



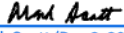
City of Santa Fe, New Mexico


Memorandum



DATE: December 2, 2025

TO: Governing Body
Finance Committee

VIA: Mark Scott, City Manager 
Mark Scott (Dec 2, 2025 13:10:02 MST)

FROM: Emily K. Oster, Finance Director 

CC: Elisa Montoya, Community Development Director
Faviola Chavez, Affordable Housing Director
Matthew Bonifer, Accounting Officer
Andrew Hopkins, Budget Officer

SUBJECT: Request for Approval of a Budget Amendment Resolution (BAR) to Allocate \$3,070,059.00 from Prior Year (FY2025) General Fund Balances to Establish Budget Authority for Transfers to the Affordable Housing Trust Fund (AHTF) Discussed in Prior Years Budget Narrative

BACKGROUND AND SUMMARY:

Since at least the inception of the Munis ERP system in FY2020 the financial activity of the Affordable Housing Trust Fund (AHTF) has been accounted for in the Community Development Fund (Munis Fund 240). 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 Fund. In the City's financial statements for the year ended June 30, 2025 the AHTF will be 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 unaudited Affordable Housing Trust Fund Analysis is included as Attachment B to this memo. The projected unaudited FY26 year-end balance of the AHTF is \$5,052,871.25.

In the process of reconciling the AHTF activity in the Community Development Fund a discrepancy in the transfers into the fund was identified for fiscal years 2022, 2023 and 2024 (FY22, FY23 and FY24). Inquiries with staff identified a misunderstanding about terminology related to transfers of amounts budgeted to fund AHTF activity. The misunderstanding was that although \$3M per year was available to be spent from the AHTF, and the Community Development Commission awarded the full amount in grants each year, the actual expenditures charged by grant recipients came in at a lower amount. When Finance staff executed the transfers the amount needed to cover the actual expenditures of the AHTF was transferred, not the full \$3M per year. As a result, the amount transferred into the AHTF for FY22, FY23, and FY24 was less than \$3M per year. Please see Table 1 for the detail by fiscal year.

TABLE 1

Fiscal Year	Amount Allocated/Invested in AHTF in Budget Book	Actual Transfers into AHTF	Difference
FY2026 (as of 11/13/25)	\$ 3,000,000.00	\$ 3,000,000.00	\$ -
FY2025	\$ 3,000,000.00	\$ 3,750,000.00	\$ (750,000.00)
FY2024	\$ 3,000,000.00	\$ 587,810.00	\$ 2,412,190.00
FY2023	\$ 3,000,000.00	\$ 2,480,024.00	\$ 519,976.00
FY2022	\$ 3,000,000.00	\$ 2,112,107.00	\$ 887,893.00
FY2021	\$ 1,500,000.00	\$ 1,500,000.00	\$ -
TOTAL	\$ 16,500,000.00	\$ 13,429,941.00	\$ 3,070,059.00

In the process of preparing the Affordable Housing Trust Fund Analysis (Attachment B to this memo), Finance staff and Affordable Housing staff reviewed contracts for prior year AHTF grant awards to identify contracts that were unexpired and had amounts remaining to be spent. The prior-year obligations of the AHTF consist of two FY24 awards to the Santa Fe Civic Housing Authority totaling \$1,000,000 and one FY22 award to Bella Luz Apartments 2022 LLP for the Lamplighter project totaling \$321,594.28.

ACTION REQUESTED:

Request for approval of the attached Budget Amendment Resolution (BAR) in the amount of \$3,070,059.00. This request is necessary to establish budget authority for transfers to the Affordable Housing Trust Fund (AHTF) originally discussed in the FY22, FY23 and FY24 budget books. This transfer is also needed to fund amounts remaining on unexpired contracts from prior year AHTF grants totaling \$1,321,594.28.

If this BAR is approved by the Governing Body, Finance staff will transfer \$3,070,059.00 from the General Fund fund balance to the Affordable Housing Trust Fund. The preliminary unaudited estimated 6/30/25 fund balance of the General Fund is \$62,607,645.31 as shown in Attachment C to this memo. The proposed BAR and transfer will bring the total actual transfers into the AHTF to \$16,500,000.00 for FY21, FY22, FY23, FY24, FY25, and FY26 as discussed in the narrative for the City's operating budgets for those fiscal years.

FUNDING SOURCE AND USE:

Fund Name/Number: General Fund/100

Munis Org Name/Number: Affordable Housing Trust Fund/2400223

Munis Expenditure Object Name/Number: Grants and Services/510400

ATTACHMENTS:

Attachment A- BAR form

Attachment B- Preliminary Unaudited Affordable Housing Trust Fund Analysis

Attachment C- Preliminary Unaudited General Fund Estimated 6/30/25 Fund Balance

Log # {Finance use <u>only</u> }:	
Journal # {Finance use <u>only</u> }:	

City of Santa Fe, New Mexico

BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME Affordable Housing Trust Fund				DATE 11/16/2025	
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE
<u>EXPENDITURES</u>				{enter as <u>positive</u> #}	{enter as <u>negative</u> #}
Affordable Housing Trust Fund Grants and Services	2400223	510400		3,070,059	
Affordable Housing (General Fund) - Transfer to Affordable Housing Trust Fund	1002750	750240		3,070,059	
<u>REVENUES</u>				{enter as <u>negative</u> #}	{enter as <u>positive</u> #}
Affordable Housing Trust Fund - Transfer from Affordable Housing (General Fund)	2400223	650100		(3,070,059)	
JUSTIFICATION: (use additional page if needed) --Attach supporting documentation/memo				\$ 3,070,059	\$ -

This request is necessary establish budget authority for transfers to the Affordable Housing Trust Fund (AHTF) discussed in the FY22, FY23 and FY24 budget narratives. If this BAR is approved by the Governing Body, Finance staff will transfer \$3,070,059.00 from the General Fund fund balance to the Affordable Housing Trust Fund. This will bring the total actual transfers into the AHTF to \$16,500,000.00 for FY21, FY22, FY23, FY24, FY25, and FY26 as discussed in the City's operating budget narratives for those fiscal years.

{Complete section below if BAR results in a net change to ANY Fund}	
Fund(s) Affected	Fund Balance Increase/(Decrease)
100	(3,070,059)
TOTAL:	(3,070,059)

Emily K. Oster
Prepared By {print name} Date 12/1/2025

Division Director Signature {optional} Date
Emily K. Oster 12/1/2025
Department Director Signature Date

{Use this form for Finance Committee/ City Council agenda items ONLY}	
CITY COUNCIL APPROVAL	
City Council Approval Date	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
Agenda Item #:	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>

Andy Hopkins Dec 2, 2025
Budget Officer Date
Finance Director {≤ \$5,000} Date
City Manager {≤ \$60,000} Date

AFFORDABLE HOUSING TRUST FUND ANALYSIS
UNAUDITED

ATTACHMENT B

		FY2026	FY2025	FY2024	FY2023	FY2022	FY2021
Beginning Balance		1,374,630.28	(97,250.71)	1,914,846.51	1,453,821.87	1,500,000.00	-
Revenues In as of 11/12/2025							
Fee-in-Lieu		\$ -	\$ 974,088.40	\$ 1,151,936.00	\$ 410,921.54	\$ -	\$ -
Infrastructure Loan Payments		\$ 25,438.00	\$ 456,974.00	\$ 418,904.00	\$ 466,632.00	\$ -	\$ -
Sales of Land		\$ -	\$ 500,000.00	\$ 243,668.98	\$ -	\$ -	\$ -
Expenses Paid Out as of 11/12/2025							
External Grants		\$ (2,012,754.94)	\$ -	\$ -	\$ -	\$ -	\$ -
Affordable Housing Trust Fund Grants		\$ (34,968.81)	\$ (4,314,208.41)	\$ (4,309,389.20)	\$ (2,896,552.90)	\$ (2,522,303.13)	\$ -
Transfers In from Fund 100 (General Fund) and Fund 216 (Gross Receipts Tax)							
Other Transfers		\$ 3,000,000.00	\$ 3,750,000.00	\$ 587,810.00	\$ 2,480,024.00	\$ 2,112,107.00	\$ 1,500,000.00
		\$ -	\$ 105,027.00	\$ (105,027.00)	\$ -	\$ 364,018.00	\$ -
Unaudited Balance as of November 12, 2025		\$ 2,352,344.53	\$ 1,374,630.28	\$ (97,250.71)	\$ 1,914,846.51	\$ 1,453,821.87	\$ 1,500,000.00
Amounts remaining on Unexpired Contracts for Prior Year AHTF Grants							
FY24 Award: SF Civic Housing Authority Country Club Apts		\$ (400,000.00)					
FY24 Award: SF Civic Housing Authority Ocate Apts		\$ (600,000.00)					
FY22 Award: Lamplighter (Bella Luz Apartments 2022 LLP)		\$ (321,594.28)					
Additional General Fund Transfer in from BAR to True-Up Prior Years		\$ 3,070,059.00					
Plan to Request Governing Body Approval on 12/10/25							
Amount due from NMDFA for Casa Connections External Grant		\$ 2,000,000.00					
FY26 Affordable Housing Trust Fund Grants		\$ (3,675,000.00)					
Anticipated FY26 Revenues Budgeted but Not Yet Collected							
Fee-in-Lieu		\$ 600,000.00					
Infrastructure Loan Payments		\$ 252,062.00					
Land Sales		\$ 275,000.00					
Estimated Revenue from High-End Excise Tax for Affordable Housing		\$ 1,500,000.00					
Projected Unaudited FY26 Year-End Balance		\$ 5,052,871.25					

			General Fund (100)
6/30/24 Audited Fund Balance			
	Nonspendable	\$	73,408.00
	Restricted		
	Assigned	\$	1,278,450.00
	Unassigned	\$	82,043,517.00
	TOTAL	\$	83,395,375.00
Preliminary Unaudited FY25 Revenue		\$	147,322,316.09
Preliminary Unaudited FY25 Expenditures		\$	(139,268,431.31)
Preliminary Unaudited FY25 Transfers In		\$	5,871,611.10
Preliminary Unaudited FY25 Transfers Out		\$	(35,253,225.57)
Preliminary Unaudited Estimated 6/30/25 Fund Balance		\$	62,067,645.31

PRELIMINARY UNAUDITED