

**CITY OF SANTA FE, NEW MEXICO**

**BILL NO. 2015-23**

**INTRODUCED BY:**

Councilor Peter Ives

**AN ORDINANCE**

**AMENDING SECTION 11-12.1 SFCC 1987 TO MODIFY THE FORMULA BY WHICH THE GOVERNING BODY MAY AUTHORIZE FUNDS FOR TRANSFER FROM AN ENTERPRISE FUND TO THE GENERAL FUND.**

**BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:**

**Section 1. Section 11-12.1 of the Santa Fe City Code 1987 (being Ord. #1997-4, §1; Ord. #2011-14, §1) is amended to read:**

**11-12.1 Enterprise Fund Expenditures.**

A. All revenues generated by enterprise funds, including bond and grant proceeds, shall be expended solely for the purposes of their respective enterprise funds.

B. All revenues in excess of that needed to pay for operations and maintenance, capital outlays, bond debt service and similar revenue expenditures shall remain within their respective funds unless a failure to transfer the funds would constitute a violation of law or an impairment of an existing contract, or is made in accordance with paragraph D of this section.

C. ~~[Cash balances]~~ Net revenue generated by enterprise funds shall be ~~[retained within~~

1 ~~their respective funds, except that on annual basis]~~ used for capital investment, repair and  
2 replacement, debt management, working capital, and transfers to the general fund.

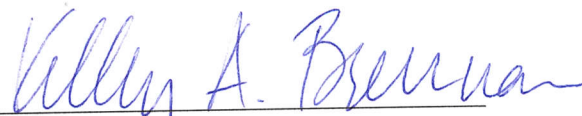
3 D. On an annual basis, the governing body may authorize a transfer to the general fund  
4 in an amount not to exceed [~~one million seven hundred thousand dollars (\$1,700,000)~~] twelve percent  
5 (12%) of the three (3) year average total operating revenues based on the previous two years' actual  
6 revenues reported in the city's annual audit, after allowing the enterprise to meet all of its operating  
7 expenses and debt service obligations, and providing for 45 days of working capital. Prior to such  
8 transfer of enterprise funds to the general fund, an analysis shall be performed to ensure that such a  
9 transfer would not require an enterprise fund rate increase; negatively affect bond ratings associated  
10 with the specific enterprise fund or be inconsistent with NMSA 1978, § 3-23.4. The city may [~~also~~]  
11 charge the enterprise fund for duly incurred non-routine costs of city services attributable to operation  
12 and maintenance of the enterprise or enterprise fund.

13 E. The city may charge the enterprise fund the reasonable value of costs of city services  
14 attributable to operation and maintenance of the enterprise or enterprise fund.

15 [D]F. This ordinance is not intended to be construed to affect, amend or repeal any  
16 provision of any bond ordinance and is not intended to pertain to the collection of payments in lieu of  
17 taxes/fees or the convention center enterprise fund.

18 G. Paragraph D of this section shall expire on June 30, 2016. Paragraph E shall take  
19 effect July 1, 2016.

20  
21 APPROVED AS TO FORM:

22   
23 \_\_\_\_\_  
24 KELLEY A. BRENNAN, CITY ATTORNEY

25 M/Legislation/Bills 2015/2015-23 Enterprise Fund Transfer Adjustment