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State Auditor Finds Chronic Budgetary Shortfalls, Stopgaps at Secretary of State's Office
Identifies \$25 million in emergency funding measures used for routine elections

SANTA FE, NM – The New Mexico Office of the State Auditor (OSA) has identified a pattern of chronic budgetary shortfalls related to the state's election expenses. In a letter to Secretary of State Brad Winter, State Auditor Tim Keller outlined ten consecutive fiscal years of under-budgeting, which created a need for \$25 million in emergency loans, grants and special appropriations to fund elections. The letter calls on the Office of the Secretary of State (SOS) to promptly implement best practices for accurate budgeting of election costs. The current practice creates an unnecessarily high level of financial risk in the state's ability to regularly and fully fund elections and publically financed campaigns.

"Repeatedly using emergency funding mechanisms for routine, regularly scheduled elections runs against commonsense budgeting principles," stated State Auditor Tim Keller. "We know we are going to have elections, we know when we're going to have them, and we know generally how much they cost. There is no need to use band aids year after year."

For the past 10 years from 2008 to 2017, emergency loans or special appropriations were made by the Board of Finance or from the General Fund to cover budget deficits of \$24,793,877 representing a 43 percent increase over the SOS's regular budget.

On multiple occasions, funds dedicated for publically financed candidates were used to cover regular elections expenses. As a result, the fund balance decreased 80% from a high of \$2,555,515 in 2010 to a low of \$496,909 in 2015.

The budgetary constraints that the State of New Mexico is facing in the upcoming fiscal year will be exacerbated if the SOS's pattern of under-budgeting election expenses continues. The OSA has offered to assist with efforts to address the problem, including coordination among county clerks and the SOS.

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Fiscal Year	Funding Type	Funding Source	Amount
2008	Emergency Loan	Board of Finance	\$550,105
2008	Supplemental/Deficiency	General Fund	\$500,000
2009	Emergency Loan	Board of Finance	\$150,000
2009	Emergency Loan	Board of Finance	\$41,111
2009	Special Appropriations	General Fund	\$3,000,000
2009	Special Appropriations-	General Fund	\$1,637,400
2009	Supplemental/Deficiency	General Fund	\$99,300
2009	Special Appropriations	General Fund	\$1,000,000
2010	Emergency Loan	Board of Finance	\$385,861
2010	Special Appropriations	General Fund	\$1,000,000
2010	Special Appropriations	Public Election Fund	\$1,912,000
2010	Special Appropriations	General Fund	\$500,000
2010	Special Appropriations	Public Election Fund	\$217,700
2011	Special Appropriation	General Fund	\$250,000
2011	Supplemental/Deficiency	General Fund	\$300,000
2012	Fiscal Year 2012	Public Election Fund	\$1,050,000
2012	Supplemental/Deficiency	General Fund	\$1,013,000
2013	Fiscal Year 2013 Appropriations	Public Election Fund	\$1,696,000
2013	Special Appropriation	Public Election Fund	\$300,000
2013	Supplemental/Deficiency	General Fund	\$1,100,000
2014	Fiscal Year 2014	Public Election Fund	\$1,250,000
2014	Special Appropriation	General Fund	\$700,000
2014	Special Appropriation	General Fund	\$200,000
2015	Fiscal Year 2015	Public Election Fund	\$1,950,000
2015	Special Appropriation	General Fund	\$541,400
2016	Fiscal Year 2016	Public Election Fund	\$1,250,000
2016	Special Appropriation	General Fund	\$950,000
2016	Supplemental/Deficiency	General Fund	\$500,000
2017	Fiscal Year 2017	Public Election Fund	\$750,000
TOTAL			\$24,793,877