(2,035,096)
Net change in fund balances	-	-	(750,108)	(750,108)
Fund balances - beginning of year	-	-	2,768,469	2,768,469
Fund balances - end of year	$ -	$ -	$ 2,018,361	$ 2,018,361

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
City Street Projects Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Other	$ 1,570,750	$ 1,570,750	$ 1,452,729	$ (118,021)
Intergovernmental				
Federal capital grants	-	2,752,706	248,367	(2,504,339)
State capital grants	-	11,568,574	5,863,970	(5,704,604)
Charges for services	-	-	49,374	49,374
Investment income (loss)	177,152	177,152	134,378	(42,774)
Other revenues	-	-	-	-
Total revenues	1,747,902	16,069,182	7,748,818	(8,320,364)
Expenditures				
Current				
Public works	1,198,982	1,011,250	1,026,184	(14,934)
Capital outlay	204,135	25,442,263	10,303,376	15,138,887
Total expenditures	1,403,117	26,453,513	11,329,560	15,123,953
Excess (deficiency) of revenues over expenditures	344,785	(10,384,331)	(3,580,742)	6,803,589
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	7,431,751	-	(7,431,751)
Transfers in	1,012,162	4,309,527	4,309,527	-
Transfers (out)	(1,356,947)	(1,356,947)	(1,356,947)	-
Total other financing sources (uses)	(344,785)	10,384,331	2,952,580	(7,431,751)
Net change in fund balances	-	-	(628,162)	(628,162)
Fund balances - beginning of year	-	-	7,025,256	7,025,256
Fund balances - end of year	$ -	$ -	$ 6,397,094	$ 6,397,094

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Bond Acquisition Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	99,087	99,087	40,272	(58,815)
Other revenues	-	-	-	-
Total revenues	99,087	99,087	40,272	(58,815)
Expenditures				
Current				
General government	-	-	-	-
Capital outlay	-	1,553,594	277,015	1,276,579
Total expenditures	-	1,553,594	277,015	1,276,579
Excess (deficiency) of revenues over expenditures	99,087	(1,454,507)	(236,743)	1,217,764
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(99,087)	1,454,507	-	(1,454,507)
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(99,087)	1,454,507	-	(1,454,507)
Net change in fund balances	-	-	(236,743)	(236,743)
Fund balances - beginning of year	-	-	1,291,568	1,291,568
Fund balances - end of year	$ -	$ -	$ 1,054,825	$ 1,054,825

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
City Drainage Projects Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	66,592	66,592	64,345	(2,247)
Other revenues	-	-	-	-
Total revenues	66,592	66,592	64,345	(2,247)
Expenditures				
Current				
Public works	-	-	162	(162)
Capital outlay	-	-	-	-
Total expenditures	-	-	162	(162)
Excess (deficiency) of revenues over expenditures	66,592	66,592	64,183	(2,409)
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(66,592)	(66,592)	-	66,592
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	(66,592)	(66,592)	-	66,592
Net change in fund balances	-	-	64,183	64,183
Fund balances - beginning of year	-	-	1,613,104	1,613,104
Fund balances - end of year	$ -	$ -	$ 1,677,287	$ 1,677,287

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
CIP Community Development Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
State operating grants	-	-	1,829,656	1,829,656
State capital grants	-	1,587,970	547,109	(1,040,861)
Charges for services	-	-	-	-
Investment income (loss)	31,943	31,943	12,758	(19,185)
Other revenues	-	-	-	-
Total revenues	31,943	1,619,913	2,389,523	769,610
Expenditures				
Current				
General government	-	-	-	-
Capital outlay	-	4,401,787	2,632,664	1,769,123
Total expenditures	-	4,401,787	2,632,664	1,769,123
Excess (deficiency) of revenues over expenditures	31,943	(2,781,874)	(243,141)	2,538,733
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(31,943)	2,086,901	-	(2,086,901)
Transfers in	-	800,000	800,000	-
Transfers (out)	-	(105,027)	(105,027)	-
Total other financing sources (uses)	(31,943)	2,781,874	694,973	(2,086,901)
Net change in fund balances	-	-	451,832	451,832
Fund balances - beginning of year	-	-	441,747	441,747
Fund balances - end of year	$ -	$ -	$ 893,579	$ 893,579

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Art for CIP Projects Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
State capital grants	-	508,581	19,165	(489,416)
Charges for services	-	-	-	-
Investment income (loss)	6,139	6,139	10,939	4,800
Other revenues	-	-	-	-
Total revenues	6,139	514,720	30,104	(484,616)
Expenditures				
Current				
Culture and recreation	-	-	29	(29)
Capital outlay	-	508,581	21,592	486,989
Total expenditures	-	508,581	21,621	486,960
Excess (deficiency) of revenues over expenditures	6,139	6,139	8,483	2,344
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(6,139)	(440,303)	-	440,303
Transfers in	-	434,164	434,164	-
Total other financing sources (uses)	(6,139)	(6,139)	434,164	440,303
Net change in fund balances	-	-	442,647	442,647
Fund balances - beginning of year	-	-	293,387	293,387
Fund balances - end of year	$ -	$ -	$ 736,034	$ 736,034

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
City Parks and Trails Improvements Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Federal capital grants	-	2,992,845	315,347	(2,677,498)
State capital grants	-	10,178,000	1,789,155	(8,388,845)
Charges for services	-	-	-	-
Investment income (loss)	115,582	115,582	94,697	(20,885)
Other revenues	-	-	-	-
Total revenues	115,582	13,286,427	2,199,199	(11,087,228)
Expenditures				
Current				
Culture and recreation	-	250,953	195,040	55,913
Capital outlay	-	20,831,160	5,205,634	15,625,526
Total expenditures	-	21,082,113	5,400,674	15,681,439
Excess (deficiency) of revenues over expenditures	115,582	(7,795,686)	(3,201,475)	4,594,211
Other financing sources (uses)				
Designated cash (budgeted cash increase)	(115,582)	6,253,706	-	(6,253,706)
Transfers in	-	1,544,753	1,544,753	-
Transfers (out)	-	(2,773)	(2,773)	-
Total other financing sources (uses)	(115,582)	7,795,686	1,541,980	(6,253,706)
Net change in fund balances	-	-	(1,659,495)	(1,659,495)
Fund balances - beginning of year	-	-	5,673,028	5,673,028
Fund balances - end of year	$ -	$ -	$ 4,013,533	$ 4,013,533

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Library Improvements Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Gross receipts	$ -	$ -	$ -	$ -
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	550	550
Other revenues	-	-	-	-
Total revenues	-	-	550	550
Expenditures				
Current				
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	550	550
Other financing sources (uses)				
Designated cash (budgeted cash increase)	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	550	550
Fund balances - beginning of year	-	-	13,814	13,814
Fund balances - end of year	$ -	$ -	$ 14,364	$ 14,364

City of Santa Fe, New Mexico
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Budgetary Basis) and Actual
Debt Service Fund

For the Year Ended June 30, 2025	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Positive (Negative) Final to Actual
Revenues				
Taxes				
Property	$ 1,970,733	$ 1,990,440	$ 1,956,477	$ (33,963)
Intergovernmental				
Local	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	57,143	57,143
Other revenues	-	-	-	-
Total revenues	1,970,733	1,990,440	2,013,620	23,180
Expenditures				
Current				
General government	-	19,707	19,565	142
Debt service				
Principal	6,752,374	8,818,374	8,060,103	758,271
Interest and other charges	2,671,400	2,892,776	2,821,978	70,798
Interest and other charges	283,048	283,539	2,667	280,872
Total expenditures	9,706,822	12,014,396	10,904,313	1,110,083
Excess (deficiency) of revenues over expenditures	(7,736,089)	(10,023,956)	(8,890,693)	1,133,263
Other financing sources (uses)				
Designated cash (budgeted cash increase)	9,000	9,000	-	(9,000)
Transfers in	7,727,089	10,014,956	10,014,956	-
Total other financing sources (uses)	7,736,089	10,023,956	10,014,956	(9,000)
Net change in fund balances	-	-	1,124,263	1,124,263
Fund balances - beginning of year	-	-	3,177,688	3,177,688
Fund balances - end of year	$ -	$ -	$ 4,301,951	$ 4,301,951

ENTERPRISE FUNDS

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Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Railyard Properties – to account for the development of 50 acres of prime real estate near the center of the City previously owned by the railroad and a private developer.

College of Santa Fe – to account for the lease operations, debt service, and construction activities associated with the City's purchase of the college from a nonprofit corporation and subsequent lease to Laureate Education Inc. in September of 2009.

Municipal Recreation Complex – to account for the operation of the City's golf course and adjoining recreation facility.

Parking Enterprise Fund – to account for the operation of the City's parking lots and the operation of the on-street parking meters.

Transit Bus System – to account for the operation of the City's public bus system and trails.

Airport – to account for the operation of the City's airport.

Genoveva Chavez Community Center (GCCC) – to account for the operation of the GCCC facility.

City of Santa Fe, New Mexico
Combining Statement of Net Position – Nonmajor Enterprise Funds

For Year Ended June 30, 2025	Railyard Properties	(Formerly Major) College of Santa Fe	Municipal Recreation Complex
Assets			
Current assets			
Cash, investments, and cash equivalents	$ 2,292,792	$ 1,017,590	$ 3,860,409
Receivables, net of allowance			
Intergovernmental	-	375,764	-
Customer, net	-	-	235,814
Other	143	2	11,629
Lease receivable	197,824	4,395	-
Total current assets	2,490,759	1,397,751	4,107,852
Noncurrent assets			
Leases receivable, less current portion	7,255,905	9,022	-
Capital assets not being depreciated	21,875,080	13,069,226	4,921,725
Capital assets being depreciated	40,433,658	43,097,483	18,827,899
Right-to-use lease assets - leases	-	-	335,951
Right-to-use lease assets - subscriptions	-	-	-
Accumulated amortization - leases	-	-	(320,378)
Accumulated amortization - subscriptions	-	-	-
Accumulated depreciation	(33,874,571)	(21,350,283)	(17,266,330)
Total noncurrent assets	35,690,072	34,825,448	6,498,867
Total assets	38,180,831	36,223,199	10,606,719
Deferred outflows of resources			
Deferred outflows - pension	45,945	42,733	226,193
Deferred outflows - OPEB	8,414	7,816	41,425
Total deferred outflows of resources	54,359	50,549	267,618
Total assets and deferred outflows of resources	$ 38,235,190	$ 36,273,748	$ 10,874,337

City of Santa Fe, New Mexico
Combining Statement of Net Position – Nonmajor Enterprise Funds (Continued)

Parking Enterprise	Transit Bus System	Airport	GCCC	Total
$ 3,623,153	$ 8,962,697	$ 970,162	$ 948,537	$ 21,675,340
-	5,012,863	1,225,172	-	6,613,799
1,582,819	-	-	-	1,818,633
-	196,340	-	-	208,114
23,408	-	154,880	-	380,507
5,229,380	14,171,900	2,350,214	948,537	30,696,393
346,942	-	4,291,774	-	11,903,643
254,331	360,183	11,601,302	2,921,760	55,003,607
39,109,113	29,081,251	75,816,898	31,754,403	278,120,705
-	-	-	-	335,951
-	1,318,873	-	-	1,318,873
-	-	-	-	(320,378)
-	(204,152)	-	-	(204,152)
(13,508,053)	(20,225,500)	(31,700,839)	(15,963,379)	(153,888,955)
26,202,333	10,330,655	60,009,135	18,712,784	192,269,294
31,431,713	24,502,555	62,359,349	19,661,321	222,965,687
543,044	1,459,855	978,241	640,242	3,936,253
99,398	267,371	158,745	118,894	702,063
642,442	1,727,226	1,136,986	759,136	4,638,316
$ 32,074,155	$ 26,229,781	$ 63,496,335	$ 20,420,457	$ 227,604,003

(Continued)

City of Santa Fe, New Mexico
Combining Statement of Net Position – Nonmajor Enterprise Funds (Continued)

For Year Ended June 30, 2025	Railyard Properties	(Formerly Major) College of Santa Fe	Municipal Recreation Complex
Liabilities			
Current liabilities			
Accounts payable	$ 234,017	$ 363,453	$ 349,281
Accrued payroll	3,503	4,049	27,910
Accrued interest payable	9,808	54,136	-
Unearned revenue	-	16,667	-
Other liabilities	-	-	49,553
Due to other governments	-	-	-
Deposits held in trust for others	-	23,333	-
Bonds payable, current, net of amortized discounts	1,084,156	-	-
Notes payable, current	-	1,030,000	-
Lease liabilities, current	-	-	16,456
Subscription liabilities, current	-	-	-
Compensated absence, current	792	1,545	10,950
Total current liabilities	1,332,276	1,493,183	454,150
Noncurrent liabilities			
Bonds payable, net of unamortized discounts	2,230,700	-	-
Notes payable, net of current portion	-	17,025,000	-
Subscription liabilities, net of current portion	-	-	-
Compensated absences, net of current portion	1,847	3,605	25,551
Net pension liability	208,189	193,636	1,024,954
Net OPEB liability	24,901	23,131	122,596
Total noncurrent liabilities	2,465,637	17,245,372	1,173,101
Total liabilities	3,797,913	18,738,555	1,627,251
Deferred inflows of resources			
Unamortized gain on refunding of bonds	75,075	-	-
Deferred inflows - leases	7,292,490	15,631	-
Deferred inflows - pension	3,639	3,385	17,917
Deferred inflows - OPEB	22,962	21,330	113,049
Total deferred inflows of resources	7,394,166	40,346	130,966
Net position			
Net investment in capital assets	25,044,236	16,761,426	6,482,411
Unrestricted (deficit)	1,998,875	733,421	2,633,709
Total net position	27,043,111	17,494,847	9,116,120
Total liabilities, deferred inflows of resources, and net position	$ 38,235,190	$ 36,273,748	$ 10,874,337

City of Santa Fe, New Mexico
Combining Statement of Net Position –
Nonmajor Enterprise Funds (Continued)

Parking Enterprise	Transit Bus System	Airport	GCCC	Total
$ 92,741	$ 275,668	$ 3,449,943	$ 98,108	$ 4,863,211
68,051	162,188	117,299	63,029	446,029
26,840	864	-	-	91,648
-	-	45,635	-	62,302
51,077	-	304	-	100,934
8	-	-	-	8
94,340	14	-	18,471	136,158
701,741	-	-	-	1,785,897
205,000	332,163	-	-	1,567,163
-	-	-	-	16,456
-	271,793	-	-	271,793
38,435	96,463	39,744	25,046	212,975
1,278,233	1,139,153	3,652,925	204,654	9,554,574
7,733,178	-	-	-	9,963,878
210,000	-	-	-	17,235,000
-	775,339	-	-	775,339
89,682	225,079	92,735	58,440	496,939
2,460,704	6,615,072	4,432,722	2,901,140	17,836,417
294,165	791,278	469,801	351,863	2,077,735
10,787,729	8,406,768	4,995,258	3,311,443	48,385,308
12,065,962	9,545,921	8,648,183	3,516,097	57,939,882
-	-	-	-	75,075
215,949	-	4,442,029	-	11,966,099
43,014	115,634	77,486	50,713	311,788
271,258	729,662	433,218	324,463	1,915,942
530,221	845,296	4,952,733	375,176	14,268,904
17,005,472	8,951,360	55,717,361	18,712,784	148,675,050
2,472,500	6,887,204	(5,821,942)	(2,183,600)	6,720,167
19,477,972	15,838,564	49,895,419	16,529,184	155,395,217
$ 32,074,155	$ 26,229,781	$ 63,496,335	$ 20,420,457	$ 227,604,003

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenses, and Changes in Net Position - Nonmajor Enterprise Funds

For Year Ended June 30, 2025	Railyard Properties	(Formerly Major) College of Santa Fe	Municipal Recreation Complex
Operating revenues			
Charges for services	$ -	$ -	$ 2,029,582
Facilities rentals	-	528,151	-
Other revenues	1,139,697	-	2,289
Total operating revenues	1,139,697	528,151	2,031,871
Operating expenses			
Salaries, wages, and fringe benefits	195,176	135,802	993,243
Contractual services and utilities	371,899	917,808	2,417,280
Repairs and maintenance	137,995	672,826	50,775
Supplies	5,306	2	48,958
Small equipment	3,997	219,156	3,174
Depreciation and amortization expense	389,213	1,767,404	252,316
Insurance	-	372,536	-
Other	381,018	2,546	117,943
Total operating expenses	1,484,604	4,088,080	3,883,689
Operating income (loss)	(344,907)	(3,559,929)	(1,851,818)
Non-operating revenues (expenses)			
Investment income (loss)	230,961	238	6,025
Intergovernmental			
Federal	-	-	-
State	-	921,578	-
Lease revenue	245,170	1,961	-
Interest expense, net of premium amortization	(67,347)	(656,077)	(221)
Other nonoperating revenue (expense)	-	-	-
Total non-operating revenues (expenses)	408,784	267,700	5,804
Income (loss) before contributions and transfers	63,877	(3,292,229)	(1,846,014)
Capital grants			
State	-	-	-
Transfers in	1,619,365	2,749,369	4,870,658
Transfers (out)	(3,009)	-	(15,243)
Change in net position	1,680,233	(542,860)	3,009,401
Net position - beginning of year	25,361,209	-	6,125,839
Adjustments (Note 2)	-	17,992,625	-
Change in accounting principle (Note 2)	(1,984)	(4,758)	(19,120)
Error corrections (Note 2)	3,653	49,840	-
Net position - beginning of year, after adjustments	25,362,878	18,037,707	6,106,719
Net position - end of year	$ 27,043,111	$ 17,494,847	$ 9,116,120

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenses, and Changes in Net Position - Nonmajor Enterprise Funds (Continued)

Parking Enterprise	Transit Bus System	Airport	GCCC	Total
$ 5,032,215	$ 1,641,205	$ 3,446,570	$ 1,325,660	$ 13,475,232
-	955	328,754	276,231	1,134,091
158,539	84,178	133,878	1	1,518,582
5,190,754	1,726,338	3,909,202	1,601,892	16,127,905
2,642,183	6,759,992	4,624,587	1,874,828	17,225,811
494,032	217,783	337,579	737,931	5,494,312
59,647	406,785	268,192	260,383	1,856,603
96,888	224,695	690,304	143,264	1,209,417
3,649	305,054	463,360	162,070	1,160,460
993,544	1,145,952	1,968,976	1,112,158	7,629,563
-	479,282	18,013	-	869,831
1,159,687	2,137,951	872,041	555,025	5,226,211
5,449,630	11,677,494	9,243,052	4,845,659	40,672,208
(258,876)	(9,951,156)	(5,333,850)	(3,243,767)	(24,544,303)
154,289	130,123	135,795	-	657,431
-	3,948,980	2,964,051	-	6,913,031
-	2,559,070	-	75,000	3,555,648
34,953	-	-	-	282,084
(278,684)	(45,395)	-	-	(1,047,724)
448,621	-	-	-	448,621
359,179	6,592,778	3,099,846	75,000	10,809,091
100,303	(3,358,378)	(2,234,004)	(3,168,767)	(13,735,212)
-	-	5,600,503	-	5,600,503
-	6,407,872	-	3,823,462	19,470,726
(161,871)	(159,850)	(1,982,758)	(303,046)	(2,625,777)
(61,568)	2,889,644	1,383,741	351,649	8,710,240
19,597,372	12,871,217	48,256,454	16,177,895	128,389,986
-	-	-	-	17,992,625
(62,976)	(172,545)	(79,536)	(43,419)	(384,338)
5,144	250,248	334,760	43,059	686,704
19,539,540	12,948,920	48,511,678	16,177,535	146,684,977
$ 19,477,972	$ 15,838,564	$ 49,895,419	$ 16,529,184	$ 155,395,217

City of Santa Fe, New Mexico
Combining Statement of Cash Flows - Nonmajor Enterprise Funds

For Year Ended June 30, 2025	Railyard Properties	College of Santa Fe	Municipal Recreation Complex
Cash flows from operating activities			
Cash received from customers	$ 1,089,132	$ 530,365	$ 2,158,019
Cash payments to suppliers for goods and services	(841,196)	(2,065,441)	(3,165,801)
Cash payments to employees for services	(156,684)	(147,252)	(763,163)
Net cash provided (used) by operating activities	91,252	(1,682,328)	(1,770,945)
Cash flows from noncapital financing activities			
Intergovernmental taxes and grants	-	545,814	-
Transfers in from other funds	1,619,365	2,749,369	4,870,658
Transfers out to other funds	(3,009)	-	(15,243)
Cash received from leases	245,170	1,961	-
Net cash provided (used) by noncapital financing activities	1,861,526	3,297,144	4,855,415
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(1,212,818)	(1,274,561)	(1,952,021)
Proceeds from capital grants	-	-	-
Principal paid on bonds, notes, leases, and SBITAs	(1,041,857)	(1,000,000)	-
Interest paid on bonds, notes, leases, and SBITAs	(159,374)	(658,395)	(221)
Net cash provided (used) by capital and related financing activities	(2,414,049)	(2,932,956)	(1,952,242)
Cash flows from investing activities			
Interest and dividends on investments	230,961	238	6,025
Net cash provided (used) by investing activities	230,961	238	6,025
Net increase (decrease) in cash, cash equivalents, and investments	(230,310)	(1,317,902)	1,138,253
Cash, cash equivalents, and investments - beginning of year	2,523,102	2,335,492	2,722,156
Cash, cash equivalents, and investments - end of year	$ 2,292,792	$ 1,017,590	$ 3,860,409

City of Santa Fe, New Mexico
Combining Statement of Cash Flows -
Nonmajor Enterprise Funds (Continued)

Parking Enterprise	Transit Bus System	Airport	GCCC	Total
$ 4,932,664	$ 3,765,546	$ 4,341,326	$ 1,601,892	$ 18,418,944
(2,087,851)	(3,768,156)	(1,233,702)	(1,930,729)	(15,092,876)
(2,224,503)	(6,399,324)	(3,447,025)	(2,527,360)	(15,665,311)
620,310	(6,401,934)	(339,401)	(2,856,197)	(12,339,243)
448,621	6,508,050	2,964,051	75,000	10,541,536
-	6,407,872	-	3,823,462	19,470,726
(161,871)	(159,850)	(1,982,758)	(303,046)	(2,625,777)
34,953	-	-	-	282,084
321,703	12,756,072	981,293	3,595,416	27,668,569
(389,004)	(144,923)	(11,346,300)	-	(16,319,627)
-	-	5,600,503	-	5,600,503
(804,950)	(594,292)	-	-	(3,441,099)
(346,924)	(46,169)	-	-	(1,211,083)
(1,540,878)	(785,384)	(5,745,797)	-	(15,371,306)
154,289	130,123	135,795	-	657,431
154,289	130,123	135,795	-	657,431
(444,576)	5,698,877	(4,968,110)	739,219	615,451
4,067,729	3,263,820	5,938,272	209,318	21,059,889
$ 3,623,153	$ 8,962,697	$ 970,162	$ 948,537	$ 21,675,340

(Continued)

City of Santa Fe, New Mexico
Combining Statement of Cash Flows - Nonmajor Enterprise Funds (Continued)

For Year Ended June 30, 2025	Railyard Properties	College of Santa Fe	Municipal Recreation Complex
Reconciliation of operating income (loss) To net cash provided (used) by Operating activities			
Operating income (loss)	$ (344,907)	$ (3,559,929)	$ (1,851,818)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation/Amortization/Bad debt expense	389,213	1,767,404	252,316
Difference between deferred outflows and related to pensions and OPEB	(7,789)	4,795	(46,173)
Difference between deferred inflows and related to pensions and OPEB	(3,693)	(11,284)	(13,369)
Difference between deferred inflows related to leases	(245,170)	15,631	-
Difference between net pension/OPEB liability	50,765	90	280,699
Change in assets and liabilities			
(Increase) decrease in accounts receivables	-	-	213,879
(Increase) decrease in other receivables	17	-	62
(Increase) decrease in lease receivables	194,588	(13,417)	-
(Increase) decrease in taxes receivables	-	-	-
Increase (decrease) in accounts payable	59,019	119,433	(527,671)
Increase (decrease) in lease payable	-	-	(84,434)
Increase (decrease) in gross receipts tax payable	-		-
Increase (decrease) in compensated absences payable	(622)	(3,105)	(3,178)
Increase (decrease) in accrued wages payable	(169)	(1,946)	12,101
Increase (decrease) in due to other governments	-	-	-
Increase (decrease) in customer deposits	-	-	-
Increase (decrease) unearned revenue	-	-	(3,359)
Net cash provided (used) by operating activities	$ 91,252	$ (1,682,328)	$ (1,770,945)

City of Santa Fe, New Mexico
Combining Statement of Cash Flows - Nonmajor Enterprise Funds (Continued)

Parking Enterprise	Transit Bus System	Airport	GCCC	Total
$ (258,876)	$ (9,951,156)	$ (5,333,850)	$ (3,243,767)	$ (24,544,303)
993,544	1,145,952	1,968,976	1,112,158	7,629,563
(86,160)	(56,493)	(269,088)	177,517	(283,391)
(47,569)	(241,477)	15,117	(240,117)	(542,392)
(168,089)	-	(180,555)	-	(578,183)
576,991	865,340	1,476,605	(411,597)	2,838,893
(155,778)	-	-	-	58,101
-	1,117,063	-	-	1,117,142
22,781	-	(13,854)	-	190,098
-	922,145	667,231	-	1,589,376
(273,876)	3,394	1,415,787	(72,056)	724,030
-	-	-	-	(84,434)
42,996	-	-	-	42,996
(22,503)	(227,582)	(58,463)	(51,447)	(366,900)
(3,079)	20,880	13,391	(126,888)	(85,710)
(50)	-	(86,333)	-	(86,383)
(22)	-	-	-	(22)
-	-	45,635	-	42,276
$ 620,310	$ (6,401,934)	$ (339,401)	$ (2,856,197)	$ (12,339,243)

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INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost reimbursement basis.

Risk Management – to account for the premiums, claims, and operating costs of the property and liability insurance program. Costs are billed to departments protected by risk management coverage.

Santa Fe Health*/*Dental Fund – to account for the cost of operating self-insured health and dental insurance programs. The City contributes 76.50% of the costs and the employee contributes 23.50%. In regards to health; also, the City contributes 60.00% of the costs and the employee contributes 40.00% for the dental program.

Workers' Compensation – to account for the cost of operating a self-insured workers' compensation program.

Unemployment Fund – to account for unemployment claims from City employees. The funding for this program will be derived from a City-wide department assessment.

Services to Other Departments – to account for fleet management goods and services and technology goods and services provided by those departments to other City departments.

City of Santa Fe, New Mexico
Combining Statement of Net Position - Internal Service Funds

June 30, 2025	Risk Management	Santa Fe Health/ Dental
Assets		
Current assets		
Cash, cash equivalents, and investments	$ 5,010,705	$ 16,512,137
Receivables		
Other	-	1,129,796
Inventory	-	-
Prepaid expenses	-	17,667
Total current assets	5,010,705	17,659,600
Noncurrent assets		
Capital assets not being depreciated	-	-
Capital assets being depreciated	125,712	-
Right-to-use assets - subscriptions	-	-
Accumulated amortization - subscriptions	-	-
Accumulated depreciation	(78,643)	-
Total noncurrent assets	47,069	-
Total assets	5,057,774	17,659,600
Deferred outflows of resources		
Deferred outflows - pension	90,253	93,248
Deferred outflows - OPEB	16,531	17,076
Total deferred outflows of resources	106,784	110,324
Total assets and deferred outflows of resources	$ 5,164,558	$ 17,769,924

City of Santa Fe, New Mexico
Combining Statement of Net Position - Internal Service Funds (Continued)

Workers' Compensation	Unemployment Fund	Services to Other Department	Total
$ 3,926,739	$ 387,595	$ -	$ 25,837,176
-	-	-	1,129,796
-	-	431	431
-	-	-	17,667
3,926,739	387,595	431	26,985,070
-	-	484,083	484,083
-	-	4,818,708	4,944,420
-	-	715,580	715,580
-	-	(319,351)	(319,351)
-	-	(3,150,228)	(3,228,871)
-	-	2,548,792	2,595,861
3,926,739	387,595	2,549,223	29,580,931
-	-	1,525,451	1,708,952
-	-	279,194	312,801
-	-	1,804,645	2,021,753
$ 3,926,739	$ 387,595	$ 4,353,868	$ 31,602,684

(Continued)

City of Santa Fe, New Mexico
Combining Statement of Net Position - Internal Service Funds (Continued)

June 30, 2025	Risk Management	Santa Fe Health/ Dental
Liabilities		
Current liabilities		
Accounts payable	$ 366,882	$ 866,808
Pooled cash - cash overdrawn	-	-
Accrued payroll	8,467	10,577
Compensated absences - current	16,395	7,992
Subscription liabilities - due within one year	-	-
Claims and judgment payable	6,673,703	1,552,000
Total current liabilities	7,065,447	2,437,377
Noncurrent liabilities		
Compensated absences payable	30,993	22,800
Subscription liabilities, due in more than one year	-	-
Net pension liability	408,965	422,537
Net OPEB liability	48,924	50,537
Total noncurrent liabilities	488,882	495,874
Total liabilities	7,554,329	2,933,251
Deferred inflows of resources		
Deferred inflows - pension	7,149	7,386
Deferred inflows - OPEB	45,114	46,601
Total deferred inflows of resources	52,263	53,987
Net position		
Net investment in capital assets	47,069	-
Unrestricted (deficit)	(2,489,103)	14,782,686
Total net position	(2,442,034)	14,782,686
Total liabilities, deferred inflows of resources, and net position	$ 5,164,558	$ 17,769,924

City of Santa Fe, New Mexico
Combining Statement of Net Position - Internal Service Funds (Continued)

Workers' Compensation	Unemployment Fund	Services to Other Department	Total
$ 5,441	$ 21,467	$ 1,008,175	$ 2,268,773
-	-	4,224,876	4,224,876
-	-	160,436	179,480
-	-	209,860	234,247
-	-	219,114	219,114
3,519,615	-	-	11,745,318
3,525,056	21,467	5,822,461	18,871,808
-	-	494,167	547,960
-	-	208,705	208,705
-	-	6,912,309	7,743,811
-	-	826,267	925,728
-	-	8,441,448	9,426,204
3,525,056	21,467	14,263,909	28,298,012
-	-	120,830	135,365
-	-	761,926	853,641
-	-	882,756	989,006
-	-	2,120,973	2,168,042
401,683	366,128	(12,913,770)	147,624
401,683	366,128	(10,792,797)	2,315,666
$ 3,926,739	$ 387,595	$ 4,353,868	$ 31,602,684

City of Santa Fe, New Mexico
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds

For Year Ended June 30, 2025	Risk Management	Santa Fe Health/ Dental
Operating revenues		
Charges for services	$ -	$ -
Other revenues	-	65,724
Premiums	7,786,215	26,110,080
Total operating revenues	7,786,215	26,175,804
Operating expenses		
Salaries, wages, and fringe benefits	143,068	2,443,563
Contractual services and utilities	309,400	987,097
Repairs and maintenance	-	-
Supplies	114,252	25,353
Small equipment	-	-
Depreciation and amortization expense	15,880	-
Insurance	3,607,842	615,328
Claims and judgments	5,055,399	21,618,312
Other	236,704	1,600
Total operating expenses	9,482,545	25,691,253
Operating income (loss)	(1,696,330)	484,551
Non-operating revenues (loss)		
Interest expense	-	-
Investment income (loss)	97,748	606,682
Total non-operating revenues (expenses)	97,748	606,682
Income (loss) before transfers	(1,598,582)	1,091,233
Transfers in	3,107,873	-
Transfers (out)	(2,120)	(75,000)
Change in net position	1,507,171	1,016,233
Net position - beginning of year	(3,934,964)	13,772,760
Change in accounting principle (Note 2)	(14,241)	(6,307)
Error correction (Note 2)	-	-
Net position - beginning of year	(3,949,205)	13,766,453
Net position - end of year	$ (2,442,034)	$ 14,782,686

Workers' Compensation	Unemployment Fund	Services to Other Departments	Total
$ -	$ -	$ 14,710,970	$ 14,710,970
39,365	-	-	105,089
-	41,161	-	33,937,456
39,365	41,161	14,710,970	48,753,515
279,994	-	4,719,837	7,586,462
56,911	-	2,361,975	3,715,383
-	-	316,522	316,522
-	-	2,612,257	2,751,862
-	-	3,381,677	3,381,677
-	-	1,952,728	1,968,608
-	-	-	4,223,170
249,267	33,673	-	26,956,651
80	37	652,857	891,278
586,252	33,710	15,997,853	51,791,613
(546,887)	7,451	(1,286,883)	(3,038,098)
-	-	(14,970)	(14,970)
31,309	14,869	-	750,608
31,309	14,869	(14,970)	735,638
(515,578)	22,320	(1,301,853)	(2,302,460)
3,157,281	-	2,535,568	8,800,722
-	-	(135,811)	(212,931)
2,641,703	22,320	1,097,904	6,285,331
(2,240,020)	343,808	(11,781,062)	(3,839,478)
-	-	(170,756)	(191,304)
-	-	61,117	61,117
(2,240,020)	343,808	(11,890,701)	(3,969,665)
$ 401,683	$ 366,128	$ (10,792,797)	$ 2,315,666

City of Santa Fe, New Mexico
Combining Statement of Cash Flows - Internal Service Funds

For Year Ended June 30, 2025	Risk Management	Santa Fe Health/	Workers' Compensation
Cash flows from operating activities			
Cash received from customers	$ 7,786,215	$ 26,092,562	$ 39,365
Cash payments to suppliers for goods and services	(7,693,731)	(23,295,739)	(1,160,173)
Cash payments to employees for services	(308,799)	(2,395,403)	(279,994)
Net cash provided (used) by operating activities	(216,315)	401,420	(1,400,802)
Cash flows from noncapital financing activities			
Transfers in from other funds	3,107,873	-	3,157,281
Transfers out to other funds	(2,120)	(75,000)	-
Net cash provided (used) by noncapital financing activities	3,105,753	(75,000)	3,157,281
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	-	-	-
Proceeds from new subscriptions	-	-	-
Proceeds from sale of capital assets	-	-	-
Contributed capital	-	-	-
Principal paid on subscription liabilities	-	-	-
Interest paid on subscription liabilities	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
Cash flows from investing activities			
Interest and dividends on investments	97,748	606,682	31,309
Net cash provided (used) by investing activities	97,748	606,682	31,309
Net increase (decrease) in cash, cash equivalents, and investments	2,987,186	933,102	1,787,788
Cash, cash equivalents, and investments - beginning of year	2,023,519	15,579,035	2,138,951
Cash, cash equivalents, and investments - end of year	$ 5,010,705	$ 16,512,137	$ 3,926,739

Unemployment Fund	Services to Other	Total
$ 41,161	$ 14,710,970	$ 48,670,273
(33,711)	(9,327,537)	(41,510,891)
-	(5,543,149)	(8,527,345)
7,450	(159,716)	(1,367,963)
-	2,535,568	8,800,722
-	(135,811)	(212,931)
-	2,399,757	8,587,791
-	-	-
-	-	-
-	-	-
-	-	-
-	(342,848)	(342,848)
-	(14,970)	(14,970)
-	(357,818)	(357,818)
14,869	-	750,608
14,869	-	750,608
22,319	1,882,223	7,612,618
365,276	(6,107,099)	13,999,682
$ 387,595	$ (4,224,876)	$ 21,612,300

(Continued)

For Year Ended June 30, 2025	Risk Management	Santa Fe Health/	Workers' Compensation
Reconciliation of operating income (loss) To net cash provided (used) by Operating activities			
Operating income (loss)	$ (1,696,330)	$ 484,551	$ (546,887)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation/Amortization/Bad debt expense	15,880	-	-
Difference between deferred outflows and related to pensions and OPEB	55,122	(1,407)	-
Difference between deferred inflows and related to pensions and OPEB	(53,058)	(16,876)	-
Difference between net pension/OPEB liability	(175,979)	46,661	-
Change in assets and liabilities			
(Increase) decrease in accounts receivables	-	(1,116,019)	-
(Increase) decrease in other receivables	-	1,032,777	-
(Increase) decrease in prepaid expense	-	(17,667)	-
Increase (decrease) in accounts payable	(80,146)	(99,382)	(1,826)
Increase (decrease) in compensated absences payable	7,407	14,520	-
Increase (decrease) in accrued wages payable	777	5,262	-
Increase (decrease) in inventory	-	-	-
Increase (decrease) in claims payable	1,710,012	69,000	(852,089)
Net cash provided (used) by operating activities	$ (216,315)	$ 401,420	$ (1,400,802)

Unemployment Fund	Services to Other	Total
$ 7,451	$ (1,286,883)	$ (3,038,098)
-	1,952,728	1,968,608
-	408,118	461,833
-	(556,468)	(626,402)
-	(924,563)	(1,053,881)
-	-	(1,116,019)
-	-	1,032,777
-	-	(17,667)
(1)	(19,903)	(201,258)
-	276,181	298,108
-	(26,580)	(20,541)
-	17,654	17,654
-	-	926,923
$ 7,450	$ (159,716)	$ (1,367,963)

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SUPPORTING SCHEDULES

City of Santa Fe, New Mexico
Schedule of Deposits and Investments
June 30, 2025

Bank Account Type/Name	Citibank	LGIP
Santa Fe health - checking - non-interest bearing	$ 113,373	$ -
LGIP Fund - interest bearing	-	87,544,591
NMFA investment accounts**	-	-
Municipal checking - interest bearing	-	-
Common - checking - non-interest bearing	-	-
Government money market - restricted cash - interest bearing	-	-
Money market - interest bearing	-	-
BDD Money market - interest bearing	-	-
False alarm trust - interest bearing	-	-
Total	113,373	87,544,591
Reconciling items	502,627	-
Reconciled balance	$ 616,000	$ 87,544,591

Plus petty cash	
Less cash, cash equivalents, and investments per fiduciary funds statement of net position	
Less restricted cash, cash equivalents, and investments per statement of net position	
Cash, cash equivalents, and investments per statement of net position	

**Accounts are U.S. Treasury MM Mutual Funds

City of Santa Fe, New Mexico
Schedule of Deposits and Investments
June 30, 2025

Principal	New Mexico Finance Authority	Sterling National Bank	Wells Fargo Bank	Totals
$ -	$ -	$ -	$ -	$ 113,373
-	-	-	-	87,544,591
-	73,762	-	-	73,762
-	-	130,969	-	130,969
-	-	-	10,636,057	10,636,057
7,705,096	-	-	-	7,705,096
301,779,698	-	-	-	301,779,698
79,562,545	-	-	-	79,562,545
-	-	-	113,373	113,373
389,047,339	73,762	130,969	10,749,430	487,659,464
-	-	-	(6,119,633)	(5,617,006)
$ 389,047,339	$ 73,762	$ 130,969	$ 4,629,797	482,042,458
				6,275
				(116,322,595)
				(1,526,429)
				$ 364,199,709

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City of Santa Fe, New Mexico
Schedule of Collateral Pledged by Depository For Public Funds
June 30, 2025

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2025
Wells Fargo Bank				
	Travelers Casualty and Surity	N/A	107829901	$ 16,000,000
	FNMA 4355 2.0%	6/1/2051	31418DZV7	5,465,296
	Total Wells Fargo Bank			21,465,296
	Name and location of safekeeper for above pledged collateral: BNY Mellon, New York, New York			
Total pledged collateral				$ 21,465,296

City of Santa Fe, New Mexico
Schedule of Joint Powers Agreements
For the Year Ended June 30, 2025

	Joint Power Agreement	Participants	Responsible Party	Description
1	City of Santa Fe and County of Santa Fe	City of Santa Fe County of Santa Fe BDD	City of Santa Fe County of Santa Fe BDD	To operate and manage the Buckman Direct Diversion Water Project
2	City of Santa Fe and County of Santa Fe	City of Santa Fe County of Santa Fe SWMA	City of Santa Fe County of Santa Fe SWMA	To operate and manage the Santa Fe Solid Waste Management Agency

City of Santa Fe, New Mexico
Schedule of Joint Powers Agreements
For the Year Ended June 30, 2025

Beginning and Ending Dates	Total Estimated Project Amount and Amount Applicable to Party	Amount contributed By City During Current Fiscal Year	Audit Responsibility	Fiscal Agent and Responsible Reporting Entity
Date of approval by DFA to termination by either party's governing body	50%	$ 6,412,734	BDD	BDD
Date of approval by DFA to termination by either party's governing body	50%	$ 5,413,680	SWMA	SWMA

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STATISTICAL SECTION

City of Santa Fe, New Mexico
Net Position by Component
Last Ten Fiscal Years (Unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Governmental Activities				
Net Investment in Capital Assets	$ 187,148,133	$ 215,769,254	$ 207,769,299	$ 190,668,701
Restricted	45,527,732	40,290,853	48,386,499	59,781,685
Unrestricted (deficit)	(42,105,783)	(50,599,309)	(118,886,707)	(103,695,565)
Total Governmental Activities Net Position	$ 190,570,082	$ 205,460,798	$ 137,269,091	$ 146,754,821
Business-Type Activities				
Net Investment in Capital Assets	$ 283,747,858	$ 276,670,243	$ 310,961,726	$ 292,741,053
Restricted	2,386,130	1,271,918	1,290,606	1,346,904
Unrestricted	60,617,674	61,775,492	26,029,783	48,959,969
Total Business -Type Activities	$ 346,751,662	$ 339,717,653	$ 338,282,115	$ 343,047,926
Primary Government				
Net Investment in Capital Assets	$ 470,895,991	$ 492,439,497	$ 518,731,025	$ 483,409,754
Restricted	47,913,862	41,562,771	49,677,105	61,128,589
Unrestricted (deficit)	18,511,891	11,176,183	(92,856,924)	(54,735,596)
Total Primary Government Net Position	$ 537,321,744	$ 545,178,451	$ 475,551,206	$ 489,802,747

City of Santa Fe, New Mexico
Net Position by Component
Last Ten Fiscal Years (Unaudited) (Continued)

	Fiscal Year					
	2020	2021	2022	2023	2024	2025
	$ 209,537,621	$ 203,502,582	$ 225,387,548	$ 273,912,597	$ 281,638,552	$ 310,029,912
	65,385,263	97,158,400	100,583,025	110,688,906	101,198,694	129,967,734
	(123,117,113)	(113,464,900)	(102,335,191)	(87,963,610)	(74,520,360)	(103,806,107)
	$ 151,805,771	$ 187,196,082	$ 223,635,382	$ 296,637,893	$ 308,316,886	$ 336,191,539
	$ 301,872,296	$ 280,765,835	$ 290,863,376	$ 302,982,075	$ 325,835,872	$ 367,949,378
	1,367,582	1,368,455	-	-	-	-
	48,341,293	85,252,754	106,705,786	125,444,739	140,984,907	125,294,286
	$ 351,581,171	$ 367,387,044	$ 397,569,162	$ 428,426,814	$ 466,820,779	$ 493,243,664
	$ 511,409,917	$ 484,268,417	$ 516,250,924	$ 576,894,672	$ 607,474,424	$ 677,979,290
	66,752,845	98,526,855	100,583,025	110,688,906	101,198,694	129,967,734
	(74,775,820)	(28,212,146)	4,370,595	37,481,129	66,464,547	21,488,179
	$ 503,386,942	$ 554,583,126	$ 621,204,544	$ 725,064,707	$ 775,137,665	$ 829,435,203

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Expenses				
Governmental Activities:				
General Government	$ 31,479,026	$ 28,788,439	$ 57,735,570	$ 31,873,658
Public Safety	44,790,073	44,687,492	49,131,745	48,812,338
Public Works	14,578,275	15,333,620	15,966,239	16,470,000
Community Development	11,898,080	10,284,524	10,450,931	13,676,856
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	12,460,924	13,081,552	16,393,918	15,840,896
Education	2,606,639	2,621,955	2,675,293	2,576,061
Interest on Long Term Debt	4,543,956	6,550,160	2,509,738	3,367,613
Issuance Costs	-	-	-	-
Total Governmental activities expenses	122,356,973	121,347,742	154,863,434	132,617,422
Business-type activities:				
Wastewater Management	13,482,949	14,160,571	11,197,893	13,643,617
Water Management	45,088,256	45,173,505	33,237,009	39,106,101
Railyard Center	4,351,666	4,360,308	4,264,391	3,624,154
Santa Fe Convention Center	3,423,469	5,118,957	4,631,821	4,884,230
Environmental Services	11,876,462	14,410,149	11,301,085	12,718,672
College of Santa Fe	3,763,512	3,149,944	3,327,243	4,538,900
Municipal Recreation Complex	1,881,876	1,994,350	1,807,943	1,764,479
Parking Enterprise Fund	5,409,773	6,414,416	4,582,572	5,992,720
Transit and Airport Systems	15,132,089	17,899,172	9,035,547	11,767,551
Airport	-	-	4,239,806	4,589,546
Genoveva Chavez Community Center	4,845,955	5,402,686	3,845,615	5,123,062
Total business-type expenses	109,256,007	118,084,058	91,470,925	107,753,032
Total primary government expenses	$ 231,612,980	$ 239,431,800	$ 246,334,359	$ 240,370,454

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 39,892,724	$ 19,717,672	$ 28,124,844	$ 35,209,306	$ 43,179,035	$ 52,817,300
49,467,718	44,739,831	53,380,359	50,016,610	75,724,543	79,325,361
19,778,915	29,609,263	-	28,805,328	29,744,323	45,447,569
9,425,984	16,376,620	-	15,467,774	21,495,260	17,609,378
-	-	16,532,250	-	-	-
-	-	11,362,033	-	-	-
-	-	4,260,523	-	-	-
16,263,337	11,031,781	24,273,710	11,493,911	13,932,038	16,993,583
2,595,792	2,475,780	-	2,977,713	3,442,367	4,316,219
2,842,048	3,090,322	3,550,231	1,449,353	1,945,657	1,783,788
-	-	189,018	2,200	2,818	2,667
140,266,518	127,041,269	141,672,968	145,422,195	189,466,041	218,295,865
9,685,812	10,318,781	12,446,927	14,031,661	16,040,945	17,449,420
35,303,894	38,757,740	35,623,072	32,068,295	35,292,352	38,873,447
3,103,381	2,638,664	2,016,378	1,673,282	1,703,312	1,551,951
4,489,867	4,058,369	5,278,149	5,363,427	5,911,145	7,733,774
12,025,629	13,034,307	14,065,432	15,799,354	16,726,439	17,302,095
4,717,623	4,670,812	4,546,639	5,263,948	4,887,953	4,744,157
1,995,704	963,549	1,572,917	2,292,087	3,775,348	3,883,910
4,340,377	2,799,154	3,780,634	4,139,286	5,571,419	5,728,314
12,779,368	7,821,097	7,403,906	8,074,392	8,950,745	11,722,889
4,360,075	3,246,209	3,613,245	3,975,884	6,383,728	9,243,052
5,069,205	3,753,689	5,069,292	5,634,817	4,834,860	4,845,659
97,870,935	92,062,371	95,416,591	98,316,433	110,078,246	123,078,668
$ 238,137,453	$ 219,103,640	$ 237,089,559	$ 243,738,628	$ 299,544,287	$ 341,374,533

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

	Fiscal Year			
	2016	2017	2018	2019
Program Revenues				
Governmental activities:				
Charges for services:				
General Government	$ 10,547,589	$ 9,649,498	$ 8,947,389	$ 2,861,096
Public Safety	5,441,078	5,450,534	7,366,328	7,366,328
Public Works	2,294,848	2,311,660	2,557,839	2,557,839
Community Development	256,151	312,984	1,617,334	1,617,334
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	208,492	179,046	2,457,942	2,457,942
Education	-	-	401,107	401,107
Interest on Long term debt	-	-	-	-
Issuance Costs	-	-	-	-
Operating grants and contributions:				
General Government	824,576	620,607	3,035,689	3,035,689
Public Safety	2,279,749	1,905,300	2,392,028	2,392,028
Public Works	468,872	6,010,315	830,593	830,593
Community Development	3,840,985	2,226,503	525,188	525,188
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	783,359	2,537,039	798,154	798,154
Education	-	-	130,249	130,249
Interest on Long term debt	-	-	-	-
Issuance Costs	-	-	-	-
Capital grants and contributions:				
General Government	-	14,834	-	-
Public Safety	-	-	-	-
Public Works	4,196,814	-	-	-
Community Development	-	-	-	-
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	50,000	-	-
Education	-	-	-	-
Interest on Long term debt	-	-	-	-
Issuanve Costs	-	-	-	-
Total governmental activities program revenues	31,142,513	31,268,320	31,059,840	24,973,547

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 4,015,710	$ 7,650,037	$ 2,149,993	$ 14,120,368	$ 15,236,389	$ 16,912,564
8,998,215	2,766,881	8,231,742	631,681	607,315	666,393
3,597,799	1,831,149	-	4,826,150	6,466,695	4,204,531
1,714,594	1,012,792	-	1,058,675	1,795,532	1,676,256
-	-	4,721,850	-	-	-
-	-	378,006	-	-	-
-	-	196,918	-	-	-
2,958,313	682,247	971,827	38,902	89,938	77,779
472,177	153,112	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,759,794	3,721,472	2,015	-	-	-
2,182,177	8,444,103	1,791,187	4,447,840	3,376,163	4,202,126
872,510	5,588,391	-	1,020,340	439,116	128,287
415,810	3,090,889	-	6,260,581	6,720,715	7,358,200
-	-	280,465	-	-	-
-	-	560,367	-	-	-
-	-	1,241,571	-	-	-
717,427	2,082,115	298,419	265,621	303,941	253,834
114,509	467,274	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,074,897	21,763	49,050
-	-	-	-	-	-
-	-	-	4,449,406	4,946,695	6,800,648
-	-	-	784,727	312,538	547,109
-	-	3,728,767	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	104,450	814,026	2,123,667
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
27,819,035	37,490,462	24,553,127	43,083,638	41,130,826	45,000,444

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

	Fiscal Year			
	2016	2017	2018	2019
Business-type activities				
Charges for services				
Wastewater Management	$ 14,146,430	$ 13,473,205	$ 13,246,201	$ 13,400,471
Water Management	42,499,151	37,298,329	38,288,412	34,553,802
Railyard Properties	728,852	515,558	759,581	906,965
Santa Fe Convention Center	488,109	478,637	949,407	854,987
Environmental Services	12,932,405	13,394,451	13,014,561	12,979,443
College of Santa Fe	2,350,000	1,080,000	1,504,309	857,010
Municipal Recreation Complex	1,163,244	1,177,657	1,245,505	1,216,964
Parking Enterprise Fund	4,596,479	5,023,562	5,537,624	6,270,087
Transit and Airport Systems	3,171,468	3,252,018	1,576,708	1,501,515
Airport	-	-	2,270,281	2,048,149
Genoveva Chavez Community Center	1,941,290	2,038,086	1,897,296	1,983,244
Operating grants and contributions				
Wastewater Management	-	-	-	-
Water Management	1,212,418	14,069	4,365	-
Railyard Properties	-	-	106,625	28,360
Santa Fe Convention Center	6,323	7,216	5,820	-
Environmental Services	-	-	-	-
College of Santa Fe	-	-	-	-
Municipal Recreation Complex	112,741	251,245	47,985	1,272
Parking Enterprise Fund	-	-	-	-
Transit and Airport Systems	2,723,625	2,724,475	1,809,723	2,617,853
Airport			2,313,004	3,255,843
Genoveva Chavez Community Center	19,663	5,337		
Capital grants and contributions				
Wastewater Management	-	-	-	-
Water Management	135,000	-	-	-
Railyard Properties	-	-	-	-
Santa Fe Convention Center	-	-	-	-
Environmental Services	-	-	-	-
College of Santa Fe	-	-	-	-
Municipal Recreation Complex	-	-	-	-
Parking Enterprise Fund	-	-	-	-
Transit and Airport Systems	413,384	90,198	-	-
Airport	-	-	-	-
Genoveva Chavez Community Center	-	-	-	-
Total business-type activities program revenues	88,640,582	80,824,043	84,577,407	82,475,965
Total government program revenues	$ 119,783,095	$ 112,092,363	$ 115,637,247	$ 107,449,512

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

	Fiscal Year					
	2020	2021	2022	2023	2024	2025
$	14,410,283	$ 14,311,290	$ 15,078,981	$ 16,620,508	$ 16,082,001	$ 15,291,291
	36,989,724	39,588,272	36,114,918	38,151,416	44,389,948	39,449,003
	347,968	924,091	1,105,936	1,104,811	1,142,533	1,139,697
	588,939	129,441	354,927	797,243	587,399	938,139
	13,198,004	12,890,812	14,324,670	17,254,276	16,748,393	17,107,802
	381,313	966,459	1,456,034	1,629,024	1,756,500	528,151
	685,037	1,075,888	1,756,203	954,926	1,580,516	2,031,871
	4,490,425	2,831,266	3,619,797	4,056,585	5,017,581	5,190,754
	510,393	283,525	324,396	341,053	1,615,522	1,726,338
	2,679,632	1,324,001	2,621,812	2,247,369	2,535,810	3,909,202
	1,421,899	243,803	802,719	1,386,202	1,540,229	1,601,892
	-	17,014	-	-	-	-
	-	26,088	10,839	-	-	3,294,000
	11,875	981	-	-	-	-
	-	38,848	-	-	-	-
	-	8,920	-	-	26,303	-
	34,019	-	-	-	-	921,578
	11,994	4,457	215,117	-	-	-
	-	94,144	-	-	-	-
	-	8,662,530	32,163	-	5,338,879	6,508,050
	2,848,135	4,783,138	-	-	1,788,246	2,964,051
	-	112,651	-	-		75,000
	-	-	-	3,249	-	300,634
	-	-	-	633	-	662,753
	-	-	-	-	-	-
	-	-	-	7,377	-	6,458
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	531,610	-
	-	-	2,789,680	9,123,009	4,120,219	5,600,503
	-	-	-	-	-	-
	78,609,640	88,317,619	80,608,192	93,677,681	104,801,689	109,247,167
$	106,428,675	$ 125,808,081	$ 105,161,319	$ 136,761,319	$ 145,932,515	$ 154,247,611

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

	Fiscal Year			
	2016	2017	2018	2019
Net (Expenses)/Revenue				
Governmental activities				
General Government	$ (20,106,861)	$ (18,503,500)	$ (45,752,492)	$ (25,976,873)
Public Safety	(37,069,246)	(37,331,658)	(39,373,389)	(39,053,982)
Public Works	(7,617,741)	(7,011,645)	(12,577,807)	(13,081,568)
Community development	(7,800,944)	(7,745,037)	(8,308,409)	(11,534,334)
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and recreation	(11,469,073)	(10,315,467)	(13,137,822)	(12,584,800)
Education	(2,606,639)	(2,621,955)	(2,143,937)	(2,044,705)
Interest on Long term debt	(4,543,956)	(6,550,160)	(2,509,738)	(3,367,613)
Issuance Costs	-	-	-	-
Business-type activities				
Wastewater Management	663,481	(687,366)	2,048,308	(243,146)
Water Management	(1,241,687)	(7,861,107)	5,055,768	(4,552,299)
Railyard Center	(3,622,814)	(3,844,750)	(3,398,185)	(2,688,829)
Santa Fe Convention Center	(2,929,037)	(4,633,104)	(3,676,594)	(4,029,243)
Environmental Services	1,055,943	(1,015,698)	1,713,476	260,771
College of Santa Fe	(1,413,512)	(2,069,944)	(1,822,934)	(3,681,890)
Municipal Recreation Complex	(605,891)	(565,448)	(514,453)	(546,243)
Parking Enterprise Fund	(813,294)	(1,390,854)	955,052	277,367
Transit and Airport Systems	(8,823,612)	(11,832,481)	(5,649,116)	(7,648,183)
Airport	-	-	343,479	714,446
Genoveva Chavez Community Center	(2,885,002)	(3,359,263)	(1,948,319)	(3,139,818)
Net (Expenses)/Revenue and Changes in Net Position	$ (111,829,885)	$ (127,339,437)	$ (130,697,112)	$ (132,920,942)

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ (34,117,220)	$ (8,346,163)	$ (25,972,836)	$ (16,014,041)	$ (27,920,883)	$ (35,855,686)
(38,287,326)	(33,528,847)	(43,357,430)	(44,937,089)	(71,741,065)	(74,456,842)
(15,308,606)	(22,189,723)	-	(18,509,432)	(17,891,817)	(34,314,103)
(7,295,580)	(12,272,939)	-	(7,363,791)	(12,666,475)	(8,027,813)
-	-	(7,801,168)	-	-	-
-	-	(10,423,660)	-	-	-
-	-	(2,822,034)	-	-	-
(12,587,597)	(8,267,419)	(23,003,464)	(11,084,938)	(12,724,133)	(14,538,303)
(2,009,106)	(1,855,394)	-	(2,977,713)	(3,442,367)	(4,316,219)
(2,842,048)	(3,090,322)	(3,550,231)	(1,449,353)	(1,945,657)	(1,783,788)
-	-	(189,018)	(2,200)	(2,818)	(2,667)
4,724,471	4,009,523	2,632,054	2,592,096	41,056	(1,857,495)
1,685,830	856,620	502,685	6,083,754	9,097,596	4,532,309
(2,743,538)	(1,713,592)	(910,442)	(568,471)	(560,779)	(412,254)
(3,900,928)	(3,890,080)	(4,923,222)	(4,558,807)	(5,323,746)	(6,789,177)
1,172,375	(134,575)	259,238	1,454,922	48,257	(194,293)
(4,302,291)	(3,704,353)	(3,090,605)	(3,634,924)	(3,131,453)	(3,294,428)
(1,298,673)	116,796	398,403	(1,337,161)	(2,194,832)	(1,852,039)
150,048	126,256	(160,837)	(82,701)	(553,838)	(537,560)
(12,268,975)	1,124,958	(7,047,347)	(7,733,339)	(1,464,734)	(3,488,501)
1,167,692	2,860,930	1,798,247	7,394,494	2,060,547	3,230,704
(3,647,306)	(3,397,235)	(4,266,573)	(4,248,615)	(3,294,631)	(3,168,767)
$ (131,708,778)	$ (93,295,559)	$ (131,928,240)	$ (106,977,309)	$ (153,611,772)	$ (187,126,922)

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

	Fiscal Year			
	2016	2017	2018	2019
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	$ 10,610,845	$ 11,442,774	$ 11,538,486	$ 10,784,754
Sales taxes	88,954,804	94,225,671	106,347,538	106,212,788
Lodgers taxes	9,664,653	10,809,464	11,743,131	12,533,263
Franchise taxes	3,669,517	4,104,877	4,397,468	4,845,850
Motor fuel taxes	1,684,034	1,956,647	1,862,317	1,818,855
Cigarette taxes	-	-		
Unrestricted investment earnings	360,613	1,015,860	1,286,140	2,917,417
Miscellaneous revenues	933,386	521,773	1,902,172	934,939
Gain on sale of capital assets	-	143,956	274,010	92,884
Transfers	(11,979,824)	(20,668,193)	(22,784,290)	(23,011,145)
Special Item-transfer of capital asset	-	-	-	-
Total governmental activities	$ 103,898,028	$ 103,552,829	$ 116,566,972	$ 117,129,605
Business-type activities				
Property taxes	-	-	-	-
Sales taxes	12,218,907	8,921,338	4,463,728	4,666,176
Unrestricted investment earnings	647,384	208,987	334,535	2,365,557
Miscellaneous revenues	-	-	-	-
Donated land	-	-	-	-
Gain (loss) on sale of capital assets	29,610	136,297	-	-
Transfers	11,979,824	20,668,193	22,784,290	23,011,145
Special Item-transfer of capital asset	-	-	-	-
Total business-type activities	24,875,725	29,934,815	27,582,553	30,042,878
Total government	$ 128,773,753	$ 133,487,644	$ 144,149,525	$ 147,172,483
Change in Net Position				
Governmental activities	$ 12,683,568	$ 13,473,407	$ (7,236,622)	$ 9,485,730
Business-type activities	4,260,300	(7,325,200)	20,689,035	4,765,811
Total government	$ 16,943,868	$ 6,148,207	$ 13,452,413	$ 14,251,541

City of Santa Fe, New Mexico
Changes in Net Position
Last Ten Fiscal Years (Unaudited) (Continued)

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 10,850,661	$ 10,700,891	$ 11,474,563	$ 12,263,744	$ 12,622,445	$ 13,382,136
110,226,633	109,470,524	142,960,149	151,575,148	162,558,672	166,805,927
9,947,568	7,536,026	18,074,312	19,948,448	16,229,164	17,923,699
5,074,062	5,196,786	6,602,998	8,436,366	8,226,317	8,112,013
1,748,712	2,065,966	-	-	-	-
-	-	-	-		-
2,495,981	61,925	(349,269)	7,282,284	9,483,089	10,090,494
970,751	1,515,007	10,345,513	947,166	2,180,424	2,679,788
(947,018)	-	-	-	565,606	1,245,688
(22,868,916)	(14,238,895)	(37,743,955)	(25,112,088)	(31,541,713)	(25,648,437)
-	-	-	-	-	-
$ 117,498,434	$ 122,308,230	$ 151,364,311	$ 175,341,068	$ 180,324,004	$ 194,591,308
-	-	-	-	-	-
4,902,969	4,757,172	6,018,757	6,504,900	6,976,298	7,158,542
841,319	116,799	119,070	3,091,026	7,145,445	6,609,984
(394,966)	(74,234)	1,108,735	733,670	1,051,697	879,848
-	-	-	-	-	-
(830,157)	175,000	-	54,720	2,250	-
22,868,916	14,238,895	37,743,955	25,112,088	31,541,713	25,648,437
-	-	-	-	-	-
27,388,081	19,213,632	44,990,517	35,496,404	46,717,403	40,296,811
$ 144,886,515	$ 141,521,862	$ 196,354,828	$ 210,837,472	$ 227,041,407	$ 234,888,119
$ 5,050,952	$ 32,757,423	$ 34,244,470	$ 73,002,511	$ 31,988,789	$ 21,295,887
8,126,786	15,468,880	30,182,118	30,857,652	41,440,846	26,465,310
$ 13,177,738	$ 48,226,303	$ 64,426,588	$ 103,860,163	$ 73,429,635	$ 47,761,197

City of Santa Fe, New Mexico
Fund Balances – Governmental Funds
Last Ten Fiscal Years (Unaudited)

	Fiscal Year			
	2016	2017	2018	2019
General Fund				
Non-Spendable	$ 101,015	$ 88,693	$ 82,622	$ 52,395
Restricted	6,649,878	7,456,833	7,791,216	14,872,571
Committed	1,362,023	1,557,795	1,616,780	-
Assigned	-	-	-	-
Unassigned	12,835,273	5,137,319	5,631,930	9,491,054
Total General Fund	$ 20,948,189	$ 14,240,640	$ 15,122,548	$ 24,416,020
All Other Governmental Funds				
Non-Spendable	$ 250,000	$ 255,000	$ 255,656	$ 1,399,412
Restricted	47,058,413	37,934,570	40,339,627	43,509,702
Committed	1,311,953	1,459,841	1,527,787	1,757,810
Assigned	6,240,251	7,278,855	17,865,825	32,648,601
Unassigned (deficit)	(194,252)	(2,532,002)	(3,045,850)	(14,037)
Total All Other Governmental Funds	$ 54,666,365	$ 44,396,264	$ 56,943,045	$ 79,301,488

City of Santa Fe, New Mexico
Fund Balances – Governmental Funds
Last Ten Fiscal Years (Unaudited) (Continued)

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 46,435	$ 53,256	$ 58,038	$ 55,327	$ 73,408	$ 81,149
28,584,156	43,030,683	-	-	-	-
-	-	-	-	-	-
-	-	-	2,900,000	1,278,450	-
859,059	6,502,823	62,830,866	73,495,615	82,043,517	54,296,150
$ 29,489,650	$ 49,586,762	$ 62,888,904	$ 76,450,942	$ 83,395,375	$ 54,377,299
$ 255,656	$ 255,656	$ -	$ -	$ -	$ -
36,545,451	53,818,805	100,509,662	111,269,898	107,393,795	134,186,016
2,055,893	1,961,421	-	-	-	-
42,329,482	46,506,581	-	-	-	-
(10,266,934)	(6,870,954)	(9,314,772)	(5,615,231)	(2,584,133)	(110,010)
$ 70,919,548	$ 95,671,509	$ 91,194,890	$ 105,654,667	$ 104,809,662	$ 134,076,006

City of Santa Fe, New Mexico
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years (Unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Taxes	$ 114,583,853	$ 122,539,435	$ 135,888,940	$ 136,195,510
Licenses and permits	2,760,196	3,533,969	4,224,394	3,868,957
Intergovernmental revenues	12,394,355	13,364,598	7,762,365	5,991,127
Fees and charges for services	15,307,074	13,729,500	15,924,012	13,692,821
Fines and forfeitures	373,917	304,712	619,505	442,164
Rents, royalties and concessions	306,971	335,542	338,653	455,852
Investment income	286,471	967,673	1,223,725	2,576,569
Land Sales	419,439	198,277	-	-
Other revenues	513,947	521,772	1,902,172	934,939
Total Revenues	146,946,223	155,495,478	167,883,766	164,157,939
Expenditures				
General government	28,875,061	29,120,290	-	-
Public safety	42,050,323	42,005,888	-	-
Public works	6,463,090	5,883,784	-	-
Community development	11,378,061	9,707,249	-	-
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and recreation	11,658,586	11,268,292	-	-
Education	2,600,930	2,619,374	-	-
Capital outlay	17,510,589	23,825,930	11,261,877	9,369,477
Salaries, Wages, and Fringe Benefits	-	-	72,677,282	72,594,308
Contractual Services and Utilities	-	-	17,519,453	15,476,002
Repairs and Maintenance	-	-	849,753	1,406,342
Supplies	-	-	4,814,522	4,429,893
Insurance Premiums	-	-	3,156,257	3,117,178
Claims and Judgements	-	-	1,755	216,984
Other	-	-	14,146,445	9,776,684
Capital outlay/Inventory exempt	-	-	4,751,489	1,141,957
Debt Service:				
Principal	10,113,885	42,759,006	9,989,010	9,915,417
Interest and fiscal agent fees	5,539,428	5,356,836	4,174,556	4,844,209
Bond issuance costs	-	-	215,345	283,100
Total expenditures	136,189,953	172,546,649	143,557,744	132,571,551
Excess (deficiency) of revenues over expenditures	10,756,270	(17,051,171)	24,326,022	31,586,388

City of Santa Fe, New Mexico
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years (Unaudited) (Continued)

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 137,847,636	$ 134,970,283	$ 178,783,114	$ 192,109,042	$ 199,516,802	$ 205,609,525
3,705,955	3,928,631	-	-	-	-
6,177,238	23,462,035	7,902,791	22,407,862	16,955,444	21,916,285
13,727,553	13,375,221	16,986,930	20,673,276	24,183,869	23,517,723
308,188	221,780	-	-	-	-
267,325	236,536	9,121	279,198	213,258	331,893
2,407,056	55,004	(349,269)	7,282,284	8,959,513	9,339,886
-	-	-	-	-	-
970,751	1,192,050	9,936,004	667,968	1,946,680	1,789,442
165,411,702	177,441,540	213,268,691	243,419,630	251,775,566	262,504,754
-	-	31,011,987	26,854,174	38,563,751	44,363,205
-	-	51,154,896	43,711,582	70,359,837	71,760,717
-	-	-	22,389,619	21,489,322	34,414,256
-	-	-	15,209,029	20,731,437	16,654,026
-	-	9,461,501	-	-	-
-	-	10,910,708	-	-	-
-	-	1,511,402	-	-	-
-	-	20,211,790	8,749,729	9,538,727	11,065,851
-	-	-	1,970,727	3,321,337	4,143,934
21,854,571	12,610,352	26,862,491	59,171,894	32,321,738	35,193,055
71,554,978	69,742,562	-	-	-	-
17,133,540	24,526,102	-	-	-	-
1,000,123	1,325,752	-	-	-	-
4,676,631	5,246,895	-	-	-	-
3,158,176	3,034,694	-	-	-	-
-	-	-	-	-	-
11,260,798	9,325,360	-	-	-	-
866,335	1,247,442	-	-	-	-
15,812,597	9,252,233	20,711,057	10,009,665	9,890,195	9,920,439
4,780,557	4,395,162	4,427,121	3,135,310	3,573,092	3,164,146
222,635	171,257	189,018	2,200	2,818	2,667
152,320,941	140,877,811	176,451,971	191,203,929	209,792,254	230,682,296
13,090,761	36,563,729	36,816,720	52,215,701	41,983,312	31,822,458

City of Santa Fe, New Mexico
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years (Unaudited) (Continued)

	Fiscal Year			
	2016	2017	2018	2019
Other Financing Sources (Uses)				
Transfers in	28,172,546	45,402,483	33,496,749	31,598,471
Transfers out	(40,251,484)	(65,974,790)	(56,445,171)	(54,279,164)
Proceeds from Sale of Capital Assets	-	-	333,238	92,884
Debt proceeds	-	-	-	-
Proceeds from Leases	-	-	-	-
Proceeds from software subscriptions	-	-	-	-
Issuance of Bonds:				
Face value of bonds issued	-	19,941,836	10,290,000	20,000,000
Premium on issuance of bond	-	917,815	1,427,851	2,653,336
Payments to refund bond	-	(1,843,472)	-	-
Total other Financing sources (uses)	(12,078,938)	(1,556,128)	(10,897,333)	65,527
Net change in fund balances	$ (1,322,668)	$ (18,607,299)	$ 13,428,689	$ 31,651,915
Debt service as a percentage of noncapital expenditures	13.2%	32.4%	10.9%	12.2%

City of Santa Fe, New Mexico
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years (Unaudited) (Continued)

Fiscal Year					
2020	2021	2022	2023	2024	2025
26,351,791	35,538,462	45,416,467	32,943,338	38,028,474	69,219,056
(49,205,831)	(45,269,138)	(85,211,125)	(57,945,279)	(74,791,666)	(103,455,284)
21,170	7,972	-	808,055	457,829	1,383,723
-	-	-	-	-	142,652
-	-	40,212	-	-	-
-	-	-	-	168,286	57,926
5,445,000	17,244,894	10,716,490	-	-	-
988,799	-	1,046,759	-	-	-
-	-	-	-	-	-
(16,399,071)	7,522,190	(27,991,197)	(24,193,886)	(36,137,077)	(32,651,927)
$ (3,308,310)	$ 44,085,919	$ 8,825,523	$ 28,021,815	$ 5,846,235	$ (829,469)
16.0%	10.8%	16.9%	10.0%	7.6%	6.7%

City of Santa Fe, New Mexico
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years in Thousands of Dollars (Unaudited)

Fiscal Year Ended June 30	Real Property Assessed Value	Estimated Actual Value	Personal Property Assessed	Estimated Actual Value	Exemptions Real Property
2016	$ 3,774,855	$ 11,335,901	$ 64,484	$ 193,646	$ 83,078
2017	3,878,365	11,646,742	64,726	194,372	92,456
2018	4,057,690	12,185,255	24,960	74,955	59,595
2019	4,168,953	12,508,109	58,104	174,329	482,116
2020	4,392,448	13,177,344	51,056	153,168	581,979
2021	4,557,718	13,686,840	55,293	166,045	682,316
2022	4,547,067	13,654,856	53,787	161,523	605,863
2023	4,906,449	14,734,081	55,079	165,402	656,846
2024	5,574,966	16,726,571	52,926	158,794	801,599
2025	5,884,883	17,654,649	52,466	157,398	825,953

Note: The New Mexico State constitution regulates areas of property tax. The assessed valuation

Source: Santa Fe County Assessor's Office Abstract

City of Santa Fe, New Mexico
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years in Thousands of Dollars (Unaudited) (Continued)

	Total Assessed Value	Total Estimated Actual Value	Ratio of Total Assessed to Total
$	3,878,365	$ 11,646,742	33.3%
	4,057,690	12,185,255	33.3%
	4,139,262	12,430,216	33.3%
	4,110,849	12,333,779	33.3%
	4,341,392	13,024,176	33.3%
	4,502,425	13,520,795	33.3%
	4,493,280	13,493,333	33.3%
	4,851,370	14,568,679	33.3%
	5,522,040	16,567,777	33.3%
	5,832,417	17,497,251	33.3%

City of Santa Fe, New Mexico
Both Residential and Non-Residential Property Tax Rates Per $1,000
Assessed Valuation All Direct and Overlapping Governments (Unaudited)

RESIDENTIAL

Tax Year Ended June 30	City	State	County	School District	Santa Fe Community College	Total Residential Tax Levy
2016	2.442	1.360	7.864	8.617	3.690	23.973
2017	2.419	1.360	7.924	9.292	3.690	24.685
2018	2.199	1.360	7.945	9.389	3.690	24.583
2019	2.093	1.360	7.923	9.362	3.667	24.405
2020	1.932	1.360	7.822	9.302	3.615	24.031
2021	2.112	1.360	7.684	9.353	3.542	24.051
2022	1.998	1.360	7.608	9.250	3.501	23.717
2023	1.911	1.360	7.557	9.249	3.470	23.547
2024	1.877	1.360	7.440	8.764	3.420	22.861
2025	1.968	1.360	7.357	8.713	3.374	22.772

NON-RESIDENTIAL

Tax Year Ended June 30	City	State	County	School District	Santa Fe Community College	Total Non-Residential Tax Levy
2016	3.956	1.360	13.821	9.075	4.000	32.212
2017	3.977	1.360	13.973	9.807	4.000	33.117
2018	3.766	1.360	13.973	9.807	3.994	32.900
2019	3.670	1.360	13.974	9.807	3.985	32.796
2020	3.533	1.360	13.974	9.809	3.985	32.661
2021	3.750	1.360	13.974	9.808	3.985	32.877
2022	3.658	1.360	13.915	9.784	3.955	32.672
2023	3.498	1.360	13.693	9.727	3.879	32.157
2024	3.591	1.360	13.979	9.292	3.985	32.207
2025	3.705	1.360	13.979	9.435	3.985	32.464

Source: New Mexico Department of Finance and Administration, Local Government Division

City of Santa Fe, New Mexico
Principal Property Tax Payers Current Year and Ten Years Ago (Unaudited)

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Public Service New Mexico	$ 71,511,924	1	1.22%	$ 57,709,672	1	0.85%
Presbyterian Medical Services	52,818,076	2	0.90%	-	-	0.00%
Christus St. Vincent Hospital	36,541,931	3	0.62%	-	-	0.00%
New Mexico Gas Company	17,296,523	4	0.30%	15,161,112	2	0.22%
BNSF Railway	17,101,123	5	0.29%	12,541,224	8	0.18%
Comcast	14,852,685	6	0.25%	-	-	0.00%
Guadalupe Hotel Investment	14,420,062	7	0.25%	13,769,345	6	0.20%
El Castillo Retirement Residences	14,304,866	8	0.24%	-	-	0.00%
La Fonda Hotel	13,653,365	9	0.23%	10,075,373	9	0.15%
Qwest	13,026,323	10	0.22%	14,312,874	5	0.21%
Mid-America Pipeline Copmany	-	-	0.00%	15,057,817	3	0.22%
Truzaf Ltd.	-	-	0.00%	14,971,543	4	0.22%
C&Z LLC	-	-	0.00%	12,948,616	7	0.19%
Rancho Encantado	-	-	0.00%	9,014,114	10	0.13%
Total	$ 265,526,878		4.53%	$ 175,561,690		2.58%

Source: Santa Fe County Assessor's Office

City of Santa Fe, New Mexico
Total Taxable Base for Gross Receipts
by Fiscal Year (Unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Agriculture, Forestry, Hunting, Fishing	$ 4,538,877	$ 6,088,690	$ 8,763,303	$ 5,151,748
Mining	467,021	143,357	142,181	72,464
Utilities	-	-	-	91,314,514
Transportation and Warehousing	111,692,127	115,417,629	268,319,198	445,444,047
Construction	304,185,739	359,454,251	501,882,802	63,249,747
Manufacturing	52,870,906	57,377,739	63,818,417	81,044,671
Wholesale	58,327,532	62,416,707	77,572,554	959,745,734
Retail	958,505,682	962,858,945	1,049,687,835	11,597,859
Information	-	-	-	145,886,639
Finance, Insurance & Real Estate	128,633,960	145,628,165	194,705,440	51,292,219
Real Estate Rental and Leasing	-	-	-	108,221,024
Professional, Scientific, and Technical Services	-	-	-	300,517,642
Management of Companies and Enterprises	-	-	-	3,276,003
Administrative, Support, Waste Management, and Remediation	-	-	-	57,446,362
Educational Services	-	-	-	25,734,578
Health Care and Social Assistance	-	-	-	183,990,041
Art, Entertainment and Recreation	-	-	-	46,674,642
Accommodations and Food Services	-	-	-	517,643,144
Services	1,434,165,176	569,760,878	1,467,636,416	311,172,733
Government	291,295	286,171	805,119	652,734
Unclassified/Misc. Other	42,440,209	21,328,619	18,332,285	29,255,102
Total	$3,096,118,524	$2,300,761,151	$3,651,665,550	$3,439,383,646

Source: State of New Mexico Taxation and Revenue Department RP-500 Updated to Current Breakdown by Industry.
Major changes in data format for earlier years preclude extending this table to earlier years. Data change June 2020.

City of Santa Fe, New Mexico
Total Taxable Base for Gross Receipts
by Fiscal Year (Unaudited) (Continued)

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 5,375,727	$ 6,164,227	$ 5,205,206	$ 8,539,753	$ 8,175,573	$ 7,130,337
491,858	190,896	55,435	154,607	730,896	576,220
87,385,861	96,479,040	108,831,170	119,615,613	108,177,284	104,364,006
9,636,884	10,203,366	17,885,541	20,694,268	23,940,152	24,288,590
480,629,990	502,383,663	518,179,397	538,473,611	638,582,928	729,898,474
63,053,786	57,068,127	82,945,308	95,799,893	100,663,676	101,689,835
90,575,951	95,053,426	136,714,854	143,586,188	135,768,554	183,125,208
950,467,661	1,039,867,614	1,355,550,570	1,455,334,530	1,468,738,731	1,499,772,709
154,936,125	97,739,326	165,138,354	219,123,096	213,269,527	207,817,926
56,299,341	65,739,641	67,778,596	60,822,576	57,958,865	60,433,433
102,076,775	133,818,336	164,979,880	163,755,414	157,801,102	195,238,535
331,213,625	368,472,840	459,697,020	521,843,952	630,715,666	637,520,497
3,290,898	2,515,914	3,450,701	2,598,054	3,210,650	2,218,423
74,573,127	83,068,686	110,392,485	127,445,229	141,676,034	169,337,696
10,414,989	12,070,097	14,629,584	18,694,646	18,677,108	19,072,077
178,159,563	185,854,845	239,731,857	256,921,473	257,780,850	244,567,229
40,181,851	24,936,954	51,539,429	58,050,956	55,754,772	55,309,852
445,905,081	359,919,724	624,245,055	683,766,374	700,343,314	739,255,675
291,614,441	259,688,501	346,067,598	387,661,409	451,438,872	399,653,687
800,106	581,039	595,644	630,723	898,850	2,068,473
18,520,357	14,682,357	75,070,521	90,812,284	111,673,173	127,902,841
$3,395,603,998	$3,416,498,619	$4,548,684,203	$4,974,324,649	$3,439,383,646	$3,449,845,596

City of Santa Fe, New Mexico
Direct and Overlapping Gross Receipts Tax Rates
Last Ten Fiscal Years (Unaudited)

Fiscal Year	City Direct Rate	Santa Fe County
2016	8.31%	7.00%
2017	8.31%	7.00%
2018	8.44%	7.13%
2019	8.44%	7.13%
2020	8.44%	7.13%
2021	8.44%	7.13%
2022	8.44%	7.13%
2023	8.31%	7.00%
2024	8.19%	6.88%
2025	8.19%	6.88%

Source: Table of Enactment Dates - Municipal Local Option Gross Receipts Taxes

City of Santa Fe, New Mexico
Schedule of Pledged Revenues
Fiscal Year 2024 and 2025 (Unaudited)

	Fiscal Year	
	2024	**2025**
0.05% Municipal Gross Receipts Tax (GRT) revenues	$ 27,905,189	**$ 28,634,110**
MGRT Infrastructure revenues	193,888	**154,933**
State shared GRT revenues	67,894,044	**69,739,380**
Total	$ 95,993,121	**$ 98,528,423**

Source: City of Santa Fe Finance Department

City of Santa Fe, New Mexico
Schedule of Gross Receipts Tax Revenues
Fiscal Year 2024 and 2025 (Unaudited)

	Fiscal Year	
	2024	**2025**
Municipal general GRT (Including Capital Improvements)	$ 93,381,786	**$ 95,953,142**
Infrastructure revenues	193,888	**154,933**
MGRT revenues	6,830,966	**7,038,716**
Environmental revenues	48,359	**38,599**
State-shared GRT revenues	67,894,044	**69,739,380**
Water Capital Outlay	-	**-**
Municipal Equivalent Distribution	-	**-**
Total	$ 168,349,043	$ 172,924,770

Source: City of Santa Fe Finance Department

City of Santa Fe, New Mexico
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita
Last Tean Fiscal Years (Unaudited)

GENERAL OBLIGATION DEBT

Fiscal Year Ended June 30	Population[1]	Assessed Value[2]	Total General Obligation Debt Outstanding June 30 (Par Value)[3]	Amount Available Debt Service Fund[4]	Net Bonded Debt	Ratio of Net Long Term Debt To Assessed Value	Net General Long Term Debt Per Capita
2016	83,000	$ 3,774,856,000	$ 39,270,000	$ 4,469,142	$ 34,800,858	1.04%	419
2017	84,009	3,878,365,000	23,635,000	762,433	22,872,567	0.61%	272
2018	83,975	4,057,690,611	22,425,000	1,266,526	21,158,475	0.55%	252
2019	83,875	4,139,262,870	21,175,000	1,674,630	19,500,370	0.51%	232
2020	84,612	4,353,433,480	19,130,000	1,110,077	18,019,923	0.44%	213
2021	85,202	4,557,743,975	17,885,000	1,111,150	16,773,850	0.39%	197
2022	86,099	4,583,853,535	16,590,000	1,011,417	15,578,583	0.36%	181
2023	86,099	4,906,449,372	15,520,000	1,771,699	13,748,301	0.32%	160
2024	89,088	5,574,965,537	13,860,000	3,177,688	10,682,312	0.25%	120
2025	89,167	5,884,882,813	12,425,000	4,301,951	8,123,049	0.14%	91

[1] Estimated population figures for 2016, 2017 and 2018 populations are estimated by Santa Fe Planning Department staff.

[2] Assessments are made by the elected Santa Fe County Assessor. Assessments are made each year in January. Amounts represent thirty-three and one-third percent of market value as set by state statute.

[3] Includes general obligation outstanding par only, excluding any applicable unamortized premium or discount.

[4] Includes restricted cash as well as accumulated unrestricted investment income and other unrestricted miscellaneous income.

City of Santa Fe, New Mexico
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Fund Expenditures
Last Tean Fiscal Years (Unaudited)

Fiscal Year	Principal	Interest	Debt Service	Total General Fund Expenditure	Ratio of Debt Service to General Governmental Expenditures
2016	$ 2,035,000	$ 1,483,451	$ 3,518,451	$ 72,393,334	0.0486
2017	15,635,000	2,054,579	17,689,579	79,044,226	0.2238
2018	1,210,000	789,481	1,999,481	88,285,343	0.0226
2019	1,250,000	758,506	2,008,506	83,403,226	0.0241
2020	1,290,000	667,491	1,957,491	88,197,467	0.0222
2021	1,245,000	694,063	1,939,063	82,304,131	0.0236
2022	1,295,000	682,313	1,977,313	94,911,655	0.0208
2023	1,340,000	630,738	1,970,738	111,581,633	0.0177
2024	1,390,000	577,238	1,967,238	126,753,524	0.0155
2025	1,435,000	534,963	1,969,963	138,550,822	0.0142

Source: City of Santa Fe Finance Department

City of Santa Fe, New Mexico
Computation of Direct and Overlapping General Obligation Debt
June 30, 2025 (Unaudited)

	General Obligation as of June 30, 2025 (Par Value) [1]	Percentage Applicable to City of Santa Fe	City of Santa Fe Share of Debt
City of Santa Fe	$ 12,425,000	100.00%	$ 12,425,000
Subtotal Direct Debt			**12,425,000**
State of New Mexico	$ 347,815,000	5.44%	$ 18,921,136
Santa Fe County	$ 109,610,000	57.71%	63,255,931
Santa Fe Public Schools	$ 178,365,000	62.38%	111,264,087
Santa Fe Community College	$ 19,400,000	62.38%	12,101,720
Subtotal Overlapping Debt			**205,542,874**
Total Direct and Overlapping Debt			**$ 217,967,874**

Ratios:

Total direct and overlapping debt to assessed valuation for tax year 2024 $5,884,882,813

Direct and overlapping debt to actual valuation of $17,654,648,439

Direct and overlapping debt per capita of 89,167

[1] Includes general obligation outstanding par value only, excluding any applicable unamortized premium or discount.

Source: City of Santa Fe Finance Department

City of Santa Fe, New Mexico
Legal Debt Margin Information
Last Ten Fiscal Years (Unaudited)

	2016	2017	2018	2019
Debt Limit	$ 156,571,714	$ 162,307,624	$ 165,570,515	$ 174,137,339
Total net debt applicable to limit	(39,270,000)	(23,635,000)	(22,425,000)	(21,175,000)
Legal debt margin	$ 117,301,714	$ 138,672,624	$ 143,145,515	$ 152,962,339
Total net debt applicable to the limit as a percentage of debt limit	25.08%	14.56%	13.54%	12.16%

Note: Under state finance law, the city's outstanding general obligation debt should not exceed 4 percent of total assessed property value.

Source: State of New Mexico, Department of Finance And Administration General Obligation Capacity Statement of

Source: City of Santa Fe Finance Department

City of Santa Fe, New Mexico
Legal Debt Margin Information
Last Ten Fiscal Years (Unaudited) (Continued)

	2020	2021	2022	2023	2024	2025
	$ 180,726,765	$ 182,309,759	$ 183,354,141	$ 196,257,975	$ 222,998,621	$ 235,395,313
	(19,130,000)	(17,885,000)	(16,590,000)	(15,520,000)	(13,860,000)	(12,425,000)
	$ 161,596,765	$ 164,424,759	$ 166,764,141	$ 180,737,975	$ 209,138,621	$ 222,970,313
	10.59%	9.81%	9.05%	7.91%	6.22%	5.28%

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited)

	Environmental Services					
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 12,932,045	$ 10,496,187	$ 2,435,858	$ 900,000	$ 408,060	1.86
2017	13,394,451	13,279,596	114,855	876,067	293,800	0.10
2018	13,014,561	11,198,888	1,815,673	1,054,734	306,054	1.33
2019	12,979,443	12,624,084	355,359	1,080,781	263,054	0.26
2020	13,198,004	12,012,177	1,185,827	1,128,050	220,078	0.88
2021	12,899,732	13,034,307	(134,575)	1,180,227	175,086	-0.10
2022	14,324,670	14,065,432	259,238	1,233,246	120,872	0.19
2023	17,254,276	15,799,354	1,454,922	1,286,709	64,085	1.08
2024	16,774,696	16,726,439	48,257	195,639	4,715	0.24
2025	17,107,802	17,302,095	(194,293)	-	-	N/A

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

	Water Management Bonds					
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 42,499,151	$ 30,769,361	$ 11,729,790	$ 4,307,203	$ 5,132,271	1.24
2017	37,298,329	30,268,109	7,030,220	1,723,382	1,604,514	2.11
2018	38,288,412	29,217,866	9,070,546	1,746,720	1,614,859	2.70
2019	34,553,802	35,162,241	(608,439)	1,783,891	1,582,618	(0.18)
2020	36,989,724	34,070,630	2,919,094	1,783,892	1,549,824	0.88
2021	39,614,360	38,757,740	856,620	1,819,804	1,539,472	0.26
2022	36,125,757	35,623,072	502,685	1,872,338	1,484,176	0.15
2023	38,152,049	32,068,295	6,083,754	1,930,223	1,427,130	1.81
2024	44,389,948	35,292,352	9,097,596	2,003,468	1,357,925	2.71
2025	42,743,003	38,873,447	3,869,556	1,125,000	1,104,700	1.74

(1) Debt includes bonds and loans.

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

	Railyard Bonds					
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 728,852	$ 519,959	$ 208,893	$ 913,077	$ 638,720	0.13
2017 (1)	515,558	568,128	(52,570)	970,000	1,432,187	(0.02)
2018	759,581	587,831	171,750	970,000	462,537	0.12
2019	906,965	3,278,896	(2,371,931)	1,010,000	422,628	(1.66)
2020	510,393	2,809,151	(2,298,758)	1,055,000	380,145	(1.60)
2021	925,072	2,638,664	(1,713,592)	1,100,000	334,966	(1.19)
2022	1,105,936	2,016,378	(910,442)	1,145,000	287,141	(0.64)
2023	1,104,811	1,673,282	(568,471)	1,195,000	236,699	(0.40)
2024	1,142,533	1,703,312	(560,779)	265,000	183,423	(1.25)
2025	1,139,697	1,484,604	(344,907)	959,000	62,000	(0.34)

(1) The City of Santa Fe Subordinate Line Gross Receipts Tax Improvement Revenue Bonds, Series 2012C, were issued December 19, 2012. Refunded in 2017 as a Taxable issue.

(2) Debt includes the bond and loans.

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

Municipal Recreation Complex Bonds						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 2,822,851	$ 1,382,633	$ 1,440,218	$ 980,000	$ 368,453	1.07
2017	1,177,657	1,563,065	(385,408)	1,015,650	1,271,057	(0.17)
2018	1,245,505	1,673,644	(428,139)	1,025,000	238,358	(0.34)
2019	1,216,964	1,682,245	(465,281)	1,088,850	186,508	(0.36)
2020	685,037	1,953,355	(1,268,318)	1,143,750	132,065	(0.99)
2021	1,080,345	963,549	116,796	1,207,800	74,878	0.09
2022	1,971,320	1,572,917	398,403	94,550	14,488	3.65
2023	954,926	2,292,087	(1,337,161)	97,600	9,760	(12.45)
2024	1,580,516	3,775,348	(2,194,832)	97,600	4,880	(21.42)
2025	2,031,871	3,883,910	(1,852,039)	-	-	N/A

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

	Convention Center Bonds					
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 488,109	$ 1,814,154	$ (1,326,045)	$ 1,295,000	$ 1,571,030	(0.46)
2017	478,637	2,499,483	(2,020,846)	958,000	1,569,323	(0.80)
2018	949,407	2,154,027	(1,204,620)	975,800	1,181,296	(0.56)
2019	854,987	4,034,741	(3,179,754)	1,602,450	1,144,366	(1.16)
2020	347,968	3,707,295	(3,359,327)	2,012,400	1,083,321	(1.09)
2021	168,289	784,774	(616,485)	2,291,700	981,895	(0.19)
2022	354,927	2,003,884	(1,648,957)	2,407,800	866,465	(0.50)
2023	804,620	3,592,840	(2,788,220)	1,025,400	745,187	(1.57)
2024	587,399	5,911,145	(5,323,746)	1,077,150	692,985	(3.01)
2025	938,139	7,337,149	(6,399,010)	1,132,050	455,357	(4.03)

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

	Wastewater System Bonds					
Fiscal	Gross	Less: Operating	Net Revenue Available for Debt	Debt Service		
Year End	Revenues	Expenses	Service	Principal	Interest	Coverage
2016 (1)	$ 14,146,430	$ 10,061,120	$ 4,085,310	$ 1,840,000	$ 695,600	1.61
2017	13,473,205	10,859,168	2,614,037	1,884,350	575,043	1.06
2018	13,246,201	10,991,902	2,254,299	1,990,000	539,443	0.89
2019 (2)	13,400,471	13,052,631	347,840	2,196,150	1,190,689	0.10
2020	14,410,283	9,118,086	5,292,197	2,351,250	961,335	1.60
2021	14,328,304	6,867,808	7,460,496	2,607,200	843,773	2.16
2022	15,078,981	9,713,064	5,365,917	2,020,450	713,413	1.96
2023	16,623,757	12,776,871	3,846,886	642,400	612,390	3.07
2024	16,082,001	14,788,275	1,293,726	672,400	580,270	1.03
2025	15,291,291	17,449,420	(2,158,129)	640,000	489,761	(1.91)

(1) City issued $9,480,000 2016C Refunding Bond, which 37% is allocated tow Waste Water
(2) City issued $13,550,000 2019 Green Bond

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

	College of Santa Fe Loan					
Fiscal	Gross	Less: Operating	Net Revenue Available for Debt	Debt Service		
2016	$ 2,350,000	$ 437,317	$ 1,912,683	$ 715,000	$ 1,508,526	0.86
2017	1,080,000	-	1,080,000	745,000	1,478,567	0.49
2018	1,504,309	1,884,961	(380,652)	775,000	1,445,264	(0.17)
2019 (1)	857,010	3,132,645	(2,275,635)	815,000	1,409,460	(1.02)
2020	588,939	3,928,611	(3,339,672)	850,000	1,370,993	(1.50)
2021	966,459	2,992,799	(2,026,340)	905,000	773,013	(1.21)
2022	1,456,034	2,870,455	(1,414,421)	925,000	751,184	(0.84)
2023	1,629,024	3,586,000	(1,956,976)	950,000	727,948	(1.17)
2024	1,756,500	3,209,353	(1,452,853)	975,000	703,600	(0.87)
2025	1,449,729	4,744,157	(3,294,428)	1,000,000	683,570	(1.96)

(1) The New Mexico Finance Authority Loan for the purchase of the College of Santa Fe was issued September 14, 2009. The loan was refinanced in July 2019.

City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

	Parking Loan					
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 4,596,479	$ 4,414,701	$ 181,778	$ -	$ 287,038	0.63
2017	5,023,562	5,336,699	(313,137)	407,000	530,855	(0.33)
2018	5,537,624	4,138,399	1,399,225	429,200	510,487	1.49
2019	6,270,087	5,571,868	698,219	449,550	490,487	0.74
2020 (1)	4,490,425	3,913,273	577,152	668,600	497,594	0.49
2021	2,925,410	1,638,245	1,287,165	680,800	480,109	1.11
2022	3,619,797	2,617,497	1,002,300	711,700	451,437	0.86
2023	4,056,585	2,975,313	1,081,272	742,600	421,373	0.93
2024	5,017,581	4,411,212	606,369	770,350	389,857	0.52
2025	5,190,754	5,728,314	(537,560)	804,950	313,894	(0.48)

(1) Parking issued a note in FY20 for improvements to the garages.

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City of Santa Fe, New Mexico
Pledged-Revenue Coverage
Last Ten Fiscal Years (Unaudited) (Continued)

	Transit Loan					
Fiscal	Gross	Less: Non-Debt	Revenue Available for Debt	Debt Service		
Year End	Revenues	Expenses	Service	Principal	Interest	Coverage
2016	$ 1,395,699	$ 9,473,601	$ (8,077,902)	$ 273,320	$ 63,284	(24.00)
2017	1,639,901	11,350,564	(9,710,663)	277,480	62,385	(28.57)
2018	1,576,708	8,975,274	(7,398,566)	279,664	60,548	(21.75)
2019	1,501,515	11,710,375	(10,208,860)	282,944	41,544	(31.46)
2020	381,313	12,726,543	(12,345,230)	287,358	55,477	(36.01)
2021	8,946,055	7,478,239	1,467,816	292,703	50,155	4.28
2022	356,559	7,061,047	(6,704,488)	298,938	43,921	(19.55)
2023	341,053	7,731,534	(7,390,481)	306,082	36,776	(21.56)
2024	7,486,011	8,607,886	(1,121,875)	314,010	28,849	(3.27)
2025	8,234,388	11,722,889	(3,488,501)	322,551	46,169	(9.46)

NOTE: Details regarding governmental outstanding debt can be found in the notes to the financial statements and in the Major Debt section of the ACFR.

City of Santa Fe, New Mexico
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (Unaudited)

	Government Activities			Business-Type Activities			
Fiscal Year	GRT Bonds	General Oblig. Bonds	NMFA Loans	MRC Bonds	Convention Center Bonds	Parking Bonds	Water Bonds
2016	89,973,701	40,152,961	2,504,981	6,503,281	30,171,602	13,590,889	41,671,803
2017	99,603,790	23,635,000	1,088,790	5,518,099	30,034,635	13,116,397	40,554,114
2018	76,637,000	22,425,000	815,340	3,730,150	26,053,350	11,449,650	34,890,000
2019	88,112,000	21,175,000	702,363	2,641,300	24,483,900	11,000,100	34,000,000
2020	78,185,000	19,130,000	589,249	1,546,650	19,531,000	14,817,900	33,090,000
2021	72,010,500	17,885,000	17,718,927	289,750	20,118,800	10,030,700	32,145,000
2022	62,728,000	16,590,000	18,321,878	195,200	17,739,000	9,509,000	31,165,000
2023	56,674,300	15,250,000	16,648,257	97,600	16,713,600	8,961,400	30,145,000
2024	50,140,500	13,860,000	17,237,218	-	15,636,450	8,386,050	29,070,000
2025	43,636,500	12,425,000	16,379,393	-	14,504,400	7,781,100	27,945,000

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. This table reflects par value only for the City's outstanding debt exclusive of unamortized premium and discount.

Source: US Census Bureau, City of Santa Fe Finance Department

City of Santa Fe, New Mexico
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (Unaudited) (Continued)

Business-Type Activities				Total	Percent	
Wastewater Bonds	Environmental Bonds	Railyard Bonds	NMFA Loans	Primary Government	of Personal Income	Per Capita
14,755,837	7,720,255	13,232,809	42,428,833	302,706,952	12.01%	3,647
12,596,436	7,967,712	12,351,078	39,620,848	286,086,899	11.00%	3,405
9,299,850	4,980,000	10,730,000	38,816,099	239,826,439	9.04%	2,856
20,653,700	4,080,000	9,720,000	36,680,654	253,249,017	8.40%	3,019
18,253,350	3,775,400	8,665,000	35,785,404	233,368,953	7.63%	2,758
15,695,250	2,140,000	7,565,000	33,776,887	229,375,814	7.24%	2,692
13,674,800	1,095,000	6,420,000	31,327,677	208,765,555	5.91%	2,425
13,032,400	-	5,225,000	28,639,328	191,386,885	4.61%	2,223
12,360,000	-	4,960,000	26,069,398	177,719,616	4.14%	1,995
11,720,000		3,228,000	25,755,495	163,374,888	3.27%	1,832

City of Santa Fe, New Mexico
Demographic and Economic Information (Unaudited)

Year	Population	Personal Income (*thousands of dollars)*	Per Capita Personal Income	Unemployment Rate
2016	83,000	2,528,677	30,361	5.40%
2017	84,009	2,594,375	30,968	5.20%
2018	83,975	2,649,444	31,588	4.00%
2019	83,875	2,975,635	35,935	4.20%
2020	84,612	3,244,773	36,146	9.60%
2021	85,202	3,365,459	37,178	6.80%
2022	86,099	3,486,010	41,026	3.50%
2023	86,099	3,359,884	48,242	3.20%
2024	89,088	3,653,608	48,167	3.70%
2025	89,167	3,700,436	56,094	3.60%

Source: US Census Bureau

POPULATION:

Year	City	County	State
2016	83,000	148,651	2,081,015
2017	84,009	148,750	2,088,070
2018	83,975	148,758	2,093,000
2019	83,875	150,358	2,096,829
2020	84,612	155,056	2,118,606
2021	85,202	155,429	2,117,333
2022	86,099	155,768	2,113,868
2023	86,099	156,507	2,121,164
2024	89,088	157,765	2,130,256
2025	89,167	158,500	2,139,350

Source: US Census Bureau

AGE PROFILE:

Age	City	State	United States
0-19	22.80%	21.50%	28.00%
20-64	53.80%	52.70%	53.20%
65+	24.20%	25.80%	18.80%
	100.80%	100.00%	100.00%

Source: US Census Bureau

INCOME PROFILE:

HOUSEHOLD INCOME DISTRIBUTION, New Mexico, 2025:

INCOME $	NUMBER OF HOUSEHOLDS	PERCENT OF HOUSEHOLDS
Under 10,000	4,458	5%
15,000 to 20,000	2,675	3%
20,000 to 30,000	6,242	7%
30,000 to 40,000	7,133	8%
40,000 to 50,000	10,700	12%
50,000 to 60,000	10,700	12%
60,000 to 75,000	13,375	15%
75,000 to 100,000	11,592	13%
100,000 to 150,000	10,700	12%
150,000 to 200,000	5,350	6%
200,000 and more	4,484	7%
Total Households	89,167	100%

The table above sets forth Income Profile based on DataUSA.com

The table below sets forth the per-capita income, based on the total gross income divided by population, for Santa Fe County, the State of New Mexico and the United States.

CALENDAR YEAR	SANTA FE COUNTY	STATE OF NEW MEXICO	UNITED STATES
2000 Income Distribution most current as per U.S. Census.			
2016	36,316	26,313	32,273
2017	37,818	25,928	33,187
2018	35,935	26,529	33,831
2019	38,520	27,230	34,103
2020	NA	NA	NA
2021	41,800	30,480	39,200
2022	74,751	53,079	66,244
2023	77,717	55,343	69,810
2024	80,000	57,652	72,000
2025	82,000	59,100	74,000

Source: US Census Bureau

City of Santa Fe, New Mexico
Property Value, Construction Permits and Utility Connects
Last Ten Calendar Years (Unaudited)

CONSTRUCTION PERMITS[2]

CALENDAR YEAR	PROPERTY VALUE[1]	ISSUED	VALUE
2016	$ 3,774,856,000	$ 4,955	$ 162,954,112
2017	3,878,365,000	4,904	150,608,250
2018	4,057,690,611	6,337	245,227,939
2019	4,139,262,870	6,801	289,241,144
2020	4,353,433,480	6,419	364,332,813
2021	4,557,743,975	6,611	386,700,000
2022	4,583,853,535	6,809	410,400,000
2023	4,906,449,372	7,013	435,500,000
2024	5,574,965,537	7,224	462,300,000
2025	5,884,882,813	7,441	490,100,000

UTILITY CONNECTIONS

CALENDAR YEAR	WATER METERS[3]	ELECTRIC METERS[4]	GAS METERS[5]
2016	35,533	78,304	54,381
2017	35,479	Unavailable	Unavailable
2018	36,027	Unavailable	Unavailable
2019	36,494	Unavailable	Unavailable
2020	36,610	Unavailable	Unavailable
2021	37,132	Unavailable	Unavailable
2022	38,014	Unavailable	Unavailable
2023	37,491	Unavailable	Unavailable
2024	38,407	Unavailable	Unavailable
2025	38,528	Unavailable	Unavailable

Source:

[1] Santa Fe County Assessor: Value of property on which taxes are assessed.

[2] City of Santa Fe Building Inspectors Office, estimated.

[3] Sangre De Cristo Water Division

[4] Public Service Company of New Mexico

[5] New Mexico Gas Company

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City of Santa Fe, New Mexico
Ten Largest Employers Santa Fe Metropolitan Area
June 30, 2025 (Unaudited)

EMPLOYER	TYPE OF BUSINESS	APPROXIMATE NUMBER OF EMPLOYEES
State of New Mexico	Government	5,900
Christus St. Vincent	Healthcare	2,500
Santa Fe Public Schools	Education	1,800
City of Santa Fe	Government	1,500
County of Santa Fe	Government	850
Santa Fe Community College	Education	661
Presbyterian Santa Fe	Healthcare	545
Eldorado Hotel	Hospitality	500
Hotel Chimayo	Hospitality	500
Hotel St. Francis	Hospitality	500

Data from Available Public Sources and Albuquerque Business Journal
https://www.bizjournals.com/albuquerque/subscriber-only/2025/01/29/santa-fe-area-employers.html

City of Santa Fe, New Mexico
Authorized Budgeted Positions of
City Government Employees by Function
Last Ten Fiscal Years (Unaudited)

	2016	2017	2018	2019	2020	2021
Function						
General Government	242	248	272	613	550	242
Public safety						
Police						
Officers	196	200	203	177	169	196
Civilians	28	30	30	54	59	28
Fire						
Firefighters and officers	151	154	178	197	189	151
Civilians	10	12	44	14	14	10
Highways and streets						
Engineering	55	59	66	31	29	55
Maintenance	53	54	58	36	37	53
Sanitation	126	131	137	140	139	126
Parks and Recreation	467	474	519	145	151	467
Water	83	90	91	75	73	83
Transit	115	131	131	125	123	115
Parking	53	56	56	48	34	53
Total	1579	1639	1785	1655	1566	1579

Source: City of Santa Fe Budget Office

City of Santa Fe, New Mexico
Authorized Budgeted Positions of
City Government Employees by Function
Last Ten Fiscal Years (Continued)(Unaudited)

2022	2023	2024	2025
248	272	613	550
200	203	177	169
30	30	54	59
154	178	197	189
12	44	14	14
59	66	31	29
54	58	36	37
131	137	140	139
474	519	145	151
90	91	75	73
131	131	125	123
56	56	48	34
1639	1785	1655	1566

City of Santa Fe, New Mexico
Schedule of Insurance in Force
June 30, 2025 (Unaudited)

Insurance Carrier/Description	Policy #	Term	Coverage Limits
I. City of Santa Fe Self Insurance			
A. Worker's Compensation		Jul 01 - Jun 30	$ 600,000
B. Group Health Insurance	3338881		Unlimited
C. Fleet/Physical Damage	GPO6301413	Jul 01 - Jun 30	Replacement cost
II. Safety National Casualty Company			
Excess Worker's Compensation	SP 4055437	July 1 - June 30	Statutory limit
III. Travelers Insurance Company.			
Public Entity Package			
A. Liability Package Policy	15N80223	July 1 - June 30	Aggregate $3 million, $1,050,000 tort limit
C. Crime	630C41023A	July 1 - June 30	$ 500,000
B. Automobile Liability	810-2C410241	July 1 - June 30	Various
C. Property Damage	H-630-2C41023A	July 1 - June 30	$ 403,106,992
D. Umbrella	15N80235	July 1 - June 30	$ 3,000,000
G. Inland Marine (Included in 3A above)			Various
H. Law Enforcement			$ 4,000,000
I. Public Officials & Employment Practices			$ 4,000,000
IV. National Union Fire Insurance Company			
Fiduciary	01-593-43-84	July 1 - June 30	$ 2,000,000 Aggregate
Boiler/Machinery	BAJBMC802X8550TIL07	July 1 - June 30	$ 10,000,000
Hazardous Substance			$ 100,000
Water Damage			$ 100,000
Ammonia Contamination			$ 100,000
Expediting Expenses			$ 100,000
Ordinance or Law			$ 500,000
V. The Hartford Insurance Company			
A. Crime (TD&D - Money & Securities)	59BPEDK8427	July 1 - June 30	$ 100,000
B. Employee Dishonesty	59BPEDK8427	July 1 - June 30	$ 500,000
V. Starr indemnity and Liability			
Airport General Liability	1000223840-3	July 1 - June 30	$ 20,000,000
VI. Cigna Health Care Insurance Company			
A. Specific Stop Loss	26001-1	Aug 31 - Aug 31	Medical in excess of $250,000
B. Aggregate Stop Loss			$ 2,000,000
C. Supplemental Life			2x annual salary-Natural death,
VII. CHUBB - Ace American Insurance Company			
Storage Tank Liability	UST G27064231-007	July 1 - June 30	$1,000,000/2,000,000 Aggregate
VIII. Evanston Insurance Company			
SWAMA Pollution Liability	MKLV5ENV101016	July 1 - June 30	$1,000,000/2,000,000 aggregate
B. Santa Fe Solid Waste Mgmt. Agency	EG 2671908	July 1 - June 30	$ 1,000,000
C. Fiduciary Employee Benefit Plan	672-82-86	July 1 - June 30	$2,000,000 aggregate
IX. Ironshore Indemnity			
Fine Arts	HTB-000069-002	July 1 - June 30	$ 1,000,000
X. Travelers Insurance Co.			
Skateboard/Parks	15N80223	July 1 - June 30	$1,000,000 aggregate
X. Indian Harbor Insurance Company			
B. Cyber Liability	MTP9035303-01	July 1 - June 30	$ 1,000,000

City of Santa Fe, New Mexico
Schedule of Insurance in Force
June 30, 2025 (Unaudited) (Continued)

	Annual Premium	Deductible	Miscellaneous
			Self-Insured
$	21,719,707		
$	178,682	$ 25,000	
$	207,671	$ 600,000	Self-Insured Retention
$	1,364,291	$ 200,000	Self-Insured Retention
$	3,167	$ 5,000	
$	528,548	$ 200,000	
$	317,939	$ 100,000	
$	115,704	$ 10,000	
		$ 25,000	
$	385,000	$ 50,000	
$	594,832	$ 100,000	
$	13,200	$ 25,000	Self-Insured Retention
(Included in Property Policy)		$ 5,000	
(Included in Property Policy)			
(Included in Property Policy)			
(Included in Property Policy)			
(Included in Property Policy)			
(Included in Property Policy)			
$	3,152	$ 5,000	
$	5,711	$ 5,000	
$	16,375	$ 10,000	
$	1,257,681		Stoploss
$	64,504		
$	452,247		
$	11,410	$ 10,000	
$	43,395	$ 25,000	
$	36,587	$ 25,000	
$	12,625	$ 25,000	Retention
$	5,590	$ 1,000	
Inc'l in Blanket Policy		$ 50,000	Self Insurance Retention
$	65,382	$ 100,000	

City of Santa Fe, New Mexico
Miscellaneous Statistics (Unaudited)

Form of Government

The City has a mayor/council/city manager form of government with the mayor and eight member council the Council who is elected by district for four-year overlapping terms. The non-partisan elections are held each March of odd numbered years.

The City Charter provides for a City Manager, City Attorney and appointed by the Mayor and approved by responsible for the administration of the merit system and, subject to the authority of the Mayor, supervises the operation of all departments.

Year of incorporation	1891	
City area (square miles)	53.0	
Fire Protection		
Number of stations (Manned and Unmanned)	10	
Total employees (Includes 13 Civilians)	213	
Police Protection		
Number of stations	3	
Total employees (Includes 58 Civilians)	228	
Parks		
Acreage (developed, not open space or trails)	923	
Number of parks	73	
Community centers and recreational buildings	6	
Swimming pools	4	
Tennis courts	15	
Pickleball Courts	8	
Libraries		
Holdings	224,548	items
Circulation	716,396	per year
Municipal Sewer		
Number of sewer accounts	38,009	
Miles of sanitary lines	372	

Notes:

Data as of June 30, 2025

REPORTS ON INTERNAL CONTROL AND COMPLIANCE SECTION

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
2424 Louisiana Boulevard NE
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Joseph M. Maestas, P.E., CFE, New Mexico State Auditor
The Mayor and Members of City Council
City of Santa Fe
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the City of Santa Fe (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 16, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2025-001 and 2025-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

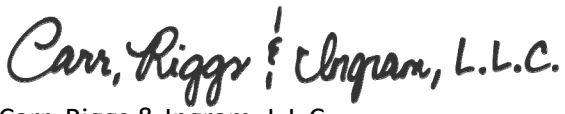
We noted certain other matters that are required to be reported per Section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of findings and responses as items 2025-003, 2025-004 and 2025-005.

City's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Carr, Riggs & Ingram, L.L.C.
Albuquerque, New Mexico
January 16, 2026

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SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1.	Type of auditor's report issued	Unmodified
2.	Internal control over financial reporting:	
a.	Material weaknesses identified?	Yes
b.	Significant deficiencies identified not considered to be material weaknesses?	None noted
c.	Noncompliance material to the financial statements?	No

SECTION II – FINANCIAL STATEMENT FINDINGS

2025-001 (2024-001) – Controls over Construction in Process (Material Weakness)

Condition: The City's process for tracking construction in process (CIP) was not designed properly to ensure completed projects are capitalized and added to the capital asset subledger in a timely manner.

Management Progress on Repeat Findings: The City showed improvement and was able to evaluate the status and presentation of the majority of its old CIP projects during the fiscal year. The City continues to make efforts to ensure the projects are capitalized and tracked in a timely manner as discussed below.

Criteria: The COSO Internal Control Integrated Framework provides guidelines for designing and implementing a system of internal controls that incorporates five necessary components of internal controls. These five components consist of the control environment, risk assessment, control activities, information and communication, and monitoring. Systems and control activities should be in place to evaluate ongoing construction projects to ensure they are capitalized and depreciated when put in service.

Cause: The City experienced significant turnover in its finance department during the 2020 and 2021 fiscal years. As such, many of the individuals responsible for ensuring the proper accounting treatment of CIP and completed projects were lost. Further, there was a time delay in the establishment of a new finance team and no established process inherited to ensure proper accounting treatment.

Effect: The City had a backlog of CIP project costs, some dating back to 2020, that had to be extensively re-evaluated to ensure proper capitalization and depreciation of completed projects.

Auditor recommendation: The City should have mechanisms in place that ensure the finance department is up to speed with the status of ongoing projects and when projects are completed/are ready to be moved to a depreciable category. Additionally, the status of CIP projects should be reviewed by the finance department on a periodic basis throughout the fiscal year to identify and adjust for completed projects in a timely manner.

Views of Responsible Officials and Planned Corrective Action: The City agrees with this finding. The City did not have the necessary staffing or tools in place from FY2020 to FY2024 to ensure that construction in process (CIP) was tracked, reviewed and reconciled timely. The City's process for tracking CIP was limited in functionality and did not ensure completed projects were capitalized timely, which resulted in a backlog of completed projects that remained in CIP after the date that they were placed in service.

In FY2024 the City designated an Accounting Manager in the Finance Department as the primary position responsible for oversight of Capital Assets and CIP. This position was vacant for portions of FY2024 and FY2025 due to a retirement and several recruitments. Ultimately, late in FY2025 the City was fortunate to hire an experienced capital asset accountant who had previously done capital asset accounting for a large municipality.

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

2025-001 (2024-001) – Controls over Construction in Process (Material Weakness) (Continued)

Views of Responsible Officials and Planned Corrective Action: (Continued)

Currently Excel worksheets are the primary tool used for tracking CIP expenditures and capital assets with data that is derived from the Munis accounting system. The magnitude and complexity of the City's capital asset management needs require specialized software. The City owned the Munis Capital Assets module, but it was not implemented because it was not configured to match the business need. In the last quarter of FY2025 the Controller began a project to implement the Capital Assets module in the Munis ERP system. The Accounting Manager is now the functional lead for the project. This module will help track and monitor capital expenditures by project, from planning to completion, and provide detailed functionality to help manage capital processes such as depreciation, additions and deletions, and retirements.

Munis workflows will notify Finance Department Capital Assets staff when a project is complete, or other significant milestones are reached. This will establish direct communication between the field and Finance about the status of CIP. The implementation of the Capital Assets module in Munis is in progress and is expected to be completed by 6/30/26

Responsible Official: Controller and Capital Asset Accounting Manager

Timeline and Estimated Completion Date: June 30, 2026

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

2025-002 (2024-002) – General Ledger Corrections (Material Weakness)

Condition: The following inaccuracies in the Munis general ledger were not identified and corrected by the City in a timely manner, leading to the need for error corrections to beginning fund balance and net position:

- Adjustments to unearned revenue for error corrections of $311,645 in Fund 545, $802,218 in fund 240 and $300,000 in fund 520, respectively.
- Adjustments in the amount of $3,787,776 for the proper breakout of the Affordable Housing Trust Fund into its own fund.
- Adjustments in the amount of $8,595,195 for the proper breakout of the Opioid Fund into its own fund.
- Gross Receipt Tax error correction from FY19-FY20 in the amount of $18,022,229.
- Adjustment to Fund 230 to correct beginning fund balance in the amount of $275,519 due to a transfer in prior year not previously captured.
- Adjustment between Fund 230 and 231 to correct beginning fund balance in the amount of $66,420 due to an accrual in the prior year recorded in the incorrect fund.

Management Progress on Repeat Findings: The City's yearend close process has been improved significantly over the previous couple of fiscal years. As a result of that process, the City has continued to locate required corrections as summarized above.

Criteria: The COSO Internal Control Integrated Framework provides guidelines for designing and implementing a system of internal controls that incorporates five necessary components of internal controls. These five components consist of the control environment, risk assessment, control activities, information and communication, and monitoring. An integral part of designing proper control activities is implementing and maintaining a process to review the general ledger software for completeness and accuracy on a periodic basis.

Cause: The City was behind on audits and its financial closing process for an extended period of time prior to fiscal year 2025. This led to the inability to capture many adjustments in a timely manner in the City's general ledger system, which becomes closed to adjustment after a certain period of time.

Effect: The City adjusted for the items described above in fiscal year 2025 through fund balance and net position.

Auditor recommendation: The City's accounting and financial management team should continue to stay caught up on monthly and annual closing procedures. During these processes, the City should remain cognizant of items requiring adjustment and reversal to prevent instances such as those noted above in the future.

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

2025-002 (2024-002) – General Ledger Corrections (Material Weakness) (Continued)

Views of Responsible Officials and Planned Corrective Action: The City agrees with the finding. For a period of time, the City did not complete a timely close of its financial records, which was resolved starting in fiscal year 2024. As a result of the prior delays in the closing process, a comprehensive general ledger reconciliation of all funds was not consistently performed. This reconciliation process began during fiscal year 2025, supported by the improved financial condition of the City and the recent hiring and retention of qualified staff in key financial positions.

Many of the discrepancies noted were primarily the result of accounting entries recorded in prior fiscal years. Through research and analysis performed by the Finance Department, a clearer understanding of these historical entries was obtained, allowing management to appropriately rectify the issues. The items identified in the finding were identified and corrected by management during fiscal year 2025 and communicated to the auditors during the audit.

Additionally, during fiscal year 2025, the Finance Department identified an existing ordinance requiring the establishment of a separate fund for the Affordable Housing Trust Fund (AHTF). In coordination with the Office of Affordable Housing, the City initiated a project to reconcile historical activity and segregate AHTF transactions from other activity previously recorded in the Community Development Fund.

To prevent similar issues in the future, the City will continue to enhance and formalize its internal controls and monitoring procedures over general ledger activity. These measures include increased and documented reviews of general ledger accounts, full fund reconciliations performed annually, and ongoing research and follow-up on items such as unchanged or unusual account balances. Additionally, staff will continue to receive guidance and reminders regarding proper posting procedures, account classifications, and compliance with established accounting policies to promote consistency and accuracy in financial reporting.

Responsible Official: Finance Director, Accounting Officer, Controller, and General Ledger Accounting Manager

Timeline and Estimated Completion Date: June 30, 2026

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS

2025-003 – Budgetary Compliance (Other Noncompliance)

Condition: The following funds were over-expended during the fiscal year 2025:

Fund	Fund Description	Budgeted Expenditures	Actual Expenditures	(Over) Budget
210	Capital Equipment Reserve	$ 52,706	$ 52,751	$ (45)
211	Franchise Fee	-	2	(2)
214	Public Campaign	-	66	(66)
216	Gross Receipts Tax	585,442	623,992	(38,550)
222	Fire Environmental Services	-	203	(203)
224	Opioid	-	605	(605)
242	Affordable Housing Trust	-	4,314,208	(4,314,208)
250	Historic Perservation Grant	-	34	(34)
254	Public Facilities Purchase	-	13	(13)
257	Land Development	-	250	(250)
310	CIP Reallocation	-	50	(50)
340	City Drainage Project	-	162	(162)
930	UNSICKLV	-	84	(84)
950	Suspense	-	4	(4)

Criteria: City funds are to be budgeted by the local governing body and submitted to the State of New Mexico Department of Finance and Administration - Local Government Division for approval. Once adopted, any claims or warrants in excess of approved budget are in violation of New Mexico Statute - 6- 6, 1978. In addition, NMAC 2.2.2.10 (R) (1) requires an audit finding if actual expenditures exceed budget expenditures at the legal level of budgetary control.

Effect: Non-compliance with statutes regarding budgetary control.

Cause: Necessary budget adjustments were not completed prior to fiscal year end.

Auditor's Recommendation: The City should review total actual expenditures at the end of the fiscal year to the approved budget and submit budget adjustments to the New Mexico Department of Finance and Administration when appropriate.

Views of Responsible Officials and Planned Corrective Action: The City agrees with this finding. Using the current systems, it is challenging to monitor all funds, especially at fiscal year-end, when unanticipated expenditures or transfers arise for which the need for budget availability was not previously identified.

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-003 – Budgetary Compliance (Other Noncompliance) (Continued)

Views of Responsible Officials and Planned Corrective Action: (Continued)

The largest discrepancy, for fund 242 Affordable Housing Trust Fund (AHTF), relates to a correction of an error in the presentation of the AHTF in previous years. Since at least the inception of the Munis ERP system in FY2020 the financial activity of the Affordable Housing Trust Fund (AHTF) was combined with other activity in the Community Development Grants Fund (Munis Fund 240) and presented as one fund in the City's financial statements. Other activities unrelated to the AHTF are also accounted for in the Community Development Fund.

In FY2025 the Finance Department and the Office of Affordable Housing began a project to reconcile and separate the activity of the AHTF from other transactions recorded in the Community Development Grant Fund. The Affordable Housing Trust Fund was established in 2007 by City ordinance 26-3. The AHTF is often referred to as a fund, including in the ordinance, and many stakeholders had the expectation that it was being accounted for as a separate fund. The Finance Director reviewed the ordinance during FY2025 and determined that the activity of the AHTF should be presented in the financial statements as a separate fund.

In the City's financial statements for the year ended June 30, 2025 the AHTF is presented as a separate fund, and in fiscal year 2026 (FY26) the process to establish a separate fund for the AHTF in Munis is underway. The FY2025 budget for the activity of the AHTF was established in Fund 240 Community Development Grant Fund. The AHTF portion of the budget was not moved over to the new separate AHTF fund 242 Affordable Housing Trust until after the FY2025 budget was finalized because the new fund had not yet been created in Munis.

Because of the NMDFA year-end deadline (July 31) requirement, and the timing of the July Council and City committee meeting schedules, budgetary compliance issues may result due to insufficient time to process budget amendments.

The second discrepancy, for fund 216 Gross Receipts Tax Fund, relates to GRT admin fees that were higher than anticipated. GRT admin fees came in higher than what was budgeted because actual GRT received was higher than what was budgeted. Due to the two-month lag between when GRT is earned and when the State distributes GRT to the City, the information that actual admin fees were more than what was budgeted in FY25 was received too late to process a budget amendment to increase budget authority. The GRT distribution for June was not received until late August, after the DFA deadline for budget adjustments (July 31).

Relating to fund 216 and the other funds identified in this finding, sometimes adjustments, such as depreciation expense and allocation of bank fees, are made during the audit prep process after the end of the fiscal year and after the DFA deadline for budget adjustments (July 31). For FY2025 the small budget overages, $250 or less, are due to a year-end entry that allocated bank fees across all City funds. The implementation of a more robust year-end close process including a hard close of the GL, as well as the monthly closing processes, ensure that information is recorded in Munis timelier, which allows for more accurate monitoring of the budget.

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-003 – Budgetary Compliance (Other Noncompliance) (Continued)

Views of Responsible Officials and Planned Corrective Action: (Continued)

The City is also implementing new budget software, Questica/EUNA, which will help modernize the budgeting process and will facilitate timelier budget-to-actuals monitoring including quarterly and monthly budget projection reports. The implementation of the Questica/EUNA modules for operating budget and personnel budget is in progress and is expected to be complete in February 2026. After Questica/EUNA is implemented the Budget Division plans to begin implementing additional monitoring of the budget during the fiscal year, including reviewing budget to actual reports on a quarterly basis to identify discrepancies that may require budget adjustments

Responsible Official: Accounting Officer and Budget Officer

Timeline and Estimated Completion Date: June 30, 2026

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-004 (2021-020) – Cash Appropriations in Excess of Available Cash Balances (Other Noncompliance) (repeated/modified)

Condition: The City budgeted deficits in excess of available cash balances in the following funds:

	Budgeted Deficit - Cash Appropriations	Beginning Year Cash & AR Available	Cash Appropriation in Excess of Available
Governmental Funds			
Major Funds			
The 1/2% Gross Receipts Tax Fund	(12,818,031)	(7,226,995)	(12,818,031)
Non Major Funds			
Bond Acquisition Fund	(1,454,507)	1,318,465	(136,042)
Capital Improvement Projects (CIP)			
Community Development	(2,086,901)	734,964	(1,351,937)
Enterprise Funds			
Non Major Funds			
Municipal Recreation Complex	(4,309,615)	2,722,156	(1,587,459)

Management Progress on Repeat Findings: The City did not make progress on prior year corrective action plan.

Criteria: Section 2.2.2.10. (Q) and (R), NMAC, state that budgeted expenditures cannot exceed budgeted revenues in an amount more than prior year cash balance and any applicable federal receivables.

Effect: If budget deficits are not monitored closely, it could result in a funding shortfall.

Cause: The City did not identify that the budgeted deficits in the funds listed above were not covered by the prior balance of cash and federal receivables.

Auditor's Recommendation: The City should review and monitor future budgets for budgeted deficits that are not covered by ending cash and federal receivables as of the start of the fiscal year. Additionally, the City should review for adequate coverage of budget deficits as part of the budgeting process throughout the fiscal year.

Views of Responsible Officials and Planned Corrective: The City agrees with this finding. Regarding the ½% Gross Receipts Tax Fund (Fund 365), there were several issues impacting the budget and beginning of the year cash balance. The Fund 365 budget for FY2025 was built using a debt service schedule spreadsheet. It was discovered in the last month of FY2025 that one of the outstanding debt series was not included in the formulas on the spreadsheet, and as a result one of the debt payments was missing. Due to the error in the spreadsheet the established FY2025 budget for debt service was short by about three million dollars.

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-004 (2021-020) – Cash Appropriations in Excess of Available Cash Balances (Other Noncompliance) (repeated/modified) (Continued)

Views of Responsible Officials and Planned Corrective: (Continued)
Additionally, and also impacting Fund 365, an error in the GRT revenue allocations from FY2019 and FY2020 was identified by management during the early stages of the FY2025 audit. The prior year allocation of GRT revenues between Fund 365 and Fund 216 was found to be inverted, with the amount that should have gone to Fund 365 going to Fund 216. This resulted in the need to restate the beginning cash and fund balances for both funds. The restatement increases cash and fund balance in Fund 365 by over eighteen million dollars. When the restatement is taken into consideration the beginning of the year cash balance in Fund 365 is sufficient to cover the cash appropriations made from the fund in FY2025.

The City agrees that conducting periodic reviews for adequate coverage of budget deficits throughout the fiscal year would be helpful. The City is implementing new budget software, Questica/EUNA, which will help modernize the budgeting process and will facilitate timelier budget-to-actuals monitoring including quarterly and monthly budget projection reports. The reporting capabilities of the Questica/EUNA system will help the budget team conduct periodic reviews for adequate coverage of budget deficits. This will allow deficits and issues to be identified earlier, allowing time for entries to be made to resolve the deficits before the end of the fiscal year.

Responsible Official: Budget Officer

Timeline and Estimated Completion Date: June 30, 2026

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-005 – Stale Dated Checks (Other Matter)

Condition: The City had outstanding checks on two of their bank reconciliations at June 30, 2025 which included checks over a year old. The common bank account had 1,331 outstanding checks totaling $244,178, and the general liability bank account had 12 outstanding checks totaling $65,751. The City has not cancelled these items.

Criteria: New Mexico Statutes, Section 6-10-57 A, NMSA, 1978 compilation, requires local public bodies to cancel or void any checks that are unpaid for one year after it is written. 6-10-57 C NMSA, 1978 states that the face amount of warrants cancelled shall revert and be credited to the fund against which it was drawn.

Effect: The City's cash balance may be misstated by the amount of the stale checks, and is not in compliance with Section 6-10-57 A, NMSA, 1978.

Cause: The City is aware of the requirement and has been working on reviewing and reissuing stale-dated payments.

Auditor's Recommendation: We recommend that the stale dated checks be voided as soon as possible and that a procedure to track and void stale dated checks be implemented into bank reconciliation procedures.

Views of Responsible Officials and Planned Corrective Action: The City agrees with this finding. The Controller Division started working on the list of stale-dated checks in the 4th quarter of FY2025. The payee type was used to identify whether a particular payee is a vendor or a non-vendor so that we can review and confirm the address and reissue the payment. The outstanding checks are primarily comprised of vendors and refunds. The refunds primarily consist of utility account balances and deposits for use of City facilities. For those that are vendors, we are voiding and reissuing payments through the Munis A/P module. For non-vendors we are having to contact each payee to confirm their address. This is a time-consuming manual process. The A/P Supervisor is actively working on the list of stale-dated checks, and a staff member from the Public Utilities Department is reviewing the stale-dated utility refunds. Any payments that cannot be reissued by the City will be sent to the State of New Mexico Office of Unclaimed Property. The project is expected to be complete by the end of FY2026.

Responsible Official: Controller and A/P Supervisor

Timeline and Estimated Completion Date: June 30, 2026

SECTION V – PRIOR YEAR AUDIT FINDINGS

2024-001 – Controls over Construction in Process – Repeated/Modified

2024-002 – General Ledger Corrections – Repeated/Modified

2024-007 (originally 2021-017) – Pledged Collateral – Resolved

2024-008 (originally 2021-020) – Cash Appropriations in Excess of Available Cash Balances – Repeated/Modified

EXIT CONFERENCE

An exit conference was held on December 19, 2025. In attendance were the following:

Representing the City of Santa Fe:

Alan Webber	Mayor
Diane Rubin	Chair – Audit Committee
Carol Romero-Wirth	City Councilor
Mark Scott	City Manager
Andrea Scott	Deputy City Manager
Emily Oster, CPA, CGMA, CPO	Finance Director
Matthew Bonifer, CPA	Accounting Officer
Clarence Romero	Treasury Officer
Andy Hopkins	Budget Officer
Josie Bolden	Controller
Travis Dutton-Leyda, CPO	Procurement Officer
Diane Sena	Treasury Manager
David Jaramillo	Fleet Manager
Andres Gamez, CPA	Contractor

Representing Carr, Riggs & Ingram, L.L.C.:

Alan D. “A.J.” Bowers, Jr., CPA, CITP	Partner
Angelica Trujillo, CPA	Manager

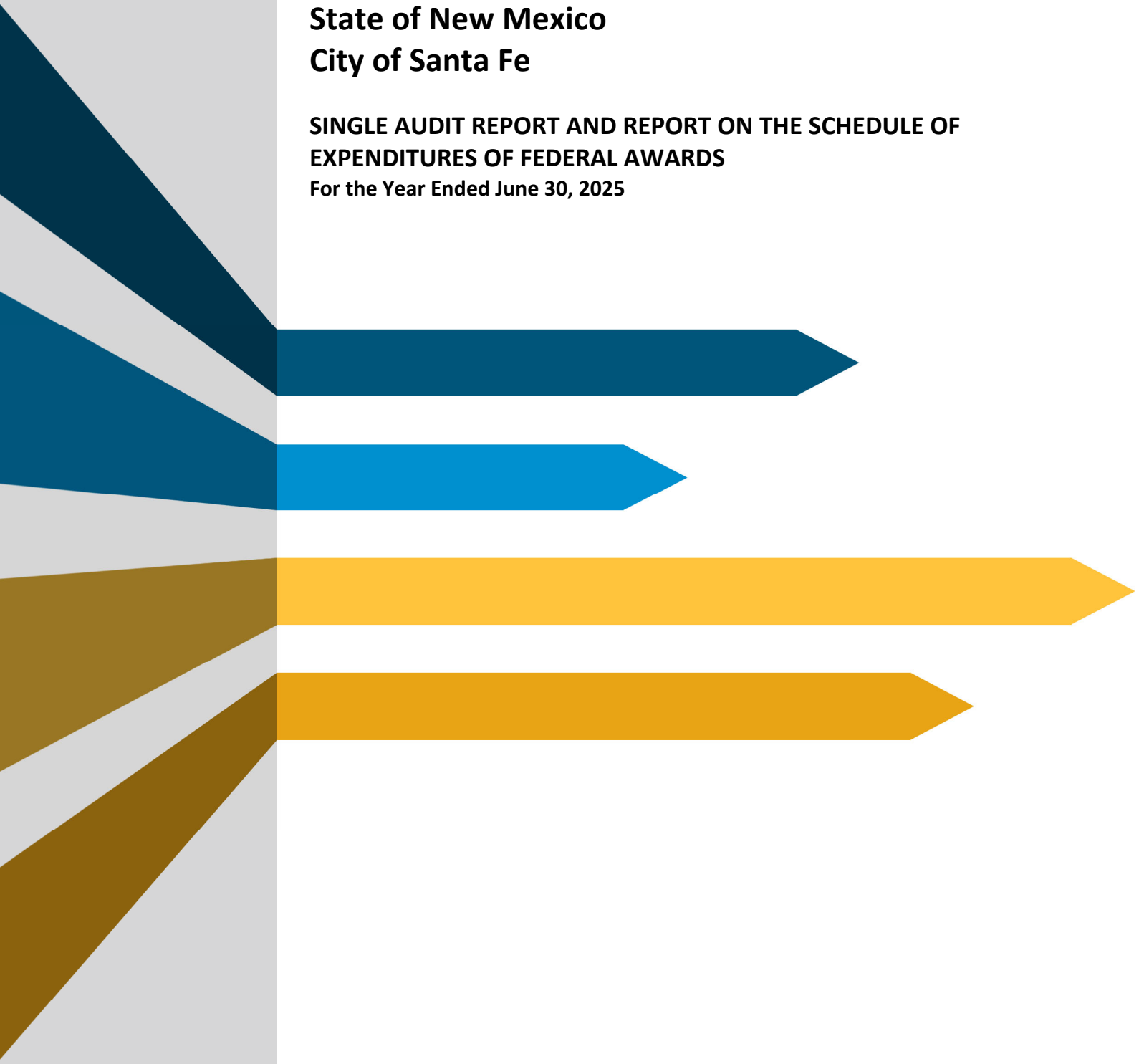
AUDITOR PREPARED FINANCIAL STATEMENTS

Carr, Riggs, & Ingram L.L.C. prepared the GAAP-basis financial statements and footnotes of the City of Santa Fe from the original books and records provided to them by the management of the City. The responsibility for the financial statements remains with the City.

State of New Mexico
City of Santa Fe

SINGLE AUDIT REPORT AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025



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INTRODUCTORY SECTION

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State of New Mexico
City of Santa Fe
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June 30, 2025

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State of New Mexico
City of Santa Fe
Official Roster
June 30, 2025

Name	Title
Mayor	
Alan M. Webber	Mayor
City Council	
Signe I. Lindell	Mayor Pro Tem, District 1
Alma Castro	District 1
Carol Romero-Wirth	District 2
Michael Garcia	District 2
Pilar F.H. Faulkner	District 3
Lee Garcia	District 3
Jamie Cassutt	District 4
Amanda Chavez	District 4
City Manager	
John Blair	City Manager
Finance Department	
Emily Oster	Finance Director
Alexis Lotero	Assistant Finance Director
Josefa Bolden	Controller
Travis Dutton-Leyda	Chief Procurement Officer
Andrew Hopkins	Budget Officer
Melanie Sharpe	Payroll Officer
Matt Bonifer	Accounting Officer

REPORTS ON INTERNAL CONTROL AND COMPLIANCE SECTION

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
2424 Louisiana Boulevard NE
Suite 300
Albuquerque, NM 87110

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505.884.6719 (fax)
CRIadv.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Joseph M. Maestas, P.E., CFE, New Mexico State Auditor
The Mayor and Members of City Council
Office of Management and Budget
City of Santa Fe
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the City of Santa Fe (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 16, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

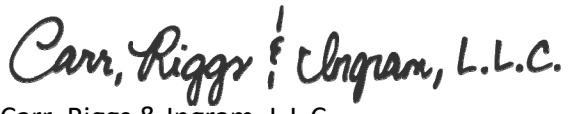
We noted certain other matters that are required to be reported per Section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of findings and questioned costs as items 2025-003, 2025-004 and 2025-005.

City's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Carr, Riggs & Ingram, L.L.C.
Albuquerque, New Mexico
January 16, 2026

CARR, RIGGS & INGRAM, L.L.C.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE; AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Joseph M. Maestas, P.E., CFE, New Mexico State Auditor
The Mayor and Members of City Council
Office of Management and Budget
City of Santa Fe
Santa Fe, New Mexico

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Santa Fe, New Mexico's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiency in internal control over compliance that we consider to be a material weakness.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-006 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the City, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated January 16, 2026, that contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of the City's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, based on our audit, the procedures performed as described previously, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, L.L.C.
Albuquerque, New Mexico
February 9, 2026

State of New Mexico
City of Santa Fe
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor or Pass- Through Grantor / Program Title	Grant/Pass Thru Number
U.S. Department of Housing and Urban Development	
CDBG - Entitlement Grants Cluster	
Community Development Block Grants/Entitlement Grants	B24-MC-35-003
Subtotal - CDBG - Entitlement Grants Cluster	
Total U.S. Department of Housing and Urban Development	
U.S. Department of the Interior	
Direct Programs	
Water Recycling and Desalination Construction Program	R22AP00630-00
Tot U.S. Department of the Interior	
U.S. Department of Justice	
Direct Programs	
Violence Against Women Program	15JOVW-23-GG-00591-STOP
Congressionaally Recommended Awards -	
Fire Department Mobile Health Grant	15PBJA-24-GG-00325-BRND
Tot U.S. Department of the Interior	
U.S. Department of Transportation	
Direct Programs	
COVID-19 Airport Improvement Program #54	SAF-SWG-3-35-0037-054-2021
COVID-19 Airport Improvement Program #55	SAF-SWG-3-35-0037-055-2021
COVID-19 Airport Improvement Program #57	SAF-SWG- 3-35-0037-057-2021
Airport Improvement Program #60	SAF-SWG-3-35-0037-060-2022
Airport Improvement Program #62	SAF-SWG-3-35-0037-062-2024
Airport Improvement Program #63	SAF-SWG-3-35-0037-063-2024
Airport Improvement Program #65	SAF-SWG- 3-35-0037-065-2024
Subtotal Airport Improvement Program	
Federal Transit Cluster	
Federal Transit Formula Grants - Ridefinder Transit Enhancement	NM-2024-004-00
Federal Transit Formula Grants - Ridefinder Transit Enhancement	NM-2025-009-00
Subtotal Federal Transit Cluster	
Passed through the New Mexico Highway and Transportation Department	
Highway Planning and Construction	D20091
Passed through the New Mexico Department of Transportation	
Highway Planning and Construction	S100370
Highway Planning and Construction	S100470
Highway Planning and Construction	S100660
Highway Planning and Construction	S100650
Highway Planning and Construction	S100770
Highway Planning and Construction	D20091
Subtotal Highway Planning and Construction Program	

Assistance Listing Number	Federal Expenditures	Program/ Cluster Subtotal	Funds Provided to Subrecipients	Noncash Assistance
14.218	$ 746,751		$ 660,213	
		746,751		
	746,751		660,213	-
15.504	662,753	-	-	-
	662,753	-	-	-
16.588	52,844	-	-	-
16.753	270,695	-	-	-
	323,539	-	-	-
20.106	48,571			
20.106	1,569,554			
20.106	502,256		-	-
20.106	266,822			
20.106	153,114			
20.106	134,129			
20.106	289,605		-	-
		2,964,051		
20.507	1,389,910		-	-
20.507	2,559,070		-	-
		3,948,980		
20.205	273,392		-	-
20.205	14,191			
20.205	232,599			
20.205	768,828			
20.205	172,039			
20.205	1,906			
20.205	64,162			
		1,527,117		

Federal Grantor or Pass- Through Grantor / Program Title	Grant/Pass Thru Number
Recreational Trails Program	S100800
Passed through the New Mexico Highway and Transportation Department	
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	D20091
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	01-AL-64-090
Passed through the New Mexico Department of Homeland Security & Emergency Management	
Interagency Hazardous Materials Public Sector Training and Planning Grants	HMEP-2024-00-00
Total U.S. Department of Transportation	
U.S. Department of the Treasury	
Direct Program	
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	1505-0271
Passed through the New Mexico Environmental Department	
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	
Total U.S. Department of the Treasury	
Environmental Protection Agency	
Passed through the New Mexico Environment Department	
CWSRF Cluster	
Capitalization Grants for Clean Water State Revolving Funds	EPM2323102
Subtotal - CWSRF Cluster	
Total Environmental Protection Agency	
U.S. Department of Health and Human Services	
Passed through the North Central New Mexico Economic District Non-Metro Area Agency	
National Family Caregiver Support, Title III, Part E	2024-25-60026
Aging Cluster	
Special Programs for the Aging: Title III Part B, Grants for Supportive Services and Senior Centers Services & Senior Centers	2024-25-60026
Special Programs for the Aging: Title III Part C-1, Nutrition Services	2024-25-60026
Special Programs for the Aging: Title III Part C-2, Nutrition Services	2024-25-60026
Nutrition Services Incentive Program (NSIP)	2024-25-60026
Subtotal Aging Cluster	
Total U.S. Department of Health and Human Services	

Assistance Listing Number	Federal Expenditures	Program/ Cluster Subtotal	Funds Provided to Subrecipients	Noncash Assistance
20.219	5,126			
20.505	63,996		-	-
20.608	35,709		-	-
20.703	31,161		-	-
	8,576,140		-	-
21.027	3,034,552		1,172,741	-
21.027	99,999		-	-
	3,134,551		1,172,741	-
66.458	180,000		-	-
		180,000		
	180,000		-	-
93.052	76,786		-	-
93.044	65,791		-	-
93.045	110,000		-	-
93.045	60,000		-	-
93.053	115,292		-	-
		351,083		
	427,869		-	-

State of New Mexico
City of Santa Fe
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2025

Federal Grantor or Pass- Through Grantor / Program Title	Grant/Pass Thru Number
Corporation for National Community Service	
Passed through the New Mexico Aging & Long Term Services Department	
Foster Grandparent/Senior Companion Cluster	
Foster Grandparent Program	23SFDNM0002
Subtotal Foster Grandparent/Senior Companion Cluster	
Retired and Senior Volunteer Program	19-624-4000-00014
Total Corporation for National Community Service	
Executive Office of the President	
Passed through the New Mexico Department of Public Safety	
High Intensity Drug Trafficking Areas Program	NMDPS/DFA - IGSA00002 - 25790004000IGSA
Total Executive Office of the President	
U.S. Department of Homeland Security	
Passed through the New Mexico Department of Homeland Security and Emergency Management	
Homeland Security Grant Program	EMW-2023-SS-00015 (F2406)
Subtotal - U.S Department of Homeland Security	
Total U.S. Department of Homeland Security	
Total Federal Financial Assistance	

Assistance Listing Number	Federal Expenditures	Program/ Cluster Subtotal	Funds Provided to Subrecipients	Noncash Assistance
94.011	37,434		-	-
		37,434		
94.002	18,193		-	-
	55,627		-	-
95.001	21,840		-	-
	21,840		-	-
97.067	160,277		-	-
	160,277			
	160,277		-	-
	$ 14,289,347		$ 1,832,954	$ -

1. **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards ("Schedule") includes the federal grant activity of the State of New Mexico, City of Santa Fe(the "City") and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

2. **Loans**

The City did not expend federal awards related to loans or loan guarantees during the year.

3. **Indirect Cost Rate**

The City did not elect to use the de minimis indirect cost rate allowed by the Uniform Guidance.

4. **Federally Funded Insurance**

The City has no federally funded insurance.

Reconciliation of Schedule of Expenditures of Federal Awards to Federal Grant Revenue

Governmental Funds	
Federal operating grant revenue	$ 5,377,101
Federal capital grant revenue	1,146,865
Enterprise Funds	
Federal operating grant revenue	6,913,031
Federal capital grant revenue	662,753
Total federal grant revenue	14,099,750
Prior year federal expenditures reported in 2025 SEFA	189,597
Total federal expenditures	$ 14,289,347

State of New Mexico
City of Santa Fe
Schedule of Findings and Questioned Costs
June 30, 2025

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1.	Type of auditor's report issued	Unmodified
2.	Internal control over financial reporting:	
	a. Material weaknesses identified?	Yes
	b. Significant deficiencies identified not considered to be material weaknesses?	None noted
	c. Noncompliance material to the financial statements?	No

Federal Awards:

1.	Type of auditor's report issued on compliance for major programs	Unmodified
2.	Internal control over major programs:	
	a. Material weaknesses identified?	Yes
	b. Significant deficiencies identified not considered to be material weaknesses?	None noted
3.	Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

4. Identification of major programs:

Assistance Listing Numbers	Federal Program
20.106	Airport Improvement Program
20.507	Federal Transit Formula Grants
20.205	Highway Planning and Construction

5.	Dollar threshold used to distinguish between type A and type B programs:	$750,000
6.	Auditee qualified as low-risk auditee?	No

SECTION II – FINANCIAL STATEMENT FINDINGS

2025-001 (2024-001) – Controls over Construction in Process (Material Weakness)

Condition: The City's process for tracking construction in process (CIP) was not designed properly to ensure completed projects are capitalized and added to the capital asset subledger in a timely manner.

Criteria: The COSO Internal Control Integrated Framework provides guidelines for designing and implementing a system of internal controls that incorporates five necessary components of internal controls. These five components consist of the control environment, risk assessment, control activities, information and communication, and monitoring. Systems and control activities should be in place to evaluate ongoing construction projects to ensure they are capitalized and depreciated when put in service.

Cause: The City experienced significant turnover in its finance department during the 2020 and 2021 fiscal years. As such, many of the individuals responsible for ensuring the proper accounting treatment of CIP and completed projects were lost. Further, there was a time delay in the establishment of a new finance team and no established process inherited to ensure proper accounting treatment.

Effect: The City had a backlog of CIP project costs, some dating back to 2020, that had to be extensively re-evaluated to ensure proper capitalization and depreciation of completed projects.

Auditor recommendation: The City should have mechanisms in place that ensure the finance department is up to speed with the status of ongoing projects and when projects are completed/are ready to be moved to a depreciable category. Additionally, the status of CIP projects should be reviewed by the finance department on a periodic basis throughout the fiscal year to identify and adjust for completed projects in a timely manner.

Views of Responsible Officials and Planned Corrective Action: The City agrees with this finding. The City did not have the necessary staffing or tools in place from FY2020 to FY2024 to ensure that construction in process (CIP) was tracked, reviewed and reconciled timely. The City's process for tracking CIP was limited in functionality and did not ensure completed projects were capitalized timely, which resulted in a backlog of completed projects that remained in CIP after the date that they were placed in service.

In FY2024 the City designated an Accounting Manager in the Finance Department as the primary position responsible for oversight of Capital Assets and CIP. This position was vacant for portions of FY2024 and FY2025 due to a retirement and several recruitments. Ultimately, late in FY2025 the City was fortunate to hire an experienced capital asset accountant who had previously done capital asset accounting for a large municipality.

Currently Excel worksheets are the primary tool used for tracking CIP expenditures and capital assets with data that is derived from the Munis accounting system. The magnitude and complexity of the City's capital asset management needs require specialized software. The City owned the Munis Capital Assets module, but it was not implemented because it was not configured to match the business need.

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

2025-001 (2024-001) – Controls over Construction in Process (Material Weakness) (Continued)

Views of Responsible Officials and Planned Corrective Action: (Continued)

In the last quarter of FY2025 the Controller began a project to implement the Capital Assets module in the Munis ERP system. The Accounting Manager is now the functional lead for the project. This module will help track and monitor capital expenditures by project, from planning to completion, and provide detailed functionality to help manage capital processes such as depreciation, additions and deletions, and retirements. Munis workflows will notify Finance Department Capital Assets staff when a project is complete, or other significant milestones are reached. This will establish direct communication between the field and Finance about the status of CIP. The implementation of the Capital Assets module in Munis is in progress and is expected to be completed by 6/30/26.

Responsible Official: Controller and Capital Asset Accounting Manager

Timeline and Estimated Completion Date: June 30, 2026

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

2025-002 (2024-002) – General Ledger Corrections (Material Weakness)

Condition: The following inaccuracies in the Munis general ledger were not identified and corrected by the City in a timely manner, leading to the need for error corrections to beginning fund balance and net position:

- Adjustments to unearned revenue for error corrections of $311,645 in Fund 545, $802,218 in fund 240 and $300,000 in fund 520, respectively.
- Adjustments in the amount of $3,787,776 for the proper breakout of the Affordable Housing Trust Fund into its own fund.
- Adjustments in the amount of $8,595,195 for the proper breakout of the Opioid Fund into its own fund.
- Gross Receipt Tax error correction from FY19-FY20 in the amount of $18,022,229.
- Adjustment to Fund 230 to correct beginning fund balance in the amount of $275,519 due to a transfer in prior year not previously captured.
- Adjustment between Fund 230 and 231 to correct beginning fund balance in the amount of $66,420 due to an accrual in the prior year recorded in the incorrect fund.

Criteria: The COSO Internal Control Integrated Framework provides guidelines for designing and implementing a system of internal controls that incorporates five necessary components of internal controls. These five components consist of the control environment, risk assessment, control activities, information and communication, and monitoring. An integral part of designing proper control activities is implementing and maintaining a process to review the general ledger software for completeness and accuracy on a periodic basis.

Cause: The City was behind on audits and its financial closing process for an extended period of time prior to fiscal year 2025. This led to the inability to capture many adjustments in a timely manner in the City's general ledger system, which becomes closed to adjustment after a certain period of time.

Effect: The City adjusted for the items described above in fiscal year 2025 through fund balance and net position.

Auditor recommendation: The City's accounting and financial management team should continue to stay caught up on monthly and annual closing procedures. During these processes, the City should remain cognizant of items requiring adjustment and reversal to prevent instances such as those noted above in the future.

Views of Responsible Officials and Planned Corrective Action: The City agrees with the finding. For a period of time, the City did not complete a timely close of its financial records, which was resolved starting in fiscal year 2024. As a result of the prior delays in the closing process, a comprehensive general ledger reconciliation of all funds was not consistently performed. This reconciliation process began during fiscal year 2025, supported by the improved financial condition of the City and the recent hiring and retention of qualified staff in key financial positions.

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

2025-002 (2024-002) – General Ledger Corrections (Material Weakness) (Continued)

Views of Responsible Officials and Planned Corrective Action (Continued):

Many of the discrepancies noted were primarily the result of accounting entries recorded in prior fiscal years. Through research and analysis performed by the Finance Department, a clearer understanding of these historical entries was obtained, allowing management to appropriately rectify the issues. The items identified in the finding were identified and corrected by management during fiscal year 2025 and communicated to the auditors during the audit.

Additionally, during fiscal year 2025, the Finance Department identified an existing ordinance requiring the establishment of a separate fund for the Affordable Housing Trust Fund (AHTF). In coordination with the Office of Affordable Housing, the City initiated a project to reconcile historical activity and segregate AHTF transactions from other activity previously recorded in the Community Development Fund.

To prevent similar issues in the future, the City will continue to enhance and formalize its internal controls and monitoring procedures over general ledger activity. These measures include increased and documented reviews of general ledger accounts, full fund reconciliations performed annually, and ongoing research and follow-up on items such as unchanged or unusual account balances. Additionally, staff will continue to receive guidance and reminders regarding proper posting procedures, account classifications, and compliance with established accounting policies to promote consistency and accuracy in financial reporting.

Responsible Official: Finance Director, Accounting Officer, Controller, and General Ledger Accounting Manager

Timeline and Estimated Completion Date: June 30, 2026

SECTION III – FEDERAL AWARD FINDINGS

2025-006 (2023-006) – Equipment and Real Property Management (Material Weakness over Internal Controls over Compliance) (Repeated/Modified)

Federal Program Information

Federal Award Title and ALN:	Airport Improvement Program, 20.106
Federal Awarding Agency:	Department of Transportation, Federal Aviation Administration
Federal Award ID Number:	SAF-SWG-3-35-0037-054-2020, SAF-SWG-3-35-0055-054-2020, SAF-SWG-3-35-0037-057-2020, SAF-SWG-3-35-0037-060-2020, SAF-SWG-3-35-0037-062-2020, SAF-SWG-3-35-0037-063-2020, SAF-SWG-3-35-0037-065-2020
Federal Award Year:	2021, 2022, 2024

Condition: The City's approved annual inventory was not complete. There was no information to identify the funding source of the equipment and/or property.

Management's Progress on Repeat Findings: The City did not make progress on this finding during FY25.

Criteria: Per 2 CFR 200.303(a), the non-federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Per 2 CFR 200.313(d)(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

Cause: Turnover in related positions resulted in delays in making revisions to the listing to incorporate information on Federal participation in the purchases.

SECTION III – FEDERAL AWARD FINDINGS (Continued)

2025-006 (2023-006) – Equipment and Real Property Management (Material Weakness over Internal Controls over Compliance) (Repeated/Modified)

Questioned Cost: None.

Effect: The City could dispose of federally funded equipment without following federal guidelines.

Auditor recommendation: The auditor recommends the City enhance the design of its control activities and create a tool to assist in tracking and maintaining equipment purchased with federal funds. Additionally, the employees responsible for the inventory should be trained to ensure understanding of the Uniform Guidance requirements relevant to equipment and real property management. Periodic review should also be designed to evaluate compliance with relevant requirements.

Views of Responsible Officials and Planned Corrective Action: The City agrees with this finding. In FY25, The City contracted with a vendor to assist the Airport with federal compliance and provide training for Airport staff on relevant Uniform Guidance requirements. The vendor's scope of work included helping with developing and documenting policies and standard operating procedures related to equipment management.

Additionally, in late FY25, the Airport Department added a Grant Accountant position which is responsible for reconciling grant expenditures monthly. The Grant Accountant is also tasked to work with the Airport Heavy Equipment Mechanic to ensure that the inventory listing includes the funding source used for the purchase (i.e. federal or non-federal).

In CY26 the Finance Director, the Accounting Officer, and the Grants team will work with the Airport team to improve internal controls over equipment purchased with federal funds. Based on the policies developed for the Airport, additional tools will be developed to facilitate tracking and maintaining equipment purchased with federal funds. These tools will be developed to ensure that an accurate physical inventory contains the information required by the Uniform Guidance is conducted at year-end.

Responsible Official: Finance Director, Airport Manager, Airport Heavy Equipment Mechanic, Accounting Officer, Grants Manager.

Timeline and Estimated Completion Date: June 30, 2026

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS

2025-003 – Budgetary Compliance (Other Noncompliance)

Condition: The following funds were over-expended during the fiscal year 2025:

Fund	Fund Description	Budgeted Expenditures	Actual Expenditures	(Over) Budget
210	Capital Equipment Reserve	$ 52,706	$ 52,751	$ (45)
211	Franchise Fee	-	2	(2)
214	Public Campaign	-	66	(66)
216	Gross Receipts Tax	585,442	623,992	(38,550)
222	Fire Environmental Services	-	203	(203)
224	Opioid	-	605	(605)
242	Affordable Housing Trust	-	4,314,208	(4,314,208)
250	Historic Perservation Grant	-	34	(34)
254	Public Facilities Purchase	-	13	(13)
257	Land Development	-	250	(250)
310	CIP Reallocation	-	50	(50)
340	CIP Land	-	162	(162)
930	UNSICKLV	-	84	(84)
950	Suspense	-	4	(4)

Criteria: City funds are to be budgeted by the local governing body and submitted to the State of New Mexico Department of Finance and Administration - Local Government Division for approval. Once adopted, any claims or warrants in excess of approved budget are in violation of New Mexico Statute - 6- 6, 1978. In addition, NMAC 2.2.2.10 (R) (1) requires an audit finding if actual expenditures exceed budget expenditures at the legal level of budgetary control.

Effect: Non-compliance with statutes regarding budgetary control.

Cause: Necessary budget adjustments were not completed prior to fiscal year end.

Auditor's Recommendation: The City should review total actual expenditures at the end of the fiscal year to the approved budget and submit budget adjustments to the New Mexico Department of Finance and Administration when appropriate.

Views of Responsible Officials and Planned Corrective Action: The City agrees with this finding. Using the current systems, it is challenging to monitor all funds, especially at fiscal year-end, when unanticipated expenditures or transfers arise for which the need for budget availability was not previously identified.

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-003 – Budgetary Compliance (Other Noncompliance) (Continued)

Views of Responsible Officials and Planned Corrective Action: (Continued)

The largest discrepancy, for fund 242 Affordable Housing Trust Fund (AHTF), relates to a correction of an error in the presentation of the AHTF in previous years. Since at least the inception of the Munis ERP system in FY2020 the financial activity of the Affordable Housing Trust Fund (AHTF) was combined with other activity in the Community Development Grants Fund (Munis Fund 240) and presented as one fund in the City's financial statements. Other activities unrelated to the AHTF are also accounted for in the Community Development Fund.

In FY2025 the Finance Department and the Office of Affordable Housing began a project to reconcile and separate the activity of the AHTF from other transactions recorded in the Community Development Grant Fund. The Affordable Housing Trust Fund was established in 2007 by City ordinance 26-3. The AHTF is often referred to as a fund, including in the ordinance, and many stakeholders had the expectation that it was being accounted for as a separate fund. The Finance Director reviewed the ordinance during FY2025 and determined that the activity of the AHTF should be presented in the financial statements as a separate fund.

In the City's financial statements for the year ended June 30, 2025 the AHTF is presented as a separate fund, and in fiscal year 2026 (FY26) the process to establish a separate fund for the AHTF in Munis is underway. The FY2025 budget for the activity of the AHTF was established in Fund 240 Community Development Grant Fund. The AHTF portion of the budget was not moved over to the new separate AHTF fund 242 Affordable Housing Trust until after the FY2025 budget was finalized because the new fund had not yet been created in Munis.

Because of the NMDFA year-end deadline (July 31) requirement, and the timing of the July Council and City committee meeting schedules, budgetary compliance issues may result due to insufficient time to process budget amendments.

The second discrepancy, for fund 216 Gross Receipts Tax Fund, relates to GRT admin fees that were higher than anticipated. GRT admin fees came in higher than what was budgeted because actual GRT received was higher than what was budgeted. Due to the two-month lag between when GRT is earned and when the State distributes GRT to the City, the information that actual admin fees were more than what was budgeted in FY25 was received too late to process a budget amendment to increase budget authority. The GRT distribution for June was not received until late August, after the DFA deadline for budget adjustments (July 31).

Relating to fund 216 and the other funds identified in this finding, sometimes adjustments, such as depreciation expense and allocation of bank fees, are made during the audit prep process after the end of the fiscal year and after the DFA deadline for budget adjustments (July 31). For FY2025 the small budget overages, $250 or less, are due to a year-end entry that allocated bank fees across all City funds.

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-003 – Budgetary Compliance (Other Noncompliance) (Continued)

Views of Responsible Officials and Planned Corrective Action: (Continued)

The implementation of a more robust year-end close process including a hard close of the GL, as well as the monthly closing processes, ensure that information is recorded in Munis timelier, which allows for more accurate monitoring of the budget. The City is also implementing new budget software, Questica/EUNA, which will help modernize the budgeting process and will facilitate timelier budget-to-actuals monitoring including quarterly and monthly budget projection reports. The implementation of the Questica/EUNA modules for operating budget and personnel budget is in progress and is expected to be complete in February 2026. After Questica/EUNA is implemented the Budget Division plans to begin implementing additional monitoring of the budget during the fiscal year, including reviewing budget to actual reports on a quarterly basis to identify discrepancies that may require budget adjustments

Responsible Official: Accounting Officer and Budget Officer

Timeline and Estimated Completion Date: June 30, 2026

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-004 (2021-020) – Cash Appropriations in Excess of Available Cash Balances (Other Noncompliance) (repeated/modified)

Condition: The City budgeted deficits in excess of available cash balances in the following funds:

	Budgeted Deficit - Cash Appropriations	Beginning Year Cash & AR Available	Cash Appropriation in Excess of Available
Governmental Funds			
Major Funds			
The 1/2% Gross Receipts Tax Fund	(12,818,031)	(7,226,995)	(12,818,031)
Non Major Funds			
Bond Acquisition Fund	(1,454,507)	1,318,465	(136,042)
Capital Improvement Projects (CIP)			
Community Development	(2,086,901)	734,964	(1,351,937)
Enterprise Funds			
Non Major Funds			
Municipal Recreation Complex	(4,309,615)	2,722,156	(1,587,459)

Management Progress on Repeat Findings: The City did not make progress on prior year corrective action plan.

Criteria: Section 2.2.2.10. (Q) and (R), NMAC, state that budgeted expenditures cannot exceed budgeted revenues in an amount more than prior year cash balance and any applicable federal receivables.

Effect: If budget deficits are not monitored closely, it could result in a funding shortfall.

Cause: The City did not identify that the budgeted deficits in the funds listed above were not covered by the prior balance of cash and federal receivables.

Auditor's Recommendation: The City should review and monitor future budgets for budgeted deficits that are not covered by ending cash and federal receivables as of the start of the fiscal year. Additionally, the City should review for adequate coverage of budget deficits as part of the budgeting process throughout the fiscal year.

Views of Responsible Officials and Planned Corrective: The City agrees with this finding. Regarding the ½% Gross Receipts Tax Fund (Fund 365), there were several issues impacting the budget and beginning of the year cash balance. The Fund 365 budget for FY2025 was built using a debt service schedule spreadsheet.

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-004 (2021-020) – Cash Appropriations in Excess of Available Cash Balances (Other Noncompliance) (repeated/modified) (Continued)

Views of Responsible Officials and Planned Corrective: (Continued)

It was discovered in the last month of FY2025 that one of the outstanding debt series was not included in the formulas on the spreadsheet, and as a result one of the debt payments was missing. Due to the error in the spreadsheet the established FY2025 budget for debt service was short by about three million dollars.

Additionally, and also impacting Fund 365, an error in the GRT revenue allocations from FY2019 and FY2020 was identified by management during the early stages of the FY2025 audit. The prior year allocation of GRT revenues between Fund 365 and Fund 216 was found to be inverted, with the amount that should have gone to Fund 365 going to Fund 216. This resulted in the need to restate the beginning cash and fund balances for both funds. The restatement increases cash and fund balance in Fund 365 by over eighteen million dollars. When the restatement is taken into consideration the beginning of the year cash balance in Fund 365 is sufficient to cover the cash appropriations made from the fund in FY2025.

The City agrees that conducting periodic reviews for adequate coverage of budget deficits throughout the fiscal year would be helpful. The City is implementing new budget software, Questica/EUNA, which will help modernize the budgeting process and will facilitate timelier budget-to-actuals monitoring including quarterly and monthly budget projection reports. The reporting capabilities of the Questica/EUNA system will help the budget team conduct periodic reviews for adequate coverage of budget deficits. This will allow deficits and issues to be identified earlier, allowing time for entries to be made to resolve the deficits before the end of the fiscal year.

Responsible Official: Budget Officer

Timeline and Estimated Completion Date: June 30, 2026

SECTION IV – SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2025-005 – Stale Dated Checks (Other Matter)

Condition: The City had outstanding checks on two of their bank reconciliations at June 30, 2025 which included checks over a year old. The common bank account had 1,331 outstanding checks totaling $244,178, and the general liability bank account had 12 outstanding checks totaling $65,751. The City has not cancelled these items.

Criteria: New Mexico Statutes, Section 6-10-57 A, NMSA, 1978 compilation, requires local public bodies to cancel or void any checks that are unpaid for one year after it is written. 6-10-57 C NMSA, 1978 states that the face amount of warrants cancelled shall revert and be credited to the fund against which it was drawn.

Effect: The City's cash balance may be misstated by the amount of the stale checks, and is not in compliance with Section 6-10-57 A, NMSA, 1978.

Cause: The City is aware of the requirement and has been working on reviewing and reissuing stale-dated payments.

Auditor's Recommendation: We recommend that the stale dated checks be voided as soon as possible and that a procedure to track and void stale dated checks be implemented into bank reconciliation procedures.

Views of Responsible Officials and Planned Corrective Action: The City agrees with this finding. The Controller Division started working on the list of stale-dated checks in the 4th quarter of FY2025. The payee type was used to identify whether a particular payee is a vendor or a non-vendor so that we can review and confirm the address and reissue the payment. The outstanding checks are primarily comprised of vendors and refunds. The refunds primarily consist of utility account balances and deposits for use of City facilities. For those that are vendors, we are voiding and reissuing payments through the Munis A/P module. For non-vendors we are having to contact each payee to confirm their address. This is a time-consuming manual process. The A/P Supervisor is actively working on the list of stale-dated checks, and a staff member from the Public Utilities Department is reviewing the stale-dated utility refunds. Any payments that cannot be reissued by the City will be sent to the State of New Mexico Office of Unclaimed Property. The project is expected to be complete by the end of FY2026.

Responsible Official: Controller and A/P Supervisor

Timeline and Estimated Completion Date: June 30, 2026

SECTION V – PRIOR YEAR AUDIT FINDINGS

2024-001 – Controls over Construction in Process – Repeated/Modified

2024-002 – General Ledger Corrections – Repeated/Modified

2024-003 – Reimbursement Requests – Resolved

2024-004 - Activities Allowed, Allowable Costs over Payroll – Resolved

2024-005 – Equipment and Real Property Management – Repeated/Modified

2024-006 – Subrecipient Monitoring - Resolved

2024-007 (originally 2021-017) – Pledged Collateral – Resolved

2024-008 (originally 2021-020) – Cash Appropriations in Excess of Available Cash Balances – Repeated/Modified

EXIT CONFERENCE

The contents of this report and its schedules were discussed on February 9, 2026. The following individuals were in attendance:

Representing the City of Santa Fe:

Michael J. Garcia	Mayor
Diane Rubin	Chair – Audit Committee
Brian Moya	Interim City Manager
Andrea Phillips	Deputy City Manager/Interim Finance Director
Matthew Bonifer, CPA	Accounting Officer
Erika Lujan	Grant Manager

Carr, Riggs & Ingram, L.L.C.:

Alan D. "A.J." Bowers, CPA, CITP	Partner
Eric Spurlin, CPA, CITP	Partner

AUDITOR PREPARED FINANCIALS

Carr, Riggs & Ingram, L.L.C. assisted in the preparation of the GAAP-basis financial statements and footnotes of the City from the original books and records provided to them by the management of the City. The responsibility for the financial statements remains with the City.

Agenda

Regular Meeting of the Governing Body
March 11, 2026 at 5:00 PM
City Council Chambers, City Hall
200 Lincoln Avenue

Procedures for Governing Body Meeting

Viewing: *If the relevant technology is available to record the meeting in City Hall*, members of the public may stream the meeting live on the City of Santa Fe's YouTube channel. The YouTube live stream can be accessed from most smartphones, tablets, or computers.

The video recording*, if created,* of this and all past meetings of the Governing Body will also remain available for viewing at any time on the City's YouTube channel. Staff is available to help members of the public access pre-recorded Governing Body meetings online at any time during normal business hours. Please call 955-6521 for assistance.

Written Public Comment: Members of the public may submit written comments on legislation by clicking this link: https://santafenm.gov/city-clerk-community-engagement/city-clerk-1/governing-body-public-comment

If relevant technology is available and functioning for City use, the following options may be available:
Virtual Public Comment: To provide public comment during Petitions from the Floor, Public Comment, Final Action on Legislation, or Public Hearings virtually, you must join the Zoom meeting by internet or phone, using the following link: https://santafenm-gov.zoom.us/j/84566758349

- Internet: Join the Zoom meeting on the internet using a computer, laptop, smartphone, or tablet. Attendees should use the "Raise Hand" function to be recognized by the Mayor to speak at the appropriate time.
- Phone: To join the Zoom meeting using a phone, use the following phone numbers and Webinar ID: US: 1 (346) 248-7799 - Webinar ID: 819 0647 0889. Phone attendees should press *9 to use the "Raise Hand" function to be recognized by the Mayor to speak at the appropriate time.

1. Call to Order
2. Pledge of Allegiance
   a. Councilor Faulkner
3. Salute to the New Mexico Flag

a. Councilor Garcia

4. Invocation and Rememberances

   a. Councilor Cassutt

5. Roll Call

6. Approval of Agenda

7. Approval of Consent Agenda

8. Presentations

   a. ForeKids Organization Youth Recreation Impact Recognition. (Philip Lujan, Parks and Open Space Division, MRC Business Manager, pmlujan@santafenm.gov)

9. Action Items: Consent Agenda

   a. Request for Approval of the February 25, 2026 Regular Governing Body Meeting Minutes. (Geralyn F. Cardenas, Interim City Clerk; gfcardenas@santafenm.gov)

      Committee Review:
      Governing Body: 03/11/2026

   b. Request for Approval of the February 24, 2026, Special Governing Body Meeting Minutes. (Geralyn F. Cardenas, Interim City Clerk; gfcardenas@santafenm.gov)

      Committee Review:
      Governing Body: 03/11/2026

   c. Request for Approval of the Liquor Hearing Officer's Recommendation to Approve a Request from New Mexico Hard Cider, LLC dba New Mexico Hard Cider Taproom for the following:

      1. Pursuant to §60-6B-10 NMSA 1978, Consideration of a Waiver of the 300-Foot Location Restriction to Allow the Sale of Alcohol at New Mexico Hard Cider, 505 Cerrillos Rd. Suite A105, Which is Within 300 feet of Santa Fe Jewish Center, located at 230 W. Manhattan Ave.

      2. If the Waiver of the 300-Foot Location Restriction is Granted, Consideration of a Request for a Floor Plan Expansion, of Their Current Winegrowers Off-Site Liquor License for an Additional 6,845 Square Feet with a Final Square Footage of 9,146, to be Located at New Mexico Hard Cider, 505 Cerrillos Rd. Suite A105. (Emily Aragon, Constituent Services Specialist;

emaragon@santafenm.gov)

Committee Review:
Liquor Hearing: 03/09/2026
Governing Body: 03/11/2026

d. Request for Approval of a Budget Amendment Resolution (BAR) in the Amount of $241,200 to Transfer One-Time Funding in FY26 from ITT Gross Receipts Tax to ITT Enterprise Resource Planning to Offset Funds That Were Transferred Out of ITT. (Eric Candelaria, ITT Director; edcandelaria@santafenm.gov)

Committee Review:
Quality of Life Committee: 03/04/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

e. Request for Approval of a Budget Amendment Resolution (BAR) in the Amount of $408,669 to Transfer One-Time Funding in FY26 from Human Resources to ITT Department for ERP Project to Ensure That the Project Budget is Properly Allocated. (Eric Candelaria, ITT Director; edcandelaria@santafenm.gov and Sarah Bollteter-Gonzales, Human Resource Interim Director; snbolleter-gonzales@santafenm.gov)

Committee Review:
Quality of Life Committee: 03/04/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

f. Request for Approval of a Budget Amendment Resolution (BAR) to Increase Professional Contracts in the Total Amount of $199,137 to Fund the New Mexico Ambulance Supplemental Payment Program. (Scott Ouderkirk, Interim Fire Chief; slouderkirk@santafenm.gov, and Mario D. Risso, Assistant Fire Chief; mdrisso@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Public Safety Committee: 03/17/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

g. Request for Approval of a Lease Agreement with EAN Holdings dba Enterprise Rent-a-Car to Operate Car Rental Services at the Santa Fe Regional Airport in the Amount of $48,762.20 for the First Year with a 2.5% Yearly Increase for an Initial Term of Five Years with Two Option Terms of Five Years Each. (Jimmy Gunn, Interim Santa Fe Regional Airport Director; jdgunn@santafenm.gov, Terry Lease, Asset Development Manager; tjlease@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026

Governing Body: 03/11/2026

h. Request for Approval of a Lease Agreement with Avis Budget Car Rental, LLC to Operate Car Rental Services at the Santa Fe Regional Airport in the Amount of $49,914.20 for the First Year with a 2.5% Yearly Increase for an Initial Term of Five Years and Two Option Terms of Five Years Each. (Jimmy Gunn, Interim Santa Fe Regional Airport Director; jdgunn@santafenm.gov, Terry Lease, Asset Development Manager; tjlease@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Financy Committee: 03/09/2026
Governing Body: 03/11/2026

i. Request for Approval of a Lease Agreement with The Hertz Corporation, dba Hertz Rent A Car and Dollar Rent A Car to Operate Car Rental Services at the Santa Fe Regional Airport in the Amount of $51,570.20 for the First Year with a 2.5% Yearly Increase for an Initial Term of Five Years with Two Option Terms of Five Years Each. (Jimmy Gunn, Interim Santa Fe Regional Airport Director; jdgunn@santafenm.gov, Terry Lease, Asset Development Manager; tjlease@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

j. Request for Approval of Professional Services Contract with Public Consulting Group for Consulting to Develop, Implement and Support the Fire Department's Participation in Medicaid Ambulance Supplemental Payment Program in the Total Amount of $1,800,000 Excluding NMGRT for a Term of Four-Years. (Scott Ouderkirk, Interim Fire Chief; slouderkirk@santafenm.gov, Mario D. Risso, Assistant Fire Chief; mdrisso@santafenm.gov)

1. Request for Approval of a Budget Amendment Resolution (BAR) to Allocate $450,000 From Existing General Fund Cash Balances to Pay for Year One, Which Also Includes a 14% Contingency Fee the City of Santa Fe Pays to Public Consulting Group.

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Public Safety Committee: 03/17/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

k. Request for Approval of a General Service Contract with AAC Construction,

LLC for the Replacement and Installation of the Anaerobic Digestor Gas Burner in the Total Amount of $818,085.78 for a 1-Year Term. (P. Fred Heerbrandt, P.E., Engineer Supervisor; pfheerbrandt@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body Committee: 03/11/2026

l. Request for Approval of Amendment No. 1 to Lease Agreement #16-116 with Santa Fe Health Club, LLC to Extend the Lease Term to February 28, 2031, and Increase Rent by $15,361.01 Per Year with an Escalation of 2.5% Per Year for the Lease of Land Adjacent to 786 Calle Mejia for Use as a Parking Lot. (Terry Lease, tjlease@santafenm.gov; Nina A. Nguyen, nanguyen@santafenm.gov)

Committee Review:
Quality of Life Committee: 03/04/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

m. Request for Approval of Amendment No. 1 to Item #25-0480 with Financial Consulting Solutions Group Inc. to Increase the Compensation by $81,075.71 for a New Total Contract Amount of $1,316,488.25 Including NMGRT for Financial Management On-Call Services. (Sean Moody, Capital Projects Manager; sxmoody@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

n. Request for Approval of Amendment No. 2 to Construction Contract Item #23-0222 with GM Emulsion LLC to Increase the Amount of Compensation by $10,000,000 for a New Total Compensation of $20,000,000 Excluding NMGRT and Extend the Term to May 14, 2033 for On-Call Roadway and Trails Construction Services. (Sam Burnett, Interim Public Works Department Director; jsburnett@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

o. Request for Approval of Amendment No. 2 to Construction Contract Item #23-0221 with Espanola Mercantile Company DBA EMCO of Santa Fe LLC to

Increase the Amount of Compensation by $10,000,000 for a New Total Compensation of $20,000,000 Excluding NMGRT and Extend the Term to May 14, 2033 for On-Call Roadway and Trails Construction Services. (Sam Burnett, Interim Public Works Department Director; jsburnett@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

p. Request for Approval of Amendment No. 2 to Construction Contract Item #23-0224 with GME General Building LLC to Increase the Amount of Compensation by $10,000,000 for a New Total Compensation of $20,000,000 Excluding NMGRT and Extend the Term to May 14, 2033 for On-Call Roadway and Trails Construction Services. (Sam Burnett, Interim Public Works Department Director; jsburnett@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

q. Request for Approval of Amendment No. 2 to Construction Contract Item #23-0223 with JDR & Associates LLC to Increase the Amount of Compensation by $10,000,000 for a New Total Compensation of $20,000,000 Excluding NMGRT and Extend the Term to May 14, 2033 for On-Call Roadway and Trails Construction Services. (Sam Burnett, Interim Public Works Department Director; jsburnett@santafenm.gov)

Committee Review:
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

r. Request for Approval of the Findings of Fact and Conclusions of Law for Case #2025-11028, General Plan Amendment at 2904 Rufina St, Lot 3, Requested by JenkinsGavin, Agent, on Behalf of Girls Inc. of Santa Fe, Applicant, wherein the Governing Body Approved the Request to Adopt a Resolution Amending the Future Land Use Map for this Parcel from Industrial and Business Park to Community Commercial. (Alexa Hempel, Case Manager, anhempel@santafenm.gov)

Committee Review:
Governing Body: 03/11/2026

s. Request for Approval of the Findings of Fact and Conclusions of Law for Case

#2025-11029, Rezoning at 2904 Rufina St, Lot 3, Requested by JenkinsGavin, Agent, on Behalf of Girls Inc. of Santa Fe, Applicant, wherein the Governing Body Approved the Request to Adopt an Ordinance for this Parcel Changing the Zoning from Light Industrial (I-1) and General Industrial (I-2) to General Commercial (C-2). (Alexa Hempel, Case Manager, anhempel@santafenm.gov)

Committee Review:
Govewrning Body: 03/11/2026

t. Request for Approval of the Findings of Fact and Conclusions of Law for Case #2025-11030, Master Plan at 2904 Rufina St, Lot 3 and 2A, 2-2, Requested by JenkinsGavin, Agent, on Behalf of Girls Inc. of Santa Fe, Applicant, wherein the Governing Body Approved the Request to Adopt a Resolution for the Master Plan of a Youth Center. (Alexa Hempel, Case Manager, anhempel@santafenm.gov)

Committee Review:
Governing Body: 03/11/2026

u. CONSIDERATION OF RESOLUTION NO. 2026-____. (Councilor Amanda Chavez)
A Resolution Authorizing City of Santa Fe Representatives and Agents to Sign Agreements and Requests for Payment Regarding New Mexico Department of Transportation, for Grant Agreement Control Number C5243320 to Acquire Rights of Way to Plan, Design, and Construct Road and Spine Infrastructure Extensions to Paseo Del Sol Per the Tierra Contenta Master Plan for Affordable Housing in Santa Fe County. (Carol Swenson, Public Works Business Operations Manager; ycswenson@santafenm.gov)

Committee Review:
Governing Body (Introduced): 02/25/2026
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

v. CONSIDERATION OF RESOLUTION NO. 2026-____. (Mayor Michael Garcia, Councilor Lee Garcia, and Councilor Pilar Faulkner)
A Resolution Supporting the Placement of the Remnants of the Soldiers' Monument in the New Mexico History Museum on a Temporary Basis; Authorizing the City Manger to Work with State Officials to Enter into a Temporary Loan Agreement. (Marci Eannarino, Legislation and Policy Innovation Manager; maennarino@santafenm.gov; Christine Spiers, Legislative Coordinator; cmspiers@santafenm.gov; Palmer Anderson, Policy Analyst; pcanderson@santafenm.gov)

Committee Review:
Governing Body (Introduced): 02/25/2026
Public Works and Utilities Committee: 03/02/2026
Quality of Life Committee: 03/04/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

w. CONSIDERATION OF RESOLUTION NO. 2026-____. (Councilor Amanda Chavez)
A Resolution Authorizing City of Santa Fe Representatives and Agents to Sign Agreements and Requests for Payment Regarding New Mexico Department of Transportation, for Grant Agreement Control Number C5243320 to Acquire Rights of Way to Plan, Design, and Construct Road and Spine Infrastructure Extensions to Paseo Del Sol Per the Tierra Contenta Master Plan for Affordable Housing in Santa Fe County. (Carol Swenson, Public Works Business Operations Manager; ycswenson@santafenm.gov)

Committee Review:
Governing Body (Introduced): 02/25/2026
Public Works and Utilities Committee: 03/02/2026
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

10. Action Items: Discussion Agenda

a. Request for Approval of Amendment No. 2 to Item #22-0521 with Clarion Associates to Reassign the Contract to Goebel Partners LLC, Change the Scope of Work to Include Land Code Update Phase 2 Substantive Updates to Regulations and Procedures in the Land Development Code that Implement Key Community Standards and Land Development Policies, Increase the Compensation by $519,657 for a New Total Amount of $766,354.06 and Extend the Term to December 31, 2027 for the Land Code Update. (Heather Lamboy, Planning & Land Use Director; hllamboy@santafenm.gov)

Committee Review:
Finance Committee: 03/09/2026
Governing Body: 03/11/2026

11. Matters from the City Manager

12. Matters from the City Attorney

a. **Executive Session**
In Accordance with the Open Meetings Act, NMSA 1978, Section 10-15-1, Subpart (H)(7), Attorney-Client Discussion of Pending and Threatened Litigation, Including but not Limited to, Discussion of *Jared O'Shell v. Keisha Chavez*, D-101-CV-202402682 and Subpart (H)(8), Discussion of the

Purchase, Acquisition or Disposal of Real Property or Water Rights by the Public Body at Zona del Sol. (Marcos Martinez, Interim City Attorney: mdmartinez@santafenm.gov).

13. Executive Session Action Items

    a. Discussion and Action. Discussion and Action on Settlement in *Jared O'Shell v. Keisha Chavez*, D-101-CV-202402682. (Kevin L. Nault, Assistant City Attorney: klnault@santafenm.gov).

14. Matters from the City Clerk

15. Communications from the Governing Body

16. Introduction of Legislation

    a. CONSIDERATION OF RESOLUTION NO. 2026-____. (Mayor Michael Garcia)
    A Resolution Authorizing the Sale and Consumption of Beer and Hard Cider During the Party on the Pitch Soccer Tournament on May 30, 2026, Pursuant to Section 23-6.2(C) SFCC 1987. (Geralyn Cardenas, Interim City Clerk; gfcardenas@santafenm.gov)

    Committee Review:
    Governing Body (Introduced): 03/11/2026
    Public Works and Utilities Committee: 03/16/2026
    Governing Body: 03/25/2026

    b. CONSIDERATION OF BILL NO. 2026-8. ADOPTION OF ORDINANCE NO. 2026-____. (Councilor Alma Castro)
    A Bill Amending Section 23-6, SFCC 1987 to Remove the Resolution Requirement for the Purpose of Approving Sales and Consumption of Alcohol at Public Events on City Property and Requiring that Governing Body Approval Be Recorded in Regular Governing Body Minutes Upon the City Clerk's Recommendation for Approval. (Marci Eannarino, Legislation and Policy Innovation Manager; maennarino@santafenm.gov; Christine Spiers, Legislative Coordinator; cmspiers@santafenm.gov; Palmer Anderson, Policy Analyst; pcanderson@santafenm.gov)

    Committee Review:
    Governing Body (Introduction): 03/11/2026
    Governing Body (Public Comment): 03/25/2026
    Quality of Life Committee: 04/01/2026
    Governing Body (Public Hearing): 04/29/2026

    c. CONSIDERATION OF BILL NO. 2026-5. ADOPTION OF ORDINANCE NO. 2026-____.(Councilor Amanda Chavez and Councilor Pilar Faulkner)
    A Bill Authorizing the Execution and Delivery of a Water Project Fund

Loan/Grant Agreement By and Between the New Mexico Finance Authority ("NMFA") and the City of Santa Fe, New Mexico (the "Borrower/Grantee"), in the Total Amount of $2,500,000, Including a Loan in the Amount of $1,000,000 Evidencing an Obligation of the Borrower/Grantee to Utilize the Loan/Grant Amount Solely for the Purpose of Financing the Costs of Designing McClure Dam to the Outlet Conduit and Spillway, Including Related Work and Revisions, and Solely in the Manner Described in the Loan/Grant Agreement; Providing for the Pledge and Payment of the Loan Amount and an Administrative Fee Solely From the Net Revenues of the Water Utility System of the Borrower/Grantee; Certifying that the Loan/Grant Amount, Together with Other Funds Available to the Borrower/Grantee; is Sufficient to Complete the Project; Approving the Form of and Other Details Concerning the Loan/Grant Agreement; Ratifying Actions Heretofore Taken; Repealing All Action Inconsistent with this Ordinance; and Authorizing the Taking of Other Actions in Connection with the Execution and Delivery of the Loan/Grant Agreement. (Alan Hook, Water Resources Coordinator; aghook@santafenm.gov)

Committee Review:
Governing Body (Introduction): 03/11/2026
Governing Body (Public Comment): 03/25/2026
Public Works and Utilities Committee: 03/30/2026
Finance Committee: 04/06/2026
Governing Body (Public Hearing): 03/29/2026

d. CONSIDERATION OF RESOLUTION NO. 2026-____. (Mayor Michael Garcia) Approving Budget Amendments and Requesting that New Mexico Department of Finance and Administration Approve the City of Santa Fe's Second Quarter Budget Amendments for Fiscal Year 2026. (Christina Martinez, Senior Budget Analyst; cfmartinez@santafenm.gov, Andy Hopkins, Budget Officer; ajhopkins@santafenm.gov)

Committee Review:
Governing Body: 03/11/2026
Public Works and Utilities Committee: 03/16/2026
Finance Committee: 03/23/2026
Governing Body: 03/25/2026

17. Petitions from the Floor

18. Public Comment on Bills (First Public Comment, No Action)

a. CONSIDERATION OF BILL NO. 2026-03. ADOPTION OF ORDINANCE NO. 2026-_____. (Mayor Michael Garcia)
A Bill Relating to City Administration; Amending Section 2-8 SFCC 1987 to Reorganize Certain City Departments; Creating New Sections of Code to Include 2-8.10, 2-8.11, 2-8.12, 2-8.13, 2-8.14, and 2-8.15; Amending Section

2-8.1 SFCC 1987 to Include a General Provisions Section and Exhibit A; Amending Section 2-8.2 to Rename Community Health and Safety Department to “Community Services Department” and to Include Youth and Family Services and Recreation, and to Remove the Office of Emergency Management; Amending Section 2-8.3 SFCC 1987 to Eliminate the Community Development Department; Amending 2-8.4 to Establish the Office of Emergency Management and Changing the Name From Office of Emergency Management to “Emergency Management Department”; Amending Section 2-8.5 Creating a New Department, the “Economic Development Department” and to Include the Arts and Culture Division and the Film Division; Amending 2-8.6 Creating a Department the “Land Use Department” and to Include the Affordable Housing Division; Amending Section 2-8.7 Creating Tourism Santa Fe Department; Creating Section 2-8.14 to Include a New “Regional Airport Department”; Creating Section 2-8.15 to Include the Metropolitan Redevelopment Agency and Renaming it “Metropolitan Redevelopment Agency (“MRA”) Department”; Repealing Sections 2-14, 2-15, and 2-20 SFCC 1987; Repealing Exhibit C of SFCC 1987, “City Organization”. (Brian Moya, Interim City Manager; bjmoya@santafenm.gov)

Committee Review:
Governing Body (Introduced): 02/25/2026
Governing Body (Public Comment): 03/11/2026
Public Works and Utilities Committee: 03/16/2026
~~Quality of Life Committee: 03/18/2026~~ ***MEETING HAS BEEN CANCELED***
Finance Committee: 03/23/2026
Governing Body (Public Hearing): 04/07/2026

b. CONSIDERATION OF BILL NO. 2026-04. ADOPTION OF ORDINANCE NO. 2026-____. (Councilor Amanda Chavez and Councilor Alma Castro)
Be It Ordained by the Governing Body of the City of Santa Fe:
Authorizing the Execution and Delivery of a Loan and Subsidy Agreement (“Loan Agreement”) by and Between the New Mexico Finance Authority (“NMFA”) and City of Santa Fe, New Mexico (“the Borrower”), in the Total Amount of Seventeen Million Dollars ($17,000,000), Evidencing an Obligation of the Borrower to Utilize the Loan Amount Solely for the Purpose of Financing the Costs of Constructing a New Flocculation and Sedimentation Process and Making Improvements to the Canyon Road Water Treatment Plant as a Component of the System Owned and Operated by the Borrower, and Solely in the Manner Described in the Loan Agreement; Providing for the Pledge and Payment of the Loan Solely From the Net Revenues of the Water Utility System of the Borrower; Certifying that the Loan Amount, Together with Other Funds Available to the Borrower, is Sufficient to Complete the Project; Approving the Form of and other Details Concerning the Loan Agreement; Ratifying Actions Heretofore Taken; Repealing All Action Inconsistent with this Ordinance; and Authorizing the Taking of Other Actions in Connection With the

Execution and Delivery of the Loan Agreement. (Clinton Peterson, Public Utilities Engineer; cdpeterson@santafenm.gov)

Committee Review:
Governing Body (Introduction): 02/25/2026
Governing Body (Public Comment): 03/11/2026
Public Works and Utilities Committee: 03/16/2026
Finance Committee: 03/23/2026
Governing Body (Public Hearing): 04/07/2026

c. CONSIDERATION OF BILL NO. 2026-07. ADOPTION OF ORDINANCE NO. 2026-____. (Councilor Jamie Cassutt)
A Bill Creating a New Section 2-2.10 of SFCC 1987 to Establish City Attorney and City Clerk Authority to Correct Scrivener's Errors. (Marci Eannarino, Legislation and Policy Innovation Manager; maennarino@santafenm.gov; Christine Spiers, Legislative Coordinator; cmspiers@santafenm.gov; Palmer Anderson, Policy Analyst; pcanderson@santafenm.gov)

Committee Review:
Governing Body (Introduced): 02/25/2026
Governing Body (Public Comment): 03/11/2026
~~Quality of Life Committee: 03/18/2026~~ ***MEETING HAS BEEN CANCELED***
Finance Committee: 03/23/2026
Governing Body (Public Hearing): 04/07/2026

19. Final Action on Legislation (Public Hearing)

a. CONSIDERATION OF BILL NO. 2024-14. ADOPTION OF ORDINANCE NO. 2026-____. (Councilor Amanda Chavez and Councilor Alma Castro)
A Bill Amending Section 25-4.1, Exhibit A, Rule Number 2 to Adopt New Definitions and Adopting a New Rule Number 7, Imposing Requirements for Backflow Prevention and Control for Certain Customers, Imposing Fees for Administering the Program, and Imposing Fines for Violations. (Justin Gonzales, Cross Connection Specialist; jmgonzales1@santafenm.gov)

Committee Review:
Governing Body (Introduced): 01/28/2026
Governing Body (Public Comment): 02/11/2026
Public Works and Utilities Committee: 02/16/2026
Finance Committee: 02/23/2026
Governing Body (Public Hearing): 03/11/2026

b. CONSIDERATION OF BILL NO. 2026-01. ADOPTION OF ORDINANCE NO. 2026-____.(Councilor Amanda Chavez)
Be It Ordained By the Governing Body of the City of Santa Fe: Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement by and Between the New Mexico Finance Authority ("NMFA") and the City of Santa Fe, New Mexico (the

"Borrower/Grantee"), in the Total Amount of $7,750,000, Including a Loan in the Amount of $3,100,000 Evidencing an Obligation of the Borrower/Grantee to Utilize the Loan/Grant Amount Solely for the Purpose of Financing the Costs of Construction of New Flocculation and Sedimentation Improvements to the Canyon Road Water Treatment Plant, Including Demolition of Existing Clarifier Equipment, Structural Additions, New Flocculation and Sedimentation Equipment, All Associated Power, Controls, Process and Chemical Piping, and Valves, New Flocculation Master Control Center Electrical Building and Associated Grading and Paving, Potable Water Yard Piping Relocation and All Associated Instrumentation, Electrical, Architectural and HVAC Design Components, Including Related Work and Revisions, and Solely in the Manner Described in the Loan/Grant Agreement; Providing for the Pledge and Payment of the Loan Amount and an Administrative Fee Solely From the Net Revenues of the Water Utility System of the Borrower/Grantee; Certifying that the Loan/Grant Amount, Together With Other Funds Available to the Borrower/Grantee, is Sufficient to Complete the Project; Approving the Form of and Other Details Concerning the Loan/Grant Agreement; Ratifying Actions Heretofore Taken; Repealing All Action Inconsistent With this Ordinance; and Authorizing the Taking of Other Actions in Connection With the Execution and Delivery of the Loan/Grant Agreement. (Alan Hook, Water Resources Coordinator; aghook@santafenm.gov)

Committee Review:
Governing Body (Introduced): 01/28/2026
Governing Body (Public Comment): 02/11/2026
Public Works and Utilities Committee: 02/16/2026
Finance Committee: 02/23/2026
Governing Body (Public Hearing): 03/11/2026

20. Public Hearings (Land Use Cases, Appeals and Other Items Required to Have a Public Hearing)

21. Appointments

    a. Charter Review Commission

- Pamela Ray - Appointed by Mayor Michael Garcia - Term Ending 04/2027
- Renee Villarreal - Appointed by Councilor Castro - Term Ending 04/2027
- Maria Perez - Appointed by Councilor Feghali - Term Ending 04/2027
- Brandon Vella - Appointed by Councilor Bustamante - Term Ending 04/2027
- Rod Gould - Appointed by Councilor Barrett - Term Ending 04/2027
- Kendal Chavez - Appointed by Councilor Faulkner - Term Ending 04/2027
- John Paul Granillo - Appointed by Councilor Garcia - Term Ending 04/2027
- Roberta Duran - Appointed by Councilor Cassutt - Term Ending 04/2027

- Lillie Mae Ortiz - Appointed by Councilor Chavez - Term Ending 04/2027

b. Human Services Committee

- Orion Block - Appointment - Term Ending 03/2028
- Mark Glaser - Appointment - Term Ending 03/2028

22. Adjourn

Closed captions are provided for this meeting. Persons with disabilities in need of additional accommodations, contact the City Clerk's office at 505-955-6521, five (5) working days prior to meeting date.

SUMMARY OF ACTION
REGULAR MEETING OF THE GOVERNING BODY
WEDNESDAY, MARCH 11, 2026, 5:00 PM
COUNCIL CHAMBERS, CITY HALL
200 LINCOLN AVENUE, SANTA FE, NEW MEXICO

1.	**Call To Order**	**Convened at 5:00 pm**	**3**
2.	**Pledge of Allegiance**	**Councilor Faulkner**	**3**
3.	**Salute to the NM Flag**	**Councilor Garcia**	**3**
4.	**Invocation and Remembrances**	**Councilor Cassutt**	**3**
5.	**Roll Call**	**Quorum**	**3-4**
6.	**Approval of Agenda**	**Approved**	**4**
7.	**Approval of Consent Agenda**	**Approved**	**4**
8.	**Presentations**		
	a. ForeKids Organization	**Given**	**4**
9.	**Action Items: Consent Agenda**	**Approved**	**4-10**
10.	**Action Items: Discussion Items**		
	a. Amendment No. 2	**Approved**	**10**
11.	**Matters from the City Manager**	**Heard**	**10**
12.	**Matters from the City Attorney**	**Heard**	**10**
	Executive Session	**Held**	**10-11**
13.	**Executive Session Action Items**		
	a. Settlement	**No Action**	**11**
14.	**Matters from the City Clerk**	**Heard**	**11**
15.	**Comm. From Gov. Body**	**Heard**	**12**

16.	**Introduction of Legislation**			
	a.	**Resolution No. 2026-_____**	**Introduced**	**12**
	b.	**Bill No. 2026-8**	**Introduced**	**12**
	c.	**Bill No. 2026-5**	**Introduced**	**12-13**
	d.	**Resolution No. 2026-_____**	**Introduced**	**13**
21.	**Appointments**			
	a.	**Charter Commission**	**Approved**	**13-14**
	b.	**Human Services Comm.**	**Approved**	**14**
17.	**Petitions From the Floor**		**Heard**	**14-15**
18.	**Public Comments on Bills**			
	a.	**Bill No. 2026-03**	**Heard**	**15-16**
	b.	**Bill No. 2026-04**	**Heard**	**16**
	c.	**Bill No. 2026-07**	**Heard**	**16-17**
19.	**Final Action on Legislation**			
	a.	**Bill No. 2024-14**	**Approved**	**17**
	b.	**Bill No. 2026-01**	**Approved**	**17-18**
20.	**Public Hearings**		**None**	**18**
22.	**Adjourn**		**Adjourned at 7:32 pm**	**18-19**

REGULAR MEETING OF THE GOVERNING BODY
WEDNESDAY, MARCH 11, 2026, 5:00 PM
COUNCIL CHAMBERS, CITY HALL
200 LINCOLN AVENUE, SANTA FE, NEW MEXICO

1. CALL TO ORDER

The meeting of the Governing Body was called to order by Mayor Garcia, at 5:00 pm, on Wednesday, March 11, 2026, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. PLEDGE OF ALLEGIANCE

A. COUNCILOR FAULKNER

Recited.

3. SALUTE TO THE NEW MEXICO FLAG

A. COUNCILOR GARCIA

Recited.

4. INVOCATION AND REMEMBRANCES

A. COUNCILOR CASSUTT

Given.

5. ROLL CALL

MEMBERS PRESENT
Councilor Jamie Cassutt
Councilor Alma Castro
Councilor Amanda Chavez, virtually
Councilor Lee Garcia
Councilor Pilar Faulkner
Councilor Patricia Feghali
Councilor Elizabeth Barrett
Councilor Paul Bustamante
Mayor Michael Garcia

OTHERS PRESENT
Brian Moya, Interim City Manager
Marcos Martinez, Interim City Attorney
Geralyn Cardenas, Interim City Clerk

6. APPROVAL OF AGENDA

Ms. Cardenas stated that item 9 (W) had been removed from the agenda as it was a duplicate of item 9 (U).

MOTION A motion was made by Councilor Cassutt, seconded by Councilor Faulkner, to approve the agenda as amended.

VOTE The motion passed on a roll call vote as follows:

Councilor Garcia, yes; Councilor Castro, yes; Councilor Chavez, yes; Councilor Cassutt, yes; Councilor Feghali, yes; Councilor Barrett, yes; Councilor Bustamante, yes; Councilor Faulkner, yes.

7. APPROVAL OF CONSENT AGENDA

Item 9 (V) was pulled from the Consent Agenda for discussion by Councilor Cassutt.

MOTION A motion was made by Councilor Castro, seconded by Councilor Cassutt, to approve the consent agenda as amended.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

8. PRESENTATIONS

A. FOREKIDS ORGANIZATION YOUTH RECREATION IMPACT RECOGNITION

Given.

9. ACTION ITEMS: CONSENT AGENDA

A. REQUEST FOR APPROVAL OF THE FEBRUARY 25, 2026, REGULAR

GOVERNING BODY MEETING MINUTES.

Approved on consent.

B. REQUEST FOR APPROVAL OF THE FEBRUARY 24, 2026, SPECIAL GOVERNING BODY MEETING MINUTES.

Approved on consent.

C. REQUEST FOR APPROVAL OF THE LIQUOR HEARING OFFICER'S RECOMMENDATION TO APPROVE A REQUEST FROM NEW MEXICO HARD CIDER, LLC DBA NEW MEXICO HARD CIDER TAPROOM FOR THE FOLLOWING:

1. PURSUANT TO SECTION 60-6B-10 NMSA 1978, CONSIDERATION OF A WAIVER OF THE 300-FOOT LOCATION RESTRICTION TO ALLOW THE SALE OF ALCOHOL AT NEW MEXICO HARD CIDER, 505 CERRILLOS RD. SUITE A105, WHICH IS WITHIN 300 FEET OF SANTA FE JEWISH CENTER. LOCATED AT 230 W. MANHATTAN AVE.

2. IF THE WAIVER OF THE 300-FOOT LOCATION RESTRICTION IS GRANTED, CONSIDERATION OF A REQUEST FOR A FLOOR PLAN EXPANSION, OF THEIR CURRENT WINEGROWERS OFF-SITE LIQUOR LICENSE FOR AN ADDITIONAL 6,845 SQUARE FEET WITH A FINAL SQUARE FOOTAGE OF 9,146, TO BE LOCATED AT NEW MEXICO HARD CIDER, 505 CERRILLOS RD., SUITE A105.

Approved on consent.

D. REQUEST FOR APPROVAL OF A BUDGET AMENDMENT RESOLUTION (BAR) IN THE AMOUNT OF $241,200 TO TRANSFER ONE-TIME FUNDING IN FY26 FROM ITT GROSS RECEIPTS TAX TO ITT ENTERPRISE RESOURCE PLANNING TO OFFSET FUNDS THAT WERE TRANSFERRED OUT OF ITT.

Approved on consent.

E. REQUEST FOR APPROVAL OF A BUDGET AMENDMENT RESOLUTION (BAR) IN THE AMOUNT OF $408,669 TO TRANSFER ONE-TIME FUNDING IN FY26 FROM HUMAN RESOURCES TO ITT DEPARTMENT FOR ERP PROJECT TO ENSURE THAT THE PROJECT BUDGET IS PROPERLY ALLOCATED.

Approved on consent.

F. REQUEST FOR APPROVAL OF A BUDGET AMENDMENT RESOLUTION (BAR) TO INCREASE PROFESSIONAL CONTRACTS IN THE TOTAL AMOUNT OF $199,137 TO FUND THE NEW MEXICO AMBULANCE SUPPLEMENTAL PAYMENT PROGRAM.

Approved on consent.

G. REQUEST FOR APPROVAL OF A LEASE AGREEMENT WITH EAN HOLDINGS DBA ENTERPRISE RENT-A-CAR TO OPERATE CAR RENTAL SERVICES AT THE SANTA FE REGIONAL AIRPORT IN THE AMOUNT OF $48,762.20 FOR THE FIRST YEAR WITH A 2.5% YEARLY INCREASE FOR AN INITIAL TERM OF FIVE YEARS WITH TWO OPTION TERMS OF FIVE YEARS EACH.

Approved on consent.

H. REQUEST FOR APPROVAL OF A LEASE AGREEMENT WITH AVIS BUDGET CAR RENTAL, LLC TO OPERATE CAR RENTAL SERVICES AT THE SANTA FE REGIONAL AIRPORT IN THE AMOUNT OF $49,914,20 FOR THE FIRST YEAR WITH A 2.5% YEARLY INCREASE FOR AN INITIAL TERM OF FIVE YEARS AND TWO OPTION TERMS OF FIVE YEARS EACH.

Approved on consent.

I. REQUEST FOR APPROVAL OF A LEASE AGREEMENT WITH THE HERTZ CORPORATION, DBA HERTZ RENT A CAR AND DOLLAR RENT A CAR TO OPERATE CAR RENTAL SERVICES AT THE SANTA FE REGIONAL AIRPORT IN THE AMOUNT OF $51,570.20 FOR THE FIRST YEAR WITH A 2.5% YEARLY INCREASE FOR AN INITIAL TERM OF FIVE YEARS WITH TWO OPTION TERMS OF FIVE YEARS EACH.

Approved on consent.

J. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES CONTRACT WITH PUBLIC CONSULTING GROUP FOR CONSULTING TO DEVELOP, IMPLEMENT AND SUPPORT THE FIRE DEPARTMENT'S PARTICIPATION IN MEDICAID AMBULANCE SUPPLEMENTAL PAYMENT PROGRAM IN THE TOTAL AMOUNT OF $1,800,000 EXCLUDING NMGRT FOR A TERM OF FOUR-YEARS.

1. **REQUEST FOR APPROVAL OF A BUDGET AMENDMENT RESOLUTION (BAR) TO ALLOCATE $450,000 FROM EXISTING GENERAL FUND CASH BALANCES TO PAY FOR YEAR ONE, WHICH ALSO INCLUDES A 14% CONTINGENCY FEE THE CITY OF SANTA FE PAYS TO PUBLIC CONSULTING GROUP.**

Approved on consent.

K. REQUEST FOR APPROVAL OF A GENERAL SERVICES CONTRACT WITH ACC CONSTRUCTION, LLC FOR THE REPLACEMENT AND INSTALLATION OF THE ANAEROBIC DIGESTER GAS BURNER IN THE TOTAL AMOUNT OF $818,085.78 FOR A 1-YEAR TERM.

Approved on consent.

L. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO LEASE AGREEMENT #16-116 WITH SANTA FE HEALTH CLUB, LLC TO EXTEND THE LEASE TERM TO FEBRUARY 28, 2031, AND INCREASE RENT BY $15,361.01 PER YEAR WITH AN ESCALATION OF 2.5% PER YEAR FOR THE LEASE OF LAND ADJACENT TO 786 CALLE MEJIA FOR USE AS A PARKING LOT.

Approved on consent.

M. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO ITEM #25-0480 WITH FINANCIAL CONSULTING SOLUTIONS GROUP, INC. TO INCREASE THE COMPENSATION BY $81,075.71 FOR A NEW TOTAL CONTRACT AMOUNT OF $1,316,488.25 INCLUDING NMGRT FOR FINANCIAL MANAGEMENT ON-CALL SERVICES.

Approved on consent.

N. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO CONSTRUCTION CONTRACT ITEM #23-0222 WITH GM EMULSION LLC TO INCREASE THE AMOUNT OF COMPENSATION BY $10,000,000 FOR A NEW TOTAL COMPENSATION OF $20,000,000 EXCLUDING NMGRT AND EXTEND THE TERM TO MAY 14, 2033 FOR ON-CALL ROADWAY AND TRAILS CONSTRUCTION SERVICES.

Approved on consent.

O. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO

CONSTRUCTION CONTRACT ITEM #23-0221 WITH ESPANOLA MERCANTILE COMPANY DBA EMCO OF SANTA FE LLC TO INCREASE THE AMOUNT OF COMPENSATION BY $10,000,000 FOR A NEW TOTAL COMPENSATION OF $20,000,L000 EXCLUDING NMGRT AND EXTEND THE TERM TO MAY 14, 2033 FOR ON-CALL ROADWAY AND TRAILS CONSTRUCTION SERVICES.

Approved on consent.

P. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO CONSTRUCTION CONTRACT ITEM #23-0224 WITH GME GENERAL BUILDING LLC TO INCREASE THE AMOUNT OF COMPENSATION BY $10,000,000 FOR A NEW TOTAL COMPENSATION OF $20,000,000 EXCLUDING NMGRT AND EXTEND THE TERM TO MAY 14, 2033 FOR ON-CALL ROADWAY AND TRAILS CONSTRUCTION SERVICES.

Approved on consent.

Q. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO CONSTRUCTION CONTRACT ITEM #23-0223 WITH JDR AND ASSOCIATES LLC TO INCREASE THE AMOUNT OF COMPENSATION BY $10,000,000 FOR A NEW TOTAL COMPENSATION OF $20,000,000 EXCLUDING NMGRT AND EXTEND THE TERM TO MAY 14, 2033 FOR ON-CALL ROADWAY AND TRAILS CONSTRUCTION SERVICES.

Approved on consent.

R. REQUEST FOR APPROVAL FO THE FINDINGS OF FACT AND CONCLUSIONS OF LAW FOR CASE #2025-11028, GENERAL PLAN AMENDMENT AT 2904 RUFINA ST, LOT 3, REQUESTED BY JENKINSGAVIN, AGENT, ON BEHALF OF GIRLS INC. OF SANTA FE, APPLICANT, WHEREIN THE GOVERNING BODY APPROVED THE REQUEST TO ADOPT A RESOLUTION AMENDING THE FUTURE LAND USE MAP FOR THIS PARCEL FROM INDUSTRIAL AND BUSINESS PARK TO COMMUNITY COMMERCIAL.

Approved on consent.

S. REQUEST FOR APPROVAL OF THE FINDINGS OF FACT AND CONCLUSIONS OF LAW FOR CASE #2025-11029, REZONING AT 2904 RUFINA ST, LOT 3, REQUESTED BY JENKINSGAVIN, AGENT, ON BEHALF OF GIRLS INC. OF SANTA FE, APPLICANT, WHEREIN THE GOVERNING BODY APPROVED THE REQUEST TO ADOPT AN

ORDINANCE FOR THIS PARCEL CHANGING THE ZONING FROM LIGHT INDUSTRIAL TO (I-1) AND GENERAL INDUSTRIAL (I-2) TO GENERAL COMMERCIAL (C-2).

Approved on consent.

T. REQUEST FOR APPROVAL OF THE FINDINGS OF FACT AND CONCLUSIONS OF LAW FOR CASE #2025-11030, MASTER PLAN AT 2904 RUFINA ST, LOT 3 AND 2A, 2-2, REQUESTED BY JENKINSGAVIN, AGENT, ON BEHALF OF GIRLS INC. OF SANTA FE, APPLICANT, WHEREIN THE GOVERNING BODY APPROVED THE A **REQUEST TO ADOPT A RESOLUTION FOR THE MASTER PLAN OF A YOUTH CENTER.**

Approved on consent.

U. CONSIDERATION OF RESOLUTION NO. 2026-_____. A RESOLUTION AUTHORIZING CITY OF SANTA FE REPRESENTATIVES AND AGENTS TO SIGN AGREEMENTS AND REQUESTS FOR PAYMENT REGARDING NEW MEXICO DEPARTMENT OF TRANSPORTATION, FOR GRANT AGREEMENT CONTROL NUMBER C5243320 TO ACQUIRE RIGHTS OF WAY TO PLAN, DESIGN, AND CONSTRUCTION ROAD AND SPINE INFRASTRUCTURE EXTENSIONS TO PASEO DEL SOL PER THE TIERRA CONTENTA MASTER PLAN FOR AFFORDABLE HOUSING IN SANTA FE COUNTY.

Approved on consent.

V. CONSIDERATION OF RESOLUTION NO. 2026-_____. A RESOLUTION SUPPORTING THE PLACEMENT OF THE REMNANTS OF THE SOLDIERS' MONUMENT IN THE NEW MEXICO HISTORY MUSEUM ON A TEMPORARY BASIS; AUTHORIZING THE CITY MANAGER TO WORK WITH STATE OFFICIALS TO ENTER INTO A TEMPORARY LOAN AGREEMENT.

MOTION A motion was made by Councilor Castro, seconded by Councilor Faulkner, to approve the Resolution.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, no; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes;

Councilor Bustamante, yes.

W. CONSIDERATION OF RESOLUTION NO. 2026-_____. A RESOLUTION AUTHORIZING CITY OF SANTA FE REPRESENTATIVES AND AGENTS TO SIGN AGREEMENTS AND REQUESTS FOR PAYMENT REGARDING NEW MEXICO DEPARTMENT OF TRANSPORTATION, FOR GRANT AGREEMENT CONTROL NUMBER C5243320 TO ACQUIRE RIGHTS OF WAY TO PLAN, DESIGN, AND CONSTRUCTION ROAD ANS SPINE INFRASTRUCTURE EXTENSIONS TO PASEO DEL SOL PER THE TIERRA CONTENTA MASTER PLAN FOR AFFORDABLE HOUSING IN SANTA FE COUNTY.

Removed from the agenda.

10. ACTION ITEMS: DISCUSSION AGENDA

A. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO ITEM #22-0521 WITH CLARION ASSOCIATES TO REASSIGN THE CONTRACT TO GOEBEL PARTNERS LLC, CHANGE THE SCOPE OF WORK TO INCLUDE LAND CODE UPDATE PHASE 2 SUBSTANTIVE UPDATES TO REGULATIONS AND PROCEDURES IN THE LAND DEVELOPMENT CODE THAT IMPLEMENT KEY COMMUNITY STANDARDS AND LAND DEVELOPMENT POLICIES, INCREASE THE COMPENSATION BY $519,657 FOR A NEW TOTAL AMOUNT OF $766,354.06 AND EXTEND THE TERM TO DECEMBER 31, 2027 FOR THE LAND CODE UPDATE.

MOTION A motion was made by Councilor Castro, seconded by Councilor Cassutt, to approve the request.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

11. MATTERS FROM THE CITY MANAGER

Heard.

12. MATTERS FROM THE CITY ATTORNEY

Heard

A. EXECUTIVE SESSION
IN ACCORDANCE WITH THE OPEN MEETINGS ACT, NMSA 1978, SECTION 10-15-1, SUBPART (H)(7), ATTORNEY-CLIENT DISCUSSION OF PENDING AND THREATENED LITIGATION, INCLUDING BUT NOT LIMITED TO, DISCUSSION OF *JARED O'SHELL V. KEISHA CHAVEZ* , D-101-CV-202402682 AND SUBPART (H)(8), DISCUSSION OF THE PURCHASE, ACQUISITION OR DISPOSAL OF REAL PROPERTY OR WATER RIGHTS BY THE PUBLIC BODY AT ZONA DEL SOL.

MOTION A motion was made by Councilor Castro, seconded by Councilor Cassutt, to enter into Executive Session in accordance with the Open Meetings Act, NMSA 1978, Section 10-15-1, Subpart (H)(7) and Subpart (H)(8), to discuss the matters as noticed.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

The Governing Body entered into Executive Session at 5:45 pm.

MOTION A motion was made by Councilor Castro, seconded by Councilor Cassutt, to reconvene in open session and that no action was taken during Executive Session and only the items noticed were discussed.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

The Governing Body reconvened in open session at 6:35 pm.

13. EXECUTIVE SESSION ACTION ITEMS

A. DISCUSSION AND ACTION. DISCUSSION AND ACTION ON SETTLEMENT IN *JARED O'SHELL V KEISHA CHAVEZ,* S-101-CV-2024026282.

MOTION A motion was made by Councilor Castro, seconded by Councilor Faulkner, to take no action on the Executive Session item.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

14. MATTERS FROM THE CITY CLERK

Heard.

15. COMMUNICATIONS FROM THE GOVERNING BODY

Heard.

16. INTRODUCTION OF LEGISLATION

A. CONSIDERATION OF RESOLUTION NO. 2026-_____. A RESOLUTION AUTHORIZING THE SALE AND CONSUMPTION OF BEER AND HARD CIDER DURING THE PARTY ON THE PITCH SOCCER TOURNAMENT ON MAY 30, 2026.

Introduced.

B. CONSIDERATION OF BILL NO. 2026-8. ADOPTION OF ORDINANCE NO. 2026-_____. A BILL AMENDING SECTION 23-6, SFCC 1987 TO REMOVE THE RESOLUTION REQUIREMENT FOR THE PURPOSE OF APPROVING SALES AND CONSUMPTION OF ALCOHOL AT PUBLIC EVENTS ON CITY PROPERTY AND REQUIRING THAT GOVERNING BODY APPROVAL BE RECORDED IN REGULAR GOVERNING BODY MINUTES UPON THE CITY CLERK'S RECOMMENDATION FOR APPROVAL.

Introduced.

C. CONSIDERATION OF BILL NO. 2026-5. ADOPTION OF ORDINANCE NO. 2026-_____. A BILL AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF SANTA FE, NEW MEXICO (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF $2,500,000, INCLUDING A LOAN IN THE AMOUNT OF $1,000,000 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO

UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING MCCLURE DAM TO THE OUTLET CONDUIT AND SPILLWAY, INCLUDING RELATED WORK AND REVISIONS, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET REVENUES OF THE WATER UTILITY SYSTEM OF THE BORROWER/GRANTEE, CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE; IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

Introduced.

D. CONSIDERATION OF RESOLUTION NO. 2026-_____. APPROVING BUDGET AMENDMENT AND REQUESTING THAT NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION APPROVE THE CITY OF SANTA FE'S SECOND QUARTER BUDGET AMENDMENTS FOR FISCAL YEAR 2026.

Introduced.

MOTION A motion was made by Councilor Cassutt, seconded by Councilor Castro, to move to item 21 as the next order of business.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

21. APPOINTMENTS

A. CHARTER REVIEW COMMISSION

- PAMELA RAY - APPOINTED BY MAYOR MICHAEL GARCIA - TERM ENDING 04/2027

- RENEE VILLARREAL - APPOINTED BY COUNCILOR CASTRO - TERM ENDING 04/2027

- MARIA PEREZ - APPOINTED BY COUNCILOR FEGHALI - TERM ENDING 04/2027

- ROD GOULD - APPOINTED BY COUNCILOR BARRETT - TERM ENDING 04/2027

- KENDAL CHAVEZ - APPOINTED BY COUNCILOR FAULKNER - TERM ENDING 04/2027

- JOHN PAUL GRANILLO - APPOINTED BY COUNCILOR GARCIA - TERM ENDING 04/2027

- ROBERTA DURAN - APPOINTED BY COUNCILOR CASSUTT - TERM ENDING 04/2027

- LILLIE MAE ORTIZ - APPOINTED BY COUNCILOR CHAVEZ - TERM ENDING 04/2027

MOTION A motion was made by Councilor Faulkner, seconded by Councilor Castro, to approve the appointments to the Charter Review Commission.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

B. HUMAN SERVICES COMMITTEE

- ORION BLOCK - APPOINTMENT - TERM ENDING 03/2028

- MARK GLASER - APPOINTMENT - TERM ENDING 03/20MOTION

A motion was made by Councilor Faulkner, seconded by Councilor Castro, to approve the appointments to the Human Servcies Committee.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor

Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

MOTION A motion was made by Councilor Castro, seconded by Councilor Cassutt, to move to item 17 as the next order of business.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

17. PETITIONS FROM THE FLOOR

- **Tony Gurlish.** Mr. Gurlish advocated for the Resolution passed a year ago by BTAC.

- **Roberto Roybal.** Mr. Roybal urged the Council to not spend any more money on the Soldiers Monument and to take it to the dump.

- **Marsha Emmerton.** Ms. Emmerton spoke about the hotel coming to the corner of Cerrillos and St. Francis saying it is a bad idea and in the wrong place.

- **Pelican Lee**. Ms. Lee spoke about the Marriott Hotel proposed and the traffic issues.

- **Stan Diamond.** Mr. Diamond spoke to recent architecture in Santa Fe and its inconsistency with Santa Fe's culture and history.

- **Rick Martinez.** Mr. Martinez spoke to the height of the proposed Marriott Hotel.

- **no name given.** This member of the public spoke to the height of the proposed Marriott Hotel and the Obleisk.

- **Elizabeth West.** Ms. West spoke about the Soldier's Monument.

-

- **Stephanie Beninato.** Ms. Beninato spoke about IPRA responses, the obleisck and the selection of the Charter Committee members.

18. PUBLIC COMMENTS ON BILLS (FIRST PUBLIC COMMENT, NO ACTION)

A. CONSIDERATION OF BILL NO. 2026-03. ADOPTION OF ORDINANCE NO. 2026-_____. A BILL RELATING TO CITY ADMINISTRATION; AMENDING SECTION 2-8 SFCC 1987 TO REORGANIZE CERTAIN CITY DEPARTMENTS; CREATING NEW SECTIONS OF CODE TO INCLUDE 2-8. 10, 2-8.11, 2-8. 12. 2-8. 13, 2-8 14, AND 2-8. 15; AMENDING SECTION 2-8.1 SFCC 1987 TO INCLUDE A GENERAL PROVISIONS SECTION AND EXHIBIT A; AMENDING SECTION 2-8.2 TO RENAME COMMUNITY HEALTH AND SAFETY DEPARTMENT TO "COMMUNITY SERVICES DEPARTMENT" AND TO INCLUDE YOUTH AND FAMILY SERVICES AND RECREATION, AND TO REMOVE THE OFFICE OF EMERGENCY MANAGEMENT; AMENDING SECTION 2-8.3 SFCC 1987 TO ELIMINATE THE COMMUNITY DEVELOPMENT DEPARTMENT; AMENDING 2-8.4 TO ESTABLISH THE OFFICE OF EMERGENCY MANAGEMENT TO "EMERGENCY MANAGEMENT DEPARTMENT"; AMENDING 2-8.5 CREATING A NEW DEPARTMENT THE "ECONOMIC DEVELOPMENT DEPARTMENT" AND TO INCLUDE THE ARTS AND CULTURE DIVISION AND THE FILM DIVISION; AMENDING 2-8.6 CREATING A DEPARTMENT OF "LAND USE DEPARTMENT" AND TO INCLUDE THE AFFORDABLE HOUSING DIVISION, AMENDING SECTION 2-8.7 CREATING TOURISM SANTA FE DEPARTMENT; CREATING SECTION 2-8.14 TO INCLUDE A NEW "REGIONAL AIRPORT DEPARTMENT; CREATING SECTION 2-8.15 TO INCLUDE THE METROPOLITAN REDEVELOPMENT AGENCY AND RENAMING IT "METROPOLITAN REDEVELOPMENT AGENCY ("MRA") DEPARTMENT"; REPEALING SECTIONS 2-14, 2-15, AND 2-20 SFCC 1987; REPEALING EXHIBIT C OF SFCC 1987, "CITY ORGANIZATION".

- **Stephanie Beninato.** Ms. Beninato spoke to her concern regarding who the various departments report to.

B. CONSIDERATION OF BILL NO. 2026-04. ADOPTION OF ORDINANCE NO. 2026-_____. BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE: AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND CITY OF SANTA FE, NEW MEXICO ("THE BORROWER"), IN THE TOTAL AMOUNT OF SEVENTEEN MILLION DOLLARS ($17,000,000), EVIDENCING AN OBLIGATION OF THE BORROWER TO UTILIZE THE LOAN AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTING A NEW FLOCCULATION AND SEDIMENTATION

PROCESS AND MAKING IMPROVEMENTS TO THE CANYON ROAD WATER TREATMENT PLANT AS A COMPONENT OF THE SYSTEM OWNED AND OPERATED BY THE BORROWER, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE LOAN SOLEY FROM THE NET REVENUES OF THE WATER UTILITY SYSTEM OF THE BORROWER, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

There were no public comments.

C. CONSIDERATION OF BILL NO. 2026-07. ADOPTION OF ORDINANCE NO. 2026-_____. A BILL CREATING A NEW SECTION 2-2.10 OF SFCC 1987 TO ESTABLISH CITY ATTORNEY AND CITY CLERK AUTHORITY TO CORRECT SCRIVENER'S ERRORS.

- **Stephanie Beninato.** Ms. Beninato spoke to her concern that the definition of the term "Schrivener's errors" be specific so that no overreach would occur.

19. FINAL ACTION ON LEGISLATION

A. CONSIDERATION OF BILL NO. 2024-14. ADOPTION OF ORDINANCE NO. 2026-_____. A BILL AMENDING SECTION25-4.1, EXHIBIT A, RULE NUMBER 2 TO ADOPT NEW DEFINITIONS AND ADOPTING A NEW RULE NUMBER 7, IMPOSING REQUIREMENTS FOR BACKFLOW PREVENTION AND CONTROL FOR CERTAIN CUSTOMERS, IMPOSING FEES FOR ADMINISTERING THE PROGRAM, AND IMPOSING FINES FOR VIOLATIONS.

MOTION A motion was made by Councilor Castro, seconded by Councilor Cassutt, to approve Bill No. 2024-14.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

B. CONSIDERATION OF BILL NO. 2026-01. ADOPTION OF ORDINANCE NO. 2026-_____. BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE: AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF SANTA FE, NEW MEXICO (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF $7,750,000, INCLUDING A LOAN IN THE AMOUNT OF $3,100,000 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTION OF NEW FLOCCULATION AND SEDIMENTATION IMPROVEMENTS TO THE CANYON ROAD WATER TREATMENT PLANT, INCLUDING SEDIMENTATION EQUIPMENT, ALL ASSOCIATED POWER, CONTROLS, PROCESS AND CHEMICAL PIPING, GRADING AND PAVING, POTABLE WATER YARD PIPING RELOCATION AND ALL ASSOCIATED INSTRUMENTATION, ELECTRICAL, ARCHITECTURAL AND HVAC DESIGN COMPONENTS, INCLUDING RELATED WORK AND REVISIONS, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET REVENUES OF THE WATER UTILITY SYSTEM OF THE BORROWER/GRANTEE; CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

MOTION A motion was made by Councilor Chavez, seconded by Councilor Faulkner to approve Bill no. 2026-01.

VOTE The motion passed on a roll call vote as follows:

Councilor Chavez, yes; Councilor Barrett, yes; Councilor Cassutt, yes; Councilor Castro, yes; Councilor Garcia, yes; Councilor Feghali, yes; Councilor Faulkner, yes; Councilor Bustamante, yes.

20. PUBLIC HEARINGS (LAND USE CASES, APPEALS AND OTHER ITEMS REQUIRED TO HAVE A PUBLIC HEARING)

None.

22. ADJOURN

There being no further business before the Governing Body, the meeting adjourned at 7:32 pm.

_____
Mayor Michael Garcia

Attested To By:

_____
Geralyn F. Cardenas, Interim City Clerk

Respectfully Submitted By:

_____
Elizabeth Martin, Stenographer

GOVERNING BODY MEETING
EXECUTIVE SESSION
March 11, 2026

The Governing Body of the City of Santa Fe met in an executive session duly called on March 11, 2026, beginning at 5:52 p.m.

The following was discussed:

In Accordance with the Open Meetings Act, NMSA 1978, Section 10-15-1, Subpart (H)(7), Attorney-Client Discussion of Pending and Threatened Litigation, Including but not Limited to, Discussion of *Jared O'Shell v. Keisha Chavez*, D-101-CV-202402682 and Subpart (H)(8), Discussion of the Purchase, Acquisition or Disposal of Real Property or Water Rights by the Public Body at Zona del Sol. (Marcos Martinez, Interim City Attorney: mdmartinez@santafenm.gov)

PRESENT
Mayor Garcia
Councilor Barrett
Councilor Bustamante
Councilor Cassutt
Councilor Castro
Councilor Chavez (Virtual)
Councilor Faulkner
Councilor Feghali
Councilor Garcia

STAFF PRESENT
Brian Moya, Interim City Manager
Andrea Philips, Deputy City Manager
Marcos Martinez, Interim City Attorney
Geralyn Cardenas, Interim City Clerk
Terry Lease, Asset Manager (Left at 6:26 p.m.)

There being no further business to discuss, the executive session was adjourned at 6:32 p.m.

Geralyn F. Cardenas, Interim City Clerk

Date: March 10, 2026

To: Mayor Michael J. Garcia and Governing Body
Public Works & Utilities and Finance Committees

Via: Brian J. Moya, Interim City Manager BM

From: Jimmy Gunn, Interim Director, Santa Fe Regional Airport JG

Terry Lease, Manager, Asset Development TL

Subject: Lease Agreement Between City of Santa Fe and Mark A. Lopez Development, Inc.

ITEM AND ISSUE:

The Santa Fe Regional Airport respectfully requests your review and approval of a lease agreement between the City of Santa Fe (Santa Fe Regional Airport) and Mark A. Lopez Development, Inc., dba Signature Santa Fe; (Jimmy Gunn, jdgunn@santafenm.gov; Terry Lease, tjlease@santafenm.gov).

BACKGROUND AND SUMMARY:

The City of Santa Fe ("City" or "Lessor") owns and operates the Santa Fe Regional Airport ("Airport") in the City of Santa Fe, County of Santa Fe, State of New Mexico. Lessor allows Lessee the following "Premises": 272 square feet (215 sf Gift Shop and 41 sf Hallway Display Space) of space in the Terminal, for use as a Retail Gift Shop and Hallway Display space, identified as Suite 628.

The initial term of the proposed Lease is five (5) years, with two (2) option terms of five (5) years each. The base rent shall be $6,734.72 per year ($561.23 per month) and shall escalate at 2.5% per year, plus a Gross Receipts Fee of twelve percent (12%).

PRIOR APPROVALS AND SUPPORTING INFORMATION:

FUNDING SOURCE:

$$$$$ SOURCE/REVENUE: ☐**Expense** ☒**Revenue**

Munis Org Name/Number: 5456050

Munis Object Name/Number: 460150

City Council

Alma G. Castro, District 1 | Elizabeth "Liz" Barrett, District 2 | Lee Garcia, Mayor Pro Tem, District 3 | Jamie Cassutt, District 4
Patricia Feghali, District 1 | Paul C. Bustamante, District 2 | Pilar F.H. Faulkner, District 3 | Amanda Chavez, District 4

Budget Officer / Designee: Andy Hopkins **Date:** 03/11/2026

Budget Officer Comment/Exceptions: _____

PROCUREMENT METHOD:

The procurement method used was NMSA 1978, Section 13-1-98, Exempt

Real Property is exempt from Procurement

Chief Procurement Officer (CPO) / Designee: N/A - Exempt **Date:** _____

CPO Comment/Exceptions: _____

ASSOCIATED APPROVALS:

IT Components included? ☐ Yes | ☒ No

Approval: _____ **Title:** _____ **Date:** _____

Comment/Exceptions: _____

Vehicles included? ☐ Yes | ☒ No

Approval: _____ **Title:** _____ **Date:** _____

Comment/Exceptions: _____

Construction to City Facilities, Furniture, and/or Fixtures included? ☐ Yes | ☒ No

Approval: _____ **Title:** _____ **Date:** _____

Comment/Exceptions: _____

Is this an externally funded purchase? ☐ Yes | ☒ No

If yes, what is the issuing agency: _____

Approval: _____ **Title:** _____ **Date:** _____

Comment/Exceptions: _____

Is this a Capital Asset or Project? ☐ Yes | ☒ No

Project Ledger Number: _____

Approval: _____ **Title:** _____ **Date:** _____

Comment/Exceptions: _____

ATTACHMENTS:

Lease Agreement
Certificate of Insurance
Real Property Determination

ITEM # _____
RFP #:_____

LEASE AGREEMENT BETWEEN
THE CITY OF SANTA FE AND MARK A. LOPEZ DEVELOPMENT, INC.

This LEASE AGREEMENT ("Lease Agreement") is made and entered into as of the date of the last signature ("Effective Date"), by and between the CITY OF SANTA FE, a charter municipality organized under the laws of New Mexico ("City" or "Lessor") and MARK A. LOPEZ DEVELOPMENT, INC., a New Mexico corporation, dba Signature Santa Fe ("Lessee"), collectively the "Parties."

WHEREAS, City owns and operates the Santa Fe Regional Airport ("Airport") in the City of Santa Fe, County of Santa Fe, State of New Mexico; and

WHEREAS, operations at the Airport are subject to laws, rules, and regulations including Chapter 3 of the Santa Fe City Code of 1987 and the rules, fees, and minimum standards adopted thereunder; Chapter 64 of the New Mexico Statutes Annotated 1978 compilation, especially Article 1; 14 C.F.R. Parts 139, 158, and 170; and Federal Aviation Administration ("F.A.A.") grant assurances, Order 5190.6B on airport operations as updated, and policies including those on airport revenue use (64 C.F.R. 7715, as amended) and hangar use (81 F.R. 38910, as amended); and

WHEREAS, services provided by Airport tenants benefit general aviation at the Airport, commercial aviation operators and passengers, and residents of the City and of Santa Fe County; and

WHEREAS, the City operates a terminal building on the Airport known as Santa Fe Regional Airport Terminal ("Terminal"), located on the Airport at the end of Aviation Drive, Santa Fe, New Mexico for the purpose of providing safe and reliable air transportation services and supporting travel amenities; and

WHEREAS, on October 15, 2025 the City issued a Terminal Retail Concession Application, which was a competitive process to acquire an "Operator" to lease and operate a boutique-style retail concession located post-security in the Terminal; and

WHEREAS, Lessee submitted an application to the Terminal Retail Concession Application solicitation, and the Evaluation Committee subsequently selected Lessee as the Operator for the retail concession based on the cumulative score on the evaluation criteria; and

WHEREAS, the City desires to lease a portion of the Terminal to Lessee for the purpose of operating a boutique retail gift shop to patrons of the Airport.

WITNESSETH:

In consideration of the Lessee's promises herein, Lessor hereby gives Lessee a Lease Agreement, revocable and terminable as hereinafter provided, to enter on, make use of, and develop the real property of Lessor as follows:

1. PREMISES

Lessor allows Lessee to use, occupy, and develop, subject to the terms and conditions of this Lease Agreement, the following (collectively the "Premises."):

a. 272 square feet (215 sf Gift Shop and 41 sf Hallway Display Space) of space in the Terminal for use as a Retail Gift Shop and Hallway Display spaces (**"Retail Terminal Space"**) identified as Suite 628 and shaded in green on **Exhibit A** of this Lease Agreement.

b. Included in the Premises are;

   i. 16 square feet in the Terminal in front of the restroom foyer identified as area 139 for the placement of one vending machine ("**Vending Machine Terminal Space")** and is shaded in green on **Exhibit A1** of this Lease Agreement.

   ii. 25 square feet in the Terminal Front Lobby space identified as area 128 for the placement of one vending machine ("**Vending Machine Front Lobby Terminal Space")** and is shaded in green on **Exhibit A2** of this Lease Agreement.

   iii. "i" and "ii" totals 41 square feet and collectively are referred to as **"Vending Machine Terminal Spaces."**

c. The installation, location and maintenance, at Lessee's sole cost and expense, of identifying signs in the Premises shall be subject to the prior written approval of the Airport Manager, which approval shall not be unreasonably withheld, conditioned, or delayed. The general type and design of such signs shall be harmonious and in keeping with the pattern and decor of the Airport.

d. Lessee accepts the Premises in its present state and agrees that it is in good condition, without any representation or warranty by Lessor as to the condition of the Premises.

2. LEASE TERM

a. Initial Term. The initial term of this Lease Agreement shall commence at 12:00 a.m. on the Effective Date. The term of this Lease Agreement shall be five (5) years ("Initial Term") with two (2) Option Terms of five (5) years each.

b. Option Term. Lessee's exercise of any Option Term is contingent upon compliance with this Lease Agreement and with proper written notice by Lessee to Lessor at least ninety (90) days prior to the expiration of the Initial Term and approval or denial of any Option Term shall be at Lessor's sole discretion. All terms, covenants and conditions of this Lease Agreement, excepting the amount of rent to be paid, shall remain in full force and effect during any extension of the term.

c. Hold Over. In the event Lessee remains in possession of the Premises after the expiration of the Term of this Lease Agreement, such possession may, at the sole option of Lessor, be continued as a month-to-month tenancy, and such tenancy shall continue until terminated by City or Lessee with at least a 30-day prior written notice of intent to terminate such tenancy. During any such month-to-month tenancy, the Rent due shall be prorated and payable on a

monthly basis, and the terms and conditions of the Lease Agreement shall be otherwise applicable.

3. RENT AND FEES

a. Base Rent. Lessee shall pay Base Rent as follows:
   i. First year Monthly Rent for the Retail Terminal of $476.63 per month ($5,719.56 per year) based on $24.76 per square foot per year as provided for in the Terminal Retail Concession Application.
   ii. First year Monthly Rent for the Vending Machine Terminal Spaces of $84.60 per month ($1,015.16 per year) based on $24.76 per square foot per year.
   iii. Total first year Monthly Rent shall be $561.23 ($6,734.72 per year).

b. Option Term. Lessee's exercise of any Option Term is contingent upon compliance with this Lease Agreement and with proper written notice by Lessee to Lessor at least ninety (90) days prior to the expiration of the Initial Term and approval or denial of any Option Term shall be at Lessor's sole discretion. All terms, covenants and conditions of this Lease Agreement, excepting the amount of rent to be paid, shall remain in full force and effect during any extension of the term.

c. Payment of Rent. Rent is due on the Effective Date and thereafter due in full on the first day of each month.

d. Increase in Rent. Rent shall be increased annually, effective on the first anniversary of the Rent Commencement Date and annually thereafter. Annual increases in Rent shall be based on the attached Rent Schedule.

e. Rent Schedule. In consideration of this Lease Agreement, City and Lessee agree to the Rent Schedule attached as **Exhibit B.**

f. Gross Receipts Fee. Lessee agrees to remit to Lessor a "Concession Fee" as follows:
   i. Twelve Percent (12%) of all gross receipts initiated at the Airport.
   ii. All records, accounts, books, receipts and data on business activities shall be subject to inspection and audit by Lessor or Lessor's contractor. If an audit reveals a discrepancy of more than 5% of the gross receipts reported and the gross receipts determined by an audit for any 12-month period, Lessee shall pay the gross receipts fee on the difference, plus a 15% penalty amount added to the payment. If an audit reveals a discrepancy, Lessee agrees to reimburse Lessor for the cost of the audit or audits.
   iii. Payment of Gross Receipts Fees. Gross Receipts Payments are due in arrears, based on the prior months' sales, and is payable on the first day of the month following the prior months' sales. Lessee shall submit a detailed statement to Lessor with each Gross Receipts Fee payment.

a. Lessee shall make all payments to; City of Santa Fe, Finance Department, Accounts Payable Division, 200 Lincoln Ave., Room 114, Santa Fe, NM, 87504. *Lessee to include the Item # listed on the top right of page 1 on all payments.

b. Penalty for Late Payment. If money payable to Lessor as a condition of this Lease Agreement is not paid in full when due, a penalty of 10% of the amount due and unpaid shall be added to the amount due, and the total sum of the then-due rental payment plus penalty shall become

immediately due and payable to Lessor. A further penalty of 10% of the amount due and unpaid, including previously assessed penalties, shall be added for each additional month that said amount remains unpaid. The assessment and collection of the 10% penalty is in addition to any other rights of Lessor, if Lessee does not faithfully perform the terms, covenants and conditions of this Lease Agreement.

4. USE OF PREMISES

a. Conditions of Use. Lessee shall use the Premises solely for the purpose of operating boutique retail gift shop patrons of the Airport. The proposed merchandise plan includes, and not limited to, travel essentials, artisan crafts, apparel, jewelry, food and beverage and books and media. Lessee must at all times have the Premises covered with insurance and included in its liquor license to serve liquor.

b. Guarantee of Service. Lessee shall provide the following:
   i. Open to serve the public a minimum of 8-hours per day, 7-days per week, 365-days per year.
   ii. Service for all commercial airline flight passenger arrivals and departures that occur outside of normal daily operating hours.
   iii. At least one full-time employee on duty during Operating Hours, defined as 90 minutes prior to any scheduled departing flight through the end of boarding for that flight, seven (7) days per week. Lessee may operate additional hours at Lessee's discretion.

c. Improvement of the Premises. Lessee may, with the prior written consent of Lessor and at no cost to Lessor, make improvements to the Premises which are required to comply with the City of Santa Fe Land Use Code, which includes the Historic District Development Rules, and other applicable local, state and federal regulations. Lessee shall, upon Lessor's request, remove all such improvements made to the Premises at the termination of this Lease Agreement.

d. Trade Fixtures. All trade fixtures installed by Lessee after the Effective Date of this Lease Agreement shall remain the property of Lessee, who may remove the same upon termination of this Lease Agreement, provided that removal shall be done in such a manner as not to injure or damage the Premises. In the event that Lessee fails to remove said trade fixtures after receipt of notice from Lessor to do so, Lessor may remove and dispose of the same as it sees fit and Lessee agrees to sell, assign, transfer and set over to Lessor all of Lessee's right, title and interest in and to said trade fixtures and any personal property not removed by Lessee. Lessee further agrees that should Lessor remove said trade fixtures pursuant to this paragraph. that Lessee shall pay Lessor upon demand the cost of such removal, plus the cost of transportation and disposal thereof.

e. Compliance with Laws. Lessee's use of the Premises shall at all times be in compliance with the City of Santa Fe Municipal Code and other applicable local, state and federal regulations including but not limited to compliance with the City of Santa Fe Integrated Pest Management Policy (§ l 0-7 SFCC 1987) (the Pest Management Policy).

5. REPAIRS & MAINTENANCE

a. During the term of this Lease and any extension or renewal thereof, Lessee shall not cause or permit any waste, damage or injury to the Premises or to any improvements made to the Premises.
b. During the term of this Lease and any extension or renewal thereof, Lessee shall, at its sole expense, keep and maintain the Premises in good and clean condition at all times and shall be responsible for the costs of any and all required repairs, replacements, and capital improvements that arise during the Term of this Lease Agreement.
c. Repairs and replacements required to be made by the Lessee shall be made promptly as and when necessary and shall be at least equal in quality of materials and workmanship to that originally existing in the Premises.
d. Lessee shall at all times During the term of this Lease and any extension or renewal thereof, and in a timely manner, provide a safe Premises by eliminating conditions caused by, including and not limited to, snow, ice, debris, mold and standing water.
e. Lessor reserves the right to inspect the Premises at any time during the Term of this Lease Agreement to verify Lessee's compliance with this Section 5. In the event Lessee fails to maintain the Premises at a standard acceptable to the Lessor, as determined in Lessor's sole discretion, Lessor may terminate this Lease Agreement in accordance with Section 13 herein.
f. Repair and maintenance shall be to the sole satisfaction of Lessor, and if Lessee fails to fulfill any duty imposed under this Section 5 within a reasonable period of time, City may, at the discretion of the Airport Manager, perform those duties at Lessee’s sole cost. Lessee shall promptly cooperate with Lessor if Lessor undertakes to perform such duties. No action by Lessor taken pursuant to this Section 5 shall constitute a waiver of Lessee’s obligations. Lessee’s obligations under this Section 5 shall survive the expiration or termination of this Lease Agreement.

6. UTILITIES & SERVICES

a. Lessee, at Lessee’s sole cost and expense, agrees to provide the following:
   i. Janitorial supplies and services.
   ii. Phone, internet and related services.
b. Lessor, at Lessor’s sole cost and expense, agrees to provide the following:
   i. All gas, electricity, water, sanitary sewer service and refuse deposal services.
   ii. Pest control services.
   iii. Snow removal services.

7. TAXES

Lessee shall pay all taxes levied and assessed, if any, upon any personal property, fixtures and improvements belonging to Lessee and located upon the demised Premises, and all leasehold and possessory interest taxes levied or assessed by any proper taxing authority.

8. SUBLEASE, ASSIGNMENT OR TRANSFER

Lessee shall not sublet, assign or otherwise transfer this Lease Agreement, without the prior written consent of Lessor, which Lessor may withhold for any or no reason. Any such actions taken by Lessee without Lessor's consent shall result in the immediate termination of this Lease Agreement.

9. INSURANCE

Lessee shall at all times maintain and provide adequate insurance coverage which includes, without limitation, each of the following:

a. Property Insurance. Lessee shall carry and maintain in full force and effect during the term of this Lease Agreement casualty insurance ("extended coverage" and "additional extended coverage") as may be available for all improvements to the Premises in an amount sufficient to restore and replace existing structures and improvements if lost or damaged by any form of casualty. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

Commercial General Liability Insurance which shall be written on an occurrence basis and be at least as broad as the latest version of ISO form CG 00 01 with limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate for claims against bodily injury, personal and advertising injury, and property damage. Such policy shall include Broad Form Contractual Liability coverage and shall be endorsed to include the City, its, directors, officials, officers, employees, agents, and volunteers as additional insureds on all primary and excess policies for ongoing and completed operations performed by, or behalf of Contractor. Such additional insured coverage shall be as broad as that provided by ISO form CG 2010 (ongoing operations) and CG 20 37 (completed operations).

Workers' Compensation Insurance with statutory limits, and **Employer's Liability insurance** with limits of not less than $1,000,000 per accident or disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City, its directors, officials, officers, employees, agents, and volunteers.

b. Certificates of Insurance. Prior to the Effective Date of this Lease Agreement, and thereafter at any time during the Term of this Lease Agreement that Lessor requests, Lessee shall provide Lessor with certificates of insurance for each policy evidencing that the coverage required hereunder is current. Such policy shall provide that the coverage evidenced thereby shall not be terminated or modified for any reason without thirty (30) days prior written notice to the Lessor. A certificate or policy which states that failure to give such notice imposes no obligation on the part of the insurer shall be unacceptable to Lessor, and Lessee shall be responsible for removing such language from such certificate or policy.

10. INDEMNIFICATION

Lessee shall indemnify, hold harmless and defend Lessor from all losses, damages, claims or judgments, including payment of all attorney's fees and costs, on account of any suit, judgment, execution, claim, action or demand whatsoever arising from damages occurring on the Premises and Lessee's use of the Premises hereunder, including use of the Premises by Lessee's employees, agents, representatives, contractors, agents, guests, invitees or permitted assigns.

Lessee shall cause any and all agreements that Lessee enters into with any of the above parties to contain language indemnifying Lessor as provided in this Section.

11. NEW MEXICO TORT CLAIMS ACT

Any liability incurred by Lessor in connection with the Lease Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense, and do not waive any limitation of liability pursuant to law. No provision of this License modifies or waives any provision of the New Mexico Tort Claims Act.

12. EASEMENTS

Lessor reserves the exclusive right to grant access, utility or other easements on or through the Premises. Lessor shall notify Lessee in writing prior to Lessor's grant of any easement through the Premises.

13. TERMINATION

a. Lessor may terminate this Lease Agreement upon Lessee's failure to comply with any provisions contained herein. Prior to termination, Lessor shall hand deliver or mail notice to Lessee via certified or registered mail specifying:
    i. the breach;
    ii. the action required to cure the breach;
    iii. a date, not less than fifteen (15) days from the date the notice is hand delivered or mailed to Lessee, by which such breach must be cured; and
    iv. that failure to cure such breach on or before the date specified in the notice will result in termination of the Lease Agreement.
b. Either Party may terminate this Lease Agreement with written notice to the other Party at least ninety (90) days prior to the termination date.
c. At the termination of this Lease Agreement Lessee shall surrender the Premises in the condition in which they were at the inception of this Lease Agreement, excepting:
    i. Deterioration caused through reasonable use and ordinary wear and tear;
    ii. Alterations, improvements or conditions made with Lessor's written approval.

14. RIGHTS OF LESSOR

a. Operate the Airport in the best interest of the public and the right, without interference or hindrance, to maintain, improve, or further develop the landing area or public use facilities of the Airport as it sees fit, regardless of any protest of the Lessee, and to lease additional space to other concessions at the Airport regardless of any objection of the Lessee. The Lessor may relocate the Lessee if the physical development of the Airport or the Airport Terminal requires relocation of the Lessee, provided the Lessor gives sixty (60) days' written notice to the Lessee and the Lessor compensates the Lessee for the Premises in one of the two following methods, at the Lessor's expense:
    i. If the Lessor determines it has another location available at the Airport or in the Terminal which is generally comparable in location to that being taken for

development, then the Lessee shall relocate the Lessee-owned facilities to the new location in substantially similar form to that then existing. The Lessor shall reimburse Lessee within sixty (60) days for Lessee's actual expenses of relocation of its facilities, subject to Lessor's prior approval of the reasonableness of such expenses; or

ii. If Lessor determines that Lessee cannot be relocated as described above, then Lessor shall purchase from Lessee the Lessee-owned facilities to which title shall then pass in fee simple to Lessor. The amount to be paid by Lessor to Lessee shall be the fair market value of the improvements taken.

b. Enter upon the Premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Lease and any federal, state, or city laws, ordinances, regulations, rules, and codes now or hereafter in effect.

c. Lessor may tow at Lessee's expense any vehicle owned or rented by Lessee that is not parked in the Ready/Return, Parking Lot, or other area approved in writing by the Airport Manager.

15. RIGHTS OF LESSEE

a. Lessee shall have the right, but shall not be required:

i. To the non-exclusive use, in common with others, of the Airport, appurtenances, and improvements thereon, but this shall not restrict the right of the Lessor to charge visitors a fee for the use of such areas;

ii. To install, operate, maintain, repair and store, subject to approval of Lessor in the interests of safety and the convenience of all concerned, all equipment necessary for the conduct of Lessee's business; and

iii. Of access to and from the Premises, limited to streets, driveways, and sidewalks designated for such purposes by the Lessor, and which right shall extend to Lessee's employees, passengers, guests, and patrons.

b. Lessee is authorized, but not required, to provide the services set forth above in Section 4 (Use of Premises).

16. NOTICE

Any required notice will be deemed delivered, given and received (i) when personally hand delivered, or (ii) five days after the same are deposited in the United States mail, postage prepaid, registered, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To Lessor:	City of Santa Fe Attn. City Manager P.O. Box 909 Santa Fe, NM 87504	To Lessee:	Mark A. Lopez Development, Inc Attn. David Montoya Project Manager 1716 2nd Street Santa Fe, NM 87504

With a copy to: City of Santa Fe
Attn. Airport Manager
P.O. Box 909
Santa Fe, NM 87504

City of Santa Fe
Attn. Asset Development Manager
P.O. Box 909
Santa Fe, New Mexico 87504

17. NO WAIVER

No waiver of a breach of any of the provisions contained in this Lease Agreement shall be construed to be a waiver of any succeeding breach of the same or any other provisions.

18. SEVERABILITY

In the event that one or more of the provisions contained in this Lease Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

19. ENTIRE AGREEMENT

The foregoing constitutes the entire Lease Agreement between the Parties, represents their entire understanding, and defines all of their respective rights, title, and interests as well as all of their duties, responsibilities and obligations. Any and all prior lease agreements and understandings between the Parties related to the Premises, if any, are merged herein. This Lease Agreement shall not be modified or amended except by a written document signed by the Parties.

20. BINDING EFFECT

This Lease Agreement shall be binding upon and insure to the benefit of the Parties hereto and their respective successors and permitted assigns.

21. LITIGATION EXPENSE

In the event of litigation between the Parties, Lessee shall pay any necessary costs, including reasonable attorney's fees, expenses and other costs of collection or otherwise, which Lessor shall incur in enforcing this Lease Agreement or in recovering any and all damages caused to the Premises by Lessee, or Lessee's contractors, agents, employees or permitted assigns.

22. HEADINGS

The section headings contained in this Lease Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Lease Agreement.

23. APPLICABLE LAW; VENUE

In any action, suit or legal dispute arising from this Lease Agreement, Lessee agrees that the laws of the State of New Mexico shall govern. The Parties agree that any action or suit arising from this Lease Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

24. AMENDMENT

This Lease Agreement shall not be altered, changed or modified except by an amendment in writing executed by the Parties hereto.

25. SECURITY DEPOSIT

Lessee shall deposit with City, upon execution hereof, the Security Deposit of one month's rent as security for Lessee's faithful performance of its obligations under this Lease Agreement. If Lessee fails to pay Rent, or otherwise defaults under this Lease Agreement, City may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due City or to reimburse or compensate City for any liability, expense, loss or damage which City may suffer or incur by reason thereof. If City uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with City sufficient to restore said Security Deposit to the full amount required by this Lease Agreement. If the Base Rent increases during the term of this Lease Agreement, Lessee shall, upon written request from the City's Airport Manager or Administrative Manager, deposit additional monies with City so that the total amount of the Security Deposit shall always bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, the City's Airport Manager shall have the right to increase the Security Deposit to the extent necessary, in the Airport Manager's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease Agreement and following such change the financial condition of Lessee is, in the Airport Manager's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with City as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. City shall not be required to keep the Security Deposit separate from its general accounts. Within 30 days after the expiration or termination of this Lease Agreement, if City elects to apply the Security Deposit only to unpaid Rent, and otherwise within 60 days after the Premises have been vacated, City shall return that portion of the Security Deposit not used or applied by City. No part of the Security Deposit shall be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease Agreement.

26. CONSTRUCTION OF IMPROVEMENTS

a. Construction Assurance. Prior to the commencement of any construction or work of improvement on the Premises ("Improvements"), Lessee shall furnish to Lessor eveidence that sufficient monies will be available to complete the Improvements. Such evidence shall

represent at least the total estimated cost of construction and such evidence may take on of the following forms:

i. Performance Bond - To be supplied by Lessee's contractor(s) and issued jointly to Lessee and Lessor as Obligee; or

ii. Irrevocable Letter of Credit – or other form of banker's assurance issued to Lessor from a financial institution licensed to do business in the State of New Mexico and covered by Federal Depository Insurance which shall remain in effect until Lessor acknowledges satisfactory completion of construction of Improvements.

b. Turnover or Removal of Improvements.

i. Turnover of Improvements – If Lessor directs that the Improvements be turned over to Lessor at the expiration of this Lease Agreement, they shall be turned over in a state of good condition and repair.

ii. Removal of Improvements – If Lessor directs that the Improvements be removed, all or in part, prior to the expiration or termination of this Lease Agreement, Lessee shall remove all Improvements from the Premises, at Lessee's sole cost. Lessee shall restore the portions of the Premises from which it removes any Improvements, as nearly as reasonably possible, to a level graded condition at Lessee's sole cost. If Lessee has not removed the Improvements in a reasonable amount of time after the expiration or termination of this Lease Agreement, then Lessor may, at its option, declare the Improvements to be Lessor-owned real property, use or dispose of the remaining personal property pursuant to applicable law, and otherwise restore the Premises at Lessee's sole cost.

iii. Removal of Hazardous Materials – All hazardous on the Premises used or stored by Lessee must be removed prior to the expiration or termination of this Lease Agreement, whether or not the Improvements remain on the Premises.

27. OBSERVATION OF LAWS, RULES, REGULATIONS, AND FAA GRANT ASSURANCES

Lessee and Lessor agree to observe and obey during the Term of this Lease, all laws, ordinances, minimum standards, rules and regulations promulgated and enforced by Lessor, and by any other proper authority having jurisdiction over the conduct of operations at the Airport, including the federal government, the state, the county and the City now or hereafter in effect.

28. FAIR AND NONDISCRIMINATORY SERVICES

Lessee, in the conduct of its authorized business activities, shall furnish good, prompt, and efficient service in compliance with all applicable laws, rules, and regulations adequate to meet the demand for its services at the Airport, and shall furnish such service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and agrees to furnish such services at fair, equal, and not unjustly discriminatory prices for each unit of sale or service; provided, however, that Lessee shall be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchases. Lessee agrees to operate the business in an ethical and professional manner and shall keep the Premises in a safe, clean, orderly, and inviting condition at all times,

satisfactory to the Lessor. Lessee shall not permit its employees or agents to solicit customers on public property.

29. CIVIL RIGHTS ASSURANCES

a. Lessee agrees for itself, its employees, and its contractors and subcontractors that:

i. No person shall be excluded from participation in, benefits of, or otherwise subjected to discrimination in the use of the Airport on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, national origin, or citizenship status;

ii. In the construction of any improvements on, over, or under the Airport and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination on the grounds of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, national origin, or citizenship status; and

iii. Lessee shall comply with all requirements imposed by or pursuant to Title 49, code of Federal Regulations, Subtitle A, Part 21 in using Airport premises or providing services initiated at the Airport.

iv. Lessee assures that it will undertake an affirmative action program as required by 14 C.F.R. Part 152, Subpart E, to ensure that no person shall be excluded from employment activities or any covered service or benefit on a prohibited basis by Lessee, an employee of Lessee, or any contractor or subcontractor.

30. ENVIRONMENTAL PROTECTIONS

a. Lessee shall not commit or permit commission of any waste on the Airport, or any nuisance or other act or thing that may disturb the quiet enjoyment of the Airport or surrounding property. Lessee shall provide, as necessary, a separate drainage, collection, and/or separation system to ensure that no untreated liquid waste from any type of operation, including vehicle cleaning, fueling, and oil change operations, will enter the Airport storm drainage or sanitary system.

b. Lessee shall, at all times, comply with all applicable laws, rules, and regulations of the federal, state, and local government entities. Lessee shall not permit any activity which directly or indirectly produces objectionable or unlawful amounts or levels of air pollution, noise, glare, heat emission, electronic or radio interference with navigational and communications facilities for the operation of the Airport and for Airport use by aircraft, trash, or refuse accumulation, vibration, prop-wash, or jet blast, or which is hazardous or dangerous by reason of risk of explosion, fire, or harmful emission. Any waste oil storage tanks shall be in approved containers and in accordance with all environmental and fire protections regulations.

c. Hazardous substances are any substance, material, or waste, (including any petroleum products, solvents, thinners, herbicides and soil sterilants, and aircraft deicing fluids) which is or becomes designated, classified, or regulated as being "toxic," "hazardous," a "pollutant," or similar designation under any federal, state, or local law, regulation, or ordinance.

d. Pursuant to Section 10 (Indemnification) above, Lessee agrees to defend, indemnify, and hold Lessor harmless from and against all liabilities, claims, actions, foreseeable and unforeseeable consequential damages, costs, and expenses (including sums paid in settlement of claims and all consultant, expert, and legal fees and expenses of Lessor's counsel) or loss directly or indirectly arising out of or resulting from the presence of any hazardous substance as a result of Lessee's or any contractor or sub-tenant's activities, whether before, during, or after construction, in or around any part of the property or the soil, groundwater or soil vapor on or under the property, including those incurred in connections with any investigation of site conditions or any cleanup, remedial, removal, or restoration work, or any resulting damages or injuries to the person or property or which is brought against Lessor, whether alone or together with Lessee or any other person.

e. Lessee shall comply and cause all occupants of the property to comply with all laws, regulations, and ordinances governing or applicable to hazardous substances as well as the recommendations of any qualified environmental engineer or other expert which apply or pertain to the premises. Lessee acknowledges that hazardous substances may permanently and materially impair the value and use of real property. Lessee shall promptly notify Lessor if it knows, suspects, or believes there may be any hazardous substance in or around the property or in the soil, groundwater, or on or under the Airport, or that Lessee or the property may be subject to any threatened or pending investigation by any governmental agency under any law, regulation, or ordinance pertaining to any hazardous substance.

31. NONEXCLUSIVE RIGHTS

a. Lessee shall have the exclusive right and privilege of engaging in and conducting a business on the Premises of the Airport under the terms and conditions set forth herein, provided, however, that this Agreement shall not be construed in any manner to grant Lessee or those claiming under Lessee in this Agreement the exclusive right to the use of the common areas and facilities of the Airport.

b. Lessor shall have the right to lease other portions of the Airport or Airport Terminal to lessees, including other ground, air, and transportation services. Lessor shall not in the future form any other Agreement more favorable or less restrictive to Lessee's than set forth in this Agreement. Lessor understands and agrees that nothing in this Agreement shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958, as amended.

32. SUBORDINATE PROVISIONS

This Agreement is subject and subordinate to the terms, reservations, restrictions, provisions, and conditions of any existing or future agreement between the Airport and its appurtenant facilities, the execution of which have been or may be required as a condition precedent to the participation by any federal or state agency in the extension, expansion, or development of said airport or its facilities.

33. CERTIFICATES AND DOCUMENTS INCORPORATED

The following certificates and documents are incorporated herein to the extent they are consistent with the terms and conditions of this Lease Agreement.

i. The City Terminal Retail Concession Application dated October 15, 2025.

ii. The Terminal Retail Concession Application Proposal submitted by Mark A. Lopez Development, Inc. dated December 3, 2025.

[REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY]

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of this _____ day of _____, 20___.

LESSOR: **CITY OF SANTA FE**

_____
MICHAEL J. GARCIA, MAYOR

DATE: _____

LESSEE: MARK A. LOPEZ DEVELOPMENT, INC

David Montoya
David Montoya (Mar 3, 2026 14:21:45 MST)
_____
DAVID MONTOYA, PROJECT MANAGER

DATE: Mar 3, 2026

ATTEST:

_____
GERALYN F. CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM FOR LEGAL SUFFICIENCY:

Kevin L. Nault
Kevin L. Nault (Mar 3, 2026 14:23:59 MST)
_____
KEVIN L. NAULT, ASSISTANT CITY ATTORNEY

APPROVED AS TO FINANCE:

_____
ANDREA K. PHILLIPS, INTERIM FINANCE DIRECTOR
Business Unit/Line Item 5456050/460150

[*REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY*]

Exhibit A – Premises, Retail Terminal Space - Gift Shop and Hallway Display

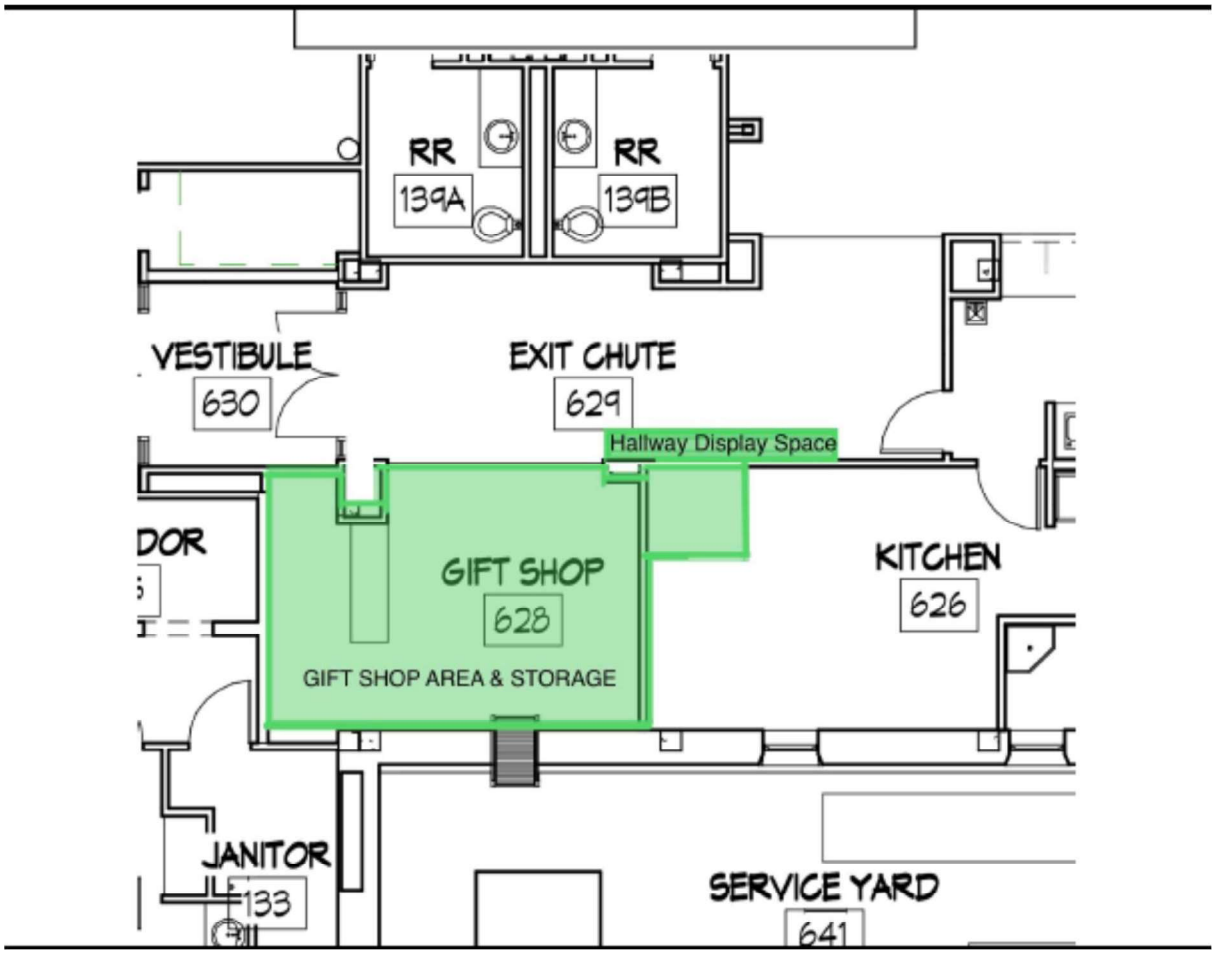


Exhibit A1 – Premises, Vending Machine Terminal Space

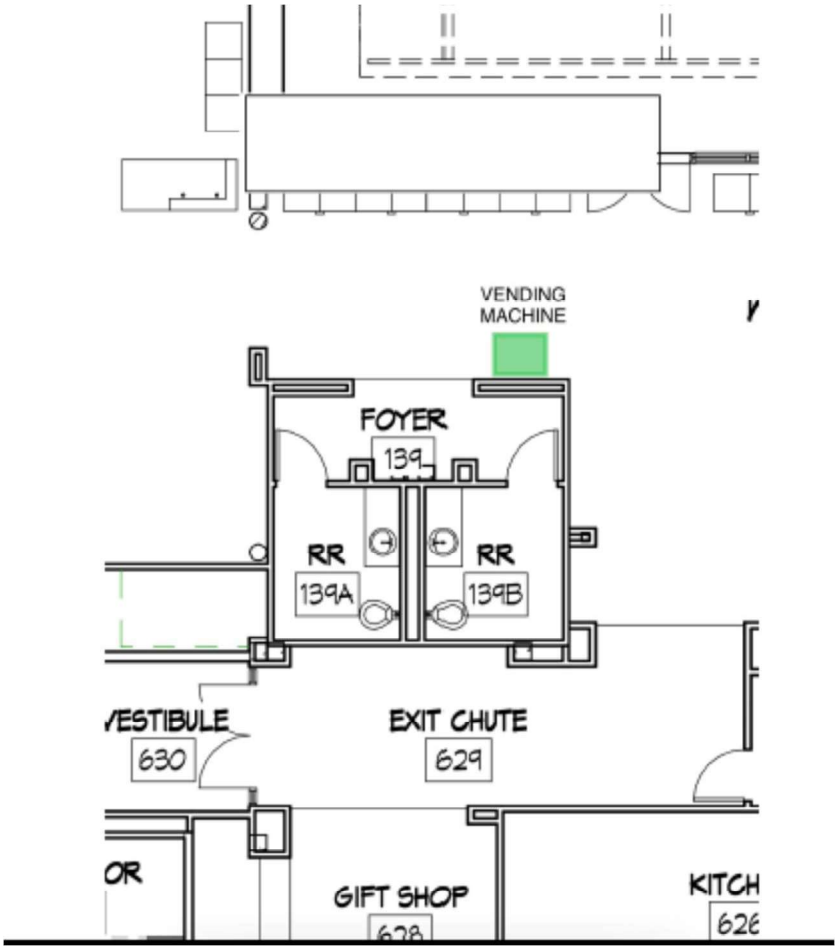


Exhibit A2 – Premises, Vending Machine Front Lobby Terminal Space

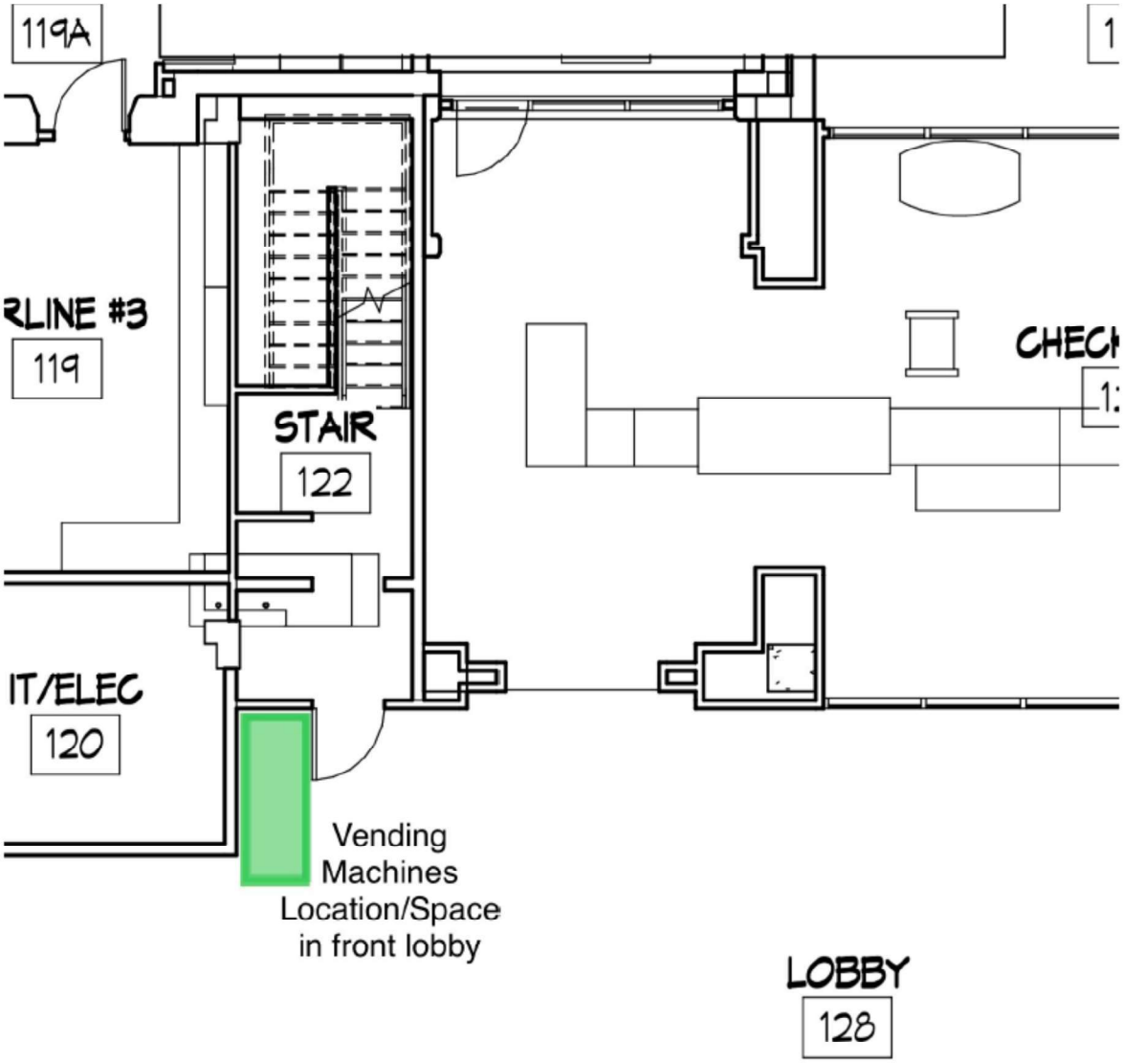


Exhibit B – Rent Schedule

Dates will be revised when contract is awarded.

Option Years	Year	Term Dates		Leasable Square Feet	Total Annual Rent	Escalation	Monthly Rent	Annual Cost per LSF
	1	4/1/2026	3/31/2027	272.00	$6,734.72		$561.23	$24.76
	2	4/1/2027	3/31/2028	272.00	$6,903.09	2.50%	$575.26	$25.38
	3	4/1/2028	3/31/2029	272.00	$7,075.67	2.50%	$589.64	$26.01
	4	4/1/2029	3/31/2030	272.00	$7,252.56	2.50%	$604.38	$26.66
	5	4/1/2030	3/31/2031	272.00	$7,433.87	2.50%	$619.49	$27.33
*	6	4/1/2031	3/31/2032	272.00	$7,619.72	2.50%	$634.98	$28.01
*	7	4/1/2032	3/31/2033	272.00	$7,810.21	2.50%	$650.85	$28.71
*	8	4/1/2033	3/31/2034	272.00	$8,005.47	2.50%	$667.12	$29.43
*	9	4/1/2034	3/31/2035	272.00	$8,205.60	2.50%	$683.80	$30.17
*	10	4/1/2035	3/31/2036	272.00	$8,410.74	2.50%	$700.90	$30.92
**	11	4/1/2036	3/31/2037	272.00	$8,621.01	2.50%	$718.42	$31.69
**	12	4/1/2037	3/31/2038	272.00	$8,836.54	2.50%	$736.38	$32.49
**	13	4/1/2038	3/31/2039	272.00	$9,057.45	2.50%	$754.79	$33.30
**	14	4/1/2039	3/31/2040	272.00	$9,283.89	2.50%	$773.66	$34.13
**	15	4/1/2040	3/31/2041	272.00	$9,515.98	2.50%	$793.00	$34.99
*Option Terms								

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 1/30/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Inszone Insurance Services, LLC 2721 Citrus Road, Suite A Rancho Cordova CA 95742 License#: 0F82764	**CONTACT NAME:** **PHONE (A/C, No, Ext):** 877-308-9663 **FAX (A/C, No):** 916-503-6271 **E-MAIL ADDRESS:** info@inszoneins.com
INSURED Mark A Lopez Development Inc PO Box 15184 Santa Fe NM 87592 MARKALO-02	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** United Fire & Casualty Company — 13021 **INSURER B :** **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 1691118704 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC OTHER:			60395148	9/3/2025	9/3/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 1,000,000 $ 100,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
A	**AUTOMOBILE LIABILITY** ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			60395148	9/3/2025	9/3/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 1,000,000 $ $ $ $
	UMBRELLA LIAB OCCUR **EXCESS LIAB** CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE AGGREGATE 	$ $ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
A	equipment floater			60395148	9/3/2026	9/3/2027	Scheduled equipment Unscheduled equipment	365,000 10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Verification of Insurance

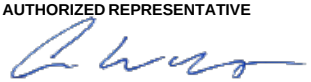
CERTIFICATE HOLDER

City of Santa Fe
PO Box 909
Santa Fe NM 87504-0909

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
Alma G. Castro, District 1
Michael J. Garcia, District 2
Carol Romero-Wirth, District 2
Lee Garcia, District 3
Pilar F.H. Faulkner, District 3
Jamie Cassutt, District 4
Amanda Chavez, District 4

Dear City Staff,

In accordance with State Statute and City Ordinances, this document serves as a blanket ***services'*** determination and is valid until June 30, 2026, for the types of general, professional, and construction services that are clearly one of the types pre-established and approved by the State Purchasing Agent and City CPO.

Please continue to obtain determinations for services that do not clearly and fully fit within the types listed below. For mixed or hybrid services, unclear scopes of work, and design-build projects, specific determinations will be required. In these cases, please email purchasing_det@santafenm.gov to obtain the necessary CPO determinations for your procurement needs.

Should you have any questions or require clarification on a particular service, feel free to contact CPD.

The following are General Services:

- Air/bus, vehicle charter/rental service
- Animal/k9 boarding - basic
- Auctioneers
- Audio-visual equipment setup and routine maintenance for events and presentations (including projectors, microphones, and speakers)
- Automotive mechanical services – all - including vehicle inspection, diagnostics, repair labor, parts replacement, and routine maintenance (e.g., oil changes, brake service, tune-ups, etc.)
- Banking Services (routine, transaction-based)
- Boiler testing/water treatment service
- Bookkeeping service (routine, transaction-based)
- Biohazard clean-up and disinfection services for crime scenes, homicides, suicides, unattended deaths, car accidents, deadly car crashes and cleanup of police units, along with any other biohazard situations. Building alarm systems, service and repair
- Check collection service
- Clothing, textile fabrication repair service

General Services (continued):

- Commercial laundry service, dry cleaning, etc.
- Communications systems installation, servicing, and repair
- Conference and trade show coordination
- Debt collection service
- Delivery/courier service
- Document storage, duplication, retrieval, review, and destruction service
- Drug testing and screening (standard tests)
- Engraving service
- Equipment installation, preventive maintenance, inspection, calibration, and repair
- Equipment rental services
- Exams administration and scoring service
- Executive recruitment
- Firefighting/suppression service
- Food preparation, vending, and catering services
- Health screening, basic diagnostic (wellness, blood pressure monitoring, blood draw, etc.)
- Herbicide application service
- Household goods packing, storage, transportation service
- HVAC system maintenance service - Includes filter changes, inspections, cleaning, minor repairs, and system diagnostics.
- Information Technology - Hosting only
- Information Technology Help Desk Services
- Information Technology Services requiring software or equipment
- Information Technology Software and Hardware Support Services
- Interpretive services: written/oral/sign language
- Inventory service
- Janitorial service, carpet cleaning, window washing
- Laboratory testing and analysis (standard tests only)
- Land clearing/debris removal service
- Landscaping—tree planting, grooming service, lawn mowing, etc. (but not landscape architects)
- Language translation service
- Linen rental service

General Services (continued):

- Marine equipment inspection, certification, and repair
- Medical equipment rental or repair service (wheelchairs, walkers, etc.), including measurements, adjustments, and modifications to meet patient needs
- Metal/pipe/wiring detection service
- Office furnishings installation, refurbishment, and repair service
- Package inspection and crating
- Painting service
- Paper shredding
- Parking lot sweeping/snow removal service
- Pest/weed control service
- Photographic/micrographic processing and delivery, includes aerial and ground photography (if analysis is included, then personal service)
- Printing/duplicating service
- Process serving
- Property management (rent collection, property maintenance, etc.)
- Recycling/disposal/litter pickup service
- Retreat and workshop planning, conduct, coordination, etc.
- Security/armored car services
- Shop welding/metal fabrication service
- Software as a Service
- Steam cleaning, high pressure washing, parts cleaning service
- Studio photography service (does not include portrait painting)
- Telephone interview service (conduct of survey using prescribed survey instrument)
- Towing service
- Traffic control services – including certified flaggers, barricade setup/removal, temporary signage, and traffic control plans (not involving permanent installations or design engineering)
- Training – when offered as a regular course by an institution (such as a college or university)
- Travel service — air, surface, water
- Videotaping and recording service
- Warehouse dry/cold storage rental service
- Weather information service

The following are Professional Services:

- Accountants (certified public accountants and registered public accountants)
- Actuaries
- Analysts of processes, programs, fiscal impact, and compliance
- Appraisers
- Archeologists
- Architects
- Artwork, original (services creating the artwork)
- Audio/video media productions (design, development, and/or oversight of)
- Auditors
- Broadband
- Business process re-engineering
- Counselors
- Consultants (including IT Consultants)
- Curriculum/Examination development
- Data Backup Services
- Data Storage and Management Services
- Design
- Economists
- Engineers
- Environmental monitoring: noise level, safety, hazardous gas detection, radiation monitoring service, etc.
- Financial Advisors
- Grant writing
- Graphic designers (creative or original in nature)
- Hearing officer services
- Independent Verification and Validation
- Information Technology Hosting when it includes Maintenance and Support
- Information Technology Maintenance
- Information Technology Management
- Information Technology Programming
- Information Technology Risk Assessment

Professional Services (Continued):

- Insurance Adjusters/Brokers
- Investigators (personnel-related, etc.)
- Investment advisors and management
- Labor negotiators
- Landscape Architects
- Lawyers
- Lobbyists
- Managed Network Services
- Management and system analysts
- Management consultants
- Marketing consultants (including identifying market opportunities, conduct of marketing programs, planning, promotion, market research surveys, etc.)
- Medical arts practitioners
- Medical – doctors, immunizations, etc.
- Mental health support – Therapists, Counselors, etc.
- Network Cybersecurity Services
- Network Installation
- Physicals
- Planners
- Policy Advisors
- Polygraph services
- Product Development Services
- Program/Project Managers
- Psychologists
- Public relations advisors/Publicists
- Publication development (creation of audio/video productions, brochures, pamphlets, maps, signs, posters, annual reports, etc.)
- Researchers
- Scientists (Bio/Chem/Env/Geo/Hydro/Mech, etc.)
- Social and Human Services - Includes case management, outreach, crisis intervention, supportive housing assistance, and other services intended to support vulnerable or at-risk populations. Services may be delivered by licensed or trained professionals in coordination with public or nonprofit systems.

Professional Services (Continued):

- Speech writers
- Statisticians
- Surveyors
- Trade developers
- Training – when it is specifically designed for an agency as opposed to established courses (such as out of the box training offered to all at a training company, university, or college)
- Veterinarian services
- Web design and development

The following are Construction Services:

- Bid-Build (Standard)
- Construction Managers
- New Construction (including buildings, roads, bridges, utilities)
- Remodeling and Renovations (interior and exterior work)
- Demolition (including site clearance)
- Excavation and Earthwork
- Electrical Work (installation, repair, upgrades)
- Permanent installation or upgrades of audio-visual systems (including wiring and structural modifications)
- Plumbing (installation, repair, maintenance)
- Masonry and Concrete Work
- Roofing (installation, repair, maintenance)
- Structural Repair and Reinforcement
- Stucco installation, repair, and finishing
- Painting and Finishing (for construction purposes)
- Mechanical Work (HVAC systems, etc.)
- Site Preparation and Land Grading
- Utility Installation and Repair (water, sewer, gas lines)

Travis Dutton-Leyda, Chief Procurement Officer

_____ Date: 06/30/2025

Emily Oster, Finance Director

Emily K. Oster Date: 06/30/2025

Signature: Terry Lease
Terry Lease (Mar 10, 2026 14:46:01 MDT)

Email: tjlease@santafenm.gov

Signature:

Email: jdgunn@santafenm.gov

Signature: BRIAN MOYA

Email: bjmoya@santafenm.gov

CITY OF SANTA FE

Date: March 11, 2026

To: Governing Body, Finance Committee, and Quality of Life Committee

From: Theresa Trujillo, Program Manager

Via: Manuel Sanchez, Senior Services Division Director/ Interim Community Services Department Director

Subject: Intergovernmental Agreement #26-624-4000-0024 A-1

Vendor Name: State of New Mexico Aging & Long-Term Services Department

Munis Vendor Number: 6170

ITEM AND ISSUE:

Community Services Department/Senior Services Division respectfully requests your review and approval of an Amendment 1 to Item number 25-0304 with State of New Mexico Aging and Long-Term Services Department (ALTSD) for Intergovernmental Agreement #26-624-4000-0024 A-1 for State Support to provide volunteer services for the Division of Senior Services Foster Grandparent Program (FGP), Senior Companion Program (SCP), RSVP program and Care Companion Program (CCP), for a term of July 1, 2025, through June 30, 2026, with State of New Mexico Aging & Long-Term Services Department (NMALTSD).

BACKGROUND AND SUMMARY:

Senior Services Division is requesting the approval of the State of New Mexico Aging and Long-Term Services Department Grant Agreement Amendment No. 1 for the Senior Volunteer Programs. The amendment reduction amount for the FGP Program is ($36,000.00) and the SCP Program is (36,000.00). The attached Intergovernmental Agreement #26-624-4000-0024 A-1 reflects the FY26 decrease appropriations for the two volunteer programs. The amended allocations are as follows: Foster Grandparent Program $52,208.17 and Senior Companion Program $121,304.83 for FY26 (July 1, 2025 – June 30, 2026).

Our Foster Grandparent program provides opportunities for our senior volunteers to serve children in classrooms or head starts who have special or exceptional needs, through one-on-one tutoring and mentoring, to maintain or improve the children's health status and psychosocial functioning. Our SCP volunteers shall serve adults, primarily older adults, with physical, emotional and/or mental health limitations, by providing person-to-person support and companionship necessary to maintain the adults' independent living and an enhanced quality of life. Our RSVP volunteers shall serve their communities by participating in special projects and supporting organizations to meet identified critical needs.

PRIOR APPROVALS AND SUPPORTING INFORMATION:

FUNDING SOURCE:

Fund Name/Number: Senior Citizen Grant/Fund 241

Munis Org Name/Number: NM Agency on Aging/490240

Munis Object Name/Number: Senior Volunteer Programs 2410116/Various

Budget Officer / Designee:_____ **Date:**_____

Budget Officer Comment/Exceptions: _____

PROCUREMENT METHOD:

The procurement method used was

IGA #26-624-4000-0024 A-1 with NM ALTSD expires on June 30, 2026

Chief Procurement Officer (CPO)/Designee: _____ **Date:** _____

CPO Comment/Exceptions: _____

ASSOCIATED APPROVALS:

IT Components included? ☐ **Yes** | ☒ **No**

Approval: _____ **Title:** _____ **Date:**_____

Comment/Exceptions: _____

Treasury/Point of Sale Components included? ☐ **Yes** | ☒ **No**

Approval: _____ **Title:** _____ **Date:**_____

Comment/Exceptions:_____

Vehicles included? ☐ **Yes** | ☒ **No**

Approval: _____ **Title:**_____ **Date:** _____

Comment/Exceptions: _____

Construction to City Facilities, Furniture, and/or Fixtures included? ☐ **Yes** | ☒ **No**

Approval: _____ **Title:**_____ **Date:**_____

Comment/Exceptions: _____

Is this an externally funded purchase? ☐ **Yes** | ☒ **No**

If yes, what is the issuing agency: _____

Approval: _____ **Title:**_____ **Date:** _____

Comment/Exceptions:_____

Is this a Capital Asset or Project? ☐ **Yes** | ☒ **No**

Project Ledger Number: _____

Approval: _____ **Title:** _____ **Date:** _____

Comment/Exceptions: _____

ATTACHMENTS:
Intergovernmental Agreement #26-624-4000-0024 A-1
Item #25-0304 Intergovernmental Agreement #26-624-4000-0024

STATE OF NEW MEXICO

AGING & LONG-TERM SERVICES DEPARTMENT
INTERGOVERNMENTAL AGREEMENT **#26-624-4000-0024 A-1**

THIS Amendment is made and entered into by and between the State of New Mexico, **Aging & Long-Term Services Department**, hereinafter referred to as the "Department," and **City of Santa Fe** hereinafter referred to as the "Contractor," and is effective as of the date set forth below upon which it is executed by the Department and collectively as the "Parties."

PURPOSE OF THE AMENDMENT:

- **To correct Attachment 1 Scope of Work, Part 5, Subsection d, item i. To reduce number of VSYs, minimum number of hours, and compensation**
- **To correct Attachment 1 Scope of Work, Part 5, Subsection d, item ii. To reduce number of VSYs, minimum number of hours, and compensation**
- **To correct Section 2 Compensation, line 4, reference from 'Attachment 3, Budget' to 'Attachment 2, Budget'**

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE-REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

I. **Scope of Work.**

Part 5, Subsection D, item i:

i. **Foster Grandparent Program (FGP)**: Recruit and place a minimum of 6 VSYs in schools, childcare centers, and other congregate settings for children or as allowable by AmeriCorps Seniors Santa Fe County, and to provide a minimum of 6,264 hours of service during the contract period.

Part 5, Subsection D, item ii:

ii. **Senior Companion Program (SCP)**: Recruit and place a minimum of 13 VSYs in the homes of frail and disabled elders or as allowable by AmeriCorps Seniors in Santa Fe County, and to provide a minimum of 13,572 hours of service during the contract period.

II. **Compensation.**

A. The Department shall pay the Contractor in full payment for services satisfactorily performed based upon deliverables as outlined in the Scope of Work. **The total amount payable to the Contractor under this Agreement, including gross receipts**

tax and expenses, has been reduced by $72,000.00 and shall not exceed $241,120.00, per Attachment 2, Budget. This amount is a maximum and not a guarantee that the work assigned to be performed by the Contractor under this Agreement shall equal the amount stated herein. The Parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the Department when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

All other articles of this contract remain the same.

EXECUTED AND AGREED TO by signatures below.

By: _____ Date:_____
Emily Kaltenbach, Cabinet Secretary or designee
Aging and Long-Term Services Department

By: _____ Date:_____
Craig Hay, Acting General Counsel or designee - Certifying legal sufficiency
Aging & Long-Term Services Department

By: _____ Date:_____
Amanda Rodriguez, Chief Financial Officer
Aging and Long-Term Services Department

By: _____ Date:_____
Michael J. Garcia, City Mayor
City of Santa Fe

ATTEST:

_____
GERALYN CARDENAS, INTERIM CITY CLERK

CITY ATTORNEY'S OFFICE:

Sarah Piltch
Sarah Piltch (Mar 11, 2026 09:49:00 MDT)
_____
SARAH PILTCH, ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

_____
ANDREA PHILLIPS, INTERIM FINANCE DIRECTOR

ATTACHMENT 2 BUDGET
Contract# 26-624-4000-0024
City of Santa Fe
Volunteer Programs

The Contractor shall provide the Services identified below as required by the Department based on the assessed need of the community and individuals receiving Services under this Contract. The amount payable under this Contract shall be made on a fixed rate for the provision of the identified Services

The contract amendment is to provide funding for FY26 as follows:

Foster Grandparents Program	$52,208.17
Senior Companion Program	$121,304.83
RSVP	$58,607.00
Care Companion Program	$9,000.00
FY 26 Total	**$241,120.00**

The total amount payable under this contract shall not exceed $241,120.00

Services will be provided to ALTSD-approved participants every month of the contract year in: Santa Fe County

Docusign Envelope ID: 82D9918B-AC25-4A73-BDB1-FB5FCFF8AEFD

STATE OF NEW MEXICO

AGING & LONG-TERM SERVICES DEPARTMENT
INTERGOVERNMENTAL AGREEMENT **#26-624-4000-0024**

THIS AGREEMENT is made and entered into by and between the State of New Mexico, **Aging & Long-Term Services Department**, hereinafter referred to as the "Agency," and **City of Santa Fe**, hereinafter referred to as the "Contractor," and is effective as of the date set forth below upon which it is executed by the department and collectively as the parties.

IT IS AGREED BETWEEN THE PARTIES:

1. **Scope of Work.**
The Contractor shall perform the following work, which is hereby incorporated and, are part of this contract as Attachment 1.

2. **Compensation.**
A. The Agency shall pay to the Contractor in full payment for services satisfactorily performed based upon deliverables as outlines in the Scope of Work. **The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed ($313,120.00) as listed in Attachment 3, Budget. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the Agency when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.**

B. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work, and to approval by the GSD/SPD. All invoices MUST BE received by the Agency no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date WILL NOT BE PAID.

C. Contractor must submit a detailed statement accounting for all services performed and expenses incurred. If the Agency finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the Agency that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the agency shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

Docusign Envelope ID: 82D9918B-AC25-4A73-BDB1-FB5FCFF8AEFD

3. **Term.**

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE AGENCY. This Agreement shall terminate on **June 30, 2026** unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations). In accordance with NMSA 1978, § 13-1-150, no contract term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in NMSA 1978, § 13-1-150.

4. **Termination.**

A. Grounds. The Agency may terminate this Agreement for convenience or cause. The Contractor may only terminate this Agreement based upon the Agency's uncured, material breach of this Agreement.

B. Notice: Agency Opportunity to Cure.

1. Except as otherwise provided in Paragraph (4)(B)(3), the Agency shall give Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.

2. Contractor shall give Agency written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall (i) identify all the Agency's material breaches of this Agreement upon which the termination is based and (ii) state what the Agency must do to cure such material breaches. Contractor's notice of termination shall only be effective (i) if the Agency does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, the Agency does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin with due diligence to cure the material breach.

3. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by the Agency; (ii) if, during the term of this Agreement, the Contractor is suspended or debarred by the State Purchasing Agent; or (iii) the Agreement is terminated pursuant to Paragraph 5, "Appropriations", of this Agreement.

C. Liability. Except as otherwise expressly allowed or provided under this Agreement, the Agency's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. *THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE AGENCY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.*

D. Termination Management. Immediately upon receipt by either the Agency or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the Agency; 2) comply with all directives issued by the Agency in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the Agency shall direct for the protection, preservation, retention or transfer of all property titled to the Agency and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become

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property of the Agency upon termination and shall be submitted to the agency as soon as practicable.

5. **Appropriations.**

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, this Agreement shall terminate immediately upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the Agency proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

6. **Status of Contractor.**

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the State of New Mexico. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the State of New Mexico unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. **Assignment.**

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the Agency.

8. **Subcontracting.**

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the Agency. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the Procuring Agency.

9. **Release.**

Final payment of the amounts due under this Agreement shall operate as a release of the Agency, its officers and employees, and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

10. **Confidentiality.**

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the Agency.

11. **Product of Service -- Copyright.**

All materials developed or acquired by the Contractor under this Agreement shall become the property of the State of New Mexico and shall be delivered to the Agency no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

12. **Conflict of Interest; Governmental Conduct Act.**

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with NMSA 1978, § 10-16-4.3, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any Agency employee while such employee was or is employed by the Agency and participating directly or indirectly in the Agency's contracting process;

2) this Agreement complies with NMSA 1978, § 10-16-7(A) because (i) the Contractor is not a public officer or employee of the State; (ii) the Contractor is not a member of the family of a public officer or employee of the State; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the State, a member of the family of a public officer or employee of the State, or a business in which a public officer or employee of the State or the family of a public officer or employee of the State has a substantial interest, public notice was given as required by NMSA 1978, § 10-16-7(A) and this Agreement was awarded pursuant to a competitive process;

3) in accordance with NMSA 1978, § 10-16-8(A), (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the State within the preceding year and whose official act directly resulted in this Agreement and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the State whose official act, while in State employment, directly resulted in the Agency's making this Agreement;

4) this Agreement complies with NMSA 1978, § 10-16-9(A)because (i) the Contractor is not a legislator; (ii) the Contractor is not a member of a legislator's family; (iii) the Contractor is not a business in which a legislator or a legislator's family has a substantial interest; or (iv) if the Contractor is a legislator, a member of a legislator's family, or a business in which a legislator or a legislator's family has a substantial interest, disclosure has been made as required by NMSA 1978, § 10-16-7(A), this Agreement is not a sole source or small purchase contract, and this Agreement was awarded in accordance with the provisions of the Procurement Code;

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5) in accordance with NMSA 1978, § 10-16-13, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

6) in accordance with NMSA 1978, § 10-16-3 and § 10-16-13.3, the Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the Agency.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which the Agency relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to the Agency if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the Agency and notwithstanding anything in the Agreement to the contrary, the Agency may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

13. Amendment.

A. This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the Agency proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

14. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15. Penalties for violation of law.

The Procurement Code, NMSA 1978 §§ 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

16. Equal Opportunity Compliance.

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment

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opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

17. Applicable Law.

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1 (G). By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

18. Workers Compensation.

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the Agency.

19. Records and Financial Audit.

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the Agency, the General Services Department/State Purchasing Division and the State Auditor. The Agency shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the Agency to recover excessive or illegal payments

20. Indemnification.

The Contractor shall defend, indemnify and hold harmless the Agency and the State of New Mexico from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the Agency and the Risk Management Division of the New Mexico General Services Department by certified mail.

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21. **New Mexico Employees Health Coverage.**

A. If Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed $250,000 dollars.

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the state.

C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage.

22. **Invalid Term or Condition.**

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

23. **Enforcement of Agreement.**

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

24. **Notices.**

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the Agency:
Robert Morrison, Program Coordinator, Senior Services Bureau
Aging and Long-Term Services Department
2550 Cerrillos Rd.
Santa Fe, NM 87505

To the Contractor:
Alan M Webber, Mayor
City of Santa Fe
505-955-4755

25. **Authority.**

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind

Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

Contract ID#26-624-4000-0024

EXECUTED AMD AGREED TO by signatures below.

Signed by:
By: Emily Kaltenbach
8968AAEE52ED4D2...
Emily Kaltenbach, Cabinet Secretary
Aging & Long-Term Services
Date: 7/11/2025

Signed by:
By: Craig Hay
4953FF916CF2472...
Craig Hay, Acting General Counsel, ALTSD
Date: 7/11/2025

DocuSigned by:
By: Latishia Ortiz
1040F739B85045D...
Latisha Ortiz, Chief Financial Officer
Aging & Long-Term Services
Date: 7/11/2025

By: Alan Webber (Jul 10, 2025 14:46 MDT)
Alan M. Webber-Mayor
City of Santa Fe
Date: 07/10/2025

ATTEST:

ANDREA SALAZAR (Jul 7, 2025 14:47 MDT)
ANDRÉA SALAZAR, CITY CLERK
GB MTG 07/09/25

CITY ATTORNEY'S OFFICE:
Patricia Feghali
Patricia Feghali (Jun 23, 2025 11:55 MDT)
ASSISTANT CITY ATTORNEY

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Contract ID#26-624-4000-0024

APPROVED FOR FINANCES:

Emily K. Oster

EMILY OSTER, FINANCE DIRECTOR

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Attachment 1
Scope of Work

1. PURPOSE

The purpose of the Contract is to ensure that volunteer programs (Services) authorized by the Aging and Long-Term Services Department (Department) provide meaningful opportunities for older adults to engage in their communities and help address critical community needs. For the purposes of this Scope of Work, "Services" is defined as the Foster Grandparent Program (FGP), the Senior Companion Program (SCP), Care Companion Program (CCP), and the RSVP (formally Retired Senior Volunteer Program). Descriptions and authorizations for the Services are set forth below. The Services should produce results that support ALTSD's mission and goals set forth in its Strategic Plan. The Services provided for in this Contract shall address the following specific issue and/or deliverable: supporting older adults to remain independent, at home, and contributing to the community.

Services provided for under this Contract are as follows:

a. The **Foster Grandparent Program (FGP)** The purpose of the program is to provide opportunities for persons aged 55 or older with low incomes to provide supportive person-to-person services to help alleviate the physical, mental, or emotional problems of youth, less than 21 years of age, with special or exceptional needs.

b. The **Senior Companion Program (SCP)** The purpose of the program is to provide opportunities for persons aged 55 or older with low incomes to provide supportive person-to-person services to adults aged 55 and older with health and functional limitations to enable them to remain as independent as possible in their own homes.

c. The **Care Companion Program (CCP)** provides companionship to adults aged 55 or older residing in assisted living and long-term care facilities. Volunteers do not act as facility support nor should they be performing the role of a staff member at the facility. CCP volunteers must be a minimum of 18 years of age, and neither the volunteer's nor resident's income level is a determining factor for participating in the CCP.

d. **RSVP (formally Retired Senior Volunteer Program)** secures and facilitates a variety of opportunities for persons aged 55 and older to contribute their skills and expertise to community projects and organizations. The purpose of the program is to provide opportunities for people aged 55 or older to engage in volunteer activities designed to meet critical community needs.

2. POPULATIONS TO BE SERVED

a. **FGP** volunteers shall serve youth under the age of 21 who have special or exceptional needs, through one-on-one tutoring and mentoring, to maintain or improve the youths' health status and psychosocial functioning.

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b. **SCP** volunteers shall serve adults aged 55 and older with physical, emotional and/or mental health limitations by providing person-to-person support and companionship necessary to maintain the adults' independent living and an enhanced quality of life.

c. **CCP** volunteers are to provide companionship to individual facility residents, particularly ones who generally do not receive visitors on a regular basis.

d. **RSVP** volunteers shall serve their communities by participating in special projects and supporting organizations to meet identified critical needs.

The Contractor shall be responsible for the provision of Services in which shall be referred to as the "Service Area."

3. RESPONSIBILITIES OF THE CONTRACTOR

Program Requirements:

i. The Contractor must be designated as an official AmeriCorps Seniors program through the federal AmeriCorps organization in the designated Service Area.

ii. As required by the Department, the Contractor shall administer all or part of the Services in the designated Service Area, in accordance with the finalized, fully executed contract.

iii. The Contractor shall comply with all New Mexico laws, rules and regulations (9.2.14 NMAC; 9.2.15 NMAC; 9.2.16 NMAC), Department policies and procedures, and AmeriCorps Seniors federal statutes and guidelines.

iv. The Contractor shall establish and maintain staff positions to perform all contractual obligations including but not limited to management, supervision, service provision coordination, accounting, data collection, and reporting.

v. The Contractor shall be responsible for outreach, recruitment, and placement of volunteers in Volunteer Station(s). As used in this Contract, Volunteer Stations are public agencies, secular or faith-based private non-profit organizations, or health care organizations that accept the responsibility of assignment and supervision of volunteers. The placement of volunteers shall be governed by a Memorandum of Understanding (MOU) between the Contractor and the Volunteer Station(s). If a MOU does not exist between the Contractor and the

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Volunteer Station, the Contractor shall execute said MOU within 15 days of final execution of this Contract.

vi. In conjunction with a Volunteer Station, the Contractor shall develop an assignment plan which clearly sets forth the outcomes and expectations as well as the criteria by which each volunteer will be measured. The assignment plan shall also contain documentation demonstrating whether deliverables as set forth in the Contract have been met. The activity plan shall be in writing and implemented within 15 days of the volunteer's start date. The Contractor shall provide to the Department each volunteer's assignment plan within 5 days of the Department's written request.

vii. The Contractor shall comply with the National Service Criminal History Check (Criminal Check) requirements for volunteers and employees prior to a volunteer's start date. All required Criminal Checks will be completed at the Contractor's expense. Criminal Checks are an allowable expense under the contract.

viii. The Contractor shall ensure that each volunteer meets the eligibility criteria as required by AmeriCorps Seniors program regulations and handbooks.

ix. The Contractor shall ensure that all required paperwork and forms are completed and current for all volunteers with the AmeriCorps Seniors handbook. The Contractor shall provide to the Department all AmeriCorps Seniors required paperwork and forms within 5 days of the Department's written request.

x. The Contractor shall plan and implement annual recognition events for volunteers in accordance with the AmeriCorps Seniors program handbook and in coordination with its Advisory Council. Recognition events shall be provided as resources permit one time per state fiscal year (per FGP, SCP, CCP, and RSVP program if held separately), without prior written permission from the Department. The Contractor shall include documentation, including the number of recognition event attendees in its bi-annual report to the Department.

a. Performance Measures/ Fiscal Requirements:

i. The Contractor shall develop and submit an annual work plan and budget that identifies all projected services, expenditures, and outlines how all funds will be spent, including justification for each program to coincide with awarded amounts within the Department's deadline. Separate budgets, justifications and

program plans are to be submitted for each program - FGP, SCP, RSVP, and each service area, administered by the Contractor.

ii. The Contractor shall submit to the Department monthly an invoice for reimbursement. The invoice for reimbursement shall be due on the 12th day of the month, for the prior month's expenditure until all funds are spent, and a final report shall be due as required by the Department each year.

iii. The Contractor shall upload to the corresponding monthly file in Revver all invoices for reimbursement and supporting documentation to include workbook detail, statements, invoices and proof of payment, timesheets, general ledger, etc.

iv. The Contractor will evaluate allocation balances in collaboration with the assigned Program Coordinator mid-fiscal year (December) to determine if there is a need to relinquish or request additional funding (if available). Inability by the Contractor to fully expend contract allocation by June 30 may result in a reduction in the contract allocation.

v. The Contractor shall submit to the Department a Service Modification Request form when community need, identified by the Contractor or Department warrants modification to the service provisions outlined within this contract. Service modification requests shall remain within the intent of FGP, SCP, and RSVP programs scope of work. Approval of service modification requests shall be determined by the Department.

vi. The Contractor shall submit to the Department a Budget Adjustment Request (BAR) for review and approval when the restructuring of allocation, increase to allocation, or decrease to allocation will result in changes to contracted volunteer service year (VSY) or hours of service.

vii. The Contractor shall provide records, reports, other documents, and access to facilities as requested by Department staff within 5 business days.

b. Performance Measures/ Reporting Requirements:

i. The Contractor shall submit semi-annual narrative reports for the purpose of reporting program activities for the contract year using the template provided by the Department. The Contractor shall upload the reports to the Revver system folder titled "Reports". The due dates for the reports are as follows:

1. **February 1st for the period July 1–December 31**
2. **August 1st for the period January 1– June 30**

ii. The Contractor shall submit a semi-annual narrative report to the Revver folder titled "Reports" by February 1.

iii. The Contractor shall submit a copy of the AmeriCorps Seniors annual Progress Report Supplement document to the Department by February 1 in combination with the semi-annual narrative report to the Revver folder titled "Reports".

iv. The Contractor shall submit quarterly volunteer data reports for the contract term utilizing the quarterly data surveys distributed by the Department. Each report is due according to the annual Volunteer Calendar provided by the Department (subject to change).

v. The Contractor shall keep all documentation, including, but not limited to, reports, data, forms, and invoices for a minimum of 6 years. Such documentation shall be made available to the Department within 5 days of its request.

4. **DEPARTMENT OVERSIGHT**

a. Department staff shall conduct periodic site visits (with or without notice) with the Contractor, to evaluate progress, identify best practices or problem areas, and to determine actions to be taken by parties to resolve any issues that the Department identifies. The site visits will include, but not limited to visiting volunteer stations, clients, and Contractors' place of business.

b. Department staff shall conduct monitoring of the Contractor for compliance with performance measures and scope of work deliverables throughout the term of the contract, which may include desk reviews of fiscal and programmatic documentation, and on-site monitoring, the frequency of which shall be determined by the Department, at its sole discretion. The Department shall produce, and provide to the Contractor, a report(s) of its findings. The Contractor shall cooperate with Department staff in the monitoring process by granting access to the Contractors program and fiscal records (for all funding sources, both electronic and hard copy).

c. The Department shall review, certify, and disburse reimbursements to the Contractor, upon receipt of complete and accurate monthly invoices and supporting documentation to include workbook detail, statements, invoices and proof of payment, timesheets, general ledger, etc. The Department shall determine at its sole

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discretion whether an invoice and supporting documentation is sufficient, complete, and accurate to permit disbursement of funds.

d. The Contractor authorizes the Department, or their designees, to perform audits and/or inspections of its records, at any reasonable time, to assure compliance with state terms and/or to evaluate the Contractor's performance for all funding sources.

5. SERVICE PROVISION

a. The Department has adopted the AmeriCorps Seniors Volunteer Program Handbook based on federal regulations for each respective program as the operating standard for state funded projects. The Services provided are intended to benefit the clients served, the community, and the senior volunteers themselves. One Volunteer Service Year (VSY) is equal to 1,044 hours of volunteer service. One VSY is not representative of a single volunteer but rather a volunteer or grouping of volunteers performing hours of service that equal 1,044 hours cumulative.

b. **NMAC 9.2.15.9 CORPORATION FOR NATIONAL AND COMMUNITY SERVICE HANDBOOK:**

i. The department adopts the most current corporation for national and community service (CNCS)
Senior Companion Program handbook as the operating rules and procedures with which state-funded senior companion programs must comply.

ii. Eligibility for state-funded senior companion programs is the same as for the CNCS program.

However, the department secretary may waive any provisions of the CNCS handbook except those which will jeopardize a program's continued federal sponsorship. [9.2.15.9 NMAC - Rp, SAA Rule No. 95-15.9, 6/30/2015]

c. **FGP and SCP Volunteer cost reimbursements**
AmeriCorps Senior volunteers, Foster Grandparent and Senior Companion Programs must serve from 5 to 40 hours a week. The stipend is payment to volunteers to enable them to serve without cost. Volunteer stipends are paid at $4.00 per hour. RSVP does not provide stipends or allowance to volunteers.

Services performed other than those identified above will not be eligible for stipend, cost reimbursement, or calculated towards the VSY or hours of service requirements per this contract.

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d) **Care Companion Volunteer cost reimbursements**
Volunteers must serve from 5 to 40 hours a week. The stipend is payment to volunteers to enable them to serve without cost. Volunteer stipends are paid at $4.00 per hour.

The Contractor will provide the following Services in accordance with the final, fully executed contract and monitored through the Contractor's submission of monthly invoices for reimbursement, Quarterly Reports, Narrative Reports, and Department annual program monitoring reviews:

i. **Foster Grandparent Program (FGP):** Recruit and place a minimum of 10 VSYs in schools, childcare centers, and other congregate settings for children or as allowable by AmeriCorps Seniors Santa Fe County, and to provide a minimum of 10,440 hours of service during the contract period.

The goals of FGP are to:
Enable persons aged 55 and older with low incomes to remain physically and mentally active and to enhance their self-esteem through continued participation in community services.
Enable children with either exceptional or special needs to achieve improved physical, mental, emotional, and/or social development.

ii. **Senior Companion Program (SCP):** Recruit and place a minimum of 17 VSYs in the homes of frail and disabled elders or as allowable by AmeriCorps Seniors in Santa Fe County, and to provide a minimum of 17,748 hours of service during the contract period.

The goals of SCP are to:
Enable persons aged 55 and older with low incomes to remain physically and mentally active and to enhance their self-esteem through continued participation in community services.
Enable older adults with health and functional limitations to remain as independent as possible in their own homes.

iii. **Care Companion Program (CCP):** Recruit and place a minimum of 1 VSY in assisted living and/or long-term care facilities in Santa Fe County, to provide a minimum of 1,044 hours of service during the contract period.

The goals of Care Companion Program are to:
Provide companionship to older adults 55 or older residing in assisted living and long-term care facilities, particularly those who generally do not receive visitors on a regular basis.

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iv. **RSVP**: Recruit and place a minimum of 59 volunteers in community placements in Santa Fe County, to provide a minimum of 59,000 hours of service during the contract period.

The goals of RSVP are to:

Enable persons aged 55 and older to remain physically and mentally active and to enhance their self-esteem through continued participation in community services. Enable communities to enhance their efforts in meeting identified needs through using the skills of older adult volunteers.

d) Recruit volunteers willing to be Older Adult Peer Specialist certified through Health Care Authority (HCA), Community Health Workers certified through DOH, or Ombudsman volunteers with ALTSD by providing opportunities.to work with older adults living with behavioral health challenges.

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Volunteer Program Assurances. Terms. and Conditions

By signing the FY26 contract you are accepting funds under this award from the State of New Mexico Aging and Long-Term Services Department (ALTSD). The Contractor agrees to comply with all awards, these General Terms and Conditions, the program-specific terms and conditions, regulations and guidelines, and any amendments thereto. The recipient agrees to operate the funded program in accordance with the approved budget and supporting documents provided in support of the executed FY26 contract. The Contractor agrees to utilize all forms, templates, and documentation provided by the ALTSD and shall not modify, alter, or substitute any forms or templates without prior written approval.

1. **General.** The recipient must maintain separate financial management records for contracted state allocations and must be capable of distinguishing expenditures attributable to this award from expenditures not attributable to this award. The systems must be able to identifycosts by program year and by budget category, and to differentiate between direct and indirect costs.

2. **Fiscal Requirements.** The amount payable under this Contract shall be made on a fixedrate for the provision of the identified services.

   a. Contractor is allocated State funds using state funding formula $9,000 per VSY withmandatory $4,176 being budgeted in stipends per VSY.

   b. All budget changes and the fully executed contract must be submitted to the assigned NM ALTSD Senior Services Bureau (SSB) Program Coordinator for prior approval using the budget adjustment request (BAR) form accompanied by a letter of justification. Approval is at the discretion of the assigned NM ALTSD SBB Program Coordinator.

   c. Purchases for a single item more than $500.00 not included as part of the original contract budget must be pre-approved and necessary to continued operations. Approval requests for these types of purchases must be requested through submission of a letter of justification to the assigned NM ALTSD SSB Program for review.

3. **Allowable Costs for Reimbursement.** To be allowable under this contract allocation, costs must be submitted through a budget form and approved by the NM ALTSD Program Coordinator and are limited allowable expenditures pursuant to NMAC 9.2.14, NMAC 9.2.15, NMAC 9.2.16, Department policies and procedures, AmeriCorps Seniors regulations, and guidelines applicable to each of the services. Expenditures must be consistent with policiesand procedures that apply to Federal & State activities of the Contractor.

4. **Separation of funding, and deliverables based on funding source(s)**

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Programs must separately track state funded VSYs, hours served, volunteers, etc. to comply state contract deliverables.

5. **SCP Volunteer costs reimbursements detailed Stipend** AmeriCorps Seniors volunteers serve from 5 to 40 hours a week. The stipend is a payment to AmeriCorps Seniors volunteers to enable them to serve without cost to themselves. [45 CFR 2551.12]. The stipend is paid for hourly service that Seniors volunteers spend with assigned clients, for earned leave if applicable, and for attendance at official project events, e.g., orientation, in-service training, Advisory Council meetings (as members or official observers), recognition events, and travel time between individual assignments. Travel time between the volunteer's home and place of assignment may not be considered as part of the service schedule and will not be stipend. However, travel time between assignments is a part of the service schedule. Mealtime may be part of the service schedule and is stipend.

Services performed other than those identified above will not be eligible for stipend and will not meet the VSY or hours of service requirements per this contract.

6. **Meal reimbursement.** Meal reimbursement for Volunteer staff must be for actual meal expenses incurred by the Volunteer while volunteering.
The amount of reimbursement to volunteers for meals is based on actual expenses, consistent with the costing procedures developed by the sponsor rather than a flat daily rate. However, reimbursement of "brown-bag" lunches prepared by AmeriCorps Seniors volunteers may be based on a flat rate established by the sponsor in written policy. The basis for the rate should be included in the sponsors' written policy. AmeriCorps Seniors volunteers are required to sign a statement certifying that meals to be reimbursed to the volunteer were taken in conjunction with volunteer service and provide details of the reimbursement and supporting documentation such as receipts when applicable.

If the Contractor establishes a flat rate reimbursement, the amount reimbursed at the flat rate must not exceed the actual expense to the Volunteer.

Volunteers eligible for Title III OAA meal services (60+) may not be reimbursed for congregate meals or home delivered meals received while volunteering. Volunteers not eligible (below 60) for free congregate or home delivered meal per Title III OAA services may be reimbursed at actual expense or flat rate not to exceed the actual cost per program policies and procedures. Meal reimbursement rates are subject to NM ALTSD SSB approval.

7. **Mileage reimbursement.** Mileage reimbursement rates for Grantee staff traveland Volunteer staff travel must be equal to or less than the standard Federal mileage rate. The Federal rate is subject to change based on an annual study https://www.irs.gov/tax-professionals/standard-mileage-rates.

8. **Reimbursement for Volunteers' transportation Volunteer drivers.**
   i. Reimbursement of FGP volunteers who drive their own cars is based on acost-per-mile rate set by the sponsor via written policy. Volunteers are reimbursed

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for actual mileage within the limits of available funds and local project reimbursement policy. Volunteers cannot be reimbursed in excess of actual costs, or on a per capita basis, for transporting other volunteers.

ii. Mileage reimbursement directly to a volunteer from a volunteer station for transportation from the volunteer's home to the place of assignment and return home is acceptable as local support of the project. Project files should include verification of this contribution for review for compliance monitoring and AmeriCorps Seniors audit purposes.

iii. Mileage reimbursement to volunteers from volunteer stations for providing transportation while on volunteer assignments cannot be used aslocal support for the project. The costs of community service provided by volunteer stations cannot be credited for the value of those costs to be usedas local budget support.

iv. Drivers of carpools receive reimbursement for actual mileage based on acost-per-mile rate. Passengers do not receive reimbursement.

v. Providers should establish procedures, such as a voucher system, for public transportation expenses, including subways, buses, and other public conveyances. Reimbursements must be based on documentation by the volunteer of actual costs incurred for project-related transportation expenses.

9. **Recognition Gifts**

i. Recognition gift purchases cannot exceed $80.00 per volunteer per fiscal year including food costs for catered and non-catered events. Requests for recognition gifts in excess of $80.00 per volunteer including food costs for catered and non-catered events must be requested through submission of a letter of justification to the assigned NM ALTSD SSB Program Coordinator. All requests are subject to NM ALTSD SSB approval.

10. **Prohibited Program Activities and Reimbursable.** The Contractor must comply with, and require that all Volunteers comply with, prohibitions outlined in state rules and regulation, AmeriCorps Seniors FGP, SCP handbooks, state contractual requirements, NM ALTSD assurances, and generally accepted accounting principles (GAAP) FASB Home

a. State general funds will not be used for the purchase of gift cards, staff or volunteer monetary bonuses, or cash gifts.

b. Contractor will submit reimbursements for actual operating expenses. The invoice dollar amounts submitted for reimbursement will not be rounded up or down to the next whole number nor will they be estimates.

c. Reimbursement request must be for the corresponding month the expense occurred. Expenses occurring outside the month being invoiced are considered "adjustments" and must be identified as such on the invoice. An explanation for any "adjustment" must be provided on the invoice page submitted by the

contractor. Expenses occurring outside of the current state fiscal year must not be submitted for reimbursement within the current state fiscal year. These expenses are considered "prior year" and not reimbursable under this contract.

d. State fund contract allocations will not serve as financial gain to any Contractor.

e. Operating costs tied to volunteer activates NOT identified as allowable per federal and state rules and regulations, AmeriCorps Seniors FGP, SCP handbooks, state contractual requirements, and NM ALTSD assurances are not reimbursable expenses and may not be submitted as such.

f. Administrative costs not pre-approved pre-contract execution or post contract execution NOT identified as allowable per state rules and regulation, AmeriCorps Seniors FGP, SCP handbooks, state contractual requirements, and NM ALTSD assurances are not reimbursable expenses and may not be submitted as such.

g. Volunteers are eligible to receive a stipend for allowable activities only as allowable per State rules and regulation, AmeriCorps Seniors FGP, SCP handbooks, state contractual requirements, and NM ALTSD assurances. Hours of service performed that do not meet the requirements for allowable activities will not be considered eligible for meeting contractual requirements, stipend, mileage reimbursement, nor meal reimbursement.

h. Operating and Volunteer costs tied to telework activates not identified as allowable per State rules and regulation, AmeriCorps Seniors FGP, SCP handbooks, state contractual requirements, and NM ALTSD assurances are not reimbursable expenses and may not be submitted as such. Teleworking Volunteers are eligible to receive a stipend for allowable activities only as identified within the AmeriCorps Seniors FGP and SCP handbooks and NM ALTSD assurances.

i. Travel time between the volunteer's home and place of assignment may not be considered as part of the service schedule and will not stipend. However, travel time between assignments is a part of the service schedule. Mealtime may be part of the service schedule and is stipend.Contractor will not be reimbursed State funds for Volunteer meals received through Title III of OAA Local nutrition programs. Volunteers over 60 are eligible for meals at congregate meal sites and home-delivered meals funded under this program.

j. Contractor will not be reimbursed State funds for Grantee staff mileage in the form of fuel purchase reimbursement. Mileage reimbursement is restricted to actual miles driven based on a cost-per-mile rate set by the sponsor via written policy equal to or less than the standard Federal mileage rate https://www.irs.gov/tax-professionals/standard-mileage-rates

k. Grantee staff are reimbursed for actual mileage within the limits of available

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funds. Grantee staff cannot be reimbursed in excess of actual costs, or on a per capita basis, for transporting other Grantee staff.

l. Contractor will not be reimbursed State funds for the purchase of raw or cooked food, edible products, flatware, crockery, decorations, etc. unless related to annual Volunteer recognition event.

11. **Award monitoring.** Contractor must comply with State rules and regulation, AmeriCorps Seniors FGP, SCP handbooks, state contractual requirements, and NM ALTSD assurances.

a. **Site visits.** NM ALTSD may make site visits to verify (but not limited to) contract compliance, evaluate recipient records, accomplishments, organizational procedures, financial control systems, conduct interviews, and provide technical assistance as necessary.
b. **Desk reviews.** NM ALTSD may conduct desk reviews to verify (but not limited to) contract compliance, evaluate recipient records, accomplishments, organizational procedures, financial control systems, conduct interviews, examine program handbooks, and provide technical assistance as necessary.

c. **Responding to information requests.** NM ALTSD SSB may request documentation (related to Federal, State, and local funds) from the Contractor to monitor for compliance and accuracy. NM ALTSD SSB may also submit questions to the Contractor regarding features of the program(s). The Contractor must cooperate with NM ALTSD for both documentation requests and questions. Failure to provide the requested documentation or answers to questions within the deadline identified by NM ALTSD SSB may result in state funds being placed on hold or other remedies as appropriate.

d. **Notification of Change.** Contractor will provide written notification to NM ALTSD SSB within 10 business days of changes in key personnel.

e. **Verification of AmeriCorps Seniors Sponsor in good standing.** The contractor will provide NM ALTSD SSB with copies of their approved Federal E-Grant application(s) and Federal budget(s) as validation of sanction in good standing with AmeriCorps Seniors. In the event an approved Federal E-Grant application and Federal budget are not available, an unapproved (system generated) Federal E-Grant application and Federal budget may temporarily be submitted until the time the approved Federal Grant and budget are available. Contractor must submit copies of the approved Federal grant and budget(s) with 10 business days of receipt to the assigned NM ALTSD SSB Program Coordinator.

f. **Notification of Performance Impediments** Provider shall promptly notify their designated Program Coordinator if they become aware of any circumstances that may impede their ability to meet the established performance measures outlined in this contract. Such notification shall be made in writing and include a detailed description of the issue, potential impacts, and proposed solutions, if applicable.

g. **Reporting fraud, waste, and abuse.** Contractor must contact their assigned Program Coordinator immediately when:

Any criminal activity or violations of law have occurred, such as:

i. Fraud, theft, conversion, misappropriation, embezzlement, or misuse of funds or property by any person AmeriCorps personnel, grantees, or Contractor, even if no federal funds or property was involved.

ii. Submission of a false claim or a false statement by any person in connection with any AmeriCorps program, activity, grant or operations.

iii. Concealment, forgery, falsification, or unauthorized destruction of government or program records.

iv. Corruption, bribery, kickbacks, acceptance of illegal gratuities, extortion, or conflicts of interest in connection with operations, programs, activities, contracts, or grants.

v. Other misconduct in connection with operations, programs, activities, contracts, or grants; or

vi. Mismanagement, abuse of authority, or other misconduct by AmeriCorps personnel.

vii. Fraud occurs when someone is intentionally dishonest or uses intentional misrepresentation or misleading omission to receive something of value or to deprive someone, including the government, of something of value.

viii. Waste occurs when taxpayers do not receive reasonable value for their money in connection with a state government-funded activity due to an inappropriate act or omission by people with control over or access to state funds and resources.

ix. Abuse is a behavior that is deficient, objectively unreasonable, or improper under the circumstances. Abuse also includes nepotism, misuse of authority or position for personal financial gain or the gain of an immediate or close family member or business associate.

12. Administration. The contractor must establish written policies and procedures and provide copies to volunteers and NM ALTSD SSB as requested or when revised. The Contractor must ensure policy and procedures include the requirements outlined within these assurances, as well as requirements outlined in the FGP and SCP AmeriCorps handbooks.

13. Quarterly Reporting. Contractor will complete all Quarterly and Bi-annual Narrative

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report utilizing forms and schedule provided by ALTSD. Contractor will submit a separate report per county (service area) and provide totals from those service areas.

14. **Final Authority.** When circumstances arise that reveal conflicting guidance between Federal and State rules and regulation, AmeriCorps Seniors FGP, SCP handbooks, state contractual requirements, and NM ALTSD assurances. NM ALTSD SSB maintains final authority in regard to state-to-state funding.

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Attachment 2 -Budget

The Contractor shall provide the Services identified below as required by the Department based on the assessed need of the community and individuals receiving Services under this Contract. The amount payable under this Contract shall be made on a fixed rate for the provision of the identified Services

The contract is to provide funding for FY26 as follows:

Foster Grandparents Program	$88,208.17
Senior Companion Program	$157,304.83
RSVP	$58,607.00
Care Companion Program	$9,000.00

The total amount payable under this contract shall not exceed $313,120.00

Services will be provided to ALTSD-approved participants every month of the contract year in: Santa Fe County

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Attachment 3
Care Companion Program

Overview: The Care Companion Program (CCP) allows for AmeriCorps Senior Companion Programs (SCP) currently contracted with the State of NM Aging and Long-Term Services Dept. (NM Aging Services) to apply underutilized Senior Companion funds to be used for the dual purposes of engaging persons in volunteer service to meet critical community needs to the residents of long-term care facilities.

Long-term care facilities are assisted living or nursing home settings. Long term community residents are older adults and people with disabilities that are unable to live independently for various reasons.

Care Companion Program volunteers will provide regular visits at minimum a of 5 hours per week, per volunteer and up to 40 hours per week per volunteer (within budget) to long-term care community residents and develop "authentic" relationships that support socialization and engagement. Care Companions volunteers may receive stipends and meal/mileage reimbursements in the same fashion as AmeriCorps Senior Companion volunteers and will follow AmeriCorps SCP program guidelines; however, Care Companion Program volunteers will not be restricted by age and income requirements.

Goals and Objectives:
Provide support and companionship to older adults 55 and older and people with disabilities residing in assisted living and long-term care facilities. Some examples of companionship and support services include:

- Friendly conversation and company, perhaps while doing hobbies etc.
- Providing company and companionship.
- Emotional support and socialization

What makes a good companion?
To be a good companion, you need to be respectful and caring. Listening to their stories, looking at old photos, or playing music from their youth are great ways to be good companions.

Benefits to long-term care facility residents:
Lessening the feeling of isolation for adults 55 and older and people with disabilities is important to their mental and physical health. Care Companion Program volunteers can help provide ongoing companionship and emotional support. Compassionate and attentive companions can provide social interaction, engage in conversation, and help dispel feelings of loneliness.

ALTSD 26-624-4000-0024 A-1 packet

Final Audit Report 2026-03-11

Created:	2026-03-11
By:	CHRISTOPHER LA ROCCA (calarocca@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAOhZ8VymnK7qLGGqpSyWOZsOD9uEbP1yL

"ALTSD 26-624-4000-0024 A-1 packet" History

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Date: February 18, 2026

To: Governing Body, Quality of Life Committee

From: Geralyn Cardenas, Interim City Clerk

RE: Party on the Pitch Alcohol Approval

EXECUTIVE SUMMARY:

The proposed Resolution would grant permission to the Santa Fe Adult Soccer League to serve beer and hard cider at its annual Party on the Pitch soccer tournament on Saturday, May 30, 2026, at the Municipal Recreation Complex ("MRC") soccer fields.

BACKGROUND:

SFCC 1987, Section 23-6.2 requires the adoption of a resolution for the sale and consumption of alcohol for locations on Santa Fe City property that are not specifically listed in 23-6.2(A). The resolution must identify the event, date, hours, location, number of expected attendees, type of alcohol to be served, required permits, and insurance, as required by City Code.

The proposed resolution addresses the required elements:

- the event is the Party on the Pitch soccer tournament;
- the location is the MRC;
- the date is May 30, 2026;
- the time is 10:00 a.m. to 11:00 p.m.;
- the alcohol served would be beer and hard cider;
- no more than 100 attendees at a time in the beer garden;
- a public celebration permit is required; and
- the liquor liability and general liability insurance will list the City as an additional insured in the amount of not less than $2,000,000, per occurrence and in the aggregate.

ATTACHMENTS:

Resolution
Fiscal Impact Report

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2026-__

INTRODUCED BY:

Mayor Michael Garcia

A RESOLUTION

AUTHORIZING THE SALE AND CONSUMPTION OF BEER AND HARD CIDER DURING THE PARTY ON THE PITCH SOCCER TOURNAMENT ON MAY 30, 2026, PURSUANT TO SECTION 23-6.2(C) SFCC 1987.

WHEREAS, SFCC 1987, Section 23-6.2 governs the consumption of alcohol on City of Santa Fe ("City") property; and

WHEREAS, for serving alcohol at City properties not specifically mentioned in SFCC 1987, Section 23-6.2(A), the ordinance requires the Governing Body to approve a resolution that specifies the event, date, hours, location, number of expected attendees, type of alcohol to be served, permits, and insurance, at least thirty (30) days prior to the event; and

WHEREAS, the Santa Fe Adult Soccer League ("SFASL") has held a "Party on the Pitch" tournament at the Municipal Recreation Complex ("MRC") in 2019, 2022, 2023, 2024, and 2025, and held it previously at other locations; and

WHEREAS, the SFASL hopes to attract increasing numbers of out-of-city and out-of-state teams to the Party on the Pitch tournament, capitalizing on the ongoing improvements at the MRC; and

WHEREAS, SFASL wishes to partner with New Mexico Hard Cider to provide beer and hard cider in a beer garden for players and fans to enjoy during and after games held over the two-day Party on the Pitch tournament.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that alcohol service during the Party on the Pitch soccer tournament is hereby approved according to the following parameters:

Event:	Party on the Pitch Soccer Tournament
Dates:	May 30, 2026
Hours:	10:00 a.m. to 11:00 p.m. on Saturday, May 30, 2026
Location:	Municipal Recreation Complex soccer fields
Number of expected attendees:	No more than 100 at a time in the beer garden.
Type of alcohol to be served:	Beer and hard cider
Required Permits:	Public Celebration permit
Required Insurance:	Liquor Liability and General Liability insurance with limits not less than $2,000,000, per occurrence and in aggregate, with the City of Santa Fe, its officials, directors, employees, and agents as additional insureds on a primary and noncontributory basis. SFASL shall provide the City with Certificates of Insurance and applicable endorsements evidencing such coverage.

PASSED, APPROVED, and ADOPTED this _____day of _____, 2026.

_____

MICHAEL GARCIA, MAYOR

ATTEST:

_____

GERALYN CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Feb 25, 2026 15:09:18 MST)

MARCOS MARTÍNEZ, INTERIM CITY ATTORNEY

FIR No. 10743

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** _____ **Resolution:** X

Short Title(s): Party on the Pitch Alcohol Approval

Sponsor(s): Mayor Michael Garcia

Reviewing Department(s): City Clerk's Office

Staff Completing FIR: Geralyn Cardenas, Interim City Clerk **Date:** February 18, 2026
Phone: 505-955-6519

Reviewed by City Attorney: Marcos Martinez Marcos Martinez (Feb 25, 2026 15:09:18 MST) **Date:** 02/25/2026

Reviewed by Finance Director: ANDREA PHILLIPS (Feb 26, 2026 10:32:39 MST) **Date:** 02/26/2026

Summary:
The proposed resolution would authorize the sale and consumption of beer and hard cider at the Santa Fe Adult Soccer League's annual Party on the Pitch Soccer Tournament to be held at the Municipal Recreation Complex's Soccer Fields on May 30, 2026. The request is pursuant to SFCC 1987, Section 23-6.2, which requires the Governing Body to adopt a Resolution for events on properties owned by the City of Santa Fe that are not specifically listed in Section 23-6.2(A).

Departments Affected:
City Clerk's Office

Consequences of Not Enacting Legislation:
If this legislation is not adopted, then the Santa Fe Adult Soccer League will not be able to serve beer or hard cider as part of the Party on the Pitch Tournament.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
In the past the Governing Body has approved the sale and consumption of beer at the 2022 tournament with Resolution No. 2022-20, the 2023 tournament with Resolution No. 2023-13, the 2024 tournament with Resolution No. 2024-16, and the 2025 tournament with Resolution No. 2025-18.

Performance and Administrative Implications:
The Santa Fe Adult Soccer League is also required to obtain a public celebration permit for the event.

Fiscal Implications:
None identified.

Fiscal Impact
X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

Expenditure Narrative:

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

Signature: 

Email: gfcardenas@santafenm.gov

DATE: February 26, 2026

TO: Governing Body, Finance Committee, Public Works and Utilities Committee, and Quality of Life Committee

FROM: Andy Hopkins, Budget Officer AJH
Christina Martinez, Senior Budget Analyst CFM

VIA: Andrea Phillips, Acting Finance Director
ANDREA PHILLIPS

ITEM AND ISSUE:

The resolution approves budget amendments for the Buckman Direct Diversion and Santa Fe Solid Waste Management Agency and requests Department of Finance and Administration approval of City of Santa Fe ("City") budget amendments for the fiscal year quarter ending December 31, 2025 (Second Quarter).

BACKGROUND AND SUMMARY:

Attached is a resolution listing increases/decreases to the Fiscal Year 2025-2026 (FY2025/26) operating and capital projects budget. These amendments are included in this resolution because they result in a net increase or decrease to the various funds affected, and thus require approval from the New Mexico Department of Finance/Local Government Division (DFA/LGD) as part of the quarterly budget resolution. The schedule of detail supporting these increases/decreases is presented as Exhibit A of the proposed resolution in four sections:

A. Sub-Section A: Amendments to FY 2025/26 Budget That Have Previously Been Approved by the Governing Body: these budget amendments have been previously approved by the Governing Body and reflect amendments that exceed $60,000 and result in a net increase or decrease to any funds (and do not represent re-appropriations of unspent budget amounts from the prior year); per City ordinance, such amendments require Governing Body approval. They are included in this resolution for the purpose of summarizing all quarterly budget amendments on a single resolution to provide to DFA/LGD for its review and approval. Presentation of these amendments in a single resolution in this way is much more efficient than the alternative of presenting a revised resolution to DFA/LGD for each individual budget amendment approved by the Governing Body.

B. Sub-Section B: Amendments to FY 2025/26 Budget Previously Approved by other City Actors pursuant to SFCC 1987, Section 11-4 (A), (B) and (G): these amendments were approved by and executed under the authority of the Finance Director (if the net budgetary change to any fund was under $5,000) or the City Manager (if the net budgetary change was between $5,000 and

City Council

Alma G. Castro, District 1 | Elizabeth "Liz" Barrett, District 2 | Lee Garcia, Mayor Pro Tem, District 3 | Jamie Cassutt, District 4
Patricia Feghali, District 1 | Paul C. Bustamante, District 2 | Pilar F.H. Faulkner, District 3 | Amanda Chavez, District 4

$60,000), per City ordinance. Also included are purely technical corrections and re-appropriations of unspent prior year budget amounts (including amounts over $60,000), which, per City ordinance, the Finance Director may approve based on the prior year's Governing Body-approved budget authority.

C. Sub-Section C: Joint Operations (Buckman Direct Diversion & Santa Fe Solid Waste Management Agency) – Board-Approved Amendments to FY 2025/26 Budget: as the title of this section states, these amendments reflect net changes to the Buckman Direct Diversion and Santa Fe Solid Waste Management Agency joint operations budgets, approved and entered under the authority of the governing boards of those entities, contingent upon City approval. Like the amendments outlined above, these budgetary changes are included in this resolution for the purpose of presenting all quarterly net budgetary fund changes to DFA/LGD for its approval as required by New Mexico state statute.

D. Sub-Section D: Summary of All Quarterly Amendments to FY 2025/26 Budget by Fund: this section summarizes the net changes to all City funds detailed in the previous three sections (A-C). As shown at the bottom of this section, these amendments result in a net increase to the City's overall expenditure budget of $89,894,677 and a net increase to the overall revenue budget of $72,446,915. The resulting net expenditure increase of $17,447,762 (over and above additional revenue) is supported by current budgeted revenues and/or available fund balances.

Pursuant to SFCC 1987, Section 11-4 (D), the Budget Office summarizes all amendments resulting in net budgetary fund changes in a Resolution on a quarterly basis for Finance Committee consideration and Governing Body approval of the Resolution and subsequently submits said amendments to DFA/LGD for its approval.

ACTION RECOMMENDED:

Finance staff recommend that the Governing Body approve the resolution. Upon approval, the Resolution will be forwarded to DFA/LGD for its approval as is required by New Mexico state statute.

ATTACHMENTS

Resolution
Fiscal Impact Report

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2026-__

INTRODUCED BY:

Mayor Michael Garcia

A RESOLUTION

APPROVING BUDGET AMENDMENTS AND REQUESTING THAT NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION APPROVE THE CITY OF SANTA FE'S SECOND QUARTER BUDGET AMENDMENTS FOR FISCAL YEAR 2026.

WHEREAS, SFCC 1987, Section 11-4(D), provides that budget adjustments approved by the City of Santa Fe's ("City's") Finance Director, City Manager, and the Governing Body shall be included by fund in a quarterly budget resolution approved by the Governing Body; and

WHEREAS, NMSA 1978, Section 6-6-2, provides that the Local Government Division of the New Mexico Department of Finance and Administration has the power and duty to authorize local public bodies to transfer funds from one budget item to another when the Secretary of the Department approves and a need exists meriting the transfer and the transfer is not prohibited by law; and

WHEREAS, Articles 3 and 4 of the Project Management and Fiscal Services Agreement for the Buckman Direct Diversion Project requires that the Buckman Direct Diversion Project Board ("the BDD Board") establish and submit a budget to the City, Santa Fe County, and Las

Campanas and to condition the BDD Board's approval of the budget on "appropriation by the City and/or [Santa Fe] County in an appropriate budget or budget amendment"; and

WHEREAS, the Joint Powers Agreement for the Santa Fe Solid Waste Management Agency ("the Waste Management Agency") requires that the Waste Management Agency recommend an annual budget, which "shall not be formally adopted or implemented unless and until it is approved by each of the City and [Santa Fe County]"; and

WHEREAS, the BDD Board and the Waste Management Agency have approved Second Quarter adjustments for their respective budgets and these adjustments have been incorporated into the City's proposed Second Quarter Budget amendments; and

WHEREAS, a Second Quarter Review of the Fiscal Year 2026 Budget shows a need to address significant priorities through adoption of net budget amendments that the Governing Body, City Manager or Finance Director, Buckman Direct Diversion Board or the Santa Fe Solid Waste Management Agency's Board have authorized.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that it approves the budget amendments for the BDD Board and the Waste Management Agency's Board.

BE IT FURTHER RESOLVED that the Governing Body respectfully requests that the Secretary of the New Mexico Department of Finance and Administration approve the Second Quarter Budget Amendments, as detailed on the attached Exhibit A, and that the Local Government Division then authorize the amendments.

PASSED, APPROVED, and ADOPTED the ___ day of _____, 2026.

_____

MICHAEL GARCIA, MAYOR

ATTEST:

_____

GERALYN CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Mar 4, 2026 16:12:17 MST)

MARCOS MARTINEZ, INTERIM CITY ATTORNEY

_____

LOCAL GOVERNMENT DIVISION

N.M. DEPARTMENT OF FINANCE

AND ADMINISTRATION

EXHIBIT A

CITY OF SANTA FE

2nd QUARTER FY 2025/26

~ ~ ~

SUB-SECTION [A]

AMENDMENTS TO FY 2025/26 BUDGET THAT HAVE PREVIOUSLY BEEN APPROVED BY THE GOVERNING BODY

CITY OF SANTA FE - SECOND QUARTER FY 2025/2026
SUB-SECTION [A]: BUDGET AMENDMENTS PREVIOUSLY APPROVED BY THE GOVERNING BODY

Fund	*Fund Title*	*Amendment Description*	*Expenditure Increase (Decrease)*	*Revenue Increase (Decrease)*	*Budgeted Net Fund Increase (Decrease)*
100	General Fund	Appropriation from General Fund available balance to fund amounts remaining on unexpired prior year contracts for the Affordable Housing Trust Fund *[CC apvd. 12/10/25 #9-hh]*	$ 3,070,059	$ -	$ (3,070,059)
100	General Fund	Appropriation from prior year one-time funding for operational and planning priorities within the Planning and Land Use Department *[CC apvd. 10/8/25, #10-a]*	1,225,850	-	(1,225,850)
100	General Fund	Appropriation from NM DFA grant funding for Shelby pedestrian bridge replacement *[CC apvd. 10/29/25 #9-q]*	1,000,000	-	(1,000,000)
100	General Fund	Appropriation from available balance to fund the Ambulance Supplemental Payment Program intergovernmental transfers *[CC apvd. 11/12/25, #9-h]*	833,229	-	(833,229)
100	General Fund	Appropriation from available prior year General Fund reserves to support continuation of audit support services *[CC apvd. 10/29/25, #9-hh]*	500,000	-	(500,000)
100	General Fund	Re-appropriation from unspent prior year balance to provide homebuyer/owner support services *[CC apvd. 10/29/25 #9-y]*	168,568	-	(168,568)
100	General Fund	Appropriation from available balance to cover operating expenses for Municiapl Court *[CC apvd. 10/29/25, #9-w]*	92,509	-	(92,509)
212	Economic Development	Re-appropriation of unspent prior year one time funding for various ongoing Economic Development projects *[CC apvd. 10/29/25, #9-x]*	1,584,933	-	(1,584,933)
212	Economic Development	Re-appropriation from unspent FY25 funding for ongoing Community Development programs *[CC apvd. 12/10/25, #9-z]*	994,887	-	(994,887)
213	Lodgers' Tax Fund	Appropriation from available Lodger's Tax Fund reserves for ongoing Arts & Culture initiatiaves *[CC apvd. 12/10/25, #9-ff]*	440,000	-	(440,000)
221	Emergency Services	Appropriation of NM DFA grant for vehicle purchases *[CC apvd. 10/29/25, #9-L, -m]*	2,425,000	2,425,000	-
221	Emergency Services	Appropriation of US DHS Homeland Security Grant Program funding *[CC apvd. 12/10/25, #9-q]*	522,980	522,980	-
221	Emergency Services	Appropriation of DFA grant for training, equipment, and software *[CC apvd. 10/08/25, #9-h]*	100,000	100,000	-
221	Emergency Services	Appropriation of NM DHSEM Hazardous Mitigation Grant program for the Cerro Gordo Culvert Improvements Design Project *[CC apvd. 11/12/25, #9-d]*	37,259	37,259	-
223	Law Enforcement	Appropriation from FY25 GRT earned in excess of budgeted estimates to fund the Animal Services Emergency contract amendment *[CC apvd. 12/10/25, #9-cc]*	500,000	-	(500,000)
223	Law Enforcement	Adjustment to reduce NM CYFD Juvenile Justice grant due to State budget cuts *[CC apvd. 10/29/25, #9-cc]*	(97,520)	(97,520)	-
231	City Drainage Fund	Appropriation of NM DHSEM Hazardous Mitigation Grant program for the Cerro Gordo Culvert Improvements Design Project *[CC apvd. 11/12/25, #9-d]*	759,885	569,914	(189,971)
232	Impact Fees Fund	Allocation of NM DOT grant and roads impact fees for the Henry Lynch Road Reconstruction CIP project [CC apvd. 10/29/25, #9-i]	112,000	-	(112,000)
240	Community Development	Re-appropriation of unspent prior year grant funding for professional contracts *[CC apvd. 10/8/25, #9-f, -g, -dd]*	6,974,235	-	(6,974,235)

Fund	Fund Title	Amendment Description	Expenditure Increase (Decrease)	Revenue Increase (Decrease)	Budgeted Net Fund Increase (Decrease)
240	Community Development	Appropriation from General Fund available balance to fund amounts remaining on unexpired prior year contracts for the Affordable Housing Trust Fund *[CC apvd. 12/10/25 #9-hh]*	3,070,059	3,070,059	-
240	Community Development	Re-appropriation of remaining FY25 balance to fund Affordable Housing Trust Fund contracts in FY26 *[CC appvd. 11/12/25, #9-m]*	1,613,334	-	(1,613,334)
256	Recreation Fund	Re-appropriation of unspent prior year funding to fund temporary salaries for the Afterschool Program *[CC apvd. 10/29/25, #9-ee]*	200,000	-	(200,000)
256	Recreation Fund	Re-appropriation of unspent prior year budget for professional contracts *[CC apvd. 10/8/25, #9-g]*	30,856	-	(30,856)
320	CIP Facilities	Appropriation of NM DFA grant for Fire station facilities improvements *[CC apvd. 10/29/25, #9-k, -n, -v]*	4,301,550	4,301,550	-
320	CIP Facilities	Appropriation of NM DFA grant for the Main Library Preservation project *[CC apvd. 12/10/25, #9-t]*	231,300	231,300	-
320	CIP Facilities	Appropriation of NM DFA grant for improvements to the GCCC *[CC apvd. 11/12/25, #9-e]*	99,000	99,000	-
320	CIP Facilities	Appropriation of NM DFA grant funding for improvements to the Fogelson Library complex *[CC apvd. 10/29/25, #9-t]*	99,000	99,000	-
330	CIP Streets & Roadways	Appropriation of NM DFA grant funding for Rufina/Lopez Lane intersection improvements *[CC apvd. 12/10/25, #10-h]*	400,000	400,000	-
330	CIP Streets & Roadways	Allocation of NM DOT grant and roads impact fees for the Henry Lynch Road Reconstruction CIP project *[CC apvd. 10/29/25, #9-i]*	112,000	112,000	-
355	CIP Parks and Trails	Appropriation from NM DFA grant funding for Shelby pedestrian bridge replacement *[CC apvd. 10/29/25 #9-q]*	1,000,000	1,000,000	-
355	CIP Parks and Trails	Appropriation from NM DFA grant funding for Fort Marcy baseball field improvements *[CC apvd. 10/29/25 #9-o]*	500,000	500,000	-
355	CIP Parks and Trails	Appropriation from NM DFA grant funding for citywide improvements to parks *[CC apvd. 12/10/25 #9-o]*	150,097	150,097	-
365	½% GRT Income Fund	Appropriation from 2025 GO Bond proceeds for various paving projects citytwide *[CC apvd. 10/8/25, #10-b]*	10,000,000	10,000,000	-
400	Debt Service Fund	Appropriation from 2025 GO Bond proceeds for various paving projects citytwide *[CC apvd. 10/8/25, #10-b]*	10,000,000	-	(10,000,000)
400	Debt Service Fund	Appropriation from 2025 General Obligation Bond proceeds for the 2025 GO Bond Issue *[CC apvd. 10/29/25, #9-gg]*	255,430	25,255,429	24,999,999
500	Waste Water Management	Appropriation from available balance to fund on-call construction services *[CC apvd. 12/10/25, #9-h, -g, -w]*	3,523,017	-	(3,523,017)
500	Waste Water Management	Appropriation from available balance for ongoing sewer line rehabilitation projects *[CC apvd. 12/10/25, #9-x]*	1,463,041	-	(1,463,041)
500	Waste Water Management	Appropriation from available balance to extend on-call engineering services contracts *[CC apvd. 10/29/25, #9-r, 12/10/25, #9-e, -w]*	946,200	-	(946,200)
500	Waste Water Management	Appropriation to fund the reclassification of various positions across Water and Wastewater divisions *[CC apvd. 10/08/25, #9-b]*	554,222	-	(554,222)
500	Waste Water Management	Appropriation to fund operator certification retention incentives *[CC apvd. 11/12/25, #9-f]*	63,516	-	(63,516)
505	Water Management	Appropriation from available balance for on-call engineering services for Water CIP projects *[CC apvd. 12/10/25, #9-k, -L, -m]*	4,545,000	-	(4,545,000)
505	Water Management	Appropriation to fund the reclassification of various positions across Water and Wastewater divisions *[CC apvd. 10/08/26, #9-b]*	451,273	-	(451,273)
505	Water Management	Appropriation to fund operator certification retention incentives *[CC apvd. 11/12/25, #9-f]*	113,033	-	(113,033)

Fund	Fund Title	Amendment Description	Expenditure Increase (Decrease)	Revenue Increase (Decrease)	Budgeted Net Fund Increase (Decrease)
530	Municipal Recreation Complex	Appropriation of DFA grant for the MRC Soccer Valley Improvements project *[CC apvd. 10/29/25, #9-n]*	3,000,000	3,000,000	-
530	Municipal Recreation Complex	Appropriation of DFA grant for MRC irrigation upgrades *[CC apvd. 10/29/25, #9-q]*	200,000	200,000	-
540	Transit Bus System	Appropriation of US DOT/FTA grant/local match to replace Transit buses *[CC apvd. 12/10/25, #10-b]*	1,009,146	807,316	(201,830)
540	Transit Bus System	Appropriation of US DOT/FTA grant for bus purchases *[CC apvd. 10/8/25, #9-c]*	159,545	159,545	-
545	Airport	Appropriation of NM DFA grant for phase II of the Airport Terminal Expansion project *[CC apvd. 10/8/25, #9-d]*	584,100	584,100	-
545	Airport	Appropriation from available revenue for various ongoing Airport projects and repairs *[CC apvd. 10/29/25, #9-j]*	510,214	-	(510,214)
545	Airport	Appropriation of US DOT/FAA Airport grant for the design of the first phase of the Airport lighting vault *[CC Apvd. 10/29/25, #9-g]*	249,450	249,250	(200)
545	Airport	Appropriation of US DOT/FAA Airport grant for the rehabilitation of taxiway F-design *[CC Apvd. 10/29/25, #9-e]*	90,193	90,193	-
550	Genoveva Chavez Community Ctr	Transfer from Teen Center remodel and replacement budget for repairs to the GCCC Ice Arena *[CC apvd.10/29/25, #9-ff]*	175,000	175,000	-
600	Risk Management	Appropriation to fund frozen Risk and Safety Compliance Officer position *[CC apvd. 10/29/25, #9-ii]*	90,103	-	(90,103)
TOTAL - Budget Amendments Previously Approved by the Governing Body			***$ 71,033,553***	***$ 54,041,472***	***$ (16,992,081)***

CITY OF SANTA FE

2nd QUARTER FY 2025/26

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SUB-SECTION [B]

AMENDMENTS TO FY 2025/26 BUDGET PREVIOUSLY APPROVED BY OTHER CITY ACTORS PURSUANT TO SFCC 1987, SECTION 11-4 (A), (B) AND (G)

CITY OF SANTA FE - SECOND QUARTER FY 2025/2026
SUB-SECTION [B]: BUDGET AMENDMENTS PREVIOUSLY APPROVED BY OTHER CITY ACTORS

Fund	*Fund Title*	*Amendment Description*	*Expenditure Increase (Decrease)*	*Revenue Increase (Decrease)*	*Budgeted Net Fund Increase (Decrease)*
100	General Fund	Re-appropriation of unspent prior year budget for capital projects in the Community Health and Safety Department	$ 156,718	$ -	$ (156,718)
100	General Fund	Re-appropriation of unspent prior year budget to update Human Resources rules and regulations	60,000	-	(60,000)
100	General Fund	Adjustment to ITT internal service charges to Public Works for hardware purchases	3,422	3,422	
212	Economic Development	Transfer from City Manager's office budget to support the December Guadalupe Walk event	10,000	10,000	-
213	Lodgers' Tax Fund	Appropriation of available fund balance for Visit Santa Fe programs and events and grant services	91,630	-	(91,630)
213	Lodgers' Tax Fund	Appropriation for ongoing Visit Santa Fe advertising projects	35,000	-	(35,000)
213	Lodgers' Tax Fund	Re-appropriation of unspent prior year NM Tourism grant budget for Visit Santa Fe	30,000	30,000	-
213	Lodgers' Tax Fund	Appropriation of prior year CCC Gallery funds and Lodger's Tax earned in excess of budgeted estimates for ongoing Community Gallery programming and initiatives	25,068	-	(25,068)
221	Emergency Services	Re-appropriation of unspent prior year grant funding for Emergency Management projects	26,353	26,353	-
221	Emergency Services	Adjustment to re-budget remaining portion of US DHS Emergency Management Hazard Mitigation Grant program	16,734	16,734	-
221	Emergency Services	Re-appropriation of unspent prior year NM DPS grant for Honor Guard teams	13,999	13,999	-
232	Impact Fees Fund	Appropriation from available balance to update the Impact Fee Capital Improvements Plan	45,421	-	(45,421)
232	Impact Fees Fund	Allocation of roads impact fees for the Agua Fria/Cottonwood Intersection CIP project	21,910	-	(21,910)
240	Community Development	Adjustment to re-budget remaining portion of prior year US Treasury ARPA grant for small business support, job training services, youth services, and public wifi	2,669,211	-	(2,669,211)
240	Community Development	Adjustment to NM Tourism Keep Santa Fe Beautiful Grant based on final award	19,501	19,501	-
241	Senior Citizen Grants/Programs	Re-appropriation of unspent prior year budget for remodeling work at the Mary Esther Gonzales Senior Center	73,644	-	(73,644)
251	Library Fund	Re-appropriation of remaining NM GO Bond funding for purchase of Library materials and equipment	179,920	179,920	-
260	Santa Fe Film Office	Re-appropriation from prior year budget to cover dues expenses	27,526	-	(27,526)
260	Santa Fe Film Office	Re-appropriation from unspent prior year budget to cover various operating expenses	9,039	-	(9,039)
320	CIP Facilities	Appropriation from available balance for repairs at the Convention Center bell tower elevator	60,000	60,000	-
330	CIP Streets & Roadways	Re-appropriation of unspent prior year budget for the ongoing Agua Fria/Cottonwood Drive Intersection CIP project	21,910	21,910	-
345	CIP Community Development	Re-appropriation of unspent prior year budget for ongoing Affordable Housing projects	844,469	-	(844,469)
365	½% GRT Income Fund	Appropriation from available balance to update the Impact Fee Capital Improvements Plan	45,421	45,421	-

Fund	Fund Title	Amendment Description	Expenditure Increase (Decrease)	Revenue Increase (Decrease)	Budgeted Net Fund Increase (Decrease)
500	Waste Water Management	Adjustment of ITT internal service charges to Wastewater Division for hardware purhcases	15,600	-	(15,600)
505	Water Management	Appropriation for on-call engineering services for Water CIP projects	5,996,169	-	(5,996,169)
505	Water Management	Appropriation for the purchase of a new dump truck	48,000	-	(48,000)
505	Water Management	Appropriation from available balance to fund repairs to McClure Reservoir	35,311	-	(35,311)
510	Environmental Services	Re-appropriation of unspent prior year budget for ongoing CIP projects	358,726	-	(358,726)
520	Santa Fe Convention Center	Appropriation of prior year CCC Gallery funds and Lodger's Tax earned in excess of budgeted estimates for ongoing Community Gallery programming and initiatives	60,000	25,068	(34,932)
520	Santa Fe Convention Center	Appropriation from available balance for repairs at the Convention Center bell tower elevator	60,000	-	(60,000)
540	Transit Bus System	Re-appropriation of unspent prior year budget for bus stop solar lighting	45,000	-	(45,000)
545	Airport	Adjustment to re-budget remaining portion of NM DOT/NM DFA/US FAA grants for ongoing projects	2,039,628	15,437,674	13,398,046
620	Services to Other Departments	Adjustment of ITT internal service charges to Wastewater Division for hardware purchases	15,600	15,600	-
620	Services to Other Departments	Adjustment of ITT internal service charges to Utility Customer Service for software purchases	14,850	14,850	-
620	Services to Other Departments	Adjustment to ITT internal service charges to Community Services for hardware for Youth and Family Division employees	5,000	5,000	-
620	Services to Other Departments	Adjustment to ITT internal service charges to Facilities Division for hardware purchases	3,422	3,422	-
620	Services to Other Departments	Adjustment of ITT internal service charges to Airport for mobile phone/tablet purchases	2,500	2,500	-
620	Services to Other Departments	Adjustment of ITT internal service charges to Community Engagement for mobile phone purchase/communications charges	2,550	2,550	-
620	Services to Other Departments	Adjustment of ITT internal service charges to Planning & Land Use for mobile phone communication charges	1,200	1,200	-
620	Services to Other Departments	Adjustment of ITT internal service charges to Parks Division for hardware purhcase	1,200	1,200	-
620	Services to Other Departments	Adjustment of ITT internal service charges to Environmental Services Division for mobile phone purchase	1,200	1,200	-
620	Services to Other Departments	Adjustment of ITT internal service charges to Human Resources for computer hardware purchases	1,200	1,200	-
TOTAL - Budget Amendments Previously Approved by Other City Actors			***$ 13,194,052***	***$ 15,938,724***	***$ 2,744,672***

CITY OF SANTA FE

2nd QUARTER FY 2025/26

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SUB-SECTION [C]

JOINT OPERATIONS (BUCKMAN DIRECT DIVERSION & SF SOLID WASTE MANAGEMENT AGENCY) – BOARD-APPROVED AMENDMENTS TO FY 2025/26 BUDGET

CITY OF SANTA FE - SECOND QUARTER FY 2025/2026
SUB-SECTION [C]: JOINT OPERATIONS - BOARD-APPROVED BUDGET AMENDMENTS

Fund	*Fund Title*	*Amendment Description*	*Expenditure Increase (Decrease)*	*Revenue Increase (Decrease)*	*Budgeted Net Fund Increase (Decrease)*
800	Buckman Direct Diversion	Re-appropriation of unspent prior year BDD Repair & Replacement Fund budget for various ongoing BDD projects	$ 2,253,916	$ 2,253,916	$ -
801	BDD Repair & Replacement Fund	Re-appropriation of unspent prior year BDD Repair & Replacement Fund budget for various ongoing BDD projects	2,253,916	-	(2,253,916)
810	SF Solid Waste Mgmt Agency	Re-appropriation of unspent prior year budget for contracted audit, maintenance and compliance services	392,674	-	(392,674)
810	SF Solid Waste Mgmt Agency	Appropriation from available balance for household hazardous waste collection services	155,000	-	(155,000)
810	SF Solid Waste Mgmt Agency	Appropriation from SWMA Equipment Reserve for purchase of a non-potable water truck	144,139	144,139	-
810	SF Solid Waste Mgmt Agency	Appropriation from available balance to fund general construction services for the customer unloading area improvements at the Buckman Road Recycling and Transfer Sation	68,664	68,664	-
810	SF Solid Waste Mgmt Agency	Appropriation from SWMA Gas Collection Reserve Fund for the Caja del Rio Landfill Gas Collection System	39,830	-	(39,830)
810	SF Solid Waste Mgmt Agency	Appropriation from available balance for Landfill scale maintenance	13,000	-	(13,000)
811	SWMA Equip Replacement Fund	Appropriation from SWMA Equipment Reserve for purchase of a non-potable water truck	144,139	-	(144,139)
812	SWMA Gas Collection Reserve	Appropriation from SWMA Gas Collection Reserve Fund for the Caja del Rio Landfill Gas Collection System	133,130	-	(133,130)
816	SWMA CIP Fund	Appropriation from available balance to fund general construction services for the customer unloading area improvements at the Buckman Road Recycling and Transfer Sation	68,664		(68,664)
TOTAL - Joint Operations - Board Approved Budget Amendments			***$ 5,667,072***	***$ 2,466,719***	***$ (3,200,353)***

CITY OF SANTA FE

2nd QUARTER FY 2025/26

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SUB-SECTION [D]

SUMMARY OF ALL QUARTERLY AMENDMENTS TO FY 2025/26 BUDGET BY FUND

CITY OF SANTA FE - SECOND QUARTER FY 2025/2026
SUB-SECTION [D]: TOTAL QUARTERLY AMENDMENTS BY FUND

Fund	*Fund Title*	*Expenditure Increase (Decrease)*	*Revenue Increase (Decrease)*	*Budgeted Net Fund Increase (Decrease)*
100	General Fund	$ 7,110,355	$ 3,422	$ (7,106,933)
212	Economic Development	2,589,820	10,000	(2,579,820)
213	Lodgers' Tax Fund	621,698	30,000	(591,698)
221	Emergency Services	3,142,325	3,142,325	-
223	Law Enforcement	402,480	(97,520)	(500,000)
231	City Drainage Fund	759,885	569,914	(189,971)
232	Impact Fees Fund	179,331	-	(179,331)
240	Community Development	14,346,340	3,089,560	(11,256,780)
241	Senior Citizen Grants/Programs	73,644	-	(73,644)
251	Library Fund	179,920	179,920	-
256	Recreation Fund	230,856	-	(230,856)
260	Santa Fe Film Office	36,565	-	(36,565)
320	CIP Facilities	4,790,850	4,790,850	-
330	CIP Streets & Roadways	533,910	533,910	-
345	CIP Community Development	844,469	-	(844,469)
355	CIP Parks and Trails	1,650,097	1,650,097	-
365	½% GRT Income Fund	10,045,421	10,045,421	-
400	Debt Service Fund	10,255,430	25,255,429	14,999,999
500	Waste Water Management	6,565,596	-	(6,565,596)
505	Water Management	11,188,786	-	(11,188,786)
510	Environmental Services	358,726	-	(358,726)
520	Santa Fe Convention Center	120,000	25,068	(94,932)
530	Municipal Recreation Complex	3,200,000	3,200,000	-
540	Transit Bus System	1,213,691	966,861	(246,830)
545	Airport	3,473,585	16,361,217	12,887,632
550	Genoveva Chavez Community Ctr	175,000	175,000	-
600	Risk Management	90,103	-	(90,103)
620	Services to Other Departments	48,722	48,722	-
800	Buckman Direct Diversion	2,253,916	2,253,916	-
801	BDD Repair & Replacement Fund	2,253,916	-	(2,253,916)
810	SF Solid Waste Mgmt Agency	813,307	212,803	(600,504)
811	SWMA Equip Replacement Fund	144,139	-	(144,139)
812	SWMA Gas Collection Reserve	133,130	-	(133,130)
816	SWMA CIP Fund	68,664	-	(68,664)
QUARTERLY TOTAL - ALL FUNDS		***$ 89,894,677***	***$ 72,446,915***	***$ (17,447,762)***

FIR No. TBD

FISCAL IMPACT REPORT

General Information:

(Check) Bill: _____ Resolution: ___X_____

Short Title(s): Second Quarter Budget Amendments, Fiscal Year 2025/2026

Sponsor(s): Mayor Michael Garcia

Reviewing Department(s): Finance Department

Staff Completing FIR: Christina Martinez ____ Date: 2/26/2026___ Phone: (505) 629-3063_____

Reviewed by City Attorney: Marcos Martinez Marcos Martinez (Mar 4, 2026 16:12:17 MST) Date: 03/04/2026

Reviewed by Finance Director: ANDREA PHILLIPS (Mar 5, 2026 12:40:18 MST) Date: 03/05/2026

Summary:
The purpose of the Resolution is to approve Buckman Direct Diversion and Santa Fe Solid Waste Management Agency budget adjustments and request Department of Finance Authority to approve Second Quarter FY 2026 budget amendments in the form of increases and decreases to various funds, which include adjustments for department priorities, grant adjustments, prior year encumbrances, and increases supported by available revenue.

Departments Affected:
Various.

Consequences of Not Enacting Legislation:
If this legislation is not adopted, the City's budget will not sufficiently reflect the City's actual revenues and expenditures. Adjustments would not be submitted to the New Mexico Department of Finance Administration's approval, as is required by New Mexico State law, NMSA 1978, Section 6-6-2(H).

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None.

Performance and Administrative Implications:
None. Staff have already performed the necessary actions to comport with the purpose of the proposed budget amendments.

Fiscal Implications:
See Resolution, Exhibit A –City of Santa Fe 2nd Quarter FY 2025-26 Budget Amendments.

Fiscal Impact
_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 26	FYE 27	FYE 28	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$ †	$ 0	$ 0	N	NR	†	
Capital Outlay	$ †	$ 0	$ 0	N	NR	†	
Contractual/ Professional Services	$ †	$ 0	$ 0			†	
Operating	$ †	$ 0	$ 0			†	
Total:	$ †	$ 0	$ 0			†	$ †

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Governing Body approval is required for all of the previous quarter's changes to budgeted expenditures and transfers out.

Revenue

Revenue Type	FYE 26	FYE 27	FYE 28	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$ †	$ 0	$ 0	NR	†
Special Revenue	$ †	$ 0	$ 0	NR	†
CIP	$ †	$ 0	$ 0	NR	†
Enterprise	$ †	$ 0	$ 0	NR	†
Internal Service	$ †	$ 0	$ 0	NR	†
Trust & Agency	$ †	$ 0	$ 0	NR	†
Federal	$ †	$ 0	$ 0	NR	†
Other	$ †	$ 0	$ 0	NR	†
Total	$ †	$ 0	$ 0		

Revenue Narrative:

Governing Body approval is required for all of the previous quarter's changes to budgeted revenues and transfers in.

† ***See Exhibit A – Resolution Detail by Fund***

FIR No. 10746

FISCAL IMPACT REPORT

General Information:

(Check) Bill: _____ **Resolution:** X

Short Title(s): Second Quarter Budget Amendments, Fiscal Year 2025/2026

Sponsor(s): Mayor Michael Garcia

Reviewing Department(s): Finance Department

Staff Completing FIR: Christina Martinez, Senior Budget Analyst **Date:** 2/26/26 **Phone:** (505)629-3063

Reviewed by City Attorney: _____ **Date:** _____

Reviewed by Finance Director: _____ **Date:** _____

Summary:
The purpose of the Resolution is to approve Buckman Direct Diversion and Santa Fe Solid Waste Management Agency budget adjustments and request Department of Finance Authority to approve Second Quarter FY 2026 budget amendments in the form of increases and decreases to various funds, which include adjustments for department priorities, grant adjustments, prior year encumbrances, and increases supported by available revenue.

Departments Affected:
Various.

Consequences of Not Enacting Legislation:
If this legislation is not adopted, the City's budget will not sufficiently reflect the City's actual revenues and expenditures. Adjustments would not be submitted to the New Mexico Department of Finance Administration's approval, as is required by New Mexico State law, NMSA 1978, Section 6-6-2(H).

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None.

Performance and Administrative Implications:
None. Staff have already performed the necessary actions to comport with the purpose of the proposed budget amendments.

Fiscal Implications:
See Resolution, Exhibit A –City of Santa Fe 2nd Quarter FY 2025-26 Budget Amendments.

Fiscal Impact
_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 26	FYE 27	FYE 28	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$ †	$ 0	$ 0	N	NR	†	
Capital Outlay	$ †	$ 0	$ 0	N	NR	†	
Contractual/ Professional Services	$ †	$ 0	$ 0			†	
Operating	$ †	$ 0	$ 0			†	
Total:	$ †	$ 0	$ 0			†	$ †

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Governing Body approval is required for all of the previous quarter's changes to budgeted expenditures and transfers out.

Revenue

Revenue Type	FYE 26	FYE 27	FYE 28	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$ †	$ 0	$ 0	NR	†
Special Revenue	$ †	$ 0	$ 0	NR	†
CIP	$ †	$ 0	$ 0	NR	†
Enterprise	$ †	$ 0	$ 0	NR	†
Internal Service	$ †	$ 0	$ 0	NR	†
Trust & Agency	$ †	$ 0	$ 0	NR	†
Federal	$ †	$ 0	$ 0	NR	†
Other	$ †	$ 0	$ 0	NR	†
Total	$ †	$ 0	$ 0		

Revenue Narrative:

Governing Body approval is required for all of the previous quarter's changes to budgeted revenues and transfers in.

† ***See Exhibit A – Resolution Detail by Fund***

DATE: **March 11, 2026**

TO: **Finance Committee, Public Works and Utilities, and Governing Body**

FROM: **Jimmy Gunn, Interim Airport Director** JG
JG

VIA: **Paulette Ortiz, Grant Administrator**

ITEM AND ISSUE:

Ratification due to mayor pre- signing this grant agreement. Request For Approval to Accept the New Mexico Department of Transportation Aviation Division Grant # SAF-26-02 in the Amount of $56,200 for the Reconstruct of the Electrical Vault.

(Jimmy Gunn, Interim Airport Director, jdgunn@santafenm.gov; Paulette Ortiz, Grant Administrator, pkortiz@santafenm.gov)

BACKGROUND AND SUMMARY:

The New Mexico Department of Transportation Aviation Division has awarded Grant # SAF-26-02 in the Amount of $56,200 for the Reconstruct of the Electrical Vault. This state grant has a matching FAA grant (3-35-0037-067-2025) in the amount of $249,450 that has already been fully executed.

ACTION:

Ratification due to mayor pre- signing this grant agreement. Approval to Accept the New Mexico Department of Transportation Aviation Division Grant # SAF-26-02 in the Amount of $56,200 for the Reconstruct of the Electrical Vault.

COMMITTEE REVIEW:

Public Works & Utilities: 03/30/2026

Finance Committee: 03/23/2026

Governing Body: 04/7/2026

Grants Manager
ERIKA LUJAN (Mar 13, 2026 12:22:52 MDT)
Mar 13, 2026

City of Santa Fe New Mexico

Finance Department

Project Ledger Request Form

Date of Request: 9/18/25 UPDATE REQUEST Adj Request: 3/3/2026

Project Title: ELECTRIC VAULT CONSTRUCTION

Project Type: ☐ CIP ☑ Grant ☐ Internal Tracking

Project ID: AIR2554502

Grant ID: S2508/F2608 New: S2646

Approved By: ERIKA LUJAN ERIKA LUJAN (Sep 19, 2025 15:52:43 MDT) Erika Lujan Digitally signed by Erika Lujan Date: 2026.03.05 10:20:21 -07'00'

CT (Finance Use Only)

Department: PW/AIRPORT 545 Project Manager: KELLY BYNON Ext: 2909

Project Date Range: 7/1/2024 to 6/30/2028 ☐ Create Fixed Asset

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☑ Multi-Funding (complete all funding sources, should equal 100%)

Funding Source: NMDOTAD SAF 24-06 New: SAF 26-02 % of Funding:

MUNIS ORG: 5450407 MUNIS OBJ: 490150 Awarded Amount: 56200.00

Funding Source: USDOT-FAA GRANT 67 % of Funding:

MUNIS ORG: 5450407 MUNIS OBJ: 490550 Awarded Amount: 249450.00

Expense String Phase:

A project must have at least one phase identified, this can be used as an additional level of tracking, for example, CIP - Design, Construction, etc. For Grants can be used as reimbursable types, such as transportation, salaries.

(You can create more than one phase and you can default MUNIS ORGs and OBJs, optional)

Phase: DESIGN/WIP CONSTRCT MUNIS ORG: 5450407 MUNIS OBJ: 572960, 572970

Grants Only (list all grants if applicable): LOCAL FUND: 6300.00

Grantor Name: NMDOTAD GRANT SAF 24-06 New: SAF 26-02 Awarded Amount: 56200.00

AR Charge Code: 5450407.490150 ☐ Grant funds multiple projects (Complete a form for each project)

Grantor Id: 700000 Federal CFDA (if applicable): N/A

Grantor Name: USDOTFAA GRANT 3.35.0037.067.2025 Awarded Amount: 249450.00

AR Charge Code: 5450407.490550 ☐ Grant funds multiple projects (Complete a form for each project)

Grantor Id: 700029 Federal CFDA (if applicable): 20.106

(If grants please provide all grant award documents with form) ☑ Attached Grant Documentation

Docusign Envelope ID: 3B3375E0-369E-4347-894A-4DDAEB8715A9

A-1330
Updated:07/2025
Aviation

NEW MEXICO DEPARTMENT OF TRANSPORTATION

Aviation Grant Agreement Form

Date: Feb 16, 2026

Project Location: SAF - SANTA FE MUNICIPAL AIRPORT

Sponsor: SANTA FE, CITY OF
Address: PO BOX 909
City: SANTA FE NM Zip Code: 87504

Participation FAA

Funding Breakdown FAA/STATE

Contract No._____

Project No. SAF-26-02

Vendor No. 0000054360

Expiration Date_____

Purchase Order No:_____

Docusign Envelope ID: 3B3375E0-369E-4347-894A-4DDAEB8715A9

AVIATION GRANT AGREEMENT

This Agreement is between the New Mexico Department of Transportation, acting through its Aviation Division (Department), and the Sponsor. This Agreement is effective pursuant to Section 7, below.

Now Therefore, pursuant to the New Mexico Aviation Act, NMSA 1978, Section 64-1-11 et seq., and the New Mexico Municipal Airport Law, NMSA 1978 Sections 3-39-1 et seq., the parties agree as follows:

1. Purpose.
The purpose of this Agreement is to provide funding, authorized in Section 64-1-13, NMSA 1978, to the Sponsor to assist in financing an aviation project.

a. Project Description:

RECONSTRUCT ELECTRICAL VAULT

b. Site of Development.The site of development is identified on the property map, attached as Exhibit A.
c. Funding.Below is the funding for the Project. The State's contribution is the maximum amount that the Department will contribute. Attached as Exhibit B is the engineer's cost estimate.

State	Sponsor	Other	Total
$ 56,200	$ 6,300	$ 249,450	$ 311,950

2. The Sponsor Shall:

a. Pay all costs, perform all labor, and supply all material, except as described in the Engineers Estimate attached as EXHIBIT B.
b. Provide a representative from its organization who shall serve as the single point of contact for the Department.
c. Establish and maintain a resolution by which the Sponsor agrees to establish an airport maintenance program and appoint an individual to be responsible for management of the program.
d. Initiate engineering, survey, and all other design activities, inspect Project construction and, coordinate all meetings.
e. Be responsible for all design and pre-construction activities.
f. Initiate and cause to be prepared all necessary documents including plans, specifications, estimates (PS&E), and reports for this Project.
g. Assure that all design and PS&E are performed under the direct supervision of a Registered New Mexico Professional Engineer.
h. Design the Project in accordance with State and Federal guidelines and/or advisory circulars, hereby incorporated into this Agreement. Construction projects will be accomplished in accordance with the Federal Aviation Administration's Standards for Specifying Construction of Airports (Advisory Circular 150/5370-10, current edition).

i. Notify the Department when the plans and specifications are sufficiently complete for review.
j. Make no changes in design or scope of work without documented approval of the Department.
k. Advertise for and contract for the construction of the Project in accordance with federal and state laws or local ordinances.
l. Require the Engineer to prepare a final detailed estimate of the work, indicating the bid items, the quantity in each item, the unit bid price and cost of the items based on low acceptable bid prices. Progress estimates shall be submitted to the Department in acceptable form so that details of quantities allowed on various items of work shall be shown on each progress payment.
m. The Sponsor shall submit to the Department one complete set of plans and specifications which incorporate all comments and recommendations received during pre-bid activities and which have been fully executed by all involved parties.
n. The Sponsor shall take all steps, including litigation if necessary, to recover State funds spent in violation of state laws and rules. The Sponsor shall return any recovered state funds to the Department. It shall furnish to the Department, upon request, all documents and records pertaining to the determination of the amount of the state's share of any settlement, litigation, negotiation, or the efforts taken to recover such funds. All settlements or other final dispositions by the Sponsor, in court or otherwise, involving the recovery of such state funds shall be approved in advance by the Department.
o. The Sponsor shall, upon reasonable notice, allow the Department the right to inspect the Project for the purposes of determining if it is being constructed in a good and workmanlike manner, and if the approved plans and specifications are being complied with satisfactorily. If an inspection discloses a failure to substantially meet such requirements and standards the Department may terminate payment or payments until a mutually satisfactory remedy is reached.

3. The Department Shall:

a. Assign a contact person for this project.
b. Provide timely reviews of all submittals of scopes, plans, specifications, investigations or other documents.
c. The Department shall not provide an extensive check of any plans submitted by the Sponsor. The Department's concurrence of the Project plans does not relieve the Sponsor or its Consultant of their responsibility for errors and omissions.

4. Both Parties Agree:

a. The allowable costs of this Project shall not include costs determined by the Department to be ineligible for consideration under the Aviation Act.
b. The expenditure of any State money is subject to approval by the Department.
c. Funds granted under the Local Governments Road Fund, NMSA 1978 Section 67-3-28.2, shall not be used to administer this Project or used to meet the local match.

5. Method of Payment - Reimbursement.

The Department shall reimburse the Sponsor in accordance with the terms of this agreement. Claims for reimbursement shall be completed on form A-1159, Request for Reimbursement. Each request for reimbursement shall contain proof of payment for valid expenditures for services rendered by a third party or items of tangible property received by the Sponsor for the implementation of the Project. The Department reserves the right to withhold reimbursement on requests that are incorrect and/or incomplete. The Final reimbursement request must be received no later than thirty (30) days after completion of the project or the expiration of this Agreement.

The Sponsor shall not be reimbursed for any costs incurred prior to the full execution of the Agreement, after the expiration of the Agreement or in excess of the maximum dollar amount of the agreement unless the maximum dollar amount is duly amended prior to incurring the service or deliverable. Any unexpended portion of funds subject to this Agreement shall revert to the State Aviation Fund.

6. Accountability of Receipts and Disbursements.

There shall be strict accountability for all receipts and disbursements. The Sponsor shall maintain all records and documents relative to the Project for a minimum of three (3) years after completion of said Project. The Sponsor shall furnish the Department or State Auditor, upon demand, all records which support the terms of this Agreement.

Docusign Envelope ID: 3B3375E0-369E-4347-894A-4DDAEB8715A9

7. Term

The Agreement becomes effective upon signatures of all parties. The Agreement's effective date is the date opposite of the NMDOT Cabinet Secretary or Designee's signature on the signature page. This agreement shall expire two (2) years from the effective date, unless terminated pursuant to Sections 8 and 17, below.

8. Termination for Cause.

The Department has the option to terminate this Agreement if the Sponsor fails to comply with any provision of this Agreement. A written notice of termination shall be given at least thirty (30) days prior to the intended date of termination and shall identify all of the Sponsor's breaches on which the termination is based.

The Department may provide the Sponsor a reasonable opportunity to correct the breach. If within ten (10) days after receipt of a written notice of termination, the Sponsor has not corrected the breach or, in the case of a breach which cannot be corrected in ten (10) days, the Sponsor has not begun and proceeded in good faith to correct the breach, the Department may declare the Sponsor in default and terminate the Agreement. The Department shall retain any and all other remedies available to it under the law.

By such termination neither party may nullify obligations already incurred for performance or failure to perform for the work rendered prior to the date of termination. However, neither party shall have any obligation to perform services or make payment for services rendered after such date of termination.

9. Disposition of Property.

a. Upon termination of this Agreement, the Sponsor shall account for any remaining property, materials or equipment belonging to the Department and dispose of them as directed by the Department.
b. Any equipment, materials or supplies procured under this Agreement shall be used solely for aviation purposes maintained according to the manufacturers guidelines and stored at the airport.

10. Representations and Certification.

The Sponsor, by signing this Agreement, represents and certifies the following:

a. Legal Authority - The Sponsor has the legal power and authority to: (1) do all things necessary in order to undertake and carry out the Project in conformity with the provisions stated in the New Mexico Aviation Act and Rules and Regulations pursuant thereto; (2) accept, receive and disburse grant funds from the State of New Mexico in aid of the Project; and (3) carry out all provisions stated in this Aviation Grant Agreement.

b. Defaults - The Sponsor is not in default on any obligation to the State of New Mexico relative to the development, operation or maintenance of any airport or aviation project.

c. Possible Disabilities - The Sponsor states, by execution of this Agreement, there are no facts or circumstance (including the existence of effective or proposed leases, use agreements, or other legal instruments affecting use of the airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project.

d. Land - The Sponsor holds the property interest in the areas of land which are to be developed or used as part of or in connection with the Project and is identified in a current Airport Property Map. The Sponsor further certifies that the aforementioned is based on a title examination by a qualified attorney or title company who has determined that the Sponsor holds the stated property interests.

11. Assurances.

The Sponsor, by signing this Agreement, covenants and agrees to the following Assurances:

a. That it will operate the airport for the use and benefit of the public on fair and reasonable terms and without unjust discrimination.
b. That it will keep the airport open to all types, kinds and classes of aeronautical use without discrimination between such types, kinds, and classes. The Sponsor shall establish fair, equal and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation.

Docusign Envelope ID: 3B3375E0-369E-4347-894A-4DDAEB8715A9

c. Neither it nor any person or organization occupying space at the airport will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of the facility and, further that any person, firm or corporation rendering service to the public on the airport will do so on a fair, equal and not unjustly discriminatory basis.

d. Operate and maintain in a safe and serviceable condition the airport and all facilities which are necessary to serve the aeronautical users and will not permit any activity which would interfere with its use for airport purposes.

e. By acquisition of land interest, acquisition of easements, airspace zoning, or other accepted means, protect the runway approaches and the airspace in the immediate vicinity of the airport from the construction, alteration, erection or growth of any structure which would interfere with the use or operation of the airport.

f. Comply with the New Mexico Aviation Act and associated provisions, NMSA 1978 Sections 64-1-1 to 64-5-4 and the New Mexico Municipal Airport Law, NMSA 1978 Sections 3-39-1 et seq.

g. That it shall not award the contract nor give bidding documents to any contractor who is subject to suspension or debarment by the U.S. Department of Transportation or the Department at the time of the bidding or award of the contract. Violation of this provision shall void this Agreement.

12. Third Party Beneficiaries.
It is not intended by any of the provisions of any part of this Agreement to create in the public or any member thereof a third party beneficiary or to authorize anyone not a party to the Agreement to maintain a suit(s) for wrongful death(s), bodily and/or personal injury(ies) to person(s), damage(s) to property(ies), and/or any other claim(s) whatsoever pursuant to the provisions of this Agreement.

13. New Mexico Tort Claims Act.
As between the Department and the Sponsor, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, *et seq*. This paragraph is intended only to define the liabilities between the parties and it is not intended to modify, in any way, the parties' liabilities as governed by common law or the New Mexico Tort Claims Act.

14. Scope of Agreement.
This Agreement incorporates all the agreements, covenants, and understandings between the parties concerning the subject matter. All such covenants, agreements, and understandings have been merged into this written Agreement. No prior Agreement or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15. Terms of this Agreement.
The terms of this Agreement are lawful; performance of all duties and obligations shall conform with and do not contravene any state, local, or federal statutes, regulations, rules, or ordinances.

16. Equal Opportunity Compliance.
The parties agree to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, the parties agree to assure that no person in the United States shall, on the grounds of race, color, national origin, ancestry, sex, sexual preference, age or handicap, be excluded from employment with, or participation in, any program or activity performed under this Agreement. If the parties are found to not be in compliance with these requirements during the term of this Agreement, the parties agree to take appropriate steps to correct these deficiencies.

Docusign Envelope ID: 3B3375E0-369E-4347-894A-4DDAEB8715A9

17. Appropriations and Authorizations of State and Federal Funds.
The terms of this Agreement are contingent upon sufficient appropriations and authorizations being made by the governing board of the Sponsor, the Legislature of New Mexico, or the Congress of the United States if federal funds are involved, for performance of the Agreement. If sufficient appropriations and authorizations are not made by the Sponsor, Legislature or the Congress of the United States if federal funds are involved, this Agreement shall terminate upon written notice being given by one party to the other. The Department and the Sponsor are expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered, and approved for expenditure.

18. Severability.
In the event that any portion of this Agreement is determined to be void, unconstitutional or otherwise unenforceable, the remainder of this Agreement shall remain in full force and effect.

19. Applicable Law.
The Laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-1(G).

20. Principal Contacts and Notices.
The principal contacts for this Agreement are listed below. Except as otherwise specified, all notices shall be in writing (including notice by facsimile or E-mail) and shall be given to the principal contacts listed below.

Address:	New Mexico Department of Transportation - Aviation Division 3501 Access Rd C. Albuquerque, NM 87106
General Office:	(505) 795-1401
Fax:	(505) 244-1790
E-mail:	Aviation.Division@dot.nm.gov

Name	JIMMY GUNN			
Title	INTERIM AIRPORT DIRECTOR			
Sponsor	SANTA FE, CITY OF			
Address	PO BOX 909			
City	SANTA FE	NM	Zip Code	87504
Office Phone	+1 (505) 699-2403	Fax		
E-Mail	JDGUNN@SANTAFENM.GOV			

21. Amendment.
This Agreement shall not be altered, modified, or amended except by an instrument in writing and executed by the parties.

In witness whereof, each party is signing this Agreement on the date stated opposite of that party's signature.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By: DocuSigned by: David Quintana C83920AB3826474... Date: 03/07/26

Cabinet Secretary or Designee

Recommended by:

By: Signed by: Jessi Litz-Pawlak B33A2037D7114CA... Date: 03/04/26

Aviation Division Director or Designee

Approved as to form and legal sufficiency by the New Mexico Department of Transportation's Office of General Counsel

By: Signed by: John Newell Acting General Counsel C750CEC1625D488... Date: 03/03/26

Assistant General Counsel

SPONSOR

Print Name: Michael J Garcia

By: Signed by: 2861766DC8074A7... Date: 03/03/26

Title: Mayor

IN WITNESS WHEREOF, the City of Santa Fe has executed this Agreement as of the date of the signature by the required approval authorities below.

CITY OF SANTA FE:

_____
MICHAEL GARCIA, MAYOR

DATE:_____

ATTEST:

_____
GERALYN CARDENAS, CITY CLERK

CITY ATTORNEY'S OFFICE:

Kevin L. Nault
Kevin L. Nault (Mar 13, 2026 10:40:30 MDT)
KEVIN NAULT, ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

ANDREA PHILLIPS (Mar 16, 2026 10:42:28 MDT) Mar 16, 2026
ANDREA PHILLIPS, INTERIM FINANCE DIRECTOR

Docusign Envelope ID: 3B3375E0-369E-4347-894A-4DDAEB8715A9

EXHIBIT B PROJECT COST

Project Location	SAF - SANTA FE MUNICIPAL AIRPORT

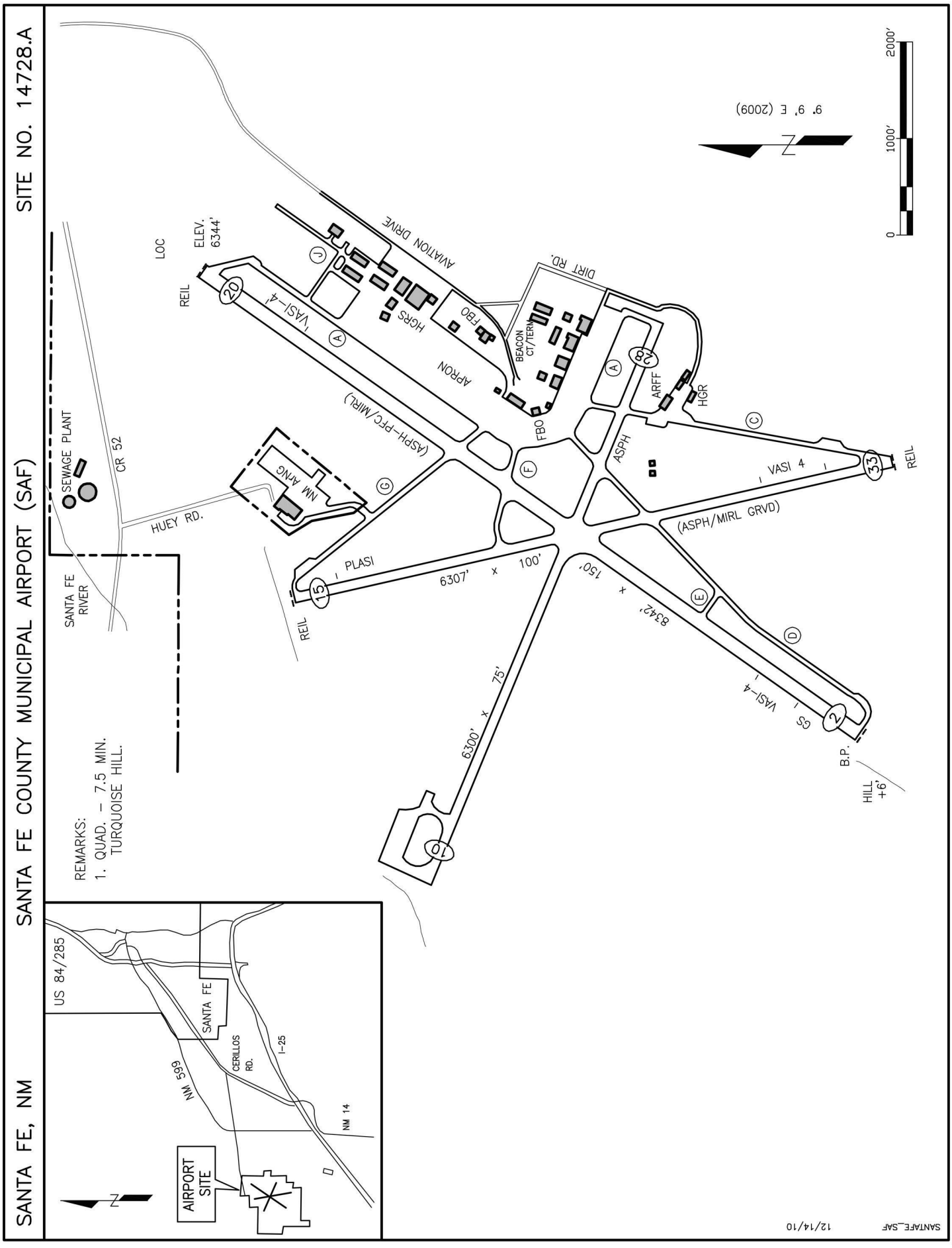
Project Description

RECONSTRUCT ELECTRICAL VAULT

State	Sponsor	Other	Total
$ 56,200	$ 6,300	$ 249,450	$ 311,950

Docusign Envelope ID: 3B3375E0-369E-4347-894A-4DDAEB8715A9

EXHIBIT A



Signature: 

Email: jdgunn@santafenm.gov

Ratification Electrical Vault SAF 26-02

Final Audit Report 2026-03-17

Created:	2026-03-17
By:	Paulette Ortiz (pkortiz@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAnlYKrGzNrbOKYDitjbkCC29lVER9hMsu

"Ratification Electrical Vault SAF 26-02" History

Document created by Paulette Ortiz (pkortiz@santafenm.gov)
2026-03-17 - 2:17:21 PM GMT- IP address: 63.232.20.2

Document emailed to jdgunn@santafenm.gov for signature
2026-03-17 - 2:17:58 PM GMT

Email viewed by jdgunn@santafenm.gov
2026-03-17 - 2:26:30 PM GMT- IP address: 63.232.20.2

Signer jdgunn@santafenm.gov entered name at signing as Jimmy Gunn
2026-03-17 - 2:27:09 PM GMT- IP address: 63.232.20.2

Document e-signed by Jimmy Gunn (jdgunn@santafenm.gov)
Signature Date: 2026-03-17 - 2:27:11 PM GMT - Time Source: server- IP address: 63.232.20.2

Agreement completed.
2026-03-17 - 2:27:11 PM GMT

Powered by Adobe Acrobat Sign

City of Santa Fe, New Mexico
Memorandum

DATE: **March 11, 2026**

TO: **Finance Committee, Public Works and Utilities, and Governing Body**

FROM: **Jimmy Gunn, Interim Airport Director** JG
JG

VIA: **Paulette Ortiz, Grant Administrator**

ITEM AND ISSUE:

Ratification due to mayor pre- signing this amendment. Request For Approval of Amendment #1 to the New Mexico Department of Transportation Aviation Division grant # SAF-25-03 in the Amount of $61,933 for the reconstruction of the Terminal Apron.

1. Ratification due to mayor pre-signing this amendment. Request for Approval of a Budget Amendment Resolution (BAR) in the Total Amount of $1,296,856 to Increase WIP Construction Fund Using NMDOT Funding for the Reconstruction of the Terminal Apron.

(Jimmy Gunn, Interim Airport Director, jdgunn@santafenm.gov; Paulette Ortiz, Administrative Grant Administrator, pkortiz@santafenm.gov)

BACKGROUND AND SUMMARY:

The Department of Transportation has issued an amendment to Grant SAF 25-03. Grant SAF 25-03 was approved by the City of Santa Fe Governing Body on ~~December 07, 2024~~ January 29,2025 for $1,234,923. The amended grant is for an additional $61,933 making the total amount $1,296,856. This grant will be used for the reconstruction of the Terminal Apron.

ACTION:

Ratification due to mayor pre-signing this amendment. Approval to accept Amendment #1 to the NMDOT Aviation Grant SAF-25-03 in the amount of $1,234,923 and Approval of a BAR increase in the amount of $61,933.

COMMITTEE REVIEW:

Finance Committee: 3/23/2026
Public Works and Utilities: 3/30/2026
Governing Body: 4/7/2026

Grants Manager
ERIKA LUJAN (Mar 13, 2026 12:23:54 MDT)
Mar 13, 2026

City of Santa Fe New Mexico

Finance Department

Project Ledger Request Form

Date of Request: 3/5/26 UPDATED-AMEND 1

Project Title: TERMINAL APRON RECONSTRUCTION

Project Type: ☐ CIP ☑ Grant ☐ Internal Tracking

Project ID: AIR2554506

Grant ID: F2516 & S2552

Approved By: [signature] Mar 5, 2026

ERIKA SUAN (Mar 5, 2026 16:06:44 MST)

CK (Finance Use Only)

Department: PW-AIRPORT Project Manager: K.BYNON Ext: 2909

Project Date Range: 9/16/24 to 9/16/28 ☐ Create Fixed Asset

☐ Multi-Funding (complete all funding sources, should equal 100%)

Funding Source: FED FAA #65 % of Funding: Up to 93.75%

MUNIS ORG: 5450407 MUNIS OBJ: 490550 Awarded Amount: 6089700.00

Funding Source: STATE NMDOTAD SAF ~~26-03~~ SAF 25-03 A1 % of Funding: 16.55%

MUNIS ORG: 5450407 MUNIS OBJ: 490150 Awarded Amount: 1296856.00

Expense String Phase:

A project must have at least one phase identified, this can be used as an additional level of tracking, for example, CIP - Design, Construction, etc. For Grants can be used as reimbursable types, such as transportation, salaries.

(You can create more than one phase and you can default MUNIS ORGs and OBJs, optional)

Phase: CONSTRUCTION MUNIS ORG: 5450407 MUNIS OBJ: 572970

Grants Only (list all grants if applicable):

Grantor Name: USDOTFAA #65 Expires 9/16/2028 Awarded Amount: 6089700.00

AR Charge Code: 5450407.490550 ☐ Grant funds multiple projects (Complete a form for each project)

Grantor Id: 700029 Federal CFDA (if applicable): 20.106

Grantor Name: NMDOTAD-SAF ~~26-03~~ SAF 25-03 A1 INCREASED AMOUNT Awarded Amount: 1296856.00

AR Charge Code: 5450407.490150 Expires 12/10/2026 ☐ Grant funds multiple projects (Complete a form for each project)

Grantor Id: 700000 Federal CFDA (if applicable): N/A

(If grants please provide all grant award documents with form) ☑ Attached Grant Documentation

Log # *{Finance use only}*:	
Journal # *{Finance use only}*:	

City of Santa Fe, New Mexico
BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME	DATE
Airport	3/3/2026

ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE
EXPENDITURES				*{enter as positive #}*	*{enter as negative #}*
WIP Construction	5450407	572970	AIR2554506	67,431	
REVENUES				*{enter as negative #}*	*{enter as positive #}*
NMDOT	5450407	490150	AIR2554506	(61,933)	
				$ 5,498	$ -

JUSTIFICATION: *(use additional page if needed)*
--Attach supporting documentation/memo

Amendment for increase SAF 25-03

{Complete section below if BAR results in a net change to ANY Fund}

Fund(s) Affected	Fund Balance Increase/(Decrease)
545	5,498
TOTAL:	5,498

Paulette Ortiz 3/3/2026
Prepared By *{print name}* Date

Division Director Signature *{optional}* Date

Department Director Signature Date

{Use this form for Finance Committee/ City Council agenda items ONLY}

CITY COUNCIL APPROVAL

City Council Approval Date

Agenda Item #

Andy Hopkins Mar 13, 2026
Budget Officer Date

Finance Director *{≤ $5,000}* Date

City Manager *{≤ $60,000}* Date

Docusign Envelope ID: 333965B7-9505-4F8B-B00A-AD016DF93254

Project No. SAF-25-03-01

Contract No. AVA1644

Vendor No. 0000054360

AMENDMENT NO. 1

THIS AMENDMENT made and entered into by and between the CITY OF SANTA FE , (hereinafter called the "Sponsor") and the State of New Mexico, acting through the State Department of Transportation, (hereinafter called the "Department").

RECITALS

WHEREAS, Section Twenty-One – Amendment: This agreement shall not be altered, modified or amended except by an instrument in writing by the Sponsor and documented acceptance by the Division.

NOW THEREFORE, the parties mutually agree as follows:

1. The State funding under Section 1, of the original agreement is deleted and replaced with the following:

   $1,296,856

2. Section 1C, Exhibit B to the original agreement is deleted and replaced with the attached Exhibit B

3. The State contribution stated in Exhibit B is $1,296,856

4. All terms, conditions, representations, and obligations set forth in the original Grant Agreement shall remain in full force and effect, except as expressly amended or modified by this Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates shown below.

Recommended by AVIATION DIVISION

By: Signed by: Jessi Litz-Bowden B33A2037D7114CA...

Date: 03/04/26

New Mexico Department of Transportation
Cabinet Secre

By: DocuSigned by: David Quintana C83920AB3826474...

Date: 03/07/26

SPONSOR

By: Signed by: Michael Harris 2861766DC8074A7...

Date: 03/03/26

Approved as to form and legal sufficiency

By: Signed by: John Newell Acting General Counsel C750CEC1625D488...

Assistal

Date: 03/03/26

Docusign Envelope ID: 333965B7-9505-4F8B-B00A-AD016DF93254

Santa Fe Regional Airport

AMENDED EXHIBIT B
PLEASE OMIT CENTS

ITEM NO.	ITEM OF WORK AND DESCRIPTION	TOTAL ESTIMATED COSTS	STATE FUNDS REQUESTED	SPONSOR FUNDS	OTHER FUNDS (FAA)
1	RECONSTRUCT TERMINAL APRON	$7,461,837	$1,234,923	$ 137,214	$ 6,089,700
2	AMENDMENT 1	$374,221	$61,933	$ 6,881	$305,407
	TOTALS	$ 7,836,058	$1,296,856	$ 144,095	$ 6,395,107

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City of Santa Fe
200 Lincoln Ave, Santa Fe, NM 87501 | santafenm.gov

DATE: February 5, 2026

TO: Jane Lucero, Airport Development Adminstrator-NMDOTAD

VIA: Jimmy Gunn, Interim Airport Director

From: Paulette Ortiz, Grant Administrator

This memo serves as a formal request to amend grant 25-03 which was granted to the Santa Fe Regional Airport in the amount of $1,234,923 to provide funding for the reconstruction of the Terminal Apron at SAF. This grant has a $6,089,700 match issued by the FAA.

SAF is requesting to have 25-03 amended to include an additional $61,405 for reconstruction of the terminal apron's unanticipated cost.

Thank you,

Jimmy Gunn, Interim Airport Director

jdgunn@santafenm.gov

Docusign Envelope ID: 333965B7-9505-4F8B-B00A-AD016DF93254

SPONSORS BUDGET ANALYSIS

LOCATION	Santa Fe Regional (SAF)
AIP PROJECT NUMBER	3-35-0037-065-2024

LAND ACQUISITION	$	
CONSTRUCTION		7,511,993
ENGINEERING		89,684
ADMINISTRATIVE		-
INSPECTION		234,381
TESTING		-
EQUIPMENT		-
OTHER (SPECIFY) Flgt Check		-
Program Management (if applicable)		-
TOTAL	$	7,836,058

REMARKS:

Terminal Apron Reconstruction

			Existing Grants	Additional Request
PROJECT COSTS:	$	7,836,058	7,461,837	374,221
FAA share (81.61127%, Grant 65)	$	6,395,107	6,089,700	305,407
State Share (16.55%)	$	1,296,856	1234923	61,933
City Share (1.84%)	$	144,095	137214	6,881

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NEW MEXICO DEPARTMENT OF TRANSPORTATION

Aviation Grant Agreement Form

Date: Nov 27, 2024

Project Location: SAF - SANTA FE MUNICIPAL AIRPORT

Sponsor: SANTA FE, CITY OF

Address: PO BOX 909

City: SANTA FE NM Zip Code: 87504

Participation: FAA

Funding Breakdown:

Contract No. AVA1644

Project No. SAF-25-03

Vendor No. 0000054360

Expiration Date 12/10/2026

Purchase Order No: 0000411088

Docusign Envelope ID: 333965B7-9505-4F8B-B00A-AD016DF93254

AVIATION GRANT AGREEMENT

This Agreement is between the New Mexico Department of Transportation, acting through its Aviation Division (Department), and the Sponsor. This Agreement is effective pursuant to Section 7, below.

Now Therefore, pursuant to the New Mexico Aviation Act, NMSA 1978, Section 64-1-11 et seq., and the New Mexico Municipal Airport Law, NMSA 1978 Sections 3-39-1 et seq., the parties agree as follows:

1. Purpose.
The purpose of this Agreement is to provide funding, authorized in Section 64-1-13, NMSA 1978, to the Sponsor to assist in financing an aviation project.

a. Project Description:

Reconstruct Apron Terminal, Reconstruct Perimeter Fencing, Construct/Extend Safety Area 15/33, Install Runway Signage/Markings 15/33

b. Site of Development.The site of development is identified on the property map, attached as Exhibit A.
c. Funding.Below is the funding for the Project. The State's contribution is the maximum amount that the Department will contribute. Attached as Exhibit B is the engineer's cost estimate.

State	Sponsor	Other	Total
$ 1,234,923	$ 137,214	$ 6,089,700	$ 7,461,837

2. The Sponsor Shall:

a. Pay all costs, perform all labor, and supply all material, except as described in the Engineers Estimate attached as EXHIBIT B.
b. Provide a representative from its organization who shall serve as the single point of contact for the Department.
c. Establish and maintain a resolution by which the Sponsor agrees to establish an airport maintenance program and appoint an individual to be responsible for management of the program.
d. Initiate engineering, survey, and all other design activities, inspect Project construction and, coordinate all meetings.
e. Be responsible for all design and pre-construction activities.
f. Initiate and cause to be prepared all necessary documents including plans, specifications, estimates (PS&E), and reports for this Project.
g. Assure that all design and PS&E are performed under the direct supervision of a Registered New Mexico Professional Engineer.
h. Design the Project in accordance with State and Federal guidelines and/or advisory circulars, hereby incorporated into this Agreement. Construction projects will be accomplished in accordance with the Federal Aviation Administration's Standards for Specifying Construction of Airports (Advisory Circular 150/5370-10, current edition).

i. Notify the Department when the plans and specifications are sufficiently complete for review.
j. Make no changes in design or scope of work without documented approval of the Department.
k. Advertise for and contract for the construction of the Project in accordance with federal and state laws or local ordinances.
l. Require the Engineer to prepare a final detailed estimate of the work, indicating the bid items, the quantity in each item, the unit bid price and cost of the items based on low acceptable bid prices. Progress estimates shall be submitted to the Department in acceptable form so that details of quantities allowed on various items of work shall be shown on each progress payment.
m. The Sponsor shall submit to the Department one complete set of plans and specifications which incorporate all comments and recommendations received during pre-bid activities and which have been fully executed by all involved parties.
n. The Sponsor shall take all steps, including litigation if necessary, to recover State funds spent in violation of state laws and rules. The Sponsor shall return any recovered state funds to the Department. It shall furnish to the Department, upon request, all documents and records pertaining to the determination of the amount of the state's share of any settlement, litigation, negotiation, or the efforts taken to recover such funds. All settlements or other final dispositions by the Sponsor, in court or otherwise, involving the recovery of such state funds shall be approved in advance by the Department.
o. The Sponsor shall, upon reasonable notice, allow the Department the right to inspect the Project for the purposes of determining if it is being constructed in a good and workmanlike manner, and if the approved plans and specifications are being complied with satisfactorily. If an inspection discloses a failure to substantially meet such requirements and standards the Department may terminate payment or payments until a mutually satisfactory remedy is reached.

3. The Department Shall:

a. Assign a contact person for this project.
b. Provide timely reviews of all submittals of scopes, plans, specifications, investigations or other documents.
c. The Department shall not provide an extensive check of any plans submitted by the Sponsor. The Department's concurrence of the Project plans does not relieve the Sponsor or its Consultant of their responsibility for errors and omissions.

4. Both Parties Agree:

a. The allowable costs of this Project shall not include costs determined by the Department to be ineligible for consideration under the Aviation Act.
b. The expenditure of any State money is subject to approval by the Department.
c. Funds granted under the Local Governments Road Fund, NMSA 1978 Section 67-3-28.2, shall not be used to administer this Project or used to meet the local match.

5. Method of Payment - Reimbursement.

The Department shall reimburse the Sponsor in accordance with the terms of this agreement. Claims for reimbursement shall be completed on form A-1159, Request for Reimbursement. Each request for reimbursement shall contain proof of payment for valid expenditures for services rendered by a third party or items of tangible property received by the Sponsor for the implementation of the Project. The Department reserves the right to withhold reimbursement on requests that are incorrect and/or incomplete. The Final reimbursement request must be received no later than thirty (30) days after completion of the project or the expiration of this Agreement.

The Sponsor shall not be reimbursed for any costs incurred prior to the full execution of the Agreement, after the expiration of the Agreement or in excess of the maximum dollar amount of the agreement unless the maximum dollar amount is duly amended prior to incurring the service or deliverable. Any unexpended portion of funds subject to this Agreement shall revert to the State Aviation Fund.

6. Accountability of Receipts and Disbursements.

There shall be strict accountability for all receipts and disbursements. The Sponsor shall maintain all records and documents relative to the Project for a minimum of three (3) years after completion of said Project. The Sponsor shall furnish the Department or State Auditor, upon demand, all records which support the terms of this Agreement.

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7. Term

The Agreement becomes effective upon signatures of all parties. The Agreement's effective date is the date opposite of the NMDOT Cabinet Secretary or Designee's signature on the signature page. This agreement shall expire two (2) years from the effective date, unless terminated pursuant to Sections 8 and 17, below.

8. Termination for Cause.

The Department has the option to terminate this Agreement if the Sponsor fails to comply with any provision of this Agreement. A written notice of termination shall be given at least thirty (30) days prior to the intended date of termination and shall identify all of the Sponsor's breaches on which the termination is based.

The Department may provide the Sponsor a reasonable opportunity to correct the breach. If within ten (10) days after receipt of a written notice of termination, the Sponsor has not corrected the breach or, in the case of a breach which cannot be corrected in ten (10) days, the Sponsor has not begun and proceeded in good faith to correct the breach, the Department may declare the Sponsor in default and terminate the Agreement. The Department shall retain any and all other remedies available to it under the law.

By such termination neither party may nullify obligations already incurred for performance or failure to perform for the work rendered prior to the date of termination. However, neither party shall have any obligation to perform services or make payment for services rendered after such date of termination.

9. Disposition of Property.

a. Upon termination of this Agreement, the Sponsor shall account for any remaining property, materials or equipment belonging to the Department and dispose of them as directed by the Department.
b. Any equipment, materials or supplies procured under this Agreement shall be used solely for aviation purposes maintained according to the manufacturers guidelines and stored at the airport.

10. Representations and Certification.

The Sponsor, by signing this Agreement, represents and certifies the following:

a. Legal Authority - The Sponsor has the legal power and authority to: (1) do all things necessary in order to undertake and carry out the Project in conformity with the provisions stated in the New Mexico Aviation Act and Rules and Regulations pursuant thereto; (2) accept, receive and disburse grant funds from the State of New Mexico in aid of the Project; and (3) carry out all provisions stated in this Aviation Grant Agreement.

b. Defaults - The Sponsor is not in default on any obligation to the State of New Mexico relative to the development, operation or maintenance of any airport or aviation project.

c. Possible Disabilities - The Sponsor states, by execution of this Agreement, there are no facts or circumstance (including the existence of effective or proposed leases, use agreements, or other legal instruments affecting use of the airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project.

d. Land - The Sponsor holds the property interest in the areas of land which are to be developed or used as part of or in connection with the Project and is identified in a current Airport Property Map. The Sponsor further certifies that the aforementioned is based on a title examination by a qualified attorney or title company who has determined that the Sponsor holds the stated property interests.

11. Assurances.

The Sponsor, by signing this Agreement, covenants and agrees to the following Assurances:

a. That it will operate the airport for the use and benefit of the public on fair and reasonable terms and without unjust discrimination.
b. That it will keep the airport open to all types, kinds and classes of aeronautical use without discrimination between such types, kinds, and classes. The Sponsor shall establish fair, equal and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation.

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c. Neither it nor any person or organization occupying space at the airport will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of the facility and, further that any person, firm or corporation rendering service to the public on the airport will do so on a fair, equal and not unjustly discriminatory basis.

d. Operate and maintain in a safe and serviceable condition the airport and all facilities which are necessary to serve the aeronautical users and will not permit any activity which would interfere with its use for airport purposes.

e. By acquisition of land interest, acquisition of easements, airspace zoning, or other accepted means, protect the runway approaches and the airspace in the immediate vicinity of the airport from the construction, alteration, erection or growth of any structure which would interfere with the use or operation of the airport.

f. Comply with the New Mexico Aviation Act and associated provisions, NMSA 1978 Sections 64-1-1 to 64-5-4 and the New Mexico Municipal Airport Law, NMSA 1978 Sections 3-39-1 et seq.

g. That it shall not award the contract nor give bidding documents to any contractor who is subject to suspension or debarment by the U.S. Department of Transportation or the Department at the time of the bidding or award of the contract. Violation of this provision shall void this Agreement.

12. Third Party Beneficiaries.
It is not intended by any of the provisions of any part of this Agreement to create in the public or any member thereof a third party beneficiary or to authorize anyone not a party to the Agreement to maintain a suit(s) for wrongful death(s), bodily and/or personal injury(ies) to person(s), damage(s) to property(ies), and/or any other claim(s) whatsoever pursuant to the provisions of this Agreement.

13. New Mexico Tort Claims Act.
As between the Department and the Sponsor, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, *et seq*. This paragraph is intended only to define the liabilities between the parties and it is not intended to modify, in any way, the parties' liabilities as governed by common law or the New Mexico Tort Claims Act.

14. Scope of Agreement.
This Agreement incorporates all the agreements, covenants, and understandings between the parties concerning the subject matter. All such covenants, agreements, and understandings have been merged into this written Agreement. No prior Agreement or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15. Terms of this Agreement.
The terms of this Agreement are lawful; performance of all duties and obligations shall conform with and do not contravene any state, local, or federal statutes, regulations, rules, or ordinances.

16. Equal Opportunity Compliance.
The parties agree to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, the parties agree to assure that no person in the United States shall, on the grounds of race, color, national origin, ancestry, sex, sexual preference, age or handicap, be excluded from employment with, or participation in, any program or activity performed under this Agreement. If the parties are found to not be in compliance with these requirements during the term of this Agreement, the parties agree to take appropriate steps to correct these deficiencies.

Docusign Envelope ID: 333965B7-9505-4F8B-B00A-AD016DF93254

17. Appropriations and Authorizations of State and Federal Funds.
The terms of this Agreement are contingent upon sufficient appropriations and authorizations being made by the governing board of the Sponsor, the Legislature of New Mexico, or the Congress of the United States if federal funds are involved, for performance of the Agreement. If sufficient appropriations and authorizations are not made by the Sponsor, Legislature or the Congress of the United States if federal funds are involved, this Agreement shall terminate upon written notice being given by one party to the other. The Department and the Sponsor are expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered, and approved for expenditure.

18. Severability.
In the event that any portion of this Agreement is determined to be void, unconstitutional or otherwise unenforceable, the remainder of this Agreement shall remain in full force and effect.

19. Applicable Law.
The Laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-1(G).

20. Principal Contacts and Notices.
The principal contacts for this Agreement are listed below. Except as otherwise specified, all notices shall be in writing (including notice by facsimile or E-mail) and shall be given to the principal contacts listed below.

Address:	New Mexico Department of Transportation - Aviation Division 3501 Access Rd C. Albuquerque, NM 87106
General Office:	(505) 795-1401
Fax:	(505) 244-1790
E-mail:	Aviation.Division@dot.nm.gov

Name	JAMES HARRIS			
Title	AIRPORT DIRECTOR			
Sponsor	SANTA FE, CITY OF			
Address	PO BOX 909			
City	SANTA FE	NM	Zip Code	87504
Office Phone		Fax		
E-Mail				

21. Amendment.
This Agreement shall not be altered, modified, or amended except by an instrument in writing and executed by the parties.

In witness whereof, each party is signing this Agreement on the date stated opposite of that party's signature.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By: DocuSigned by: Ricky Serna 5910E8A6255842F... Date: 12/10/24
Cabinet Secretary or Designee

Recommended by:

By: DocuSigned by: Pedro Rael C6675C3211D34C0... Date: 12/07/24
Aviation Division Director
or Designee

Approved as to form and legal sufficiency by the New Mexico Department of Transportation's Office of General Counsel

By: Signed by: John Newell Assistant General Counsel C750CEC1626D488... Date: 12/06/24
Assistant General Counsel

SPONSOR

Print Name: Alan Webber

By: Signed by: Alan Webber 160E64737EC8453... Date: 12/06/24

Title: Mayor

IN WITNESS WHEREOF, the City of Santa Fe has executed this Agreement as of the date of the signature by the required approval authorities below.

CITY OF SANTA FE:

_____
MICHAEL GARCIA, MAYOR

DATE:_____

ATTEST:

_____
GERALYN CARDENAS, CITY CLERK

CITY ATTORNEY'S OFFICE:

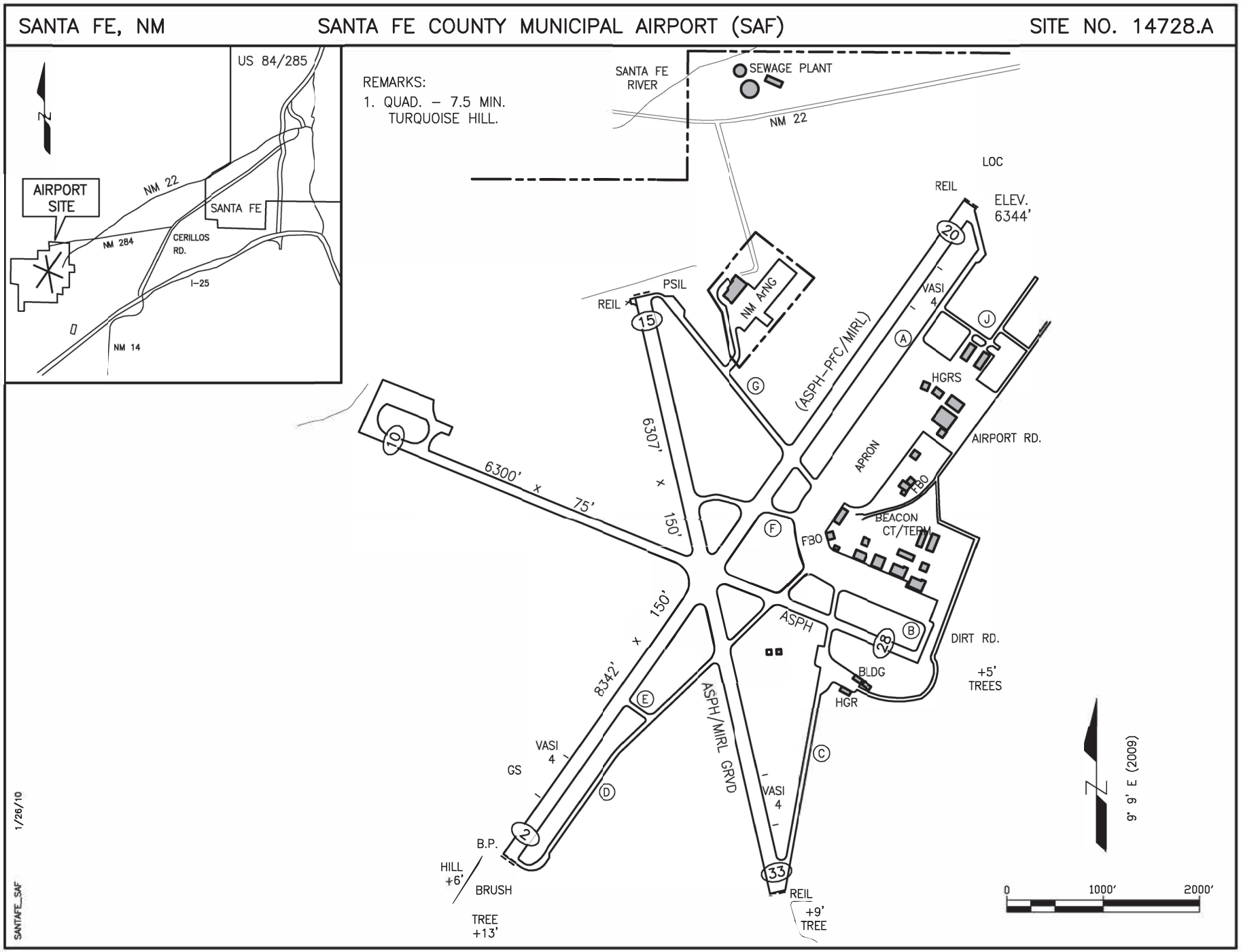
Kevin L. Nault
Kevin L. Nault (Mar 13, 2026 10:41:19 MDT)
KEVIN NAULT, ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

_____ Mar 16, 2026
ANDREA PHILLIPS (Mar 16, 2026 10:05:11 MDT)
ANDREA PHILLIPS, INTERIM FINANCE DIRECTOR

Docusign Envelope ID: 29371E81-45B5-476B-AD60-577126368E0A

EXHIBIT A



Docusign Envelope ID: 333965B7-9505-4F8B-B00A-AD016DF93254

Docusign Envelope ID: 333965B7-9505-4F8B-B00A-AD016DF93254

Santa Fe Muncipal

EXHIBIT B
PLEASE OMIT CENTS

ITEM NO.	ITEM OF WORK AND DESCRIPTION	TOTAL ESTIMATED COSTS	STATE FUNDS REQUESTED	SPONSOR FUNDS	OTHER FUNDS (FAA)
1		$7,461,837	$1,234,923	$ 137,214	$ 6,089,700
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
	TOTALS	$ 7,461,837	$1,234,923	$ 137,214	$ 6,089,700

Certificate Of Completion

Envelope Id: 333965B7-9505-4F8B-B00A-AD016DF93254
Status: Completed
Subject: Complete with Docusign: SAF-25-03 - RECONSTRUCT TERMINAL APRON - AMENDMENT 1.pdf
Source Envelope:
Document Pages: 13
Signatures: 4
Certificate Pages: 6
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-07:00) Mountain Time (US & Canada)

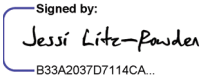
Envelope Originator:
Jane M. Lucero A.A.E. AICP
1120 Cerrillos Rd.
Santa Fe, NM 87505
jane.lucero@dot.nm.gov
IP Address: 164.64.74.26

Record Tracking

Status: Original
2/18/2026 9:13:46 AM
Security Appliance Status: Connected
Storage Appliance Status: Connected

Holder: Jane M. Lucero A.A.E. AICP
jane.lucero@dot.nm.gov
Pool: StateLocal
Pool: Department of Transportation

Location: DocuSign
Location: Docusign

Signer Events	Signature	Timestamp
John Newell johnp.newell@dot.nm.gov Acting General Counsel NMDOT Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	Signed by:  C750CEC1625D488... Signature Adoption: Uploaded Signature Image Using IP Address: 164.64.74.20	Sent: 2/18/2026 9:24:27 AM Viewed: 3/3/2026 12:38:08 PM Signed: 3/3/2026 12:40:03 PM
Michael Garcia mjgarcia@santafenm.gov Mayor Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 3/3/2026 10:00:07 PM ID: 7cd26917-0125-4b72-955f-b3b107747a64	Signed by:  2861766DC8074A7... Signature Adoption: Uploaded Signature Image Using IP Address: 75.161.75.176 Signed using mobile	Sent: 3/3/2026 12:40:05 PM Viewed: 3/3/2026 10:00:07 PM Signed: 3/3/2026 10:00:35 PM
Jessi Litz-Rowden jessi.litz-rowden@dot.nm.gov Director of Aviation Division NMDOT Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	Signed by:  B33A2037D7114CA... Signature Adoption: Pre-selected Style Using IP Address: 164.64.74.26	Sent: 3/3/2026 10:00:39 PM Viewed: 3/4/2026 8:23:06 AM Signed: 3/4/2026 8:23:19 AM
David Quintana David.Quintana@dot.nm.gov Chief Engineer NMDOT Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	DocuSigned by:  C83920AB3826474... Signature Adoption: Pre-selected Style Using IP Address: 2601:8c3:8601:f580:9196:15f0:6d96:269b Signed using mobile	Sent: 3/4/2026 8:23:21 AM Resent: 3/4/2026 7:06:11 PM Viewed: 3/5/2026 11:18:49 AM Signed: 3/7/2026 6:45:55 AM

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	**Status**	**Timestamp**
Agent Delivery Events	**Status**	**Timestamp**
Intermediary Delivery Events	**Status**	**Timestamp**
Certified Delivery Events	**Status**	**Timestamp**
Carbon Copy Events	**Status**	**Timestamp**
Christina Lucero Christina.Lucero3@dot.nm.gov Purchasing Agent - A NMDOT Security Level: Email, Account Authentication (None), Login with SSO **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/7/2026 6:45:57 AM Viewed: 3/10/2026 8:02:32 AM
Paulette Ortiz pkortiz@santafenm.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/7/2026 6:45:58 AM
Jimmy Gunn jdgunn@santafenm.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/7/2026 6:45:59 AM
James Garduno jdgarduno@santafenm.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/7/2026 6:46:00 AM
Matthew Bonifer mtbonifer@santafenm.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/7/2026 6:46:00 AM
Kevin Nault klnault@santafenm.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 8/6/2024 8:20:07 AM ID: 1defca10-114d-4980-882c-3621dc2a5eb4	COPIED	Sent: 3/7/2026 6:46:01 AM
Kelly Bynon kabynon@santafenm.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/7/2026 6:46:02 AM

Carbon Copy Events	Status	Timestamp
Dan Moran Dan.Moran@dot.nm.gov Manager NMDOT Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 3/7/2026 6:46:03 AM

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	2/18/2026 9:24:27 AM
Envelope Updated	Security Checked	3/4/2026 7:06:10 PM
Envelope Updated	Security Checked	3/4/2026 7:06:10 PM
Certified Delivered	Security Checked	3/5/2026 11:18:49 AM
Signing Complete	Security Checked	3/7/2026 6:45:55 AM
Completed	Security Checked	3/7/2026 6:46:03 AM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, New Mexico Department of Transportation (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact New Mexico Department of Transportation:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: Daniel.Garcia@doit.nm.gov

To advise New Mexico Department of Transportation of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at Daniel.Garcia@doit.nm.gov and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from New Mexico Department of Transportation

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to Daniel.Garcia@doit.nm.gov and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with New Mexico Department of Transportation

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to Daniel.Garcia@doit.nm.gov and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify New Mexico Department of Transportation as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by New Mexico Department of Transportation during the course of your relationship with New Mexico Department of Transportation.

Signature: 

Email: jdgunn@santafenm.gov

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
Alma G. Castro, District 1
Michael J. Garcia, District 2
Carol Romero-Wirth, District 2
Lee Garcia, District 3
Pilar F.H. Faulkner, District 3
Jamie Cassutt, District 4
Amanda Chavez, District 4

DATE: **December 27, 2024**

TO: **Finance Committee, Public Works and Utilities, and Governing Body**

FROM: **James Harris, Airport Manager** JH

VIA: **Kelly Bynon, Administrative Manager** Kelly Bynon

ITEM AND ISSUE:

Request For Approval to Accept the New Mexico Department of Transportation Aviation Division Grant # SAF-25-03 in the Amount of $1,234,923 for the Reconstruction of the Terminal Apron.

1. Request For Approval of a Budget Amendment Resolution (BAR) in the Total Amount of $1,372,167 to Increase WIP Design and WIP Construction using New Mexico Department of Transportation Aviation Division Funding for the Reconstruction of the Terminal Apron.

(James Harris, Airport Manager, jcharris@santafenm.gov; Kelly Bynon, Administrative Manager, kabynon@santafenm.gov)

BACKGROUND AND SUMMARY:

The New Mexico Department of Transportation Aviation Division has awarded Grant # SAF-25-03 in the Amount of $1,234,923 for the Reconstruction of the Terminal Apron. This state grant is a matching grant to FAA grant #3-35-0037-065-2024 that has already been accepted by Governing Body.

ACTION:

Approval to Accept the New Mexico Department of Transportation Aviation Division Grant # SAF-25-03 in the Amount of $1,234,923 for the North Apron Reconstruction Project.

1. Approval of a Budget Amendment Resolution (BAR) in the Total Amount of $1,372,167 to Increase WIP Design and WIP Construction using New Mexico Department of Transportation Aviation Division Funding for the North Apron Reconstruction Project.

COMMITTEE REVIEW:

Public Works & Utilities: 01/06/2025
Finance Committee: 01/13/2025
Governing Body: 01/15/2025

Log # *{Finance use only}*:	
Journal # *{Finance use only}*:	

City of Santa Fe, New Mexico
BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME	DATE
Public Works / Airport	12/13/2024

ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE
EXPENDITURES				*{enter as positive #}*	*{enter as negative #}*
WIP Design	5450407	572960	AIR2554506	279,739	
WIP Construction	5450407	572970	AIR2554506	1,092,398	
REVENUES				*{enter as negative #}*	*{enter as positive #}*
NMDOT	5450407	490150	AIR2554506	(1,234,923)	
				$ 137,214	$ -

JUSTIFICATION: *(use additional page if needed)*
--Attach supporting documentation/memo

NMDOT Grant SAF-25-03 was awarded to Santa Fe Regional Airport for the Reconstruction of the apron terminal.

This grant is a match grant with USDOT Grant 065. The FAA grant has already been approved and budgeted

under PL AIR2554506 in the amount of $6,089,700 for assistance with the construction phase of this project.

NMDOT grant 25-03 will use $279,739 for Design purposes and the rest for construction at a later time.

$137,214 to come from fund 545 for city portion

{Complete section below if BAR results in a net change to ANY Fund}

Fund(s) Affected	Fund Balance Increase/(Decrease)
545	(137,214)
TOTAL:	**(137,214)**

Kelly Bynon — 12/13/2024
Prepared By *{print name}* — Date

{Use this form for Finance Committee/ City Council agenda items ONLY}

CITY COUNCIL APPROVAL

City Council Approval D

Agenda Item #:

Andy Hopkins — Jan 6, 2025
Budget Officer — Date

Division Director Signature *{optional}* — Date

James Harris (Dec 27, 2024 09:22 MST) — Dec 27, 2024
Department Director Signature — Date

Finance Director *{≤ $5,000}* — Date

City Manager *{≤ $60,000}* — Date

Docusign Envelope ID: 29371E81-45B5-476B-AD60-577126368E0A

NEW MEXICO DEPARTMENT OF TRANSPORTATION

Aviation Grant Agreement Form

Item #25-0035

Date: Nov 27, 2024

Project Location: SAF - SANTA FE MUNICIPAL AIRPORT

Sponsor: SANTA FE, CITY OF

Address: PO BOX 909

City: SANTA FE NM Zip Code: 87504

Participation FAA

Funding Breakdown

Contract No._____

Project No. SAF-25-03

Vendor No. 0000054360

Expiration Date_____

Purchase Order No:_____

Docusign Envelope ID: 29371E81-45B5-476B-AD60-577126368E0A

AVIATION GRANT AGREEMENT

This Agreement is between the New Mexico Department of Transportation, acting through its Aviation Division (Department), and the Sponsor. This Agreement is effective pursuant to Section 7, below.

Now Therefore, pursuant to the New Mexico Aviation Act, NMSA 1978, Section 64-1-11 et seq., and the New Mexico Municipal Airport Law, NMSA 1978 Sections 3-39-1 et seq., the parties agree as follows:

1. Purpose.
The purpose of this Agreement is to provide funding, authorized in Section 64-1-13, NMSA 1978, to the Sponsor to assist in financing an aviation project.

a. Project Description:

Reconstruct Apron Terminal, Reconstruct Perimeter Fencing, Construct/Extend Safety Area 15/33, Install Runway Signage/Markings 15/33

b. Site of Development.The site of development is identified on the property map, attached as Exhibit A.
c. Funding.Below is the funding for the Project. The State's contribution is the maximum amount that the Department will contribute. Attached as Exhibit B is the engineer's cost estimate.

State	Sponsor	Other	Total
$ 1,234,923	$ 137,214	$ 6,089,700	$ 7,461,837

2. The Sponsor Shall:

a. Pay all costs, perform all labor, and supply all material, except as described in the Engineers Estimate attached as EXHIBIT B.
b. Provide a representative from its organization who shall serve as the single point of contact for the Department.
c. Establish and maintain a resolution by which the Sponsor agrees to establish an airport maintenance program and appoint an individual to be responsible for management of the program.
d. Initiate engineering, survey, and all other design activities, inspect Project construction and, coordinate all meetings.
e. Be responsible for all design and pre-construction activities.
f. Initiate and cause to be prepared all necessary documents including plans, specifications, estimates (PS&E), and reports for this Project.
g. Assure that all design and PS&E are performed under the direct supervision of a Registered New Mexico Professional Engineer.
h. Design the Project in accordance with State and Federal guidelines and/or advisory circulars, hereby incorporated into this Agreement. Construction projects will be accomplished in accordance with the Federal Aviation Administration's Standards for Specifying Construction of Airports (Advisory Circular 150/5370-10, current edition).

i. Notify the Department when the plans and specifications are sufficiently complete for review.
j. Make no changes in design or scope of work without documented approval of the Department.
k. Advertise for and contract for the construction of the Project in accordance with federal and state laws or local ordinances.
l. Require the Engineer to prepare a final detailed estimate of the work, indicating the bid items, the quantity in each item, the unit bid price and cost of the items based on low acceptable bid prices. Progress estimates shall be submitted to the Department in acceptable form so that details of quantities allowed on various items of work shall be shown on each progress payment.
m. The Sponsor shall submit to the Department one complete set of plans and specifications which incorporate all comments and recommendations received during pre-bid activities and which have been fully executed by all involved parties.
n. The Sponsor shall take all steps, including litigation if necessary, to recover State funds spent in violation of state laws and rules. The Sponsor shall return any recovered state funds to the Department. It shall furnish to the Department, upon request, all documents and records pertaining to the determination of the amount of the state's share of any settlement, litigation, negotiation, or the efforts taken to recover such funds. All settlements or other final dispositions by the Sponsor, in court or otherwise, involving the recovery of such state funds shall be approved in advance by the Department.
o. The Sponsor shall, upon reasonable notice, allow the Department the right to inspect the Project for the purposes of determining if it is being constructed in a good and workmanlike manner, and if the approved plans and specifications are being complied with satisfactorily. If an inspection discloses a failure to substantially meet such requirements and standards the Department may terminate payment or payments until a mutually satisfactory remedy is reached.

3. The Department Shall:

a. Assign a contact person for this project.
b. Provide timely reviews of all submittals of scopes, plans, specifications, investigations or other documents.
c. The Department shall not provide an extensive check of any plans submitted by the Sponsor. The Department's concurrence of the Project plans does not relieve the Sponsor or its Consultant of their responsibility for errors and omissions.

4. Both Parties Agree:

a. The allowable costs of this Project shall not include costs determined by the Department to be ineligible for consideration under the Aviation Act.
b. The expenditure of any State money is subject to approval by the Department.
c. Funds granted under the Local Governments Road Fund, NMSA 1978 Section 67-3-28.2, shall not be used to administer this Project or used to meet the local match.

5. Method of Payment - Reimbursement.

The Department shall reimburse the Sponsor in accordance with the terms of this agreement. Claims for reimbursement shall be completed on form A-1159, Request for Reimbursement. Each request for reimbursement shall contain proof of payment for valid expenditures for services rendered by a third party or items of tangible property received by the Sponsor for the implementation of the Project. The Department reserves the right to withhold reimbursement on requests that are incorrect and/or incomplete. The Final reimbursement request must be received no later than thirty (30) days after completion of the project or the expiration of this Agreement.

The Sponsor shall not be reimbursed for any costs incurred prior to the full execution of the Agreement, after the expiration of the Agreement or in excess of the maximum dollar amount of the agreement unless the maximum dollar amount is duly amended prior to incurring the service or deliverable. Any unexpended portion of funds subject to this Agreement shall revert to the State Aviation Fund.

6. Accountability of Receipts and Disbursements.

There shall be strict accountability for all receipts and disbursements. The Sponsor shall maintain all records and documents relative to the Project for a minimum of three (3) years after completion of said Project. The Sponsor shall furnish the Department or State Auditor, upon demand, all records which support the terms of this Agreement.

Docusign Envelope ID: 29371E81-45B5-476B-AD60-577126368E0A

7. Term

The Agreement becomes effective upon signatures of all parties. The Agreement's effective date is the date opposite of the NMDOT Cabinet Secretary or Designee's signature on the signature page. This agreement shall expire two (2) years from the effective date, unless terminated pursuant to Sections 8 and 17, below.

8. Termination for Cause.

The Department has the option to terminate this Agreement if the Sponsor fails to comply with any provision of this Agreement. A written notice of termination shall be given at least thirty (30) days prior to the intended date of termination and shall identify all of the Sponsor's breaches on which the termination is based.

The Department may provide the Sponsor a reasonable opportunity to correct the breach. If within ten (10) days after receipt of a written notice of termination, the Sponsor has not corrected the breach or, in the case of a breach which cannot be corrected in ten (10) days, the Sponsor has not begun and proceeded in good faith to correct the breach, the Department may declare the Sponsor in default and terminate the Agreement. The Department shall retain any and all other remedies available to it under the law.

By such termination neither party may nullify obligations already incurred for performance or failure to perform for the work rendered prior to the date of termination. However, neither party shall have any obligation to perform services or make payment for services rendered after such date of termination.

9. Disposition of Property.

a. Upon termination of this Agreement, the Sponsor shall account for any remaining property, materials or equipment belonging to the Department and dispose of them as directed by the Department.
b. Any equipment, materials or supplies procured under this Agreement shall be used solely for aviation purposes maintained according to the manufacturers guidelines and stored at the airport.

10. Representations and Certification.

The Sponsor, by signing this Agreement, represents and certifies the following:

a. Legal Authority - The Sponsor has the legal power and authority to: (1) do all things necessary in order to undertake and carry out the Project in conformity with the provisions stated in the New Mexico Aviation Act and Rules and Regulations pursuant thereto; (2) accept, receive and disburse grant funds from the State of New Mexico in aid of the Project; and (3) carry out all provisions stated in this Aviation Grant Agreement.

b. Defaults - The Sponsor is not in default on any obligation to the State of New Mexico relative to the development, operation or maintenance of any airport or aviation project.

c. Possible Disabilities - The Sponsor states, by execution of this Agreement, there are no facts or circumstance (including the existence of effective or proposed leases, use agreements, or other legal instruments affecting use of the airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project.

d. Land - The Sponsor holds the property interest in the areas of land which are to be developed or used as part of or in connection with the Project and is identified in a current Airport Property Map. The Sponsor further certifies that the aforementioned is based on a title examination by a qualified attorney or title company who has determined that the Sponsor holds the stated property interests.

11. Assurances.

The Sponsor, by signing this Agreement, covenants and agrees to the following Assurances:

a. That it will operate the airport for the use and benefit of the public on fair and reasonable terms and without unjust discrimination.
b. That it will keep the airport open to all types, kinds and classes of aeronautical use without discrimination between such types, kinds, and classes. The Sponsor shall establish fair, equal and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation.

c. Neither it nor any person or organization occupying space at the airport will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of the facility and, further that any person, firm or corporation rendering service to the public on the airport will do so on a fair, equal and not unjustly discriminatory basis.
d. Operate and maintain in a safe and serviceable condition the airport and all facilities which are necessary to serve the aeronautical users and will not permit any activity which would interfere with its use for airport purposes.
e. By acquisition of land interest, acquisition of easements, airspace zoning, or other accepted means, protect the runway approaches and the airspace in the immediate vicinity of the airport from the construction, alteration, erection or growth of any structure which would interfere with the use or operation of the airport.
f. Comply with the New Mexico Aviation Act and associated provisions, NMSA 1978 Sections 64-1-1 to 64-5-4 and the New Mexico Municipal Airport Law, NMSA 1978 Sections 3-39-1 et seq.
g. That it shall not award the contract nor give bidding documents to any contractor who is subject to suspension or debarment by the U.S. Department of Transportation or the Department at the time of the bidding or award of the contract. Violation of this provision shall void this Agreement.

12. Third Party Beneficiaries.
It is not intended by any of the provisions of any part of this Agreement to create in the public or any member thereof a third party beneficiary or to authorize anyone not a party to the Agreement to maintain a suit(s) for wrongful death(s), bodily and/or personal injury(ies) to person(s), damage(s) to property(ies), and/or any other claim(s) whatsoever pursuant to the provisions of this Agreement.

13. New Mexico Tort Claims Act.
As between the Department and the Sponsor, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, *et seq*. This paragraph is intended only to define the liabilities between the parties and it is not intended to modify, in any way, the parties' liabilities as governed by common law or the New Mexico Tort Claims Act.

14. Scope of Agreement.
This Agreement incorporates all the agreements, covenants, and understandings between the parties concerning the subject matter. All such covenants, agreements, and understandings have been merged into this written Agreement. No prior Agreement or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15. Terms of this Agreement.
The terms of this Agreement are lawful; performance of all duties and obligations shall conform with and do not contravene any state, local, or federal statutes, regulations, rules, or ordinances.

16. Equal Opportunity Compliance.
The parties agree to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, the parties agree to assure that no person in the United States shall, on the grounds of race, color, national origin, ancestry, sex, sexual preference, age or handicap, be excluded from employment with, or participation in, any program or activity performed under this Agreement. If the parties are found to not be in compliance with these requirements during the term of this Agreement, the parties agree to take appropriate steps to correct these deficiencies.

17. Appropriations and Authorizations of State and Federal Funds.
The terms of this Agreement are contingent upon sufficient appropriations and authorizations being made by the governing board of the Sponsor, the Legislature of New Mexico, or the Congress of the United States if federal funds are involved, for performance of the Agreement. If sufficient appropriations and authorizations are not made by the Sponsor, Legislature or the Congress of the United States if federal funds are involved, this Agreement shall terminate upon written notice being given by one party to the other. The Department and the Sponsor are expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered, and approved for expenditure.

18. Severability.
In the event that any portion of this Agreement is determined to be void, unconstitutional or otherwise unenforceable, the remainder of this Agreement shall remain in full force and effect.

19. Applicable Law.
The Laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-1(G).

20. Principal Contacts and Notices.
The principal contacts for this Agreement are listed below. Except as otherwise specified, all notices shall be in writing (including notice by facsimile or E-mail) and shall be given to the principal contacts listed below.

Address:	New Mexico Department of Transportation - Aviation Division 3501 Access Rd C. Albuquerque, NM 87106
General Office:	(505) 795-1401
Fax:	(505) 244-1790
E-mail:	Aviation.Division@dot.nm.gov

Name	JAMES HARRIS			
Title	AIRPORT DIRECTOR			
Sponsor	SANTA FE, CITY OF			
Address	PO BOX 909			
City	SANTA FE	NM	Zip Code	87504
Office Phone		Fax		
E-Mail				

21. Amendment.
This Agreement shall not be altered, modified, or amended except by an instrument in writing and executed by the parties.

In witness whereof, each party is signing this Agreement on the date stated opposite of that party's signature.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By:_____ Date: _____
Cabinet Secretary or Designee

Recommended by:

By:_____ Date: _____
Aviation Division Director
or Designee

Approved as to form and legal sufficiency by the New Mexico Department of Transportation's Office of General Counsel

By:_____ Date: _____
Assistant General Counsel

SPONSOR

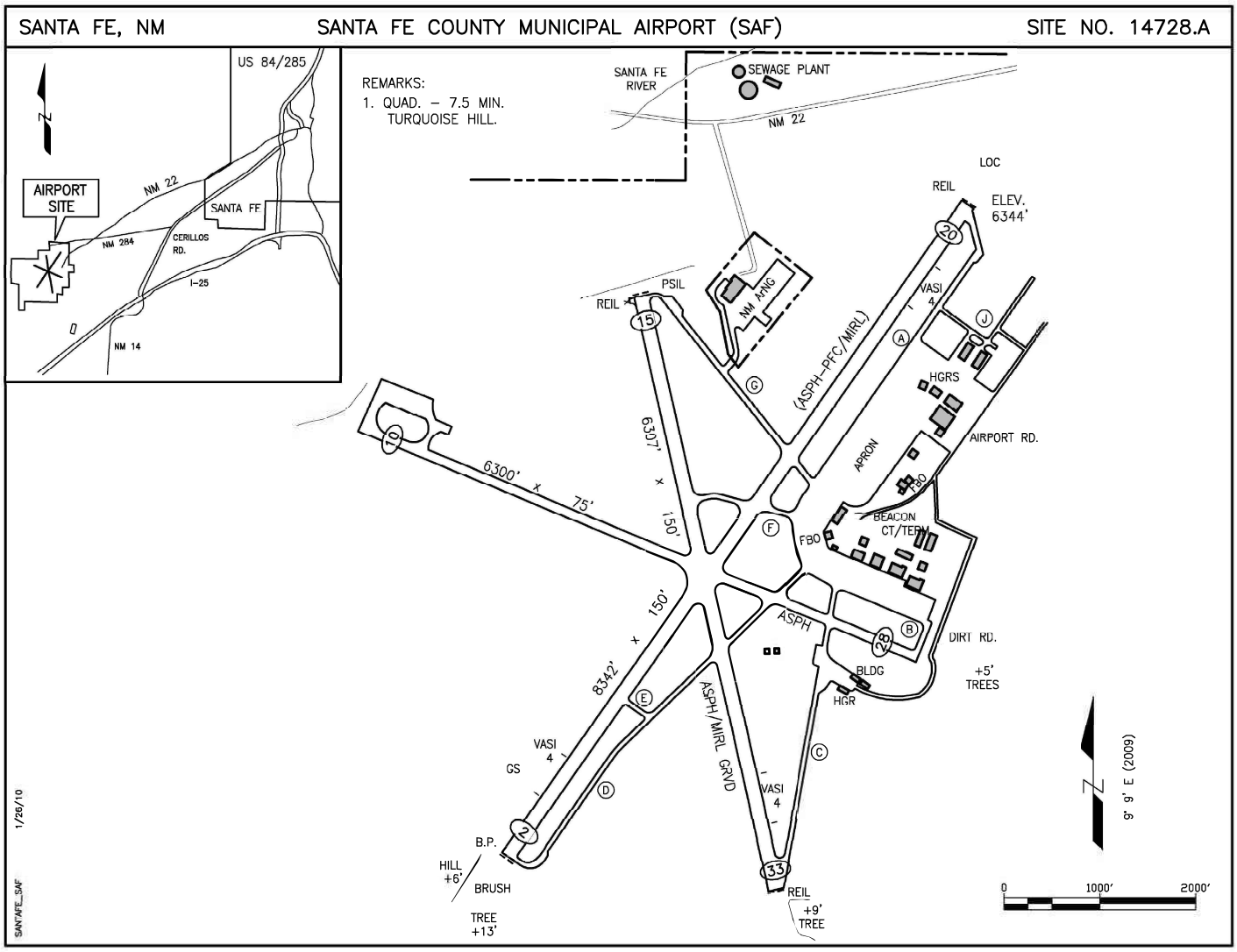
Print Name: Alan Webber

By: Alan Webber (Mar 17, 2025 18:23 MDT) Date: Mar 17, 2025

Title: Mayor

Docusign Envelope ID: 29371E81-45B5-476B-AD60-577126368E0A

EXHIBIT A



Docusign Envelope ID: 29371E81-45B5-476B-AD60-577126368E0A

Santa Fe Muncipal

EXHIBIT B
PLEASE OMIT CENTS

ITEM NO.	ITEM OF WORK AND DESCRIPTION	TOTAL ESTIMATED COSTS	STATE FUNDS REQUESTED	SPONSOR FUNDS	OTHER FUNDS (FAA)
1		$7,461,837	$1,234,923	$ 137,214	$ 6,089,700
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
		$0	$0	$ 0	$ 0
	TOTALS	$ 7,461,837	$1,234,923	$ 137,214	$ 6,089,700

IN WITNESS WHEREOF, the parties have agreed to this Grant Agreement as of the date when it is executed by the parties, whichever signature occurs last.

CITY OF SANTA FE:

Alan Webber (Mar 17, 2025 18:23 MDT)

ALAN WEBBER, MAYOR

DATE: Mar 17, 2025

ATTEST:

ANDREA SALAZAR (Mar , 2025 18:38 MDT)

ANDRÉA SALAZAR, CITY CLERK xiv

GB MTG 01-29-25

CITY ATTORNEY'S OFFICE:

Kevin L. Nault

Kevin L. Nault (Dec 20, 2024 09:23 MST)

ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

Emily K. Oster

EMILY OSTER, FINANCE DIRECTOR

Signature: XAVIER VIGIL
XAVIER VIGIL (Mar 17, 2025 16:02 MDT)

Email: xivigil@santafenm.gov

25-0035 New Mexico Department of Transportation Aviation Division

Final Audit Report 2025-03-18

Created:	2025-03-17
By:	XAVIER VIGIL (xivigil@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAAEq6P96v_s0fEaiS3pED22j5j-INp2Ib

"25-0035 New Mexico Department of Transportation Aviation Division" History

Document created by XAVIER VIGIL (xivigil@santafenm.gov)
2025-03-17 - 9:57:46 PM GMT- IP address: 63.232.20.2

Document e-signed by XAVIER VIGIL (xivigil@santafenm.gov)
Signature Date: 2025-03-17 - 10:02:16 PM GMT - Time Source: server- IP address: 63.232.20.2

Document emailed to Alan Webber (amwebber@santafenm.gov) for signature
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2025-03-17 - 10:26:15 PM GMT- IP address: 104.28.50.161

Document e-signed by Alan Webber (amwebber@santafenm.gov)
Signature Date: 2025-03-18 - 0:23:28 AM GMT - Time Source: server- IP address: 73.242.252.236

Document emailed to ANDREA SALAZAR (asalazar@santafenm.gov) for signature
2025-03-18 - 0:23:29 AM GMT

Email viewed by ANDREA SALAZAR (asalazar@santafenm.gov)
2025-03-18 - 0:38:31 AM GMT- IP address: 76.26.101.206

Document e-signed by ANDREA SALAZAR (asalazar@santafenm.gov)
Signature Date: 2025-03-18 - 0:38:50 AM GMT - Time Source: server- IP address: 76.26.101.206

Agreement completed.
2025-03-18 - 0:38:50 AM GMT

Powered by Adobe Acrobat Sign

Date: February 27, 2026

To: Governing Body, Finance Committee, Public Works and Utilities Committee

From: Taylor Jurgens, Engineer, Water Division TRJ

Via: Jesse Roach, Interim Public Utilities Department Director JR Jesse Roach

Jonathan Montoya, Acting Water Division Director JM JM

RE: McClure Dam Authorized Representatives and Agents No. DSB-FY26-HHPD-01

EXECUTIVE SUMMARY:

This Resolution designates authorized representatives and agents for a grant agreement with the New Mexico Office of the State Engineer (OSE) regarding Grant Agreement DSB-FY26-HHPD-01 ("Grant Agreement"). The Grant Agreement makes available one million three hundred fifty-four thousand four hundred seventy-nine dollars and zero cents ($1,354,479.00) for a project to plan and design the rehabilitation of McClure Dam in Santa Fe County.

BACKGROUND:

OSE, through Article XI.B(e) of the Grant Agreement, requires that the City of Santa Fe as the grantee agrees that "Grantee's governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the Grantee to sign and submit Requests for Payment on behalf of Grantee". Adoption of this Resolution will satisfy this requirement and allow the City to enter into the Grant Agreement and submit Requests for Payment. The Grant Agreement will be presented to the Governing Body in an action separate from this Resolution.

ATTACHMENTS:

Resolution
Fiscal Impact Report

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2026-__

INTRODUCED BY:

Councilor Amanda Chavez

A RESOLUTION

AUTHORIZING CITY OF SANTA FE REPRESENTATIVES AND AGENTS TO SIGN AGREEMENTS AND REQUESTS FOR PAYMENT REGARDING NEW MEXICO OFFICE OF THE STATE ENGINEER GRANT AGREEMENT DSB-FY26-HHPD-01, TO PLAN AND DESIGN THE REHABILITATION OF MCCLURE DAM.

WHEREAS, the Federal Emergency Management Agency (FEMA) has awarded the New Mexico Office of the State Engineer (OSE) a certain amount of funds through the High Hazard Potential Dams (HHPD) grant program and the New Mexico Department of Finance and Administration (DFA) has awarded the OSE the New Mexico Match Fund Grant to cover the Local Match Amount required by the FEMA HHPD Grant, from which the OSE is making available to the City of Santa Fe ("Grantee" of "City") through Grant Agreement DSB-FY26-HHPD-01 ("Agreement"), incorporated as Attachment A, in the amount of one million three hundred fifty-four thousand four hundred seventy-nine dollars and zero cents ($1,354,479.00), to plan and design the rehabilitation of McClure Dam in Santa Fe County ("Project"); and

WHEREAS, Article XI.B(e) of the Agreement, states that "Grantee's governing body has

duly adopted or passed as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the Grantee to sign and submit Requests for Payment on behalf of Grantee" and adopting this resolution will satisfy this requirement; and

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE, that the following provisions shall apply to the agreement:

1. The person listed below, or their successor, is the Grantee's official representative authorized to sign the Agreement:

   Grantee: City of Santa Fe
   Name: Michael Garcia
   Title: Mayor
   Address: PO Box 909
   Santa Fe, NM 87504
   Email: mayor@santafenm.gov
   Telephone: (505) 955-6590

2. The person listed below, or their successor, is the Grantee's Fiscal Officer or Fiscal Agent concerning reviewing and signing Requests for Payments for permissible expenditures:

   Grantee: City of Santa Fe
   Name: Erika Lujan
   Title: Grants Manager
   Address: 200 Lincoln Ave
   Santa Fe, NM 87501
   Email: evlujan@santafenm.gov
   Telephone: 505-479-1334

PASSED, APPROVED, and ADOPTED this _____day of _____, 2026.

_____

MICHAEL J. GARCIA, MAYOR

ATTEST:

_____

GERALYN F. CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Mar 20, 2026 09:53:23 MDT)

MARCOS D. MARTÍNEZ, INTERIM CITY ATTORNEY

Legislation/2026/Resolutions/McClure Dam Authorized and Representatives and Agents No. DSB-FY26-HHPD-0

Attachment A

STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER
SUB-RECIPIENT GRANT AGREEMENT DSB-FY26-HHPD-01

THIS AGREEMENT is made and entered into by and between the State of New Mexico, Office of the State Engineer (OSE), with mailing address: 5550 San Antonio Drive NE, Albuquerque, NM 87109, ("**Department**" or "Recipient") and the City of Santa Fe with mailing address: 200 Lincoln Ave., P.O. Box 909, Santa Fe, NM 87504-0909 ("Grantee" or "Subrecipient") (individually "**Party**" and collectively "**Parties**"). This Agreement shall be effective as of the date the Department executes it ("**Effective Date**").

WITNESSETH

WHEREAS, the rehabilitation of High Hazard Potential Dams (HHPD) grant program is authorized by 33 USC 467f-2; and is administered through the Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA); and

WHEREAS, the Federal Emergency Management Agency (FEMA) has awarded the OSE a certain amount of funds through the HHPD grant program (Award No. EMT-2024-GR-05014);

WHEREAS, the New Mexico Department of Finance and Administration (DFA) has awarded the OSE the New Mexico Match Fund Grant to cover the Local Match Amount required by the FEMA HHPD Grant (Award No. MG26-91655);

WHEREAS, the purpose of this agreement is to specify and delineate the responsibilities and duties of the parties hereto, for rehabilitation of McClure Dam, hereinafter referred to as the "Project";

WHEREAS, the Department is charged with regulating the safety of dams in New Mexico including McClure Dam; and

WHEREAS, the Grantee owns, operates, and maintains McClure Dam for the purpose of municipal water supply for the City of Santa Fe and has requested funding assistance for the project;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

AGREEMENT

I. PROJECT DESCRIPTION, GRANT AMOUNT, AND REVERSION

A. The Project that is the subject of this Agreement with current FEMA Performance Period 09/25/2024 to 09/24/2027 (subject to amendment) is described as follows: Tasks necessary to plan and design the rehabilitation of McClure Dam, Santa Fe County, New Mexico, as described in the Scope of Work for this Project dated 11/20/2024, and as may be amended by appropriately approved and executed Scope of Work Amendment.

B. Grantee's total reimbursements shall not exceed Eight Hundred Eighty Thousand Four Hundred Eleven Dollars and Thirty Five Cents ($880,411.35) ("FEMA Allocation Amount")

plus the 35-percent local match Four Hundred Seventy Four Thousand Sixty Seven Dollars and Sixty Five Cents ($474,067.65) ("Local Match Amount"), which equals One Million Three Hundred Fifty Four Thousand Four Hundred Seventy Nine Dollars ($1,354,479.00) ("Total Allocated Amount").

C. In the event of a conflict among the Total Allocated Amount, the Performance Period, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding language in the laws cited above in this Article I, the language of the FEMA award and the DFA Award cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the "Project"; the information contained in Article I is referred to collectively throughout the remainder of this Agreement as the "Project Description." Attachment A sets forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. Attachment B sets forth additional requirements and conditions in accordance with the HHPD grant program reference in the Recitals above, which are incorporated by this reference as if set forth fully herein. If Attachment A and/or B imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of Attachment A and/or B shall prevail, in the event of irreconcilable conflict. The Grantee shall reference the Project's number in all correspondence with and submissions to the OSE concerning the Project, including, but not limited to, Requests for Payment and reports.

The information contained in Article I is referred to collectively as the "**Project Description**."

II. DISBURSEMENT LIMITATION

A. Upon the Effective Date, the Grantee shall submit to the Department a comprehensive procurement plan and expenditure plan, detailing a Project timeline with milestones, required procurements, and identifying expected expenditures per milestone (collectively, "**Project Budget**"). The Department shall review and approve the Project Budget by issuing a Notice of Department's Obligation ("**Notice of Obligation**"), in accordance with the Project Description, a sample of which is attached hereto as **Exhibit A** and incorporated herein by reference. After receipt of a Notice of Obligation, the Grantee may be reimbursed for allowable costs up to the Total Allocated Amount. This Agreement and any reimbursements up to the Total Allocated Amount are expressly conditioned upon the following:

a. Irrespective of any Notice of Obligation, Grantee's expenditures shall be made in accordance with the Project Budget, on or before the end of the Performance Period and/or, if applicable, any Early Termination Date; and
b. The total amount received by Grantee shall not exceed the lesser of:
    i. the Total Allocated Amount identified in Article I (B) herein; or
    ii. the total of all amounts stated in the Notice(s) of Obligation evidencing the Department has received and accepted Grantee's Third-Party Obligation(s); and
c. Grantee's expenditures are made and accounted for pursuant to the State Procurement Code, State's Model Accounting Practices, and execution of binding written obligations or purchase orders with third-party contractors or vendors for the provision of services, including professional services, or the purchase of

tangible personal property and real property for the Project ("**Third Party Obligations**"); and

d. Grantee's submittal of timely Requests for Payment and supporting documentation in accordance with the procedures set forth in this Agreement; and
e. In the event capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
    i. must be approved by the applicable oversight entity (if any) in accordance with §§ 13-6-2, 13-6-2.1, and 13-6-3; or
    ii. If no oversight entity is required to approve the transaction, the Department of Finance and Administration's Infrastructure Planning Development Division (IPDD) must approve it as complying with the law.

B. Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(e) (i) or (ii) herein, the Department may, in its sole and absolute discretion, unless inconsistent with State Board of Finance imposed conditions, reimburse Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, limited to planning and design expenditures; and

C. Grantee's submission of documentation of all Third Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:

a. Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third Party Obligation, and request the Third Party to begin work after issuance of a Notice of Obligation by the Department.
b. Grantee acknowledges and agrees that any Third Party Obligations agreed to prior to receiving a Notice of Obligation are its sole responsibility.
c. Grantee shall submit to the Department one copy of all Third Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party but prior to execution by the Grantee.
d. Department may, in its sole and absolute discretion, issue a Notice of Obligation for the particular amount of a Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is incorporated herein and attached hereto as **Exhibit A**.

D. Grantee shall provide all necessary qualified personnel, materials, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

E. Prior to entering into this Agreement, the Department conducted a risk assessment on the Grantee and a project readiness review for the Project. In accordance with State Model Accounting Practices, FIN 9.2, if the Department determines that the expenditure of Project funds by the Grantee requires special conditions, those conditions are identified and listed in Attachment A, which is attached and incorporated by reference. The Parties agree that, to the extent the Department, in its sole and absolute discretion, determines

additional special conditions are necessary or that existing special conditions are no longer required, it may update Attachment A from time to time without the need for a formal amendment of this Agreement.

F. Project funds shall not be used for purposes other than those authorized by the Department in accordance with the Project Description.

G. Project funds cannot be used to reimburse the Grantee for indirect Project costs unless specifically allowed by law.

III. NOTICES

The following provisions shall apply whenever written notices, including written decisions, are to be given or received related to this Agreement.

The Grantee designates the person(s) listed below, or their successor, as their official representative(s) concerning all matters related to this Agreement:

Dam Owner: City of Santa Fe
Name:
Title:
Address:

Email:
Telephone:

Fiscal Agent:
Name:
Address:

Email:
Telephone:

The Department designates the person listed below, or their successors, as the Points of Contact for matters related to this Agreement.

Department: Office of the State Engineer
Name: Sushil Chaudhary
Title: Dam Safety Bureau Chief
Address: 5550 San Antonio Drive, NE
Albuquerque, NM 87109
Email: sushil.chaudhary@ose.nm.gov
Telephone: 505-383-4134

The Parties agree that all notices, including written decisions, related to this Agreement shall be sent to the persons named above by email or regular mail. For mailings, notices shall be deemed to have been given and received upon the date of the receiving party's actual receipt or five (5) calendar days after mailing, whichever shall first occur. In the

case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of the email.

IV. TERM & DEADLINE TO EXPEND FUNDS

A. The term of this Agreement shall begin on the Effective Date and terminate on the day the FEMA Performance Period ends (09/24/2027 subject to amendment) unless Terminated Before FEMA Performance Period ends ("**Early Termination**") pursuant to Article V herein (collectively "**Term**").

B. The Project's funds must be expended on or before the end date of the FEMA Performance Period and, if applicable, the Early Termination Date of this Agreement.

   a. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Reversion Date or Early Termination Date.
   b. For purposes of this Agreement, an expenditure of funds has occurred on the date the particular quantity of goods is delivered to and received by the Grantee, title to the goods is transferred to the Grantee, and/or as of the date particular services are rendered to and accepted by the Grantee.
   c. For purposes of this Agreement, an encumbrance of funds pursuant to a contract or purchase order with a third party does not qualify as an expenditure.

V. EARLY TERMINATION

A. General Provision. The Department may terminate this Agreement before the end of the FEMA Performance Period based on the Completion of the Project, Complete Expenditure of the Total Allocated Amoun and/or Violation of this Agreement. Early Termination hereunder includes:

   a. Termination due to completion of the Project before the end date of the FEMA Performance Period;
   b. Termination due to complete expenditure of the Total Allocated Amount before the end date of the FEMA Performance Period;
   c. Termination for violation of the terms of this Agreement; or
   d. Termination for suspected mishandling of public funds, including but not limited to fraud, waste, abuse, and conflicts of interest.

B. Non-appropriation. This Agreement is expressly contingent upon the United States Congress and the legislature of New Mexico, if applicable, making sufficient appropriations and authorizations for the Project Description.

   a. If the United States Congress or New Mexico Legislature does not appropriate the Total Allocated Amount, this Agreement shall terminate upon the Department giving the Grantee written notice of such termination. Such termination shall be effective as of the effective date of the law making the non-appropriation.
      i. The Department's decision as to whether sufficient appropriations or authorizations are available shall be final. Grantee hereby waives any

rights to assert an impairment of contract claim against the State of New Mexico in the event of Early Termination of this Agreement.

b. As used herein, “non-appropriate” or “non-appropriation” includes the following actions by the United States Congress or New Mexico Legislature:
    i. Deauthorization, reauthorization, or revocation of a prior authorization as communicated to the OSE by FEMA or DFA.

C. Grant Disbursements in the Event of Early Termination. In the event of Early Termination, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II above.

D. Notice. Either Party may terminate this Agreement prior to the end date of the FEMA Performance Period by providing the other Party with a minimum of fifteen (15) days advance written notice of the Early Termination. Grantee hereby waives any rights to assert an impairment of contract claim against the State of New Mexico in the event of Early Termination of this Agreement by the Department.

VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. Department, in its sole and absolute discretion, may provide written notice to Grantee to suspend entering into further obligations. Upon receipt of such written notice by the Grantee:

    a. Grantee shall immediately suspend entering into new or further written obligations with third parties;
    b. Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
    c. Department may direct the Grantee to implement a corrective action plan in accordance with Article VI (D) herein.

B. In the event of Suspension of this Agreement, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for a Notice of Obligation.

D. Corrective Action Plan in the Event of Suspension. Where the Department, in its sole and absolute discretion, directs Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension.

a. Such a corrective action plan must be approved by the Department and be signed by the Grantee.
b. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(c).
c. A corrective action plan shall be in addition to, and not in lieu of, any other equitable or legal remedy authorized hereunder or at law, including but not limited to Early Termination.

VII. AMENDMENTS

Unless expressly stated otherwise herein, this Agreement shall not be altered, changed, or amended except by an instrument in writing duly executed by both parties hereto with the same formalities as this agreement.

VIII. REPORTING

A. Database Reporting

a. Grantee shall provide the Department with monthly reports of Project activities, expenditures, and budget updates.
b. Additionally, Grantee shall certify on each Request for Payment form, attached hereto as **Exhibit B** and incorporated herein, that all information provided in the monthly reports is true and accurate and all Project activity complies with applicable law and the terms of this Agreement.
c. Grantee hereby acknowledges that failure to perform and/or certify updates to the monthly reports will jeopardize the reimbursement of funds. The Department shall give Grantee a minimum of fourteen (14) days' advance written notice of any changes to the information the Grantee is required to report.
d. At the Department's discretion, all reports required hereunder may be directed to and facilitated through an electronic database.
e. Monthly reports shall be due by 10th of the month after the month ends following the execution of this Agreement by the Department and ending during the month of the submission of the final request for reimbursement for the Project, or the following month. Monthly reports shall be in the form required by the Department.

B. Requests for Additional Information/Project Inspection

a. During the term of this Agreement and the Record Retention Period, the Department may:
    i. Request additional information regarding the Project as it deems necessary and
    ii. Conduct on-site inspections of the Project at reasonable times and upon reasonable notice.
b. Grantee shall respond to such requests for additional information within the time established by the Department.

IX. REQUEST FOR PAYMENT PROCEDURES

A. Grantee shall request payment by submitting the form attached hereto as **Exhibit B**. Payment requests are subject to the following procedures:

   a. Each Request for Payment must be in accordance with the Project Budget and contain proof of payment by the Grantee or liabilities incurred by the Grantee.
      i. Proof of payment must demonstrate the validity of an expenditure or liabilities incurred by Grantee.
      ii. However, Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
   b. Obligated but unpaid invoices received by Grantee from third-party contractors or vendors may be reimbursed if the invoices comply with the provisions of this Agreement.
      i. The Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or in a shorter period than the Department may prescribe in writing.
      ii. The Department reserves the right to make such payments directly to the contractors or vendors as a special condition under this Agreement.
      iii. The Grantee is required to certify to the Department proof of payment to the third-party contractor or vendor within five (5) business days from the date the Department reimburses the Grantee.

B. .

C. Deadlines. Grantee shall submit requests for Payments to the Department on the earlier of:

   a. Immediately as Grantee receives them, but at a maximum of thirty (30) days from when Grantee incurred the expenditure or liability; or
   b. Twenty (20) days from the date of Early Termination or the end date of FEMA Performance Period for expenditures or liabilities incurred before the Early Termination date or the end date of FEMA Performance Period .

D. Grantee's failure to abide by the requirements set forth in Article II and Article IX herein may result in the denial of its Request for Payment. Department reserves the right to reject a payment request for the Project unless and until it is satisfied that the expenditures or liabilities are for permissible purposes within the meaning of the Project Description, identified within the Project Budget, and that the Grantee is otherwise in compliance with this Agreement.

   a. Department's authority to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department under this Agreement, at law, or in equity.

X. PROJECT CONDITIONS AND RESTRICTIONS

A. The following general conditions and restrictions shall apply to the Project:
   a. The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code.
   b. The Project's expenditures and liabilities must be accounted for in accordance with the State's Model Accounting Practices, as amended from time to time.
   c. The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars ($60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project. In addition, the Project is subject to the federal Davis-Bacon Act, as amended.

   d. The Project must provide a public benefit above and beyond any incidental benefit to private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico.
   e. Without prior written approval from the Department and State Board of Finance, for the useful life of any asset purchased under this Agreement, Grantee shall not convert any property acquired, built, renovated, repaired, designed, or developed with Project funds to uses other than those specified in the Project Description.
      i. In addition to other remedies available at law or in equity, any disposal or conversion of property acquired, built, renovated, repaired, designed, or developed with Project funds without the Department's and the Board of Finance's express written approval will trigger the Département's right to reimbursement from Grantee of the Appropriated Amount, transfer proceeds from any disposition of property to the State, or otherwise provide consideration to the State for the Appropriated Amounts.
   f. Grantee shall comply with all applicable federal and state laws, rules, and regulations pertaining to civil rights and equal employment opportunity.
      i. In accordance with all such laws, rules, and regulations, the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age, or handicap, be excluded from participation in the Project, use of the Project, employment with Grantee,

or otherwise be denied benefits/subject to discrimination for any activity performed under this Agreement.

g. Where the Department, in its sole and absolute discretion, determines Grantee has failed to comply with the above conditions and restrictions, Grantee agrees to take appropriate steps to correct any deficiencies immediately. The Grantee's failure to implement such appropriate steps within a reasonable time, but no longer than thirty (30) days after notice from the Department, constitutes a breach of this Agreement and grounds for Early Termination.

XI. REPRESENTATIONS AND WARRANTIES

A. Reliance by Department.
   a. Grantee expressly acknowledges that the Department relies on the representations and warranties made by Grantee in this Agreement. Grantee acknowledges that such representations and warranties are a material inducement for the Department to enter into this Agreement and provide the Allocated Amount.
   b. Grantee shall ensure all representations and warranties provided herein are true, accurate, and complete as of the date of the Effective Date and shall remain so throughout the Term of this Agreement. Grantee is responsible for promptly notifying the Department in writing of any changes or inaccuracies in the representations and warranties contained herein.

B. Grantee hereby represents and warrants the following:

   a. Grantee has taken all necessary steps to attain the legal authority to receive and expend the Project's funds.
   b. Grantee has duly authorized this Agreement, and the person executing it has authority to do so. Once executed by Grantee, this Agreement shall constitute a binding obligation of Grantee, enforceable according to its terms.
   c. Grantee's obligations hereunder do not conflict with any law, ordinance, or resolution applicable to Grantee, Grantee's charter (if applicable), or any judgment or decree to which Grantee is subject.
   d. Grantee has independently confirmed that the Project Description, including, but not limited to, the Total Allocated Amount and the end date of the FEMA Performance Period, is consistent with the underlying appropriation in law.
   e. Grantee's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign and submit Requests for Payment on behalf of Grantee.
   f. Grantee will abide by New Mexico laws regarding conflicts of interest, governmental conduct, and whistleblower protection.
      i. Grantee agrees explicitly none of its officers or employees or its designees or agents, no member of the governing body, and no other public official of Grantee who exercises any function or responsibility with respect to this Agreement, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for the Project.
      ii. Further, Grantee will require all of its contractors to incorporate the language set forth in this paragraph prohibiting conflicts of interest in all subcontracts.

g. No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of the State, any agency, or body in connection with the awarding of any Third Party Obligation.
    i. Grantee will require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans, and cooperative agreements.

C. Consequences of False or Misleading Representations. If any representation or warranty made by Grantee is found to be false or misleading, the Department shall have the right to exercise any or all of the following remedies:

a. **Termination of Agreement:** Department may terminate this Agreement immediately upon written notice to the Grantee.
b. **Repayment of Grant Funds:** Grantee shall repay all Allocated Amounts disbursed under this Agreement, upon demand by the Department.
c. **Other Remedies:** Department may pursue any other remedies available at law or in equity.

D. Survival of Representations and Warranties. The representations and warranties made by the Grantee shall survive the Early Termination or expiration of this Agreement.

XII. PROJECT RECORDS

A. Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles and the State's Model Accounting Practices and, if feasible, maintain a separate bank account or fund with a separate organizational code to ensure separate budgeting and accounting of the funds.

B. For six (6) years following the Project's completion ("**Record Retention Period**"), Grantee shall maintain all Project-related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the Appropriated Amount from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department may prescribe.

C. Grantee shall make all Project records available to the Department, the Department's Independent Public Accountant, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department finds any funds were improperly expended, Grantee shall be required to reimburse the State all amounts found to be improperly expended.

XIII. IMPROPERLY REIMBURSED FUNDS

If the Department determines part or all of the Total Allocated Amount was improperly reimbursed to Grantee, including but not limited to funds reimbursed to Grantee based upon fraud,

mismanagement, misrepresentation, misuse, violation of law by the Grantee, after ten (10) days' notice to Grantee and the opportunity to return such funds to the Department, the Department may offset any funds due to Grantee from the State, until the Total Allocated Amount is fully repaid.

XIV. LIABILITY

Neither Party shall be responsible for liability incurred as a result of the other Party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

XV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Parties concerning the subject matter hereof. The Agreement supersedes all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

XVI. REQUIRED NON-APPROPRIATIONS CLAUSE

A. Grantee acknowledges and agrees to include a "non-appropriations" clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

    a. "The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the US Congress to FEMA and New Mexico Legislature to DFA, as communicated to the OSE by FEMA and DFA, for the performance of this Agreement.
    b. If the OSE provides notification of insufficient appropriations and authorization, the City of Santa Fe may immediately terminate this Agreement by giving Contractor written notice of such termination.
    c. The City of Santa Fe's decision as to whether sufficient appropriations are available shall be final and accepted by the Contractor. Contractor hereby waives any rights to assert an impairment of contract claim against the City of Santa Fe or the State of New Mexico or FEMA in the event of immediate or Early Termination of this Agreement by the City of Santa Fe or the OSE."

XVII. REQUIRED TERMINATION CLAUSE

A. Grantee acknowledges and agrees to include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

    a. "This contract is funded in whole or in part by funds made available by the State of New Mexico ("**State**"). Should terminate its Agreement with the City of Santa Fe, the City of Santa Fe may terminate this contract immediately by providing Contractor written notice of such termination.

b. In the event of termination pursuant to this paragraph, the City of Santa Fe's only liability to Contractor shall be for goods and services delivered and accepted prior to the termination date."

XVIII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA

A. Throughout the term of this Agreement, Grantee shall:

a. Submit all reports of annual audits and agreed-upon procedures required by § 12-6-3(A)-(B), NMSA 1978 by the due dates established in § 2.2.2 NMAC, reports of which must be a public record pursuant to § 12-6-5(A), NMSA 1978 within forty-five (45) days of delivery to the State Auditor;
b. Have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
c. Timely submit all required financial reports to its budgetary oversight agency (if any); and
d. Use accounting methods and procedures consistent with Generally Accepted Accounting Principles and the State's Model Accounting Practices to expend the Appropriated Amount in accordance with applicable law and account for and safeguard Project funds and assets acquired with Project funds.

B. In the event Grantee fails to comply with the requirements of subparagraph A of this Article XVIII, Department may take one or more of the following actions:

a. Suspend new or further obligations pursuant to Article VI(A) of this Agreement;
b. Require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
c. Impose special conditions to address the non-compliance by giving Grantee notice of such special conditions in accordance with Article III of this Agreement;
    i. The Parties agree that any special conditions imposed to address non-compliance shall be incorporated into this Agreement, through **Attachment A**, upon notice to, without need for formal amendment of this Agreement;
    ii. Special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III or
d. Terminate this Agreement pursuant to Article V(A) of this Agreement.

XIX. GENERAL PROVISIONS

A. Assignment: The City of Santa Fe's rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee's rights and obligations approved by the State shall be subject to the provisions of this Agreement.

B. Subcontractors: Grantee shall not enter any subgrant or subcontract in connection with its obligations under this Agreement without the prior written approval of the State. Upon request, Grantee shall submit to the Department a copy of each such subgrant or subcontract.

C. Binding Effect: Except as otherwise provided, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

D. Authority: Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.

E. Captions and References: The captions and headings in this Agreement are for the convenience of reference only and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits, or other attachments are references to sections, subsections, exhibits, or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

F. Counterparts: This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute the same agreement.

G. Digital Signatures: If any signatory signs this agreement using a digital signature in accordance with the State Policies regarding the use of digital signatures, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

H. Modification: Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment, properly executed and approved in accordance with applicable New Mexico law and State fiscal policies and rules. Modifications permitted under this Agreement, other than Agreement amendments, shall conform to the policies issued by the State.

I. Statutes, Regulations, Fiscal Rules, and Other Authority: Any reference in this Agreement to a statute, regulation, policy, or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended after the Effective Date of this Agreement.

J. External Terms and Conditions: Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Grantee's or a subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Agreement.

K. Severability: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with its intent.

L. Survival of Certain Agreement Terms: Any provision of this Agreement that imposes an obligation on a Party after the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and shall be enforceable by the other Party.

M. Third Party Beneficiaries: Except for the Parties' respective successors and assigns described in this Agreement, it does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits that third parties receive as a result of this Agreement are incidental to this Agreement and do not create any rights for such third parties.

N. Waiver: A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

O. Standard and Manner of Performance: Grantee shall perform its obligations under this Agreement in accordance with the highest standards of care, skill, and diligence in Grantee's industry, trade, or profession.

P. Licenses, Permits, and Other Authorizations: Grantee shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement and shall ensure that all employees, agents, and subcontractors secure and maintain at all times during the term of their employment, agency or subcontractor, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.

Q. Publicity: Any Publicity regarding the subject matter of this Agreement may not be released without prior written approval from the Department. For purposes of this agreement, "**Publicity**" means notices, informational pamphlets, press releases, email responses, research, reports, signs, and similar public notices prepared by or for the Grantee or jointly with others.

   a. Grantee shall obtain written approval prior to issuing any press release or making any public announcement regarding this agreement. Grantee agrees to obtain approval of the Department in advance with respect to all Public Relations, all communications with media, or all communications with any other member of the public with respect to this agreement, except to acknowledge that an agreement does exist.
   b. For purposes of this agreement, "Public Relations" includes community relations and means those activities dedicated to maintaining the Department's image or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.
   c. Violations of either Article XX (Q)(a) or (b) shall constitute a material Breach of Agreement.

R. Data Sharing: The State intends to secure and collate specific data generated by Grantee under this Agreement to use in support of the State's organizational, policy-making, and management of public resource functions. State, in accordance with **Exhibit D**, attached hereto and incorporated herein by reference, reserves the right to require Grantee and/or

its subcontractors to provide specific data relevant to the above-listed functions. Data provided by Grantee may be incorporated into existing or future developed State integrated analysis tools or databases, including but not limited to geographic information system (GIS) networks and databases accessible by the public. Dissemination of data collected may include historical data and projections based on such historical data.

a. To the extent any data transferred as part of this Agreement is legally determined to be the property of Subrecipient or its subcontractors, Subrecipient and/or its subcontractors grants State a nonexclusive, fully paid-up right and license to reproduce, use, distribute, do derivative works based on, and archive data transferred as part of this Agreement.

S. Venue and Choice of Law: This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico, without regard to any conflict of law provisions. Any legal suit, action, or proceeding arising out of or related to this Agreement shall be instituted exclusively in the district courts located in Santa Fe, New Mexico. The Parties hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such suit, action, or proceeding. The Parties waive any objection to the laying of the venue of any such suit, action, or proceeding in the district courts of Santa Fe, New Mexico, and irrevocably waive and agree not to plead or claim in any such court that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum.

[SIGNATURE PAGE AND EXHIBITS FOLLOW]
[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Department's date of execution.

APPROVED BY DEPARTMENT: OFFICE OF THE STATE ENGINEER

By: _____

Name: Elizabeth K. Anderson, P.E.

Title: State Engineer Date:_____

Chief Financial Officer: By: _____

Name: Jim Williamson

Title: Chief Financial Officer Date:_____

AS TO BUDGET SUFFICIENCY

Program Support Director: By: _____

Name: Jeff Primm

Title: Program Support Director Date:_____

AS TO LEGAL FORM AND SUFFICIENCY

General Counsel's Office: By: _____

Name: R. Alfred Walker

Title: ALU Managing Attorney Date: 01/20/2026

APPROVED BY GRANTEE:

City of Santa Fe By: _____

Name: _____ Date: _____

Title: _____ Date: _____

Finance Director: By: _____

Name: _____

Title: _____ Date:_____

Legal Counsel: By: _____

Name: _____

Title: _____ Date:_____

EXHIBIT A

NOTICE OF OBLIGATION TO REIMBURSE GRANTEE

EXHIBIT A

Notice of Obligation to Reimburse Grantee [# 1]

DATE: _____

FROM: Department: _____
TO: Grantee: _____
Grantee Official Representative: _____

SUBJECT: Notice of Obligation to Reimburse Grantee
Grant Number: _____
Grant Termination Date: _____

As the designated representative of the Department for Grant Agreement number [_____] entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following third party obligation executed, in writing, by the third party's authorized representative:

Vendor or Contractor: [_____]
Third Party Obligation Amount: [_____]
Vendor or Contractor: [_____]
Third Party Obligation Amount: [_____]

Vendor or Contractor: [_____]
Third Party Obligation Amount: [_____]

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount (Minus AIPP if applicable): [_____]
The Amount of this Notice of Obligation: [_____]
The Total Amount of all Previously Issued Notices of Obligation: _____]
The Total Amount of all Notices of Obligation to Date: [_____]
Note: Contract amounts may exceed the total grant amount, but the invoices paid by the grant will not exceed the grant amount.

Department Rep. Approver: [_____]
Title: [_____]
Signature: [_____]
Date: [_____]

1 Administrative and/or Indirect Cost – generally, the legislation authorizing the issuance of bonds prohibits the use of its proceeds for indirect expenses (e.g. penalty fees or damages other than pay for work performed, attorney fees, and administrative fees). Such use of bond proceeds shall not be allowed unless specifically authorized by statute.

EXHIBIT B

STATE OF NEW MEXICO
CAPITAL GRANT PROJECT
Request for Payment
Exhibit B

I. Grantee Information

(Make sure information is complete & accurate)

A. Grantee: _____

B. Address: _____

(Complete Mailing, including Suite, if applicable)

_____

City State Zip

C. Phone No: _____

D. Grant No: _____

E. Project Title: _____

F. Grant Expiration Date: _____

II. Payment Computation

A. Payment Request No. _____

B. Grant Amount: _____

C. AIPP Amount *(If Applicable)*: _____

D. Funds Requested to Date: _____

E. Amount Requested this Payment: _____

F. Reversion Amount *(If Applicable)*: _____

G. Grant Balance: _____

H. ☐ GF ☐ GOB ☐ STB (*attach wire if first draw*)

I. ☐ Final Request for Payment *(If Applicable)*

III. Fiscal Year : _____

(The State of NM Fiscal Year is July 1, 20XX through June 30, 20XX of the following year)

IV. ☐ **Reporting Certification:** I hereby certify to the best of my knowledge and belief, that database reporting is up to date; to include the accuracy of expenditures and grant balance, project status, project phase, achievements and milestones; and in compliance with Article VIII of the Capital Outlay Grant Agreement.

V. ☐ **Compliance Certification:** Under penalty of law, I hereby certify to the best of my knowledge and belief, the above information is correct; expenditures are properly documented, and are valid expenditures or actual receipts; and that the grant activity is in full compliance with Article IX, Sec. 14 of the New Mexico Constitution known as the "anti donation" clause.

Grantee Fiscal Officer or **Fiscal Agent** *(if applicable)*	**Grantee Representative**
Printed Name	Printed Name
Date:	Date:

(State Agency Use Only)

Vendor Code: _____ **Fund No.:** _____ **Loc No.:** _____

I certify that the State Agency financial and vendor file information agree with the above submitted information.

Division Fiscal Officer Date	Division Project Manager Date

EXHIBIT D
Data Sharing Provisions

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[May be used if required by DFA]

ATTACHMENT A
TO
OFFICE OF THE STATE ENGINEER
SUB-RECIPIENT GRANT AGREEMENT

ARTICLE 1 REVIEW

Upon execution of the agreement, the Grantee shall follow the procedures listed below unless waived in writing by the New Mexico Office of the State Engineer (OSE). As used in this Exhibit "OSE" means the New Mexico Office of the State Engineer, Dam Safety Bureau or its designated agent. The OSE may withhold payment if any of these procedures are not followed by the Grantee.

A. If the grant funds are to be used for the rehabilitation, modification, alteration, repair, removal or construction of a dam, the Grantee must coordinate and hold a scoping meeting with the OSE Dam Safety Bureau prior to procuring engineering or construction services or prior to commencing any work not included in an approved Operation and Maintenance Manual. The purpose of the scoping meeting is to define the extent of the project, the responsibilities of the project participants, the criteria to be applied to review and approval, and other topics that may improve overall execution and value of the project.

B. The Grantee must submit a detailed project description (scope of work) to the OSE prior to committing to expenditures from these funds. The project description shall include a schedule of the work to be completed in Gantt chart or Critical Path Method (CPM) format.

C. If the grant funds are to be used for the rehabilitation, modification, alteration, repair, removal or construction of a dam, the Grantee must comply with all applicable requirements of NMAC Title 19 Chapter 25 Part 12 – Rules and Regulations Governing Dam Design, Construction, and Dam Safety.

D. The Grantee must submit copies to the OSE of all executed contracts entered into by the Grantee prior to this agreement that are related to the project as determined by the OSE for review and approval.

E. If these grant funds are to be used for engineering and/or other professional services in excess of $60,000 the Grantee shall issue and conduct a Request for Proposals (RFP) for engineering services and/or other professional services in compliance with the New Mexico Procurement Code [Sections 13-1-21 et seq. NMSA 1978]. If the engineering fees will exceed $60,000, excluding gross receipt taxes, the Grantee is required to solicit Qualification-based proposals using the RFP template provided by the OSE or one provided by the Grantee but reviewed and accepted by the OSE. The Grantee must submit documentation regarding the hiring process to be used and the RFP, if applicable, to the OSE for review and approval **prior to** selecting engineering and/or other professional services.

F. If these grant funds are to be used for engineering and/or other professional services, the Grantee must submit a draft form of any engineering agreement and/or other professional services contract, or a letter certifying that the Grantee's staff will be used for design, to the OSE for review and approval **prior to** executing the agreement/contract or using Grantee's staff. The required engineering agreement format is to be provided by the OSE or provided by the Grantee but reviewed and accepted by the OSE.

G. A Preliminary Engineering Report (PER) or study by a registered New Mexico Professional Engineer may be required by the OSE. If the OSE requires a PER or study, the Grantee and its consultant shall meet with the OSE as described in Article 1. A. of this Attachment before starting any work for a meeting to fully discuss the scope and extent of the PER. The consultant shall present its preliminary outline for the PER, including the alternatives to be considered. The Grantee must submit the final PER and/or study to the OSE for review and approval **before** preparation of plans and specifications. The purpose of the PER and/or study is to analyze and choose the most technically feasible and cost effective solution for the project. If directed by the OSE, the Grantee shall follow the approach used by the USDA's Rural Utilities Service (RUS) Bulletin 1780-2 in preparation of the PER or study. Grantee shall not start the preparation of plans and specifications until Grantee receives OSE approval of the PER, study, or waiver of the report requirement.

H. A Value Engineering (VE) study coordinated and executed by a registered New Mexico Professional Engineer may be required by the OSE for projects completed under this agreement. Projects with preliminary or scoping phase construction cost estimates of $3.0 Million or greater may be subject to this VE study requirement.

I. If the grant funds are to be used for engineering design or for construction, the Grantee must submit all plans, specifications, and any addenda (prepared by a registered New Mexico Professional Engineer) for this project to the OSE for review and approval **before** the project is advertised for construction bids.

J. The Grantee must submit all work related to easements, rights-of-ways, other property rights, and financing provisions associated with the project to the OSE for review **prior to** advertising for construction bids. The Grantee must certify in writing that this has been done **prior to** award of the construction contract. Proof of property ownership or easements for the land upon or through which the facility is being constructed with appropriate stamps or markings indicating they are filed with the County Assessor, may be required **prior to** the award of a construction contract. When real property or easements will be acquired by the Grantee, either through purchase or donation, as a part of this project and within the project period, the Grantee shall submit to the OSE documentation of the acquisition, including a legal description of the property, the date the property will be acquired, evidence of clear title, and an appraisal report prepared by a qualified appraiser who was selected through applicable procurement procedures. These documents must be reviewed and approved by the OSE **prior to** the acquisition of any real property. After real property acquisition, the Grantee shall make available to the OSE all documents of title pertaining to the acquired property and all easements or rights-of-way necessary for the completion of work under this grant agreement as described above.

K. The Grantee shall submit the recommendation of award, certified bid tabulation, a copy of bid bond for the selected contractor and evidence of full project financing to the OSE for review and approval **prior to** awarding the contract. Grantee shall not award the contract until the OSE has concurred with the award in writing. Competitive bidding, in accordance with applicable state laws (including local wage determinations as provided for in Section 13-4-11 NMSA 1978), shall be used for awarding construction contracts. Contracts shall be awarded to the responsive, responsible bidder who submits the lowest acceptable bid, or as provided for by State Law.

L. Following OSE approval of the proposed award, the Grantee shall submit to the OSE for review the notice of the award and the minutes of the meeting in which the award was made,

the notice of a pre-construction conference, a copy of the executed construction contract documents (including payment and performance bonds), and the notice to contractor to proceed. The selected contractor shall be required to post a performance and payment bond in accordance with requirements of Section 13-4-18 NMSA 1978.

M. The selected contractor shall be required to submit a critical path method (CPM) construction schedule to the Grantee at the pre-construction conference with a copy to the OSE.

N. The Grantee shall submit all modifications to plans and contract by change orders to the OSE promptly for review and approval **prior to** implementation of such modification or change. The decision by the OSE will be rendered promptly in writing to the Grantee. In cases necessitating immediate action, a verbal decision will be rendered by the OSE and followed by written confirmation to the Grantee.

O. The Grantee shall provide a Resident Project Representative (RPR) to observe construction of the project. The RPR may be a contractor that is secured through the process described in Article 1.E. of this Attachment. If a contractor is used, an agreement must be executed in accordance with the process described in Article 1.F. of this Attachment. The decision on the need for a full-time or part-time RPR is at the sole discretion of the OSE based on oversight requirements and may be modified during the project. The Grantee will be required to submit the RPR's résumé to the OSE for review and approval prior to commencement of construction.

P. Notwithstanding the inspections performed by the Grantee and its engineer, the OSE will have the right to examine all installations comprising the project, including materials delivered and stored on-site for use on the project. Such examinations shall not be considered an inspection for compliance with contract plans but will be in the nature of general OSE review as described in Article 2 below.

ARTICLE 2 OSE OVERSIGHT

OSE site visits, reviews, and approvals are only for purposes of compliance with applicable grant requirements, procedures, and regulations. Any OSE approval shall not be interpreted or construed as any warranty or guarantee. Approval of plans and design of the project means only that plans are complete and in compliance with applicable grant requirements, procedures, and regulations. The OSE will bring to the Grantee's attention any obvious defects in the project's design, materials, or workmanship, but all such defects and their correction shall be the responsibility of the Grantee and its contractors and consultants. Any questions raised by the OSE during its site visits and reviews shall be resolved exclusively by the Grantee. The Grantee and its contractors and consultants shall remain responsible for the completion and success of the project. Any OSE approval shall not relieve the owner or engineer of legal responsibilities for the overall integrity of the project, adequacy of the design, safety, or compliance with all applicable regulations.

ARTICLE 3 CLOSEOUT

A. The project will not be considered complete until the work as defined in this agreement has been fully performed, and finally and unconditionally accepted by the Grantee and the OSE.

B. If the grant funds are to be used for preparation of a PER, a study, or plans and specifications, reimbursement to the grantee will be made after approval by the OSE of the PER, study, or

plans and specifications. Reimbursements shall not constitute approval of any of these documents.

C. If the grant funds are to be used for purchase of equipment, final reimbursement will be made after approval by the OSE of receipt of equipment title and appraisal reports for used equipment.

D. If the grant funds are to be used for construction (Exhibit E), final reimbursement will be made after the final site visit has been conducted by the OSE and the following items, unless waived by the OSE, have been provided to the OSE in writing, and have been reviewed and approved by the OSE:

i. Operation and maintenance manuals for equipment or a letter from the owner certifying receipt and acceptance of the manuals for the installed equipment;

ii. A final reimbursement request including the final certified construction pay request prepared by the Grantee's project engineer and approved by the Grantee;

iii. A certificate of substantial completion issued by the project's engineer of record, including punch list items;

iv. A letter certifying project acceptance by the Grantee and the Grantee's project engineer stating that work has been satisfactorily completed and the construction contractor has fulfilled all of the obligations required under the contract documents with the Grantee, or if payment and materials performance bonds have been "called", an acceptance close-out settlement to the Grantee and contractor shall be submitted to the OSE for final review and approval;

v. Certification letter by the Grantee that the Labor Standards Contract Provisions have been met;

vi. Record drawings prepared by the Grantee's project engineer or a letter from the owner certifying receipt and acceptance of the record drawings;

vii. Complete and legally effective releases or waivers (satisfactory to the Grantee) of all liens arising out of the contract documents and the labor services performed and the materials and equipment furnished thereunder. In lieu thereof and as approved by the Grantee, contractor(s) may furnish receipts or releases in full; together with an affidavit of contractor that the releases and receipts include labor, services, materials, and equipment for which a lien could be filed and that all payrolls, material and equipment bills, and other indebtedness connected with the work for which the Grantee or its property might in any way be responsible, have been paid or otherwise satisfied;

viii. A written consent of the surety, if any, to final payment; and

ix. Grantee's ledger sheets, including all payments made by the Grantee, may be requested with the final reimbursement request and before the final reimbursement request can be processed by the OSE.

ENGINEERS CONSTRUCTION STATUS REPORT*

EXHIBIT E

Prepared for the Office of the State Engineer Dam Safety Bureau

** To be Submitted with Payment Application*

Project Name:	Project Number (DFA):
Interim Project Report ☐ Final ☐ Other ☐ _____ Report Period: From ____ / ____ / ____ To ____ / ____ / ____	
Field Orders Issued or Contemplated This Period: No.____ No.____ No.____	
Change Orders Issued or Contemplated This Period: No.____ Net Change in Contract Price $ _____ Justification: Original Contract Price: $_____ Current Contract Price: $ _____	
CONTRACT TIME: Original Completion Date or Days _____ Current Completion Date or Days _____ Days Remaining for Completion _____ Percent Project is Complete _____% On Schedule? Yes ☐ No ☐	
Briefly Describe Project Progress During This Period:	
Issues Addressed During This Period (Indicate Any Issues That Remain Unresolved):	
Engineer's Attestation:	Owner Concurrence:

ATTACHMENT B
TO THE OFFICE OF THE STATE ENGINEER
HHPD GRANT AGREEMENT

DEPARTMENT OF HOMELAND SECURITY
STANDARD TERMS AND CONDITIONS

FY 2024 DHS STANDARD TERMS AND CONDITIONS

[Recipient is the Office of the State Engineer and subrecipient is the grantee (the entity) to whom the federal grant is sub-awarded by the Office of the State Engineer.]

The Fiscal Year (FY) 2024 Department of Homeland Security (DHS) Standard Terms and Conditions apply to all new federal awards of federal financial assistance (federal awards) for which the federal award date occurs in FY 2024 and flow down to subrecipients unless a term or condition specifically indicates otherwise. For federal awards that may involve continuation awards made in subsequent FYs, these FY 2024 DHS Standard Terms and Conditions will apply to the continuation award unless otherwise specified in the terms and conditions of the continuation award. The United States has the right to seek judicial enforcement of these terms and conditions.

All legislation and digital resources are referenced with no digital links. These FY 2024 DHS Standard Terms and Conditions are maintained on the DHS website at https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions.

A. Assurances, Administrative Requirements, Cost Principles, Representations, and Certifications

I. Recipients must complete either the Office of Management and Budget (OMB) Standard Form 424B Assurances – Non- Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs, as applicable. Certain assurances in these documents may not be applicable to your program and the DHS financial assistance office (DHS FAO) may require applicants to certify additional assurances. Applicants are required to fill out the assurances as instructed by the federal awarding agency.

B. General Acknowledgements and Assurances

Recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in effect as of the federal award date and located at 2 C.F.R. Part 200 and adopted by DHS at 2 C.F.R. §3002.10. All recipients and subrecipients must acknowledge and agree to provide DHS access to records, accounts, documents, information, facilities, and staff pursuant to 2 C.F.R. §200.337.

I. Recipients must cooperate with any DHS compliance reviews or compliance investigations.

II. Recipients must give DHS access to examine and copy records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities and personnel.

III. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.

IV. Recipients must comply with all other special reporting, data collection, and evaluation requirements required by law, federal regulation, Notice of Funding Opportunity, federal award specific terms and conditions, and/or federal awarding agency program guidance.

V. Recipients must complete the DHS Civil Rights Evaluation Tool within thirty (30) days of receiving the Notice of Award for the first award under which this term applies. Recipients of multiple federal awards from DHS should only submit one completed tool for their organization, not per federal award. After the initial submission, recipients are required to complete the tool once every two (2) years if they have an active federal award, not every time a federal award is made. Recipients must submit the completed tool, including

supporting materials, to CivilRightsEvaluation@hq.dhs.gov. This tool clarifies the civil rights obligations and related reporting requirements contained in these DHS Standard Terms and Conditions. Subrecipients are not required to complete and submit this tool to DHS. The evaluation tool can be found at https://www.dhs.gov/publication/dhs- civil-rights-evaluation-tool. The DHS Office for Civil Rights and Civil Liberties will consider, in its discretion, granting an extension to the 30-day deadline if the recipient identifies steps and a timeline for completing the tool. Recipients must request extensions by emailing the request to CivilRightsEvaluation@hq.dhs.gov prior to expiration of the 30-day deadline.

C. Standard Terms & Conditions

I. Acknowledgement of Federal Funding from DHS

Recipients must acknowledge their use of federal award funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal award funds.

II. Activities Conducted Abroad

Recipients must coordinate with appropriate government authorities when performing project activities outside the United States obtain all appropriate licenses, permits, or approvals.

III. Age Discrimination Act of 1975

Recipients must comply with the requirements of the Age Discrimination Act of 1975, Pub. L. No. 94-135 (codified as amended at 42 U.S.C. § 6101 *et seq*.), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.

IV. Americans with Disabilities Act of 1990

Recipients must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, Pub. L. No. 101-336 (1990) (codified as amended at 42 U.S.C. §§ 12101–12213), which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.

V. Best Practices for Collection and Use of Personally Identifiable Information

Recipients who collect personally identifiable information (PII) as part of carrying out the scope of work under a federal award are required to have a publicly available privacy policy that describes standards on the usage and maintenance of the PII they collect. DHS defines PII as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Recipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy Template as useful resources respectively.

VI. Civil Rights Act of 1964 – Title VI

Recipients must comply with the requirements of Title VI of the Civil Rights Act of 1964, Pub. L. No. 88-352 (codified as amended at 42 U.S.C. § 2000d *et seq*.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F.R. Part 21. Recipients of an award

from the Federal Emergency Management Agency (FEMA) must also comply with FEMA's implementing regulations at 44 C.F.R. Part 7.

VII. Civil Rights Act of 1968

Recipients must comply with Title VIII of the Civil Rights Act of 1968, Pub. L. No. 90-284 (codified as amended at 42 U.S.C. § 3601 *et seq*.) which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection. therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex, as implemented by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features. (See 24 C.F.R. Part 100, Subpart D.)

VIII. Copyright

Recipients must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 to any work first produced under federal awards and also include an acknowledgement that the work was produced under a federal award (including the federal award number and federal awarding agency). As detailed in 2 C.F.R. § 200.315, a federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use the work for federal purposes and to authorize others to do so.

IX. Debarment and Suspension

Recipients must comply with the non-procurement debarment and suspension regulations implementing Executive Orders (E.O.) 12549 and 12689 set forth at 2 C.F.R. Part 180 as implemented by DHS at 2 C.F.R. Part 3000. These regulations prohibit recipients from entering into covered transactions (such as subawards and contracts) with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

X. Drug-Free Workplace Regulations

Recipients must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 C.F.R. Part 3001, which adopts the Government-wide implementation (2 C.F.R. Part 182) of the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).

XI. Duplicative Costs

Recipients are prohibited from charging any cost to this federal award that will be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior budget period. (See 2 C.F.R. § 200.403(f)). However, recipients may shift costs that are allowable under two or more federal awards where otherwise permitted by federal statutes, regulations, or the federal financial assistance award terms and conditions.

XII. Education Amendments of 1972 (Equal Opportunity in Education Act) – Title IX

Recipients must comply with the requirements of Title IX of the Education Amendments of 1972, Pub. L. No. 92-318 (codified as amended at 20 U.S.C. § 1681 *et seq*.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational

program or activity receiving federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17. Recipients of an award from the Federal Emergency Management Agency (FEMA) must also comply with FEMA's implementing regulations at 44 C.F.R. Part 19.

XIII. E.O. 14074 – Advancing Effective, Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety

Recipient State, Tribal, local, or territorial law enforcement agencies must comply with the requirements of section 12(c) of E.O. 14074. Recipient State, Tribal, local, or territorial law enforcement agencies are also encouraged to adopt and enforce policies consistent with E.O. 14074 to support safe and effective policing.

XIV. Energy Policy and Conservation Act

Recipients must comply with the requirements of the Energy Policy and Conservation Act, Pub. L. No. 94-163 (1975) (codified as amended at 42 U.S.C. § 6201 *et seq*.), which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

XV. False Claims Act and Program Fraud Civil Remedies

Recipients must comply with the requirements of the False Claims Act, 31 U.S.C. §§ 3729-3733, which prohibit the submission of false or fraudulent claims for payment to the Federal Government. (See 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made.)

XVI. Federal Debt Status

All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. (See OMB Circular A-129.)

XVII. Federal Leadership on Reducing Text Messaging while Driving

Recipients are encouraged to adopt and enforce policies that ban text messaging while driving recipient-owned, recipient-rented, or privately owned vehicles when on official government business or when performing any work for or on behalf of the Federal Government. Recipients are also encouraged to conduct the initiatives of the type described in Section 3(a) of E.O. 13513.

XVIII. Fly America Act of 1974

Recipients must comply with Preference for U.S. Flag Air Carriers (a list of certified air carriers can be found at: Certificated Air Carriers List | US Department of Transportation, https://www.transportation.gov/policy/aviation-policy/certificated-air-carriers-list)for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. § 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

XIX. Hotel and Motel Fire Safety Act of 1990

Recipients must ensure that all conference, meeting, convention, or training space funded entirely or in part by federal award funds complies with the fire prevention and control guidelines of Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. § 2225a.

XX. John S. McCain National Defense Authorization Act of Fiscal Year 2019

Recipients, subrecipients, and their contractors and subcontractors are subject to the prohibitions described in section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. The statute – as it applies to DHS recipients, subrecipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

XXI. Limited English Proficiency (Civil Rights Act of 1964, Title VI)

Recipients must comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq*.) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance: https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited and additional resources on http://www.lep.gov.

XXII. Lobbying Prohibitions

Recipients must comply with 31 U.S.C. § 1352 and 6 C.F.R. Part 9, which provide that none of the funds provided under a federal award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any federal action related to a federal award or contract, including any extension, continuation, renewal, amendment, or modification. Per 6 C.F.R. Part 9, recipients must file a lobbying certification form as described in Appendix A to 6 C.F.R. Part 9 or available on Grants.gov as the Grants.gov Lobbying Form and file a lobbying disclosure form as described in Appendix B to 6 C.F.R. Part 9 or available on Grants.gov as the Disclosure of Lobbying Activities (SF-LLL).

XXIII. National Environmental Policy Act

Recipients must comply with the requirements of the National Environmental Policy Act of 1969, Pub. L. No. 91-190 (1970) (codified as amended at 42 U.S.C. § 4321 *et seq*.) (NEPA) and the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA, which require recipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

XXIV. Nondiscrimination in Matters Pertaining to Faith-Based Organizations

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statues, regulations, and guidance governing the participations of faith- based organizations in individual DHS programs.

XXV. Non-Supplanting Requirement

Recipients of federal awards under programs that prohibit supplanting by law must ensure that federal funds supplement but do not supplant non-federal funds that, in the absence of such federal funds, would otherwise have been made available for the same purpose.

XXVI. Notice of Funding Opportunity Requirements

All the instructions, guidance, limitations, scope of work, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this federal award are incorporated by reference. All recipients must comply with any such requirements set forth in the NOFO. If a condition of the NOFO is inconsistent with these terms and conditions and any such terms of the Award, the condition in the NOFO shall be invalid to the extent of the inconsistency. The remainder of that condition and all other conditions set forth in the NOFO shall remain in effect.

XXVII. Patents and Intellectual Property Rights

Recipients are subject to the Bayh-Dole Act, 35 U.S.C. § 200 *et seq*. and applicable regulations governing inventions and patents, including the regulations issued by the Department of Commerce at 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Awards, Contracts, and Cooperative Agreements) and the standard patent rights clause set forth at 37 C.F.R. § 401.14.

XXVIII. Procurement of Recovered Materials

States, political subdivisions of states, and their contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962) and 2 C.F.R. §200.323. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

XXIX. Rehabilitation Act of 1973

Recipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, Pub. L. No. 93-112 (codified as amended at 29 U.S.C. § 794), which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

XXX. Reporting of Matters Related to Recipient Integrity and Performance

If the total value of any currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds $10,000,000 for any period of time during the period of performance of the federal award, then the recipient must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated by reference.

XXXI. Reporting Subawards and Executive Compensation

For federal awards that equal or exceed $30,000, recipients are required to comply with the requirements set forth in the government-wide award term on Reporting Subawards and Executive Compensation set forth at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated by reference.

XXXII. Required Use of American Iron, Steel, Manufactured Products, and Construction Materials

Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

(1) all iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

(2) all manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

(3) all construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Waivers

When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. The agency should notify the recipient for information on the process for requesting a waiver from these requirements.

(a) When the Federal agency has determined that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that:

(1) applying the domestic content procurement preference would be inconsistent with the public interest;

(2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or

(3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting

materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office. There may be instances where an award qualifies, in whole or in part, for an existing waiver described at "Buy America" Preference in FEMA Financial Assistance Programs for Infrastructure | FEMA.gov. The definitions applicable to this term are set forth at 2 C.F.R. § 184.3, the full text of which is incorporated by reference.

XXXIII. SAFECOM

Recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications. The SAFECOM Guidance is updated annually and can be found at Funding and Sustainment | CISA.

XXXIV. Terrorist Financing

Recipients must comply with E.O. 13224 and applicable statutory prohibitions on transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible for ensuring compliance with the E.O. and laws.

XXXV. Trafficking Victims Protection Act of 2000 (TVPA)

Recipients must comply with the requirements of the government-wide financial assistance award term which implements Trafficking Victims Protection Act of 2000, Pub. L. No. 106-386, § 106 (codified as amended at 22 U.S.C. § 7104). The award term is located at 2 C.F.R. § 175.15, the full text of which is incorporated by reference.

XXXVI. Universal Identifier and System of Award Management

Recipients are required to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A, the full text of which is incorporated reference.

XXXVII. USA PATRIOT Act of 2001

Recipients must comply with requirements of Section 817 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), which amends 18 U.S.C. §§ 175–175c.

XXXVIII. Use of DHS Seal, Logo and Flags

Recipients must obtain written permission from DHS prior to using the DHS seals, logos, crests, or reproductions of flags, or likenesses of DHS agency officials. This includes use of DHS component (e.g., FEMA, CISA, etc.) seals, logos, crests, or reproductions of flags, or likenesses of component officials.

XXXIX. Whistleblower Protection Act

Recipients must comply with the statutory requirements for whistleblower protections at 10 U.S.C § 470141 U.S.C. § 4712.

XL. Environmental Planning and Historic Preservation (EHP) Review

DHS/FEMA funded activities that may require an Environmental Planning and Historic Preservation (EHP) review are subject to the FEMA EHP review process. This review does not address all federal, state, and local requirements. Acceptance of federal funding requires the recipient to comply with all federal, state and local laws. DHS/FEMA is required to consider the potential impacts to natural and cultural resources of all projects funded by DHS/FEMA grant funds, through its EHP review process, as mandated by: the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and any other applicable laws and executive orders. General guidance for FEMA's EHP process is available on the DHS/FEMA Website at: https://www.fema.gov/grants/guidance-tools/environmental-historic. Specific applicant guidance on how to submit information for EHP review depends on the individual grant program and applicants should contact their grant Program Officer to be put into contact with EHP staff responsible for assisting their specific grant program. The EHP review process must be completed before funds are released to carry out the proposed project; otherwise, DHS/FEMA may not be able to fund the project due to noncompliance with EHP laws, executive orders, regulations, and policies. If ground disturbing activities occur during construction, applicant will monitor ground disturbance, and if any potential archaeological resources are discovered the applicant will immediately cease work in that area and notify the pass-through entity, if applicable, and DHS/FEMA.

XLI. Applicability of DHS Standard Terms and Conditions to Tribes

The DHS Standard Terms and Conditions are a restatement of general requirements imposed upon recipients and flow down to sub-recipients as a matter of law, regulation, or executive order. If the requirement does not apply to Indian tribes or there is a federal law or regulation exempting its application to Indian tribes, then the acceptance by Tribes of, or acquiescence to, DHS Standard Terms and Conditions does not change or alter its inapplicability to an Indian tribe. The execution of grant documents is not intended to change, alter, amend, or impose additional liability or responsibility upon the Tribe where it does not already exist.

XLII. Acceptance of Post Award Changes

In the event FEMA determines that an error in the award package has been made, or if an administrative change must be made to the award package, recipients will be notified of the change in writing. Once the notification has been made, any subsequent requests for funds will indicate recipient acceptance of the changes to the award. Please call FEMA Grant Management Operations at (866)927-5646 or via e-mail to: ASK-GMD@fema.dhs.gov if you have any questions.

XLIII. Disposition of Equipment Acquired Under the Federal Award

For purposes of original or replacement equipment acquired under this award by a non-state recipient or non-state sub-recipients, when that equipment is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, you must request instructions from FEMA to make proper disposition of the equipment pursuant to 2 C.F.R. section 200.313. State recipients and state sub-recipients must follow the disposition requirements in accordance with state laws and procedures.

XLIV. Prior Approval for Modification of Approved Budget

Before making any change to the FEMA approved budget for this award, you must request prior written approval from FEMA where required by 2 C.F.R. section 200.308. For purposes of non-construction projects, FEMA is utilizing its discretion to impose an additional restriction under 2 C.F.R. section 200.308(f) regarding the transfer of funds among direct cost categories, programs, functions, or activities. Therefore, for awards with an approved budget where the federal share is greater than the simplified acquisition threshold(currently $250,000), you may not transfer funds among direct cost categories, programs, functions, or activities without prior written approval from FEMA where the cumulative amount of such transfers exceeds or is expected to exceed ten percent(10%) of the total budget FEMA last approved. For purposes of awards that support both construction and non-construction work, FEMA is utilizing its discretion under 2C.F.R. section 200.308(h)(5) to require the recipient to obtain prior written approval from FEMA before making any fund or budget transfers between the two types of work. You must report any deviations from your FEMA approved budget in the first Federal Financial Report (SF-425) you submit following any budget deviation, regardless of whether the budget deviation requires prior written approval.

XLV. Indirect Cost Rate

2 C.F.R. section 200.211(b)(15) requires the terms of the award to include the indirect cost rate for the federal award. If applicable, the indirect cost rate for this award is stated in the budget documents or other materials approved by FEMA and included in the award file.

XLVI. Pass-Through to Subrecipients

Awards made to the State Authorized Agency (SAA) for HHPD carry additional pass-through requirements. Pass-through is defined as an obligation on the part of the SAA to make funds available to eligible subrecipients. All pass-through entities must comply with Section 2 C.F.R. 200.332 Requirements for pass-through entities.

XLVII. Mitigation Plan Extraordinary Circumstances:

A Hold Payment will apply for the award that has a hazard mitigation plan that does not include all dam risks. This is a corrective action to the original term of the award, which allowed up to 12 months after the date FEMA approved the subrecipients workplan to meet the local mitigation plan requirement as described in the Notice of Funding Opportunity (NOFO). If a recipient fails to comply with the terms and conditions of a federal award, FEMA may terminate the award in whole or in part. If the noncompliance can be corrected, FEMA may first attempt to direct the recipient to correct the noncompliance. In the event the noncompliance is not able to be corrected by imposing additional conditions or the recipient or subrecipient refuses to correct the matter, FEMA might take other remedies allowed under 2 C.F.R. § 200.339. These remedies include actions to disallow costs, recover funds, wholly or partly suspend, or terminate the award, initiate suspension, and debarment proceedings, withhold further federal awards, or take other remedies that may be legally available. For further information on termination due to noncompliance, see the section on Termination Provisions in the NOFO.

XLVIII. Revision of Budget and Scope of Work Package (formerly called “amendment/workplan”)

Within 90 days of the notice of award, the State Authorized Agency must submit a revision or Scope of Work package to FEMA for approval that describes the budget and project scope for all work proposed, including identification of all subrecipients, in accordance with 2 C.F.R. § 200.308. The grant award is based on the recipient’s Program Work Plan (Scope of Work

package) and applicant eligibility for an allocation under this program and does not convey approval of project scope of work for subrecipients. Budget amounts over each recipient's allocation cannot be funded, and budget amounts short of the allocation may require FEMA recovering the difference between the allocation and budget amount.

XLIX. Eligible High Hazard Potential Dam Documentation

The State Authorized Agency(SAA) must submit a list of all eligible high hazard potential dams in their state with the application. The SAA must submit official assurance statement (signed by the State Dam Safety Officer or Governor's Authorized Representative) that all dams included on the list of eligible high hazard potential dams are regulated by the state dam safety program and meet the HHPD criteria for eligible high hazard potential dams (Source:33 USC-467(4)(A)).

L. Performance Goal

The objective of the HHPD grant is to provide financial assistance for repair, removal, or rehabilitation of eligible high hazard potential dams. Based on the review of your application, FEMA will verify the claimed costs are consistent with the stated program objective. By accepting this award, you certify that the total Federal award amount comports to the total of all allowable costs incurred by the recipient during this fiscal year, in keeping with the program’s objective. FEMA will further assess the recipient’s performance against the program objectives during the quarterly reporting cycles and the award closeout process outlined in the Performance Measures section of the HHPD grant Notice of Funding Opportunity.

LI. Infrastructure Investment and Jobs Act Funded Projects

Recipients of awards using Infrastructure Investment and Jobs Act funding are required to report during quarterly reporting cycles the project award details and description, subaward project level location data, and the project status and progress toward achieving dam risk reduction project outcomes.

FIR No. 10745

FISCAL IMPACT REPORT

General Information:

(Check) Bill: _____ **Resolution:** X

Short Title(s): McClure Dam Authorized Representatives and Agents No. DSB-FY26-HHPD-01

Sponsor(s): Councilor Amanda Chavez

Reviewing Department(s): Public Utilities Department

Staff Completing FIR: Taylor Jurgens **Date:** 02/12/2026 **Phone:** (505) 955-4265

Reviewed by City Attorney: Marcos Martinez Marcos Martinez (Mar 20, 2026 09:59:23 MDT) **Date:** 03/20/2026

Reviewed by Finance Director: ANDREA PHILLIPS (Mar 20, 2026 10:19:33 MDT) **Date:** 03/20/2026

Summary:
This Resolution designates authorized representatives and agents for a grant agreement with the State of New Mexico Office of the State Engineer (OSE) regarding Grant Agreement DSB-FY26-HHPD-01 ("Grant Agreement"). The Grant Agreement makes available one million three hundred fifty-four thousand four hundred seventy-nine dollars and zero cents ($1,354,479.00) for a project to plan and design the rehabilitation of McClure Dam in Santa Fe County.

Departments Affected:
Public Utilities Department

Consequences of Not Enacting Legislation:
If this legislation is not adopted, the City of Santa Fe will not satisfy Article XI.B.(e) of the Grant Agreement, which requires the Governing Body to adopt or pass as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the Grantee to sign and submit Requests for Payment on behalf of Grantee. Therefore, without the adoption of this Resolution, the City would not receive OSE grant funding in the amount of one million three hundred fifty-four thousand four hundred seventy-nine dollars and zero cents ($1,354,479.00).

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
The Governing Body will approve the Grant Agreement through a separate action.

Performance and Administrative Implications:
Public Utilities and Finance Department staff will administer the grant.

Fiscal Implications:
None.

Fiscal Impact

__X__ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2024	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

Expenditure Narrative:

Revenue

Revenue Type	FYE __	FYE __	FYE __	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

Signature:

Email: jdroach@santafenm.gov

Signature:

Email: jmmontoya@santafenm.gov

Signature:

Email: trjurgens@santafenm.gov

Date: March 6, 2026
To: Governing Body and Quality of Life Committee

From: Geralyn F. Cardenas, Interim City Clerk

RE: SITE Santa Fe 2026 Annual Benefit Alcohol Approval

EXECUTIVE SUMMARY:

The proposed Resolution would grant permission to SITE Santa Fe to serve wine and beer at its annual Gala Dinner Event at the Ramada in the Railyard Park on July 1, 2026.

BACKGROUND:

SFCC 1987, Section 23-6.2, requires the Governing Body to adopt a resolution for the sale and consumption of alcohol for locations on City property that are not specifically listed in 23-6.2(A). The resolution must identify the event, date, hours, location, number of expected attendees, type of alcohol to be served, required permits, and insurance as required by the City's Code.

The proposed resolution addresses these required elements:

- the event is SITE Santa Fe's Annual Gala Dinner Event;
- the location is the Ramada at the Railyard Park;
- the date is July 1, 2026;
- the time is 5:00 p.m. to 11:00 p.m.;
- the alcohol served will be beer and wine;
- 500 attendees are expected;
- A Private Celebration Permit is required; and
- the liquor liability and general liability insurance will list the City as an additional insured in an amount not less than be $2,000,000, per occurrence and in the aggregate.

ATTACHMENTS:

Resolution
Fiscal Impact Report

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2026-__

INTRODUCED BY:

Councilor Alma Castro

A RESOLUTION

APPROVING THE CONSUMPTION OF BEER AND WINE DURING SITE SANTA FE'S ANNUAL GALA DINNER EVENT ON JULY 1st, 2026, AT THE RAMADA IN THE RAILYARD PARK, PURSUANT TO SUBSECTION 23-6.2(C) SFCC 1987.

WHEREAS, SFCC 1987, Section 23-6.2 governs the consumption of alcohol on City property; and

WHEREAS, for locations not specifically mentioned in SFCC 1987, Section 23-6.2(A), the ordinance requires the Governing Body to approve a resolution that specifies the event, date, hours, location, number of expected attendees, type of alcohol to be served, permits, and insurance, at least thirty (30) days prior to the event; and

WHEREAS, SITE Santa Fe seeks to nurture innovation, discovery, and inspiration through the art of today; and

WHEREAS, SITE Santa Fe was founded in 1995 to establish the first international contemporary art biennial in the United States and is committed to supporting new developments in contemporary art, encouraging artistic exploration, and expanding traditional museum experiences; and

WHEREAS, since its launch, SITE Santa Fe has presented 12 international biennials, more than 90 contemporary art exhibitions, and work by hundreds of emerging and established artists from around the world and right here in New Mexico; and

WHEREAS, SITE Santa Fe also presents a wide range of public and educational programs that include conversations with artists and curators, performances, film screenings, concerts, hands-on workshops, and collaborations with dozens of local schools and community organizations; and

WHEREAS, SITE Santa Fe's Annual Gala Dinner Event will raise funds for SITE Santa Fe's exhibitions and education and public programs and will allow it to continue its "Every Day Free Admission Program"; and

WHEREAS, SITE Santa Fe wishes to serve wine and beer to enhance the dinner experience for its planned event on the evening of July 1, 2026; and

WHEREAS, SITE Santa Fe requests permission to provide alcohol service for its annual gala to provide wine and beer and adhering to all regulations required in Section 23-6.3 SFCC 1987 on Friday, July 1, 2026.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that alcohol service for the following event is hereby approved:

Event:	SITE Santa Fe Annual Gala Dinner Event
Dates:	July 1, 2026
Hours:	5:00 p.m. – 11:00 p.m.
Location:	Railyard Park Ramada
Number of expected attendees:	500
Type of alcohol to be served:	Wine and Beer
Required Permits:	Private Celebration Permit
Required Insurance:	Liquor Liability and General Liability insurance with limits not less than $2,000,000, per occurrence and in

aggregate, with the City of Santa Fe, its officials, directors, employees, and agents as additional insureds on a primary and noncontributory basis. SITE Santa Fe shall provide the City with Certificates of Insurance and applicable endorsements evidencing such coverage.

PASSED, APPROVED, and ADOPTED this _____day of _____, 2026.

_____

MICHAEL J. GARCIA, MAYOR

ATTEST:

_____

GERALYN F. CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Mar 20, 2026 13:53:06 MDT)

MARCOS D. MARTÍNEZ, INTERIM CITY ATTORNEY

Legislation/2026/Resolutions/SITE Santa Fe Annual Benefit 2026 Alcohol Approval

FIR No. 10748

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** _____ **Resolution:** X

Short Title(s): SITE Santa Fe 2026 Annual Benefit Alcohol Approval

Sponsor(s): Councilor Alma Castro

Reviewing Department(s): City Clerk's Office

Staff Completing FIR: Geralyn F. Cardenas **Date:** 3/6/2026
Phone: (505) 955-6519

Reviewed by City Attorney: Marcos Martinez **Date:** 03/20/2026
Marcos Martinez (Mar 20, 2026 13:53:06 MDT)

Reviewed by Finance Director: ANDREA PHILLIPS (Mar 20, 2026 15:58:53 MDT) **Date:** 03/20/2026

Summary:
The proposed Resolution would grant permission to SITE Santa Fe to serve wine and beer at its annual Gala Dinner Event at the Ramada in the Railyard Park on July 1, 2026.

Departments Affected:
City Clerk's Office.

Consequences of Not Enacting Legislation:
If this legislation is not adopted, then SITE Santa Fe will not be permitted to serve beer and wine during its annual Gala Dinner Event Scheduled for July 1, 2026.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None.

Performance and Administrative Implications:
SITE Santa Fe is required to obtain private celebration permits from the Clerk's Office for the event.

Fiscal Implications:
None.

Fiscal Impact

X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

Expenditure Narrative:

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

Signature:

Email: gfcardenas@santafenm.gov

Date: March 17th, 2026

To: Governing Body, Public Works and Utilities Committee, Quality of Life Committee, Finance Committee

From: Brian Moya, Interim City Manager

RE: Joint Meetings Between the City of Santa Fe Governing Body and Board of County Commissioners

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EXECUTIVE SUMMARY:

The proposed Resolution establishes a framework for joint meetings between the City of Santa Fe and Santa Fe County from 2026 through 2029 to promote regional collaboration on issues of mutual concern. If adopted, the City of Santa Fe Governing Body and Board of County Commissioners would meet at least twice annually in either June or July and November or December. City and County staff would prepare agenda materials, procure subject matter experts, and coordinate the preparation for and running of the joint meetings. The joint meetings would be a collaborative, co-leadership model that includes Action Working Groups co-chaired by members of both the City's Governing Body and Board of County Commissioners. The topics for the meetings may include, without limitation, services for unhoused and justice-involved constituents, permanent supportive housing development, the discussion regarding whether to create a utility authority pursuant to the Regional Water System Resiliency Act, and wildfire mitigation. Notice of and agendas for joint meetings of the Bodies would be posted by the City and the County in accordance with their respective Open Meetings Act resolutions and practice. The meetings would be held at the County Commission Chambers, or other venues that comply with NMSA 1978, Section 4-38-8, and that support community input, online public participation, and cooperative decision-making. Lastly, the joint resolution would expire on December 31, 2029, unless earlier rescinded by one of the Governing Bodies.

ATTACHMENTS:

Resolution
Fiscal Impact Report

SANTA FE COUNTY

RESOLUTION NO.

INTRODUCED BY:

Commissioner Lisa Cacari Stone

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2026-__

INTRODUCED BY:

Mayor Michael Garcia

A JOINT RESOLUTION

RECOGNIZING THE VALUE OF PERIODIC JOINT MEETINGS BETWEEN SANTA FE COUNTY AND THE CITY OF SANTA FE AND ESTABLISHING A FRAMEWORK FOR CONDUCTING THOSE MEETINGS.

WHEREAS, Santa Fe County ("County") and the City of Santa Fe ("City") have overlapping jurisdiction in certain areas and face a variety of issues of mutual concern and interest; and

WHEREAS, the challenges and opportunities facing local governments generally, and the City and County specifically, are of such complexity and scope that regional solutions and collaboration are sometimes necessary and often lead to better outcomes than can be achieved independently; and

WHEREAS, the County and City have a long history of regional cooperation through joint boards and regional entities to address critical areas, such as water through the Buckman Direct Diversion Board, solid waste through the Santa Fe Solid Waste Management Agency, public safety through the Santa Fe Regional Emergency Communications Center, and transportation through the Metropolitan Planning Organization; and

WHEREAS, effective policymaking benefits from regular collaboration and communication from policymakers, researchers, practitioners, and community members to identify issues, generate solutions, and inform policy decisions; and

WHEREAS, intergovernmental leadership and collaboration would allow the County and City to work together to test approaches and incorporate successful practices into policies and programs; and

WHEREAS, the Governing Body of the City and the Board of County Commissioners (collectively, the "Bodies") believe that action-oriented, collaborative approaches and outcome-driven agendas in joint meetings will further the mutual goals of collaboration and ensuring that regional solutions are frequently explored and pursued when agreed upon; and

WHEREAS, the Bodies desire to establish a framework for joint meetings during calendar years 2026, 2027, 2028, and 2029.

NOW, THEREFORE, BE IT JOINTLY RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS AND THE GOVERNING BODY that:

1. The Bodies shall meet at least twice per year, in June or July and November or December, at the call of the Mayor and Chair of the Board of County Commissioners, or upon the request of a minimum of three (3) County Commissioners and five (5) City Councilors.
2. The agenda for each joint meeting shall be independently approved by the Governing Body of the City and Board of County Commissioners. As appropriate and within budgeted resources, the County Manager and City Manager shall direct staff to prepare packet materials for joint meeting agenda items, ensure packet materials are available at least five (5) business days before a joint meeting, procure subject-matter experts and other resources, and otherwise coordinate the preparation for and running of the joint meetings.

3. The governance of the joint meetings shall reflect a collaborative, co-leadership model focused on solution-oriented action and measurable outcomes, including the establishment and convening of "Action Working Groups" to address community priorities and issues of mutual concern between the City and the County.

    a. Action Working Groups shall be co-chaired by one member from each of the Bodies, each appointed based on their subject-matter expertise related to the issue of mutual concern.

    b. Participation in each Action Working Group shall include, at a minimum, two City Councilors and two County Commissioners to maintain balanced representation between the City and County.

    c. Each Action Working Group shall prioritize inclusive community participation, evidence-informed analysis, and practical implementation strategies designed to advance policy development, program design, and action-oriented outcomes that address shared City-County priorities.

4. Joint meetings of the Governing Body of the City and the Board of County Commissioners shall be held in the Chambers located at 102 Grant Avenue, Santa Fe, NM, or other appropriate locations that support public participation, technological access, and effective intergovernmental collaboration and that comply with NMSA 1978, Section 4-38-8. Meetings of Action Working Groups that include less than three (3) County Commissioners may be held at any location that meets the needs of the particular meeting.

5. The Bodies anticipate collaborating on areas of mutual interest for collaborative discussion, planning or action. Such areas may include, but are not limited to, the following:

    a. services for unhoused and justice-involved constituents;

b. permanent supportive housing development;

c. creation of a utility authority pursuant to the regional Water System Resiliency Act; and

d. wildfire mitigation.

6. Notice of and agendas for joint meetings of the Bodies shall be posted by the City and the County in accordance with their respective Open Meetings Act resolutions and practice.

7. This joint resolution shall expire on December 31, 2029, unless earlier rescinded by one of the Governing Bodies.

PASSED, APPROVED, and ADOPTED this _____day of _____, 2026.

_____

MICHAEL J. GARCIA, MAYOR

ATTEST:

_____

GERALYN F. CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Mar 20, 2026 15:45:27 MDT)

MARCOS D. MARTÍNEZ, INTERIM CITY ATTORNEY

Legislation/2026/Resolutions/Joint County-City resolution for joint meetings and working groups

FIR No. 10750.1

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** _____ **Resolution:** X

Short Title(s): Joint Meetings Between the City of Santa Fe Governing Body and Board of County Commissioners

Sponsor(s): Mayor Michael Garcia

Reviewing Department(s): City Attorney's Office

Staff Completing FIR: Brian Moya, Interim City Manager **Date:** 3/20/202

Phone: (505) 955-3111

Reviewed by City Attorney: Marcos Martinez **Date:** 03/20/2026
Marcos Martinez (Mar 20, 2026 15:45:27 MDT)

Reviewed by Finance Director: **Date:** 03/20/2026
ANDREA PHILLIPS (Mar 20, 2026 15:56:21 MDT)

Summary:
The proposed Resolution establishes a framework for joint meetings between the City of Santa Fe and Santa Fe County from 2026 through 2029 to promote regional collaboration on issues of mutual concern. If adopted, the City of Santa Fe Governing Body and Board of County Commissioners would meet at least twice annually in either June or July and November or December. City and County staff would prepare agenda materials, procure subject matter experts, and coordinate the preparation for and running of the joint meetings. The joint meetings would be a collaborative, co-leadership model that includes Action Working Groups co-chaired by members of both the City's Governing Body and Board of County Commissioners. The topics for the meetings may include, without limitation, services for unhoused and justice-involved constituents, permanent supportive housing development, discussion regarding creating a utility authority pursuant to the Regional Water System Resiliency Act, and wildfire mitigation. Notice of and agendas for joint meetings of the Bodies would be posted by the City and the County in accordance with their respective Open Meetings Act resolutions and practice. The meetings would be held at the County Commission Chambers, or other venues that comply with NMSA 1978, Section 4-38-8, and that support community input, online public participation, and cooperative decision-making. Lastly, the joint resolution would expire on December 31, 2029, unless earlier rescinded by one of the Governing Bodies.

Departments Affected:
Various Departments may be asked to help prepare materials for the joint meetings, depending on the topics identified as a meeting objective.

Consequences of Not Enacting Legislation:
If this legislation is not adopted, then the City of Santa Fe and County of Santa Fe would not hold joint meetings as described in the Resolution.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None.

Performance and Administrative Implications:
The City Manager and County Manager shall direct staff to prepare packet materials for joint meeting agenda items, ensure packet materials are available at least five (5) business days before a joint meeting, procure subject matter experts and other resources, and coordinate the preparation for and running of the joint meetings.

Fiscal Implications:
None identified at this time.

Fiscal Impact

x Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

Expenditure Narrative:

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

Signature:

Email: bjmoya@santafenm.gov

CITY OF SANTA FE

Memorandum

Date: 3/2/2026

To: Governing Body, Quality of Life Committee

From: Marci Eannarino, Manager of Legislation and Policy Innovation ME
Palmer Anderson, Policy Analyst PALMER ANDERSON
Christine Spiers, Legislative Coordinator CMS

Via: Marcos Martínez, Interim City Attorney MM

RE: Amending SFCC Section 23-6 to Remove Resolution Requirement for Alcohol Sales on City Property

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EXECUTIVE SUMMARY:

The proposed Ordinance would remove the requirement for a resolution to approve the sale of alcoholic beverages on City of Santa Fe's ("City") property. Instead of requiring a resolution for each event, the bill proposes that prior to the Governing Body's approval, the City Clerk would review applications for sale and/or consumption of alcohol on City property and would make a written recommendation for approval specifying the event, date, hours, location, number of expected attendees, type of alcohol to be served, and the required permits and insurance. After the City Clerk's review of the applications and recommendation for approval of the event, the Governing Body's motion for approval would be recorded in the minutes of a regular Governing Body meeting. Lastly, the City Clerk's recommendation would take place at least thirty (30) days prior to the event.

ATTACHMENTS:

Bill
FIR

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2026-8

INTRODUCED BY:

Councilor Alma Castro

A BILL

AMENDING SECTION 23-6, SFCC 1987 TO REMOVE THE RESOLUTION REQUIREMENT FOR THE PURPOSE OF APPROVING SALES AND CONSUMPTION OF ALCOHOL AT PUBLIC EVENTS ON CITY PROPERTY AND REQUIRING THAT GOVERNING BODY APPROVAL BE RECORDED IN REGULAR GOVERNING BODY MINUTES UPON THE CITY CLERK'S RECOMMENDATION FOR APPROVAL.

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

Section 1. Section 23-6.2 of SFCC 1987 (being Ord. No. 2021-14, § 1, as amended) is amended to read:

23-6.2 – Permitted locations for the sale and consumption of alcohol on city property.

A. The sale or consumption of alcoholic beverages is permitted at the following locations on city property:

(1) The Santa Fe Community Convention Center and adjacent outdoor spaces under the center's control;

(2) That area of the Santa Fe Regional Airport main terminal building and adjacent areas operated as a restaurant;

underscored material = new [bracketed material] = delete

(3) The Marty Sanchez links de Santa Fe (golf course);

(4) Buildings owned by another party located on land owned by the city;

(5) On land or buildings owned by the city, located within the Santa Fe Railyard, as described in the Railyard Master Plan, for which the city has entered into a lease with another party for six (6) months or more except for the Railyard Park, Plaza and Alameda (as defined in the amended and restated Deed of Conservation Easement dated May 30, 2018) where alcohol is prohibited, unless specifically permitted under subsection 23-6.2 SFCC 1987;

(6) On land or buildings owned by the city for which the city has entered into a lease with another party; and

(7) In or on railroad cars located on railroad tracks except as prohibited by state or federal law; and

(8) During professional baseball games, the area of Fort Marcy ballpark designated for concessions and seating;

(9) The governing body shall review the amendment to paragraph (6) above, removing a six (6) month minimum lease duration, contained in Ordinance 2021-14, three (3) years from the date of adoption.

B. The only alcohol sales and consumption permitted at Fort Marcy ballpark are beer and wine.

C. Consistent with NMSA 1978, Section 60-6A-12, [~~T~~]the governing body may approve by [~~resolution~~] motion, to be recorded in the minutes of a regular governing body meeting, the sale and consumption of alcohol at all other locations on city property, except within the plaza as defined by subsection 23-5.1(S). Such approval may be granted following the city clerk's review of the applicant's relevant permits, licenses, and insurance, and the city clerk's recommendation for approval. The [~~resolution~~] clerk's

written recommendation for approval shall specify[~~ing~~] the event, date, hours, location, number of expected attendees, type of alcohol to be served, required permits, and insurance. The governing body's approval shall [~~be adopted~~] occur at least thirty (30) days in advance of the event. The [~~resolution~~] recommendation shall be limited to authoriz[~~ation~~]e [~~for~~] a single event [~~, unless otherwise stated in the resolution~~].

D. All other applicable approvals required by state or city laws and regulations shall be obtained prior to the sale or consumption of alcoholic beverages on the property described in this subsection 23-6.2.

[~~E. As a response to the May 27, 2020, public health order issued by the New Mexico Department of Health allowing limited outdoor dining service for qualified restaurants, and to enhance physical distancing restrictions due to the COVID-19 pandemic, sale and consumption of alcohol on any city sidewalk, street, right-of-way, or other specified property that has been designated and approved for temporary use by a current liquor licensee may occur pursuant to the following limitations:~~

~~1. A licensed establishment shall obtain and maintain a general liability policy in the amount of one million dollars ($1,000,000.00) and a liquor liability policy in the amount of two million dollars ($2,000,000.00) and must name the city, officers, employees, and agents as additional insureds.~~

~~2. The licensed establishment must apply for and receive an obstruction permit from the city that includes the requirement to indemnify the city.~~

~~3. The licensed establishment must also obtain a temporary change/expansion of liquor license premises issued by the alcoholic beverage control division of the New Mexico Regulation and Licensing Department. Proof of the approved temporary change/expansion of liquor license premises must be produced upon request of police, fire, or other authorized city official.~~

~~4. The sale and consumption of alcoholic beverages on any city property allowed under this subsection shall be subject to the regulations concerning alcoholic beverages contained in SFCC Section 4-2, 1987.~~

~~5. Unless extended by ordinance or resolution, any license or permit issued pursuant to this subsection shall expire on October 31, 2021.~~]

PASSED, APPROVED, and ADOPTED this _____day of _____, 2026.

_____

MICHAEL GARCIA, MAYOR

ATTEST:

_____

GERALYN CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Mar 3, 2026 14:28:09 MST)

MARCOS MARTÍNEZ, INTERIM CITY ATTORNEY

Legislation/2026/Bill/Amending Section 23-6 to Remove Resolution Requirement for Alcohol Sales on City Property

FIR No. 10736.0

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** X **Resolution:** _____

Short Title(s): Amending section 23-6 of Santa Fe City Code to Remove Resolution Requirement for sale of Alcohol on City Property

Sponsor(s): Councilor Alma Castro

Reviewing Department(s): City Attorney's Office, City Clerk's Office

Staff Completing FIR: Marci Eannarino, Manager of Legislation and Policy Innovation; Palmer Anderson, Policy Analyst; Christine Spiers, Legislative Coordinator

Date: 1/29/2026 **Phone:** (505) 955-6563

Reviewed by City Attorney: Marcos Martinez Marcos Martinez (Mar 3, 2026 14:28:09 MST) **Date:** 03/03/2026

Reviewed by Finance Director: ANDREA PHILLIPS (Mar 4, 2026 08:51:49 MST) **Date:** 03/04/2026

Summary:
The proposed Ordinance would remove the requirement for a resolution to approve the sale of alcoholic beverages on City of Santa Fe's ("City") property. Instead of requiring a resolution for each event on City property, the bill proposes that prior to the Governing Body's approval, the City Clerk would review applications for sale and/or consumption of alcohol on City property and would make a written recommendation for approval specifying the event, date, hours, location, number of expected attendees, type of alcohol to be served, and the required permits and insurance. After the City Clerk's review of the applications and recommendation for approval of the event, the Governing Body's motion for approval would be recorded in the minutes of a regular Governing Body meeting. Lastly, the City Clerk's recommendation would take place at least thirty (30) days prior to the event.

Departments Affected:
City Clerk's Office

Consequences of Not Enacting Legislation:
If this legislation is not adopted, then the Governing Body will continue to have to approve the sale and consumption of alcoholic beverages on city property through the approval of a Resolution.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None.

Performance and Administrative Implications:
Adopting this ordinance would improve the efficiency the Office of Legislation and Policy Innovation by reducing the time spent on drafting, tracking, and finalizing alcohol approval resolutions. It is possible this change could also improve the efficiency for constituents who are applying to serve and/or sell alcohol on City property.

Fiscal Implications:
None.

Fiscal Impact

X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

Expenditure Narrative:

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

Signature: Marci Eannarino

Email: maeannarino@santafenm.gov

Signature: Peter C Anderson

Email: pcanderson@santafenm.gov

Signature: CHRISTINE SPIERS

Email: cmspiers@santafenm.gov

Date: February 18, 2025

To: Governing Body; Public Works and Utilities Committee; Finance Committee

From: Alan G. Hook, Water Resources Coordinator AGH

Via: Jesse Roach, Interim Public Utilities Director Jesse Roach
Jonathan Montoya, Interim Water Division Director JM
William Schneider, Water Resources Supervisor WHS

RE: Acceptance of a Loan and Grant Funding from the New Mexico Water Trust Board in the amount of $2,500,000 for the McClure Dam Repair Project, Water Trust Board Project No. WFP-6613

EXECUTIVE SUMMARY:

The proposed bill would authorize the execution and delivery of both a Water Project Fund loan of $1,000,000 as well as a grant of $1,500,000 between the New Mexico Finance Authority (NMFA) and the City of Santa Fe ("City"), New Mexico. The total amount, $2,500,000, would finance the cost of the design for the construction of McClure Dam repairs and upgrades to the McClure Dam spillway. The bill specifies that both the loan and the grant be utilized solely for the eligible project costs, pursuant to NMSA 1978 § 72-4A-7. With respect to the loan debt, the bill pledges that the City would pay the loan amount and administrative fee directly from the net revenues of the water utility system of the City.

ATTACHMENTS:

Bill
FIR

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2026-05

INTRODUCED BY:

Councilor Amanda Chavez

Councilor Pilar Faulkner

A BILL

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

AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF SANTA FE, NEW MEXICO (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF $2,500,000, INCLUDING A LOAN IN THE AMOUNT OF $1,000,000 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING MCCLURE DAM TO THE OUTLET CONDUIT AND SPILLWAY, INCLUDING RELATED WORK AND REVISIONS, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET REVENUES OF THE WATER UTILITY SYSTEM OF THE BORROWER/GRANTEE; CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE

underscored material = new [~~bracketed material~~] = delete

PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in this Ordinance unless the context requires otherwise.

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, organized and existing home-rule municipality under the constitution and general laws of the State of New Mexico, and more specifically, NMSA 1978 §§ 3-1-1 through 3-66-11, as amended, and is a qualifying entity under the Water Project Finance Act and is qualified for financial assistance as determined by the New Mexico Finance Authority (NMFA) and approved by the Water Trust Board pursuant to the Board Rules, the Policies and the Act; and

WHEREAS, pursuant to the Board Rules, the Water Trust Board has recommended the Project for funding as a Qualifying Project to the Legislature; and

WHEREAS, Chapter 35, Laws 2025, being House Bill 206 of the 2025 Regular New Mexico Legislative Session, authorized the funding of the Project from the Water Project Fund; and

WHEREAS, the Water Trust Board has recommended that the NMFA enter into and administer the Loan/Grant Agreement in order to finance the Project; and

WHEREAS, the NMFA approved on May 22, 2025, that the Borrower/Grantee receive financial assistance in the form of the Loan/Grant; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts granted and loaned pursuant to the Loan/Grant Agreement, that the Loan/Grant Amount, together with the Additional Funding Amount and other moneys available to

the Borrower/Grantee, is sufficient to complete the Project, and that it is in the best interest of the Borrower/Grantee and the constituent public it serves that the Loan/Grant Agreement be executed and delivered and that the funding of the Project take place by executing and delivering the Loan/Grant Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully enter into the Loan/Grant Agreement, accept the Loan/Grant Amount and be bound to the obligations and by the restrictions thereunder; and

WHEREAS, the Loan/Grant Agreement shall not constitute a general obligation of the Borrower/Grantee, the Water Trust Board or the NMFA or a debt or pledge of the full faith and credit of the Borrower/Grantee, the Water Trust Board, the NMFA or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the City Clerk this Ordinance and the form of the Loan/Grant Agreement which is incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that the Additional Funding Amount is now available to the Borrower/Grantee to complete the Project; and

WHEREAS, the Borrower/Grantee has met or will meet prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and readiness to proceed requirements established for the portion of the Loan/Grant Amount disbursed or caused to be disbursed by the NMFA, including but not limited to the requirements of Executive Order 2013-006; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use of the Loan/Grant Amount for the purposes described, and according to the restrictions set forth, in the Loan/Grant Agreement; (ii) the availability of other moneys necessary and sufficient, together with the Loan/Grant Amount, to complete the Project; and (iii) the authorization, execution and delivery of the Loan/Grant Agreement which are required to have been obtained by the date of this Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE, NEW MEXICO:

Section 1. Definitions. As used in this Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined); and, any term not defined herein shall have the definition given it by the Loan/Grant Agreement:

"ACH Authorization" means the authorization for direct payment to the NMFA by ACH made by the Borrower/Grantee on the form required by the bank or other entity at which the account is held, from which the Pledged Revenues will be paid.

"Act" means the general laws of the State, particularly the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, and enactments of the Governing Body relating to the Loan/Grant Agreement, including this Ordinance, all as amended and supplemented.

"Additional Funding Amount" means the amount to be provided by the Borrower/Grantee which includes the total value of the Soft Match or Hard Match (each as defined in Section 4.2 of the Policies) which, in combination with the Loan/Grant Amount and other moneys available to the Borrower/Grantee, is sufficient to complete the Project and to provide matching funds required to complete the Project. The Additional Funding Amount is $500,000.

"Administrative Fee" or "Administrative Fee Component" means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee pursuant to Section 5.1(a)(iii) of the Loan/Grant Agreement.

"Authorized Officers" means any one or more of the Mayor, Mayor Pro Tem, City Manager and City Clerk of the Borrower/Grantee.

"Board Rules" means Review and Eligibility of Proposed Water Projects, New Mexico

Water Trust Board, 19.25.10 NMAC.

"Borrower/Grantee" means the City of Santa Fe, New Mexico.

"Closing Date" means the date of execution and delivery of the Loan/Grant Agreement, by the Borrower/Grantee and the NMFA.

"Completion Date" means the date of final payment of the cost of the Project.

"Conditions" has the meaning given to that term in the Loan/Grant Agreement.

"Eligible Items" means eligible Project costs for which grants and loans may be made pursuant to NMSA 1978, § 72-4A-7(C), as amended, of the Act, the Board Rules and applicable Policies, and includes, without limitation, Eligible Legal Costs.

"Eligible Legal Costs" has the meaning given to that term in the Loan/Grant Agreement.

"NMFA" means the New Mexico Finance Authority.

"Generally Accepted Accounting Principles" means the officially established accounting principles applicable to the Borrower/Grantee consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board or other principle-setting body acceptable to the Lender/Grantor establishing accounting principles applicable to the Borrower/Grantee.

"Governing Body" means duly organized City Council and Mayor of the Borrower/Grantee, or any successor governing body of the Borrower/Grantee.

"Grant" or "Grant Amount" means the amount provided to the Borrower/Grantee as a grant pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and shall not equal more than $1,500,000.

"Gross Revenues" has the meaning assigned to such term in Ordinance 2016-19 of the Borrower/Grantee (the "Master Utility Ordinance").

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to this

entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

"Loan" or "Loan Amount" means the amount provided to the Borrower/Grantee as a loan pursuant to the Loan/Grant Agreement for the purpose of funding the Project, in the maximum amount of $1,000,000.

"Loan/Grant" or "Loan/Grant Amount" means the combined amount partially provided to the Borrower/Grantee as the Grant Amount and partially borrowed by the Borrower/Grantee as the Loan Amount pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and shall not equal more than $2,500,000.

"Loan/Grant Agreement" means the Water Project Fund Loan/Grant Agreement entered into by and between the Borrower/Grantee and the NMFA as authorized by this Ordinance.

"Net Revenues" means the Gross Revenues of the System minus Operation and Maintenance Expenses.

"NMAC" means the New Mexico Administrative Code.

"NMSA 1978" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

(a) legal and overhead expenses of the various City departments directly related and reasonably allocable to the administration of the System;

(b) insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen's compensation insurance, whether or not self-funded;

(c) premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay Debt Service Requirements on System Bonds) for Credit Facilities;

(d) Expenses other than Expenses paid from the proceeds of System Bonds;

(e) the costs of audits of the books and accounts of the System;

(f) amounts required to be deposited in the Rebate Fund;

(g) salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and

(h) any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the City's general fund, liabilities incurred by the City as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

"Ordinance" means this Ordinance as it may be supplemented or amended from time to time.

"Pledged Revenues" means the Net Revenues of the System pledged to the payment of the Loan Amount and Administrative Fee pursuant to this Ordinance and the Loan/Grant Agreement and described in the Term Sheet.

"Project" means the project(s) described on the Term Sheet.

"Project Account" means the book account established by the NMFA in the name of the Borrower/Grantee for purposes of tracking expenditure of the Loan/Grant Amount by the Borrower/Grantee to pay for the costs of the Project, as shown in the Term Sheet, which account shall be kept separate and apart from all other accounts of the NMFA.

"Qualifying Water Project" means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) wastewater conveyance and treatment; (iv) restoration and management of watersheds; (v) flood prevention or (vi) water conservation or recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to NMSA 1978, § 72-4A-9(B), as amended.

"State" means the State of New Mexico.

"System" means the municipally owned public utility designated as the Borrower/Grantee's water utility system consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the Borrower/Grantee through purchase, condemnation, construction or otherwise, including all expansions, extensions, enlargements and improvements of or to the water utility system, and used in connection therewith or relating thereto, and any other related activity or enterprise of the Borrower/Grantee designated by the Governing Body as part of the water utility system, whether situated within or without the limits of the Borrower/Grantee.

"Term Sheet" means Exhibit "A" attached to the Loan/Grant Agreement.

"Useful Life" means the structural and material design life of the Project, including planning and design features, as required by the Act and the Board Rules.

"Water Project Fund" means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

"Water Trust Board" or "WTB" means the water trust board created and established pursuant to the Act.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the Borrower/Grantee and officers of the Borrower/Grantee directed toward the acquisition and completion of the Project, the pledge of the Pledged Revenues

to payment of amounts due under the Loan/Grant Agreement, and the execution and delivery of the Loan/Grant Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan/Grant Agreement. The acquisition and completion of the Project and the method of funding the Project through execution and delivery of the Loan/Grant Agreement and the other documents related to the transaction are hereby authorized and ordered. The Project is for the benefit and use of the Borrower/Grantee and the public whom it serves.

Section 4. Findings. The Governing Body hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the Borrower/Grantee and the public whom it serves.

B. Moneys available and on hand for the Project from all sources other than the Loan/Grant are not sufficient to defray the cost of acquiring and completing the Project but, together with the Loan/Grant Amount, are sufficient to complete the Project.

C. The Project and the execution and delivery of the Loan/Grant Agreement pursuant to the Act to provide funds for the financing of the Project are necessary, convenient and in furtherance of the governmental purposes of the Borrower/Grantee, and in the interest of the public health, safety, and welfare of the constituent public served by the Borrower/Grantee.

D. The Borrower/Grantee will acquire and complete the Project with the proceeds of the Loan/Grant, the Additional Funding Amount and other amounts available to the Borrower/Grantee, and except as otherwise expressly provided by the Loan/Grant Agreement, will utilize, operate and maintain the Project for the duration of its Useful Life, as required by NMSA 1978, § 72-4A-7(A)(1), as amended.

E. Together with the Loan/Grant Amount, and other amounts available to the Borrower/Grantee, the Additional Funding Amount is now available to the Borrower/Grantee,

and in combination with the Loan/Grant Amount, will be sufficient to complete the Project.

E. The NMFA shall maintain on behalf of the Borrower/Grantee a separate Project Account as a book account only on behalf of the Borrower/Grantee and financial records in accordance with Generally Accepted Accounting Principles during the construction or implementation of the Project.

F. The Borrower/Grantee has acquired title to or easements or rights of way on the real property upon which the Project is being constructed or located as provided in the Loan/Grant Agreement.

Section 5. Loan/Grant Agreement—Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of at least a three-fourths majority of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the constituent public served by the Borrower/Grantee and acquiring and completing the Project, it is hereby declared necessary that the Borrower/Grantee execute and deliver the Loan/Grant Agreement evidencing the Borrower/Grantee's acceptance of the Grant Amount of $1,500,000 and borrowing the Loan Amount of $1,000,000 to be utilized solely for Eligible Items necessary to complete the Project, and solely in the manner and according to the restrictions set forth in the Loan/Grant Agreement, the execution and delivery of which is hereby authorized. The Borrower/Grantee shall use the Loan/Grant Amount to finance the acquisition and completion of the Project.

B. Detail. The Loan/Grant Agreement shall be in substantially the form of the Loan/Grant Agreement presented at the meeting of the Governing Body at which this Ordinance was adopted. The Grant shall be in the amount of $1,500,000 and the Loan shall be in the amount of $1,000,000. Interest on the Loan Amount shall be zero percent (0%) per annum of the unpaid principal balance of the Loan Amount, and the Administrative Fee shall be one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account

both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee.

Section 6. Approval of Loan/Grant Agreement. The form of the Loan/Grant Agreement as presented at the meeting of the Governing Body at which this Ordinance was adopted, is hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan/Grant Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the City Clerk is hereby authorized to attest the Loan/Grant Agreement. The execution of the Loan/Grant Agreement shall be conclusive evidence of such approval.

Section 7. Security. The Loan Amount and Administrative Fee shall be solely secured by the pledge of the Pledged Revenues herein made and as set forth in the Loan/Grant Agreement.

Section 8. Disposition of Proceeds: Completion of the Project.

A. Project Account. The Borrower/Grantee hereby consents to creation of the Project Account by the NMFA. Until the Completion Date, the amount of the Loan/Grant credited to the Project Account shall be used and paid out solely for Eligible Items necessary to acquire and complete the Project in compliance with applicable law and the provisions of the Loan/Grant Agreement.

B. Completion of the Project. The Borrower/Grantee shall proceed to complete the Project with all due diligence. Upon the Completion Date, the Borrower/Grantee shall execute a certificate stating that completion of and payment for the Project has been completed. Following the Completion Date or the earlier expiration of the time allowed for disbursement of Loan/Grant funds as provided in the Loan/Grant Agreement, any balance remaining in the Project Account shall be transferred and deposited into the Water Project Fund or otherwise distributed as provided in the Loan/Grant Agreement.

C. NMFA Not Responsible. Borrower/Grantee shall apply the funds derived from the Loan/Grant Agreement as provided therein, and in particular Article VII of the Loan/Grant Agreement. The NMFA shall not in any manner be responsible for the application or disposal by the Borrower/Grantee or by its officers of the funds derived from the Loan/Grant Agreement or of any other funds held by or made available to the Borrower/Grantee in connection with the Project. NMFA shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Loan/Grant Amount in its possession, custody and control to the NMFA for disbursement to the Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount.

Section 9. Payment of Loan Amount and ACH Authorization. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the Loan Amount and Administrative Fee directly from the Pledged Revenues to the NMFA as provided in the Loan/Grant Agreement in an amount sufficient to pay principal and other amounts due under the Loan/Grant Agreement and to cure any deficiencies in the payment of the Loan Amount or other amounts due under the Loan/Grant Agreement. The Borrower/Grantee hereby consents to the creation of an ACH authorization agreement for the purpose of making regular electronic payments of the Loan Amount and Administrative Fee, if at any applicable point in time during the Agreement Term the Borrower/Grantee desires to use such payment method for the purposes of the Loan.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan/Grant Agreement, the Loan/Grant Agreement constitutes an irrevocable lien (but not an exclusive lien) on the Pledged Revenues subordinate to the lien thereon of all other liens thereon present and future, except that the lien on the Pledged Revenues of any future loans from the Lender/Grantor to the Borrower/Grantee pursuant to the Water Project Finance Act or the Colonias Infrastructure Act, shall be on parity with the lien of the Loan/Grant Agreement authorized by this Ordinance.

Section 11. Authorized Officers. Authorized Officers are hereby individually

authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Ordinance, the Loan/Grant Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Ordinance and the Loan/Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance and the Loan/Grant Agreement including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan/Grant Agreement.

Section 12. Amendment of Ordinance. This Ordinance after its adoption may be amended without receipt by the Borrower/Grantee of any additional consideration. On and after the Closing Date, this Ordinance may be amended without receipt by the Borrower/Grantee of any additional consideration, but only with the prior written consent of the NMFA.

Section 13. Ordinance Irrepealable. After the Loan/Grant Agreement has been executed and delivered, this Ordinance shall be and remain irrepealable until all obligations due under the Loan/Grant Agreement shall be fully discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 15. Repealer Clause. All bylaws, orders, ordinances, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Ordinance, it shall be recorded in the book of the Borrower/Grantee kept for that purpose, authenticated by the signatures of the

Mayor and City Clerk of the Borrower/Grantee, and this Ordinance shall be in full force and effect thereafter, in accordance with law; provided, however, that if recording is not required for the effectiveness of this Ordinance, this Ordinance shall be effective upon adoption of this Ordinance by the Governing Body.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

[*Remainder of page intentionally left blank.*]

[*Form of Notice of Adoption of Ordinance for Publication*]

CITY OF SANTA FE, NEW MEXICO

NOTICE OF ADOPTION OF ORDINANCE

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. _____, duly adopted and approved by the Governing Body of the City of Santa Fe, New Mexico on _____, 2026. A complete copy of the Ordinance is available for public inspection during normal and regular business hours in the office of the City Clerk at 200 Lincoln Avenue, Santa Fe, New Mexico 87501.

The title of the Ordinance is:

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF SANTA FE, NEW MEXICO (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF $2,500,000, INCLUDING A LOAN IN THE AMOUNT OF $1,000,000 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE DESIGNING MCCLURE DAM TO THE OUTLET CONDUIT AND SPILLWAY, INCLUDING RELATED WORK AND REVISIONS, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET REVENUES OF THE WATER UTILITY SYSTEM OF THE BORROWER/GRANTEE; CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION

INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. This notice constitutes compliance with NMSA 1978, § 6-14-6, as amended.

[*End of Form of Notice of Adoption for Publication*]

PASSED, APPROVED, and ADOPTED this _____day of _____, 2026.

_____

MICHAEL GARCIA, MAYOR

ATTEST:

_____

GERALYN CARDENAS, INTERIM CITY CLERK

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Mar 3, 2026 16:21:27 MST)

MARCOS MARTÍNEZ, INTERIM CITY ATTORNEY

Legislation/2026/Bill/6613 McClure Dam Loan/Grant Agreement $2,500,000

10741.0

Attachment A

$2,500,000

WATER PROJECT FUND
LOAN/GRANT AGREEMENT

dated

_____,2026

by and between the

NEW MEXICO FINANCE AUTHORITY
as Lender/Grantor,

and

CITY OF SANTA FE, SANTA FE COUNTY, NEW MEXICO,
as Borrower/Grantee.

WATER PROJECT FUND
LOAN/GRANT AGREEMENT

THIS LOAN/GRANT AGREEMENT (the "Agreement" or "Loan/Grant Agreement") dated _____,2026, is entered into by and between the **NEW MEXICO FINANCE AUTHORITY** (the "NMFA" or "Lender/Grantor"), and the **CITY OF SANTA FE** in SANTA FE COUNTY, NEW MEXICO (the "Borrower/Grantee").

W I T N E S S E T H:

WHEREAS, the NMFA is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality, duly organized and created under and pursuant to the laws of the State, particularly NMSA 1978, §§ 6-21-1 through 6-21-31, as amended (the "NMFA Act"); and

WHEREAS, the NMFA Act provides that the NMFA may make loans and grants from the Water Project Fund to qualifying entities for Qualifying Water Projects; and

WHEREAS, pursuant to the Act, the Water Trust Board has established the Board Rules governing the terms and conditions of loans and grants made from the Water Project Fund, as set out in Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC, pursuant to the Board Rules for Qualifying Water Projects; and

WHEREAS, pursuant to the Board Rules, except as provided in the Policies, a qualifying entity is expected to receive some portion of its funding as a loan in order to maximize the potential for the return of funds to the Water Project Fund, thereby increasing the limited financial resources expected to be available in the Water Project Fund; and

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, duly organized and existing incorporated municipality under and pursuant to the laws of the State and more specifically, NMSA 1978, §§3-1-1 through 3-66-11, as amended, is a qualifying entity under the Water Project Finance Act and is qualified for financial assistance as determined by the NMFA and approved by the Water Trust Board pursuant to the Board Rules, the Policies and the Act; and

WHEREAS, the Borrower/Grantee has determined that it is in the best interests of the Borrower/Grantee and the constituent public it serves that the Borrower/Grantee enter into this Agreement with the Lender/Grantor to borrow $1,000,000 from the Lender/Grantor and to accept a grant in the amount of $1,500,000 from the Lender/Grantor to finance the costs of the Project, this Project being more particularly described in the Term Sheet; and

WHEREAS, the Borrower/Grantee submitted an Application dated September 12, 2024 and January 21, 2025 for the Project; and

WHEREAS, pursuant to the Board Rules the Water Trust Board recommended the Project for funding as a Qualifying Water Project to the Legislature; and

WHEREAS, Chapter 35 Laws 2025, being House Bill 206 of the 2025 Regular New Mexico Legislative Session, authorized the funding of the Project from the Water Project Fund; and

WHEREAS, the Water Trust Board has recommended that the NMFA enter into and administer this Agreement in order to finance the Project; and

WHEREAS, the NMFA approved on August 29, 2024 that the Borrower/Grantee receive financial assistance in the form of the Loan/Grant; and

WHEREAS, the Borrower/Grantee is willing to pledge the Pledged Revenues to the payment of the Loan Payments and Administrative Fee, with a lien on the Pledged Revenues subordinate to all other liens thereon present and future, except that the lien on the Pledged Revenues of any future loans from the Lender/Grantor to the Borrower/Grantee pursuant to the Water Project Finance Act or the Colonias Infrastructure Act, secured by the Pledged Revenues shall be on a parity with this Agreement; and

WHEREAS, the plans and specifications for the Project have been approved by the NMFA (or by the New Mexico Environment Department or other appropriate agency or entity on behalf of the NMFA, pursuant to an agreement between such agency or entity and the NMFA), prior to the commencement of construction, and the plans and specifications for the Project incorporates available technologies and operational design for water use efficiency; and

WHEREAS, the execution and performance of this Agreement have been authorized, approved and directed by all necessary and appropriate action of the Water Trust Board and the NMFA, and their respective officers.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

ARTICLE I
DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Agreement unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Agreement including the foregoing recitals, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined). In addition, capitalized terms not defined in the recitals or in this Article I shall have the meaning assigned to such terms in Ordinance No. 2016-19 of the Borrower/Grantee (the "Master Water Utility Ordinance") unless the context clearly requires otherwise. In the event of a conflict between the defined terms in this Agreement and those in the Master Water Utility Ordinance, the defined terms in the Master Water Utility Ordinance shall supersede those in this Agreement.

"ACH Authorization" means the authorization for direct payment to the NMFA by ACH made by the Borrower/Grantee on the form required by the bank or other entity at which the account is held, from which the Pledged Revenues will be paid.

"Act" means the general laws of the State, particularly the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, and enactments of the Governing Body relating to this Agreement, including the Ordinance, all as amended and supplemented.

"Additional Funding Amount" means the amount to be provided by the Borrower/Grantee which includes the total value of the Soft Match or Hard Match (each as defined in Section 4.2 of the Policies) which, in combination with the Loan/Grant Amount and other moneys available to the Borrower/Grantee, is sufficient to complete the Project and to provide matching funds required to complete the Project. The Additional Funding Amount is $500,000.

"Administrative Fee" or "Administrative Fee Component" means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee pursuant to Section 5.1(a)(iii) of this Agreement.

"Agreement Term" means the term of this Agreement as provided under Article III of this Agreement.

"Application" means the New Mexico Water Trust Board Application dated September 12, 2023 and the New Mexico Water Trust Board Readiness Application dated January 22, 2024 of the Borrower/Grantee and pursuant to which the Borrower/Grantee requested funding for the Project.

"Authorized Officers" means, with respect to the Borrower/Grantee, any one or more of the Mayor, Mayor Pro Tem, Finance Director, Treasurer, City Manager, and City Clerk thereof; with respect to the NMFA, the Chairman, Vice-Chairman and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the NMFA designated in writing by an Authorized Officer.

"Board Rules" means Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC.

"Closing Date" means the date of execution and delivery of this Agreement by the Borrower/Grantee and the NMFA.

"Colonias Infrastructure Act" means NMSA 1978, §§ 6-30-1 through 6-30-8, as amended.

"Conditions" means the conditions to be satisfied prior to the submission of a request for payment or the disbursement of the Loan/Grant Amount, or any portion thereof, from the Water Project Fund, or which otherwise apply to the performance of this Agreement, including those set forth in the Term Sheet.

"Department of Finance and Administration" or "DFA" means the department of finance, and administration of the State.

"Eligible Items" means eligible Project costs for which grants and loans may be made pursuant to NMSA 1978, § 72-4A-7(C), as amended, of the Act, the Board Rules and applicable Policies, and includes, without limitation, Eligible Legal Costs.

"Eligible Legal Costs" means legal fees and costs for services rendered by legal counsel on behalf of the Borrower/Grantee for transaction of the Project, in an amount not exceeding ten (10) percent of the Loan/Grant Amount, but does not include adjudication services.

"Event of Default" means one or more events of default as defined in Section 10.1 of this Agreement.

"Final Debt Service Schedule" means the schedule of Loan Payments due on this Agreement following the Final Requisition, as determined on the basis of the Loan Amount.

"Final Requisition" means the final requisition of moneys to be submitted by the Borrower/Grantee, which shall be submitted by the Borrower/Grantee on or before the expiration of the Interim Period as provided in Section 5.3 of this Agreement.

"Fiscal Year" means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority of the Borrower/Grantee may hereafter establish for the Borrower/Grantee as its fiscal year.

"Force Majeure" means acts of God and natural disasters; strikes or labor disputes; war, civil strife or other violence; an order of any kind of the Government of the United States or of the State or civil or military authority or any court of competent jurisdiction; or any other act or condition that was beyond the reasonable control of, without fault or negligence of, or not reasonably foreseeable by the party claiming the Force Majeure event; except for (i) general economic conditions; or (ii) an inability of a party claiming the Force Majeure event to pay any debts when due.

"Generally Accepted Accounting Principles" means the officially established accounting principles applicable to the Borrower/Grantee, consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board, or other principle-setting body acceptable to the Lender/Grantor, establishing accounting principles applicable to the Borrower/Grantee.

"Governing Body" means duly organized City Council and Mayor of the Borrower/Grantee, or any successor governing body of the Borrower/Grantee.

"Grant" or "Grant Amount" means the amount provided to the Borrower/Grantee as a grant pursuant to this Agreement for the purpose of funding the Project and shall not equal more than $1,500,000.

"Gross Revenues" means all income and revenues directly or indirectly derived by the Borrower/Grantee from the operation and use of the System, or any part of the System, for any particular Fiscal Year period to which the term is applicable, and includes, without limitation, all revenues received by the Borrower/Grantee, or any municipal corporation or agency succeeding to the rights of the Borrower/Grantee, from the System and from the sale and use of water services or facilities, or any other service, commodity or facility or any combination thereof furnished by the System. In the event there is a conflicting description of Gross Revenues in any ordinance or resolution of the Borrower/Grantee, the language of such ordinance or resolution shall control.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefor or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Borrower/Grantee and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption.

"Hardship Waiver" means a determination by the NMFA pursuant to Section 5.1(a)(iii) herein that the annual principal payment by the Borrower/Grantee should be forgiven because such payment would cause undue hardship for the Borrower/Grantee or the public it serves.

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to this entire Agreement and not solely to the particular section or paragraph of this Agreement in which such word is used.

"Interest Component" means the portion of each Loan Payment paid as interest on this Agreement, if any, as shown on Exhibit "B" hereto.

"Interim Debt Service Schedule" means the anticipated schedule of Loan Payments due on this Agreement following the Final Requisition, assuming disbursement of the entire Loan Amount within twenty-four (24) months of the Closing Date. The Interim Debt Service Schedule is attached hereto as Exhibit "B".

"Interim Period" means the period no greater than twenty-four (24) months, unless a longer period is approved by the NMFA as provided in Section 5.3 of this Agreement, beginning on the Closing Date, during which the NMFA will disburse moneys to the Borrower/Grantee to pay costs of the Project.

"Lender/Grantor" means the New Mexico Finance Authority.

"Loan" or "Loan Amount" means the amount provided to the Borrower/Grantee as a loan pursuant to this Agreement for the purpose of funding the Project and shall not equal more than $1,000,000.

"Loan/Grant" or "Loan/Grant Amount" means the combined amount partially provided to the Borrower/Grantee as the Grant Amount and partially borrowed by the Borrower/Grantee as the Loan Amount pursuant to this Agreement for the purpose of funding the Project and shall not equal more than $2,500,000.

"Loan Payments" means, collectively, the Principal Component and the Interest Component, if any, to be paid by the Borrower/Grantee as payment of this Agreement as shown on Exhibit "B" hereto.

"Net Revenues" means the Gross Revenues of the System minus Operation and Maintenance Expenses, indirect charges, amounts expended for capital replacements and repairs,

required set asides for debt and replacement requirements, and any other payments from the gross revenues reasonably required for operation of the System.

"NMAC" means the New Mexico Administrative Code.

"NMSA 1978" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

(a) Legal and overhead expenses of the Borrower/Grantee directly related and reasonably allocable to the administration of the System;

(b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen's compensation insurance, whether or not self-funded;

(c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System Bonds) for credit facilities;

(d) Expenses other than Expenses paid from the proceeds of System Bonds;

(e) The costs of audits of the books and accounts of the System;

(f) Amounts required to be deposited in any rebate fund;

(g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and

(h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Borrower/Grantee's general fund, liabilities incurred by the Borrower/Grantee as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues. In the event there is a conflicting description of Operation and Maintenance Expenses in any ordinance or resolution of the Borrower/Grantee, the language of such ordinance or resolution shall control.

"Ordinance" means the Borrower/Grantee's Ordinance No. _____, adopted by the Governing Body on _____, 2026, authorizing the acceptance of the Loan/Grant, approving

this Agreement and pledging the Pledged Revenues to the payment of the Loan Payments and the Administrative Fee as shown on the Term Sheet.

"Parity Obligations" means this Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Agreement, as shown on the Term Sheet.

"Pledged Revenues" means the Net Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and the Administrative Fee pursuant to the Ordinance and this Agreement and described in the Term Sheet.

"Policies" means the Water Trust Board Water Project Fund Project Management Policies approved by the Water Trust Board and the NMFA, as amended and supplemented from time to time.

"Principal Component" means the portion of each Loan Payment paid as principal on this Agreement as shown on Exhibit "B" hereto.

"Project" means the project(s) described on the Term Sheet.

"Project Account" means the book account established by the NMFA in the name of the Borrower/Grantee for purposes of tracking expenditure of the Loan/Grant Amount by the Borrower/Grantee to pay for the costs of the Project, as shown in the Term Sheet, which account shall be kept separate and apart from all other accounts of the NMFA.

"Qualifying Water Project" means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) wastewater conveyance and treatment; (iv) restoration and management of watersheds; (v) flood prevention; or, (vi) water conservation or recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to NMSA 1978, § 72-4A-9(B), as amended.

"Senior Obligations" means any outstanding obligations with a superior lien on the Pledged Revenues as defined in the Term Sheet, or any such obligations hereafter issued and meeting the requirements of the Agreement applicable to the issuance of Senior Obligations.

"State" means the State of New Mexico.

"State Board of Finance" means the State board of finance created pursuant to NMSA 1978, §§ 6-1-1 through 6-1-13, as amended.

"System" means the municipally owned public utility designated as the Borrower/Grantee's water utility system consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the Borrower/Grantee through purchase, condemnation, construction or otherwise, including all expansions, extensions, enlargements and improvements of or to the water utility system, and used in connection therewith or relating thereto, and any other related activity or enterprise of the Borrower/Grantee designated by the Governing

Body as part of the water utility system, whether situated within or without the limits of the Borrower/Grantee.

"Term Sheet" means Exhibit "A" attached to this Agreement.

"Useful Life" means the structural and material design life of the Project including planning and design features as required by the Act and the Board Rules.

"Water Project Fund" means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

"Water Trust Board" or "WTB" means the water trust board created and established pursuant to the Act.

ARTICLE II
REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Borrower/Grantee: The Borrower/Grantee represents, covenants and warrants for the benefit of the NMFA as follows:

(a) Binding Nature of Covenants; Enforceability. All representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee contained in this Agreement shall be deemed to be the representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee to the full extent authorized or permitted by law, and such representations, covenants, stipulations, obligations and agreements shall be binding upon the Borrower/Grantee and its successors and enforceable in accordance with their terms, and upon any board or body to which any powers or duties affecting such representations, covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Borrower/Grantee by the provisions of this Agreement and the Ordinance shall be exercised or performed by the Borrower/Grantee or by such members, officers, or officials of the Borrower/Grantee as may be required by law to exercise such powers and to perform such duties.

(b) Authorization of Agreement. The Borrower/Grantee is a qualifying entity as defined in the Act and the Board Rules. Pursuant to the laws of the State and in particular, the laws governing its creation and existence, as amended and supplemented from time to time, the Borrower/Grantee is authorized to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Borrower/Grantee has duly authorized and approved its acceptance of the Loan/Grant and the execution and delivery of this Agreement and the other documents related to the transaction described in this Agreement, and this Agreement and the other documents related to the transaction to which the Borrower/Grantee is a party constitute legal, valid and binding special obligations of the Borrower/Grantee enforceable against the Borrower/Grantee in accordance with their respective terms.

(c) Nature and Use of Agreement Proceeds. The Borrower/Grantee acknowledges that the distribution of the Loan/Grant Amount shall be deemed to be a distribution to the Borrower/Grantee of proceeds representing the Loan Amount and the Grant Amount on a

pro rata basis from the maximum Loan Amount and Grant Amount. The Borrower/Grantee shall apply the proceeds of the Loan/Grant solely to Eligible Items that will facilitate the completion of the Project, and shall not use the Loan/Grant proceeds for any other purpose. The Loan/Grant Amount, together with the Additional Funding Amount and other moneys reasonably expected to be available to the Borrower/Grantee, is sufficient to complete the Project in its entirety.

(d) Payment of Loan Amount. The Borrower/Grantee shall promptly pay the Loan Amount and Administrative Fee as provided in this Agreement, except when a Hardship Waiver is obtained pursuant to Section 5(a)(iii) of this Agreement. The Loan and Administrative Fee shall be payable solely from Pledged Revenues and nothing in this Agreement shall be construed as obligating the Borrower/Grantee to make the Loan Payments and to pay the Administrative Fee from any general or other fund of the Borrower/Grantee other than the Pledged Revenues; however, nothing in this Agreement shall be construed as prohibiting the Borrower/Grantee, in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(e) Scope of Project; Completion of Project; Compliance with Laws. The Project is for storage, conveyance or delivery of water to end-users. The Loan/Grant Amount will be used only for Eligible Items necessary to complete the Project. The Project is more particularly described in the Term Sheet. The Project will be completed with all practical dispatch and will be completed, operated and maintained so as to comply with all applicable federal, state and local laws, ordinances, resolutions and regulations and all current and future orders of all courts having jurisdiction over the Borrower/Grantee relating to the acquisition, operation, maintenance and completion of the Project and to the use of the Loan/Grant proceeds.

(f) Necessity of Project. The completion and operation of the Project under the terms and Conditions provided in this Agreement are necessary, convenient, and in furtherance of the governmental purposes of the Borrower/Grantee and are in the best interest of the Borrower/Grantee and the public it serves.

(g) Lien. The Loan Payments constitute an irrevocable lien on the distribution on the Pledged Revenues, the priority of which is consistent with that shown on the Term Sheet.

(h) Agreement Term Not Less than Useful Life. The Agreement Term is not less than the Useful Life of the Project as required by NMSA 1978, § 72-4A-7, as amended, of the Act.

(i) Amount of Agreement. The sum of the Grant Amount, the Loan Amount, and the Additional Funding Amount (and as set forth on the Term Sheet) does not exceed the cost of the Project.

(j) No Breach or Default Caused by Agreement. Neither the execution and delivery of this Agreement and the other documents related to the transaction, nor the fulfillment of or compliance with the terms and conditions in this Agreement and the other documents related to the transaction, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Borrower/Grantee is a party or by which the Borrower/Grantee is bound or any laws, ordinances, governmental rules or regulations or court or

other governmental orders to which the Borrower/Grantee or its properties are subject, or constitutes a default under any of the foregoing.

(k) Irrevocable Enactments. While this Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Agreement, including the Ordinance shall be irrevocable until the Project has been fully acquired and completed, and the Loan Amount, including all principal and interest has been repaid, or provision made for payment thereof, and shall not be subject to amendment or modification in any manner which would result in any use of the proceeds of this Agreement in a manner not permitted or contemplated by the terms hereof. The Borrower/Grantee shall not impair the rights of the NMFA or of any holders of bonds or other obligations payable from the Pledged Revenues while this Agreement is outstanding.

(l) No Litigation. To the knowledge of the Borrower/Grantee, no litigation or proceeding is pending or threatened against the Borrower/Grantee or any other person affecting the right of the Borrower/Grantee to execute or deliver this Agreement and the other documents related to the transaction or to comply with its obligations under this Agreement and the other documents related to the transaction. Neither the execution and delivery of this Agreement and the other documents related to the transaction by the Borrower/Grantee nor compliance by the Borrower/Grantee with the obligations under this Agreement and the other documents related to the transaction, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(m) No Event of Default. No event has occurred and no condition exists which, with the giving of notice or the passage of time or upon the execution and delivery of this Agreement and the other documents related to the transaction, would constitute an Event of Default on the part of the Borrower/Grantee under this Agreement and the other documents related to the transaction.

(n) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Payments, as and when due, is not needed or budgeted to pay current or anticipated Operation and Maintenance Expenses or other expenses of the Borrower/Grantee.

(o) Expected Coverage Ratio. The Pledged Revenues are reasonably expected to equal or exceed—from the Fiscal Year in which the Closing Date occurs and, on an ongoing basis during each Fiscal Year of the Agreement Term—one hundred percent (100%) of the maximum annual principal and interest due on all outstanding obligations of the Borrower/Grantee payable from the Pledged Revenues.

(p) Right to Inspect. The NMFA shall have the right to inspect at all reasonable times all records, accounts and data relating to the System and to inspect the System and all properties comprising the System, and the Borrower/Grantee shall supply such records, accounts, and data as are requested by the NMFA, within thirty (30) days of receipt of such request, written or oral.

(q) Financial Capability; Budgeting of Pledged Revenues. The Borrower/Grantee meets and will meet during the Agreement Term the requirements of financial capability set by the Water Trust Board and the NMFA. The Pledged Revenues will be sufficient

to make the Loan Payments, as and when due. The Borrower/Grantee will adequately budget for the Loan Payments and other amounts payable by the Borrower/Grantee under this Agreement.

(r) Rate Covenant. The Borrower/Grantee covenants that, in addition to complying with the Rate Covenant set forth and defined in the Master Water Utility Ordinance, it will at all times fix, charge and collect such rates and charges as shall be required in order that in each Fiscal Year in which the Loan is outstanding the Gross Revenues shall at least equal the Operation and Maintenance Expenses of the System for the Fiscal Year, plus one hundred percent (100%) of the maximum annual principal and interest payments due on all outstanding obligations payable from the Pledged Revenues.

(s) Borrower/Grantee's Existence. The Borrower/Grantee will maintain its legal identity and existence so long as this Agreement remains outstanding unless another political subdivision, State agency, or other entity by operation of law succeeds to the liabilities, rights and duties of the Borrower/Grantee under this Agreement without adversely affecting to any substantial degree the privileges and rights of the Lender/Grantor.

(t) Use of Project; Continuing Covenant. During the Agreement Term, the Borrower/Grantee will at all times use the Project for the benefit of the Borrower/Grantee and the public it serves. The engineering design or engineering feasibility reports shall not involve or anticipate a sale, lease, mortgage, pledge, or the relocation or disposal of any part of the Project or System designed during its Useful Life; provided, however, that if the Project is a joint project of the Borrower/Grantee and other qualifying entities (as defined by the Act), the Borrower/Grantee and the other qualifying entities may, with the express written approval of the NMFA and not otherwise, enter into an agreement allocating ownership and operational and maintenance responsibilities for the Project during the term of the Agreement. Any such agreement shall provide that the Lender/Grantor, or either of them, shall have the power to enforce the terms of this Agreement, without qualification, as to each and every qualifying entity (as defined by the Act) other than the Borrower/Grantee, owning or operating any portion of the Project during the term of the Agreement. The Borrower/Grantee will operate and maintain the Project, so that it will function properly over its Useful Life.

(u) Title and Rights of Way. As required by NMSA 1978, § 72-4A-7(A)(3) of the Act, as amended, and the Board Rules, the Borrower/Grantee shall provide written assurance signed by an attorney or provide a title insurance policy ensuring that the Borrower/Grantee has proper title to, easements, rights of way or use permits on the real property upon or through which the Project will be conducted and completed and if any portion of the Project will be designed, constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, such other qualifying entity has title to such real property, and the Borrower/Grantee shall provide written assurance signed by an attorney or provide a title insurance policy ensuring that such other qualifying entity has proper title to such real property.

(v) Additional Funding Amount. Together with the Loan/Grant Amount and other amounts available to the Borrower/Grantee, the Additional Funding Amount is now available to the Borrower/Grantee, and in combination with the Loan/Grant Amount, will be sufficient to complete the Project. If any other additional expenses are incurred, the Borrower/Grantee shall be responsible for payment of such expenses.

(w) Audit Requirement. During the Agreement Term the Borrower/Grantee shall comply with the requirements of the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14, as amended. Upon request by the NMFA, the Borrower/Grantee shall provide the NMFA a copy of any review or audit, report of agreed upon procedures, or any other document prepared pursuant to or required by the State Audit Act.

(x) Reserved.

(y) Efficient Operation. The Borrower/Grantee will operate the System so long as this Agreement is outstanding, will maintain the System in efficient operating condition and make such improvements, extensions, enlargements, repairs and betterments to the System as may be necessary or advisable for its economical and efficient operation at all times and sufficient to supply reasonable demands for System services.

(z) Records. So long as the Agreement remains outstanding, proper books of record and account will be kept by the Borrower/Grantee in accordance with Generally Accepted Accounting Principles, separate from all other records and accounts, showing complete and correct entries of all transactions relating to the System. Such books shall include, but not necessarily be limited to, monthly records showing: (i) the number of customers for the System; (ii) the revenues separately received from charges by classes of customers, including but not necessarily limited to classification by facilities; and (iii) a detailed statement of the expenses of the System.

(aa) Billing Procedure. Bills for water service or facilities, furnished by or through the System, shall be rendered to customers on a regular basis each month following the month in which the service was rendered and shall be due as required by the applicable ordinance, resolution or regulation of the Borrower/Grantee. If permitted by law, if a bill is not paid within the period of time required by such ordinance, resolution or regulation, water service shall be discontinued as required by such ordinance, resolution or regulation, and the rates and charges due shall be collected in a lawful manner, including, but not limited to, the cost of disconnection and reconnection.

(bb) Competent Management. The Borrower/Grantee shall employ or contract for experienced and competent personnel to manage the System.

(cc) Readiness Requirements. The Borrower/Grantee has met the requirements of Executive Order 2013-006 and it has met or will meet prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and the readiness to proceed requirements established for the Loan/Grant by the NMFA and the Water Trust Board.

(dd) Other Liens. Other than as provided in the Term Sheet, there are no liens or encumbrances of any nature, whatsoever, on or against the System or the revenues derived from the operation of the same.

(ee) Additional Obligations. The Borrower/Grantee may incur additional Senior Obligations upon the satisfaction of the additional bonds test set forth in the Master Water Utility Ordinance. The Borrower/Grantee shall obtain the written consent of the NMFA prior to the issuance of additional Parity Obligations unless such Parity Obligation has been issued by the NMFA. The Borrower/Grantee shall identify any additional Senior Obligations issued by the

Borrower/Grantee after the Closing Date in any future application for financing submitted to the NMFA.

Section 2.2 Representations and Warranties of the NMFA. The NMFA represents as follows:

(a) Authorization of Agreement. The NMFA is a public body politic and corporate separate and apart from the State, constituting a governmental instrumentality, and has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Agreement and, by proper action, has duly authorized the execution and delivery of this Agreement.

(b) Legal, Valid and Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the NMFA enforceable in accordance with its terms.

ARTICLE III
AGREEMENT TERM

The Agreement Term shall commence on the Closing Date and shall terminate at the end of the Useful Life of the Project as required by NMSA 1978, § 72-4A-7, as amended, of the Act.

ARTICLE IV
LOAN/GRANT AGREEMENT CONDITIONS

Section 4.1 Conditions Precedent to Closing of Loan/Grant. Prior to the Closing Date, the following Conditions and readiness to proceed items shall be satisfied:

(a) The NMFA, on behalf of the Water Trust Board, shall have determined that the Borrower/Grantee has met the Conditions and readiness to proceed requirements established for the Loan/Grant by the NMFA and the Water Trust Board including any Conditions set out in the Term Sheet; and

(b) The Borrower/Grantee shall have provided written assurance addressed to the NMFA and signed by an attorney (or shall have provided a title insurance policy) that the Borrower/Grantee has proper title to or easements, rights of way, or permits on the real property upon or through which the Project will be conducted and completed; and

(c) If any portion of the Project will be constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee shall have provided written assurance addressed to the NMFA and signed by an attorney (or shall have provided a title insurance policy) that such other qualifying entity has proper title to such real property; and

(d) Prior to the disbursement of any portion of the Loan/Grant Amount for purposes of construction of the Project, the plans and specifications funded with the proceeds of this Agreement will be approved by the NMFA as required by NMSA 1978, § 72-4A-7(B), as amended, or on behalf of the NMFA by the New Mexico Environment Department and the Office of the State of Engineer, and the Borrower/Grantee shall have provided written evidence of such approval to the NMFA; and

(e) Except as otherwise expressly provided in the Conditions, the Borrower/Grantee shall have certified to the Lender/Grantor that the Additional Funding Amount is available for the Project, and, in addition, shall have provided additional evidence reasonably acceptable to the Lender/Grantor of the availability of the Additional Funding Amount; and

(f) The Borrower/Grantee shall be in compliance with the provisions of this Agreement.

(g) Notwithstanding anything in this Agreement to the contrary, the NMFA shall not be obligated to execute the Agreement and may not make the Loan/Grant until the Borrower/Grantee has provided to the NMFA the documents listed on Exhibit "F" attached hereto, all of which must be in form and content acceptable to the NMFA.

Section 4.2 Determination of Eligibility Is Condition Precedent to Disbursement. No request for payment shall be made, nor shall any disbursement be made from the Water Project Fund, for any requisition of any portion of the Loan/Grant Amount, except upon a determination by the NMFA in its sole and absolute discretion that such disbursement is for payment of Eligible Items, and that the request for payment or disbursement does not exceed any limitation upon the amount payable for any Eligible Item pursuant to the Act, the Board Rules, and the Policies governing the Water Project Fund. The NMFA, as a condition precedent to submitting any request for payment to the State Board of Finance or making any requested disbursement from the Water Project Fund, may require submittal of such documentation as the NMFA deems necessary, in its sole and absolute discretion, for a determination whether any requested disbursement is for payment of Eligible Items and is fully consistent with the Act, the Board Rules, and the Policies, as applicable.

ARTICLE V
LOAN TO THE BORROWER/GRANTEE; GRANT TO THE BORROWER/GRANTEE; APPLICATION OF MONEYS

Section 5.1 Loan and Grant to the Borrower/Grantee.

(a) Loan to the Borrower/Grantee. The Lender/Grantor hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from and agrees to pay to the order of the Lender/Grantor, without interest, an amount equal to the Loan Amount, with the principal amount of the Loan Amount being payable as provided by Article VI and Exhibit "B" of this Agreement.

(i) Subordinate Nature of Loan Amount and Administrative Fee Obligation. The obligation of the Borrower/Grantee to make the Loan Payments and to pay the Administrative Fee shall be subordinate to all other indebtedness secured by the Pledged Revenues existing on the Closing Date and, further, that may in the future be secured by the Pledged Revenues; except, however, that the obligation of the Borrower/Grantee to make the Loan Payments and to pay the Administrative Fee shall be on parity with any other obligation, present or future, of the Borrower/Grantee to repay a loan provided by the Lender/Grantor pursuant to the Act or the Colonias Infrastructure Act.

(ii) Administrative Fee. The Borrower/Grantee shall, on an annual basis beginning on the first payment date following the completion of the Project or exhaustion of all Loan/Grant Amounts as set out in Section 5.3 hereof, pay to the Lender/Grantor the Administrative Fee, taking into account both payments made by the Borrower/Grantee and Hardship Waivers granted to the Borrower/Grantee as provided by this Agreement. Any such Administrative Fee payment shall be due irrespective of whether or not a Hardship Waiver is granted to the Borrower/Grantee for the principal payment otherwise due on June 1 of the applicable year or any other year.

(iii) Hardship Waivers of Payment. Each year while any portion of the Loan Amount remains outstanding, no later than April 1 of each such year, the Borrower/Grantee may apply in writing to the NMFA for a determination of whether the annual principal payment on the Loan Amount otherwise due on the upcoming June 1 of such year should be forgiven because such payment would cause undue hardship for the Borrower/Grantee or the public it serves. The Borrower/Grantee shall submit such application to the NMFA for determination with sufficient documentation of the existence of such undue hardship as is reasonably required by the NMFA to make a determination, and the Borrower/Grantee shall promptly respond to additional requests for information from the NMFA. Such application for Hardship Waiver shall be executed by the Authorized Officers of the Borrower/Grantee. An "undue hardship" exists if the NMFA determines that the Borrower/Grantee is facing unforeseen events or an emergency that has caused the Borrower/Grantee to be unable to pay on a timely basis the annual principal payment on the Loan Amount. The NMFA may consult the Department of Finance and Administration in determining whether to grant the Hardship Waiver. The NMFA shall make a determination no later than May 15 of the applicable year, and the NMFA shall promptly communicate to the Borrower/Grantee in writing the results of its determination. Upon receipt of written notice of the determination, either the principal payment otherwise due on June 1 of such year shall be forgiven (in the event of a determination of undue hardship) or the principal payment shall remain outstanding and due and payable on June 1 (in the event no undue hardship is determined to exist).

(b) Grant and Acceptance. The Lender/Grantor hereby grants to the Borrower/Grantee and the Borrower/Grantee hereby accepts from the Lender/Grantor an amount equal to the Grant Amount.

(c) Project Account. The NMFA shall establish and maintain the Project Account as a book account only, on behalf of the Borrower/Grantee, which account shall be kept separate and apart from all other accounts of the NMFA.

(d) Constitutional and Statutory Debt Limitations. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Water Trust Board, the NMFA, the State or the Borrower/Grantee within the meaning of any constitutional or statutory debt limitation.

Section 5.2 Application of Loan/Grant Amount. Following the determination by the NMFA in its sole and absolute discretion that the Conditions to the disbursement of the Loan/Grant Amount have been satisfied, the NMFA shall make an entry in its accounts, and in particular in the Project Account, reflecting the proceeds of the Loan/Grant Amount made available for disbursement from the Water Project Fund to the Borrower/Grantee at its request, and as needed by it to acquire and complete the Project, as provided in Section 7.2 of this Agreement.

Section 5.3 Final Requisition. The Final Requisition shall be submitted by the Borrower/Grantee within the Interim Period. The Interim Period may be extended only as approved in writing by an Authorized Officer of the NMFA, based on the Borrower/Grantee's demonstration, to the reasonable satisfaction of the Authorized Officer of the NMFA, that unanticipated circumstances beyond the control of the Borrower/Grantee resulted in delaying the acquisition and completion of the Project, and submission of the Borrower/Grantee's Final Requisition.

Section 5.4 Investment of Monies. Money in the Water Project Fund, representing proceeds of this Agreement, held and administered by the NMFA, may be invested by the NMFA for the credit of the Water Project Fund.

ARTICLE VI
LOAN PAYMENTS BY THE BORROWER/GRANTEE

Section 6.1 Loan to the Borrower/Grantee; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The NMFA hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from the NMFA an amount not to exceed the Loan Amount. The Borrower/Grantee promises to pay, but solely from the sources pledged herein, the Loan Payments and the Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided. Subject to any outstanding Parity Obligations and Senior Obligations, the Borrower/Grantee does hereby grant a lien on and a security interest in and does hereby convey, assign and pledge unto the NMFA and unto its successors in trust forever all right, title and interest of the Borrower/Grantee in and to (i) the Pledged Revenues to the extent required to pay the Loan Payments, and to pay the Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided, subject to and subordinate to all other pledges of the Pledged Revenues existing on the Closing Date and, further, that may exist in the future (except only that the pledge of the Pledged Revenues herein shall be on a parity with any other pledge of the Pledged Revenues by the Borrower/Grantee to repay any obligations issued by the Lender/Grantor pursuant to the Act or the Colonias Infrastructure Act); (ii) the Loan/Grant Amount including the Project Account; and (iii) all other rights hereinafter granted, for the securing of the Borrower/Grantee's obligations under this Agreement, including payment of the Loan Payments, Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided, however, that if the Borrower/Grantee, its successors or assigns, shall pay, or cause to be paid, all Loan Payments and Administrative Fees at the time and in the manner contemplated by this Agreement, or shall provide as permitted by Section 6.5 of this Agreement for the payment thereof, and shall pay all other amounts due or to become due under this Agreement in accordance with its terms and provisions then, upon such final payment, this Agreement and the rights created thereby shall terminate; otherwise, this Agreement shall remain in full force and effect.

The schedule of Loan Payments, assuming the disbursal of the entire Loan/Grant Amount within twenty-four (24) months after the Closing Date, identified as the Interim Debt Service Schedule, is attached to this Agreement as Exhibit "B". Within thirty (30) days after the Final Requisition is made, the NMFA shall provide a Final Debt Service Schedule, reflecting the amount of the Loan/Grant Amount actually disbursed to the Borrower/Grantee pursuant to this Agreement. Such Final Debt Service Schedule shall supersede the schedule attached hereto as Exhibit "B". The NMFA shall additionally calculate the amount of the Administrative Fee that has accumulated

during that twenty-four (24) month period from the Closing Date, and shall include such amount in the first Loan Payment due from the Borrower/Grantee on the Final Debt Service Schedule.

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Borrower/Grantee and the NMFA acknowledge and agree that the obligations of the Borrower/Grantee hereunder are limited to the Pledged Revenues; and that this Agreement with respect to the Loan Amount, the Administrative Fee and other amounts owed by the Borrower/Grantee as herein provided, and that the Agreement shall constitute a special, limited obligation of the Borrower/Grantee. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Borrower/Grantee or the State within the meaning of any constitutional or statutory debt limitation. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of Borrower/Grantee moneys other than the Pledged Revenues, nor shall any provision of this Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Borrower/Grantee moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Borrower/Grantee hereunder, the Pledged Revenues may be utilized by the Borrower/Grantee for any other purposes permitted by law.

Section 6.2 Deposit of Payments of Loan Amount to Water Project Fund. All Loan Payments made by the Borrower/Grantee to the NMFA to repay the Loan Amount and interest thereon, if any, shall be deposited into the Water Project Fund.

Section 6.3 Manner of Payment. The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the Lender/Grantor in annual installments on June 1 beginning after expiration of the Interim Period and continuing through the expiration of the last Loan Payment due as outlined in the Final Debt Service Schedule. All payments of the Borrower/Grantee hereunder shall be paid in lawful money of the United States of America to the NMFA at the address designated in Section 11.1 of this Agreement or by electronic debit of the account identified in the ACH Authorization. The obligation of the Borrower/Grantee to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder. Notwithstanding any dispute between the Borrower/Grantee and the NMFA, any vendor or any other person, the Borrower/Grantee shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Borrower/Grantee assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 6.4 Borrower/Grantee May Budget for Payments. The Borrower/Grantee may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to make the Loan Payments and other amounts owed by the Borrower/Grantee hereunder; provided, however, the Borrower/Grantee has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

Section 6.5 No Penalty for Prepayment of the Loan Amount. The Loan Amount shall be pre-payable by the Borrower/Grantee at the conclusion of the Interim Period without penalty.

Section 6.6 Lender/Grantor's Release of Lien and Further Assurances. Upon payment in full of the Loan Amount, Administrative Fee and other amounts owed by the Borrower/Grantee as herein provided in this Agreement and upon written request from the Borrower/Grantee the Lender/Grantor agrees to execute a release of lien and to give such further assurances as are reasonably necessary to ensure that the Lender/Grantor no longer holds or maintains any lien or claim against the Pledged Revenues.

ARTICLE VII
THE PROJECT

Section 7.1 Agreement to Acquire, Complete and Maintain the Project.

(a) The Borrower/Grantee hereby agrees that in order to effectuate the purposes of this Agreement and to acquire and complete the Project it shall take such steps as are necessary and appropriate to acquire, complete, operate and maintain the Project lawfully and efficiently. The plans and specifications for the Project shall incorporate available technologies and operational design for water use efficiency. No Loan/Grant funds shall be used for items not constituting Eligible Items.

(b) As provided by NMSA 1978, § 72-4A-7(A)(1), as amended, of the Act, the Project shall be designed to have a structural and material design life of the Useful Life of the Project; provided, that if any portion of the Project will be constructed, located, completed, installed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may, prior to any use of the Loan/Grant funds for the Project on such real property, obtain the written agreement of such other qualifying entity to perform these obligations with respect to such real property (and the portion of the Project to be constructed, located, completed or extended on such real property), which written agreement shall be subject to approval by the Lender/Grantor and shall include an express statement by such other qualifying entity that the Lender/Grantor is a third party beneficiary of such written agreement.

Section 7.2 Accounting for Amounts Credited to the Project Account. So long as no Event of Default shall occur and provided that all Conditions to the disbursement of the Loan/Grant Amount have been satisfied (including approval of the plans and specifications), upon receipt by the NMFA of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Borrower/Grantee, supported by certification by the Borrower/Grantee's project architect, engineer, or such other authorized representative of the Borrower/Grantee that the amount of the disbursement request represents the progress of design, construction, acquisition or other Project-related activities accomplished as of the date of the disbursement request, the NMFA shall, in its sole and absolute discretion: (1) submit a request for payment to the State Board of Finance for payment; and/or (2) disburse from the Water Project Fund, amounts which together are sufficient to pay the requisition in full. The NMFA shall make the appropriate entry in the Project Account reflecting the amount of the payment. The certification provided pursuant to this Section 7.2 in support of the requisition must be acceptable in form and substance to the NMFA and, at its request, the Water Trust Board. The Borrower/Grantee shall provide such records or access to the Project as the NMFA, and, at its request, the Water Trust Board, in the discretion of each, may request in connection with the approval of the Borrower/Grantee's requisition requests made hereunder.

Section 7.3 No Disbursement for Prior Expenditures Except upon Approval. No disbursement shall be made from the Water Project Fund of the Loan/Grant Amount, or any portion thereof, without the written approval of the NMFA and, at its request, the Water Trust Board, to reimburse any expenditure made prior to the Closing Date.

Section 7.4 Borrower/Grantee Reporting to Lender/Grantor. During the acquisition implementation, installation and construction of the Project, the Borrower/Grantee shall provide the Lender/Grantor with a quarterly written report executed by an Authorized Officer of the Borrower/Grantee, in the form attached as Exhibit "D" hereto or in another form reasonably acceptable to the Lender/Grantor, describing the status of the Project as of the report date, uses of Loan/Grant funds during the quarterly period ending on the report date, and requests for distributions of Loan/Grant funds anticipated to occur during the quarterly period immediately following the report date. The first quarterly report shall be due on December 31, 2025 and subsequent reports shall be due on each March 31, June 30, September 30 and December 31 thereafter until the report date next following final distribution of the Loan/Grant funds. No reports shall be required after the report date next following final distribution of the Loan/Grant Funds, unless specifically required by the NMFA or the Water Trust Board. The description of the status of the Project in each quarterly report shall include, among other information, (a) a comparison of actual and anticipated requests for distributions of Loan/Grant funds as of the report date with those anticipated as of the Closing Date, (b) a description of actual and anticipated changes in the cost estimates for the Project as of the report date compared with those anticipated as of the Closing Date, (c) a description of the percentage of completion of the Project; and (d) a timeline of projected milestones.

Section 7.5 Completion of Disbursement of Loan/Grant Funds. Upon completion of the Project an Authorized Officer of the Borrower/Grantee shall deliver a certificate to the NMFA substantially in the form of Exhibit "E" attached hereto, stating that, to his or her knowledge, either (1) the Project has been completed, or (2) that the portion of the Loan/Grant Amount needed to complete the Project has been disbursed in accordance with the terms of this Agreement. No portion of the Loan/Grant Amount shall be disbursed after expiration of the Interim Period.

Section 7.6 Application of Project Account Subsequent to Disbursement of Loan/Grant Funds; Termination of Pledge.

(a) Upon the completion of the Project as signified by delivery of the completion certificate required by Section 7.5 hereof, the NMFA shall determine, by reference to the Project Account, whether any portion of the authorized Loan/Grant Amount remains unexpended and shall dispose of such unexpended proceeds in accordance with law.

(b) In the event that a portion of the Loan/Grant Amount remains unexpended after the expiration of the Interim Period, the NMFA shall dispose of such funds in accordance with law.

Upon the occurrence of either event described in (a) or (b) above, the NMFA shall make the appropriate entry in the Project Account and, upon such entry, the pledge of the Loan/Grant Amount established in this Agreement shall terminate.

ARTICLE VIII
COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 8.1 Further Assurances and Corrective Instruments. The Lender/Grantor and the Borrower/Grantee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues and for carrying out the intention hereof.

Section 8.2 Representatives of Lender/Grantor or of Borrower/Grantee. Whenever under the provisions hereof the approval of the Lender/Grantor or the Borrower/Grantee is required, or the Borrower/Grantee, or the Lender/Grantor is required to take some action at the request of either of them, such approval or such request shall be given for the Lender/Grantor or for the Borrower/Grantee, by an Authorized Officer of the Lender/Grantor or the Borrower/Grantee, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 8.3 Selection of Contractors. All contractors providing services or materials in connection with the Project shall be selected in accordance with applicable provisions of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or, if the Borrower/Grantee is not subject to the New Mexico Procurement Code, shall be selected in accordance with a documented procurement process duly authorized and established pursuant to laws and regulations applicable to the Borrower/Grantee.

Section 8.4 Non-Discrimination in Employment. Except as otherwise specifically provided in the laws, statutes, ordinances or regulations of the Borrower/Grantee, the Borrower/Grantee shall require in any contract or subcontract executed in connection with the Project to which the Borrower/Grantee is a party that there shall be no discrimination against any employee or applicant for employment because of race, color, creed, sex, religion, sexual preference, ancestry or national origin.

Section 8.5 Little Miller Act. To the extent NMSA 1978, § 13-4-1 et seq., (the "Little Miller Act") is applicable to the Project, the Borrower/Grantee shall comply with the requirements of the "Little Miller Act". If bonding requirements of the Little Miller Act are not applicable to the Project, the Borrower/Grantee will require that the contractor to whom is given any contract for construction appertaining to the Project supply a performance bond or bonds satisfactory to the Borrower/Grantee. Any sum or sums derived from said performance bond or bonds shall be used within six (6) months after such receipt for the completion of said construction, and if not so used within such period, shall be treated as Gross Revenues.

Section 8.6 Required Contract Provisions. The Borrower/Grantee shall require the following provisions in any contract or subcontract executed in connection with the Project to which the Borrower/Grantee is a party:

(a) There shall be no discrimination against any employee or applicant for employment because of race, color, creed, sex, religion, sexual preference, ancestry or national origin; and

(b) Any contractor or subcontractor providing construction services in connection with the Project shall post a performance and payment bond in accordance with the requirements of NMSA 1978, § 13-4-18, as amended.

(c) Any contractor or subcontractor providing construction services in connection with the Project shall comply with the prevailing wage laws in accordance with the requirements of NMSA 1978, § 13-4-11, as amended.

Section 8.7 Application of Act and Board Rules. While this Agreement is outstanding, the Lender/Grantor and the Borrower/Grantee expressly acknowledge that this Agreement is governed by provisions and requirements of the Act and the Board Rules, as amended and supplemented, and all applicable provisions and requirements of the Act and Board Rules are incorporated into this Agreement by reference.

Section 8.8 Continuing Disclosure. The Borrower/Grantee shall provide continuing disclosure to the NMFA, as the NMFA may require, that shall include, but not be limited to: annual audits and notification of any event deemed material by the NMFA, including but not limited to, any event which may or does affect the Pledged Revenues, the ability of the Borrower/Grantee to repay the loan, and the default of the Borrower/Grantee in performance or observance of any covenant, term, or condition contained in any other loan agreement.

ARTICLE IX
INSURANCE; NON-LIABILITY OF LENDER/GRANTOR

Section 9.1 Insurance. The Borrower/Grantee shall carry general liability insurance or participate in the State's risk-management program and, to the extent allowed by the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1 through 41-4-30, as amended, shall and hereby agrees to name the Lender/Grantor as an additional insured with respect to all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition, completion or implementation of the Project or otherwise during the Agreement Term; provided, that if any portion of the Project will be constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may obtain the written agreement of such other qualifying entity to perform these insurance/risk-management program requirements for Borrower/Grantee with respect to such real property (and the portion of the Project to be constructed, located, completed or extended on such real property), which written agreement shall include an express statement by such other qualifying entity that the Lender/Grantor is a third party beneficiary of such written agreement.

Section 9.2 Non-Liability of Lender/Grantor.

(a) Lender/Grantor shall not be liable in any manner for the Project, Borrower/Grantee's use of the Loan/Grant, the acquisition, implementation, construction, installation, ownership, operation or maintenance of the Project, or any failure to act properly by the Borrower/Grantee or any other owner or operator of the Project.

(b) Lender/Grantor shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Loan/Grant Amount in its possession, custody

and control to the NMFA for disbursement to the Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount.

(c) From and to the extent of the Pledged Revenues, and to the extent permitted by law, the Borrower/Grantee shall and hereby agrees to indemnify and save the NMFA harmless against and from all claims, by or on behalf of any person, firm, corporation, or other legal entity, arising from the acquisition or operation of the Project during the Agreement Term, from: (i) any act of negligence or other misconduct of the Borrower/Grantee, or breach of any covenant or warranty by the Borrower/Grantee hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan/Grant Agreement proceeds and interest on the investment thereof. The Borrower/Grantee shall indemnify and save the NMFA harmless, from and to the extent of the available Pledged Revenues, and to the extent permitted by applicable law, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the NMFA, shall defend the NMFA in any such action or proceeding.

ARTICLE X
EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an "Event of Default" under this Agreement:

(a) Failure by the Borrower/Grantee to pay any amount required to be paid under this Agreement on the date on which it is due and payable;

(b) Failure by the Borrower/Grantee to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower/Grantee by the Lender/Grantor unless the Lender/Grantor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Lender/Grantor but cannot be cured within the applicable thirty (30) day period, the Lender/Grantor will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Borrower/Grantee within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Borrower/Grantee is unable to carry out the agreements on its part herein contained, the Borrower/Grantee shall not be deemed in default under this paragraph 10.1(b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default); or

(c) Any warranty, representation or other statement by or on behalf of the Borrower/Grantee contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement is false or misleading in any material respect;

(d) A petition is filed against the Borrower/Grantee under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the NMFA shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests;

(e) The Borrower/Grantee files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Borrower/Grantee admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Borrower/Grantee for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the NMFA shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests.

(g) Default by the Borrower/Grantee in performance or observance of any covenant contained in any other loan agreement, document or instrument of any type whatsoever evidencing or securing obligations of the Borrower/Grantee to the NMFA.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Lender/Grantor may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any obligations of the Borrower/Grantee in this Agreement:

(a) File a mandamus proceeding or other action or proceeding or suit at law or in equity to compel the Borrower/Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;

(b) Terminate this Agreement;

(c) Cease disbursing any further amounts from the Project Account;

(d) Demand that the Borrower/Grantee immediately repay the Loan/Grant Amount or any portion thereof if such funds were not utilized in accordance with this Agreement;

(e) File a suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Lender/Grantor;

(f) Intervene in judicial proceedings that affect this Agreement or the Pledged Revenues; or

(g) Cause the Borrower/Grantee to account as if it were the trustee of an express trust for all of the Pledged Revenues;

(h) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Agreement or to enforce any other of its rights hereunder; or

(i) Apply any amounts in the Project Account toward satisfaction of any and all fees and costs incurred in enforcing the terms of this Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring payment of money entered against the Borrower/Grantee shall be paid from only available Pledged Revenues unless the Borrower/Grantee in its sole discretion pays the judgment from other available funds.

Section 10.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Lender/Grantor is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Borrower/Grantee or the Lender/Grantor to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Lender/Grantor may, in its sole discretion, waive any Event of Default hereunder and the consequences of any such Event of Default; provided, however, all expenses of the Lender/Grantor in connection with such Event of Default shall have been paid or provided for. Such waiver shall be effective only if made by a written statement of waiver issued by the NMFA. In case of any such waiver or rescission, or in case any proceeding taken by the Lender/Grantor, on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Lender/Grantor shall be restored to its former position and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Borrower/Grantee shall default under any of the provisions hereof and the NMFA shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower/Grantee herein contained, the Borrower/Grantee agrees that it shall, on demand therefor, pay to the NMFA the fees of such attorneys and such other expenses so incurred, to the extent such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Borrower/Grantee under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues of the Borrower/Grantee.

ARTICLE XI
MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows:

If to the Borrower/Grantee, to:

City of Santa Fe
Attn.: Finance Director
200 Lincoln Ave
Albuquerque, New Mexico 87501

If to the NMFA, then to:

New Mexico Finance Authority
Attn.: Chief Executive Officer
810 W. San Mateo Road
Santa Fe, New Mexico 87505

The Borrower/Grantee or the Lender/Grantor may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Lender/Grantor and the Borrower/Grantee and their respective successors and assigns, if any.

Section 11.3 Integration. This Agreement and any other agreements, certifications and commitments entered into between the Lender/Grantor and the Borrower/Grantee on the Closing Date constitute the entire agreement of the parties regarding the Loan/Grant and the funding of the Project through the Loan/Grant as of the Closing Date, and the terms of this Agreement supersede any prior applications, discussions, understandings or agreements between or among the parties in connection with the Loan/Grant, to the extent such prior applications, discussions, understandings or agreements are inconsistent with this Agreement.

Section 11.4 Amendments. This Agreement may be amended only with the written consent of both of the parties hereto. The consent of the NMFA for amendments not affecting the terms of payment of the loan component of this Agreement may be given by an Authorized Officer of the NMFA. The execution of any such consent by an Authorized Officer of the NMFA shall constitute his or her determination that such amendment does not affect the terms of payment of the loan component of this Agreement.

Section 11.5 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Lender/Grantor, either directly or through the NMFA, or against any officer, employee, director or member of the Borrower/Grantee, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director or member of the Borrower/Grantee or of the NMFA is hereby expressly waived and released by the Borrower/Grantee and by the NMFA as a condition of and in consideration for the execution of this Agreement.

Section 11.6 Severability. In the event that any provision of this Agreement, other than the obligation of the Borrower/Grantee to make the Loan Payments and the Administrative Fee

hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.7 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.9 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 11.10 Further Assurances and Corrective Instruments. The NMFA and the Borrower/Grantee will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof.

Section 11.11 NMFA and Borrower/Grantee Representatives. Whenever under the provisions hereof the approval of the NMFA or the Borrower/Grantee is required, or the Borrower/Grantee or the NMFA is required to take some action at the request of the other, such approval or such request shall be given for the NMFA or for the Borrower/Grantee by an Authorized Officer of the NMFA or the Borrower/Grantee, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 11.12 CONSENT TO JURISDICTION. THE BORROWER/GRANTEE IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE DOCUMENTS SIGNED IN CONNECTION WITH THIS TRANSACTION WILL BE LITIGATED IN THE FIRST JUDICIAL DISTRICT COURT, SANTA FE COUNTY, NEW MEXICO, PURSUANT TO NMSA 1978, § 6-21-26.

[Signature pages follow]

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the NMFA, on behalf of itself, has executed this Agreement, which was approved by the Water Trust Board on August 7, 2024 and by the NMFA's Board of Directors on August 29, 2024, in its corporate name by its duly authorized officer; and the Borrower/Grantee has caused this Agreement to be executed in its corporate name and the seal of the Borrower/Grantee affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

LENDER/GRANTOR:

NEW MEXICO FINANCE AUTHORITY

By_____
Marquita D. Russel, Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS OF THE
NEW MEXICO FINANCE AUTHORITY:

Sutin, Thayer & Browne A Professional Corporation
As Loan/Grant Counsel

By_____
Suzanne Wood Bruckner

APPROVED FOR EXECUTION BY OFFICERS OF THE
NEW MEXICO FINANCE AUTHORITY:

By_____
Mark Chaiken, General Counsel

BORROWER/GRANTEE:
CITY OF SANTA FE, SANTA FE COUNTY,
NEW MEXICO

By_____
Michael Garcia, Mayor

[SEAL]

ATTEST:

By_____
Geralyn Cardenas, Interim City Clerk

APPROVED AS TO FORM:

By_____
Marcos Martíez, Interim City Attorney

EXHIBIT "A"

TERM SHEET

$2,500,000 WATER PROJECT FUND LOAN/GRANT TO THE CITY OF SANTA FE, SANTA FE COUNTY, NEW MEXICO

Project Description:	The Project is storage, conveyance or delivery of water to end-users. The Loan/Grant Amount will be used only for Eligible Items necessary to complete the Project. In particular, the Project will consist of designing McClure Dam to outlet conduit and spillway, and shall include such other related work and revisions necessary to complete the Project. The Project may be further described in the Application and in the final plans and specifications for the Project approved by the Water Trust Board and the NMFA as provided by this Agreement. However, in the event of any inconsistency, the description of the Project as stated in this Term Sheet shall control.
Grant Amount:	$1,500,000
Loan Amount:	$1,000,000
Pledged Revenues:	"Pledged Revenues" means the Net Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and Administrative Fees pursuant to the Ordinance and the Agreement.
Outstanding Senior Obligations for Pledged Revenues:	City of Santa Fe, New Mexico Water Utility System Refunding Revenue Bonds, Series 2016, DW-1475, DW-2696, NMED Loan CWSRF 140, DW-6522
Outstanding Parity Obligations:	WPF-6316 WPF-6315 WPF-6314
Authorizing Legislation:	Borrower/Grantee Ordinance No. _____, adopted _____, 2026
Additional Funding Amount:	$500,000
Closing Date:	_____,2026

Project Account Amount: $2,500,000

Expense Account Deposit: $0.00

Administrative Fee: .25%

Conditions to be satisfied prior to first disbursement of Loan/Grant funds: Delivery to NMFA of (i) a copy of the agenda of the meeting of the Governing Body at which the Ordinance was adopted and at which this Agreement, the Ordinance and all other Loan/Grant documents were authorized by the Governing Body (the "Meeting"), certified as a true and correct copy by the City Clerk of the Borrower/Grantee, (ii) a copy of the minutes or record of proceedings of the Meeting, approved and signed by the Mayor and attested to by the City Clerk of the Borrower/Grantee, and (iii) a copy of the notice of meeting for the Meeting evidencing compliance with the Borrower/Grantee's Open Meetings standards in effect on the date of the Meeting.

Other Conditions applicable to the Loan/Grant: All Conditions defined in the Agreement.

EXHIBIT "B"

PAYMENT PROVISIONS OF THE LOAN

The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the Lender/Grantor in twenty (20) annual installments of principal pursuant to the attached debt service schedule, beginning June 1, 2028 and ending June 1, 2047. The Loan Amount shall be pre-payable upon expiration of the Interim Period without penalty. The Administrative Fee shall be due and payable annually on June 1 of each year while the Loan, or any portion thereof, remains outstanding.

[ATTACH DEBT SERVICE SCHEDULE OR INTERIM DEBT SERVICE SCHEDULE]

EXHIBIT "C"

FORM OF REQUISITION
(Water Project Fund)

RE: $2,500,000 Loan/Grant Agreement by and between the New Mexico Finance Authority, as Lender/Grantor, and the City of Santa Fe, New Mexico, as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement")

Loan/Grant No. WPF-6613 Closing Date: _____,2026

TO: NEW MEXICO FINANCE AUTHORITY

You are hereby authorized to disburse from the Project Account with regard to the above-referenced Agreement, the following:

I. PAYMENT INFORMATION

REQUISITION NO. _____ PAYMENT AMOUNT: $_____

PAYEE'S NAME: _____
PAYEE'S ADDRESS: _____
_____

II. REQUISITION INFORMATION (complete for all payments)

- *Attach proof of expenditures (cancelled check, wire transfer receipt, bank ledger, etc.).*
- *List all Vendors, Payment Purposes, or Eligible Item Categories below or attach separate page or spreadsheet if needed.*

Vendor Name _____
Total Amount $_____ Invoice No.(s) _____
Purpose of Payment _____
Eligible Item Category _____

Vendor Name _____
Total Amount $_____ Invoice No.(s) _____
Purpose of Payment _____
Eligible Item Category _____

Vendor Name _____
Total Amount $_____ Invoice No.(s) _____
Purpose of Payment _____
Eligible Item Category _____

III. WIRING INFORMATION:

BANK NAME:	
ABA ROUTING NUMBER:	
ACCOUNT NUMBER:	

IV. MATCH INFORMATION

AMOUNT OF LOCAL MATCH EXPENDED SINCE LAST REQUISITION: $_____

Attach proof of expenditures for hard match (detailed invoices, cancelled checks, wire transfer receipt, bank statement, etc.) and written certification of type and value of any soft match.

AMOUNT OF LOCAL MATCH EXPENDED TO DATE: $_____

TOTAL REQUIRED MATCH: $_____

V. VERIFICATION AND AUTHORIZATION

Each obligation, item of cost or expense mentioned herein is for a loan/grant made by the Lender/Grantor pursuant to the Water Project Finance Act to the Borrower/Grantee within the State of New Mexico, is due and payable, has not been the subject of any previous requisition, and is a proper charge against the Project Account. All representations contained in the Agreement and the related closing documents remain true and correct, and the Borrower/Grantee is not in breach of any of the covenants contained therein.

The proceeds of the Loan/Grant are to be used to pay the costs of Eligible Items, as defined in the Agreement. Eligible Items include (1) planning, designing, construction, improving or expanding a qualified project; (2) developing engineering feasibility reports for Qualified Projects; (3) inspecting construction of Qualified Projects; (4) providing professional services; (5) completing environmental assessments or archeological clearances and other surveys for Qualified Projects; (6) acquiring land, easements or rights of way; (7) eligible legal costs associated with development of Qualified Projects, within limits set forth in the Loan/Grant Agreement.

All construction and all installation of equipment with proceeds of the Loan/Grant has or will be used in accordance with plans and/or specifications approved on behalf of the New Mexico Finance Authority by the New Mexico Environment Department and/or the Office of the State Engineer, has or will be acquired in compliance with applicable procurement laws and regulations, and has or will be inspected and approved in accordance with applicable laws and regulations.

Capitalized terms used herein, are used as defined or used in the Loan/Grant Agreement.

DATE: _____ _____

AUTHORIZED OFFICER
(As Provided in the Loan/Grant Agreement)
Print Name:_____
Print Title: _____

EXHIBIT "D"

WATER PROJECT FUND STATUS REPORT
PREPARED FOR THE
NEW MEXICO FINANCE AUTHORITY

Fund Recipient: City of Santa Fe **Contact Name:** **Title:** **Email Address:**	**Project Number**: WPF-6613 **Project Name**: McClure Dam repair project **Project Type**: Design

Reporting Period: From _____ **To**_____

☐ Quarterly Project Report: ☐1st ☐2nd ☐3rd ☐4th

☐ Final Project Report ☐ Other _____

WPF Funding Expiration: _____

Total WPF Award: $_____ **Current Balance**: $_____

Loan 40% Grant 60% Match $500,000

Expected WPF Award Expenditure Next Quarter: $_____

Local Match Expenditure: To Date $_____ **Next Quarter** $_____

Project Phase: ☐Planning ☐ Design ☐ Construction

PROJECT COMPLETION: Original Date _____ **Current Date**_____

_____**% Complete Days Remaining to Complete** _____ **On Schedule?** ☐**Yes** ☐**No**

Briefly Describe Project Progress During This Reporting Period:

Issues Addressed During This Reporting Period, including any current or anticipated issues that remain unresolved:

Goals/Milestones, With Timeline or Dates, For The Next Reporting Period:

Authorized Officer **PRINT NAME:**_____

PRINT TITLE:_____

SIGNATURE: **Date:**

All fields must be completed.

EXHIBIT "E"

FORM OF CERTIFICATE OF COMPLETION

RE: $2,500,000 Loan/Grant Agreement by and between the NMFA, as Lender/Grantor, and the City of Santa Fe, New Mexico as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement")

Loan/Grant No. WPF-6613

Closing Date: _____,2026

TO: NEW MEXICO FINANCE AUTHORITY

I, _____, the _____ of the
[Name] [Title or position]

Borrower/Grantee, hereby certify as follows:

1. The project described in the Loan/Grant Agreement (the "Project"), or the applicable phase of the project if funding was for a phased Project, was completed and placed in service on _____, 20___.

2. The total cost of the Project was $ _____.

3. Cost of the Project paid from the Loan/Grant Amount was $ _____.

4. Cost of the Project paid from the Additional Funding Amount was $ _____.

5. The portion of the Loan/Grant Amount unexpended for the Project is $ _____.

6. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Loan/Grant Agreement.

This certificate shall not be deemed to prejudice or affect any rights of or against third parties which exist at the date of this certificate or which may subsequently come into being.

CITY OF SANTA FE, SANTA FE COUNTY, NEW MEXICO

By: _____

Its: _____

EXHIBIT "F"

DOCUMENTS

1. Open Meetings Act Resolution No. 2025-5 adopted by the Borrower/Grantee on January 15, 2025

2. Ordinance No. _____ adopted on _____, 2026, Notice of Meeting, Meeting Agenda, Minutes and Affidavit of Publication of Notice of Adoption of Ordinance in the *Santa Fe New Mexican*

3. Loan/Grant Agreement

4. General and No Litigation Certificate of the Borrower/Grantee

5. Delivery, Deposit and Cross-Receipt Certificate

6. Pledge Revenue Certificate

7. Final Opinion of Counsel for the Borrower/Grantee

8. Final Opinion of Bond Counsel for the Borrower/Grantee

9. Approving Opinion of Sutin, Thayer & Browne A Professional Corporation, Loan/Grant Counsel to the NMFA

10. NMFA Application and Project Approval (informational only)

FIR No. 10741.1

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** X **Resolution:** _____

Short Title(s): 6613- Water Project Fund Loan & Grant Agreement for $2.5 million toward McClure Dam

Sponsor(s): Councilor Amanda Chavez and Councilor Pilar Faulkner

Reviewing Department(s): Public Utilities Department

Staff Completing FIR: Alan Hook, Water Resources Coordinator
Date: 2/19/2026 **Phone:** (505) 955-4205

Reviewed by City Attorney: Marcos Martinez (Mar 3, 2026 16:21:27 MST) **Date:** _____

Reviewed by Finance Director: ANDREA PHILLIPS (Mar 4, 2026 08:50:11 MST) **Date:** 03/04/2026

Summary:
The proposed bill would authorize the execution and delivery of both a Water Project Fund loan of $1,000,000 as well as a grant of $1,500,000 between the New Mexico Finance Authority (NMFA) and the City of Santa Fe ("City"), New Mexico. The total amount, $2,500,000, would finance the cost of the design for the construction of McClure Dam repairs and upgrades to the McClure Dam spillway. The bill specifies that both the loan and the grant be utilized solely for the eligible project costs, pursuant to NMSA 1978 Section 72-4A-7. With respect to the loan debt, the bill pledges that the City would pay the loan amount and administrative fee directly from the net revenues of the water utility system of the City.

Departments Affected:
Public Utilities Department.

Consequences of Not Enacting Legislation:
If this legislation is not adopted, the City will not authorize funds for a total of $2,500,000 in the form of a loan of $1,000,000 and a grant of $1,500,000.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None.

Performance and Administrative Implications:
The City of Santa Fe has executed two other loan/grant funding agreements from the Water Project Fund. Also, another loan/grant agreement is moving through the governing body approval process now, and the agreement should be executed in June 2026. This will be the fourth loan/grant funding agreement received from the Water Project Fund from the FY24-25 funding cycles and City of Santa Fe Water expects to utilize requisitions for invoices in FY26 through FY28 for the cost of the design for the construction of McClure Dam repairs and upgrades to the McClure Dam spillway.

Fiscal Implications:
If this bill is adopted, the City will accept funds from NMFA in the total amount of two million five hundred thousand dollars ($2,500,000) for the purpose of financing the cost of the design for the construction of McClure Dam repairs and upgrades to the McClure Dam spillway. These funds take the form of two agreements – a loan for one million dollars ($1,000,000) and a grant for one million five hundred thousand dollars ($1,500,000). The loan portion of the agreement is to be paid back within 20 years at an interest rate of 0.025%.

Fiscal Impact

_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$2,500,000	$	$		NR	505	
Operating	$	$	$51,322.88				$
Total:	$2,500,000	$	$				$

Expenditure Narrative:
The City will spend both portions of the agreement—the grant portion will be one million five hundred thousand dollars ($1,500,000), while the loan portion will be one million dollars ($1,000,000), with a grand total of two million five hundred thousand dollars ($2,500,000). The payment to the contractor will occur in FY2026 for expenditures that occurred after the award letter, dated June 5, 2025. The loan repayment begins June 1, 2028 and will come from the water utility enterprise fund over a 20-year term at an interest rate of 0.25% for the $1,000,000 portion of the loan debt. The interest expenditure on the $1,000,000 loan will be in the total amount of $26,458 by FYE 2047.

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$ 2,500,000	$	$	NR	505
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$2,500,000	$	$		

Revenue Narrative:

Should the Governing Body adopt this bill, the City will receive one million five-hundred thousand dollars ($1,500,000) grant funding and one million dollars ($1,000,000) in loan funding for a total of two million five-hundred thousand dollars ($2,500,000) to support water project funds toward the cost of the design for the construction of McClure Dam repairs and upgrades to the McClure Dam spillway.

Signature: 

Email: jdroach@santafenm.gov

Signature: JONATHAN MONTOYA
JONATHAN MONTOYA (Mar 4, 2026 10:26:15 MST)

Email: jmmontoya@santafenm.gov

Signature: WALLAAM SCHNEADER

Email: whschneider@santafenm.gov

Signature: Alan Hook

Email: aghook@santafenm.gov

CITY OF SANTA FE

Memorandum

Date: February 3, 2026

To: Finance Committee and Governing Body

From: Travis Dutton-Leyda, Chief Procurement Officer

Via: Andrea Phillips, Deputy City Manager and Interim Finance Director
ANDREA PHILLIPS

RE: Procurement Modernization

EXECUTIVE SUMMARY

The proposed bill would amend SFCC 1987, Section 11-13, to expand and clarify exemptions permitted by NMSA 1978, Sections 13-1-98 through 13-1-98.2, including utilities, legal services, items requiring prepayment under one hundred thousand dollars ($100,000), and lobbying services. The bill would also require that the procurement manual be adopted by resolution and would update procurement authority to allow the Chief Procurement Officer to approve purchase orders and the use of requests for applications. The bill would further establish an maximum eight-year term for professional service contracts, adopt Construction Manager at Risk Delivery Method procedures set forth in NMSA 1978, Sections 13-1-124.1 through 13-1-124.5, allow the City Manager to approve contract amendments that do not materially alter the scope of work, and adds processes for emergency procurements.

BACKGROUND

The City of Santa Fe ("City") has long exercised its home-rule authority to establish a procurement system that reflects local priorities. Historically, the City relied on its own ordinance and Procurement Manual, which operated independently of the State of New Mexico's Procurement Code.

In 2018, the Governing Body adopted Ordinance No. 2018-1, Section 2, amending SFCC 1987, Section 11-13 to formally adopt the State Procurement Code (NMSA 1978, Sections 13-1-28 through 13-1-199) as the foundation for City purchasing and procurement operations. This action improved legal consistency, operational efficiency, and transparency while preserving the City's right to depart from state rules when expressly authorized by local ordinance.

Most recently, in 2023, the Governing Body adopted Ordinance No. 2023-20, amending SFCC 1987, Section 2-4.6 to increase the City Manager's contract approval authority to $200,000 and to require monthly publication of approved contracts. That ordinance also made a minor conforming change to Section 11-13 by striking outdated contract authority language, but it did not otherwise revise the City's Procurement Code. Since that time, the City's procurement needs have continued to evolve—driven by inflationary pressures, urgent timelines, and the complexity of public partnerships. The current ordinance amendments reflect that evolution and are intended to

clarify roles, update thresholds, streamline procedures, and codify best practices under the City's procurement framework.

ATTACHMENTS

Bill
Fiscal Impact Report (FIR)

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2026-02

Mayor Michael Garcia

A BILL

AMENDING SFCC 1987, SECTION 11-13 TO EXPAND EXEMPTIONS PERMITTED BY NMSA 1978, SECTIONS 13-1-98 THROUGH 13-1-98.2, INCLUDING CERTAIN PURCHASE TYPES, LEGAL SERVICE TYPES; ADDING EXEMPTIONS FOR CERTAIN PREPAYMENT-REQUIRED ITEMS, NOT EXCEEDING $100,000 AND FOR LOBBYING SERVICES REPRESENTING THE CITY OF SANTA FE'S INTERESTS; REQUIRING THE PROCUREMENT MANUAL TO BE ADOPTED BY RESOLUTION; ESTABLISHING AN EIGHT-YEAR MAXIMUM TERM FOR PROFESSIONAL SERVICE CONTRACTS; AUTHORIZING THE CHIEF PROCUREMENT OFFICER TO APPROVE PURCHASE ORDERS AND TO APPROVE THE USE OF REQUESTS FOR APPLICATIONS; ADOPTING CONSTRUCTION MANAGER AT RISK DELIVERY METHOD PROCEDURES; MODIFYING CERTAIN AMOUNTS LISTED IN NMSA 1978, SECTION 13-1-125; AUTHORIZING THE CITY MANAGER TO APPROVE CONTRACT AMENDMENTS THAT DO NOT MATERIALLY ALTER THE SCOPE OF WORK.

Section 1. Section 11-13 of SFCC 1987 (being Ord. No. 2023-20 § 2, as amended) is amended to read:

11-13 - ADOPTION OF CITY'S PROCUREMENT CODE.

A. The city of Santa Fe hereby adopts the state of New Mexico Procurement Code (§§ 13-1-28 through 13-1-199, NMSA 1978) as the city of Santa Fe Procurement Code ("City Procurement Code"). Pursuant to its home-rule authority, and the city charter, the city may adopt rules specific to the city, which depart from state law. Any departures from the state law shall be adopted by ordinance.

B. Exemptions permitted by §§ 13-1-98 through 13-1-98.2, NMSA 1978 are hereby adopted, in addition to the following exemptions:

(1) Purchases of publicly provided or publicly regulated utilities and information services, including but not limited to: gas, electricity, water, sewer, telecommunications, refuse collection services, internet, and cable television;

(2) [~~Bond attorneys, if approved by the city council as part of the underwriting team involved in the issuance, sale and delivery of public securities for city bonds or city-issued bonds; and~~]

[~~(3)~~]Legal services [~~for advice, consultation, and representation of the city.~~] including but not limited to, advice, consultation, representation, research services, and litigation expenses in connection with proceedings before administrative agencies or state or federal courts, including experts, mediators, court reporters, process servers, and witness fees;

(3) Initial purchases not exceeding one hundred thousand dollars ($100,000) for prepayment-required items, such as magazine subscriptions, organizational membership fees, web-based or electronic subscriptions, and conference registration fees, are exempt from competitive procurement. This exemption does not apply if the subscription includes implementation costs or service fees.

(4) Lobbying services performed by a registered lobbyists for the purpose of representing the city's interests before federal or state legislative or executive bodies.

C. The purchasing officer shall be the "Chief Procurement Officer of the City" or "CPO" as defined by NMSA 1978, Section [~~§~~] 13-1-38.1[~~(2013)~~].

D. Local Preferences. Notwithstanding, NMSA 1978, Sections [~~§~~]13-1-21 and 13-1-22[~~(2016)~~], the city shall apply the following definitions and preferences:

(1) "Resident business" means a business that has a valid resident business certificate issued by the taxation and revenue department pursuant to NMSA 1978, Section 13-1-22, and which shows that the resident business resides within the Santa Fe municipal limits.

(2) When the city makes a purchase using a formal bid process, the public body shall deem a bid submitted by a resident business to be three percent (3%) lower than the bid actually submitted. In addition, if the bid includes subcontractors who are also resident businesses, the public body shall deem a bid submitted by a resident business with resident business subcontractors to be six percent (6%) lower than the bid actually submitted. If a non-resident business hires all resident business subcontractors, the public body shall deem the bid to be three (3%) percent lower than the bid actually submitted.

(3) When the city makes a purchase using a formal request for proposals process, not including contracts awarded on a point-based system, the city shall award an additional:

(a) Three percent (3%) of the total weight of all the factors used in evaluating the proposals to a resident business; and

(b) Three percent (3%) of the total weight of all the factors used in evaluating the proposals to a business with all resident business subcontractors.

(4) When the city makes a purchase using a formal request for proposals process, and the contract is awarded based on a point-based system, the city shall award additional points equivalent to:

(a) Three percent (3%) of the total possible points to a resident business; and

(b) Three percent (3%) of the total possible points to a business with all resident business subcontractors.

(5) The maximum available local preference shall be six percent (6%).

E. Competitive sealed proposals valued in excess of one million dollars ($1,000,000.00).

(1) If the bid or proposal includes to subcontractors who are also resident businesses, the public body shall deem a bid or proposal submitted by a resident business to be six percent (6%) lower than the bid actually submitted, if and only if at least fifty percent (50%) of the subcontracted services go to subcontractors who are resident businesses.

(2) If a non-resident business hires resident business subcontractors, the public body shall deem the bid or proposal to be three percent (3%) percent lower than the bid actually submitted, if and only if at least fifty percent (50%) of the subcontracted services go to subcontractors who are resident businesses.

F. City employees shall endeavor to procure local goods and services that qualify as "small purchases" as defined by NMSA 1978, Section [~~§~~] 13-1-125.

G. Procurement Manual. The [~~Purchasing Manual may be amended as follows~~] governing body shall adopt the Procurement Manual by resolution.

[~~(1) The procurement officer, finance and budget director or any member of the governing body may propose amendments to the finance committee;~~

~~(2) The finance committee shall make its recommendation to the governing body~~;

~~(3) The governing body shall approve, modify or disapprove the proposed amendments.~~

H. ~~At the beginning of each fiscal year, if amendments are made, the Purchasing Manual shall be re-published with the publication date clearly designated, and all amendments shall be incorporated therein.~~]

I. Professional Service Contracts. Professional service contracts may be established or amended for a term not to exceed eight (8) years.

J. *CPO Purchase Authority.* Pursuant to NMSA 1978, Section 13-1-95.2, the CPO is authorized to approve Purchase Orders (POs).

K. *Use of Request for Applications (RFA).*The CPO may approve the use of RFA. Procedures for making the approval may be found in the city's procurement manual.

L. *Construction Manager at Risk (CMAR) Delivery Method*. Pursuant to its home rule authority under the Santa Fe Municipal Charter, the city hereby adopts the procedures set forth in NMSA 1978, Sections 13-1-124.1 through 13-1-124.5 and the applicable provisions of the New Mexico Administrative Code (NMAC), unless the city adopts its own CMAR procedures through the Procurement Manual. Wherever the state statutes reference the "governing body," such term shall be interpreted in accordance with SFCC 1987, Section 2-1.1, to mean the city's duly elected governing body as defined in the city charter.

M. The city hereby modifies the amounts listed in NMSA 1978, Section 13-1-125.

(1) Purchases shall not be artificially divided to constitute a small purchase under this section.

(2) The city may procure any services, construction, and items of tangible personal property having a value not exceeding sixty thousand dollars ($60,000), excluding applicable state and local gross receipts taxes, by issuing a direct purchase order to a contractor based upon the best interest of the city.

(3) The city shall procure services, construction, or items of tangible personal property having a value not exceeding one hundred thousand dollars ($100,000), or more if the New Mexico Legislature increases the threshold in NMSA 1978, Section 13-1-125. These amounts exclude applicable state and local gross receipts taxes, in accordance with the applicable small purchase rules adopted in the city's Procurement Manual.

N. *Contract Amendments Within City Manager Authority.* The city manager is authorized to approve amendments to existing contracts that do not materially alter the scope of work, including but not limited to term extensions, assignments or transfers of ownership, and other non-monetary changes. The city manager may also approve amendments that decrease the total compensation amount or that increase compensation, provided such increase is within the city manager's established approval

authority.

M. *Emergency Procurement, Authorization to Commence Work.*

(1) Upon a written determination that an emergency condition exists, executed in accordance with this section and approved by the appropriate person, the city may authorize a vendor to commence work prior to the execution of a separate contract, but following issuance of a PO, to the extent necessary to address the emergency.

(2) Authorization to proceed under this section shall be limited to work necessary to mitigate or resolve the emergency condition and shall not exceed the scope, duration, or dollar amount specified in the approved emergency determination.

(3) Any emergency procurement authorized pursuant to this section shall be submitted for ratification as soon as practicable after the CPO has issued a written determination. Ratification shall be completed by:

(a) The city manager, when the total procurement amount is within the city manager's approval authority; or

(b) The governing body, when the total procurement amount exceeds the city manager's approval authority.

(4) Work authorized and performed in good faith pursuant to an approved emergency determination shall not be invalidated due to the timing of ratification, provided all requirements of this section and the Bateman Act are otherwise satisfied.

PASSED, APPROVED, and ADOPTED this ____ day of _____, 2026.

APPROVED AS TO FORM:

Marcos Martinez

Marcos Martinez (Feb 3, 2026 15:42:41 MST)

MARCOS MARTÍNEZ, INTERIM CITY ATTORNEY

Legislation/2026/Bills/Procurement Modernization

FIR No. 10722.1

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** X **Resolution:** _____

Short Title(s): Procurement Modernization

Sponsor(s): Mayor Michael Garcia

Reviewing Department(s): Finance Department

Staff Completing FIR: Travis Dutton-Leyda, Chief Procurement Officer **Date:** 1/29/2026
Phone: (505) 629-8351

Reviewed by Interim City Attorney: Marcos Martinez (Feb 3, 2026 15:42:41 MST) **Date:** 02/03/2026

Reviewed by Interim Finance Director: ANDREA PHILLIPS (Feb 3, 2026 17:05:12 MST) **Date:** 02/03/2026

Summary:
The proposed bill would amend SFCC 1987, Section 11-13, to modernize the City of Santa Fe's (City) Procurement Code by expanding and clarifying exemptions permitted by NMSA 1978, Sections 13-1-98 through 13-1-98, including utilities, legal services, items requring prepayment under one hundred thousand dollars ($100,000), and lobbying services. The bill would also require that the procurement manual be adopted by resolution and would update procurement authority to allow the Chief Procurement Office to approve purchase orders and the use of requests for applications. The bill would further establish a maximum eight-year term for professional service contracts, adopt the Construction Manager at Risk Delivery Method procedures set forth in NMSA 1978, Sections 13-1-124.1 through 13-1-124.5, allow the City Manager to approve contract amendments that do not materially alter the scope of work, and provide additional processes for emergency procurements.

Departments Affected:
All departments that are engaged in procurement or contract management activities.

Consequences of Not Enacting Legislation:
If this legislation is not adopted, the City will continue operating under outdated procurement thresholds and procedural requirements that reduce efficiency, create unnecessary administrative burden, and limit flexibility in choosing the most appropriate solicitation methods. Staff time will continue to be spent on duplicative reviews, outdated procurement manual update procedures, and confusion regarding contract extensions for professional services.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
This legislation complements Ordinance No. 2023-20, which increased the City Manager's contract approval authority, and is consistent with the City's adoption of the State Procurement Code under Ordinance No. 2018-1.

Performance and Administrative Implications:

The proposed bill would improve departmental efficiency, reduce procurement processing time, and clarify approval pathways. Delegating Procurement Manual amendment authority and updating small purchase thresholds is one way to reduce administrative workload across departments. Additionally, it would be prudent to increase Purchasing's staff in the future to help manage procurements and contracts citywide.

Fiscal Implications:

**There is no direct fiscal impact associated with this bill. The changes are procedural and administrative in nature. Over time, the City may have indirect cost savings through reduced staff hours spent on manual routing, outdated approvals, and redundant documentation requirements.

Fiscal Impact

X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

Expenditure Narrative:

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

Signature: 

Email: tkduttonleyda@santafenm.gov

City of Santa Fe, New Mexico

memo

DATE: March 9, 2026

TO: Micheal J. Garcia, Mayor

FROM: Randy Randall, TSF Executive Director Randy Randall (Mar 9, 2026 16:48:57 MDT)

RE: Appointment of Michael Trujillo as At-Large Member to the Occupancy Tax Advisory Board (OTAB)

ACTION

TOURISM Santa Fe is Requesting the Approval to Appoint Mr. Michael Trujillo to Fill the Vacancy of the Occupancy Tax Advisory Board (OTAB) for the General Public/At-Large Member Position. (Randy Randall, TSF Executive Director, rrandall@santafenm.gov).

Committee Meeting:
Governing Body – March 25, 2026

BACKGROUND & SUMMARY

The Occupancy Tax Advisory Board (OTAB) is a tax advisory board that recommends grant awards from the lodgers' tax revenue to nonprofits that help market Santa Fe for tourism purposes. As established, the five-member board is appointed by the mayor and must include:

- Two members of whom shall be owners or operation of ***lodgings*** subject to the tax within the municipality. Rik Blyth, Chair and Sam Gerberding currently hold these seats.
- Two members of whom are owners or operators of industries within the municipality that primarily provide services or products to ***tourists.*** Held in these seats are Bonnie Bennett and Ray Sandoval.
- One member who is a resident of the municipality and represents the ***general public/At Large***.

This General Public/At Large seat is the recommended placement for Michael Trujillo

REQUEST

TSF kindly requests Michael Trujillo as the At Large Occupancy Tax Advisory Board (OTAB member.

MICHAEL TRUJILLO

[redacted]

2024-Present NM Amigos
2024 NM Amigos Rookie of the year
2023-2024 Food Depot
2024- 2024 SWAIA – Vice Chair
2023-2024 SWAIA
2018 -2020 President Santa Fe Wine and Chile
2016-2017 Vice President Wine and Chile
2004 – 2007 City of Santa Fe Planning Commission
2003 – 2006 Chairman of Animal Control Sub-Committee Ordinance

Review

2001 – Present Santa Fe Wine and Chile Board
2002 – 2005 EZC Board Santa Fe County
2002 – 2010 Regional Emergency Communication Center Board
2000 – 2003 Santa Fe Animal Shelter Board
2000 – 2002 Fire Captain of Public Affairs Santa Fe County
2000 – 2002 Audubon Society Board Member
1999 – 2002 DPS Advisory Committee – 2003 to 2005 Chairman
1999 – 2002 Business Friends of the Lensic
1998 – 2004 Vice Chairman Public Safety Committee, City of Santa Fe
1997 - Present Business Council Santa Fe Opera

1997 – 1998 Vice President – New Mexico School for the Deaf

Foundation Board

1996 – 1998 New Mexico School for the Deaf Foundation Board
1994 – 1998 Hondo Fire Chief / EMT-B
1994 – 1997 Vice President Chief Association Santa Fe County
1994 – 1997 A: Quarter Percent Committee Chairman
1995 – 1999 B: Standards Committee
1993 – 1994 Captain Hondo Fire Department---
In 1994 the Santa Fe Fire Marshal awarded me a plague for "Outstanding Bravery Above
and Beyond the Call of Duty" as a firefighter.

1993 – 1994 Chairman of City of Santa Fe Subcommittee on exotic

animals and hybrids

1993 – 1994 Member of Attorney General Tom Udall's DWI Prevention

Task Force

1992 – 1994 City of Santa Fe DWI Task Force – Chairman (National Award Winning)

1992 – 1994 Santa Fe Area Council Soccer Club – Public Relations Director

1991 – 1993 Hondo Fire Department, Firefighter, Lieutenant, Emergency Medical Technician-B, Trainee Instructor
1991 – 1993 Santa Fe Soccer League – Public Relations Director
1990 – 1992 Santa Fe Children Youth Commission – Internal Rules Chairman

1986 – 1988 American Cancer Society
'86 Special Events Chairman
'86 Mardi-Gras Chairman
'87 Vice-President

1986 – 1994 City of Santa Fe Public Safety Committee – (Vice Chairman 1992-1994)

Advisory Board Member
1982 – 1991 Santa Fe Volunteer Firefighter
'87-'88 Secretary – Treasure
1980 – 1986 Capital City Jaycees

'84-'85 Chairman of the Board
'83-'84 President
'82-'83 Vice President
'81-'82 Director

Updated 2.17.26

JOSEPH E. SIMMONS - ARCHITECT

Joe Simmons founded BlueSky Studio in 1984. He brings over forty-five+ years of experience in design and construction to your project team. His versatility and ability to actively participate in all levels of the architectural experience has proven invaluable to our clients in all of our design projects. Inventive solutions, that utilize standard building components, have produced many unique and surprisingly interesting solutions -- a trademark of his work.

Joe is regarded as an expert within the development and preservation community because of his ability to sensitively and skillfully produce innovative and cost-effective design solutions while reconciling the requirements of the building codes and budgets.

Education

1974 BFA, Architecture
University of New Mexico, Albuquerque, New Mexico

Experience

1984 Principal / Architect
BlueSky Studio -- Denver, Colorado and Santa Fe, New Mexico

1983 Associate / Project Manager
CCSB Architecture Planning -- Denver, Colorado

1980 Principal / Project Manager
Pouw and Associates -- Denver, Colorado

1979 Project Architect
Zuhair Fayez Associates -- Jeddah, London

1978 Project Architect
SLP Architects -- Denver, Colorado

1975 Job Captain
Mastin / Fletcher Architects, Albuquerque, New Mexico

1970 Estimator, Carpenter/Ironworker
J. E. Simmons Corporation -- Albuquerque, New Mexico

Licenses

Arizona, California, Colorado, New Mexico, NCARB Certificate

Public Service

Guest Lecturer/Critic – AIA Colorado, and CU Denver, Graduate School of Architecture. Former member of Town of Idaho Springs, Colorado Historic Preservation Review Committee