

STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

LAURA M. MONTOYA  
State Treasurer



JANICE Y. BARELA  
Deputy State Treasurer

September 2, 2025

**RE: BU 39400 FY2027 APPROPRIATION REQUEST**

The Office of the State Treasurer (STO) hereby submits the Fiscal Year 2027 Appropriation Request. This cover letter notes the following:

***1) Base Budget Increases that are Required to Maintain FY27 Appropriation Service Levels***

**To keep pace with rising revenues, best practices, internal controls, continuity of services and staff, and preparation for future retirements, the STO's FY27 budget proposes to fill most of the Office's unfunded vacancies, maintain the contracted service licenses, and maintain the mandatory information technology software needed to provide safety for all transactions.**

The workload of the STO's staff has increased significantly in recent years due to rising state revenues and an increase in Local Government Investment Pool (LGIP) participants. From FY20 to FY25, the State Treasurer's Office has increased assets from \$4.1 billion to nearly \$20 billion, with nearly \$3.3 billion in the LGIP Short-Term and Medium-Term. With this increase, the Cash Management Division has seen the total of bank deposits increase by \$16.7 billion and an increase in disbursements of \$16.3 billion in the same period. The volume of portfolio trades has also increased by 207%. During this same time, the STO's budget has not enabled it to offer salaries commensurate with either other state investing agencies or the industry, more generally. In fact, though there is an increase in dollars, trades, and deposits, staffing was decreased over the years because of lack of funding for FTE.

The STO serves 140 agencies and has over 1,100 bank accounts. We earned \$1.378 billion and had over \$22 billion in trade volume for FY25.

Please see next page for the STO Fund Performance table

# STO Fund Performance

Period Ended 6/30/25



	1Y	3Y	5Y	FY24 Total Earnings*	FY25 Total Earnings*
<b>General Fund</b>					
Liquidity	4.79%	4.71%	2.89%	\$228,337,494	\$171,490,713
ICE 1-Month US Treasury Bill Index	4.75%	4.58%	2.77%		
Core	3.17%	3.86%	1.66%	\$252,933,884	\$344,529,330
ICE 0 to 5 Year US Treasury Index	3.11%	3.53%	1.31%		
<b>Combined Total Earnings for General Fund</b>				<b>\$481,271,378</b>	<b>\$516,020,043</b>
<b>Bond Proceeds Pools</b>					
Tax Exempt	5.21%	4.30%	2.35%	\$68,294,664	\$53,526,233
ICE 0 to 2 Year US Treasury Index	5.12%	3.99%	2.10%		
Taxable	5.56%	4.11%	2.07%	\$100,324,105	\$142,618,833
ICE 0 to 3 Year US Treasury Index	5.41%	3.77%	1.77%		
<b>Local Gov't Investment Pool</b>					
LGIP ST - 1-Year Net Yield at end of fiscal year*	4.67%	0.16%	1.49%	\$93,184,186	\$94,562,790
S&P LGIP - 1-Year Net Yield at end of fiscal year*	4.64%	0.12%	1.42%		
LGIP MT	5.55%	N/A	N/A	\$6,639,034	\$55,926,115
ICE 0 to 3 Year US Treasury Index	5.41%	N/A	N/A		
<b>Severance Tax Bonding Fund</b>					
STBF	4.76%	4.83%	2.95%	\$34,880,527	\$28,639,091
S&P LGIP Gross of Fees	4.94%	4.77%	2.91%		

\* Total Earnings includes income earned and change in unrealized gain/loss. 1-Year Net Yield for LGIP ST and S&P LGIP index is reported as of fiscal year-end for FY25, FY22, FY20

In addition to the five state pools and two LGIP pools, the STO also manages overnight repurchase agreements (Repo), education and technology notes, general obligation bonds, paying agent for outstanding bond issues and all collateral management.

## Unfunded Vacancies

The Board of Finance contracted an external auditor to review the STO's investments and staffing issues. The conclusion is that best practices is for any one employee to not have more than \$4 billion of oversight. I have two investment professionals that manage all \$19.6 billion. It was also advised that we need to have a Chief Investment Officer who oversees the Investment Division and not buying, selling or trading. We have not been able to do so because we have not had the exempt position (the previous administration made it classified) and because we did not have an additional portfolio manager position in the office. We need two additional portfolio managers and a Chief Investment Officer who oversees the Investment Division for best practices and compliance with the recommendations.

## Contracted Licenses

Contracts we had to renew or increase include Broadridge, POMA, Bloomberg, and AVM L.P. These contracted service licenses include G Treasury cash flow software system upgrades that provide cash flow analysis and Broadridge (POMA) which allows for pre-trade compliance. The cash flow analysis process is currently being done manually by one individual that can chose to retire in just a few years. This cash flow software will allow for greater coordination between the Cash Management Division's responsibility to maintain the cash flow based on debits and credits from all accounts and the Investment Division to invest based on the state's needs for liquidity while maintaining yield and aligning with the benchmark for each respective pool. There are too many dollars flowing in and out to not get this done.

The Broadridge (POMA) contract we are implementing is to provide pre-trade compliance and risk assessment software that are essential for best practices and internal controls instead of our current

process of post-trade compliance. We initiated both contracts and are working on the implementation.

### **IT Software and Staffing**

The STO contracted an independent auditor to review governance, security, access controls, data management, compliance, operations, and staffing. The conclusion is that we need an exempt Chief Information Officer to oversee the Operations Division. There were other recommendations that deal specifically with IT software and data needs which is why we requested a special appropriation during the last legislative session and are requesting additional funding to complete required upgrades to IT and hiring additional staff for best practices and compliance with the recommendations.

### ***2) Summary of Significant Changes in Projected Revenue***

The STO requires an increase in its general appropriation from \$4,854.2 million in FY26 to \$6,971.7 million for FY27, an increase of \$2,117.5 million, a 43.6% increase from FY26.

Section 6-10-10.1-H NMSA allows the STO to charge a fee in order to manage the independent local government funds at a low cost while providing safety, liquidity, yield as well as diversification of funds with expert staff. The STO earned \$1.52 million in FY25 from the 5 basis points (BP) charged for participants to utilize the LGIP fees. We are requesting the breakdown of that \$1.52 million as follows:

- An increase of \$186.0 thousand in Other Revenue for FY27 to a total of \$750.0, or a 33.0% increase from the FY26 Other Revenue amount of \$564.0.
- We also request our BAR language in FY27 reflect the total amount of the LGIP fees earned in FY25 to cover expenses related to the LGIP Short-Term and the newly created LGIP Medium-Term Pool where SIC is the only participant with over \$1 billion invested. The BAR amount requested is \$779.7 thousand. In FY25, the STO's Other Revenue included in our base budget was \$401.0 with BAR language for an additional \$350.0 for a total of \$751.0. The STO earned roughly double that amount in LGIP revenue in FY25.

These increases will assist in covering recurring expenses and enabling the STO to keep pace with a rising workload, as described in Section 1.

### ***3) Summary of Any Significant Changes in Projected Expenses***

The significant changes intend to help the STO comply with best practices, follow the recommendations of both the internal auditor and the two external auditor recommendations, and meet the demands of the STO's current workload. The changes also reflect utilizing the 5 BP that we are statutorily allowed to use to modernize the STO and remove the high-risk vulnerabilities we are currently facing.

The STO's \$6,971.7 FY27 general appropriation request includes the following detailed changes by fund:

**200:** The STO requests an increase of \$1,720.3 million from the FY26 budget for personnel services/employee benefits expenditures. The increase is attributed to two factors: the need to hire three high-level investment positions and one high-level IT position and for the STO to take on the increase in investment obligations. In order to accomplish this, we need to keep our 35 FTE and add four additional FTE that need to be funded. This equates to 35 FTE needing to be fully funded at a projected cost of \$1,720.3 million. The four new positions needed in the Investments and IT

Operations Divisions total \$1,120.0 million for salaries and benefits, and the remaining \$600.3 thousand would be allocated to fund the current positions to 31 FTE. This would enable the Office's five divisions to better fulfill their operational missions and to comply with the statutory and constitutional duties of the Office. In addition, the inability to pay the STO members competitive salaries and wages has resulted in higher staff turnover, difficulties in hiring qualified people and retaining staff.

**300:** The STO requests an increase of \$394.0 thousand or 74.9% increase from the FY26 budget for professional contract expenditures for a total of \$920.2 thousand or 74.9%. The increase is attributed to AVM, L.P. contract that provides Repo services to the Treasurer's Office. As interest rates decrease, Repo agreements are more attractive than money market investments. It is also attributed to increasing the Broadridge (POMA) contract for additional services that will provide pre-trade compliance as well as eliminate manual entries and provide compliance criteria for best practices. RFP for FY26 is in the works for talent acquisitions for the new positions required by the STO.

**400:** The STO requests a total of \$1,051.7 million, an increase of \$189.7 thousand or a 22.0% increase for other expenditures from FY26. The requested increase will be covered by the increase in LGIP administrative fees generated by the STO. The increase will accommodate additional licenses, recurring license costs, annual and service fees for the additional software and modules added during FY26 besides other minor inflationary cost increases.

#### ***4) Identification of Any Significant Projected Funding Shortages and the Impact on the STO's Core Mission if Additional Funding is Not Provided***

If the STO's FY27 appropriation request is not allocated, the STO will not be provided with the resources necessary to fulfill our constitutional and statutory requirements. The most significant changes in the STO's funding requirements have been identified in Section 1 of this request.

If we do not have the staff or continuity of current staff, we are jeopardizing institutional knowledge and risking just under \$20 billion, including \$3.3 billion that belongs to counties, municipalities, school districts, tribal entities and special authorities as well as the State Investment Council. If the STO does not have the staff to strengthen the integrity of checks and balances, there will be several risk factors, and consequences that could impact operations, best practices and yield, and we (meaning all of us) will not be complying with our fiduciary responsibility.

If we do not maintain our technology, licenses, warranties, et cetera, we are putting the entire state bank at risk of noncompliance, fraud, and security breaches that could cost millions of dollars and stop bank activity.

The amount we are requesting is minute in comparison to the risk if we do not get the funding necessary to do our jobs. New Mexico has never seen the magnitude of transactions or dollars flowing through this office and frankly, the STO has been neglected and disregarded far too long and needs the support to catch up with best practices and current industry standards.

#### ***5) Proposed Changes in Program Structure and/or the Realignment of Agency Resources to Address Critical or Emerging Needs***

In prior years, the STO relied on vacancy savings to cover operational shortfalls, a practice inconsistent with sound accounting standards. For FY25, the level of vacancy savings was reduced. The only reason we reverted funds in the 200 category is because we did not have an HR manager for

several months and getting those positions filled with individuals who have the skill set, has been challenging. This year, we are working on an RFP to get assistance in finding qualified individuals for high-level positions.

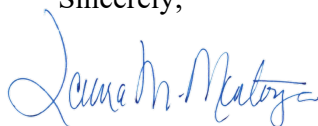
The State Board of Finance authorized an independent audit of the State Treasurer's Office investment portfolios. The audit recommends the STO align with best practice standards by maintaining one portfolio manager for every \$4 billion in assets under management. This benchmark ensures adequate oversight, risk management, and performance monitoring. Based on current portfolio size, the STO needs to hire two (2) additional portfolio managers to meet this standard. The audit also noted that while the STO has a Chief Investment Officer (CIO), her role currently includes direct trading responsibilities. A distinction should be made to separate strategic leadership from daily trading activities to strengthen internal controls, ensure proper separation of duties, and align with industry best practices. The audit further recommended that the CIO be an exempt employee. The exempt CIO will provide dedicated strategic leadership, oversight of all portfolios, and risk management of the STO's investment program as well as work closely with the Cash Manager

The STO authorized an independent audit of its IT Operations Division. Currently, there are only two IT staff. The audit recommended the creation of an exempt Chief Information Officer (CIO) position. The STO manages billions of dollars in state funds through systems that support cash management, investments, budget and finance, and collateral operation. These critical functions require dedicated IT leadership to ensure security, compliance, and operational efficiency. By establishing an exempt CIO, the STO will align with best practices for financial oversight agencies, reduce operational vulnerabilities, and ensure that technology resources are strategically managed in support of the STO's mission to safeguard and grow public funds.

This administration manages several programs, two of which are unfunded, Work-N-Save and Forfeiture. We continue to advance statewide initiatives for New Mexicans, such as the New Mexico State Treasurer's Achieving a Better Life Experience (NM STABLE) program, Financial Fitness, and Women Empowerment. These legislative mandates and programs may require their own general appropriation and/or fund to meet mission requirements.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Laura M. Montoya  
State Treasurer

**APPROPRIATION REQUEST  
CERTIFICATION  
FORM S-1**

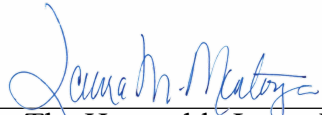
---

---

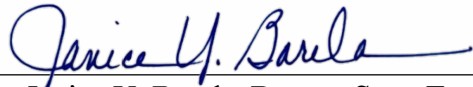
Agency Name: State Treasurer

Business Unit: 39400

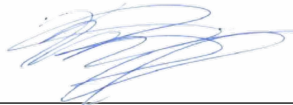
*I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.*



\_\_\_\_\_  
The Honorable Laura M. Montoya, State Treasurer



\_\_\_\_\_  
Janice Y. Barela, Deputy State Treasurer



\_\_\_\_\_  
, Kristen Dorland, State Treasurer CFO

2055 South Pacheco Street  
Suite 100  
Santa Fe, NM 87505

505-946-8849

kristen.dorland@sto.nm.gov

*Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.*

---

Agency Name: The State Treasurer's Office

Program Name: \_\_\_\_\_

Business Unit: 39400

Program Code: P644

**APPROPRIATION REQUEST  
ORGANIZATION CHART  
FORM S-2**

Check Box if this form is a revision

Revision no:

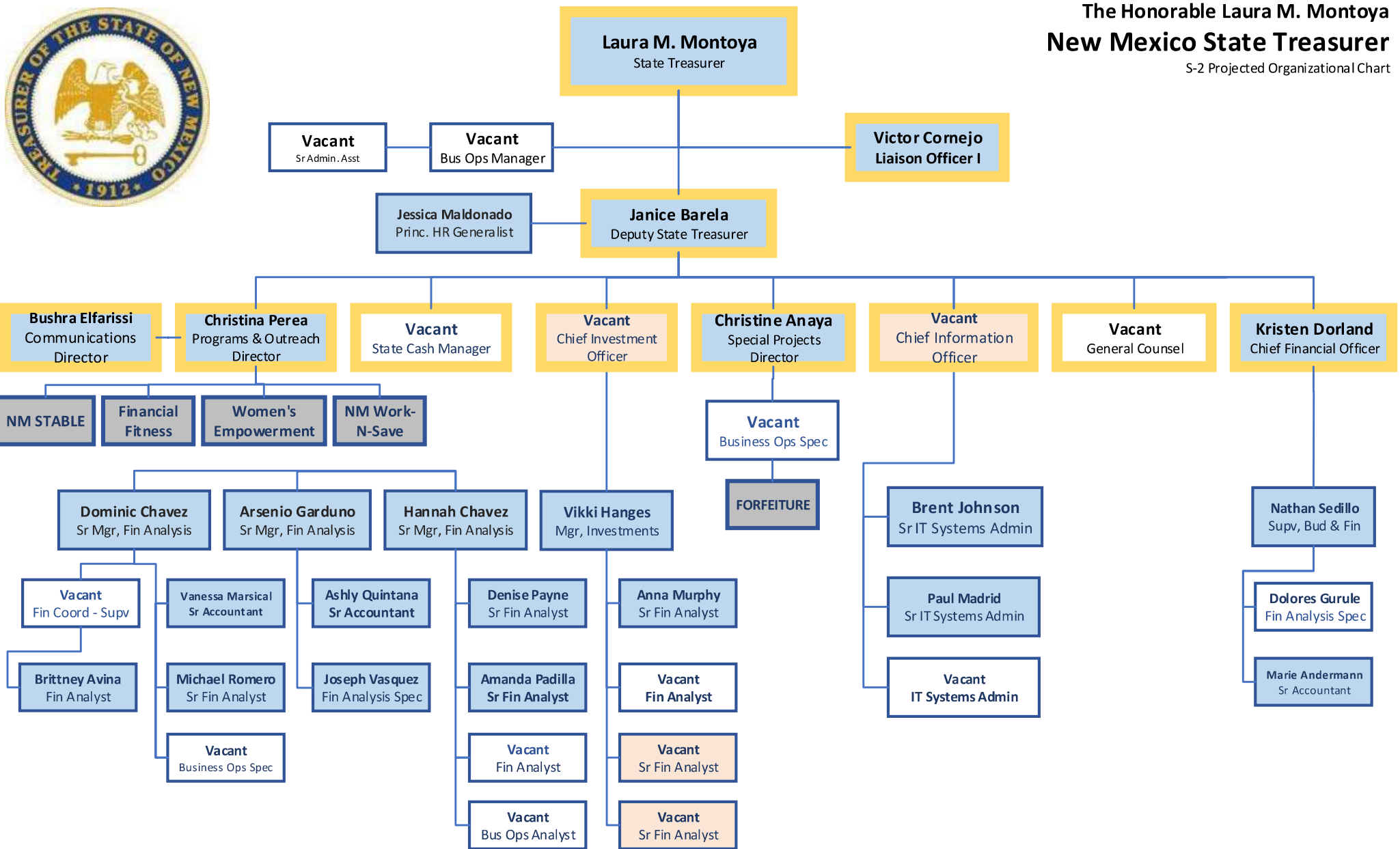
Revision Date: 6/30/2011

Page



# The Honorable Laura M. Montoya New Mexico State Treasurer

S-2 Projected Organizational Chart



S-8 Financial Summary

(Dollars in Thousands)

BU PCode Department  
39400 0000 0000000000

	2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	Base	----- FY 2027 Agency Request -----		Total
						Expansion		
<b>REVENUE</b>								
111 General Fund Transfers	4,703.3	4,611.2	4,854.2	0.0	6,971.7	0.0		6,971.7
112 Other Transfers	0.0	92.1	0.0	0.0	0.0	0.0		0.0
120 Federal Revenues	2.0	3.1	2.6	0.0	3.1	0.0		3.1
130 Other Revenues	401.0	1,529.7	564.0	0.0	750.0	0.0		750.0
REVENUE, TRANSFERS	5,106.3	6,236.1	5,420.8	0	7,724.8	0.0		7,724.8
<b>REVENUE</b>	<b>5,106.3</b>	<b>6,236.1</b>	<b>5,420.8</b>	<b>0</b>	<b>7,724.8</b>	<b>0.0</b>		<b>7,724.8</b>
<b>EXPENSE</b>								
200 Personal services and employee benefits	3,866.6	3,473.0	4,032.6	4,769.9	5,752.9	0.0		5,752.9
300 Contractual services	522.5	515.5	526.2	0.0	920.2	0.0		920.2
400 Other	717.2	1,289.6	862.0	0.0	1,051.7	0.0		1,051.7
EXPENDITURES	5,106.3	5,278.1	5,420.8	4,769.92	7,724.8	0.0		7,724.8
500 Other financing uses	0.0	(0.0)	0.0	0.0	0.0	0.0		0.0
OTHER FINANCING USES	0.0	(0.0)	0.0	0	0.0	0.0		0.0
<b>EXPENSE</b>	<b>5,106.3</b>	<b>5,278.1</b>	<b>5,420.8</b>	<b>4,769.92</b>	<b>7,724.8</b>	<b>0.0</b>		<b>7,724.8</b>
<b>FTE POSITIONS</b>								
810 Permanent	35.00	0.00	35.00	34.00	39.00	0.00		39.00
FTEs	35.00	0.00	35.00	34.00	39.00	0.00		39.00
<b>FTE POSITIONS</b>	<b>35.00</b>	<b>0.00</b>	<b>35.00</b>	<b>34.00</b>	<b>39.00</b>	<b>0.00</b>		<b>39.00</b>

State of New Mexico  
**S-8 Financial Summary**  
 (Dollars in Thousands)

**BU**    **PCode**    **Department**  
 39400   P644    000000

		2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	Base	----- FY 2027 Agency Request ----- Expansion	Total
<b>REVENUE</b>								
111	General Fund Transfers	4,703.3	4,611.2	4,854.2	0.0	6,971.7	0.0	6,971.7
112	Other Transfers	0.0	92.1	0.0	0.0	0.0	0.0	0.0
120	Federal Revenues	2.0	3.1	2.6	0.0	3.1	0.0	3.1
130	Other Revenues	401.0	1,529.7	564.0	0.0	750.0	0.0	750.0
<b>REVENUE, TRANSFERS</b>		<b>5,106.3</b>	<b>6,236.1</b>	<b>5,420.8</b>	<b>0.0</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
<b>REVENUE</b>		<b>5,106.3</b>	<b>6,236.1</b>	<b>5,420.8</b>	<b>0.0</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
<b>EXPENSE</b>								
200	Personal services and employee benefits	3,866.6	3,473.0	4,032.6	4,769.9	5,752.9	0.0	5,752.9
300	Contractual services	522.5	515.5	526.2	0.0	920.2	0.0	920.2
400	Other	717.2	1,289.6	862.0	0.0	1,051.7	0.0	1,051.7
<b>EXPENDITURES</b>		<b>5,106.3</b>	<b>5,278.1</b>	<b>5,420.8</b>	<b>4,769.92</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
500	Other financing uses	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
<b>OTHER FINANCING USES</b>		<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>EXPENSE</b>		<b>5,106.3</b>	<b>5,278.1</b>	<b>5,420.8</b>	<b>4,769.92</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
<b>FTE POSITIONS</b>								
810	Permanent	35.00	0.00	35.00	34.00	39.00	0.00	39.00
<b>FTEs</b>		<b>35.00</b>	<b>0.00</b>	<b>35.00</b>	<b>34.00</b>	<b>39.00</b>	<b>0.00</b>	<b>39.00</b>
<b>FTE POSITIONS</b>		<b>35.00</b>	<b>0.00</b>	<b>35.00</b>	<b>34.00</b>	<b>39.00</b>	<b>0.00</b>	<b>39.00</b>

BU PCode Department  
39400 0000 0000000000

**S-9 Account Code Revenue/Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
499105	General Fd. Appropriation	4,703.3	4,611.2	4,854.2	0.0	6,971.7	0.0	6,971.7
<b>111</b>	<b>General Fund Transfers</b>	<b>4,703.3</b>	<b>4,611.2</b>	<b>4,854.2</b>	<b>0.0</b>	<b>6,971.7</b>	<b>0.0</b>	<b>6,971.7</b>
499905	Other Financing Sources	0.0	92.1	0.0	0.0	0.0	0.0	0.0
499906	OFS - INTRA-Agency	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
<b>112</b>	<b>Other Transfers</b>	<b>0.0</b>	<b>92.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
451903	Federal Direct - Operating	2.0	3.1	2.6	0.0	3.1	0.0	3.1
<b>120</b>	<b>Federal Revenues</b>	<b>2.0</b>	<b>3.1</b>	<b>2.6</b>	<b>0.0</b>	<b>3.1</b>	<b>0.0</b>	<b>3.1</b>
401101	General State Levy	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404301	Severance - Oil & Gas	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404601	Severance - Copper	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404701	Severance - Potash	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
404901	Severance - Others	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441201	Interest On Investments	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441501	Other Investment Income	401.0	1,529.7	564.0	0.0	750.0	0.0	750.0
496901	Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>130</b>	<b>Other Revenues</b>	<b>401.0</b>	<b>1,529.7</b>	<b>564.0</b>	<b>0.0</b>	<b>750.0</b>	<b>0.0</b>	<b>750.0</b>
<b>TOTAL REVENUE</b>		<b>5,106.3</b>	<b>6,236.1</b>	<b>5,420.8</b>	<b>0</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
520100	Exempt Perm Positions P/T&F/T	925.3	837.2	968.2	999.5	1,768.2	0.0	1,768.2
520300	Classified Perm Positions F/T	1,933.5	1,684.4	2,056.6	2,470.7	2,416.8	0.0	2,416.8
520600	Paid Unused Sick Leave	3.6	0.0	3.6	0.0	4.0	0.0	4.0
520700	Overtime & Other Premium Pay	0.0	1.1	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	41.4	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	200.4	155.0	200.4	316.6	465.0	0.0	465.0
521200	Retirement Contributions	526.5	485.2	526.5	693.6	752.5	0.0	752.5
521300	F I C A	183.0	187.7	183.0	213.2	240.0	0.0	240.0
521400	Workers' Comp Assessment Fee	0.3	0.2	0.3	0.0	10.0	0.0	10.0
521410	GSD Work Comp Insur Premium	6.0	2.6	6.0	0.0	8.0	0.0	8.0
521600	Employee Liability Ins Premium	33.3	27.7	33.3	0.0	13.4	0.0	13.4
521700	RHC Act Contributions	54.7	50.4	54.7	76.4	75.0	0.0	75.0
<b>200</b>	<b>Personal services and employee benef</b>	<b>3,866.6</b>	<b>3,473.0</b>	<b>4,032.6</b>	<b>4,769.9</b>	<b>5,752.9</b>	<b>0.0</b>	<b>5,752.9</b>
535100	Medical Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535200	Professional Services	310.2	266.3	310.2	0.0	704.2	0.0	704.2
535300	Other Services	46.0	30.1	46.0	0.0	46.0	0.0	46.0

BU PCode Department  
39400 0000 0000000000

**S-9 Account Code Revenue/Expenditure Summary**  
(Dollars in Thousands)

	2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	----- FY 2027 Agency Request -----		
					Base	Expansion	Total
535309 Other Services - Interagency	0.0	9.6	0.0	0.0	0.0	0.0	0.0
535400 Audit Services	106.3	93.6	106.3	0.0	106.3	0.0	106.3
535500 Attorney Services	60.0	48.7	63.7	0.0	63.7	0.0	63.7
535600 IT Services	0.0	67.1	0.0	0.0	0.0	0.0	0.0
<b>300 Contractual services</b>	<b>522.5</b>	<b>515.5</b>	<b>526.2</b>	<b>0.0</b>	<b>920.2</b>	<b>0.0</b>	<b>920.2</b>
542100 Employee I/S Mileage & Fares	0.1	1.0	3.0	0.0	3.0	0.0	3.0
542200 Employee I/S Meals & Lodging	0.0	1.3	4.3	0.0	4.0	0.0	4.0
542500 Transp - Fuel & Oil	3.0	0.6	5.0	0.0	5.0	0.0	5.0
542600 Transp - Parts & Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542700 Transp - Transp Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542800 State Transp Pool Charges	11.2	12.7	11.2	0.0	10.0	0.0	10.0
543200 Maint - Furn, Fixt, Equipment	3.7	0.0	3.7	0.0	3.4	0.0	3.4
543300 Maint - Buildings & Structures	0.0	0.1	0.0	0.0	0.0	0.0	0.0
543400 Maint - Property Insurance	0.2	0.1	1.2	0.0	0.1	0.0	0.1
543500 Maint - Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543700 Maintenance Services	1.7	0.0	3.5	0.0	3.5	0.0	3.5
543820 Maintenance IT	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543830 IT HW/SW Agreements	300.0	401.9	316.6	0.0	453.7	0.0	453.7
544000 Supply Inventory IT	22.2	17.9	22.2	0.0	21.2	0.0	21.2
544100 Supplies-Office Supplies	5.0	2.8	7.5	0.0	5.0	0.0	5.0
544900 Supplies-Inventory Exempt	0.0	11.6	0.0	0.0	24.5	0.0	24.5
545609 Report/Record Inter St Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
545700 ISD Services	18.6	22.4	30.0	0.0	36.0	0.0	36.0
545710 DOIT HCM Assessment Fees	12.6	11.5	12.6	0.0	12.6	0.0	12.6
545900 Printing & Photo Services	4.6	8.8	10.0	0.0	10.0	0.0	10.0
546100 Postage & Mail Services	1.0	0.5	1.5	0.0	1.5	0.0	1.5
546400 Rent Of Land & Buildings	224.6	224.6	224.5	0.0	224.5	0.0	224.5
546500 Rent Of Equipment	13.0	11.3	13.0	0.0	13.0	0.0	13.0
546600 Communications	6.5	8.6	4.7	0.0	4.7	0.0	4.7
546610 DOIT Telecommunications	52.0	58.1	58.0	0.0	66.5	0.0	66.5
546700 Subscriptions/Dues/License Fee	14.0	12.5	44.0	0.0	44.0	0.0	44.0
546800 Employee Training & Education	8.4	10.8	20.0	0.0	18.0	0.0	18.0
546900 Advertising	3.8	3.9	12.0	0.0	10.0	0.0	10.0

BU PCode Department  
39400 0000 0000000000

**S-9 Account Code Revenue/Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
547105	Bank Fees/Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547500	Purchases For Resale	0.0	0.7	0.0	0.0	0.0	0.0	0.0
547700	Debt Service-Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547800	Debt Service-Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547900	Miscellaneous Expense	1.0	386.1	5.5	0.0	5.5	0.0	5.5
548200	Furniture & Fixtures	0.0	4.3	13.0	0.0	13.0	0.0	13.0
548300	Information Tech Equipment	0.0	17.0	0.0	0.0	24.0	0.0	24.0
548400	Other Equipment	0.0	32.0	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	5.0	10.4	25.0	0.0	25.0	0.0	25.0
549700	Employee O/S Meals & Lodging	5.0	16.3	10.0	0.0	10.0	0.0	10.0
<b>400</b>	<b>Other</b>	<b>717.2</b>	<b>1,289.6</b>	<b>862.0</b>	<b>0.0</b>	<b>1,051.7</b>	<b>0.0</b>	<b>1,051.7</b>
555100	Other Financing Uses	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
555106	OFU - INTRA-Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>500</b>	<b>Other financing uses</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL EXPENSE</b>		<b>5,106.3</b>	<b>5,278.1</b>	<b>5,420.8</b>	<b>4,769.92</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
810	Permanent	35.00	0.00	35.00	34.00	39.00	0.00	39.00
<b>810</b>	<b>Permanent</b>	<b>35.00</b>	<b>0.00</b>	<b>35.00</b>	<b>34.00</b>	<b>39.00</b>	<b>0.00</b>	<b>39.00</b>
<b>TOTAL FTE POSITIONS</b>		<b>35.00</b>	<b>0.00</b>	<b>35.00</b>	<b>34.00</b>	<b>39.00</b>	<b>0.00</b>	<b>39.00</b>

BU PCode Department  
39400 P644 000000

**S-9 Account Code Revenue/Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
499105	General Fd. Appropriation	4,703.3	4,611.2	4,854.2	0.0	6,971.7	0.0	6,971.7
<b>111</b>	<b>General Fund Transfers</b>	<b>4,703.3</b>	<b>4,611.2</b>	<b>4,854.2</b>	<b>0.0</b>	<b>6,971.7</b>	<b>0.0</b>	<b>6,971.7</b>
499905	Other Financing Sources	0.0	92.1	0.0	0.0	0.0	0.0	0.0
499906	OFS - INTRA-Agency	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
<b>112</b>	<b>Other Transfers</b>	<b>0.0</b>	<b>92.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
451903	Federal Direct - Operating	2.0	3.1	2.6	0.0	3.1	0.0	3.1
<b>120</b>	<b>Federal Revenues</b>	<b>2.0</b>	<b>3.1</b>	<b>2.6</b>	<b>0.0</b>	<b>3.1</b>	<b>0.0</b>	<b>3.1</b>
401101	General State Levy	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404301	Severance - Oil & Gas	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404601	Severance - Copper	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404701	Severance - Potash	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
404901	Severance - Others	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441201	Interest On Investments	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441501	Other Investment Income	401.0	1,529.7	564.0	0.0	750.0	0.0	750.0
496901	Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>130</b>	<b>Other Revenues</b>	<b>401.0</b>	<b>1,529.7</b>	<b>564.0</b>	<b>0.0</b>	<b>750.0</b>	<b>0.0</b>	<b>750.0</b>
<b>TOTAL REVENUE</b>		<b>5,106.3</b>	<b>6,236.1</b>	<b>5,420.8</b>	<b>0.0</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
520100	Exempt Perm Positions P/T&F/T	925.3	837.2	968.2	999.5	1,768.2	0.0	1,768.2
520300	Classified Perm Positions F/T	1,933.5	1,684.4	2,056.6	2,470.7	2,416.8	0.0	2,416.8
520600	Paid Unused Sick Leave	3.6	0.0	3.6	0.0	4.0	0.0	4.0
520700	Overtime & Other Premium Pay	0.0	1.1	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	41.4	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	200.4	155.0	200.4	316.6	465.0	0.0	465.0
521200	Retirement Contributions	526.5	485.2	526.5	693.6	752.5	0.0	752.5
521300	F I C A	183.0	187.7	183.0	213.2	240.0	0.0	240.0
521400	Workers' Comp Assessment Fee	0.3	0.2	0.3	0.0	10.0	0.0	10.0
521410	GSD Work Comp Insur Premium	6.0	2.6	6.0	0.0	8.0	0.0	8.0
521600	Employee Liability Ins Premium	33.3	27.7	33.3	0.0	13.4	0.0	13.4
521700	RHC Act Contributions	54.7	50.4	54.7	76.4	75.0	0.0	75.0
<b>200</b>	<b>Personal services and employee benef</b>	<b>3,866.6</b>	<b>3,473.0</b>	<b>4,032.6</b>	<b>4,769.9</b>	<b>5,752.9</b>	<b>0.0</b>	<b>5,752.9</b>
535100	Medical Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535200	Professional Services	310.2	266.3	310.2	0.0	704.2	0.0	704.2
535300	Other Services	46.0	30.1	46.0	0.0	46.0	0.0	46.0

BU PCode Department  
39400 P644 000000

**S-9 Account Code Revenue/Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
535309	Other Services - Interagency	0.0	9.6	0.0	0.0	0.0	0.0	0.0
535400	Audit Services	106.3	93.6	106.3	0.0	106.3	0.0	106.3
535500	Attorney Services	60.0	48.7	63.7	0.0	63.7	0.0	63.7
535600	IT Services	0.0	67.1	0.0	0.0	0.0	0.0	0.0
<b>300</b>	<b>Contractual services</b>	<b>522.5</b>	<b>515.5</b>	<b>526.2</b>	<b>0.0</b>	<b>920.2</b>	<b>0.0</b>	<b>920.2</b>
542100	Employee I/S Mileage & Fares	0.1	1.0	3.0	0.0	3.0	0.0	3.0
542200	Employee I/S Meals & Lodging	0.0	1.3	4.3	0.0	4.0	0.0	4.0
542500	Transp - Fuel & Oil	3.0	0.6	5.0	0.0	5.0	0.0	5.0
542600	Transp - Parts & Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542700	Transp - Transp Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542800	State Transp Pool Charges	11.2	12.7	11.2	0.0	10.0	0.0	10.0
543200	Maint - Furn, Fixt, Equipment	3.7	0.0	3.7	0.0	3.4	0.0	3.4
543300	Maint - Buildings & Structures	0.0	0.1	0.0	0.0	0.0	0.0	0.0
543400	Maint - Property Insurance	0.2	0.1	1.2	0.0	0.1	0.0	0.1
543500	Maint - Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543700	Maintenance Services	1.7	0.0	3.5	0.0	3.5	0.0	3.5
543820	Maintenance IT	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543830	IT HW/SW Agreements	300.0	401.9	316.6	0.0	453.7	0.0	453.7
544000	Supply Inventory IT	22.2	17.9	22.2	0.0	21.2	0.0	21.2
544100	Supplies-Office Supplies	5.0	2.8	7.5	0.0	5.0	0.0	5.0
544900	Supplies-Inventory Exempt	0.0	11.6	0.0	0.0	24.5	0.0	24.5
545609	Report/Record Inter St Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
545700	ISD Services	18.6	22.4	30.0	0.0	36.0	0.0	36.0
545710	DOIT HCM Assessment Fees	12.6	11.5	12.6	0.0	12.6	0.0	12.6
545900	Printing & Photo Services	4.6	8.8	10.0	0.0	10.0	0.0	10.0
546100	Postage & Mail Services	1.0	0.5	1.5	0.0	1.5	0.0	1.5
546400	Rent Of Land & Buildings	224.6	224.6	224.5	0.0	224.5	0.0	224.5
546500	Rent Of Equipment	13.0	11.3	13.0	0.0	13.0	0.0	13.0
546600	Communications	6.5	8.6	4.7	0.0	4.7	0.0	4.7
546610	DOIT Telecommunications	52.0	58.1	58.0	0.0	66.5	0.0	66.5
546700	Subscriptions/Dues/License Fee	14.0	12.5	44.0	0.0	44.0	0.0	44.0
546800	Employee Training & Education	8.4	10.8	20.0	0.0	18.0	0.0	18.0
546900	Advertising	3.8	3.9	12.0	0.0	10.0	0.0	10.0
547105	Bank Fees/Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0

BU PCode Department  
39400 P644 000000

**S-9 Account Code Revenue/Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
547500	Purchases For Resale	0.0	0.7	0.0	0.0	0.0	0.0	0.0
547700	Debt Service-Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547800	Debt Service-Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547900	Miscellaneous Expense	1.0	386.1	5.5	0.0	5.5	0.0	5.5
548200	Furniture & Fixtures	0.0	4.3	13.0	0.0	13.0	0.0	13.0
548300	Information Tech Equipment	0.0	17.0	0.0	0.0	24.0	0.0	24.0
548400	Other Equipment	0.0	32.0	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	5.0	10.4	25.0	0.0	25.0	0.0	25.0
549700	Employee O/S Meals & Lodging	5.0	16.3	10.0	0.0	10.0	0.0	10.0
<b>400</b>	<b>Other</b>	<b>717.2</b>	<b>1,289.6</b>	<b>862.0</b>	<b>0.0</b>	<b>1,051.7</b>	<b>0.0</b>	<b>1,051.7</b>
555100	Other Financing Uses	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
555106	OFU - INTRA-Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>500</b>	<b>Other financing uses</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL EXPENSE</b>		<b>5,106.3</b>	<b>5,278.1</b>	<b>5,420.8</b>	<b>4,769.9</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>
810	Permanent	35.00	0.00	35.00	34.00	39.00	0.00	39.00
<b>810</b>	<b>Permanent</b>	<b>35.00</b>	<b>0.00</b>	<b>35.00</b>	<b>34.00</b>	<b>39.00</b>	<b>0.00</b>	<b>39.00</b>
<b>TOTAL FTE POSITIONS</b>		<b>35.00</b>	<b>0.00</b>	<b>35.00</b>	<b>34.00</b>	<b>39.00</b>	<b>0.00</b>	<b>39.00</b>

BU PCode Department  
 39400 0000 000000000

**S-9 Account Code Revenue Summary**  
 (Dollars in Thousands)

	Provider PCode	2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	----- FY 2027 Agency Request -----		
						Base	Expansion	Total
499105	General Fd. Appropriation	4,703.3	4,611.2	0.0	0.0	6,971.7	0.0	6,971.7
<b>111</b>	<b>General Fund Transfers</b>	<b>4,703.3</b>	<b>4,611.2</b>	<b>4,854.2</b>	<b>0.0</b>	<b>6,971.7</b>	<b>0.0</b>	<b>6,971.7</b>
499905	Other Financing Sources	0.0	92.1	0.0	0.0	0.0	0.0	0.0
499906	OFS - INTRA-Agency	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
<b>112</b>	<b>Other Transfers</b>	<b>0.0</b>	<b>92.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
451903	Federal Direct - Operating	2.0	3.1	0.0	0.0	3.1	0.0	3.1
<b>120</b>	<b>Federal Revenues</b>	<b>2.0</b>	<b>3.1</b>	<b>2.6</b>	<b>0.0</b>	<b>3.1</b>	<b>0.0</b>	<b>3.1</b>
401101	General State Levy	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404301	Severance - Oil & Gas	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404601	Severance - Copper	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404701	Severance - Potash	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
404901	Severance - Others	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441201	Interest On Investments	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441501	Other Investment Income	401.0	1,529.7	0.0	0.0	750.0	0.0	750.0
496901	Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>130</b>	<b>Other Revenues</b>	<b>401.0</b>	<b>1,529.7</b>	<b>564.0</b>	<b>0.0</b>	<b>750.0</b>	<b>0.0</b>	<b>750.0</b>
<b>TOTAL REVENUE</b>		<b>5,106.3</b>	<b>6,236.1</b>	<b>5,420.8</b>	<b>0</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>

BU PCode Department  
39400 P644 000000

**S-9 Account Code Revenue Summary**  
(Dollars in Thousands)

	Provider PCode	2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	----- FY 2027 Agency Request -----		
						Base	Expansion	Total
499105	General Fd. Appropriation	4,703.3	4,611.2	4,854.2	0.0	6,971.7	0.0	6,971.7
<b>111</b>	<b>General Fund Transfers</b>	<b>4,703.3</b>	<b>4,611.2</b>	<b>4,854.2</b>	<b>0.0</b>	<b>6,971.7</b>	<b>0.0</b>	<b>6,971.7</b>
499905	Other Financing Sources	0.0	92.1	0.0	0.0	0.0	0.0	0.0
499906	OFS - INTRA-Agency	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
<b>112</b>	<b>Other Transfers</b>	<b>0.0</b>	<b>92.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
451903	Federal Direct - Operating	2.0	3.1	2.6	0.0	3.1	0.0	3.1
<b>120</b>	<b>Federal Revenues</b>	<b>2.0</b>	<b>3.1</b>	<b>2.6</b>	<b>0.0</b>	<b>3.1</b>	<b>0.0</b>	<b>3.1</b>
401101	General State Levy	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404301	Severance - Oil & Gas	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404601	Severance - Copper	0.0	0.0	0.0	0.0	0.0	0.0	0.0
404701	Severance - Potash	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
404901	Severance - Others	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441201	Interest On Investments	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
441501	Other Investment Income	401.0	1,529.7	564.0	0.0	750.0	0.0	750.0
496901	Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>130</b>	<b>Other Revenues</b>	<b>401.0</b>	<b>1,529.7</b>	<b>564.0</b>	<b>0.0</b>	<b>750.0</b>	<b>0.0</b>	<b>750.0</b>
<b>TOTAL REVENUE</b>		<b>5,106.3</b>	<b>6,236.1</b>	<b>5,420.8</b>	<b>0.0</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>

BU PCode Department  
39400 0000 0000000000

**S-9 Account Code Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
520100	Exempt Perm Positions P/T&F/T	925.3	837.2	968.2	999.5	1,768.2	0.0	1,768.2
520300	Classified Perm Positions F/T	1,933.5	1,684.4	2,056.6	2,470.7	2,416.8	0.0	2,416.8
520600	Paid Unused Sick Leave	3.6	0.0	3.6	0.0	4.0	0.0	4.0
520700	Overtime & Other Premium Pay	0.0	1.1	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	41.4	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	200.4	155.0	200.4	316.6	465.0	0.0	465.0
521200	Retirement Contributions	526.5	485.2	526.5	693.6	752.5	0.0	752.5
521300	F I C A	183.0	187.7	183.0	213.2	240.0	0.0	240.0
521400	Workers' Comp Assessment Fee	0.3	0.2	0.3	0.0	10.0	0.0	10.0
521410	GSD Work Comp Insur Premium	6.0	2.6	6.0	0.0	8.0	0.0	8.0
521600	Employee Liability Ins Premium	33.3	27.7	33.3	0.0	13.4	0.0	13.4
521700	RHC Act Contributions	54.7	50.4	54.7	76.4	75.0	0.0	75.0
<b>200</b>	<b>Personal services and employee benefits</b>	<b>3,866.6</b>	<b>3,473.0</b>	<b>4,032.6</b>	<b>4,769.9</b>	<b>5,752.9</b>	<b>0.0</b>	<b>5,752.9</b>
535100	Medical Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535200	Professional Services	310.2	266.3	310.2	0.0	704.2	0.0	704.2
535300	Other Services	46.0	30.1	46.0	0.0	46.0	0.0	46.0
535309	Other Services - Interagency	0.0	9.6	0.0	0.0	0.0	0.0	0.0
535400	Audit Services	106.3	93.6	106.3	0.0	106.3	0.0	106.3
535500	Attorney Services	60.0	48.7	63.7	0.0	63.7	0.0	63.7
535600	IT Services	0.0	67.1	0.0	0.0	0.0	0.0	0.0
<b>300</b>	<b>Contractual services</b>	<b>522.5</b>	<b>515.5</b>	<b>526.2</b>	<b>0.0</b>	<b>920.2</b>	<b>0.0</b>	<b>920.2</b>
542100	Employee I/S Mileage & Fares	0.1	1.0	3.0	0.0	3.0	0.0	3.0
542200	Employee I/S Meals & Lodging	0.0	1.3	4.3	0.0	4.0	0.0	4.0
542500	Transp - Fuel & Oil	3.0	0.6	5.0	0.0	5.0	0.0	5.0
542600	Transp - Parts & Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542700	Transp - Transp Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542800	State Transp Pool Charges	11.2	12.7	11.2	0.0	10.0	0.0	10.0
543200	Maint - Furn, Fixt, Equipment	3.7	0.0	3.7	0.0	3.4	0.0	3.4
543300	Maint - Buildings & Structures	0.0	0.1	0.0	0.0	0.0	0.0	0.0
543400	Maint - Property Insurance	0.2	0.1	1.2	0.0	0.1	0.0	0.1
543500	Maint - Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543700	Maintenance Services	1.7	0.0	3.5	0.0	3.5	0.0	3.5

BU PCode Department  
39400 0000 0000000000

**S-9 Account Code Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
543820	Maintenance IT	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543830	IT HW/SW Agreements	300.0	401.9	316.6	0.0	453.7	0.0	453.7
544000	Supply Inventory IT	22.2	17.9	22.2	0.0	21.2	0.0	21.2
544100	Supplies-Office Supplies	5.0	2.8	7.5	0.0	5.0	0.0	5.0
544900	Supplies-Inventory Exempt	0.0	11.6	0.0	0.0	24.5	0.0	24.5
545609	Report/Record Inter St Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
545700	ISD Services	18.6	22.4	30.0	0.0	36.0	0.0	36.0
545710	DOIT HCM Assessment Fees	12.6	11.5	12.6	0.0	12.6	0.0	12.6
545900	Printing & Photo Services	4.6	8.8	10.0	0.0	10.0	0.0	10.0
546100	Postage & Mail Services	1.0	0.5	1.5	0.0	1.5	0.0	1.5
546400	Rent Of Land & Buildings	224.6	224.6	224.5	0.0	224.5	0.0	224.5
546500	Rent Of Equipment	13.0	11.3	13.0	0.0	13.0	0.0	13.0
546600	Communications	6.5	8.6	4.7	0.0	4.7	0.0	4.7
546610	DOIT Telecommunications	52.0	58.1	58.0	0.0	66.5	0.0	66.5
546700	Subscriptions/Dues/License Fee	14.0	12.5	44.0	0.0	44.0	0.0	44.0
546800	Employee Training & Education	8.4	10.8	20.0	0.0	18.0	0.0	18.0
546900	Advertising	3.8	3.9	12.0	0.0	10.0	0.0	10.0
547105	Bank Fees/Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547500	Purchases For Resale	0.0	0.7	0.0	0.0	0.0	0.0	0.0
547700	Debt Service-Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547800	Debt Service-Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547900	Miscellaneous Expense	1.0	386.1	5.5	0.0	5.5	0.0	5.5
548200	Furniture & Fixtures	0.0	4.3	13.0	0.0	13.0	0.0	13.0
548300	Information Tech Equipment	0.0	17.0	0.0	0.0	24.0	0.0	24.0
548400	Other Equipment	0.0	32.0	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	5.0	10.4	25.0	0.0	25.0	0.0	25.0
549700	Employee O/S Meals & Lodging	5.0	16.3	10.0	0.0	10.0	0.0	10.0
<b>400</b>	<b>Other</b>	<b>717.2</b>	<b>1,289.6</b>	<b>862.0</b>	<b>0.0</b>	<b>1,051.7</b>	<b>0.0</b>	<b>1,051.7</b>
555100	Other Financing Uses	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
555106	OFU - INTRA-Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>500</b>	<b>Other financing uses</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL EXPENSE</b>		<b>5,106.3</b>	<b>5,278.1</b>	<b>5,420.8</b>	<b>4,769.92</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>

State Treasurer

BU	PCode	Department
39400	0000	0000000000

State of New Mexico

**S-9 Account Code Expenditure Summary**  
(Dollars in Thousands)

BU PCode Department  
39400 P644 000000

**S-9 Account Code Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
520100	Exempt Perm Positions P/T&F/T	925.3	837.2	968.2	999.5	1,768.2	0.0	1,768.2
520300	Classified Perm Positions F/T	1,933.5	1,684.4	2,056.6	2,470.7	2,416.8	0.0	2,416.8
520600	Paid Unused Sick Leave	3.6	0.0	3.6	0.0	4.0	0.0	4.0
520700	Overtime & Other Premium Pay	0.0	1.1	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	41.4	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	200.4	155.0	200.4	316.6	465.0	0.0	465.0
521200	Retirement Contributions	526.5	485.2	526.5	693.6	752.5	0.0	752.5
521300	F I C A	183.0	187.7	183.0	213.2	240.0	0.0	240.0
521400	Workers' Comp Assessment Fee	0.3	0.2	0.3	0.0	10.0	0.0	10.0
521410	GSD Work Comp Insur Premium	6.0	2.6	6.0	0.0	8.0	0.0	8.0
521600	Employee Liability Ins Premium	33.3	27.7	33.3	0.0	13.4	0.0	13.4
521700	RHC Act Contributions	54.7	50.4	54.7	76.4	75.0	0.0	75.0
<b>200</b>	<b>Personal services and employe</b>	<b>3,866.6</b>	<b>3,473.0</b>	<b>4,032.6</b>	<b>4,769.9</b>	<b>5,752.9</b>	<b>0.0</b>	<b>5,752.9</b>
535100	Medical Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535200	Professional Services	310.2	266.3	310.2	0.0	704.2	0.0	704.2
535300	Other Services	46.0	30.1	46.0	0.0	46.0	0.0	46.0
535309	Other Services - Interagency	0.0	9.6	0.0	0.0	0.0	0.0	0.0
535400	Audit Services	106.3	93.6	106.3	0.0	106.3	0.0	106.3
535500	Attorney Services	60.0	48.7	63.7	0.0	63.7	0.0	63.7
535600	IT Services	0.0	67.1	0.0	0.0	0.0	0.0	0.0
<b>300</b>	<b>Contractual services</b>	<b>522.5</b>	<b>515.5</b>	<b>526.2</b>	<b>0.0</b>	<b>920.2</b>	<b>0.0</b>	<b>920.2</b>
542100	Employee I/S Mileage & Fares	0.1	1.0	3.0	0.0	3.0	0.0	3.0
542200	Employee I/S Meals & Lodging	0.0	1.3	4.3	0.0	4.0	0.0	4.0
542500	Transp - Fuel & Oil	3.0	0.6	5.0	0.0	5.0	0.0	5.0
542600	Transp - Parts & Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542700	Transp - Transp Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542800	State Transp Pool Charges	11.2	12.7	11.2	0.0	10.0	0.0	10.0
543200	Maint - Furn, Fixt, Equipment	3.7	0.0	3.7	0.0	3.4	0.0	3.4
543300	Maint - Buildings & Structures	0.0	0.1	0.0	0.0	0.0	0.0	0.0
543400	Maint - Property Insurance	0.2	0.1	1.2	0.0	0.1	0.0	0.1
543500	Maint - Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543700	Maintenance Services	1.7	0.0	3.5	0.0	3.5	0.0	3.5
543820	Maintenance IT	0.0	0.0	0.0	0.0	0.0	0.0	0.0

BU PCode Department  
39400 P644 000000

**S-9 Account Code Expenditure Summary**  
(Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
543830	IT HW/SW Agreements	300.0	401.9	316.6	0.0	453.7	0.0	453.7
544000	Supply Inventory IT	22.2	17.9	22.2	0.0	21.2	0.0	21.2
544100	Supplies-Office Supplies	5.0	2.8	7.5	0.0	5.0	0.0	5.0
544900	Supplies-Inventory Exempt	0.0	11.6	0.0	0.0	24.5	0.0	24.5
545609	Report/Record Inter St Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
545700	ISD Services	18.6	22.4	30.0	0.0	36.0	0.0	36.0
545710	DOIT HCM Assessment Fees	12.6	11.5	12.6	0.0	12.6	0.0	12.6
545900	Printing & Photo Services	4.6	8.8	10.0	0.0	10.0	0.0	10.0
546100	Postage & Mail Services	1.0	0.5	1.5	0.0	1.5	0.0	1.5
546400	Rent Of Land & Buildings	224.6	224.6	224.5	0.0	224.5	0.0	224.5
546500	Rent Of Equipment	13.0	11.3	13.0	0.0	13.0	0.0	13.0
546600	Communications	6.5	8.6	4.7	0.0	4.7	0.0	4.7
546610	DOIT Telecommunications	52.0	58.1	58.0	0.0	66.5	0.0	66.5
546700	Subscriptions/Dues/License Fee	14.0	12.5	44.0	0.0	44.0	0.0	44.0
546800	Employee Training & Education	8.4	10.8	20.0	0.0	18.0	0.0	18.0
546900	Advertising	3.8	3.9	12.0	0.0	10.0	0.0	10.0
547105	Bank Fees/Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547500	Purchases For Resale	0.0	0.7	0.0	0.0	0.0	0.0	0.0
547700	Debt Service-Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547800	Debt Service-Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547900	Miscellaneous Expense	1.0	386.1	5.5	0.0	5.5	0.0	5.5
548200	Furniture & Fixtures	0.0	4.3	13.0	0.0	13.0	0.0	13.0
548300	Information Tech Equipment	0.0	17.0	0.0	0.0	24.0	0.0	24.0
548400	Other Equipment	0.0	32.0	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	5.0	10.4	25.0	0.0	25.0	0.0	25.0
549700	Employee O/S Meals & Lodging	5.0	16.3	10.0	0.0	10.0	0.0	10.0
<b>400</b>	<b>Other</b>	<b>717.2</b>	<b>1,289.6</b>	<b>862.0</b>	<b>0.0</b>	<b>1,051.7</b>	<b>0.0</b>	<b>1,051.7</b>
555100	Other Financing Uses	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
555106	OFU - INTRA-Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>500</b>	<b>Other financing uses</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL EXPENSE</b>		<b>5,106.3</b>	<b>5,278.1</b>	<b>5,420.8</b>	<b>4,769.92</b>	<b>7,724.8</b>	<b>0.0</b>	<b>7,724.8</b>

State of New Mexico

**S-13 Line Items by Business Unit Expenditures**

(Dollars in Thousands)

BusUnit	Line Item	2024-25	2025-26	Request		Recommendation		Opbud
		Actuals	Opbud	Base	Expansion	Base	Expansion	
<b>39400</b>	<b>P644-R State Treasurer</b>							
	520100 Exempt Perm Positions P/T&F/T	837.25	968.2	1,768.2	0	0	0	0.0
	520300 Classified Perm Positions F/T	1,684.44	2,056.6	2,416.8	0	0	0	0.0
	520600 Paid Unused Sick Leave	0	3.6	4	0	0	0	0.0
	520700 Overtime & Other Premium Pay	1.14	0	0	0	0	0	0.0
	520800 Annl & Comp Paid At Separation	41.39	0	0	0	0	0	0.0
	521100 Group Insurance Premium	155.03	200.4	465	0	0	0	0.0
	521200 Retirement Contributions	485.17	526.5	752.5	0	0	0	0.0
	521300 F I C A	187.67	183	240	0	0	0	0.0
	521400 Workers' Comp Assessment Fee	0.22	0.3	10	0	0	0	0.0
	521410 GSD Work Comp Insur Premium	2.59	6	8	0	0	0	0.0
	521600 Employee Liability Ins Premium	27.67	33.3	13.4	0	0	0	0.0
	521700 RHC Act Contributions	50.43	54.7	75	0	0	0	0.0
	535200 Professional Services	266.31	310.2	704.2	0	0	0	0.0
	535300 Other Services	30.15	46	46	0	0	0	0.0
	535309 Other Services - Interagency	9.63	0	0	0	0	0	0.0
	535400 Audit Services	93.6	106.3	106.3	0	0	0	0.0
	535500 Attorney Services	48.69	63.7	63.7	0	0	0	0.0
	535600 IT Services	67.13	0	0	0	0	0	0.0
	542100 Employee I/S Mileage & Fares	0.99	3	3	0	0	0	0.0
	542200 Employee I/S Meals & Lodging	1.27	4.3	4	0	0	0	0.0
	542500 Transp - Fuel & Oil	0.59	5	5	0	0	0	0.0
	542800 State Transp Pool Charges	12.68	11.2	10	0	0	0	0.0
	543200 Maint - Furn, Fixt, Equipment	0	3.7	3.4	0	0	0	0.0
	543300 Maint - Buildings & Structures	0.09	0	0	0	0	0	0.0
	543400 Maint - Property Insurance	0.09	1.2	0.1	0	0	0	0.0
	543700 Maintenance Services	0	3.5	3.5	0	0	0	0.0
	543820 Maintenance IT	0.03	0	0	0	0	0	0.0
	543830 IT HW/SW Agreements	401.94	316.6	453.7	0	0	0	0.0
	544000 Supply Inventory IT	17.87	22.2	21.2	0	0	0	0.0
	544100 Supplies-Office Supplies	2.77	7.5	5	0	0	0	0.0
	544900 Supplies-Inventory Exempt	11.57	0	24.5	0	0	0	0.0
	545700 ISD Services	22.37	30	36	0	0	0	0.0

State of New Mexico

**S-13 Line Items by Business Unit Expenditures**

(Dollars in Thousands)

545710	DOIT HCM Assessment Fees	11.48	12.6	12.6	0	0	0	0.0	
545900	Printing & Photo Services	8.79	10	10	0	0	0	0.0	
546100	Postage & Mail Services	0.48	1.5	1.5	0	0	0	0.0	
546400	Rent Of Land & Buildings	224.56	224.5	224.5	0	0	0	0.0	
546500	Rent Of Equipment	11.29	13	13	0	0	0	0.0	
546600	Communications	8.62	4.7	4.7	0	0	0	0.0	
546610	DOIT Telecommunications	58.07	58	66.5	0	0	0	0.0	
546700	Subscriptions/Dues/License Fee	12.49	44	44	0	0	0	0.0	
546800	Employee Training & Education	10.8	20	18	0	0	0	0.0	
546900	Advertising	3.88	12	10	0	0	0	0.0	
547500	Purchases For Resale	0.69	0	0	0	0	0	0.0	
547700	Debt Service-Principal	-1,395,935.35	0	0	0	0	0	0.0	
547800	Debt Service-Interest	-23,812.39	0	0	0	0	0	0.0	
547900	Miscellaneous Expense	386.1	5.5	5.5	0	0	0	0.0	
548200	Furniture & Fixtures	4.31	13	13	0	0	0	0.0	
548300	Information Tech Equipment	17.03	0	24	0	0	0	0.0	
548400	Other Equipment	32	0	0	0	0	0	0.0	
549600	Employee O/S Mileage & Fares	10.45	25	25	0	0	0	0.0	
549700	Employee O/S Meals & Lodging	16.32	10	10	0	0	0	0.0	
555100	Other Financing Uses	-761,889.87	0	0	0	0	0	0.0	
555106	OFU - INTRA-Agency	-167,433.76	0	0	0	0	0	0.0	
<b>Subtotal for:</b>	<b>39400 P644-R State Treasurer</b>		<b>-2,343,793.22</b>	<b>5,420.8</b>	<b>7,724.8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>39400</b>			<b>#####</b>	<b>5,420.8</b>	<b>7,724.8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>

**Totals by Line Item**

BusUnit	Line Item	2024-25	2025-26	Request		Recommendation		Opbud
		Actuals	Opbud	Base	Expansion	Base	Expansion	
39400	520100 Exempt Perm Positions P/T&F/T	837.25	968.2	1,768.2	0	0	0	0.0
	520300 Classified Perm Positions F/T	1,684.44	2,056.6	2,416.8	0	0	0	0.0
	520600 Paid Unused Sick Leave	0	3.6	4	0	0	0	0.0
	520700 Overtime & Other Premium Pay	1.14	0	0	0	0	0	0.0

State of New Mexico

**S-13 Line Items by Business Unit Expenditures**

(Dollars in Thousands)

520800	Annl & Comp Paid At Separation	41.39	0	0	0	0	0	0.0
521100	Group Insurance Premium	155.03	200.4	465	0	0	0	0.0
521200	Retirement Contributions	485.17	526.5	752.5	0	0	0	0.0
521300	F I C A	187.67	183	240	0	0	0	0.0
521400	Workers' Comp Assessment Fee	0.22	0.3	10	0	0	0	0.0
521410	GSD Work Comp Insur Premium	2.59	6	8	0	0	0	0.0
521600	Employee Liability Ins Premium	27.67	33.3	13.4	0	0	0	0.0
521700	RHC Act Contributions	50.43	54.7	75	0	0	0	0.0
535200	Professional Services	266.31	310.2	704.2	0	0	0	0.0
535300	Other Services	30.15	46	46	0	0	0	0.0
535309	Other Services - Interagency	9.63	0	0	0	0	0	0.0
535400	Audit Services	93.6	106.3	106.3	0	0	0	0.0
535500	Attorney Services	48.69	63.7	63.7	0	0	0	0.0
535600	IT Services	67.13	0	0	0	0	0	0.0
542100	Employee I/S Mileage & Fares	0.99	3	3	0	0	0	0.0
542200	Employee I/S Meals & Lodging	1.27	4.3	4	0	0	0	0.0
542500	Transp - Fuel & Oil	0.59	5	5	0	0	0	0.0
542800	State Transp Pool Charges	12.68	11.2	10	0	0	0	0.0
543200	Maint - Furn, Fixt, Equipment	0	3.7	3.4	0	0	0	0.0
543300	Maint - Buildings & Structures	0.09	0	0	0	0	0	0.0
543400	Maint - Property Insurance	0.09	1.2	0.1	0	0	0	0.0
543700	Maintenance Services	0	3.5	3.5	0	0	0	0.0
543820	Maintenance IT	0.03	0	0	0	0	0	0.0
543830	IT HW/SW Agreements	401.94	316.6	453.7	0	0	0	0.0
544000	Supply Inventory IT	17.87	22.2	21.2	0	0	0	0.0
544100	Supplies-Office Supplies	2.77	7.5	5	0	0	0	0.0
544900	Supplies-Inventory Exempt	11.57	0	24.5	0	0	0	0.0
545700	ISD Services	22.37	30	36	0	0	0	0.0
545710	DOIT HCM Assessment Fees	11.48	12.6	12.6	0	0	0	0.0
545900	Printing & Photo Services	8.79	10	10	0	0	0	0.0
546100	Postage & Mail Services	0.48	1.5	1.5	0	0	0	0.0
546400	Rent Of Land & Buildings	224.56	224.5	224.5	0	0	0	0.0

State of New Mexico

**S-13 Line Items by Business Unit Expenditures**

(Dollars in Thousands)

546500	Rent Of Equipment	11.29	13	13	0	0	0	0.0
546600	Communications	8.62	4.7	4.7	0	0	0	0.0
546610	DOIT Telecommunications	58.07	58	66.5	0	0	0	0.0
546700	Subscriptions/Dues/License Fee	12.49	44	44	0	0	0	0.0
546800	Employee Training & Education	10.8	20	18	0	0	0	0.0
546900	Advertising	3.88	12	10	0	0	0	0.0
547500	Purchases For Resale	0.69	0	0	0	0	0	0.0
547700	Debt Service-Principal	-1,395,935.35	0	0	0	0	0	0.0
547800	Debt Service-Interest	-23,812.39	0	0	0	0	0	0.0
547900	Miscellaneous Expense	386.1	5.5	5.5	0	0	0	0.0
548200	Furniture & Fixtures	4.31	13	13	0	0	0	0.0
548300	Information Tech Equipment	17.03	0	24	0	0	0	0.0
548400	Other Equipment	32	0	0	0	0	0	0.0
549600	Employee O/S Mileage & Fares	10.45	25	25	0	0	0	0.0
549700	Employee O/S Meals & Lodging	16.32	10	10	0	0	0	0.0
555100	Other Financing Uses	-761,889.87	0	0	0	0	0	0.0
555106	OFU - INTRA-Agency	-167,433.76	0	0	0	0	0	0.0

---

<b>Grand Total</b>	<b>#####</b>	<b>5,420.8</b>	<b>7,724.8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
--------------------	--------------	----------------	----------------	----------	----------	----------	------------

---

**Program Description:**

The STO was created under Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are primarily defined by Chapters 6 and 8 of the New Mexico Statutes Annotated 1978 (NMSA 1978.) These and other Chapters of New Mexico Statute a) require the Treasurer to act as the State's banker to receive, keep, and account for State funds collected and disbursed, and b) define the State Treasurer's banking, cash management, and investment roles. The principal statutory provisions related to the State Treasurer's prudent management of the State's financial resources and investment authority are listed below:

Section 6-1-13, NMSA 1978

Section 6-8-6, NMSA 1978

Section 6-8-11, NMSA 1978

Sections 6-8-25, 6-8A-1 through 6-8A-8, NMSA 1978 Section 6-10-10, NMSA 1978

Section 6-10-10.1, NMSA 1978

Sections 6-10-24.1 and .2, NMSA 1978

Section 6-10-25, 6-10-26, and 6-10-29, NMSA 1978

Section 6-10-28, NMSA 1978 Section 6-12A-5, NMSA 1978

Sections 58-33-1 through 58-33-12, NMSA 1978

Sections 8-6-1 through 8-6-7, NMSA 1978

In addition, we utilize the State Treasurer's Investment Policy, the State Treasurer's Local Government Investment Pool (LGIP) Short-Term (ST) Policy, and the State Treasurer's Local Government Investment Pool (LGIP) Medium Term (MT) to invest both state funds and funds within both LGIP pools on behalf of counties, municipalities, special districts, school boards, and tribal entities as well as the SIC.

**Major Issues and  
Accomplishments:**

Accomplishments:

The STO is proud of several successes, achievements, and agency collaborations. These accomplishments underscore our unwavering commitment to serving the state and its cash management and investment needs.

Over the past decade, our Investment Division has experienced remarkable growth, increasing its assets from \$4.1 billion to nearly \$20 billion. The STO has experienced significant growth in revenue, bank accounts, and investments, which led to the largest interest earned in any one year, a trade volume of \$22 billion, and the heaviest workload in the STO's history. In the current FY25, the STO earned \$516 million in the State's General Fund Pool alone. We earned \$1.378 billion and had over \$22 billion in trade volume for FY25.

We have experienced the largest LGIP ST fund increase in the STO's history, increasing the pool from \$1.934 billion to \$2.275 billion and earning over \$94.3 million that goes back to New Mexico counties, municipalities, special districts, school boards, and tribal entities. The five basis points earned as the administrative fee from the LGIP participants increased from \$933,461 in FY24 to \$1.52 million in FY25, a 62% increase in a year.

The LGIP MT fund began receiving money in the last quarter of FY24, with the STO receiving a total of \$1 billion by July 2024. The LGIP MT fund earned \$49 million in its first few months/end-of-fiscal year, a promising start for LGIP earnings. It now has earned over \$600 thousand since inception.

The LGIP ST funds maintained the highest principal stability rating of AAAm for the 19th consecutive year.

The G-Treasury management system will aggregate data from SHARE, the state's fiscal bank and the STO investment accounting system. The Broadridge data integration management module eliminates manual data entry into several different systems staff currently utilize for cash flow analysis and assists with risk analysis and compliance requirements.

State of New Mexico  
P-1 Program Overview

IT replaced the Firewall units, switching equipment and Server storage systems with the latest technology, including business continuity preparedness through securing better Hot Site facilities, while maintaining services. The New Mexico State Treasurer's Achieving a Better Life Experience (NM STABLE) program is more accessible than ever before thanks to NM House Bill 88, sponsored by Representative Elizabeth "Liz" Thompson, which removes Medicaid clawback provisions and raises the age of disability onset eligibility from 26 to 46. This law went into effect July 1, 2024. The age adjustment will go into effect January 1, 2026.

**Major Issues:**

Hiring the qualified, highly skilled positions as fast as we need them.

Funding for the recurring expenses for the annual service and license fee for the software enhancement accomplished in FY25.

The State Board of Finance authorized an independent audit of the State Treasurer's Office investment portfolios. The audit recommends that STO align with best practice standards by maintaining one portfolio manager for every \$4 billion in assets under management. This benchmark ensures adequate oversight, risk management, and performance monitoring. Based on current portfolio size, the STO needs to hire two (2) additional portfolio managers to meet this standard. The audit also noted that while the STO has a Chief Investment Officer (CIO), her role currently includes direct trading responsibilities. A distinction should be made to separate strategic leadership from daily trading activities to strengthen internal controls, ensure proper separation of duties, and align with industry best practices. The audit further recommended that the CIO be an exempt employee. The exempt CIO will provide dedicated strategic leadership, oversight of all portfolios, and risk management of the STO's investment program.

The STO authorized an independent audit of its IT Operations Division. The audit recommended the creation of an exempt Chief Information Officer (CIO) position. The STO manages billions of dollars in state funds through systems that support cash management, investments, budget and finance, and collateral operation. These critical functions require dedicated IT leadership to ensure security, compliance, and operational efficiency. By establishing an exempt CIO, the STO will align with best practices for financial oversight agencies, reduce operational vulnerabilities, and ensure that technology resources are strategically managed in support of the STO's mission to safeguard and grow public funds.

Adapting to the rapid technological changes in treasury management and electronic collection and payment services is a continuous process that requires our attention and commitment.

Ongoing changes and challenges necessitate industry expertise within the STO to provide oversight and guidance to state agencies to achieve maximum efficiency, safety, and compliance while utilizing these services. The STO employees must attend extensive training regarding cash management and investment industry guidance on matters of state banking operations, state and federal regulations, and industry best practices for the State Treasury.

As investments and assets under the Treasurer's management increase, IT security and stability concerns have grown. The STO has constitutional and statutory obligations to fulfill as the state's bank. The IT Operations Division's responsibility is to provide the systems needed to do that business and to secure those systems. That mandate requires money, time, and trained, knowledgeable professionals.

## P-1 Program Overview

**Overview of Request:** The STO is requesting \$7,724.8 million in revenue, a \$2,304.0 million increase from the previous year, to cover an increase in positions, increased recurring costs and fees, and inflationary costs. The request will include an increased revenue request from the Other Funds of \$186 million, which is the administrative fees generated by the LGIP. This will increase the Other Funds request from \$586 million in FY25 to \$750 million in FY26. In FY25, LGIP generated \$1.52 million in administrative fees and is expected to generate equivalent revenue in FY26. The LGIP Investment policy allows for all fees collected from LGIP participants to be used by STO for administrative expenses and services (please see attachment LGIP Investment policy).

**Programmatic Changes:** For FY27, the STO will not be making any programmatic changes.

**Base Budget Justification:** The STO is requesting an increase of \$2,117.5 in our general appropriation from \$4,854.2 in FY26 to \$6,971.7, or 42.5%, in FY27 to cover recurring expenses and enable the agency to fill vacant positions and hire four new positions to adhere to industry best practices and keep pace with a rising workload.

**Personnel Expenditures:** The STO's request is in BFM based on the current salaries of the staff (See FY27 Budget Projection). The salaries of the vacant positions are projected at midpoint, and their insurance premiums are projected as single. The employer's share of the health insurance premiums included a 10% increase in cost. The total request for FY27 personnel expenditures is \$5,752.9, which is an increase of \$1,720.3, or 42.7%, from the FY26 budget.

**Professional Contract Expenditures:** The STO requests an increase of \$394.0, or 74.9% from the FY26 budget for professional contract expenditures. The increase is attributed to the AVM, L. P. contract that provides overnight repurchase agreement (Repo) services to the Treasurer's office and additional Broadridge compliance services. As the interest rate decreases, repo agreements are more attractive than money market investments. The General Fund Investment Pool, including severance tax bonds and other funds, have been using the repo instead of just investing agencies, which has added to the cost of the repo services provided by AVM.

**Other Expenditures:** The STO requests a total of \$1,051.7 million for other expenditures, an increase of \$189.7, or 22.0%, from the previous fiscal year. The increase in expenditure requests will be covered by the increase in special revenue requests generated by the STO from the LGIP administrative fees. The requested increase will accommodate the following recurring costs and other minor inflationary cost increases:

1. Bloomberg licenses increase of \$28,799 per quarter x 4 quarters = \$115,193 for additional licenses and annual price increase
2. Treasury management annual recurring fees of \$21,507, which was a software addition in FY24.
3. Broadridge Investment Management Services (BIMS) is anticipated to go live in early FY26. The Annual Service Fee for BIMS is \$95,000.
4. Broadridge annual licenses increase of \$518 x 12 months = \$6216
5. DoIT Telecommunication: \$8,500 increase
6. DoIT ISD Services: \$6,640 increase
7. Subscription Dues: National Association of State Treasurers \$8,500.
8. Employee Training & Education: Continuing education for professional licensed staff and staff training in cash and investment management to keep abreast of the industry standards and trends.
9. Employee O/S Mileage and Fares and Employee O/S Meals and Lodging: Travel for training and conferences specific to banking and State Treasurers.

## REV EXP COMPARISON

(Dollars in Thousands)

### 39400 - State Treasurer

---

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
<b>SOURCES</b>	<b>6,971.7</b>	<b>750.0</b>	<b>0.0</b>	<b>3.1</b>	<b>7,724.8</b>
Personal services and employee benefits	5,148.3	601.5	0.0	3.1	5,752.9
Contractual services	920.2	0.0	0.0	0.0	920.2
Other	903.2	148.5	0.0	0.0	1,051.7
<b>USES Total:</b>	<b>6,971.7</b>	<b>750.0</b>	<b>0.0</b>	<b>3.1</b>	<b>7,724.8</b>
<b>Net:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## REV EXP COMPARISON

(Dollars in Thousands)

39400 - State Treasurer

P644 - State Treasurer

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
<b>SOURCES Totals</b>	<b>6,971.7</b>	<b>750.0</b>	<b>0.0</b>	<b>3.1</b>	<b>7,724.8</b>
Personal services and employee benefits	5,148.3	601.5	0.0	3.1	5,752.9
Contractual services	920.2	0.0	0.0	0.0	920.2
Other	903.2	148.5	0.0	0.0	1,051.7
<b>USES Total:</b>	<b>6,971.7</b>	<b>750.0</b>	<b>0.0</b>	<b>3.1</b>	<b>7,724.8</b>
<b>Net:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Fund	Account		2024-25	2025-26	2026-27	FY 2027 Agency Request				Justification	
			Actuals	Opbud	PCF Proj	GF	OSF	ISF/IAT	FF		Total
00000	520300	Classified Perm Positions F/T	0.0	0.0	169.78	0.0	0.0	0.0	0.0	0.0	
00000	521100	Group Insurance Premium	0.0	0.0	11.25	0.0	0.0	0.0	0.0	0.0	
00000	521200	Retirement Contributions	0.0	0.0	32.29	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	10.41	0.0	0.0	0.0	0.0	0.0	
00000	521700	RHC Act Contributions	0.0	0.0	4.2	0.0	0.0	0.0	0.0	0.0	
18200	520100	Exempt Perm Positions P/T&F/T	837.2	968.2	999.54	1,768.2	0.0	0.0	0.0	1,768.2	
18200	520300	Classified Perm Positions F/T	1,684.4	2,056.6	2,300.88	2,012.2	401.5	0.0	3.1	2,416.8	GF/LGIP/FF
18200	520600	Paid Unused Sick Leave	0.0	3.6	0	4.0	0.0	0.0	0.0	4.0	
18200	520700	Overtime & Other Premium Pay	1.1	0.0	0	0.0	0.0	0.0	0.0	0.0	
18200	520800	Annl & Comp Paid At Separation	41.4	0.0	0	0.0	0.0	0.0	0.0	0.0	
18200	521100	Group Insurance Premium	155.0	200.4	305.33	350.0	115.0	0.0	0.0	465.0	LGIP
18200	521200	Retirement Contributions	485.2	526.5	661.3	691.0	61.5	0.0	0.0	752.5	LGIP
18200	521300	F I C A	187.7	183.0	202.76	225.0	15.0	0.0	0.0	240.0	LGIP
18200	521400	Workers' Comp Assessment Fee	0.2	0.3	0	9.5	0.5	0.0	0.0	10.0	LGIP
18200	521410	GSD Work Comp Insur Premium	2.6	6.0	0	8.0	0.0	0.0	0.0	8.0	
18200	521600	Employee Liability Ins Premium	27.7	33.3	0	13.4	0.0	0.0	0.0	13.4	
18200	521700	RHC Act Contributions	50.4	54.7	72.19	67.0	8.0	0.0	0.0	75.0	LGIP
	<b>200</b>	<b>Personal services and employee benef</b>	<b>3,473.0</b>	<b>4,032.6</b>	<b>4,769.92</b>	<b>5,148.3</b>	<b>601.5</b>	<b>0.0</b>	<b>3.1</b>	<b>5,752.9</b>	
18200	542100	Employee I/S Mileage & Fares	1.0	3.0	0	0.0	3.0	0.0	0.0	3.0	LGIP
18200	542200	Employee I/S Meals & Lodging	1.3	4.3	0	4.0	0.0	0.0	0.0	4.0	
18200	542500	Transp - Fuel & Oil	0.6	5.0	0	0.0	5.0	0.0	0.0	5.0	LGIP
18200	542800	State Transp Pool Charges	12.7	11.2	0	10.0	0.0	0.0	0.0	10.0	
18200	543200	Maint - Furn, Fixt, Equipment	0.0	3.7	0	0.0	3.4	0.0	0.0	3.4	LGIP
18200	543300	Maint - Buildings & Structures	0.1	0.0	0	0.0	0.0	0.0	0.0	0.0	
18200	543400	Maint - Property Insurance	0.1	1.2	0	0.0	0.1	0.0	0.0	0.1	LGIP
18200	543700	Maintenance Services	0.0	3.5	0	0.0	3.5	0.0	0.0	3.5	LGIP
18200	543820	Maintenance IT	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
18200	543830	IT HW/SW Agreements	375.7	316.6	0	453.7	0.0	0.0	0.0	453.7	
18200	544000	Supply Inventory IT	17.9	22.2	0	21.2	0.0	0.0	0.0	21.2	
18200	544100	Supplies-Office Supplies	2.8	7.5	0	5.0	0.0	0.0	0.0	5.0	
18200	544900	Supplies-Inventory Exempt	11.6	0.0	0	24.5	0.0	0.0	0.0	24.5	
18200	545700	ISD Services	22.4	30.0	0	36.0	0.0	0.0	0.0	36.0	
18200	545710	DOIT HCM Assessment Fees	11.5	12.6	0	12.6	0.0	0.0	0.0	12.6	

BU PCode  
39400 P644

**E4 PCode Detail**  
(Dollars in Thousands)

Fund	Account	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	FY 2027 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
18200	545900	8.8	10.0	0	10.0	0.0	0.0	0.0	10.0	
18200	546100	0.5	1.5	0	1.5	0.0	0.0	0.0	1.5	
18200	546400	224.6	224.5	0	224.5	0.0	0.0	0.0	224.5	
18200	546500	11.3	13.0	0	0.0	13.0	0.0	0.0	13.0	LGIP
18200	546600	8.6	4.7	0	4.7	0.0	0.0	0.0	4.7	
18200	546610	58.1	58.0	0	0.0	66.5	0.0	0.0	66.5	LGIP
18200	546700	12.5	44.0	0	0.0	44.0	0.0	0.0	44.0	LGIP
18200	546800	10.8	20.0	0	18.0	0.0	0.0	0.0	18.0	
18200	546900	3.9	12.0	0	0.0	10.0	0.0	0.0	10.0	LGIP
18200	547500	0.7	0.0	0	0.0	0.0	0.0	0.0	0.0	
18200	547900	2.2	5.5	0	5.5	0.0	0.0	0.0	5.5	
18200	548200	4.3	13.0	0	13.0	0.0	0.0	0.0	13.0	
18200	548300	17.0	0.0	0	24.0	0.0	0.0	0.0	24.0	
18200	548400	32.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
18200	549600	10.4	25.0	0	25.0	0.0	0.0	0.0	25.0	
18200	549700	16.3	10.0	0	10.0	0.0	0.0	0.0	10.0	
20660	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
20660	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
20990	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
20990	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
21230	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
21230	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
21430	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
21430	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
35170	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
35170	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
41000	543830	26.2	0.0	0	0.0	0.0	0.0	0.0	0.0	
41000	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
41000	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
41000	547900	383.4	0.0	0	0.0	0.0	0.0	0.0	0.0	
43160	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
43160	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
43230	547700	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
43230	547800	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.

BU PCode  
39400 P644

**E4 PCode Detail**  
(Dollars in Thousands)

Fund	Account	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	FY 2027 Agency Request				Total	Justification	
					GF	OSF	ISF/IAT	FF			
50170	547700	Debt Service-Principal	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
50170	547800	Debt Service-Interest	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
50180	547700	Debt Service-Principal	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
50180	547800	Debt Service-Interest	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
50370	547700	Debt Service-Principal	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
50370	547800	Debt Service-Interest	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
50390	547900	Miscellaneous Expense	0.5	0.0	0	0.0	0.0	0.0	0.0	0.0	
50440	547700	Debt Service-Principal	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
50440	547800	Debt Service-Interest	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
68150	547700	Debt Service-Principal	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
68150	547800	Debt Service-Interest	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
68250	547700	Debt Service-Principal	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68250	547800	Debt Service-Interest	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Debt Service not included in Base Budget.
	<b>400</b>	<b>Other</b>	<b>1,289.6</b>	<b>862.0</b>	<b>0</b>	<b>903.2</b>	<b>148.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1,051.7</b>	
41000	555100	Other Financing Uses	(0.0)	0.0	0	0.0	0.0	0.0	0.0	0.0	Other Financing Sources not included in Base Budget.
41000	555106	OFU - INTRA-Agency	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	OFU not included in Base Budget.
	<b>500</b>	<b>Other financing uses</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>TOTAL EXPENSE</b>			<b>4,762.6</b>	<b>4,894.6</b>		<b>6,051.5</b>	<b>750.0</b>	<b>0.0</b>	<b>3.1</b>	<b>6,804.6</b>	

State of New Mexico  
**Contract by PCode Detail**  
(Dollars in Thousands)

Fund	Account	#	Contract Purpose	Actuals	----- FY 2027 Agency Request -----				Total	Justification
					GF	OSF	ISF/IAT	FF		
18200	535200	Professional Services	1000	266.3	704.2	0.0	0.0	0.0	704.2	Increase for fully funding STO Investment Contracts. AVM, Talent Acquisition, and Broadridge
18200	535300	Other Services	1000	30.1	46.0	0.0	0.0	0.0	46.0	
18200	535309	Other Services - Interagency	1000	9.6	0.0	0.0	0.0	0.0	0.0	
18200	535400	Audit Services	1000	93.6	106.3	0.0	0.0	0.0	106.3	
18200	535500	Attorney Services	1000	48.7	63.7	0.0	0.0	0.0	63.7	
18200	535600	IT Services	1000	59.2	0.0	0.0	0.0	0.0	0.0	
41000	535600	IT Services	1000	8.0	0.0	0.0	0.0	0.0	0.0	
<b>TOTAL EXPENSE</b>				<b>515.5</b>	<b>920.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>920.2</b>	

# DFA Performance Based Budgeting Data System

## Annual Performance Report

**Agency: 39400 State Treasurer**

**Program: P644 State Treasurer**

The purpose of the state treasurer program is to provide a financial environment that maintains maximum accountability for receipt, investment and disbursement of public funds to protect the financial interests of New Mexico residents.

Performance Measures:		2024-25 Target	2024-25 Result	Met Target	Year End Result Narrative
Explanatory	Amount of forfeiture sale proceeds deposited to the general fund	N/A	\$22,795	N/A	Deposits were received from the 5th Judicial Court and from the City of Las Cruces
Explanatory	Percent of liquidity pool to total state general fund investment pool	N/A	42.60%	N/A	At the end of FY25, the General Fund Liquidity portfolio was \$4,704,019,545 and the General Fund Core portfolio was \$6,253,160,953, both based on market values
Outcome	Maximum number of audit findings	0	2	No	There were 2 audit findings in FY25 and no repeat findings.
Outcome	Number of basis points that one-year annualized investment return on general fund core portfolio differs from internal benchmark	10.0	18.0	Yes	The General Fund Core portfolio return was 5.98% vs. the benchmark at 5.8% for FY25
Outcome	Number of basis points that one-year annualized investment return on local government investment pool differs from internal benchmark	5.00	15.00	Yes	The LGIP portfolio gross return was 4.79% for FY25.
Outcome	Percent of reconciling items cleared within thirty days of posting of accounting lines, completion and budget check by the agency	99%	99%	Yes	Reconciling percentage remains consistently high.



**Fiscal Year 2027**  
**NM State Treasurer's Office**  
**IT STRATEGIC PLAN**  
**September 2, 2025**

**Brent Johnson**  
**Senior IT Systems Admin**

**Laura M. Montoya**  
**NM State Treasurer**

## Table of Contents

<b>EXECUTIVE SUMMARY.....</b>	<b>3</b>
<b>I. AGENCY OVERVIEW .....</b>	<b>3</b>
A. AGENCY PURPOSE AND MISSION.....	3
B. AGENCY BUSINESS GOALS .....	3
C. AGENCY VISION.....	3
D. AGENCY BUSINESS PRIORITIES AND PRIORITY CHANGES .....	4
E. AGENCY ACCOMPLISHMENT, GOALS, AND CHALLENGES .....	4
<b>II. IT ENVIRONMENT .....</b>	<b>4</b>
1. Major Applications.....	4
2. Infrastructure.....	4
3. Security .....	4
4. Agency IT Certified Projects.....	5
5. Workforce .....	6
6. Challenges.....	6
<b>III. KEY ACCOMPLISHMENTS – PRIOR FISCAL YEAR.....</b>	<b>6</b>
A. STRATEGIC IT ACCOMPLISHMENTS.....	6
B. OTHER KEY IT ACCOMPLISHMENTS – PRIOR FISCAL YEAR.....	8
<b>IV. FY27 IT STRATEGIC GOALS AND STRATEGIES.....</b>	<b>10</b>
<b>V. IT FISCAL AND BUDGET MANAGEMENT.....</b>	<b>12</b>
<b>VI. SPECIAL FUNDING, SUPPLEMENTAL, COMPUTER SYSTEM ENHANCEMENT (C2) FUNDING AND REAUTHORIZATION OF C2 APPROPRIATIONS .....</b>	<b>13</b>
<b>APPENDIX A-I: AGENCY ORGANIZATION CHART .....</b>	<b>14</b>
<b>APPENDIX A-II: IT ORGANIZATION CHART .....</b>	<b>15</b>
<b>APPENDIX A-III: C2 IT DATA PROCESSING CSEF .....</b>	<b>16</b>
<b>APPENDIX A-III: C2 IT Data Processing CSEF .....</b>	<b>16</b>

# **EXECUTIVE SUMMARY**

The State Treasurer serves as the elected Chief Banking Officer of the State and is entrusted with keeping, investing, and disbursing state money. The State Treasurer's Office is one of the elected offices of the executive division of state government. The State Treasurer is the only elected State official to sit on all State financial and investment boards and commissions. The Treasurer's office also administers the NM State programs for Asset Forfeiture, and the STABLE Program

## **I. AGENCY OVERVIEW**

### **A. AGENCY PURPOSE AND MISSION**

#### State Treasurer's Office Mission

To serve in an open and transparent manner, promoting the highest standards of professional banking and investment services to assure the financial security of the State of New Mexico as well as ABLE Services, Work and Save program management, and Forfeiture program management.

As the State Treasurer's Office is a constitutionally mandated office and of critical importance to the State to pay the States bills and manage the funds of the State, nothing in this IT Plan will be construed as a limitation on the State Treasurer's Office to procure or implement any systems deemed necessary to the continued operation or security of the State Treasurer's Office.

### **B. AGENCY BUSINESS GOALS**

#### State Treasurer's Office Goals

To be trustworthy stewards of the taxpayer's money, striving for the highest standards of transparency and integrity within the Office of the State Treasurer

### **C. AGENCY VISION**

The State Treasurers Office strives to live up to the NM Constitutionally mandated duties of acting as the State's Banking Entity along with the additional duties of management and operation of the ABLE Program, the Work and Save Program, and the Forfeiture program.

Due to the possibility of changing laws and responsibilities of the Office, we may or may not require an expansion of IT systems and services. Our main goal for the future is to maintain the critical services and systems to ensure that we can continue to deliver the Treasury functions we provide to the rest of the State.

IT plays a vital supporting role at STO. As technology has progressed, older systems of communication have been phased out by banks and financial institutions. Modern banking and investing are almost entirely accomplished electronically via the Internet. Without computing and Internet services at STO, there is no fallback except going to a bank branch physically to do business which given the volume of transactions processed by STO for the State, every day would not be practical. Given these needs, it can be easily inferred that without IT services, STO would not be able to do its vital business for the State.

## **D. AGENCY BUSINESS PRIORITIES AND PRIORITY CHANGES**

The State Treasurer's Office endeavors to fulfil its statutory obligation of serving as the State's bank, and ensuring the fiscal stability and liquidity of the State.

## **E. AGENCY ACCOMPLISHMENT, GOALS, AND CHALLENGES**

The STO's IT has accomplished the following this past fiscal year:

- Upgraded the IT infrastructure
- Increased IT security through hardware upgrades
- Increased business continuity preparedness through securing better Hot Site facilities

## **II. IT ENVIRONMENT**

### **1. Major Applications**

QED- PAAS Used Internally by the Investment Division to track the STO's Investment of State Funds

SHARE Treasury Management Module – Infrastructure managed by DoIT

Bloomberg – SAAS – Investment information and trading system

### **2. Infrastructure**

Our infrastructure consists of:

- Internet Connection and firewall
- Virtual and Physical Server systems
- SAN
- Networking equipment
- Desktop computers
- Phone systems
- Basic infrastructure Hot Site – virtualized at a remote location – no personnel
- Cisco Any connect to facilitate work from home; a VPN connecting from users' homes to the State Treasurer's Office main firewall at the main office
- Full security has been maintained for work from home

### **3. Security**

All systems are maintained with up to date and frequently updated and patched systems. The VPN is utilized to provide work from home functionality for users if Cisco Any connect authenticated by Radius systems in our environment. Only authorized and authenticated VPN connections are allowed and are restricted to login only during business hours (with the exception of IT administrators or express permission from the Agency CIO).

**4. Agency IT Certified Projects**

No Certified Projects

<b>PROJECT NAME: [Enter Project Name]</b>	
Project Description	
Estimated Project Costs	
Current Funding	
Certified Project Phase	
Estimated Completion	
Strategic Priority	
Agency IT Strategic Plan Alignment	
<b>PROJECT NAME: [Enter Project Name]</b>	
Project Description	
Estimated Project Costs	
Current Funding	
Certified Project Phase	
Estimated Completion	
Strategic Priority	
Agency IT Strategic Plan Alignment	
<b>PROJECT NAME: [Enter Project Name]</b>	
Project Description	
Estimated Project Costs	
Current Funding	
Certified Project Phase	
Estimated Completion	
Strategic Priority	
Strategic Priority	
Agency IT Strategic Plan Alignment	
<b>PROJECT NAME: [Enter Project Name]</b>	
Project Description	
Estimated Project Costs	
Current Funding	
Certified Project Phase	
Estimated Completion	

Strategic Priority	
Agency IT Strategic Plan Alignment	

## 5. Workforce

### A. Full Time IT Employees

[Provide the total number of your agency's authorized IT full time employees (FTE) and indicate the number of positions filled and vacant by Classification by using the Table below.]

Classification	Positions Filled	Positions Vacant
3	2	1

### B. Percentage of IT Full-Time Employees Teleworking, In the Office, or a Hybrid Schedule

[Provide the percentage of Full-Time employees currently teleworking, working in the office, or a combination of both/hybrid schedule by using the Table below.]

Teleworking (%)	Working in the Office (%)	Hybrid Schedule (%)
0	0	100

### C. IT Professional Services Contractors

[Describe your agency's use of IT professional contractors that are supporting your IT systems and applications. Please include the list of contractor information, including but not limited to: Service Category, Contract Vendor name, Number of Contract Personnel.]

Service Category	Contract Vendor Name	Number of Contract Personnel
Network Support	One Technology Corporation	As needed
Hardware Support	ABBA Technologies	As needed

## 6. Challenges

[Provide a list of your agency IT challenges including possible opportunities to address them.]

No.	Agency IT Challenge Description	Potential Opportunities to Address the IT Challenge Description
1	Prevent Hacking	Continued upgrades

## III. KEY ACCOMPLISHMENTS – PRIOR FISCAL YEAR

STO's IT has accomplished the following this past fiscal year:

- Upgrade the IT infrastructure
- Increased IT security through hardware upgrades
- Increased business continuity preparedness through securing better Hot Site facilities

## A. STRATEGIC IT ACCOMPLISHMENTS

<b>STRATEGIC PRIORITY 1 – [STRATEGY NAME]</b>	
<b>[STRATEGY STATEMENT – WHAT DOES THE STRATEGY ACCOMPLISH]</b>	
<b>Strategy 1</b>	IT vigilance in the face of Cyber Threats
Accomplishments	Continued High Security Score
Outcomes/Metrics	Continued High Security Score
<b>Strategy 2</b>	Hacking Prevention / Hardening / Updating
Accomplishments	Upgraded networking and security equipment
Outcomes/Metrics	Preventing the ever increasing in hacking this year from impacting Business ops
<b>Strategy 3</b>	Business Continuity
Accomplishments	Better more secure Hot Site facility was secured
Outcomes/Metrics	The banking of the State continues to be done
<b>Strategy 4</b>	
Accomplishments	
Outcomes/Metrics	

<b>STRATEGIC PRIORITY 2 – [STRATEGY NAME]</b>	
<b>[STRATEGY STATEMENT – WHAT DOES THE STRATEGY ACCOMPLISH]</b>	
<b>Strategy 1</b>	Security of all systems
Accomplishments	Prevention of hacking
Outcomes/Metrics	Ongoing and constant
<b>Strategy 2</b>	
Accomplishments	
Outcomes/Metrics	
<b>Strategy 3</b>	
Accomplishments	

Outcomes/Metrics	
<b>Strategy 4</b>	
Accomplishments	
Outcomes/Metrics	

**B. OTHER KEY IT ACCOMPLISHMENTS – PRIOR FISCAL YEAR**

[Preface this section with a statement that summarizes the content in this table.]

<b>APPLICATION</b>	
Accomplishment	
Value or Impact	
<b>DATA</b>	
Accomplishment	
Value or Impact	
<b>PROCESS IMPROVEMENT</b>	
Accomplishment	
Value or Impact	
<b>WORKFORCE</b>	
Accomplishments	
Value or Impact	
<b>CUSTOMER SERVICE</b>	
Accomplishments	
Value or Impact	
<b>TELEWORK</b>	
Accomplishments	
Value or Impact	
<b>SECURITY</b>	

Accomplishments	
Value or Impact	

#### IV. FY27 IT STRATEGIC GOALS AND STRATEGIES

[Include an introductory statement to introduce the following information.]

<b>STRATEGIC PRIORITY 1 – Strategy Name</b>	
<b>Goal Statement</b>	
<b>Strategy 1</b>	IT vigilance in the face of Cyber Threats
Outcomes/Metrics	Continued High Security of IT systems
<b>Strategy 2</b>	Hacking Prevention / Hardening / Updating
Outcomes/Metrics	Preventing the ever increasing in hacking this year from impacting Business ops
<b>Strategy 3</b>	Business Continuity
Outcomes/Metrics	The banking of the State continues to be done
<b>Strategy 4</b>	
Outcomes/Metrics	

<b>STRATEGIC PRIORITY 2 – Strategy Name</b>	
<b>Goal Statement</b>	
<b>Strategy 1</b>	Security of all systems
Outcomes/Metrics	Ongoing and constant
<b>Strategy 2</b>	
Outcomes/Metrics	
<b>Strategy 3</b>	

Outcomes/Metrics	
<b>Strategy 4</b>	
Outcomes/Metrics	

<b>STRATEGIC PRIORITY 3 – Strategy Name</b>	
<b>Goal Statement</b>	
<b>Strategy 1</b>	
Outcomes/Metrics	
<b>Strategy 2</b>	
Outcomes/Metrics	
<b>Strategy 3</b>	
Outcomes/Metrics	
<b>Strategy 4</b>	

# V. IT FISCAL AND BUDGET MANAGEMENT

## Information Technology (IT) Operating Budget (C1)

(To update this table, please double click on the embedded spreadsheet and add the required information. Before exiting the spreadsheet, please make sure to scroll up. Otherwise, the entries of this table will not be fully previewed.)

<b>Agency Name</b>				<b>Agency Code</b>	
STO				39400	
<b>Base Request Operational Support of IT. Check one of the options below:</b>				<b>Flat Budget</b>	<b>Expansion from previous year</b>
Yes/No					Yes
<b>Revenue IT Base Budget (dollars in thousands)</b>					
<b>Appropriation Funding Type</b>	<b>FY24 Actual</b>	<b>FY25 Actual</b>	<b>FY26 OpBud</b>	<b>FY27 Request</b>	<b>FY28 Estimate</b>
General Fund	276.0	288.0	351.0	571.7	603.0
Other State Funds	31.0	67.0	58.0	78.0	85.1
Federal Funds	0.0	0.0	0.0	0.0	0.0
Internal Svc Funds/Interagency Transfer	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>307.0</b>	<b>355.0</b>	<b>409.0</b>	<b>649.7</b>	<b>688.1</b>
<b>Expenditure Categories (dollars in thousands)</b>					
<b>Category or Account Description</b>	<b>FY24 Actual</b>	<b>FY25 Actual</b>	<b>FY26 OpBud</b>	<b>FY27 Request</b>	<b>FY28 Estimate</b>
Personnel Services & Employee Benefits	283.0	295.0	304.8	527.0	548.1
Contractual & Professional Services	0.0	0.0	0.0	0.0	0.0
IT Other Services	185.0	310.0	104.2	122.7	140.0
Other Financing Uses	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>468.0</b>	<b>605.0</b>	<b>409.0</b>	<b>649.7</b>	<b>688.1</b>
	<b>Print Name</b>	<b>Phone</b>	<b>Email Address</b>	<b>Date</b>	
Agency Cabinet Secretary/ Director (Mandatory)					
Chief Information Officer or IT Lead(Mandatory)					
Chief Finance Officer (Mandatory)					

Agency Cabinet Secretary/Director Signature \_\_\_\_\_

Chief Information Officer/IT Lead Signature \_\_\_\_\_

Chief Financial Officer Signature \_\_\_\_\_

## VI. SPECIAL FUNDING, SUPPLEMENTAL, COMPUTER SYSTEM ENHANCEMENT (C2) FUNDING AND REAUTHORIZATION OF C2 APPROPRIATIONS

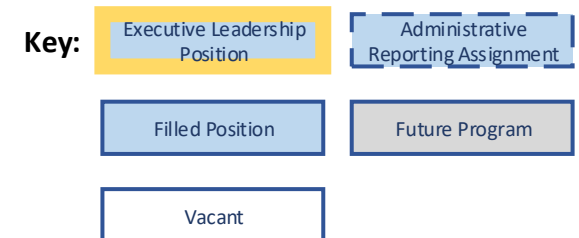
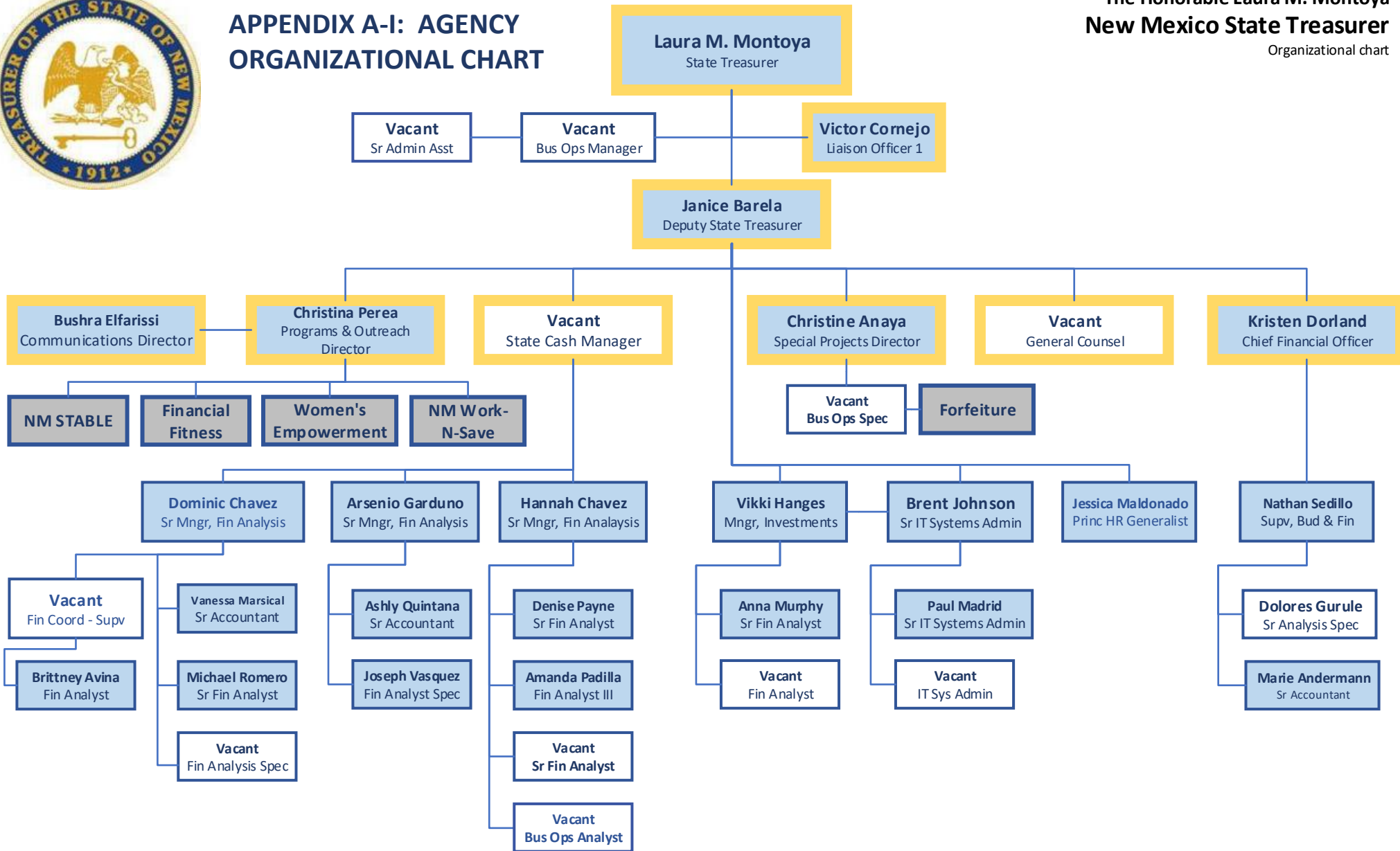
- A. Special Funding and Supplemental Request(s):** [Include narrative describing any special or supplemental funding requested. If none, note the agency has no requests.]
- B. Computer System Enhancement (C2) Funding:** [Include a list of C2 funding request(s) with the name(s) of the proposed projects. Insert a C2 Information Technology Data Processing – Computer Enhancement Fund (CSEF) form for each request as Appendix-A-III and reference Appendix-A-III in this section. If none, note the agency has no requests.]
- C. Reauthorization of C2 Appropriations:** [Include requested reauthorizations of prior C2 appropriations or note the agency is not requesting reauthorization of prior C2 appropriations.]

### REQUEST FOR REAUTHORIZATION OF C2 APPROPRIATIONS

Information Technology Request for Reauthorization of C2 Appropriations			
Agency Name		Agency Code	
Lead Agency Name Listed on Appropriation		Project Name	
Source of Authorization (e.g. Laws 2022, Chapter 54, Section 7 (12) or Grant/Federal Fund #)		Appropriation Amount (in thousands)	Remaining Balance (in thousands)
		0.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
Total amount appropriated for project life (in thousands)		Will the project be completed within the next fiscal year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Reason for Requesting Reauthorization			



# APPENDIX A-I: AGENCY ORGANIZATIONAL CHART



## **APPENDIX A-II: IT ORGANIZATION CHART**

**N/A**

## **APPENDIX A-III: C2 IT DATA PROCESSING CSEF**

### **APPENDIX A-III: C2 IT Data Processing CSEF**

N/A

**C2: Information Technology  
Data Processing - Computer Systems Enhancement Fund (CSEF)**

Agency Name	Agency Code	Project Name		
Multi-Agency Project	Participating Agencies	Priority	Projected/Actual Start Date	Projected End Date

Revenue Project Cost (dollars in thousands)				
Category or Account Description	FY25 & Prev Actual	FY26 Budget	FY27 Request	Total
General Fund (CSEF)	0.0	0.0	0.0	0.0
Other State Funds (*specify funds below)	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0
Internal Svc Funds/Interagency Transfer	0.0	0.0	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
*If Other State Funds, Specify Funding Source/Fund Name				

Expenditure Categories (dollars in thousands)				
	FY25 & Prev Actual	FY26 Budget	FY27 Request	Total
Personnel Services & Employee Benefits	0.0	0.0	0.0	0.0
Professional Services	0.0	0.0	0.0	0.0
Travel/Lodging	0.0	0.0	0.0	0.0
IT Hardware	0.0	0.0	0.0	0.0
IT Software	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

	Print Name	Phone	Email Address	Date
Agency Cabinet Secretary/ Director (Mandatory)				
Chief Information Officer or IT Lead(Mandatory)				
Chief Finance Officer / Budget Director (Mandatory)				

Agency Cabinet Secretary/Director Signature Janice Y. Barba

Chief Information Officer/IT Lead Signature \_\_\_\_\_

Chief Finance Officer/Budget Director Signature \_\_\_\_\_

**FY26 APPROPRIATION REQUEST  
FORM E-6B LEASED PASSENGER-RELATED VEHICLES**

**Account code 542800**

LEASED VEHICLE INFORMATION @ 7/1/25

Agency Name: NM STATE TREASURER OFFICE  
 Program Name: \_\_\_\_\_

Business Unit: 39400  
 Program Code: \_\_\_\_\_

Item No.	LONG TERM LEASES ONLY						Lease Type Operational (O) or Standard (S)	Long Term Only			SHORT TERM ONLY			Put (x) if Fed \$
	Year	Make/Model	Vehicle Type	A** R	License Plate Number	Mileage As of 7/1/23		A	B	A x B = C	D	E	D x E = F	
								FY24 Monthly Rate S= Rate Schedule	Number of months to lease	Total cost Rate FY25	Daily Rate Based On Vehicle Type	No. of Days	Total Lease Rate	
Example	2019	Nissan/Altima	02BO	C	007427SG	12,961	(O)	267	12	3,200.6				
1	2019	Nissan/Altima	02BO	C	007437SG	30,940	(O)	267	12	3,200.6			-	
2	2024	Nissan/Rogue	06AM	C	0105705G	2,739	(O)	747	12	8,964.0			-	
3										-			-	
4										-			-	
5										-			-	
6										-			-	
7										-			-	
8										-			-	
9										-			-	
10										-			-	
11										-			-	
12										-			-	
13										-			-	
14										-			-	
15										-			-	
16										-			-	
17										-			-	
18										-			-	
19										-			-	
								<b>TOTAL LONG TERM:</b>	15,365.3	<b>TOTAL SHORT TERM:</b>			-	

Operational(O) rate for FY25 will be

\*\* Code A = additional leased vehicle request C = vehicle currently leased R = request to replace previously purchased vehicle

STATE OF NEW MEXICO  
OFFICE OF THE STATE TREASURER



LOCAL GOVERNMENT INVESTMENT POOL  
**INVESTMENT POLICY**

DECEMBER 2023



**LAURA M. MONTOYA**  
NEW MEXICO STATE TREASURER

## Table of Contents

I.	Statement of Purpose/Statutory Authority .....	3
II.	Definitions .....	3
III.	Identification of Funds .....	4
IV.	Objectives .....	5
V.	Philosophy .....	5
VI.	Standards of Care .....	5
A.	Delegation by the State Treasurer of Investment Authority .....	5
B.	Ethics and Conflict of Interest .....	6
C.	Prudence .....	6
VII.	Controls .....	6
A.	Custody .....	6
B.	Investment Advisor/Consultant .....	7
C.	Approved Broker-Dealers and Counterparties .....	7
D.	Competitive Transactions .....	7
E.	Internal Controls .....	8
F.	External Controls .....	9
G.	State Treasurer’s Investment Council .....	9
VIII.	Eligible and Ineligible Investments .....	9
A.	Eligible Investments .....	9
B.	Ineligible Investments .....	10
C.	Repurchase Agreements .....	10
IX.	Investment Parameters .....	11
A.	Diversification .....	11
B.	Maturity Restrictions .....	12
C.	Portfolio Duration .....	13
D.	Credit Quality .....	13
X.	Reporting: .....	13
A.	Specific Reporting Requirements .....	13
B.	Performance Standards .....	14
C.	Quarterly Reporting .....	14
D.	Annual Reporting .....	14
XI.	Allocation of Investment Income .....	14
XII.	Ongoing Training .....	14
XIII.	Investment Policy Review/Adoption .....	15
XIV.	Reasonable Audit, Administrative, and Investment Expenses .....	15

## I. Statement of Purpose/Statutory Authority

The New Mexico State Treasurer is a fiduciary of public funds. The purpose of this Investment Policy is to establish investment guidelines for the New Mexico State Treasurer, who is responsible for the stewardship of the State Treasurer’s Office (STO) Investment Program, specifically the Local Government Investment Pool (“LGIP”).

STO is established by Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are further defined by Chapters 6 and 8 of the New Mexico Statutory Code.

Specific authority concerning the investment of the LGIP can be found at NMSA 1978, Sections 6-10-10 (1933, as amended through 2021) and 6-10-10.1 (1988, as amended through 2019).

STO will submit this LGIP Investment Policy, on behalf of the State Treasurer, to the State Board of Finance pursuant to its advice and consent role established in Section 6-10-10.

Each transaction and entire portfolio must comply with applicable New Mexico state statutes and this Investment Policy. All investment program activities will be evaluated by the standards of this Policy and ranking of Primary Investment Objectives. Those activities that violate the intent of this Investment Policy will be deemed to be violations of this Investment Policy. This Policy conforms to the customary standards of prudent investment management. In the event that New Mexico state statutes are amended, this Policy will be updated by the Treasurer and presented to the New Mexico State Board of Finance for advice and consent.

## II. Definitions

Authorized Investment Officers	Those individuals and third-party entities authorized by the State Treasurer to invest monies on behalf of the State of New Mexico.
Custodian	A specialized financial institution, approved by the State Board of Finance, responsible for the safekeeping of assets. The assets may be in electronic or physical form. Some additional responsibilities may include facilitating securities settlements and the collection of income on assets held in safekeeping.
Duration	A measure of the price sensitivity of an underlying security, or portfolio, to changes in interest rates.
DVP	Delivery Versus Payment, a method of securities settlement where securities are simultaneously exchanged for payment.
Fiscal Agent Bank	A bank or savings and loan association designated by the State Board of Finance pursuant to NMSA 1978, §6-10-35, acting on behalf of the State of New Mexico, to perform various financial functions. Fiscal agent bank functions include the collection of all monies received by the State of New Mexico and the management of STO’s checking account. Monies held at the Fiscal Agent Bank are managed to a target balance after payment of checks, warrants, Automated Clearing House (ACH) volume and wire transfers processed by the State.

Investment Grade Ratings	<p>Issuer ratings within any of the following rating agency ranges:</p> <table border="0"> <thead> <tr> <th><b>RATING AGENCY</b></th> <th><b>LONG-TERM</b></th> <th><b>SHORT-TERM</b></th> </tr> </thead> <tbody> <tr> <td><b>Standard &amp; Poor's</b></td> <td>A to AAA</td> <td>A-1 or Better</td> </tr> <tr> <td><b>Fitch</b></td> <td>A to AAA</td> <td>F1 or Better</td> </tr> <tr> <td><b>Moody's</b></td> <td>A2 to Aaa</td> <td>P-1</td> </tr> </tbody> </table>	<b>RATING AGENCY</b>	<b>LONG-TERM</b>	<b>SHORT-TERM</b>	<b>Standard &amp; Poor's</b>	A to AAA	A-1 or Better	<b>Fitch</b>	A to AAA	F1 or Better	<b>Moody's</b>	A2 to Aaa	P-1
<b>RATING AGENCY</b>	<b>LONG-TERM</b>	<b>SHORT-TERM</b>											
<b>Standard &amp; Poor's</b>	A to AAA	A-1 or Better											
<b>Fitch</b>	A to AAA	F1 or Better											
<b>Moody's</b>	A2 to Aaa	P-1											
Maturity Date	The date on which the principal amount of a debt instrument becomes due and is repaid to the investor, along with all remaining interest.												
Put	A put option on a debt security allows the bondholder to force the issuer, remarketing agent or letter of credit provider to repurchase the security at specified dates prior to the stated maturity.												
Supranational Obligations	An international development institution formed by two or more central governments, limited to issuers domiciled within the United States: International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).												
WAM	Weighted Average Maturity. For a given portfolio, the average maturity of investment holdings weighted by the relative size of each position.												

**III. Identification of Funds**

There is created in the state treasury the "local government investment pool". The fund shall consist of all deposits from participating governments, including revenues dedicated to repaying bonds, that are placed in the custody of the state treasurer for investment purposes pursuant to state statutes. The state treasurer shall maintain one or more separate accounts for each participating government having deposits in the local government investment pool and may divide the fund into two or more subfunds, as the state treasurer deems appropriate, for short-term and medium-term investment purposes, including one or more subfunds for bond proceeds deposited by participating governments 6-10-10.1 (A).

This Investment Policy applies only to the investment of the LGIP short-term and medium-term funds managed by the State Treasurer. The LGIP is a pool of funds created by the New Mexico State Legislature. Any local governing body, the governing authority of a tribe or any other governmental or quasi-governmental body created or authorized to be created pursuant to New Mexico statutes may participate in the short-term LGIP, as permitted by Section 6-10-1.1 (C) and Section 6-10-10.1). This fund will be called Local Government Investment Pool (LGIP) Short-Term Fund.

The Local Government Investment Pool (LGIP) Medium-Term Fund will be established to provide investment opportunities specifically for the New Mexico State Investment Council (SIC).

#### IV. Objectives

The LGIP will be invested in a manner that is in conformance with federal, state, and other legal requirements.

The Chief Investment Officer (CIO) and Authorized Investment Officers (AIOs) will observe the following priorities in making investment decisions, in the order described:

1. **Safety**—The priority is the preservation of the funds invested in the pool;
2. **Liquidity**—The second priority is maintaining sufficient availability of cash, or the capacity to obtain it without sacrificing principal loss, to satisfy the reasonably anticipated, continuing operational requirements of the LGIP; and
3. **Return**—The third priority is maximizing investment return, consistent with the higher priorities accorded to the safety and liquidity of principal.

Pursuant to Section 6-10-10.1(I), the Local Government Investment Pool (LGIP) Short-Term Fund is managed to an “AA” rating or better. The Chief Investment Officer and Authorized Investment Officers will comply with all rating agency criteria to maintain the LGIP’s statutory rating requirement.

The Local Government Investment Pool (LGIP) Short-Term Fund shall be invested with the objective of preserving a stable net asset value (NAV) of \$1.00 per share.

The Local Government Investment Pool Medium-Term Fund is not required by Section 6-10-10.1(I) to be managed pursuant to a rating by a Nationally Recognized Statistical Rating Organization.

The LGIP Medium-Term Fund shall be invested with a floating net asset value to reflect its longer maturity structure, subject to mark-to-market fluctuations in value.

#### V. Philosophy

The primary investment philosophy of STO is to match investment maturities with expected cash outflows. Securities shall generally be held until maturity, with the following exceptions:

- A security with declining credit may be sold prior to maturity to minimize loss of principal upon recommendation and approval by the State Treasurer’s Credit Committee.
- Liquidity needs of the portfolio require that a security be sold prior to maturity.
- A security rebalance, or swap would improve the quality, yield or target duration in the portfolio.

#### VI. Standards of Care

##### A. Delegation by the State Treasurer of Investment Authority

The State Treasurer shall invest the Local Government Investment Pool as provided in Section 6-10-10.

To ensure effective investment management of public funds, the State Treasurer has delegated investment functions to an Investment Division reporting to the Deputy Treasurer. The Investment Division includes a CIO and AIOs. AIOs will report to the CIO and the CIO will report to the Deputy Treasurer. The CIO will maintain a current list of Authorized Investment Officers.

## B. Ethics and Conflict of Interest

The Deputy Treasurer, CIO and AIOs shall adhere to standards of conduct as follows:

- The Governmental Conduct Act, NMSA 1978, §§ 10-16-1 to -18 (1967, as amended through 2023);
- The State Treasurer’s Employee Code of Conduct;
- The State Treasurer’s Campaign Contributions Policy;
- The State Treasurer’s Whistleblower Policy;
- The Gift Act, NMSA 1978, §§ 10-16B-1 to -4 (2007, as amended through 2019); and
- The Procurement Code, NMSA 1978, §§ 13-1-28 to -199 (1984, as amended through 2023).

The CIO and AIOs shall file personal disclosure forms as required by the Governmental Conduct Act and the State Treasurer’s Code of Conduct.

## C. Prudence

The Deputy Treasurer, CIO and AIOs shall perform investment duties in a manner consistent with this LGIP Investment Policy and the standard of a prudent investor<sup>1</sup> considering the purposes, terms, distribution requirements, and other circumstances then prevailing as to the assets entrusted to them.

In the process of investing funds in the LGIP, the CIO and AIOs will exercise reasonable care, skill, diligence, and prudence considering investments not in isolation, but in the context of the portfolio as a whole and as part of an overall investment strategy. That strategy shall incorporate the risk and return objectives articulated in this LGIP Investment Policy.

The CIO and AIOs—acting in accordance with New Mexico Statutes, written procedures, this LGIP Investment Policy, and exercising due diligence—shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

## VII. Controls

### A. Custody

All investment securities purchased by the CIO and AIOs, held as collateral on repurchase agreements and bank deposits or held as collateral on securities lending agreements, shall be held in third-party safekeeping at a financial institution qualified to act in this capacity.

All securities held for the LGIP will be free and clear of any lien and all transactions will be conducted in compliance with Section 6-10-10(O), which requires same-day transfer of funds with the settlement of securities.

The Custodian will provide reports that list all transactions that occurred within the LGIP during the month and all securities held for the LGIP at month-end including the book and market value of holdings.

The representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of the LGIP shall be bonded in amounts required by the

---

<sup>1</sup> See Uniform Prudent Investor Act, NMSA 1978, §§ 45-7-601 to -612 (1995).

State Board of Finance under a custody agreement to protect from losses due to malfeasance and misfeasance.

#### B. Investment Advisor/Consultant

STO may enter into an agreement with an investment advisor or consultant for investment management or advisory services. The investment advisor or consultant will operate under the direction of the State Treasurer.

The investment advisor or consultant shall:

- be registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940;
- have at least seven years' experience in managing or advising government debt for other governments and fiduciary institutions and has had at least \$1 billion under management for investment disciplines similar to this Policy;
- has liability and fiduciary insurance coverage;
- does not have a proprietary interest in any portfolio manager or fund manager utilized by the State Treasurer; and
- shall submit form ADV Part 2A on an annual basis to the State Treasurer.

#### C. Approved Broker-Dealers and Counterparties

To ensure the proper separation of duties from the investment functions, the State Cash Manager shall maintain a list of broker-dealers and counterparties approved to provide investment services to the LGIP specifically and the state generally. Eligible broker-dealers will need to meet all of the following conditions:

- The broker-dealer and its representatives must be registered pursuant to the New Mexico Uniform Securities Act, NMSA 1978, §§ 58-13C-101 to -701 (2009)<sup>2</sup>;
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA);
- All broker-dealer representatives who have direct contact with securities trading between STO and the firm must have a FINRA Series 7 License, or equivalent certification;
- The broker-dealer representatives must have a minimum of five (5) years of continuous employment history involving fixed income securities, with exceptions permitted for sales and trading assistants acting in temporary administrative capacities; and
- Counterparties must operate under the terms of a securities lending or repurchase agreement.

The Broker-Dealer list will be submitted to the State Treasurer's Investment Council (STIC) for recommendation and will be approved by the State Treasurer. The list will be submitted to the State Board of Finance for its advice and consent.

#### D. Competitive Transactions

The CIO and AIOs will conduct all securities transactions in a fair, open and transparent competitive process:

---

<sup>2</sup> See also 12.11.2 NMAC.

- All securities transactions shall be conducted on a best execution basis, subject to diversification constraints.
- Best execution means that the CIO and AIOs must seek the best price for a security in the marketplace and must ensure that unnecessary brokerage costs and charges are not incurred when transactions are executed. Transactions executed represent the best qualitative execution, not just the lowest price.
- Every effort to obtain at least three bids or offers on a specific security will be conducted. If unobtainable, documentation of comparable securities accompanied by current market levels will be retained, to provide evidence of price transparency and trade execution at competitive levels.
- Offers or bids for securities may be received from approved broker-dealers or direct issuers by any of the following means:
  - By phone; or
  - By e-mail or other form of electronic communication; or
  - Through an electronic trading platform; or
  - Directly from issuers of eligible investments.

#### E. Internal Controls

The CIO will maintain sufficient internal controls to protect against the loss of public funds arising from negligence, theft, or misuse. These controls will require the CIO to:

- Communicate regularly with the Deputy Treasurer regarding investment activities, including any significant changes in market value or credit quality of investment positions;
- Require monthly reconciliation of internal investment accounting and reporting to all external statements provided by the custodian and other financial institutions;
- Monitor compliance with applicable state statutes;
- Require Delivery Versus Payment security settlement except for physical securities;
- Maintain clear delegation of investment authority;
- Ensure the separation of investing authority from cash activities and recordkeeping;
- Ensure that all deposits are sufficiently collateralized pursuant to 2.60.4 NMAC or as required by the rating agency for the LGIP, whichever is greater;
- Require the use of approved objective criteria in selecting broker-dealers and financial institutions authorized to provide investment services to the state;
- Maintain documentation on investment procedures;
- Report violations of this policy to the State Treasurer in a timely manner;
- Require the use of agency-approved objective criteria in awarding investment purchases and sales to authorized financial institutions and broker-dealers;
- Ensure assets are valued by marking holdings to current market prices, thereby representing the full liquidation value of the LGIP;
- Ensure the NAV per share is computed by dividing the total market value of the LGIP's investments, less any liabilities, by the total outstanding shares of the LGIP; and,
- If the market-based NAV for the LGIP Short-Term Fund deviates from the \$1.00 NAV by more than 0.15% (\$0.0015; equating to less than \$0.9985 or more than \$1.0015), the CIO shall notify the Deputy Treasurer, in conjunction with the AIOs, to determine what, if any, actions need to be taken.
- The LGIP Medium-Term Fund will have a floating NAV with no restrictions regarding deviations in its value.

#### F. External Controls

- STO will retain all records related to LGIP investment activities pursuant to state law. As provided by the Audit Act, NMSA 1978, §§ 12-6-1 to-14 (1969, as amended through 2019), the State Auditor or a designated independent auditor will review the investment activities of STO regarding the LGIP to determine the compliance of those activities with this LGIP Investment Policy and state statutes.
- The market value of all funds held by the custodian will be calculated monthly and provided to the State Treasurer.

#### G. State Treasurer's Investment Council

The State Treasurer may establish the State Treasurer's Investment Council (STIC), an advisory Council to review investment reporting and any other matters of the State Treasurer's choosing.

- The Investment Council shall consist of five (5) voting members: the State Treasurer, or designee; a member of the Treasurer's staff upon appointment by the Treasurer or designee; the director of the State Board of Finance, or designee; and two members who are participants in the private investment community or have expert knowledge or professional experience in the subject of public finance or public money investing, of which one member will be appointed by the State Treasurer and approved by the State Board of Finance and one member will be appointed by the State Board of Finance and approved by the State Treasurer. The member of the Treasurer's staff shall be selected in a manner consistent with maintaining a separation of responsibilities between STO investment managers and the members of the council.
- Each private sector member shall serve at the pleasure of the State Treasurer or the State Board of Finance appointing the private-sector member. The private-sector members shall serve for a term of two (2) years after appointment and shall be eligible for reappointment to serve for consecutive two (2) year terms. Any vacancy created by a private sector member shall be filled in the same manner as original appointments.

### **VIII. Eligible and Ineligible Investments**

#### A. Eligible Investments

Eligible Investments are only those securities and deposits specifically authorized by statute. Consistent with Sections 6-10-10 and 6-10-10.1, the CIO and AIOs may invest in the following:

- Cash at Banks, Savings and Loan Associations, or Credit Unions whose deposits are insured by an agency of the United States and are certified or designated as eligible to receive public money on deposit in New Mexico;
- Securities issued by the United States government;
- Securities issued or guaranteed by United States government agencies, government sponsored enterprises (GSEs), or instrumentalities including mortgage obligations;
- Securities issued by supranational entities, as defined in this policy;
- Repurchase Agreements, subject to restrictions contained in Section VII, paragraph C of this LGIP Investment Policy;
- Securities Lending Agreements;

- Commercial Paper issuers rated “prime” quality by a nationally recognized rating service, defined in this policy as investment grade, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Corporate Bond issuers rated investment grade, as defined in this policy, by a nationally recognized rating service, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Asset-Backed Obligations rated “AAA” or better by a nationally recognized rating service;
- Shares of open-ended diversified investment companies that are registered with the United States Securities and Exchange Commission; comply with the diversification, quality, and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assess no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated; and do not use swap and derivative products. STO shall not, at any time, own more than five percent (5%) of a money market mutual fund’s assets.
- Individual, common or collective trust funds of banks or trust companies that are invested only in United States Government and Agency obligations and repurchase agreements secured by such obligations; have assets under management of at least one-billion dollars (\$1,000,000,000); do not use swap and derivative products; and the investments made by STO are less than five percent (5%) of the assets of the fund.
- Securities issued by the State of New Mexico, its agencies, institutions, counties, municipalities, school districts, community college districts, or other subdivisions of the state, or as otherwise provided by law and rated investment grade as defined by this policy; or
- Securities issued by states other than New Mexico or governmental entities in states other than New Mexico and rated investment grade as defined by this policy.

#### B. Ineligible Investments

To provide for the safety and liquidity of funds, the Local Government Investment Pool is specifically prohibited from investing in:

- Short Sales
- Whole Loan Mortgage Obligations
- Reverse Repurchase Agreements, except under a securities lending agreement
- Inverse Floating Rate Notes
- Equity Securities
- Swaps and Derivatives

#### C. Repurchase Agreements

Repurchase Agreements are subject to additional restrictions:

- Transactions will be conducted only with currently approved dealers and counterparties included on the broker-dealer list, the Fiscal Agent Bank, or the master custodial bank, operating under the terms of a master repurchase agreement or securities lending agreement;

- Each approved repo counterparty must have a net worth in excess of five-hundred-million dollars (\$500,000,000);
- The maximum term of any repurchase agreement will be one (1) year; and
- Tri-Party Repurchase Agreement transactions may be entered into with a contracted custodial bank for this purpose, provided all securities meet the requirements within this policy.

Securities accepted as collateral for repurchase agreements will be subject to the following additional restrictions:

- Securities placed as collateral for repurchase agreements, with a final maturity less than 10 years, will be priced at 102% of market value, plus accrued income;
- Securities placed as collateral for repurchase agreements, with a final maturity of ten (10) years or greater, will be priced at 103% of market value, plus accrued income;
- Agency mortgage-backed securities placed as collateral for term repurchase agreements with a maturity longer than seven (7) days will be priced at 105% of market value, plus accrued income;
- Term repurchase agreements with a maturity date that is longer than seven (7) days are required to have daily pricing of collateral; and
- Only treasury and agency securities, including agency mortgage-backed obligations, will be utilized as collateral for repurchase agreements.

## **IX. Investment Parameters**

To provide for the safety and liquidity of funds, the investment of the LGIP will be subject to the restrictions listed below. These represent minimum investment restrictions under this LGIP Investment Policy and there may be separate procedures containing additional, more restrictive limitations for certain investment instruments. All restrictions are based on current market value.

Maximum percentages for a particular issuer, investment type, or liquidity constraint may on occasion be exceeded due to unforeseen circumstances (e.g., due to fluctuations in fund balances). Exceptions will be reported to the Treasurer, the State Treasurer's Investment Council, and the State Board of Finance monthly. Steps will be taken to remedy any breaches that may put the LGIP's Short-Term Fund rating at risk of falling below the required AA or better rating. The LGIP Medium-Term Fund is not required by statute to be rated.

Percentage restrictions will be based on total portfolio market value on the settlement date of securities purchased.

### **A. Diversification**

- GSEs or government-guaranteed investments rated AA or higher with final maturities shorter than thirty (30) days will be excluded from diversification limits;
- For the LGIP Short-Term Fund and Medium-Term Fund, collateralized bank deposits secured by Federal Home Loan Bank (FHLB) letters of credit (LOCs) qualify as credit substitutions, and will therefore be viewed as obligations of the collateral issuer, FHLB;
- Issuer limits for collateralized bank deposits include certificate of deposit (CD) exposure in aggregate;
- Variable rate demand notes that have a Put, standby purchase agreement or secured by a LOC, back to the issuer, remarketing agent, or LOC provider, will be considered to have a maturity equivalent to the Put date. These securities will not be attributable to the

floating rate note diversification calculation and will be considered the obligation of the standby purchaser or LOC provider.

Otherwise, the following diversification limits shall apply to the LGIP portfolio:

<b>Allowable Securities</b>	<b>Diversification Limits</b>	<b>Further Limitations</b>
US Treasury Obligations	100%	
US Agency/GSE Obligations > 30 days Primary Issuers— <i>FNMA, FHLMC, FFCB, FHLB</i> Secondary Issuers— <i>All Other Agencies/GSEs &gt; 30 days</i>	100%	Per Primary Issuer: 33% Per Secondary Issuer: 5% Except TVA: 10%
US Agency Issued Mortgage-Backed Securities	25%	
Supranational Obligations	15%	Per Issuer: 5%
Bank Deposits—Collateralized		Per Issuer:
A1+ or F1+—1 Day	100%	50%
A1 or P1 or F1—1 Day	100%	25%
A1 or P1 or F1—2 Days +	25%	5%
A2 or P2 or F2	10%	2.5%
Bank Deposits (GSE Approved LOC)		
A2 or P2 or F2—1 Day	50%	25%
Commercial Paper, Corporate Bonds, Medium Term Notes, and Asset-Backed Obligations ( <i>In Aggregate</i> )	40%	Per Corporate Issuer: 5% Per Asset-Backed Issuer: 5%
Open Ended 2a-7 Rated Fund US Treasury and Agency <i>Only</i>	100%	Per Fund: 10%
Municipal Securities	15%	Per Issuer: 5%
Pre-refunded 100% escrowed with US Government related securities	15%	
Repurchase Agreements (Business Days)		Per Counterparty:
A1+ or F1+—1 Day	100%	50%
A1 or P1 or F1—1 Day	100%	25%
A1 or P1 or F1—2-5 Days	100%	10%
A1 or P1 or F1—6 Days +	10%	5%
A2 or P2 or F2—1 Day	10%	5%
Limited/Illiquid Securities ( <i>In Aggregate</i> )	10%	Nonmarketable securities with maturities greater than 5 business days.

#### B. Maturity Restrictions

The following maturity limits shall apply to each portfolio:

##### **LGIP SHORT-TERM FUND**

<b>Allowable Securities</b>	<b>Maturity Limits</b>
All Securities	397 Days
Variable Rate Obligations	
US Treasury and GSE	762 Days
All Other	397 Days

##### **LGIP MEDIUM-TERM FUND**

<b>Allowable Securities</b>	<b>Maturity Limits</b>
All Securities	3 Years

C. Portfolio Duration

The CIO and AIOs will manage the LGIP Short-Term Fund within the weighted average maturity (WAM) required by the LGIP’s rating agency. The appropriate performance benchmark for the LGIP will be reflective of its short-term investment objective. The benchmark will be reviewed by the State Treasurer’s Investment Council for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

The CIO and AIOs will manage the LGIP Medium-Term Fund within +/-15% of the WAM and duration of the appropriate performance benchmark. The benchmark will be reviewed by the State Treasurer’s Investment Council for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

D. Credit Quality

The following issuer credit rating limits shall apply for the LGIP:

Investment Type	Credit	
	Short-Term	Long-Term
US Treasury Obligations		
US Agency Obligations		
US Agency Issued Mortgage-Backed Securities		
Supranational Obligations		AAA/Aaa
Bank Deposits—Collateralized	See Above	
Asset-Backed Obligations	A1+ or P1 or F1+	AAA/Aaa
Commercial Paper	A1 or P1 or F1	A/A2
Corporate Bonds	A1 or P1 or F1	A/A2
Open-Ended 2a-7 rated fund US Treasury and Agency <i>Only</i>	AAAm or Aaa-mf or Aaammf	
Municipal Securities	A1 or MIG1 or F1	A/A2
Repurchase Agreements	See Above	
Variable Rate Obligations US Treasury and Agency/GSE All other	A1 or P1 or F1	A/A2
Limited/Illiquid Securities	A1 or P1 or F1	A/A2

X. Reporting:

The CIO shall prepare a monthly investment report for the State Treasurer. For purposes of reporting, the LGIP Report may be combined with the reports of other assets under the management of the State Treasurer pursuant to the State Treasurer’s Investment Policy.

An executive summary will be prepared in a manner that will allow the State Treasurer to ascertain whether investment activities during the reporting period comply with this LGIP Investment Policy, the State Treasurer’s Investment Policy, and New Mexico statutes.

The CIO will submit and present the monthly investment report, on behalf of the State Treasurer, to the State Board of Finance and will post the report on the State Treasurer’s website and otherwise make it available to the public.

A. Specific Reporting Requirements:

The report will include, at a minimum, the following:

- An asset listing showing par value, cost, market value, type of investment, issuer, and interest rate of securities held;

- For the LGIP Short-Term Fund, the total market value and amortized cost of all pool assets and the average 30-day yield, as of month-end;
- For the LGIP Short-Term Fund WAM to Reset and WAM to Final of the LGIP compared to the maximums allowable per the appropriate rating agency;
- For the LGIP Medium-Term Fund, the total market value and amortized cost of all pool assets, purchase yield and yield to maturity, as of month end;
- For the LGIP Medium-Term Fund, WAM and effective duration of each portfolio compared to its applicable approved benchmark;
- Average portfolio credit quality;
- Total rate of return for the LGIP for the last one (1) month, three (3) months, and twelve (12) months with applicable approved benchmark returns for the same periods;
- Sensitivity analysis on a quarterly basis;
- Transaction listing of the LGIP for the reporting period;
- Transaction summaries for the reporting period and fiscal-year-to-date that include trade volumes, distributions by type of investment and counterparty; and
- LGIP Investment compliance review.

**B. Performance Standards**

- The LGIP will be structured to obtain a market average rate of return considering investment risk constraints and cash flow needs.
- The LGIP will be compared to approved benchmarks that appropriately model the expected risk and return profile of each investment objective.

**C. Quarterly Reporting**

On a quarterly basis, the CIO shall prepare a quarterly investment report that describes the investment strategy for the LGIP employed during the past quarter and the strategy planned for the next quarter. Information will be reported to the State Treasurer's Investment Council and the State Board of Finance.

**D. Annual Reporting**

At the next regular State Treasurer's Investment Council meeting after September 30 of each year, the CIO shall present an annual investment report on the LGIP that describes the investment strategy employed during the past fiscal year and the strategy planned for the next fiscal year. The report shall include annual comparisons of the portfolio's return to the performance benchmark for the preceding fiscal year.

**XI. Allocation of Investment Income:**

The LGIP Short-Term Fund will distribute investment income based upon a participant's average daily balance and the investment income is calculated on an accrual basis. Investment income is credited monthly.

The LGIP Medium-Term Fund will distribute investment income monthly calculated on an accrual basis. The net asset value (NAV) of the Fund is a floating price subject to factors such as pool cash flows and market activity. Realized and unrealized gains and losses are reflected in the NAV calculated each month.

**XII. Ongoing Training:**

STO strives for professionalism and accountability in the investment of its funds. To assure the highest possible professional standards, STO will provide opportunities and funding for the personnel involved in the investment function to complete continuing education

programs or other training in cash and investment management sufficient to maintain their skills and remain up to date on best practices and new regulations.

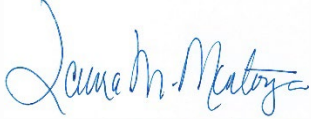
**XIII. Investment Policy Review/Adoption:**

It shall be the duty of the State Treasurer to bring amendments to the Investment Policy to the Board of Finance and obtain consent before updates to the Investment Policy take effect. The Investment Policy shall be reviewed at least every two years. At any time, the Treasurer may further restrict the types of instruments, issuers, and maturities as may be appropriate based on the current market conditions pursuant to Section 6-10-10 G.

**XIV. Reasonable Audit, Administrative, and Investment Expenses**

As required by Section 6-10-10.1(G), STO shall charge reasonable audit, administrative and investment expenses to all participants within the LGIP. The fee shall be calculated and collected monthly based on the average daily balance of the participant. The specific amount of the fee shall be no less than five (5) but no more than ten (10) basis points, as determined and announced in writing by the State Treasurer. All fees collected from LGIP participants shall be used by STO for administrative expenses and services necessary to operate the pool, including employee salaries and contractual services.

New Mexico State Treasurer's Office:

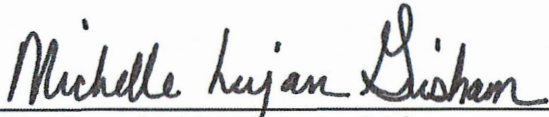


The Honorable Laura M. Montoya  
New Mexico State Treasurer

1-3-2024

Date

By affixing the signature below, the State Board of Finance hereby provides its advice and consent pursuant to NMSA 1978, §6-10-10.



The Honorable Michelle Lujan Grisham  
Governor of the State of New Mexico  
President, State Board of Finance

1-3-24

Date