

**SANDOVAL COUNTY**  
**INVESTMENT AND DEPOSIT POLICY**

**INTRODUCTION:** This Investment and Deposit Policy ("Policy"), dated August 23, 2018, applies to all financial assets of Sandoval County ("County") including, but not limited to, the assets of the County's:

General Funds  
Special Revenue Funds  
Capital Projects Funds  
Enterprise Funds  
Debt Issuance Proceeds  
Debt Service Funds  
Debt Service Reserve Funds and  
Agency Funds

This Policy establishes a mechanism for the prudent investment and deposit of County funds, and the maximization of efficiencies for the County's cash management system. An Investment Policy "enhances the quality of decision making and demonstrates a commitment to the fiduciary care of public funds, making it the most important element in a public funds program."

**I. RECITALS:**

**A. SCOPE OF POLICY:** The goal of this Policy is to protect public funds and to manage County funds in a manner that insures the safety of the investments and deposits, that provides for adequate liquidity and proper maturities and that maximizes investment and deposit income after providing for safety and liquidity. It also serves to establish a clear understanding between the County and any bank, savings bank, credit union, financial advisor, portfolio manager and/or professional fund manager utilized by the County as to the guidelines, limitations and directions that the County has determined appropriate for accounts under its purview.

It is the policy of Sandoval County to be fully invested (100% of available cash, less float and compensating balances) at all times. The County will use projected monthly cash receipts and outlays as a tool for maximizing available cash for investment and deposit purposes.

**B. OBJECTIVES:** The primary objectives, in priority order, of the County's investment and deposit activities shall be:

**SAFETY:** Safety of principal is the foremost objective of the investment and deposit program. Investments and deposits of the County shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities and deposits do not exceed the income generated from the remainder of the portfolio.

**LIQUIDITY:** The County's investment and deposit portfolios will remain sufficiently liquid to enable the County to meet all operating requirements which might be reasonably



anticipated. Future use of funds shall be a criterion in determining maturities for any investment or deposit.

**RETURN ON INVESTMENTS AND DEPOSITS:** The County's various investment and deposit portfolios shall be designed with the objective of attaining at least a market rate of return throughout budgetary and economic cycles, taking into account the County's risk constraints and the cash flow characteristics of the portfolios.

## **II. INVESTMENT POLICY**

### **A. DELEGATION OF AUTHORITY:**

The Board of County Commissioners acting in its capacity as the Board of Finance (BoF), has the authority to formulate an Investment Policy to give the County Treasurer (Investment Officer) parameters of what investments are permissible.

This policy is formulated based on §6-10-8 and §6-10-10, NMSA 1978.

The County Treasurer has authority over the investment and deposit of public funds as outlined in this Policy and is hereby designated as the County's Investment Officer ("Investment Officer"). The Investment Officer shall be responsible for all investment and deposit transactions and need not present investments or deposits to the Board of Finance prior to making said investments and deposits, provided that the investments and deposits are in accordance with this Policy. A further requirement of this delegation of authority is that the Investment Officer implement and maintains the system of controls outlined in the Policy in order to regulate investment and deposit activities.

**B. PRUDENT PERSON RULE:** The prudence which is to be used by the Investment Officer investing and depositing County funds shall be used in accordance with the provisions of Section §6-8-10, NMSA 1978 which states, "Investments shall be made with judgement and care; under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived." As part of the Prudent Person Rule the Investment Officer shall also be subject to the provisions of §45-7-601 through §45-7-612, NMSA 1978 (the "Uniform Prudent Investor Act").

**C. ETHICS AND CONFLICT OF INTEREST:** Board of Finance members, the County Manager, the County Treasurer and any and all investment officials shall refrain from personal business activity that could conflict with the proper execution of the County's investment and deposit program or which could affect or impair their ability to make impartial decisions on behalf of the County §6-10-40 and §6-10-53, NMSA 1978 and the New Mexico Constitution Article VIII, Section 4.

**D. CASH MANAGEMENT:** The Commission and the Treasurer's Office shall jointly prepare and maintain an ongoing cash management program. This program will involve the preparation of a regular report that includes projections for cash receipts (revenues), cash disbursements (expenditures) and interest earned or estimated to be earned on overnight deposits

and investments. The Commission directs the Finance Director to notify the County Treasurer on a monthly basis of county expenditures and of any large expenditures anticipated so that cash liquidity can be planned according to this monthly cash management report. The County Treasurer shall take into consideration these projected cash needs of the County when setting investment and deposit maturity dates. It shall be the duty of the Investment Officer to provide for adequate security for funds received, receipt and disbursement reports and accounting of all cash and cash management activities.

**E. BANKS SELECTION:** Public money may be deposited with banks, savings banks and credit unions having their main or manned branch offices within the geographical boundaries of Sandoval County, which have qualified as public depositories by reason of insurance of the account by an agency of the United States such as the Federal Deposit Insurance Corporation ("FDIC") or National Credit Union Share Insurance Fund ("NCUSIF") or by depositing collateral security as set forth in Section J. herein, letters of credit from the Federal Home Loan Bank or by giving bonds as provided by law. (See §6-10-36C, NMSA 1978)

**F. INVESTMENTS AND DEPOSITS:** All sinking funds or money remaining unexpended from the proceeds of any issue of bonds or negotiable securities which by law are entrusted to the care and custody of the Treasurer, and all money not immediately necessary for public use, may be deposited in interest bearing deposits with banks, credit unions and savings banks within the geographical boundaries of Sandoval County or as set forth in this Section F 1-6. All funds available for time deposit with local banks, credit unions and savings banks must be equitably distributed according to the net worth of each institution in accordance with NMSA 1978 §6-10-36.C. If any bank, credit union or savings bank within the geographical boundaries of the County declines to accept any part of their pro-rata share of County funds, a written notice of such shall be obtained by the Investment Officer. The Investment Officer may allow any financial institution declining current funds to receive distribution of future funds at his/her discretion.

The funds that are declined shall be considered excess and they and any other funds of the County may be invested or deposited in those securities and deposits authorized by the laws of the State of New Mexico, including the following approved instruments:

1. Certificates of Deposits with federal or state chartered banks, credit unions or savings banks, to be collateralized as set forth in Section J herein whose daily closing price ("mark-to-market") is equal to or greater than that portion of the Certificate of Deposit and interest thereon, that an agency of the United States such as the FDIC or NCUSIF does not insure. Federally insured obligations, including brokered certificates of deposit, certificate of deposit account registry service and federally insured cash accounts outside of New Mexico financial institutions shall be eligible as long as the FDIC covers the period from the date the investment is made until the date of maturity. Furthermore, interest rates on such deposits determined by investment returns from assets tied to the stock markets, commodities markets or other non-interest rate markets or any index or basket thereof, shall not be eligible for investment under this Policy. No commission, mark-up or other remuneration shall be paid for the purchase of any asset in this section; and

2. Bonds or negotiable securities of the State of New Mexico or any New Mexico County, Municipality or School District or debt issued by the New Mexico Finance Authority; and
3. Short term investments with the Local Government Investment Pool as per §6-10-1.1, NMSA 1978. Also see §6-10-1.0 and §6-10-44, NMSA 1978; and
4. Securities that are issued and backed by the full faith and credit of the United States government or issued by its agencies or instrumentalities, including securities issued by federal home loan banks (See §6-10-10, F2, NMSA 1978); and
5. Shares of a diversified investment company registered pursuant to the federal Investment Company Act of 1940 that invests in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one billion dollars (\$1,000,000,000) and provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments; and
6. Individual, common or collective trust funds of banks or trust companies that invest in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one billion dollars (\$1,000,000,000.00) provided that the Board of Finance of the County may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments.

All investments and deposits set forth in 1-6 above must have readily ascertainable market value and be easily marketable.

In the event that State law is changed to allow other securities or deposits as appropriate for investment by the County, this Policy may be amended to include those securities and deposits as appropriate upon the written approval of the Board of Finance.

**G. INVESTMENT SELECTION CRITERIA AND ASSET ALLOCATION:**

1. Cash and cash equivalents may include Treasury bills, certificates of deposit due within 12 months, and money market funds. The purpose of these funds is to provide income, liquidity and preservation of the County's funds principal value.
2. The maximum maturity of any bill, note or bond or other fixed maturity securities purchased for an account cannot be greater than eight (8) years.
3. The maximum maturity of a certificate of deposit for an account cannot be greater than five (5) years.

4. The weighted duration of any mortgage securities should never exceed five (5) years unless there is prior review by the County Treasurer. Duration is defined as the weighted average time to full recovery of principal and interest payments. Duration provides a summary statistic of the average maturity of the security.

5. The maturity schedule of any portfolio must take into account and reflect future cash needs and the goal of maximizing investment and deposit income, after providing for safety and liquidity.

6. The average weighted maturity of any of the County portfolios shall be less than five years.

**H. INTEREST RATE ON TIME DEPOSITS:** The interest rate to be paid on time deposits shall not be less than the rate fixed by the State Board of Finance under § 6-10-36.e, NMSA, 1978.

**I. SCHEDULING OF INVESTMENT MATURITIES:** Investment and deposit maturities for cash balances shall be scheduled to coincide with projected cash flow needs, taking into account expenditures (payroll, debt-retirement payments, Capital Improvements Program disbursements) as well as considering anticipated revenue (property taxes, payment in lieu of taxes, etc.) utilizing the Cash Management program developed by the Investment Officer.

The County will create a program that will match investment and deposit funds with maturities. Such maturities may be either by fund or in aggregate, depending on market conditions, professional advice, other proposed financings or other matters that could have a positive or negative impact on rates of return.

In relation to bond proceeds, in order to comply with Internal Revenue Code Section 54A, in no case shall the final maturity of an individual security exceed three (3) years from the date of the issuance of the bonds creating the bond proceeds. Investments of bond proceeds to be expended made pursuant to G. 5 & 6 herein shall not have an average maturity or duration in excess of two (2) years.

In the event that the proceeds have not been expended, the Investment Officer shall re-invest according to cash flow needs.

**J. COLLATERALIZATION:** The following guidelines shall be utilized to ascertain the level of collateral required from each local bank or savings bank. These ratios are in agreement with those set by the State Board of Finance for the State of New Mexico. Sandoval County reserves the right to set the level of collateral required based on criteria other than the ratios below. Written justification for the variance shall be kept on file in the County Treasurer's office. Should the institution's ratios result in a different collateral requirement for any of the ratios, the higher collateral level will be required.

Determination of the collateral level must be determined if the Treasurer chooses to reduce the collateral requirement to under 103%, determination of the collateral level must be determined every six months, in April and October as determination dates using data as of March and

September. Each financial institution shall submit a current Statement of Financial Condition and a completed Risk Assessment Ratio Form to the Treasurer of Sandoval County.

Ratios	75%	103%
Primary Capital Assets	5.0% - 6.0%	Less than 5.0%
Net Operating Income Total Average Assets	.51% - .61%	Less than .51%
Non-Performing Loans Primary Capital	35.0% - 49.9%	Above 49.9%

Approved collateral shall be any investment set forth in Section F. Investments: 2 and 4 herein, or letters of credit from the Federal Home Loan Bank or by giving bonds as provided by law. (See §6-10-36C, NMSA 1978).

Should the financial institution use a payment or performance bond, if provided by law, then the amount of collateralization shall be equal to the amount of the principal and accrued interest not otherwise covered by federal insurance. The maturity of deposits so collateralized shall be for the lesser of the term or time for cancellation of such payment or performance bond.

**K. COLLATERAL SECURITY AGREEMENT:** All banks, credit unions and savings banks in which County funds in excess of federal insurance are deposited will be required to enter into a Collateral Security Agreement which shall be mutually agreed upon by the Treasurer and the financial institution. (§6-10-18a, NMSA 1978)

**L. BOND ISSUES:** When the County issues debt, including loans and bonds, the Treasurer shall be incorporated into the negotiations as early as possible. The Treasurer may be required to sign certain debt documents, open segregated financial accounts for bond proceeds and possibly a debt service reserve fund. It will be incumbent on all parties representing the County to ensure that any debt proceeds are not commingled and the Treasurer has ample time to review documents and prepare for the receipt or payment of funds. The Treasurer shall be notified of any transaction involving the receipt of or payment from bond proceeds as soon as such transactions are known to be needed.

**M. SAFEKEEPING OF SECURITIES:** All investment securities other than local financial institution Certificates of Deposit purchased by the County shall be held in third-party safekeeping by an institution acceptable to the County. The safekeeping institution shall issue a safekeeping receipt or other evidence (i.e. book entry notice) to the County listing the specific instrument, rate, amount, maturity date, instrument number, term and other pertinent information. Any financial institution holding securities for the benefit of the County shall be required to provide insurance sufficient to cover 100% of said securities in the event that the financial institution fails financially and is unable to meet obligations to securities clients.

Insurance such as Securities Investor Protection Corporation (SIPC) and private insurance shall be acceptable. The Investment Officer shall prepare the Safekeeping Report monthly.

**N. INTERNAL CONTROLS:** The County Treasurer, as the Investment Officer, shall document and maintain a system of internal controls for the making of investments and deposits of County funds. The internal controls and compliance thereof shall be reviewed by independent auditors on an annual basis. The County Treasurer shall review the systems of controls periodically to insure such controls are effective and that the County is complying with such controls. The Treasurer shall annually provide to the Board of Finance, a copy of the internal controls policy and the Collateral Report, and any significant amendments will be presented at the Board of Finance meeting.

**O. INTERNAL REPORTS:** When applicable, the Safekeeping Report and Pro-Rata Distribution Report shall be compiled monthly by the County's Investment Officer and published along with the Treasurer's Monthly Financial Statement. The Investment Officer shall have access to reports from safekeeping institutions showing daily mark-to-market valuations of investments other than local banks, credit unions and savings bank certificates of deposit.

**P. COMMUNICATIONS AND REPORTS TO INVESTMENT OFFICER:** Any portfolio manager, professional fund manager or third party custodians required pursuant to Section N of this Policy actively doing business with the County must submit to the Investment Officer on, or before ten (10) calendar days after the end of the previous month, investment reports showing total amount invested, cost basis and market value of each security, amount invested in each type of security, maturity schedule of the portfolio, yield and cash flow analysis of the portfolio, the time weighted return for each reporting period, the weighted average maturity (WAM) or duration, where applicable, and other items as determined by the Treasurer. Any transactions that occurred during the reporting period should be shown as well as any realized gains or losses.

Any Portfolio Manager must also provide the Treasurer with the end of fiscal year report in a format specified or approved by the Treasurer and shall be submitted within ten (10) days following the end of the preceding fiscal year. Any Portfolio Manager must also submit a performance evaluation of any fund manager(s) other than themselves used in the portfolio he/she manages to the Treasurer within ten (10) calendar days after the end of the preceding fiscal year.

Any Portfolio Manager must provide any and all documentation that is needed to fulfill the requests of the county or state auditor within five (5) business days.

**Q. COMMUNICATIONS AND REPORTS TO THE BOARD OF FINANCE:** The Investment Officer will strive to submit the Treasurer's Report to the Board of Finance and the County Manager by the 15<sup>th</sup> of each month. The Treasurer's Report will include the investment statement summary. In addition, the Treasurer will submit to the Board of Finance and the County Manager, the portfolio manager's presentation, at least three days before the scheduled quarterly meeting. The investment presentation will show total amount invested, cost basis and market value of each security, amount invested in each type of security, maturity schedule of the

portfolio, yield and cash flow analysis of the portfolio, the time weighted return for each reporting period and the third party custodian reports. Any transactions that occurred during the reporting period should be shown. The reports of any Portfolio Manager or Third Party Custodian required in Q. herein shall satisfy this requirement if received.

Presentations by any Portfolio Manager to the Board of Finance may include views on developments within the national/local economies, the securities markets and the potential effects of these developments on investment strategy, portfolio maturities, potential amendments to this Policy and other fiscal matters.

**R. PROFESSIONAL PORTFOLIO MANAGER:** The County Treasurer, with advice and consent of the Board of Finance, may retain a professional portfolio manager(s), under a contract approved by the Board of Finance, if said manager:

- (a.) is a fiduciary for county assets, is licensed and registered as a Registered Investment Advisor (RIA) under the Investment Advisor's Act of 1940, as amended;
  - 1. A Registered Investment Advisor (RIA) is an advisor or firm engaged in the investment advisory business and registered with the Securities and Exchange Commission (SEC).
  - 2. A "Fiduciary" is a person or organization that owes to another the duties of good faith and trust. A fiduciary's responsibility or duties are both ethical and legal. By law, a "Fiduciary" must make decisions in the best interest of the beneficiary; always put the beneficiaries' interests before their own; and, act prudently;
- (b.) an investment firm with expertise in the management of investment portfolios;
- (c.) has had at least seven (7) years' experience in managing investments approved herein for other governments and fiduciary institutions and has at least \$1,000,000,000 under management for investment disciplines similar to this Policy;
- (d.) does not have a proprietary interest in any fund manager utilized by the County;
- (e.) has the ability to buy and sell securities and assist in trade settlement through a non-proprietary third-party trading desk; and shall not purchase, sell or transfer to and from their own inventory;
- (f.) has liability and fiduciary insurance coverage;
- (g.) agrees to advise the County Treasurer in writing of any significant changes in the investment philosophy, management style, ownership, organizational structure, financial condition or senior personnel staffing of the fund manager or manager assigned to the County within 30 days of each change;
- (h.) is compensated only on a fee (agent only) basis and does not receive commissions, mark-ups or other compensation on securities purchased for the County;
- (i.) agrees to present to the Board of Finance at the request of the Treasurer. The portfolio manager's report must include all items included in Section P and given to the Treasurer at least five (5) business days before a scheduled Board of Finance meeting;
- (j.) is required to attend the Sandoval Treasurer's Investment Committee (STIC) quarterly meetings (telephonic attendance may be acceptable for this purpose if approved by the Treasurer); and
- (k.) agrees to the communications requirements herein;
- (l.) agrees to be bound by the dictates of this Policy.



Concurrent with the 2013 rule released by the Securities and Exchange Commission (SEC) on the registration of Municipal Advisors (MA), including the operational guidance, Sandoval County will maintain the separation of duties between Municipal Advisors and Financial Advisors to prevent business practice of working with government finances for private gain and to promote transparency of taxpayer dollars.

The portfolio manager's rate of return shall be measured against their peers and benchmarks established by the Sandoval Treasurer's Investment Committee (STIC) which shall mirror the limitations of this Policy and their performance shall be evaluated based on the lesser of a 3-5 year time period or a complete market cycle. A copy of this Policy shall be given to the Professional Portfolio Manager. It shall be fully understood by any Portfolio Manager that they are retained by the County and report to the County Treasurer.

**S. FINANCIAL ADVISOR:** The County may retain a financial advisor under a contract approved by the Commission, if said advisor:

- a. is registered and licensed as a Municipal Advisor;
- b. has a fiduciary responsibility and duty both ethically and legally to the county;
- c. has had at least seven years' experience in managing or advising government debt approved herein for other governments and fiduciary institutions;
- d. has liability and fiduciary insurance coverage;
- e. does not have a proprietary interest in any portfolio manager or fund manager utilized by the county;
- f. agrees to meet with the County Commission if requested;
- g. agrees to the communication requirements herein; and
- h. agrees to be bound by the dictates of this policy.

**T. INVESTMENT BROKERS:** All transactions are to be governed by negotiation on a "best realized price" (best net price) basis. Mark-ups on each trade, if any and commissions charged shall be provided to the County on trade confirmations submitted by the brokerage firm. As electronic trading is the recognized source of obtaining the best realized price, all brokerage transactions shall be conducted on a nationally accredited electronic trading platform and be subject to the best realized price condition.

**U. INVESTMENT COMMITTEE:** The Treasurer and Commission have established a Sandoval Treasurer's Investment Committee (STIC) or "Investment Committee." The purpose of this committee is to establish a formal process to plan, prepare and manage the county investment strategy for all county funds in discussion with county representatives and the community. Discussion topics include: the political and market environment; quarterly transactions; upcoming or future liquidity needs; annual review of the investment policy; and overall discussion of the county portfolio. The Investment Committee may make recommendations to help ensure that proper controls are in place to guarantee the integrity and security of the County Treasurer's Investment Portfolio.

The Treasurer is the Chairperson of the STIC; presents quarterly reports and asks for guidance or input from committee members. The STIC is an advisory committee and participation is voluntary for all members.

The STIC is comprised of the County Treasurer, County Manager, County Finance Director, at least one member of the County Commission, who shall be named by the County Commission, three community members which are residents of the County who have experience in investment and deposit topics, and the Deputy Treasurer and Treasury Controller from the Treasurer's Office. Two of the community members are appointed by the County Treasurer and one community member is appointed by the Commission. A representative of the State Treasurer's Office may attend as an advisory member.

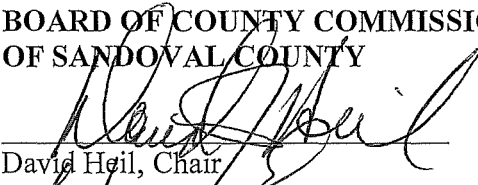
The Investment Committee may make recommendations regarding this Policy and related matters to the Treasurer.


The STIC meets quarterly and its meeting dates are established by the Treasurer and acknowledged by the County Commission during the first meeting of the New Year and are placed in the County calendar. The meetings are open to the public.

**V. AMENDMENTS:** This Policy may be revised by the Board of Finance as it deems appropriate. It shall be the obligation of the Investment Officer to bring such amendments to the Board of Finance and obtain the approval of their majority before such changes and amendments take effect.

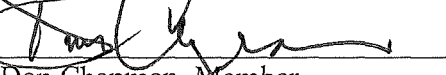
**IN WITNESS WHEREOF** the parties have hereunto set their hands and seals this day and year first above written.

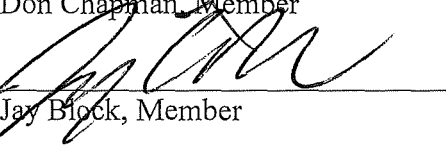
**BOARD OF COUNTY COMMISSIONERS  
OF SANDOVAL COUNTY**

  
David Heil, Chair

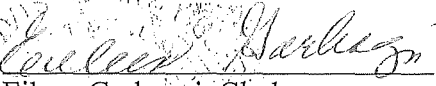
  
Kenneth Eichwald, Vice Chair

  
James Holden Rhodes, Member


  
Don Chapman, Member

  
Jay Block, Member

**ATTEST:**

  
Eileen Garbagni, Clerk

**APPROVED AS TO FORM:**

  
Robin S. Hammer,  
County Attorney

**SANDOVAL COUNTY BOARD OF COMMISSIONERS  
BOARD OF FINANCE  
COMMISSION CHAMERS  
DECEMBER 12, 2019 – 6:00 – 6:10 P.M.**

1. CALL TO ORDER

Chairman Heil led the Pledge of Allegiance and the New Mexico Pledge at 6:02 p.m. Present were Chairman Heil, Vice Chairman Block, Commissioner Bruch, Commissioner Meek and Commissioner Eichwald.

2. DISCUSSION OF COUNTY INVESTMENTS  
(Laura M. Montoya, Treasurer)

Consent to permit the Sandoval County Treasurer to invest in:

“Commercial paper rated “A1” or “P1”, also known as “prime” quality, by a nationally recognized statistical rating organization, issued by corporations organized and operating within the United States and having a maturity at purchase of no longer than one hundred eighty days; or

Shares of an open-ended diversified investment company that:

- (a) Is registered with the United States securities and exchange commission;
- (b) Complies 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; and
- (c) Assesses 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, provided that the county or municipality shall not, at any time, own more than five percent of a money market mutual fund’s assets as is now permitted by 6-10-10 NMSA 1978.

Treasurer Laura M. Montoya presented. (See Attached)

Commissioner Bruch motioned, seconded by Commissioner Eichwald. Commissioner Meek asked if this was standard procedure. Chairman Heil asked where’s the risk factor of commercial paper versus the CD? Treasurer Montoya addressed both questions.

Vice Chairman Block motioned to amend, seconded by Commissioner Meek. Clerk Garbagni called for vote. Amended Motion to discuss at the Board of Finance Meeting on February 20, 2020. Vote was unanimous.

Commissioner Bruch motioned, seconded by Commissioner Eichwald. Clerk Garbagni called for vote. Motion passed. Vote was unanimous.

3. ADJOURN

Chairman Heil adjourned at 6:05 p.m.

## **Relevant Statutes:**

### **4-43-2. Duties. (2001)**

The county treasurer shall keep:

- A. account of all money received and disbursed;
- B. regular accounts of all checks and warrants drawn on the treasury and paid; and
- C. the books, papers and money pertaining to his office ready for inspection by the board of county commissioners at all times.

**History:** Kearny Code, Treas. Dept., §§ 10, 11; Laws 1851-1852, p. 170; C.L. 1865, ch. 21, §§ 6, 7; 1865, ch. 102, §§ 17, 18; C.L. 1884, §§ 408A, 408B; C.L. 1897, § 746; Code 1915, § 1279; C.S. 1929, § 33-4503; 1941 Comp., § 15-4003; 1953 Comp., § 15-42-3; Laws 1967, ch. 238, § 5; 2001, ch. 147, § 1.

**4-45-4. County orders for payment from treasury--form and signature.--**County orders shall be signed by the chairman of the board of county commissioners or his designee and attested by the county clerk and shall specify the nature of the claim of service for which they were issued, and the money shall be paid from the county treasury on such orders and not otherwise. Money may be paid from the county treasury by check or warrant. If money is paid by check, the check must be signed by the chairman of the board of county commissioners or his designee and the county treasurer.

### **4-51-2. [Violation of act; penalty; liability to county.]**

Any official or employee violating the provisions of this act [4-51-1 through 4-51-3 NMSA 1978] shall, upon conviction thereof in a court of competent jurisdiction, be deemed guilty of a misdemeanor and punished by a fine not less than one hundred dollars [(\$100)] nor more than five hundred dollars [(\$500)], or by imprisonment, in the discretion of the court. Any county commissioner, or any other official whose duty it is to allow claims and issue warrants therefor, who issues warrants or evidences of indebtedness contrary to the provisions of this act shall be liable to the county for such violations, and recovery may be had against the bondsmen of such official. Any county treasurer or other official whose duty it is to pay warrants and evidences of indebtedness, who shall pay such warrants and evidences of indebtedness contrary to the provisions of this act, shall likewise be liable to the county for such violations, and recovery may be had against his bondsmen.

**History:** Laws 1921, ch. 188, § 7; C.S. 1929, § 33-5907; 1941 Comp., § 15-4807; 1953 Comp., § 15-51-7.

### **6-10-8. County boards of finance.**

The board of county commissioners in each county in the state shall, ex officio and without additional compensation, constitute a county board of finance and as such shall, subject to the limitations of this act, have supervision over the determination of the qualifications and selection of banks, savings and loan associations and credit unions, whose deposits are insured by an agency of the United States, to receive the public money of their respective counties and of independent rural school districts, rural school districts and municipal school districts of municipalities having less than twenty-five thousand population according to the next preceding United States census and of any special or other districts in their respective counties for which the respective county treasurers of such counties act as ex-officio tax collectors. The county clerk in each county shall, ex officio and without additional compensation, act as clerk of such county board of finance. Every county board of finance shall hold meetings whenever necessary for the discharge of its duties, and the chairman shall convene such board whenever necessity therefor exists or when requested so to do by two of its members or at any time when the county treasurer shall advise the chairman that he has in his custody public money in excess of the aggregate amount which depositories qualified by law are entitled to hold. A majority of the board shall constitute a quorum for the transaction of business.

The county treasurer of each county in the state shall have supervision of the deposit and safekeeping of the public money of his county and all the money which may at any time come into or be in his possession as county treasurer and ex-officio tax collector for the use and benefit of the state or of any county, municipality or district or of any subdivision of any county or of any state or public institution and by and with the advice and consent of the respective boards of finance having jurisdiction over the respective funds shall designate banks, savings and loan associations and credit unions, whose deposits are insured by an agency of the United States, to receive on deposit all moneys entrusted in his care.

**History:** Laws 1933, ch. 175, § 1; 1941 Comp., § 7-204; 1953 Comp., § 11-2-4; Laws 1968, ch. 18, § 2; 1981, ch. 332, § 1; 1987, ch. 79, § 4.

## **6-10-10. Deposit and investment of funds.**

A. Upon the certification or designation of a bank, savings and loan association or credit union whose deposits are insured by an agency of the United States to receive public money on deposit, the state treasurer and county or municipal treasurers who have on hand any public money by virtue of their offices shall make deposit of that money in banks and savings and loan associations and may make deposit of that money in credit unions whose deposits are insured by an agency of the United States, designated by the authority authorized by law to so designate to receive the deposits of all money thereafter received or collected by the treasurers.

B. County or municipal treasurers may deposit money in one or more accounts with any such bank, savings and loan association or credit union located in their respective counties, subject to limitation on credit union accounts.

C. The state treasurer may deposit money in one or more accounts with any such bank, savings and loan association or credit union, subject to the limitation on credit union accounts.

D. Duplicate receipts or deposit slips shall be taken for each deposit made pursuant to Subsection A, B or C of this section. When deposits are made by the state treasurer, one copy of the receipt or deposit slip shall be retained by the state treasurer and the other copy shall be filed monthly on the first day of each month with the financial control division of the department. When deposits are made by the treasurer or any other authorized person making the deposits for a board of finance of a public or educational institution, one copy of the receipt or deposit slip shall be retained by the treasurer or authorized person making the deposit and the other copy shall be filed monthly on the first day of each month with that board of finance. When deposits are made by a county or municipal treasurer, one of the duplicate receipts or deposit slips shall be retained by the treasurer making the deposit and the other copy shall be filed monthly on the first day of each month with the secretary of the board of finance of the county or municipality for which that treasurer is acting.

E. "Deposit", as used in this section, means either investment or deposit and includes share, share certificate and share draft.

F. County or municipal treasurers, with the advice and consent of their respective boards of finance charged with the supervision and control of the respective funds, may invest all sinking funds or money remaining unexpended from the proceeds of any issue of bonds or other negotiable securities of any county, municipality or school district that is entrusted to their care and custody and all money not immediately necessary for the public uses of the counties, municipalities or school districts not invested or deposited in banks, savings and loan associations or credit unions in:

(1) bonds or negotiable securities of the United States, the state or a county, municipality or school district that has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and that has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding;

(2) securities that are issued and backed by the full faith and credit of the United States government or issued by its agencies or instrumentalities, including securities issued by federal home loan banks; or

(3) federally insured obligations, including brokered certificates of deposit, certificate of deposit account registry service and federally insured cash accounts.

G. The treasurer of a class A county or the treasurer of a municipality having a population of more than sixty-five thousand according to the most recent federal decennial census and located within a class A county, with the advice and consent of the boards of finance charged with the supervision and control of the funds, may invest all sinking funds or money remaining unexpended from the proceeds of any issue of bonds or other negotiable securities of the county or municipality that is entrusted to the treasurer's care and custody and all money not immediately necessary for the public uses of the county or municipality not invested or deposited in banks, savings and loan associations or credit unions in:

(1) shares of a diversified investment company registered pursuant to the federal Investment Company Act of 1940 that invests in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one hundred million dollars (\$100,000,000) and provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments;

(2) individual, common or collective trust funds of banks or trust companies that invest in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one

hundred million dollars (\$100,000,000) and provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments; or

(3) shares of pooled investment funds managed by the state investment officer, as provided in Subsection I of Section 6-8-7 NMSA 1978; provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments.

H. A local public body, with the advice and consent of the body charged with the supervision and control of the local public body's respective funds, may invest all sinking funds or money remaining unexpended from the proceeds of any issue of bonds or other negotiable securities of the investor that is entrusted to the local public body's care and custody and all money not immediately necessary for the public uses of the investor and not otherwise invested or deposited in banks, savings and loan associations or credit unions in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be fully secured by obligations of the United States or other securities backed by the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. As used in this subsection, "local public body" includes all political subdivisions of the state and agencies, instrumentalities and institutions thereof; provided that home rule municipalities that prior to July 1, 1994 had enacted ordinances authorizing the investment of repurchase agreements may continue investment in repurchase agreements pursuant to those ordinances.

I. The state treasurer, with the advice and consent of the state board of finance, may invest money held in demand deposits and not immediately needed for the operation of state government and money held in the local government investment pool, except as provided in Section 6-10-10.1 NMSA 1978. The investments may be made in securities that are issued and backed by the full faith and credit of the United States government or issued by its agencies or instrumentalities, including securities issued by federal home loan banks.

J. The state treasurer, with the advice and consent of the state board of finance, may also invest in contracts for the present purchase and resale at a specified time in the future, not to exceed one year or, in the case of bond proceeds, not to exceed three years, of specific securities at specified prices at a price differential representing the interest income to be earned by the state. Such contract shall not be invested in unless the contract is fully secured by obligations of the United States or its agencies or instrumentalities or by other securities backed by the United States or its agencies or instrumentalities having a market value of at least one hundred two percent of the amount of the contract. The securities required as collateral under this subsection shall be delivered to a third-party custodian bank pursuant to a contract with the state and the counterparty or to the fiscal agent of New Mexico or its designee. Delivery shall be made simultaneously with the transfer of funds or as soon as practicable, but no later than the same day that the funds are transferred.

K. The state treasurer, with the advice and consent of the state board of finance, may also invest in contracts for the temporary exchange of state-owned securities for the use of broker-dealers, banks or other recognized institutional investors in securities, for periods not to exceed one year for a specified fee rate. Such contract shall not be invested in unless the contract is fully secured by exchange of an irrevocable letter of credit running to the state, cash or equivalent collateral of at least one hundred two percent of the market value of the securities plus accrued interest temporarily exchanged. The collateral required by this subsection shall be delivered to the state of New Mexico or its designee simultaneously with the transfer of funds or as soon as practicable, but no later than the same day that the state-owned securities are transferred.

L. Neither of the contracts in Subsection J or K of this section shall be invested in unless the contracting bank, brokerage firm or recognized institutional investor has a net worth in excess of five hundred million dollars (\$500,000,000).

M. The state treasurer, with the advice and consent of the state board of finance, may also invest in any of the following investments in an amount not to exceed forty percent of any fund that the state treasurer invests:

(1) commercial paper rated "prime" quality by a national rating service, issued by corporations organized and operating within the United States;

(2) medium-term notes and corporate notes with a maturity not exceeding five years that are rated A or its equivalent or better by a nationally recognized rating service and that are issued by a corporation organized and operating in the United States; or

(3) an asset-backed obligation with a maturity not exceeding five years that is rated AAA or its equivalent by a nationally recognized rating service.

N. The state treasurer, with the advice and consent of the state board of finance, may also invest in:

(1) shares of an open-ended diversified investment company that:

(a) is registered with the United States securities and exchange commission;

(b) complies 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; and

(c) assesses 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, provided that the state shall not, at any time, own more than five percent of a money market mutual fund's assets;

(2) individual, common or collective trust funds of banks or trust companies that invest in United States fixed-income securities or debt instruments authorized pursuant to Subsections I, J and M of this section, provided that the investment manager has assets under management of at least one billion dollars (\$1,000,000,000) and the investments made by the state treasurer pursuant to this paragraph are less than five percent of the assets of the individual, common or collective trust fund;

(3) the local government investment pool managed by the office of the state treasurer. Investments made pursuant to this paragraph shall, in aggregate, be no more than thirty-five percent of the total assets of the local government investment pool;

(4) 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; or

(5) securities issued by states other than New Mexico or governmental entities in states other than New Mexico.

O. Public funds to be invested in negotiable securities or loans to financial institutions fully secured by negotiable securities at current market value shall not be paid out unless there is a contemporaneous transfer of the securities at the earliest time industry practice permits, but in all cases, settlement shall be on a same-day basis either by physical delivery or, in the case of uncertificated securities, by appropriate book entry on the books of the issuer, to the purchaser or to a reputable safekeeping financial institution acting as agent or trustee for the purchaser, which agent or trustee shall furnish timely confirmation to the purchaser.

**History:** Laws 1933, ch. 175, § 4; 1941 Comp., § 7-207; 1953 Comp., § 11-2-7; Laws 1968, ch. 18, § 3; 1975, ch. 157, § 1; 1979, ch. 262, § 1; 1981, ch. 332, § 3; 1983, ch. 24, § 1; 1987, ch. 79, § 5; 1987, ch. 230, § 1; 1988, ch. 61, § 1; 1989, ch. 39, § 1; 1991, ch. 247, § 1; 1994, ch. 71, § 1; 1997, ch. 128, § 1; 1999, ch. 233, § 1; 2002, ch. 39, § 1; 2003, ch. 271, § 1; 2005, ch. 238, § 1; 2005, ch. 239, § 1; 2006, ch. 80, § 1; 2008, ch. 23, § 2; 2013, ch. 65, § 2; 2016, ch. 50, § 1; 2017, ch. 67, § 1.

#### **6-10-10.1. Local government investment pool created; distribution of earnings; report of investments.**

A. 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 this section. 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.

B. If an eligible governing body is unable to receive payment on public money at the rate of interest as set forth in Section 6-10-36 NMSA 1978 from financial institutions within the geographic boundaries of the eligible governing body, or if the eligible governing body is not bound by the terms of Section 6-10-36 NMSA 1978, the finance officer having control of the money of that eligible governing body not required for current expenditure may, with the consent of the board of finance of the eligible governing body if consent is required by the laws or rules of the eligible governing body, remit some or all of the money to the state treasurer for deposit for the purpose of investment as allowed by this section.

C. Before funds are invested or reinvested pursuant to this section, a finance officer shall notify and make the funds available for investment to banks, savings and loan associations and credit unions located within the geographical boundaries of the participating government or the eligible governing body, subject to the limitation on

credit union accounts. To be eligible for deposit of the government funds, the financial institution shall pay to the participating government or eligible governing body the rate established by the state treasurer pursuant to a policy adopted by the state board of finance for the investments.

D. A finance officer shall specify the length of time a deposit shall be in the local government investment pool. The state treasurer through the use of the state fiscal agent shall separately track each deposit and shall make information regarding the deposit available to the public upon written request.

E. The state treasurer shall invest the local government investment pool as provided in Section 6-10-10 NMSA 1978 regarding the investment of state funds in investments with a maturity at the time of purchase that does not exceed three years. The state treasurer may elect to have the local government investment pool consolidated for investment purposes with the state funds under the control of the state treasurer; provided that accurate and detailed accounting records are maintained for the account of each participating government and that a proportionate amount of interest earned is credited to each of the separate accounts of a participating government. The fund shall be invested to achieve its objective, which is to realize the maximum return consistent with safe and prudent management.

F. At the end of each month, all net investment income or losses from investment of the local government investment pool shall be distributed by the state treasurer to the accounts of participating governments in amounts directly proportionate to the respective amounts deposited by them in the local government investment pool and the length of time the amounts in each account were invested.

G. The state treasurer shall charge participating governments reasonable audit, administrative and investment expenses and shall deduct those expenses directly from the net investment income for the investment and administrative services provided pursuant to this subsection. The amount of the charges, the manner of the use by the state treasurer and the nature of bond-related services to be offered shall be established in rules adopted and promulgated by the state treasurer subject to approval by the state board of finance.

H. Subject to appropriation by the legislature, amounts deducted from the accounts of participating governments for charges permitted pursuant to this section shall be expended by the state treasurer in fiscal year 2008 and in subsequent fiscal years for the administration and management of the local government investment pool, services provided to participating governments related to investment of their money in that fund and other services authorized by this section. Balances remaining at the end of a fiscal year from the amounts deducted pursuant to this section shall revert to the general fund. Balances in the state treasurer's operating account resulting from deductions taken pursuant to this section in excess of the amount required to provide administration, management and related services required by this subsection or other services authorized by this section shall be offset by reductions in the charges made by the state treasurer to the accounts of participating governments in subsequent deductions from participating governments' accounts.

I. Each fiscal year, the state treasurer shall cause to have the short-term investment portion of the local government investment pool rated by a nationally recognized statistical rating organization. If the rating received by the short-term investment portion of the fund is lower than "AA", the state treasurer shall immediately submit a plan to the state board of finance detailing the steps that will be taken to obtain an "AA" or higher rating.

J. The state treasurer may offer to provide to participating governments services related to requirements of the federal income tax laws applicable to the investment of bond proceeds.

K. A tribe or quasi-governmental body created pursuant to New Mexico statute may become a participating government only if the governing authority of the tribe or quasi-governmental body has adopted a resolution authorizing the tribe or quasi-governmental body to remit money to the state treasurer for investment in the local government investment pool.

L. Deposits by the state treasurer on behalf of the general fund and bond proceeds investment pools shall, in aggregate, be no more than thirty-five percent of the total amount in the local government investment pool at any time.

**History:** 1978 Comp., § 6-10-10.1, enacted by Laws 1988, ch. 61, § 2; 1991, ch. 239, § 1; 1991, ch. 258, § 1; 1992, ch. 61, § 32; 1994, ch. 71, § 2; 1995, ch. 64, § 1; 2001, ch. 241, § 1; 2003, ch. 399, § 1; 2006, ch. 80, § 2; 2008, ch. 23, § 3; 2011, ch. 158, § 1; 2013, ch. 65, § 3.

#### **6-10-16. Security for deposits of public money.**

A. Deposits of public money shall be secured by:

- (1) securities of the United States, its agencies or instrumentalities;
- (2) securities of the state of New Mexico, its agencies, instrumentalities, counties, municipalities or other subdivisions;



(3) securities, including student loans, that are guaranteed by the United States or the state of New Mexico;

(4) revenue bonds that are underwritten by a member of the financial industry regulatory authority, known as FINRA, and are rated "BAA" or above by a nationally recognized bond rating service; or

(5) letters of credit issued by a federal home loan bank.

B. No security is required for the deposit of public money that is insured by the federal deposit insurance corporation or the national credit union administration.

C. All securities shall be accepted as security at market value. The restrictions of Subsection A of this section apply to all securities subject to this subsection.

**History:** 1953 Comp., § 11-2-18.1, enacted by Laws 1969, ch. 243, § 1; 1981, ch. 332, § 5; 1987, ch. 79, § 6; 1987, ch. 307, § 1; 2000, ch. 47, § 1; 2013, ch. 65, § 4.

### **6-10-25. Declaration of policy.**

All moneys of the state, except permanent funds and income derived therefrom and those funds the investment of which is otherwise authorized by law, not needed to meet expenses of state government for the ensuing quarter year should be invested in interest-bearing time deposits or short-term United States government securities. No funds other than those necessary to meet expenses should be permitted to remain in noninterest-bearing account in state depositories.

**History:** 1953 Comp., § 11-2-25.1, enacted by Laws 1955, ch. 140, § 1; 1967, ch. 211, § 1.

### **6-10-36. Public money deposits of certain governmental units; distribution; interest.**

A. All public money, except that in the custody of the state treasurer, institutions of higher education, technical and vocational institutes, incorporated municipalities and counties that have adopted home rule charters as authorized by the constitution of New Mexico and local school boards that have been designated as boards of finance, shall be deposited in qualified depositories in accordance with the terms of this section or invested as otherwise provided by law.

B. Deposits of funds of a governmental unit may be made in noninterest-bearing checking accounts in one or more banks or savings and loan associations designated as checking depositories located within the geographical boundaries of the governmental unit. In addition, deposits of funds may be in noninterest-bearing accounts in one or more credit unions designated as checking depositories located within the geographical boundaries of the governmental unit to the extent the deposits are insured by an agency of the United States. If there is no checking depository within the geographical boundaries of the governmental unit, one or more banks, savings and loan associations or credit unions within the county in which the principal office of the governmental unit is located may be so designated, but credit union deposits shall be insured by an agency of the United States.

C. Public money placed in interest-bearing deposits in banks and savings and loan associations shall be equitably distributed among all banks and savings and loan associations having their main or staffed branch offices within the geographical boundaries of the governmental unit that have qualified as public depositories by reason of insurance of the account by an agency of the United States or by depositing collateral security or by giving bond as provided by law and that desire a deposit of public money pursuant to this section. The deposits shall be in the proportion that each bank's or savings and loan association's deposits bears to the total deposits of all banks and savings and loan associations that have their main office or staffed branch office within the geographical boundaries of the governmental unit and that desire a deposit of public money pursuant to this section. The deposits of the main office of a savings and loan association and its staffed branch offices within the geographical boundaries of a governmental unit is the total deposits of the association multiplied by the percentage that deposits of the main office and the staffed branch offices located within the geographical boundaries of the governmental unit are of the total deposits of the association, net of any public fund deposits. The deposits of each staffed branch office or aggregate of staffed branch offices of a savings and loan association located outside the geographical boundaries of the governmental unit in which the main office is located is the total deposits of the association multiplied by the percentage that deposits of the branch or the aggregate of branches located outside the geographical boundaries of the governmental unit in which the main office is located are of the total deposits of the association, net of any public fund deposits. The director of the financial institutions division of the regulation and licensing department shall promulgate a formula for determining the deposits of banks' main offices and branches for the purposes of distribution of public money as provided for by this section.

D. Public money may be placed at the discretion of the designated board of finance or treasurer in interest-bearing deposits in credit unions having their main or staffed branch offices within the geographical boundaries of the governmental unit to the extent the deposits are insured by an agency of the United States.

E. The rate of interest for all public money deposited in interest-bearing accounts in banks, savings and loan associations and credit unions shall be set by the state board of finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit. Any bank or savings and loan association that fails to pay the minimum rate of interest at the time of deposit provided for in this subsection for any respective deposit forfeits its right to an equitable share of that deposit under this section.

If the deposit is part or all of the proceeds of a bond issue and the interest rate prescribed in this subsection materially exceeds the rate of interest of the bonds, the interest rate prescribed by this subsection shall be reduced on that deposit to an amount not materially exceeding the interest rate of the bonds if the bond issue would lose its tax-exempt status pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

F. Public money in excess of that for which banks, savings and loan associations and credit unions within the geographical boundaries of the governmental unit have qualified may be deposited in qualified depositories in other areas within the state under the same requirements for payment of interest as if the money were deposited within the geographical boundaries of the governmental unit or may be invested as provided by law.

G. The department of finance and administration may monitor the deposits of public money by governmental units to assure full compliance with the provisions of this section.

History: 1953 Comp., § 11-2-33, enacted by Laws 1977, ch. 136, § 1; 1981, ch. 332, § 15; 1983, ch. 191, § 1; 1987, ch. 79, § 15; 1997, ch. 123, § 2; 2007, ch. 228, § 1.

## **6-10-56. Definitions.**

As used in the Warrant Cancellation Act:

A. "fiscal officer" means:

(1) for the state, the state treasurer, or, for all warrants issued by the department of finance and administration, the secretary of that department, or, for all warrants issued by agencies and institutions other than the department of finance and administration, the legally authorized disbursing officer of the agency or institution;

(2) for a county, the county treasurer;

(3) for a municipality, the municipal treasurer;

(4) for a school district, the legally authorized disbursing officer for the local board of education; and

(5) for a special district, the legally authorized disbursing officer; and

B. "warrant" means any warrant or check issued by the state, its agencies, institutions and political subdivisions.

History: 1953 Comp., § 11-2-43.2, enacted by Laws 1963, ch. 233, § 2; 1965, ch. 51, § 1; 1977, ch. 247, § 111.

## **3-1-2. Definitions. (1993)**

N. "Warrant" means a warrant, check or other negotiable instrument issued by a municipality in payment for goods or services acquired by the municipality or for the payment of a debt incurred by the municipality;