



Office of the State Treasurer, Tim Eichenberg

Revenue Stabilization & Tax Policy Committee
August 14, 2015

Who are we and what do we do?

- One of seven constitutionally-created offices
- We receive, keep, and account for State funds collected, invested, and disbursed except as otherwise provided by law.
- We are the State's Bank

DEPUTY STATE TREASURER

- Ricky A. Bejarano, CPA, CGMA

CHIEF FINANCIAL OFFICER (CFO)

- Leo Marquez

CHIEF INVESTMENT OFFICER (CIO)

- Charmaine Cook, AAP

STATE CASH MANAGER

- Edward Gallegos

OPERATIONS

- Clarence Smith

CASH MANAGEMENT BUREAU FUNCTIONS

- Ensure that cash balances in the custody of the State are managed efficiently and prudently
- Develop Regulations
- Monitor activity & balances in the States 500 bank accounts
- Validate deposits and withdrawals
- Compare fiscal agent balances to SHARE
- Authorize requests for depository bank accounts outside of the fiscal agent bank account
- Cash Management Improvement Act (CMIA) compliance

Cash Flows, Projections, & Collateral Management

- Cash Flows & Projections

- Project State's short- & long-term cash needs
- Determine amounts available for short- & long-term investment

- Collateral Management

- Ensure adequate protection for money in all State Time Deposits, State Fiscal Agent Accounts, State Agency Account Deposits
- Manage collateral levels set by depository institutions
- Ensure compliance with BOF Collateral Policy
- Ensure compliance with the State Treasurer's Investment Policy

GENERAL FUND INVESTMENT POOL (GFIP)

- Consists of 2 portfolios
 - Liquidity Portfolio of highly-liquid securities (such as overnight investments) used to meet immediate cash needs of the State
 - Core Portfolio – invested over longer term periods (up to 5 years); not needed to meet immediate cash needs of the State
- Oversight by the Board of Finance
- Advised by the State Treasurer’s Investment Committee
 - 2 public members (with investment background)
 - STO & BOF

STBF & BPIP

- **Severance Tax Bonding Fund (STBF)**
 - Derived from severance tax receipts that are invested temporarily
 - Utilized to fund debt service payments on the State's Severance Tax Bond Funds
- **Bond Proceeds Investment Pool (BPIP)**
 - Derived from proceeds from the State's bond sales and are invested temporarily
 - Utilized to fund approved projects

LOCAL GOVERNMENT INVESTMENT POOL (LGIP)

- Short-Term Investment Pool created by NM State Statute.
- Voluntary investment alternative for local and quasi-governmental entities
 - Safe – Maintains highest S&P AAAM rating
 - Liquid – Cash available within 24 hours' notice
 - Return – Attractive yields relative to similar Money Market Funds
- A pooled fund with qualified and experienced investment management at the State Treasurer's Office.

Investment Transactions / Accounting Bureaus

- **Transactions Bureau**
 - Record investment activity in investment accounting system
 - Move investment funds between fiscal agent bank & custody bank
 - Manage the Broker/Dealer process
- **Accounting Bureau**
 - Daily & Monthly Reconciliations
 - Project Fund & Debt Service Fund Reconciliations

THANK YOU!!!!!!