CITY of ALBUQUERQUE
TWENTY SEVENTH COUNCIL

COUNCIL BILL NO. O-26-58 ENACTMENT NO. ________________________

SPONSORED BY: Klarissa J. Peña, Renée Grout

ORDINANCE

AMENDING CHAPTER 2, ARTICLE 11 OF THE CITY OF ALBUQUERQUE CODE OF ORDINANCES TO IMPROVE THE CITY'S BUDGET PROPOSAL PROCESSES AND STRENGTHEN OVERSIGHT AND ACCOUNTABILITY MEASURES.

WHEREAS, the City of Albuquerque seeks to enhance transparency, accountability, and efficiency in its budgeting process; and

WHEREAS, the City Charter assigns the responsibility of overseeing budgetary and financial operations to both the Mayor and the City Council, with the intent of ensuring consistency with the City's Five-Year Goals and One-Year Objectives; and

WHEREAS, Chapter 2, Article 11 of the City's Code of Ordinances outlines the processes and responsibilities for preparing and reviewing the City's operating budget, and regular updates are necessary to reflect best practices in public finance, governance, and oversight; and

WHEREAS, the City of Albuquerque seeks to streamline and clarify the language of its budget ordinance, aligning it more closely with current practices and operational needs; and

WHEREAS, updating the ordinance to reflect contemporary budgeting standards and procedures will enhance efficiency and ensure the ordinance remains relevant and effective for the City's ongoing fiscal management.

BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

SECTION 1. Chapter 2, Article 11 of the City Code of Ordinances is amended as follows with all sections and subsections renumbered accordingly:

§ 2-11-1 INTENT.

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(A) Article IV, Section 10(b) of the City Charter specifies that the Council shall establish and adopt [~~five year goals~~] [Five-Year Goals] and [~~one year objectives~~] [One-Year Objectives] for the [~~c~~][C]ity, which goals and objectives shall be reviewed and/or revised annually by the Council. Article IV, Section 10(d), Article V, Section 4[~~(f)~~][(h)], and Article VII, Section 1 of the Charter specify that the [~~c~~][C]ity operating budget should be formulated by the Mayor, in consultation with the Council and consistent with the goals and objectives of the City. The Charter indicates that other legislation and policies of the City are to be consistent with these goals and objectives as well. Article VII, Section 3 of the Charter requires the Mayor to propose the budget to the Council by April 1(st) each year and the Council to approve the budget as proposed or amend and approve it within sixty days after it is proposed by the Mayor.

(B) To implement these City Charter provisions, §[§] 2-11-1 et seq. a process for adopting [Five-Year] [~~g~~][G]oals and [One-Year] [~~o~~][O]bjectives which will be valuable in themselves and also will be major factors in determining funding for City programs and improvements in the operating budget and the capital improvements budget.

(C) To adopt a Five-Year [~~g~~][G]oals and One-Year [~~o~~][O]bjectives process that encourages active citizen participation, that is linked to the budget process, and that encourages performance measurement.

§ 2-11-2 [~~DEFINITIONS~~] SHORT TITLE.

This article may be referred to as the City Operating Budget Ordinance.]

[§ 2-11-3 DEFINITIONS.]

For the purpose of this article, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

[COST OF LIVING ADJUSTMENT (COLA). A wage increase intended to counteract inflation based on Consumer Price Index-Urban.

DEPARTMENT. A primary administrative unit tasked with the management, implementation, and oversight of specific municipal functions, services, and programs.

ENCUMBRANCE. A commitment of appropriated funding for a future, specific expenditure associated with a purchase order or contract.

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FISCAL YEAR. The City's 12-month budget and accounting period that begins on July 1st and ends on June 30th of the following year.]

[~~COMMUNITY PLANNING AREAS. To the extent practicable, goals, strategies, and objective should vary depending on conditions within the different Community Planning Areas.~~]

FIVE-YEAR GOALS. A concise statement that summarizes a set of related results or outcomes as defined by [~~desired~~] [the] community [~~or customer conditions~~] [and reviewed by the Mayor and approved by City Council]. [~~A goal can be a description of what Albuquerque would be like if the goal were achieved. It is achievable and lends itself to measurement.~~] A goal represents a long-term purpose and direction that addresses [~~the big picture. A goal is~~] broad, [~~but not vague. Goal measurement is based on tracking the changes in specific~~] desired [~~conditions~~] [outcomes that can be measured].

[LINE-ITEM AUTHORITY. The program appropriation level at which Council appropriation authority is applied, including program title, funding amount, and associated funding language.

MID-YEAR CLEANUP. An appropriation amendment that includes line-item adjustments necessary to record financial audit adjustments, appropriation of additional revenues received, re-appropriation of unused funds, reducing appropriation of funds, or for other needed purposes within a fiscal year.]

ONE-YEAR OBJECTIVES. [Specific annual steps and strategies for achieving the approved Five-Year Goals, measured based on the results expected.] [~~Objectives are specific steps taken by the City for achieving goals. For the most part, objectives should be tangible products rather than the activities that produce the products. Objectives are the results of explicit strategies to achieve the goals. An objective describes in specific and measurable terms the results a program is expected to achieve toward a certain goal. Each objective should be attainable within a specified period of time, preferably within a fiscal year or two consecutive fiscal years.~~]

PERFORMANCE MEASUREMENT. [~~Performance measurement is a~~] [A] systematic approach to quantify and analyze activities to determine the amount of service delivered and/or work performed [~~as well as~~] [, and] how [~~effective,~~] efficient, [~~and~~] responsive[, and impactful the] services are [~~and what impact they~~

~~have on~~] [to] the community [in relation toward achieving the Five-Year goals, where applicable.] [~~and customer. Goal Progress Indicators quantify the progress made towards achieving goals.~~]

[PROGRAM: A coordinated group of related activities, services, or initiatives designed to achieve specific objectives under the administration of a City department.

PROGRAM ADJUSTMENTS. Strategic budget adjustments, which may include historical vacancy rates, to align departments and ensure the most effective use of resources available.

SALARY SAVINGS. A reduction in the department's fully funded personnel program(s) budget that is based on the department's average historical level of vacant positions of the previous three to five fiscal years or otherwise justified.

VACANCY SAVINGS. The difference between the total appropriated personnel budget and the actual personnel expenditures during a given period.

WAGE INCREASE. An increase in wage separate and in addition to the identified COLA and/or negotiated amount within a ratified union agreement.

REGULAR EMPLOYEE. A full-time or part-time employee of the City of Albuquerque, not to include seasonal, temporary, student, Elected Officials, and Board or Commission members. A regular employee can be of classified or unclassified status.]

[~~VISION. A short description of the future which is sought for the community.~~]

[§ 2-11-4 ONE-YEAR OBJECTIVES AND FIVE-YEAR GOALS.

(A) One-Year Objectives are specific, measurable strategies that contribute directly to the achievement of the Five-Year Goals. All departmental objectives must be aligned with the Five-Year Goals and associated desired community conditions.

(B) Each objective must include performance indicators to measure progress and effectiveness.

(C) Departments must review and report, in the form of an Executive Communication (EC), on the progress of these objectives annually, ensuring alignment with the Five-Year Goals. In addition to the EC, the Council may require a database entry to further enhance transparency and tracking of departmental

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progress. The EC submission deadline, for the previous year's Objectives, shall be September 1st of each year.]

§ 2-11-[~~3~~][5] PROCESS AND SEQUENCE FOR ESTABLISHING [FIVE-YEAR] GOALS AND [ONE-YEAR] OBJECTIVES.

(A) [~~Criteria for selection. Five-Year goals should be selected only if they are of priority importance to welfare of the city.~~] [The Mayor and City Council shall review the Five-Year Goals and One-Year Objectives for the City and the City Council shall amend as necessary.] The Five-Year Goals [shall] address improving the physical characteristics of the City, guiding the City's growth and meeting [~~human~~] [community] needs. The Albuquerque Progress Report and the City/County Comprehensive Plan [~~are~~] [shall be] guiding documents for developing the [~~five year goals~~][Five-Year Goals]. [Consistent with § 3-2-16 of the Code of Resolutions, the Mayor and City Council shall consider any applicable Comprehensive Plan Analyses prepared through the web-based tool when reviewing or amending the Five-Year Goals.] The fact that an outcome directly addressed by city government service is not mentioned in the [~~five year goals~~][Five-Year Goals] does not imply that the service or function will not continue as usual; it means only that there is not a special effort to reach some goal-related outcome in that area during the coming five years. [The City Council and the Mayor shall develop One-Year Objectives consistent with the Five-Year Goals.] The Mayor and City Council will collaborate to establish the [~~five year goals~~][Five-Year Goals]. The City Council staff shall direct the goals and objectives review, formulation, and adoption process consistent with the City Charter[~~,~~][;] however, these tasks may be delegated to the [~~Mayor's staff~~] [Mayor or their designee].

[(B) The Indicators Progress Commission (IPC), established under § 2-1-13 of the Albuquerque Code of Resolutions, is responsible for coordinating the review and analysis of community indicators and recommending revisions to the City's Five-Year Goals based on measurable progress.

(1) The IPC shall submit a written report, in the form of an Other Communication, to the City Council no later than January 31st of every even-numbered year. This report shall include:

(a) A biennial Goals Progress Report summarizing community conditions, trends, and performance outcomes in relation to the City's adopted Five-Year Goals;

(b) Any recommended revisions to the Five-Year Goals;

(c) A summary of public engagement, community perceptions, and relevant civic forums if conducted.

(2) The City Council shall schedule a presentation by the IPC during even-numbered years. This presentation will allow Councilors to receive the IPC's findings, ask questions, and consider recommendations before budget preparation is finalized.]

~~[(B)Process to develop community perceptions/ expectations. The purpose of this phase is to obtain citizen involvement in setting long-term direction in the vision and goals process.~~

~~(1) A goals forum to present progress reports, revisit the vision, and review/develop goals shall be held every four years in July beginning in 1998. The outcome of the goals forum shall be utilized as input into the revision of the vision, Five-Year goals, and other City plans and policies, as they are developed or revised.~~

~~(2) A report shall be produced and presented to the Mayor and City Council within three months of the goals forum. This report shall recommend a vision and goals.~~

~~(3) This process shall be facilitated by Shared Vision, Inc. or other] not-for-profit organization [with a similar mission] in partnership with the City and shall include the Indicators Progress Commission, Environmental Planning Commission and other City commissions which influence or track important community and customer conditions.~~

~~(4) Adoption of an objective by the City Council carries with it an obligation to carry out this objective in the referenced fiscal year or years and for the Administration to incorporate this objective into the Mayor's proposed budgets.~~

~~(C) Process to develop and adopt Five-Year goals. The purpose of this phase is to review the vision and goals, recommend revisions reflecting community consensus and conditions, and act on these recommendations.~~

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~~(1) Every four years, the Mayor and City Council shall review the goals forum report, conduct a public hearing, and adopt a vision and goals within six months of the goals forum.~~

~~(D) Process to determine One-Year objectives. The purpose of this phase is to establish measurable objectives to carry out the Five-Year goals by integrating such objectives into the annual City budget.~~

~~(1) The City Council and the Mayor shall develop annual objectives consistent with the Five-Year goals. These objectives may have up to a two year implementation cycle. New objectives will be contained in a biennial new priority objectives resolution beginning for Fiscal Year 2003. Regarding the resolution for Fiscal Year 2004 and biennially thereafter, objectives will be updated based on progress made in the first year and contained in a revised priority objectives resolution.~~]

[(~~2~~)] [(C)] The City Council shall hold at least one public hearing, meeting as the Committee of the Whole, at which the public can propose objectives and comment on proposed or revised objectives respectively for the coming year.

[(~~3) The~~] [(D)] City Council shall annually adopt or revise [~~and adopt objectives aimed~~] [One-Year Objectives with the intent of accomplishing short-term outcomes that are necessary] to accomplish each of the [~~goals and objectives to~~] [Five-Year Goals. One-Year Objectives should] be reflected in the operating and capital budgets of the [~~city~~][City].

~~(E) Timing. In sufficient time for consideration in the formulation of the Mayor's proposed budget and, in any case, prior to November 30 of each year, except in years in which there is a Mayoral election, in which case prior to December 31, the Council shall review existing goals and objectives and proposals for revisions of objectives and shall adopt objectives for the following year. The purpose of this phase is to enable the Mayor and City Council to integrate the Five-Year goals and One-Year objectives into the City's budgeting process.~~

[(~~F)~~] [(E)] Progress reports. The purpose of this phase is to have a mechanism for accountability and monitoring of the [Five-Year] Goals and [One-Year] Objectives Process. It is intended that such progress reports will include

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performance measurements of the Goals and Objectives Process as well as the budget process.

~~[(1) By September 1 of each year, a status report on the prior year's one-year objectives will be presented to the Mayor and City Council. Each year a status report on the current one-year objectives will be prepared and presented by the Mayor to the City Council at a Committee of the Whole meeting held each year as required in §2-11-6(B) ROA 1994.~~

~~(2) Biennially in January of even numbered years, a roundtable discussion shall be held among the City Administration, City Council, Indicators Progress Commission, the Environmental Planning Commission and other appropriate commissions to review progress on achieving the five-year goals.~~

~~(3) The roundtable meeting held immediately prior to the conduct of the goals forum will discuss the structure of the forum.~~

~~(4) Shared Vision, Inc. or similar not-for-profit organization as determined by the Mayor and City Council shall provide the leadership to schedule and facilitate the roundtable meetings.]~~

[(~~5~~)][(F) One-Year Objectives shall be established by resolution and submitted along with the Mayor's annual budget proposal.

(1) Departments must review and report, in the form of an Executive Communication (EC), on the progress of these One-Year Objectives annually, ensuring alignment with the Five-Year Goals, including shortfalls and corrective actions. The EC, for the previous fiscal year, shall be submitted to the City Council by September 1st of each year.]

[(2)] On an annual basis, the City shall conduct a "Citizens' Perception of Conditions Survey" to poll the residents on the perception of City governmental services and community conditions related to the [Five-Year] Goals.

~~[(6) At least every two years, a progress report shall be generated. This report will provide measurements of desired community conditions related to the goals data through a review of census data, locally generated socioeconomic data, citizen survey information, goal progress indicators, and other information indicating the current situation and progress towards the goals to date. For each measurement, the report shall include historical data for at least ten years, if such data are available and reliable.~~

~~(7) The Indicators Progress Commission shall have the lead responsibility to facilitate the production of this report for presentation to the Mayor and City Council every two years and to the goals forum participants every four years.]~~

~~[(8)]~~ [(3)] On an annual basis, during the month of [~~September~~] [October], City Administration including key departmental staff [and representatives] of City Council shall meet to review the [~~five year goals~~][Five-Year Goals], community conditions, strategies, programs, and [~~one year objectives~~][One-Year Objectives].

(G) Staffing. Both the Mayor and City Council shall identify appropriate staff to collaborate in the development and implementation of the [Five-Year] Goals and [One-Year] Objectives Process.

~~[§ 2-11-4 PROGRAM REVIEWS BY THE CITY COUNCIL.~~

~~The City Council, meeting as a Committee of the Whole, may hold up to three public hearings which shall be programmatic reviews of city operations or departments which are Council priorities, especially as identified in the adopted city goals and objectives. Since these reviews shall focus in part on city goals, they may be cross departmental and involve public agencies external to city government. These hearings shall be held between September 15 and January 15. The subjects of these Council reviews shall be determined by the Chairperson of the Committee of the Whole, the Council President, and other members of the Council. This group and the Mayor shall provide input on the topics of the program reviews to the Council President.~~

~~§ 2-11-5 PARTICIPATION OF THE COUNCIL IN PUBLIC PRESENTATIONS ON BUDGET-RELATED MATTERS.~~

~~The public shall be encouraged to participate in the city budget review and adoption process. The Council and the Mayor are encouraged to discuss budget and budget-related policy issues at community forums. Whenever the Mayor expends public funds to inform the public about his proposed budget or budget-related programs, the Council shall be invited to participate in such forum. The Mayor shall extend the invitation to the City Council through the President of the Council.]~~

[(H) Measurable Indicators for Five-Year Goals and One-Year Objectives.

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(1) All Five-Year Goals and One-Year Objectives adopted by the Council shall include measurable indicators that allow for evaluation of progress toward achieving the stated outcomes.

(2) These indicators shall consist of quantifiable data points, benchmarks, or other documented measures that are directly related to the corresponding goal or objective.

(3) The Administration shall report annually, as part of the required status report described in § 2-11-5(F), on the results for each measurable indicator, including current performance, year-over-year changes, and any documented factors affecting progress.

(4) The indicators shall be developed collaboratively by the Administration, Department Representatives, and Council Services during the Five-Year Goals and One-Year Objectives review process and included in all documents accompanying the adoption or revision of Five-Year Goals and One-Year Objectives.

(5) The measurable indicators adopted under this Section shall reference and incorporate, when applicable, the community condition data and trend information provided by the Indicators Progress Commission in its biennial reports, consistent with the IPC's existing duties and reporting schedule.]

§ 2-11-6 [COUNCIL COMMITTEE OF THE WHOLE.

The Council shall meet as the Committee of the Whole and hold at least three public hearings as needed for the following purposes:

(A) To review the Mayor's proposed operating budget and recommend final adoption of the operating budget.

(B) To review and recommend final adoption of the Five-Year Goals.

(C) To review and recommend final adoption of the One-Year Objectives.

(D) To conduct reviews of City operations through departmental presentations. The Chair shall determine the format, subjects, and duration of the presentations. The presentations are in addition to the Mayor's budget submission and intended to ensure public accountability.

[(E) INFORMAL STUDY SESSIONS. In addition to the program reviews described in this Section, the Committee of the Whole shall convene at least one mid-fiscal-year Study Session, at the call of the Chair, for the purpose of receiving informal operational briefings from Department Directors.. Informal Study Sessions shall be informational only, shall occur prior to the submission of the Mayor's proposed budget, and shall not constitute part of the formal budget review or adoption process required under this Article. Public comment shall not be taken during Study Sessions. These informal Study Sessions are intended to provide Councilors with an opportunity to ask questions and receive information directly from Department Directors.

(1) The Chair shall determine the subject matter, and timing of all mid-fiscal year informal Study Sessions. Department Directors may be accompanied by appropriate staff to respond to Council questions.]

[§ 2-11-7] PREPARATION OF CITY BUDGET; DEPARTMENTAL REQUESTS; BUDGET PROPOSAL.

(A) The Mayor shall prepare a proposed [~~city~~][City] operating budget [for the next fiscal year] [~~from the departmental requests,~~] taking into consideration the requests of the departments and the resources anticipated to be available to the [City] [~~for the fiscal year for which the budget is prepared~~].

[(B) For purposes of this Article, the term "proposed budget" shall be interpreted to mean the Mayor's proposed budget, submitted to the City Council pursuant to Article VII, Section 3 of the City Charter. The proposed budget is subject to Council review, amendment, and approval in accordance with this Article and Article VII, Sections 4 and 5 of the City Charter.]

[~~(B) Each year, between~~][(C) Each year the Mayor, or their appointed representative, shall hold budget hearings with each City department to discuss the preparation of the budget for the next fiscal year. Council Services staff shall be invited to attend all budget hearings. Between] the first day of December and the first City Council meeting in January, the Mayor, or [~~his~~][their] appointed representative, shall hold a series of meetings, not less than two in number, with the [~~City~~] Council [Services staff] to discuss the preparation of the budget for the next fiscal year.

[~~(C) During~~] [(D) Throughout] the preparation of the proposed City Budget[,] [~~by~~] the Mayor [~~, he~~] shall furnish any requested information on departmental requests to the staff of the City Council and shall cooperate with City Council staff so that it may monitor the budget process and prepare preliminary analyses and other information for the City Council[, to the extent that it does not impede the Mayor's Budget Staff from compiling the proposed budget by the deadline. All answers that are not provided during the preparation will be provided as soon as practicable, but no more than five (5) business days, after the proposed budget has been submitted].

[~~(D)~~] [(E)] The Mayor shall propose an operating budget to the Council no later than April 1(st) of each year[~~.~~][,and such proposal shall be made available to the general public in an effort to encourage public awareness and citizen involvement in the budget process].

(F) Within seven (7) business days of the submission of the Mayor's budget proposal to the City Council, each department shall provide the following information:

(1) Department vacancy listing, to date, including status details for each vacant position (e.g., number of days vacant, posting date, interview date, hire date), along with vacancy rates for the past five years;

(2) A breakdown of salary savings;

(3) All original Budget Call documents submitted by each department; including but not limited to: Needs Request Forms, Professional/Technical Services, Federal/State Grants, Revenues Existing and New, Vacancy Lists, etc.;

(4) A detailed report on the total annual expenditure allocated toward social services, programs, and initiatives within the department. This report should include all funding sources. (e.g., dedicated funding, external funding, grants) and expenditures related to direct assistance, indirect support, infrastructure contributions, and administrative overheads for these services. Along with the total annual expenditure, provide a brief description of the key components contributing to these totals; and

(5) A comprehensive list of all fees, including registration, licensing and permit fees, along with:

(a) The total amount that should be collected based on full compliance.

(b) The total amount collected in the current and prior year, along with projected amounts for the following year.

(6) A list of vehicles currently in the department's possession (e.g., electric vehicles), vehicles earmarked for disposal, and plans to procure additional vehicles within the next three years, with justification where applicable.

(7) Items (1), (2), (4), and (6) will be submitted on the templates developed by Council Services staff and the Administration. Subsequent questions from City Council to City departments will be sent to the Department Director, Chief Financial Officer, Department of Finance and Administration Services Director, and City Budget Officer. The Administration shall send responses to subsequent questions to City Council.

[~~§2-11-7~~][§ 2-11-8]BUDGET — CONTENTS AND FORMAT.

(A) [A full-program budget will be prepared for all City departments each year. The program budget shall clearly identify each program that is proposed to be implemented or continued in the ensuing fiscal year and shall include the funding amount of each program.

(B) The budget proposal shall not propose expenditures in excess of resources anticipated to be available to the City for the fiscal year for which the budget is proposed. If new programs are proposed, a detailed recommendation and justification of the program shall be provided which must include the estimated annual costs of the program and the source of revenues and other resources for financing the program. All new programs must be identified and justified as such in the budget proposal.

(C) A report of program adjustment calculations shall be reported to Council along with material submitted with the proposed budget.

(D) Appropriations for Regular Employee COLA and Wage Adjustments: The Mayor's proposed budget shall include any wage increases required pursuant to ROA 1994 Chapter 13, Article 12, together with any proposed COLAs or other compensation changes for City employees. COLA and wage adjustments shall be evaluated each year based on inflation measures, budget limits, compensation studies, and other City priorities, subject to negotiations. The Administration shall separate COLA adjustments from other types of wage adjustments.

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(1) Each year, the Administration shall determine a COLA based on the Consumer Price Index Urban (CPIU) ended for the most recent calendar year. COLAs may be less than but shall not exceed the CPIU.

(2) If a proposed COLA is below the CPIU, the Administration shall explain why it does not fully cover the increase in cost of living.

(3) Any wage adjustment above the identified COLA amount shall be considered a wage increase.

(E) Amounts appropriated for COLA and wage adjustments are subject to Union and Labor negotiations per City of Albuquerque Code of Ordinances § 3-2-19.

(F) A separate program strategy shall be included for any Enterprise Fund that receives general fund revenues. The program strategy shall include a description of general fund revenue uses, and other funding sources as applicable.]

[(G)] The Mayor's operating budget proposal submitted to the Council shall include:

(1) The Mayor's budget message;

(2) An annual appropriation resolution recommended by the Mayor;

(3) ~~[A complete statement of the non-capital project financial operation of the city for the fiscal year last completed;]~~ A comparable statement for the current fiscal year including expenditures to date and anticipated expenditures to the end of that year[, to include:]

(a) All proposed expenditures for [~~the administration, operation and maintenance of~~] all departments of City government;

(b) All interest and debt redemption charges;

(c) All anticipated revenues and other available resources by source and amount;

(d) The proposed means of financing all proposed expenditures;

[(e) Any fee or rate adjustment proposal for the upcoming fiscal year and projected revenue for the following two fiscal years;

(f) The basis used to determine the wage adjustments for the fiscal year shall be based on the Consumer Price Index Urban (CPIU), a compensation study, and other relevant benchmarks chosen by the City.

(i) A breakdown of all wage adjustments that meet, fall below, or exceed the COLA rate.

(ii) Justifications for any adjustments that do not meet the identified COLA standard, including explanations for budget constraints or other considerations as required.]

[~~(a)~~][(g)] Descriptions of all programs, services, and activities to include strategies, missions, customers, and key initiatives, as proposed in the Mayor's Budget[~~;~~][.]

[~~(b)~~][(h)] Performance measures, as defined in § 2-11-[~~2~~][3], associated with all programs, services, and activities[~~;~~][.]

[~~(5) A financial plan in comparable form for the fiscal year commencing on July 1 of the year in which the budget proposal is submitted. Except as otherwise provided by § 2-11-11, the Non-Capital Project Financial Plan for the ensuing fiscal year shall include:~~]

[~~(6) A performance plan in comparable form for the fiscal year commencing on July 1 of the year in which the budget proposal is submitted to include:~~

~~(a) Descriptions of all programs, services, and activities to include strategies, missions, customers, key initiatives, and desired results, organized by Five Year Goal, that are proposed in the Mayor's Budget;~~

~~(b) Performance measures, as defined in § 2-11-2, associated with all programs, services, and activities;~~

~~(c) Consistent with the Financial Plan defined in § 2-11-7(A)(5), all proposed expenditures for the administration, operation, and maintenance of all programs, services, and activities, organized by Five Year Goal and identified by Fund.~~

~~(B) A full-program budget will be prepared for all city departments each year. The program budget shall clearly identify each program that is proposed to be implemented or continued in the ensuing fiscal year and shall include the projected costs of each program.~~

~~(C) The budget proposal shall not propose expenditures in excess of resources anticipated to be available to the city for the fiscal year for which the budget is proposed. If new programs are proposed, a detailed recommendation and justification of the program shall be provided which must include the~~

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~~estimated annual costs of the program and the source of revenues and other resources for financing the program. All new programs must be identified as such in the budget proposal.~~

~~(D) Along with publication of the proposed budget, the Office of Management and Budget shall produce a separate document to serve as a citizen's guide to understanding the budget process and the financial plan for the upcoming fiscal year. This guide shall explain how the budget is organized, justify significant expenditures that are included in the proposed budget, and outline revenue sources. This document shall be made available to the general public in an effort to encourage public awareness and citizen involvement in the budget process.~~]

[~~§ 2-11-8 BUDGET REVIEW COMMITTEE.~~

~~The Mayor, the Chief Administrative Officer, the Chairperson of the Council Committee of the Whole, and the Council President shall constitute a joint review committee of the Budget. This committee shall meet at least quarterly or at the call of either the Mayor or the Council President. The committee shall review preliminary year end reports, summary financial and management reports, revenue forecasts, status of the current year budget and budget issues, and discuss all matters concerning the contents and format of the city annual operating budget and the city's goals and objectives, prior to introduction to the City Council.~~]

§ 2-11-9 BUDGET PROPOSAL — [~~PRINTING AND INDEXING~~] [SUBMISSION AND DISTRIBUTION.

[~~The budget proposal shall be printed and indexed prior to its submittal to the Council. Sufficient copies of the budget proposal shall be prepared to allow for distribution to members of the Council, city department heads, and other interested parties as may be deemed reasonable by the Chief Administrative Officer or his designee.~~] The Administration shall submit the Proposed Budget to the Council in accordance with the deadlines established by the City Charter and this Article. At the time of submission, the Administration shall provide an electronic copy of the Proposed Budget by email to each member of the City Council and one printed copy each to the Council President and the Chair of the Committee of the Whole. No later than the close of business day the Proposed

Budget is submitted, the Administration shall make an electronic version publicly available on the City's website. The posted version shall include a disclaimer stating that it is the Mayor's Proposed Budget and is subject to review, amendment, and approval by the City Council.]

§ 2-11-10 CONSIDERATION OF BUDGET PROPOSAL BY THE COUNCIL.

(A) After receiving the budget proposal from the Mayor, the Council shall schedule at least three public hearings [regarding its adoption, as the Committee of the Whole.] [~~on it. Any fee or rate adjustment proposal for the upcoming fiscal year and projected revenue requirements for the following two fiscal years shall be submitted to the Council at the same time as the budget proposal.~~] As a result of its deliberations and the information gathered at the public hearings, the Council may amend the budget proposal at any time prior to May 31[st]. If the Council fails to approve a budget within that time limit, the budget proposal as submitted by the Mayor is deemed approved.

(B) The Mayor or [~~his~~] [their] representative shall be present at all public hearings on the budget proposal and fee or rate adjustment proposals. The Chief Administrative Officer, or [~~his~~] [their] representative, shall be available to the Council at its request during any of its deliberations on the budget proposal.

(C) [~~Definition. As used in this section AMEND includes complete revision or substitution.~~] [The Mayor's administration shall prepare to answer all questions posed by the Council regarding the budget, providing complete and accurate information, during the public hearings. If the Administration is unable to provide an answer during the hearings, they shall commit to delivering the requested information in writing within three (3) business days of the hearing in which the question was proposed. The Administration's responses shall be documented and made available to Council Services.]

§ 2-11-11 CONFERENCE COMMITTEE ON THE BUDGET.

(A) [Per Article VII: Section 6 of the City Charter, a] [~~A~~] Conference Committee on the Budget shall meet to help resolve any disagreements between the Mayor and the Council concerning the City budget. The Conference Committee on the Budget shall consist of [six members, three of whom shall be designated by the Mayor and three of whom shall be designated by the Council]. [~~of the members of the Budget Review Committee.~~]

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(B) In the period from March 1[st] through the adoption of the annual operating budget, the Conference Committee on the Budget shall meet at the request of the Mayor or any [~~Councillor~~][Councilor]. The following procedures shall govern this process:

(1) Issues presented to the Conference Committee on the Budget should be of a significant or critical nature concerning the City Budget;

(2) Issues presented to the Conference Committee on the Budget should be issues about which the development or clarification of performance measurement data or other information can contribute significantly to the formation of options or recommendations;

(3) After consideration of the issues, the Council-designated members of the Conference Committee on the Budget may present recommendations or options to the City Council for action;

(4) A meeting of the Conference Committee shall occur prior to final adoption of both the operating and enterprise budgets;

(5) The Conference Committee on the Budget shall be chaired by one of the Council-designated members.

§ 2-11-12 APPROVAL CONSTITUTES PROPOSAL AS BUDGET; EXPENDITURES MUST BE AUTHORIZED.

(A) The annual operating budget appropriation resolution, as approved, in addition to other approved appropriations for operating purposes shall constitute the [~~city's~~][City's] operating budget for the ensuing fiscal year. The City shall not expend any public funds, except for capital project expenditures, special assessment district expenditures, and trust and agency fund expenditures, unless the expenditure is authorized in the budget and is made or encumbered in the fiscal year covered by the budget.

[~~The amount encumbered but not expended at the end of this fiscal year is appropriated to the subsequent fiscal year without further action by the Council. A report of the amounts and individual purchase orders will be reported to the Council by October 1.~~]

[~~§ 2-11-13 COUNCIL COMMITTEE OF THE WHOLE.~~

~~The City Council shall meet as a Committee of the Whole to hold public hearings for the following purposes:~~

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~~(A) Review and adopt Five-Year goals and one- year objectives.~~

~~(B) Conduct program reviews of city operations or departments.~~

~~(C) Review the cleanup of the annual operating budget.~~

~~(D) Review the midyear report for the current fiscal year and the midyear budget appropriation resolution.~~

~~(E) Review all components of the Mayor's proposed annual operating budget.~~

(B) [Following the close of each fiscal year, the Mayor shall submit to the City Council a resolution presenting a report of all encumbered but unexpended amounts and associated purchase orders from the prior fiscal year. The resolution shall identify, by department and program, the total encumbered amounts proposed for reappropriation. The resolution shall be considered by the City Council at two regular public meetings, following the resolution's introduction, and shall not be referred to committee. No later than the second meeting, the City Council shall take action on the resolution. If the City Council does not approve an amended version at the second meeting, the resolution as originally submitted by the Administration shall be deemed approved, and the encumbrances therein shall be reappropriated for the subsequent fiscal year.]

~~[§ 2-11-14 FISCAL YEAR.~~

~~The fiscal year of the city begins on July 1 of each calendar year and ends on June 30 of the following calendar year.]~~

~~[§ 2-11-15]~~[§ 2-11-13]BUDGET AMENDMENTS [~~BY COUNCIL~~] DURING FISCAL YEAR [OUTSIDE ADOPTION OF ANNUAL BUDGET].

[(A)] Upon its own initiative or upon a recommendation by the Mayor, the Council may amend the budget during the fiscal year to which it applies. [~~No amendment to the budget shall be made without a public hearing prior to the meeting at which action is taken on the proposed amendment. Amendments to the budget effect the pertinent fiscal year's Performance Plan, which effect shall be estimated by Administration staff and incorporated into the Plan.~~] No amendment to the budget shall result in total authorized expenditures that exceed resources to be available for the fiscal year to which the budget is applicable.

[(B) The Mayor shall propose expenditure adjustments to the City's operating budget whenever it is determined, after the adoption of the annual budget, that projected revenues are insufficient to cover appropriated expenditures, or that additional revenues have become available. These proposals shall be submitted to the Council through a Mid-year Cleanup or other appropriating resolution.

(C) The Mid-year Cleanup report shall be introduced to the Council in November accompanied by a mid-year appropriation resolution for programs projected to be overspent, where expenditure controls cannot bring spending within the limits of administrative authority. Prior to transmitting any mid-year budget adjustment requests to the City Council, the Administration shall brief Council Services on the adjustment, including revenue assumptions, fund balance impacts, and justification for each change.]

§ 2-11-[~~16~~][14] TRANSFER OF FUNDS AND EXPENDITURE AUTHORITY WITHIN BUDGET.

(A)[~~(1)~~]During the fiscal year, the Mayor is authorized to transfer funds or change expenditure [~~authority~~] [appropriations] within and among line-item authority, as established by the annual appropriation resolution and other approved appropriations for operating purposes, if the transfer or change does not result in the increase or decrease in that line-item expenditure authority in excess of the cumulative amount of $[~~100,000~~] [500,000] or 5% of the line-item authority, whichever is lower.

[~~(2) LINE-ITEM AUTHORITY refers to the line in the budget appropriation resolution approved by the Council. The lines of the budget appropriation resolution shall include the title and cost of each program of the city's operating budget. The transfer of funds or change in expenditure authority "among" line-item authority refers to such transfers or changes between lines in the budget appropriation resolution which contain dollar amounts. The transfer of funds or change in expenditure authority "within" line-item authority shall be defined as transfers or changes between budget activities within programs in instances where the budget of an activity is $500,000 or more. A decrease in line-item expenditure authority means preventing resources appropriated by Council to a budget program or allocated to an activity as specified above from being spent. RESERVED APPROPRIATIONS, and other similar techniques, are reductions in expenditure authority.~~]

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[~~(3)~~] [(B)] No actions are authorized which would result in exceeding the total expenditures authorized in the operating budget for the [~~city~~][City] government as a whole. Actions taken by the Mayor under [~~this~~] division (A) [of this section] shall be reported in detail [in the form of an Executive Communication,] to the City Council within ten days of the approval of transfer or change by the Mayor or [~~his~~] [their] designated representative. [The City Administration is required to submit a quarterly report to the City Council on all transfers of funds within the line-item authority.]

[~~(B)~~] [(C)] The transfer of funds or changes in expenditure authority in the operation budget, other than those authorized by division (A) of this section, may be made only by amendment of the budget by the City Council under § 2-11-[~~15~~][13]. No new program not already authorized in the budget shall be implemented by actions authorized under division (A) of this section, nor shall any existing program authorized in the budget be terminated by such actions.

~~[(C) The Mayor shall provide a written report on all reorganization plans with an annual budgetary impact in excess of a cumulative amount of $100,000 or 5% of the line-item authority, whichever is lower. The report shall provide justification for the reorganization which contains its rationale, financial and service benefits, the method for determining these benefits, a work plan for the newly reorganized unit, and an organization chart of the affected department or departments showing the results of the proposed reorganization. The Mayor also shall specify the affected positions and appropriations. Such report shall be provided prior to any necessary approval by Council.]~~

§ 2-11-[~~17~~][15] APPLICATION FOR FEDERAL AND STATE GRANTS; BUDGETING FEDERAL FUNDS.

(A) Any application or proposal for a grant with a matching requirement shall be submitted to the City Council in the form of an Executive Communication for review and approval at the same time as the submittal of such application or proposal to any grantor. Executive Communications shall include an interoffice memorandum and a copy of the executive summary of the grant application or a copy of the grant application. The total City obligation shall be included in the interoffice memorandum. A fiscal impact analysis is not required to be submitted with the Executive Communication for a grant application.

(1) The Council may approve, take no action, reject the proposed agreement, or recommend revisions thereof with or without conditioning approval on the adoption of such revisions.

(2) If the Council rejects the application, the application shall be withdrawn by the Department that submitted the application.

(3) If the Council rejects the application, the Department shall not enter into a grant agreement with the grantor.

(4) The Mayor may withdraw the proposed agreement at any time from the Council and may present revisions thereof. In the event of withdrawal, the proposed agreement shall be a nullity. In the event of revision, the provisions set forth in divisions (A) and (B) of this section shall apply to the same extent as if a new proposal were being made.

(B) If, after Council approval of the application, conditions are added to the grant award, which have not been approved by the Council and which have major financial or policy implications for the City, the final grant agreement shall be submitted to the Council for approval in accordance with the procedures set forth in division (A) above.

(C) The Mayor, upon receiving notification that the City has been awarded a grant, shall submit a Resolution to Council to appropriate the funds.

(D) Twice yearly, in July and January, the Administration shall submit an Executive Communication detailing all grant applications for the previous six months. This report shall include total project cost, grant funding requests, local match funding/in-kind contributions, and any grant awards received.

§ 2-11-[~~18~~][16] FINANCIAL [~~AND MANAGEMENT~~] REPORTS.

(A) The Mayor shall submit on a quarterly basis, summary financial [~~and management~~] status reports of all operating funds[, including all Enterprise, Internal Service funds, Special Revenue funds] to the City Council. [~~These reports~~] [The Mayor] shall [submit Fiscal Status Reports to the City Council in the form of an Executive Communication in sufficient time no later than seventy (70) calendar days after the end of each fiscal quarter. Reports shall] include:

(1) Current annual revenue estimates [by source] for each fund;

(2) Brief analysis [~~explaining~~] [highlighting] revenue trends [by source] for each fund;

(3) ~~[A midyear programmatic review of each program and department and the progress made year- to-date in achieving its goals and objectives.~~ [Current expenditure levels and projections by program through end of fiscal year.]

[§ 2-11-17 COUNCIL ACCESS TO FINANCIAL INFORMATION.

(A) Council Services staff shall have, direct and read-only access to all databases, software, and financial systems utilized by the Administration for budget preparation, accounting, and fiscal analysis. This access shall include, PeopleSoft, Decision Support System (DSS), Euna Budget Pro, and all successor platforms. Read-only access to Euna Budget Pro, and all successor platforms, will be granted effective for the Mayor's proposed fiscal year 2029 budget, and all subsequent fiscal years thereafter, from the period of submittal of the Mayor's proposed budget to the City Council through the adoption of a final budget, and for each of the respective quarterly projections submitted to City Council. City Council shall not have access in Euna Budget Pro during the periods in which the Mayor is preparing the proposed budget for the upcoming fiscal year. The access shall consist of City Council having the ability to run the summary and detail reports provided in the proposed and approved budgets that were previously provided by OMB. Any reports City Council does not have access to run will be provided by OMB in as reasonable timeframe.]

~~(B) Reports shall be received by the Council on a timely basis according to the following schedule:~~

~~(1) The preliminary year-end report shall be received for introduction at the first City Council meeting in October following the close of the fiscal year;~~

~~(2) The final year-end report shall be received for introduction at the first City Council meeting in December;~~

~~(3) The midyear report shall be received for introduction at the first City Council meeting in February. The midyear report shall be accompanied by a midyear appropriation resolution for those programs that are projected to be overspent and which the Mayor determines that expenditure controls cannot bring the programs within the limits of administration expenditure authority as defined by §§ 2-7-1-1 et seq., the Administrative Code. Mid-year appropriation adjustments shall be proposed only when caused by unexpected circumstances such as a natural disaster, unforeseen shifts in the national economy, and other~~

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~~events that constitute an emergency. Except as otherwise provided, the Mayor and Council shall confine budget adjustments to the midyear resolution. The midyear report and midyear appropriation resolution shall be reviewed by the City Council at a minimum of one public hearing by a Committee of the Whole.]~~

§ 2-11-[~~21~~][18] INDIRECT OVERHEAD CHARGES TO CAPITAL FUNDS.

(A) Purpose and Findings.

(1) In FY15 the rate of IDOH was 1.93%. In FY19 & FY20 the IDOH rate rose to 2.26%. In FY24 the IDOH rate dropped to 1.04%. In FY25 the rate was calculated at least twice, once at 2.75%, then later at 4.75%. In FY26 the rate of IDOH is 8%. The criteria for calculation of IDOH for FY25 and FY26 have not been disclosed raising concerns about compliance with state and federal guidance and the appropriate use of capital dollars.

(2) In June 2019 the City Office of Internal Audit released a Strategic Review (Report 19-304) that examined Capital Implementation Plan Labor Recovery and recommended that the City "Review labor recovery recorded to projects funded by bond proceeds to ensure use is appropriate relative to the cost associated with providing the service."

(3) The City Council hereby finds that because criteria for the calculation of IDOH have not been publicly disclosed and questions remain regarding the allocation, calculation, and recording of labor costs for capital projects, it is necessary to establish policies to govern the processes of both the IDOH rate calculation and the cost allocation of labor to capital projects.

(B) Definitions.

CIP: The Capital Implementation Division of the Department of Municipal Development (DMD) which includes individuals assigned to the DMD Fiscal Division who are tasked with the accounting and oversight of the use of capital funds.

CAPITAL IMPROVEMENTS/PROJECTS: Projects that design, construct, renovate, rehabilitate, or otherwise improve facilities. These facilities, and improvements shall last or exceed the life of the associated bond.

CIP RECOVERED LABOR COSTS or LABOR: The documented cost of labor that is attributed directly to the design and/or construction of CIP capital projects.

GENERAL OBLIGATION BONDS (GO BONDS): Tax exempt municipal bonds authorized by the US Congress, voted for by the public, and adopted by the Albuquerque City Council for the purpose of financing capital improvements that will last at least the length of the bond repayment schedule. The City plans, votes, and implements the general obligation bond program of capital improvements in a two-year cycle, not in a fiscal year cycle.

CAPITAL PROGRAM (CIP) INDIRECT OVERHEAD (IDOH): Limited necessary costs associated with the administration and implementation of capital projects (e.g., project management, procurement, and fiscal oversight).

IDOH CALCULATION: IDOH calculated in the year following the bond election and applied to the two-year cycle. The calculated rate of IDOH shall be applied to all eligible capital projects regardless of funding source for the entire bond cycle. Since IDOH calculations are estimates, estimated actuals from the previous cycle should be produced to inform the new IDOH calculations.

IDOH CRITERIA: Administrative functions and/or costs that may be used to calculate IDOH.

(C) IDOH Rate Calculation.

(1) It is the policy of the City of Albuquerque that the Indirect Overhead (IDOH) rate applied to capital improvements/projects shall be set at a baseline rate of 2.75 percent (2.75%), unless an alternative rate is justified pursuant to the criteria established in this section and approved by the City Council.

(2) If the Administration determines that an alternative IDOH rate is necessary, the City's Department of Finance, Treasury, and DMD/CIP shall calculate the proposed rate using the criteria established in this section. The proposed rate and supporting documentation shall be submitted to the City Council by Executive Communication for review and approval.

(3) If the City Council rejects the proposed IDOH rate submitted pursuant to this section, the Administration shall submit a revised calculation to the City Council within thirty (30) days. Until such time as a revised rate is approved by the City Council, the IDOH rate applied to capital projects shall not exceed 2.75 percent (2.75%).

(4) Beginning in 2026, the FY26 IDOH shall be recalculated within 60 days of the enactment date of this Ordinance. Beginning with the 2027 bond

cycle, the rate of IDOH shall be calculated by January 31 of the year following every bond election. The calculated rate shall apply to the two-year bond cycle. The rate shall be calculated solely based on the criteria below related to costs associated with administration of the capital program.

(5) IDOH Criteria shall include:

(a) The cost of the entire DMD CIP Division.

(b) Verified labor hours for DMD Fiscal Division staff assigned to accounting and oversight of capital improvement funds.

(c) Verified labor hours for Parks and Recreation Department construction crews assigned to construct, or inspect the construction of, approved and adopted capital projects.

(d) Both DMD and the Parks and Recreation Department employ professional engineers, architects, and landscape architects. Verified labor hours may be recovered for these professionals provided they are responsible for oversight of design or construction of capital projects, or for direct supervision of contracted design professionals working on capital projects.

(e) Verified labor hours for the City's attorney(s) assigned to negotiate, review, and recommend capital improvement related contracts, including attorneys in the City Legal department and any outside counsel contract attorneys.

(f) Verified labor hours for the Purchasing Division staff for processing capital improvement purchase orders.

(g) Costs associated with preparation and sale of the voter approved and adopted bonds.

(6) Criteria that shall not be included:

(a) DMD Construction Services staff or inspectors shall not be included in the IDOH calculation criteria unless an inspector is assigned full-time as a professionally experienced construction inspector on a voter approved and adopted capital project.

(b) Human Resources, Legal, or Payroll, unless directly assigned to the CIP or Fiscal Division of DMD or described in Subsection (C)(5) above.

(c) Executive administrative functions regardless of relationship to CIP Capital projects.

(d) Fiscal or Financial staff supporting non-CIP capital projects.

(e) General departmental planning or policy roles not directly associated with specific capital projects.

(f) Equipment, furnishings, and vehicles shall not be included, nor shall they be recovered from the capital project regardless of whether such items are associated with or used in support of a capital project.

(g) Routine maintenance or general operating costs regardless of whether the work is associated with or used in support of a capital project.

(D) Oversight. The City Council retains authority to reject the proposed IDOH rate. The Office of Internal Audit shall conduct an annual audit of IDOH practices to ensure compliance with this section, including review of the calculation of the IDOH rate, allocation of costs, adherence to the criteria and requirements established herein, and whether costs charged are consistent with the approved scope of capital projects, and shall report its findings to the City Council.

(E) Application of Indirect Overhead.

(1) IDOH may only be applied to eligible capital project costs as defined in this Ordinance section § 2-11-[~~21~~][18]. IDOH shall not be automatically applied based solely on the use of a capital fund and shall not be applied to ineligible costs, including equipment purchases. For purposes of this section, the application of IDOH includes any charge or reservation of funds, whether by expenditure, encumbrance, or other accounting entry.

(2) IDOH associated with a capital project shall be calculated and applied based on the IDOH rate determined by January 31 of the year following the bond election.

(3) New calculated IDOH rates shall not be applied retroactively to previous bond cycles.

(F) Controls on Department Charges to Councilor Capital Activities.

(1) No expenditure that would cause a project to exceed its approved budget shall be incurred or processed without prior approval from the appropriate Councilor or designated Council Services staff. Departments shall provide Council Services with timely notice of project expenditures and remaining balances for all Councilor-initiated and funded capital activities.

(2) No department may submit any instrument that recovers labor or transfers cost to any Councilor's capital activity account (Fund 305 or otherwise) without:

(a) Prior written approval from the Council Services Financial Manager or their designee confirming the request is appropriate and within the budgeted scope of the project as approved by the Councilor's office; and

(b) Final approval from Council Services staff within the City's financial system of record (e.g., PeopleSoft or any successor platform) before the transaction is processed.

(3) No additional administrative, indirect, or overhead costs, including but not limited to labor recovery, supervisory, or coordination outside of the calculated CIP IDOH rate for the applicable bond cycle shall be charged, transferred, or otherwise applied to Councilor approved GO Bond or State Capital Outlay activities, and all costs charged shall be directly related to and consistent with the approved scope of the capital project.

(4) Any such charges made without prior approval or that are in violation of this section shall be reversed within 30 days of notice from the Council Services Financial Manager, or their designee.

(G) Reporting. No later than January 31 of the year following the bond election, the City's DMD/CIP Division shall provide to the City Council via Executive Communication, per Subsection (C)(2) above:

(1) A detailed IDOH rate calculation;

(2) A list of IDOH funded positions across all departments and their percentage allocations to voter-approved and City-adopted capital improvements;

(3) A reconciliation of prior year projections to actual expenditures; and

(4) The final IDOH rate and supporting documentation shall be published on the City's capital transparency website.

~~[§ 2-11-19 BUDGET MODIFICATIONS IN FISCAL YEAR OUTSIDE ADOPTION OF ANNUAL BUDGET.~~

~~(A) The Mayor shall be responsible for identifying and proposing expenditure reductions or revenue enhancements to the operating budget of the city when it is determined, in the period between adoption of the annual operating budget~~

~~[i.e., the fiscal year], that city revenues are not expected to equal city expenditures.~~

~~(B) When the Mayor engages in planned mid- fiscal year reductions of the annual operating budget in excess of $250,000 cumulative for the fiscal year, the Mayor shall cooperate with the Council staff so that it may monitor this budget process and prepare analyses and other information required by the City Council. A representative of the Council shall be allowed to participate in all meetings and have access to all information related to the formulation of this budget reduction program.~~

~~(C) When the Mayor engages in a planned mid- fiscal year reduction of the annual operating budget in excess of $250,000 cumulative in the fiscal year, this effort shall be consistent with Ordinance No. 51-1990. Any redirection or reclassification of appropriations into sequestered or reserved budget categories by the Mayor shall be considered a transfer of funds between budget line-items. Such transfers shall be subject to the regulations contained in § 2-11-16.~~

~~§ 2-11-20 [PROGRAM STRATEGIES.]~~

~~A separate program strategy for motor coach and para-transit operators, mechanics, vehicle cleaners, transit operations personnel, and security officers salaries and benefits shall be created within the Transit Enterprise fund to be used to fund salaries and benefits for transit motor coach and para-transit operators. The program strategy shall be funded with general fund revenues and any fare revenues, and other sources as is applicable~~.]

[§ 2-11-99: CROSS-REFERENCES

Meetings of the Council, see § 2-1-10

Public Interest Organizations, see § 2-5-4

Public Safety Tax Advisory Board, see § 2-6-11

Public Purchases, see Chapter 5, Article 5

Capital Improvements, see § 2-12-4]

SECTION 2. COMPILATION. SECTION 1 of this Ordinance shall amend, be incorporated in, and made part of the Revised Ordinances of Albuquerque, New Mexico, 1994.

SECTION 3. SEVERABILITY. If any section, paragraph, sentence, clause, word or phrase of this Ordinance is for any reason held to be invalid or

unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Ordinance. The Council hereby declares that it would have passed this Ordinance and each section, paragraph, sentence, clause, word or phrase thereof irrespective of any provision being declared unconstitutional or otherwise invalid.

SECTION 4. EFFECTIVE DATE AND IMPLEMENTATION SCHEDULE. This Ordinance shall take effect on July 1, 2027, and shall be implemented during Fiscal Year 2028. All administrative and reporting requirements established herein shall be fully in effect by the start of the Fiscal Year 2029 budget process, when the Mayor's proposed budget is transmitted to the Council on or before April 1, 2028.

No later than December 15, 2027, the Administration shall submit to the City Council a Mid-Year Compliance Report in the form of an Executive Communication accompanied by a public presentation. The report shall:

(A) Identify which provisions of this Ordinance have been implemented to date;

(B) Describe any sections pending implementation, including expected completion dates; and

(C) Outline any administrative or procedural adjustments necessary to achieve full compliance prior to the Fiscal Year 2029 budget submission.