

ARTICLE 2. VILLAGE FUNDS

- SECTION 1. Permanent Fund
- SECTION 2. Referendum Required
- SECTION 3. Reserve Fund
- SECTION 4. Income Fund

§ 2.2.1 PERMANENT FUND

Pursuant to § 6-6-19 NMSA 1978 there is hereby established a permanent fund into which may be deposited at the end of every fiscal year an amount of the unappropriated general fund surplus. The amount that may be deposited is any portion of the unappropriated general fund surplus that is in excess of fifty percent (50%) of the prior fiscal year's budget.

§ 2.2.2 REFERENDUM REQUIRED

Money in the permanent fund may only be appropriated or expended if approved by a majority of the voters within the Village. Within sixty (60) days prior to any general election, the governing body may adopt a resolution to include on the ballot the question of expenditure of any amount of money in the permanent fund for a specified purpose.

(A) If a majority of the registered voters voting on the question disapprove the expenditure, then no money in the permanent fund may be expended for the specified purpose.

(B) If the expenditure was not approved, that question shall not again be submitted to the voters within one year of the date of that election.

§ 2.2.3 RESERVE FUND

There is hereby established a reserve fund into which may be deposited an amount of the unappropriated general fund surplus. Money in the reserve fund may only be appropriated or expended by approval of three of the four (4) Village Trustees. The purpose of the reserve fund is to provide for long-term investment.

§ 2.2.4 INCOME FUND

There is hereby established an income fund for the purpose of collecting and disposing of income from the permanent fund and the reserve fund. Income from the permanent fund and the reserve fund may be invested by the Board pursuant to §§ 6-10-10, 6-10-36 and 6-10-44 NMSA 1978 and earnings from such investment shall be deposited in the municipality's income fund. Money in the income fund may be budgeted and appropriated by the governing body for expenditure for any purpose or deposited in the permanent fund.

Ordinance and State Law References regarding Chapter 2, Article 2 (f/k/a Chapter 1, Section 2):

Ordinance #96, adopted October 10, 1990;
Municipal finances § 3-37-1 NMSA 1978;
Local Government Finances, § 6-6-1, *et seq.*, NMSA 1978;
Public Money, § 6-10-2, *et seq.*, NMSA 1978.

