



New Mexico
Department of Finance
and Administration

407 Galisteo St,
Santa Fe, NM 87501
(505) 827-4985

Governor Michelle Lujan Grisham
Cabinet Secretary Wayne Propst

Local Government Division
Cecilia Mavrommatis, Division Director

MEMORANDUM BFB #25-02

TO: New Mexico Special Districts
FROM: Cecilia Mavrommatis, Director
Local Government Division
DATE: February 24, 2025
SUBJECT: Fiscal Year 2025-26 Budget Preparation & Submission Guidelines

DocuSigned by:
Cecilia Mavrommatis
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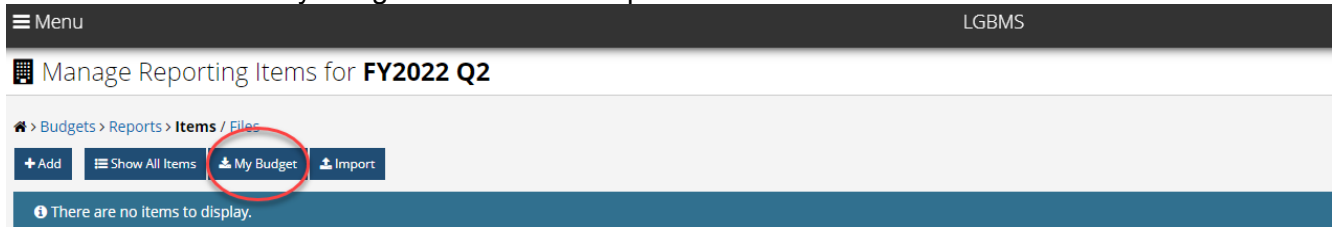
We cordially provide the following guidelines to ensure statutory compliance with Section 6-6-2 NMSA 1978 that requires each local public body to furnish and file with the Department of Finance and Administration (DFA), Local Government Division (LGD) a proposed (interim) budget for the next fiscal year. Furthermore, this statute authorizes the LGD to prescribe the form for all budgets, books, records, and accounts for local public bodies.

To meet these requirements, LGD has developed budget forms which should be submitted electronically. These budget forms are located on our website:

<https://www.nmdfa.state.nm.us/local-government/budget-finance-bureau/budget-forms/>

If you are a special district currently using the Local Government Budget Management System (LGBMS), please follow these steps to simplify your budget submission:

1. Navigate to the LGBMS Reporting Module and open any of the completed quarters for FY24-25 (for example you can go into period "FY2024 Q2).
2. Click on the "My Budget" button at the top of the screen.



3. A "CSV" (comma separated values) file with your entity's FY2024-2025 budget line items will appear on the screen that you can save on your computer for creating next year's budget upload file.
4. Revise the "amount" column as needed and then use the "Save As" option in Excel, save the file with a new file name denoting it as the FY2025-2026 budget and select "CSV" as the file type.



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5. Navigate to the LGBMS MENU, select and open the Knowledgebase file and follow the instructions beginning on page 22 of the [LGBMS Entity User Guide](#) to upload the CSV file.
6. **All Special District receiving State Legislative Appropriations are required to submit their budget and submit all quarterly report in LGBMS.**
7. If your Special District is not reporting in LGBMS and are interested in reporting in LGBMS, please contact your assigned analyst.

We offer the following recommendations in preparing a balanced interim budget, in the event your special district is facing financial/budgetary challenges:

- Adopting and applying formal policy that strictly disallows recurring expenditures from cash balances and non-recurring revenues,
- Re-evaluating all revenues while being cognizant of any legal, statutory, or governmental accounting standard restrictions of use.

INTERIM Budget Deadlines:

Special Districts Operating on State Fiscal Year

Budget Document: **June 1, 2025** [*submission extensions **cannot be granted***]
Budget Resolution: **optional** at this date
Property Tax Resolution: **June 1, 2025** (changes to the operating mill levy or new GO Bond mill levy)

LGD

Interim Approval Letter: July 1, 2025
NOTE: Approval of the interim budget designates it a legal binding document until the final budget is approved.

FINAL Budget Deadlines

For the below identified REQUIREMENTS is July 31, 2025:

Special Districts Operating on State Fiscal Year

Budget Document
Budget Resolution
Budget Supporting Schedules
4th quarter report
4th quarter report Resolution

LGD

Final Approval Letter: September 6, 2025

NOTE: Approval of the final budget designates it as a legal binding document. The final budget as approved by LGD is the official budget of record for your special district.



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Other Required Items:

Resolutions

Sample resolutions for budget and 4th quarter report adoptions are located on our website:

<https://www.nmdfa.state.nm.us/local-government/budget-finance-bureau/budget-forms/>

4th Quarter Report

This report must include the following:

- Recapitulation (recap) page (signed by preparer of quarterly report)
- Resolution (approved by governing body)

OTHER:

Items on the Budget Recapitulation (Recap) Page to be aware of:

- Beginning cash on recap page **must tie** to the 4th quarter report ending cash (before locally required reserves)
- Investments **must be** reported in the investment's column
- Total Transfers **must always** equal to zero
- Adjusted Ending Cash balances of any Fund **cannot be negative** (including Funds that are awaiting grant reimbursements)

Salary Increases:

One- time temporary salary increases (known as bonuses) are not allowed.

See the "*July 2, 2008, Memo Performance Bonuses, Retroactive Pay Increases and Bonuses In Lieu of Pay Increases*" memo located on our website:

<https://www.nmdfa.state.nm.us/local-government/budget-finance-bureau/budget-memos/>

If you have any further questions, please contact your assigned analyst. Staff contact information can be found here: <https://www.nmdfa.state.nm.us/local-government/budget-finance-bureau/>

xc: Alanna Goodman, Office of the State Auditor
alanna.goodman@osa.state.nm.us
BFB Analysts