



**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**  
**Wesley Billingsley, Division Director**

**MEMORANDUM BFB #24-03**

TO: New Mexico Special Districts

FROM: Wesley Billingsley, Director  
Local Government Division 

DATE: February 21, 2024

SUBJECT: Fiscal Year 2024-25 Budget Preparation & Submission Guidelines for Special Districts

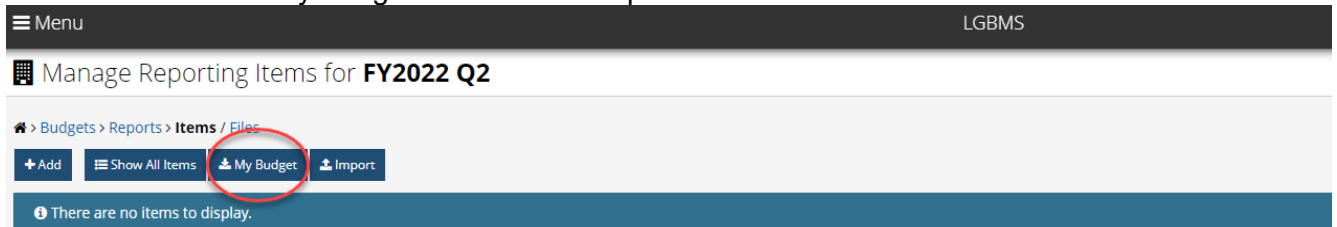
We cordially provide the following guidelines to ensure statutory compliance with Section 6-6-2 NMSA 1978 that requires each local public body to furnish and file with the Department of Finance and Administration (DFA), Local Government Division (LGD) a proposed (interim) budget for the next fiscal year. 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 FY2024 (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 FY2023-2024 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 **FY2024-2025 budget** and select "CSV" as the file type.



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5. Navigate to the LGBMS Budget Module for FY2023-2024 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**

<u>Budget Document:</u>	June 1, 2024 <i>[submission extensions <b>cannot be granted</b>]</i>
<u>Budget Resolution:</u>	optional at this date
<u>Property Tax Resolution:</u>	June 1, 2024 (changes to the operating mill levy or new GO Bond mill levy)

**LGD**

Interim Approval Letter: July 1, 2024

*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, 2024:**

**Special Districts Operating on State Fiscal Year**

<u>Budget Document</u>	-in LGBMS or Paper
<u>Budget Resolution</u>	
<u>Budget Supporting Schedules</u>	
<u>4th quarter report</u>	
<u>4th quarter report Resolution</u>	

**LGD**

Final Approval Letter: September 6, 2024

*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/>

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