General Fund Fiscal Outlook

David Abbey
Director, Legislative Finance Committee, July 17, 2016

General Fund Fiscal Outlook

- The legislative session ended with very slim margins for general fund reserves.
  - The FY15 General Fund reserves were $713 million. In February, FY16 reserves were estimated to drop to $349 million including only $79 million in the operating reserve.
  - General Fund revenue in April and May was very weak. With 11 months of the FY16 virtually complete, YTD revenue is down almost 10 percent compared to the February forecast of -5.5 percent.
  - It seems very likely that the operating reserve will end FY16 in the red and require a significant transfer from the Tobacco Settlement Permanent Fund.
  - A very preliminary LFC update of FY17 revenue suggests FY17 revenue also may fall well short of the February guidance, exhausting even restricted General Fund reserves.
  - NMSA 8-6-7 provides a penalty provision if the DFA Secretary and the Treasurer issue and redeem warrants when "with the use of available accounting information, should reasonably then, know there is an insufficient unexpended and unencumbered balance available".

General Fund Fiscal Outlook

General Fund Financial Summary: General Appropriation Act of 2016
and Other Enacted Legislation
(in millions of dollars)

APPROPRIATION ACCOUNT	Actual FY2015	Estimated FY2016	Estimated FY2017
REVENUE			
Recurring Revenue			
December 2015 Consensus Revenue Update	$ 6,194.7	$ 6,165.0	$ 6,466.3
January 2016 Consensus Revenue Update	$ -	$ (144.8)	$ (201.7)
Total Recurring Revenue	$ 6,194.7	$ 6,020.2	$ 6,264.6
Nonrecurring January 2016 Consensus Revenue Update	$ 41.2	$ 5.5	$ -
2016 Revenue Legislation		$ -	$ 75.0
February 2016 Revenue Outlook	$ -	$ (125.0)	$ (125.0)
Total Nonrecurring Revenue	$ 41.2	$ (119.5)	$ (50.0)
TOTAL REVENUE	**$ 6,235.9**	**$ 5,900.7**	**$ 6,214.6**
APPROPRIATIONS			
Recurring Appropriations			
General Appropriation	$ 6,151.6	$ 6,234.7	$ -
2016 Legislation & Feed Bill	$ 10.1	$ 6.2	$ 6,228.3
Total Recurring Appropriations	$ 6,161.7	$ 6,240.9	$ 6,228.3
Nonrecurring Appropriations			
Prior Year Appropriations	$ 113.5	$ 31.0	$ -
2016 Legislation	$ -	$ 35.7	$ 0.3
Total Nonrecurring Appropriations	$ 113.5	$ 66.7	$ 0.3
TOTAL APPROPRIATIONS	**$ 6,275.2**	**$ 6,307.6**	**$ 6,228.6**
Transfer to (from) Reserves	$ (39.3)	$ (406.9)	$ (14.0)
GENERAL FUND RESERVES			
Beginning Balances	$ 637.9	$ 713.1	$ 349.3
Transfers from (to) Appropriations Account	$ (39.3)	$ (406.9)	$ (14.0)
Revenue and Reversions	$ 164.9	$ 121.5	$ 63.3
Appropriations, Expenditures and Transfers Out	$ (50.4)	$ (78.5)	$ (55.0)
Ending Balances	**$ 713.1**	**$ 349.3**	**$ 343.6**
Reserves as a Percent of Recurring Appropriations	*11.6%*	*5.6%*	*5.5%*

Notes:

General Note: small adjustments (< ± $100,000) have been made in beginning balances of all subaccounts to conform the ending totals to the 2015 audit to the dollar. In prior years, beginning and ending balances had been rounded to the nearest $100,000.

^A balance of $101.7 million has been held in reserve for cash reconciliation purposes. The State Treasurer reported that the latest reconciliation efforts suggest nearly 100 percent of these restricted funds will be reversed and $0 will be needed for SHARE remediation.

^^$36 million of restricted General Fund reserves to address potential Special Education Funding Maintenance of Effort noted in the FY14 audit have been swept in HB311.

General Fund Fiscal Outlook

General Fund Financial Summary: General Appropriation Act of 2016
and Other Enacted Legislation
RESERVE DETAIL
(in millions of dollars)

	Actual FY2015	Estimated FY2016	Estimated FY2017
OPERATING RESERVE			
Beginning Balance	$ 274.6	$ 319.8	$ 79.0
BOF Emergency Appropriations/Reversions	$ (0.5)	$ (2.0)	$ (2.0)
Transfers from/to Appropriation Account	$ (39.3)	$ (406.9)	$ (14.0)
Transfer to ACF/Other Appropriations	$ (15.0)	$ (20.0)	$ -
Reversal of Contingency for Unreconciled Accounts	$ 100.0	$ -	$ -
2016 Revenue Legislation (HB 311)*	$ -	$ 40.6	$ -
Transfer from Tax Stabilization Reserve	$ -	$ 147.5	$ -
Ending Balance	$ 319.8	$ 79.0	$ 63.1
APPROPRIATION CONTINGENCY FUND			
Beginning Balance	$ 18.3	$ 28.4	$ 39.6
Disaster Allotments	$ (12.5)	$ (16.0)	$ (16.0)
Other Appropriations	$ (0.1)	$ (0.5)	$ -
Transfers In	$ 15.0	$ 20.0	$ -
Revenue and Reversions	$ 7.7	$ 7.7	$ 7.7
Ending Balance	$ 28.4	$ 39.6	$ 31.3
Education Lock Box			
Beginning Balance	$ 3.0	$ -	$ -
Appropriations	$ (3.0)	$ -	$ -
Transfers In	$ -	$ -	$ -
Ending Balance	$ -	$ -	$ -
Total of Appropriation Contingency Fund	$ 28.4	$ 39.6	$ 31.3
STATE SUPPORT FUND			
Beginning Balance	$ 1.0	$ 1.0	$ 1.0
Revenues**	$ -	$ -	$ 1.4
Appropriations	$ -	$ -	$ -
Ending Balance	$ 1.0	$ 1.0	$ 2.4
TOBACCO PERMANENT FUND			
Beginning Balance	$ 193.5	$ 216.4	$ 229.6
Transfers In	$ 35.0	$ 37.0	$ 37.0
Appropriation to Tobacco Settlement Program Fund	$ (19.3)	$ (18.5)	$ (18.5)
Gains/Losses	$ 7.2	$ 16.2	$ 17.2
Additional Transfers from TSPF	$ -	$ (21.5)	$ (18.5)
Ending Balance	$ 216.4	$ 229.6	$ 246.9
TAX STABILIZATION RESERVE			
Beginning Balance	$ 147.5	$ 147.5	$ -
Transfers In	$ -	$ -	$ -
Transfer Out to Operating Reserve (Contingent on Solvency Bill)	$ -	$ (147.5)	$ -
Ending Balance	$ 147.5	$ -	$ -
GENERAL FUND ENDING BALANCES	$ **713.1**	$ **349.3**	$ **343.6**
Percent of Recurring Appropriations	*11.6%*	*5.6%*	*5.5%*

Notes:
* HB 311 - $22.2 m ($12.3m fund sweeps and $10m unrestriction of MOE).
** Pursuant to HB311 from Drivers License Fees.

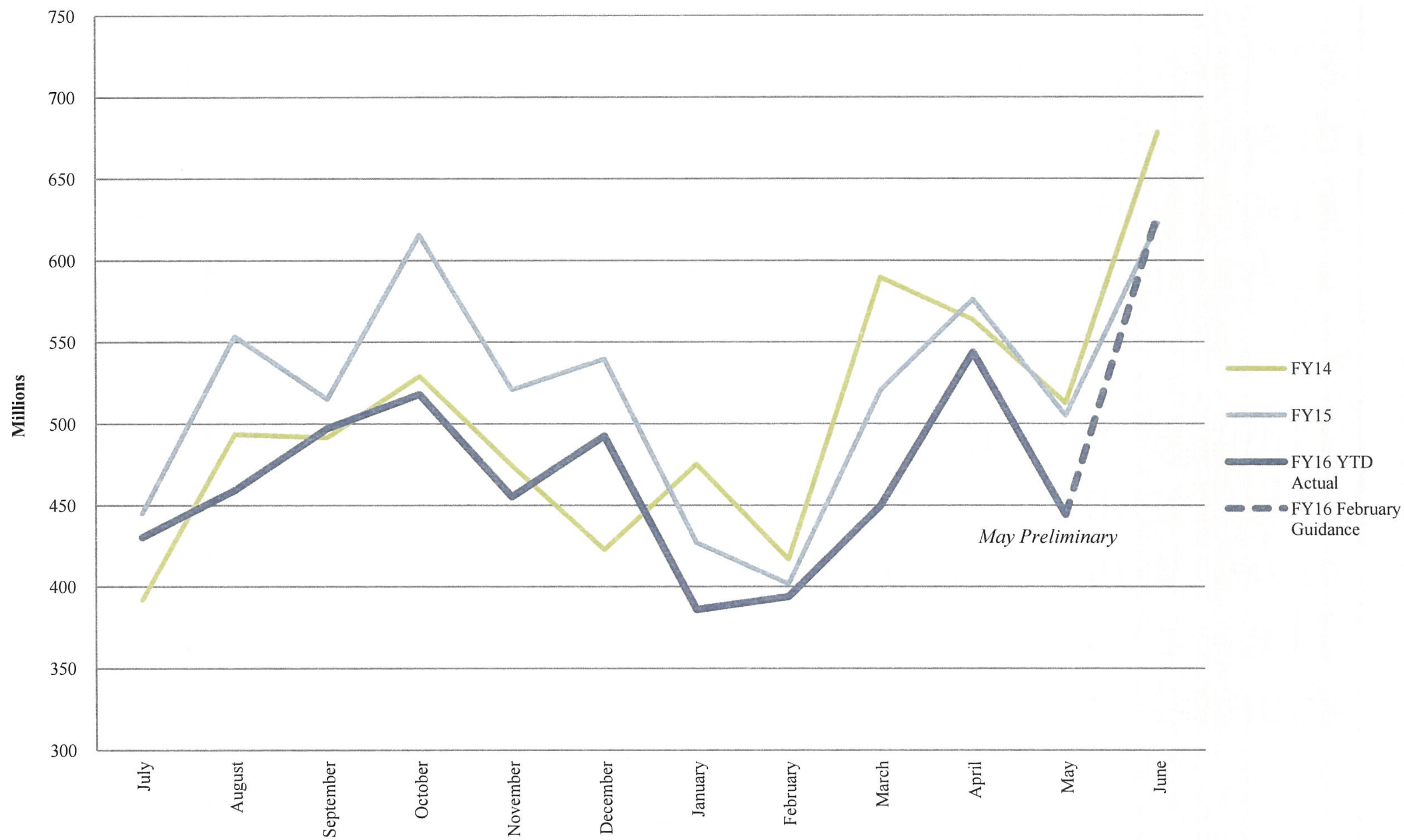
General Fund Fiscal Outlook

- FY16 revenue tracking shows significant weakness despite the recent increases in oil and gas prices. Fiscal year-to-date revenues were down 9.6 percent in April compared with the same period a year ago.

- Through April, gross receipts tax revenue is down 7.5 percent from FY15 and corporate income tax revenue is down over 50 percent from FY15. These revenues account for most of the expected shortfall in FY16.

General Fund Revenue Tracking

FY14-FY16



General Fund Fiscal Outlook

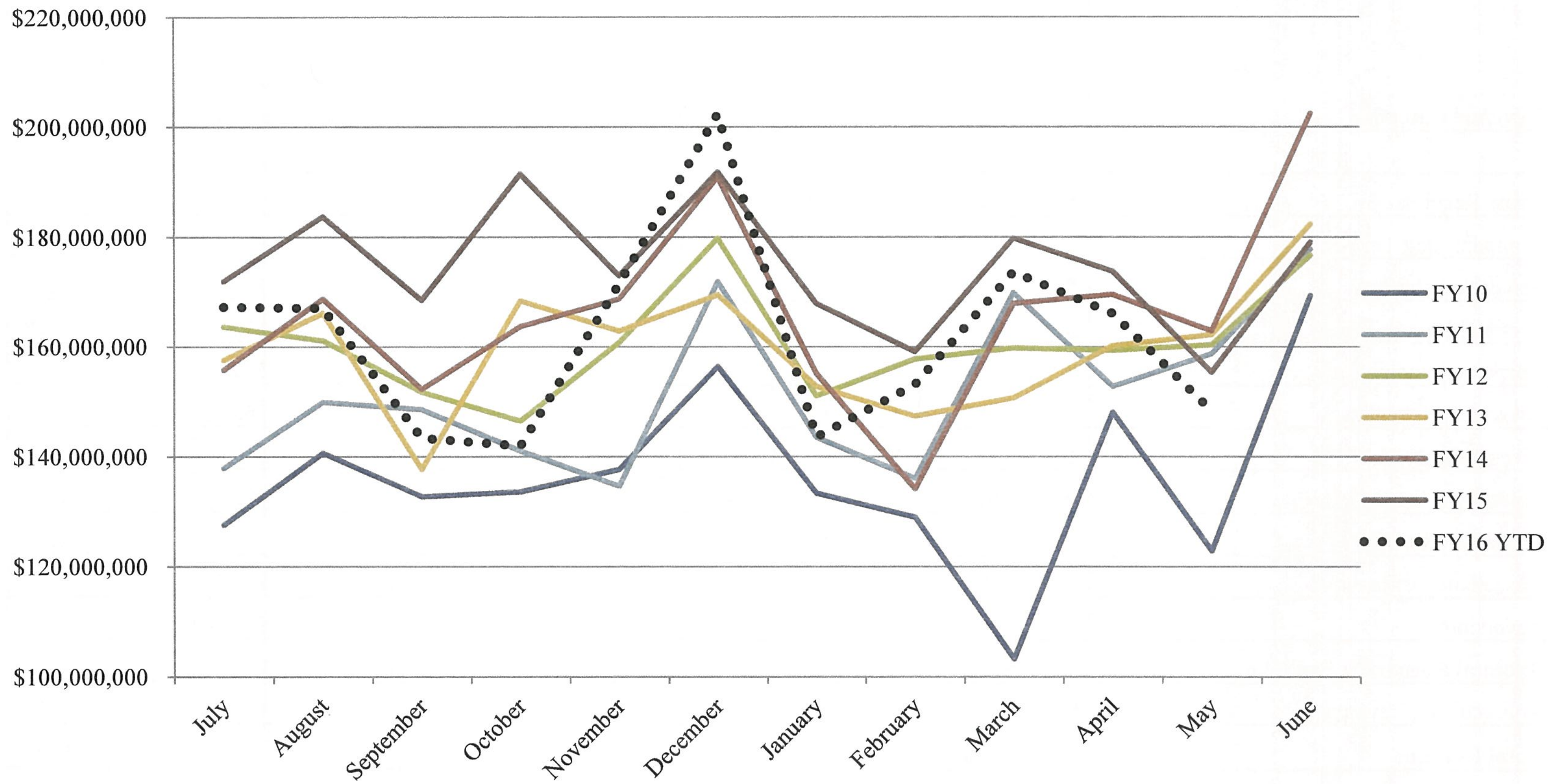
General Fund Revenue Accruals: FY16 vs. FY15

Revenue Category	April Revenue	April Revenue	Fiscal Year-to-Date Through April		Year-over-Year Amount Change	Year-over-Year Growth	Projected Full-Year Growth: February Guidance
	FY15	FY16	FY15	FY16			
Gross Receipts	$ 179.8	$ 166.1	$1,760.8	$1,629.5	($131.3)	-7.5%	-2.7%
Compensating Tax	$ 1.2	$ 0.8	$77.0	$38.9	($38.1)	-49.5%	-31.8%
Selective Sales *	$ 31.4	$ 26.2	$387.6	$348.0	($39.6)	-10.2%	3.7%
Personal Income Tax	$ 93.7	$ 217.8	$1,041.9	$1,055.9	$14.0	1.3%	4.9%
Corporate Income Tax	$ 49.4	$ 13.2	$208.6	$96.0	($112.6)	-54.0%	-22.2%
Oil & Gas Revenues *	$ 69.7	$ 46.4	$882.1	$564.8	($317.2)	-36.0%	-31.4%
License Fees	$ 6.7	$ 13.3	$50.1	$49.3	($0.8)	-1.6%	-2.5%
Investment Income	$ 61.5	$ 62.4	$587.3	$639.5	$52.2	8.9%	7.9%
Tribal Revenue Sharing	$ 16.4	$ 0.1	$50.3	$45.5	($4.8)	-9.6%	-4.3%
Miscellaneous Receipts	$ 1.1	$ (0.5)	$32.3	$25.2	($7.1)	-22.0%	0.6%
Reversions	$ 9.8	$ (2.1)	$12.3	$23.5	$11.3	91.8%	16.6%
Subtotal Recurring Revenue	**$ 520.7**	**$ 543.5**	**$5,090.2**	**$4,516.1**	**($574.1)**	**-11.3%**	**-4.9%**
Nonrecurring Revenue	$ (0.1)	$ (0.0)	$25.0	$0.0	($25.0)	-99.9%	-86.7%
Total Revenue	**$ 520.6**	**$ 543.4**	**$5,115.2**	**$4,625.5**	**($489.7)**	**-9.6%**	**-5.5%**

*Includes April estimated revenues for Oil School Tax, and Oil Conservation Tax.

General Fund Fiscal Outlook

Gross Receipts Tax Revenues Year-over-Year Comparison



May Preliminary
Sources: LFC files, DFA GenFund reports

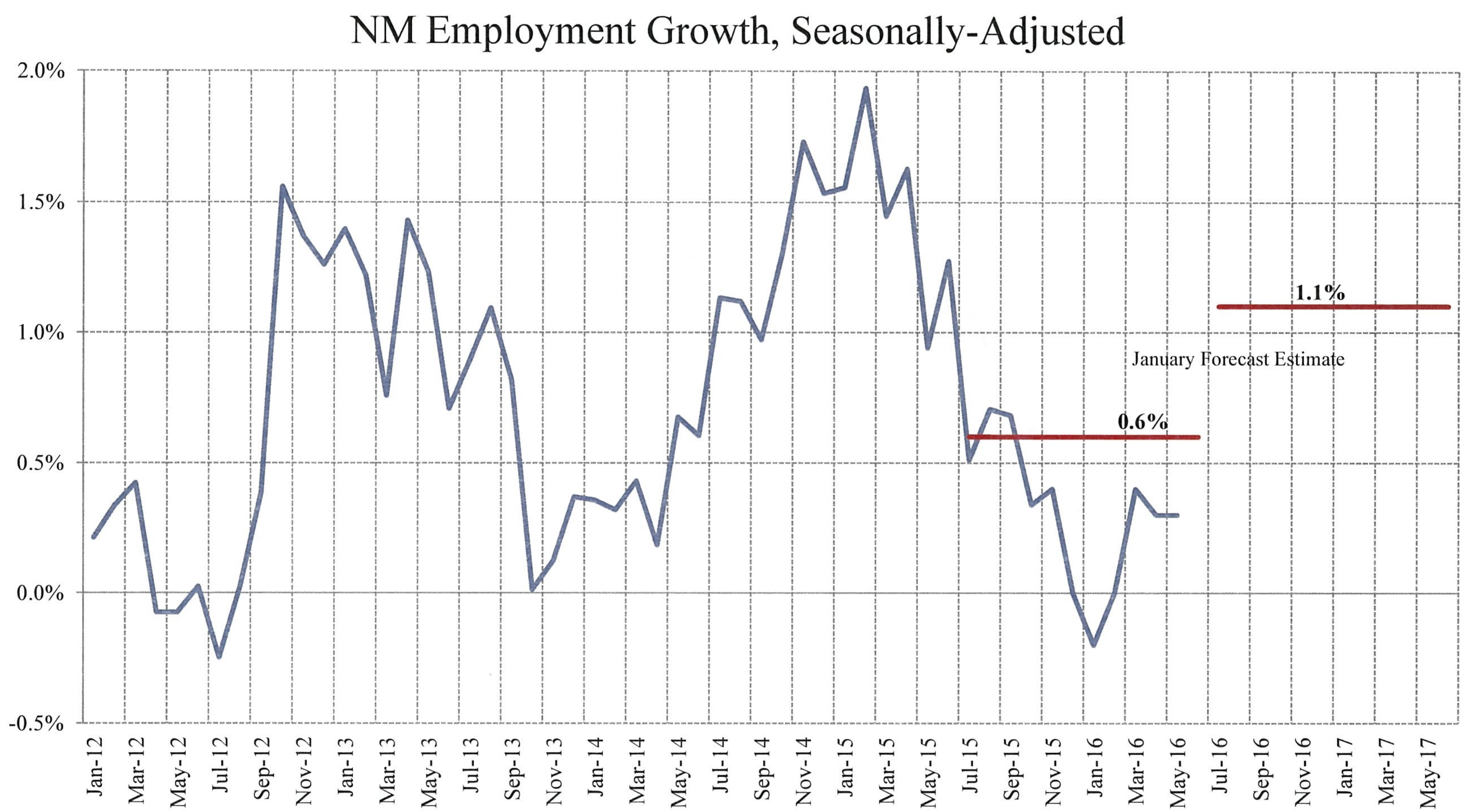
Gross Receipts by County
July 2015 through April 2016

Jurisdiction	Matched Taxable Gross Receipts	Year-over-Year Change
Bernalillo County	$13,925,743,623	2.9%
Catron County	$37,855,415	39.9%
Chaves County	$959,303,640	-6.3%
Cibola County	$302,435,309	7.2%
Colfax County	$225,115,975	-5.6%
Curry County	$808,731,613	3.4%
De Baca County	$28,556,598	78.5%
Dona Ana County	$2,853,998,107	6.5%
Eddy County	$2,745,521,087	-24.9%
Grant County	$372,948,185	0.6%
Guadalupe County	$69,026,573	-21.7%
Harding County	$14,775,451	-64.3%
Hidalgo County	$60,476,927	14.5%
Lea County	$3,133,796,850	-39.0%
Lincoln County	$412,260,174	2.8%
Los Alamos	$1,145,629,914	25.5%
Luna County	$262,629,198	3.6%
McKinley County	$959,312,236	-0.6%
Mora County	$26,741,159	11.9%
Otero County	$798,194,948	17.0%
Quay County	$107,576,251	-1.2%
Rio Arriba County	$382,400,731	-0.8%
Roosevelt County	$262,612,964	2.7%
San Juan County	$2,849,898,227	-7.2%
San Miguel County	$290,537,993	2.7%
Sandoval County	$1,197,739,840	-4.2%
Santa Fe County	$3,058,853,789	1.9%
Sierra County	$155,593,870	0.1%
Socorro County	$153,262,145	-13.5%
Taos County	$627,040,182	14.8%
Torrance County	$152,792,848	0.0%
Union County	$82,311,148	-1.6%
Valencia County	$613,897,699	-1.4%

Gross Receipts by Industry
July 2015 through April 2016

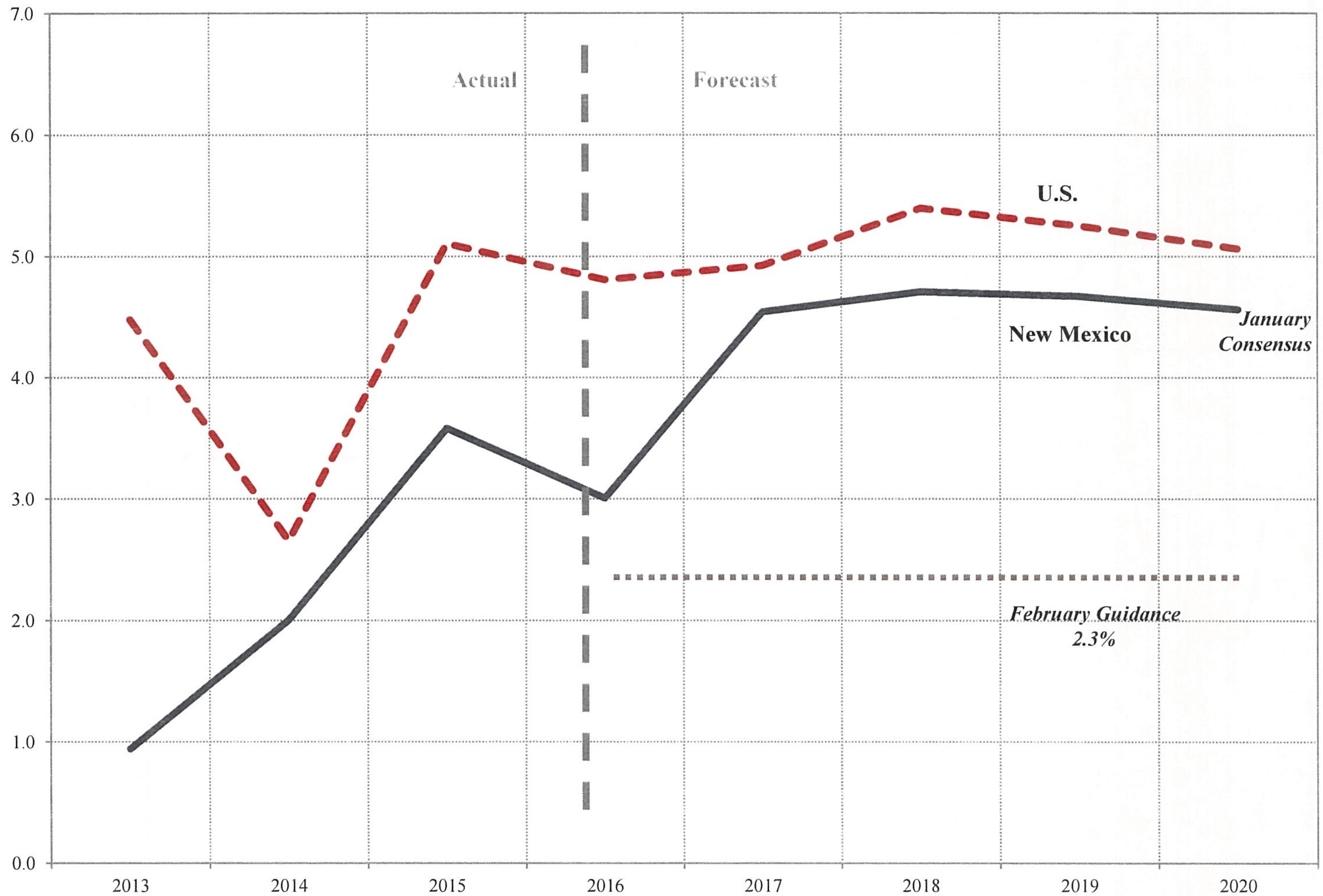
Industry	Matched Taxable Gross Receipts	Year-over-Year Change
Mining, Quarrying, and Oil and Gas Extraction	$1,971,815,847	-45.9%
Utilities	$1,916,212,593	-3.2%
Construction	$5,252,145,336	2.4%
Manufacturing	$1,379,035,172	-28.2%
Wholesale Trade	$1,744,550,514	-17.7%
Retail Trade	$10,074,429,036	-4.2%
Transportation and Warehousing	$531,851,688	-28.8%
Information	$2,115,008,472	-0.5%
Real Estate and Rental and Leasing	$1,030,738,840	2.1%
Professional, Scientific, and Technical Services	$5,418,506,646	14.7%
Administrative/Support & Waste Management/Remediation Services	$1,080,958,495	17.1%
Health Care and Social Assistance	$2,173,328,189	6.6%
Leisure and Hospitality Services	$3,565,973,740	4.4%
Other Industries	$4,664,049,192	n/a
Total	**$42,918,603,762**	**-5.8%**

General Fund Fiscal Outlook

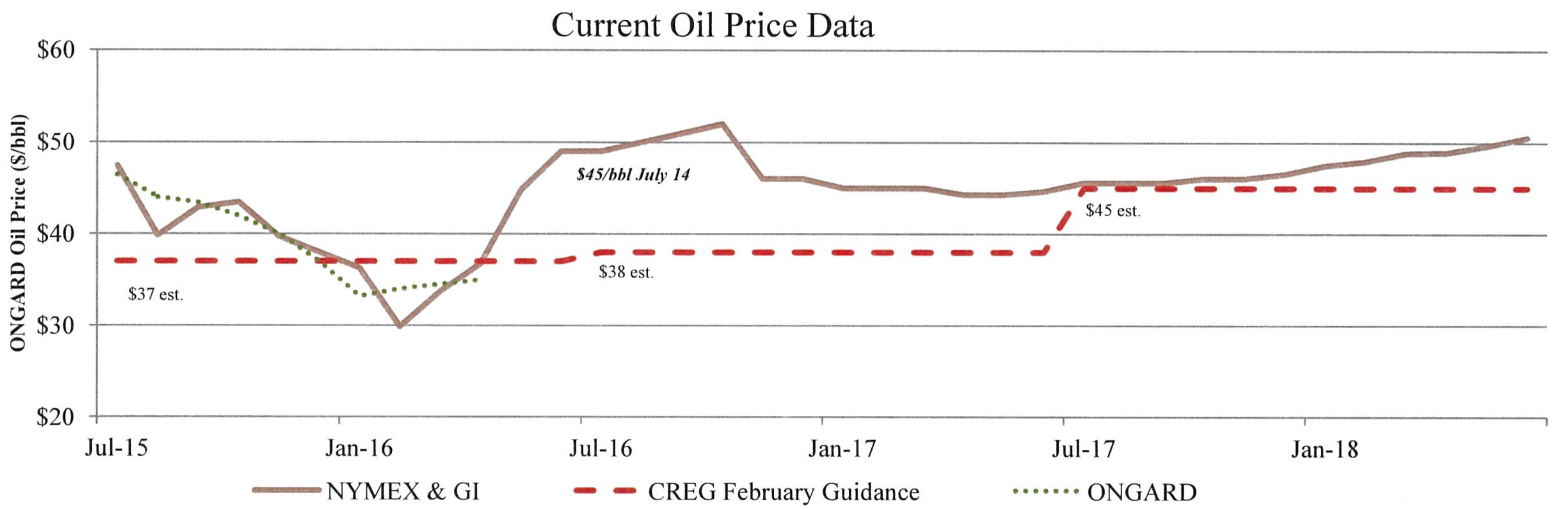


Source: WSD 6/20/2016

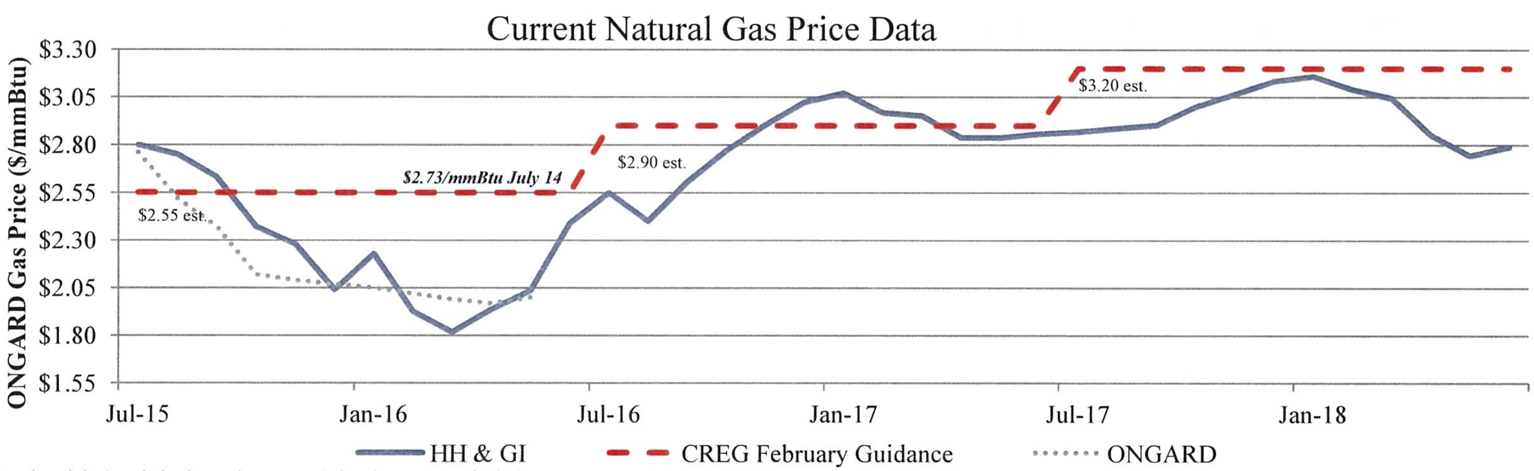
New Mexico vs. U.S. Wages & Salary Growth (% FY)



General Fund Fiscal Outlook



(*Oil deduction calculated at $3.50/bbl. NYMEX & GI 50/50 average as of 07/14/2016.)



(* Natural gas deduction calculated at zero/mmBtu. HH & GI 50/50 average as of 07/14/2016.)

Consensus Revenue Estimate 18-Month Forecast Difference/Error

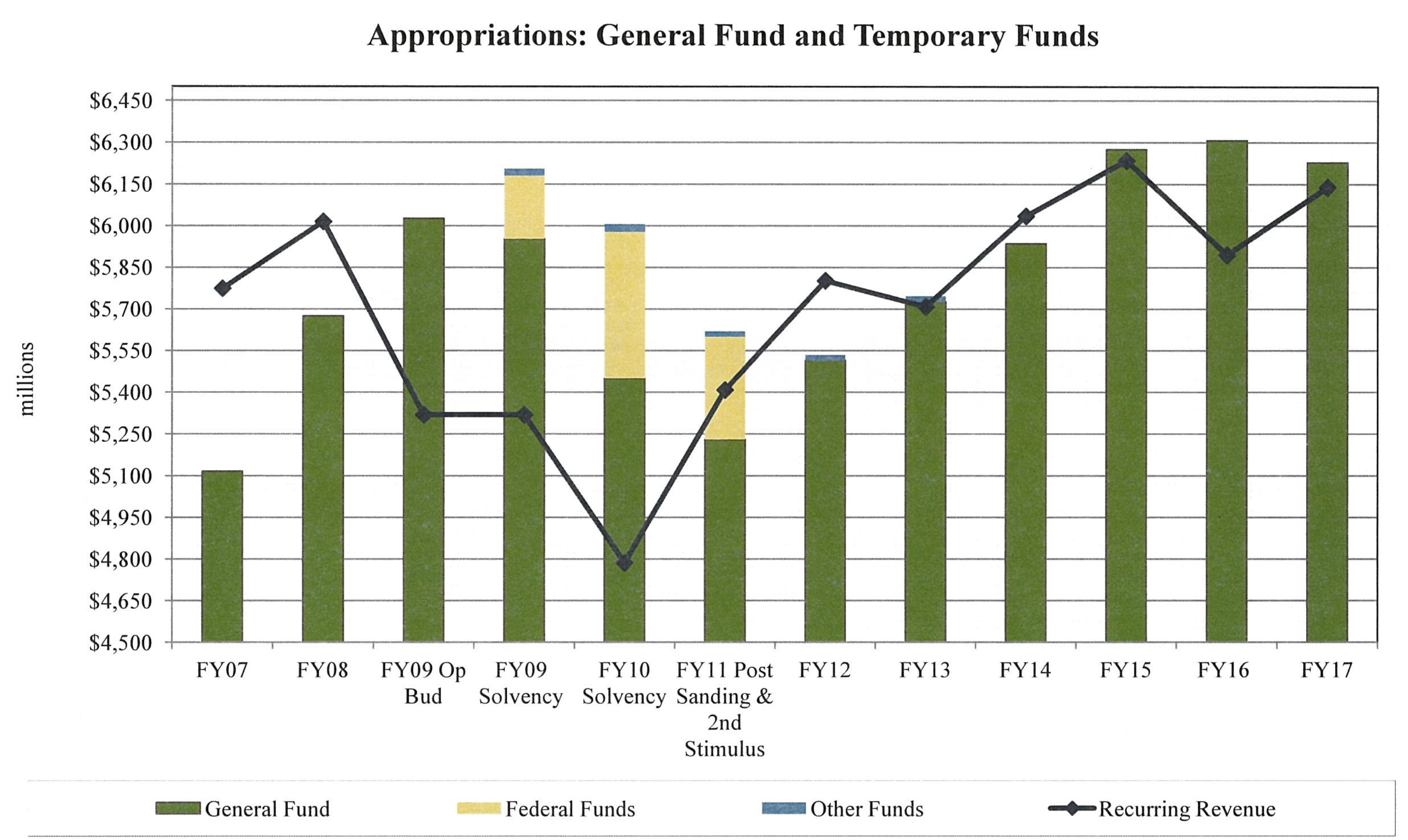
Medicaid

- Following the session, despite numerous cost containment assumptions during budget development, HSD reported a $38.9 million shortfall in general fund need for FY17.
- Projected FY17 shortfall reduced to $24.5 million (from $85 million projected during the session), in line with what the legislature appropriated.
- For FY17, the federal government will allow a moratorium on a health insurer fee, saving the state about $18 million in general fund.
- The FY17 projection also includes $32 million in general fund savings anticipated from recently-proposed provider rate reductions.
- The department estimates $60 million to $80 million in new general fund need for FY18 for enrollment, utilization, and reduced federal support for the expansion population.

Recap FY17 and FY18
General Fund Fiscal Outlook

- Returning to the financial summary on page 3, FY17 recurring revenue forecast of $6.14 billion seems unattainable given FY16 revenue weakness, notably gross receipts and corporate income taxes.
- Let's assume at a special session, authorization is provided for the tobacco permanent fund to be used in significant part to cover an FY16 shortfall.
- There's a real possibility that remaining balances of the tobacco permanent fund will be insufficient to cover an FY17 shortfall. Then it will be necessary at a special session to consider:
  - Appropriation reductions
  - Fund sweeps
  - Additional revenue
- FY18 outlook is gloomy because of uncertain revenue prospects, the need to replace $75 million of sweeps, used to prop up FY17 spending, requirements for Medicaid growth and risks related to public school litigation.

General Fund Fiscal Outlook



Source: LFC Files

General Fund Fiscal Outlook

FY16-FY20 General Fund Recurring Appropriation Outlook
(in millions of dollars)

	GAA FY16	GAA FY17	Outlook FY18	Outlook FY19	Outlook FY20
January 2016 Recurring Revenue Estimate	$ 6,020.2	$ 6,264.6	$ 6,612.4	$ 6,901.5	$ 7,214.8
Revised February Guidance - LFC/DFA	$ *(125.0)*	$ *(125.0)*	$ *(125.0)*	$ *(125.0)*	$ *(125.0)*
Total Recurring Revenue	$ **5,895.2**	$ **6,139.6**	$ **6,487.4**	$ **6,776.5**	$ **7,089.8**
Year-to-Year Percent Change	*-4.8%*	*4.1%*	*5.7%*	*4.5%*	*4.6%*
Recurring Appropriations					
Legislative	$ 26.0	$ 19.5	$ 26.3	$ 20.6	$ 27.0
Judicial	$ 275.6	$ 276.0	$ 281.5	$ 287.1	$ 292.8
General Control	$ 136.1	$ 130.6	$ 133.2	$ 135.9	$ 138.6
Commerce, Industry	$ 53.7	$ 51.0	$ 52.0	$ 53.0	$ 54.1
Agriculture, Energy and Natural Resources	$ 71.6	$ 68.5	$ 69.9	$ 71.3	$ 72.7
Medicaid	$ 907.7	$ 928.6	$ 1,022.0	$ 1,084.7	$ 1,168.6
Medicaid Base Expenditures	$ *907.7*	$ *887.8*	$ *927.7*	$ *969.5*	$ *1,013.1*
Medicaid Expansion Expenditures	$ *-*	$ *40.8*	$ *94.3*	$ *115.2*	$ *155.4*
Other Health, Hospitals and Human Services	$ 751.3	$ 735.2	$ 757.5	$ 780.3	$ 803.7
Public Safety	$ 418.2	$ 431.6	$ 440.2	$ 449.0	$ 458.0
Other Education	$ 113.0	$ 110.8	$ 113.1	$ 115.3	$ 117.6
Higher Education	$ 848.5	$ 828.5	$ 853.3	$ 878.9	$ 905.3
Public School Support	$ 2,639.1	$ 2,648.0	$ 2,727.5	$ 2,809.3	$ 2,893.6
Subtotal - Recurring Appropriations	$ **6,240.7**	$ **6,228.3**	$ **6,476.6**	$ **6,685.4**	$ **6,932.0**
Adjustment Scenario					
- Replace Tobacco Settlement Diversion	$ -	$ -	$ 18.5	$ 18.5	$ 18.5
- Replace TANF Early Childhood with General Fund	$ -	$ -	$ 5.0	$ 10.0	$ 15.0
- Medicaid Supplemental - Recurring	$ -	$ 25.0	$ 25.0	$ 25.0	$ 25.0
- Fund Public Defender Contracts	$ -	$ -	$ 2.0	$ 4.0	$ 4.0
- Replace Irrigation Works Const. Fund Balance	$ -	$ -	$ 5.0	$ 5.0	$ 5.0
- Replace Other Fund Balances Budgeted FY17	$ -	$ -	$ 5.8	$ 5.8	$ 5.8
- Fund RMD Rate Increases	$ -	$ -	$ 2.5	$ 5.0	$ 7.5
- Compensation Increases Annually	$ -	$ -	$ 65.6	$ 132.5	$ 201.4
Subtotal - Adjustment Scenario	$ **-**	$ **25.0**	$ **129.4**	$ **205.8**	$ **282.2**
Total Recurring Appropriations + Adj Scenario	$ **6,240.7**	$ **6,253.3**	$ **6,606.0**	$ **6,891.3**	$ **7,214.2**
Year-to-Year Percent Change	*1.7%*	*0.2%*	*5.6%*	*4.3%*	*4.7%*
Surplus/(Deficit)	$ **(345.5)**	$ **(113.7)**	$ **(118.6)**	$ **(114.7)**	$ **(124.4)**

+94

Notes: 1) Recurring General Fund revenue fr Consensus Revenue Estimate January 2016 (FY16-FY20) 2) Fund Balance replaced in DCA ($0.8), DWS ($2.0), and DOH ($3.0)
3) Annual appropriation growth FY18-FY20 (with FY17 as base) calculated as follows: 4) Medicaid spending is based on OpBud plus 4.5% growth factor plus HSD ACA expansion estimate

Legislative	2.0%	Agriculture, Energy, NR	2.0%	Public Safety	2.0%
Judicial	2.0%	Health, Hosp. & Hum. S	3.8%	Other Education	2.0%
General Control	2.0%	Medicaid Base	4.5%	Higher Education	3.0%
Commerce, Industry	2.0%	Other HHHS	3.0%	Public School Support	3.0%

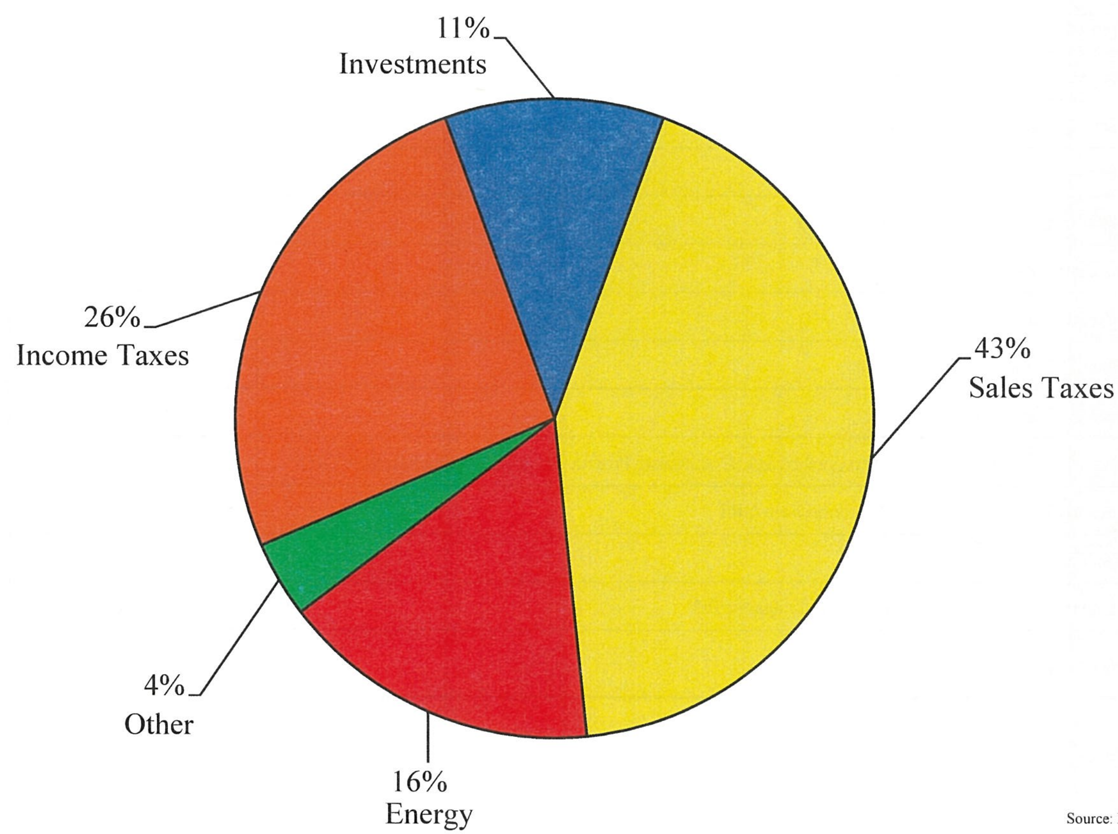
Health Care Tax Expenditures

Name of Expenditure	Statute	Enactment Date	Amount (in thousands)
Medical Insurance Pool Credit against Premium Tax Payments	59A-54-10C	1987	$53,722.1
Prescription Drugs and Oxygen Deduction from GRT and GGRT	7-9-73.2	1998	$68,000.0
Medical and Health Care Services Deduction from GRT	7-9-77.1	1998	$55,000.0
Health Care Practitioner Services Deduction from GRT	7-9-93	2004	$38,664.9
DOH-Licensed Hospitals Fifty Percent Deduction from GRT	7-9-73.1	1991	$37,150.0
Health Care Hold Harmless Distribution	7-1-6.46 & .47	2004	$31,430.7
DOH-Licensed Hospitals Credit against GRT	7-9-96.1	2005	$13,700.4
Rural Health Care Practitioner Credit against PIT	7-2-18.22	2007	$6,376.8
Tax Stamps Rate Differential in Cigarette Tax	7-12-7D	1943	$260.7
Construction Equipment and Materials Used in the Construction of Sole Community Provider Hospitals Deduction from GRT	7-9-100	2004	$0.0
Construction of Sole Community Provider Hospitals Deduction from GRT	7-9-99	2006	$0.0
Hearing and Vision Aids Deduction from GRT	7-9-111	2007	$0.0
Physician Participating in Cancer Treatment Clinical Trials Credit against PIT	7-2-18.27	2011	$0.0
Total Health Care Expenditures:			**$304,305.6**

Sources: Taxation and Revenue Department - 2015 Tax Expenditure Report, Office of Superintendent of Insurance

General Fund Fiscal Outlook

Estimated FY17
General Fund Revenue Sources



Source: Dec. 2015 Consensus Revenue Estimate

8-6-7. Wrongful drawing or payment of warrant by secretary or treasurer; penalty. (2003)

Statute text

A. If the secretary of finance and administration draws any warrant on the state treasurer when he knows or, with the use of available accounting information, should reasonably know there is an insufficient unexpended and unencumbered balance available for the purpose for which the warrant is drawn, he is in violation of this section unless the warrant will be redeemed using receivables accrued for that fiscal year pursuant to policies of the department of finance and administration.

B. If the state treasurer pays any warrant when he knows or, with the use of available accounting information, should reasonably know there are insufficient funds available in the treasury for the purpose to pay the warrant, he is in violation of this section unless the warrant will be redeemed using receivables accrued for that fiscal year pursuant to policies of the department of finance and administration.

C. A violation of this section is punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than one year or both.

History

History: 1978 Comp., § 8-6-7, enacted by Laws 1987, ch. 183, § 1; 1993, ch. 105, § 4; 2003, ch. 273, § 16.

6-5-6. Determinations to be made prior to issuance of warrants. (2003)

Statute text

A. No warrant upon the state treasury for the disbursement of funds shall be issued except upon the determination of the division and the state agency that the amount of the expenditure:

(1) does not exceed the appropriation made to the state agency; and

(2) does not exceed the periodic allotment made to the state agency or the unencumbered balance of funds at its disposal unless the warrant includes federal funds that will be receipted based upon established warrant-clearing patterns.

B. The division may implement and perform internal pre-audit and post-audit procedures to monitor and enforce compliance with the provisions of this section. The pre-audit and post-audit procedures may be applied on a stratified or statistical basis.

C. A state agency shall determine that a proposed expenditure is for a public benefit and purpose consistent with the related appropriation and is necessary to carry out the statutory mission of the state agency prior to committing the state to the transaction.

6-3-6. State budget division; periodic allotments. (2011)

Statute text

A. The state budget division, subject to the approval of the secretary of finance and administration, is authorized to provide rules for the periodic allotment of funds that may be expended by any state agency.

B. The expenditures of any state agency as defined in Section 6-3-1 NMSA 1978, for the first six-month period of each odd-numbered fiscal year shall be limited to one-half of the appropriation or approved budget, whichever is less, for that fiscal year. This restriction does not apply to those agencies whose operations are more efficiently measured by periods other than a fiscal year, including but not limited to the New Mexico legislative council, legislative committees, the intertribal ceremonial and the New Mexico state fair. Expenditures of the intertribal ceremonial office and the New Mexico state fair shall be governed by regulation of the department of finance and administration. The department of finance and administration may also allow expenditure of more than one-half of the appropriation or approved budget for those agencies planning major expenditures for capital outlay in the first six months of the fiscal year, which would result in over-expenditure of the first six-month allocation.

C. Upon the direction of the secretary of finance and administration pursuant to Section 9-6-5.2 NMSA 1978, the state budget division shall temporarily withhold an allotment to a state agency or state institution that has failed to submit an audit report required by the Audit Act [12-6-1 through 12-6-14 NMSA 1978]. The amount withheld and the number of periodic allotments subject to the withholding shall be as directed by the secretary.

History

History: 1953 Comp., § 11-4-1.7, enacted by Laws 1957, ch. 253, § 7; 1963, ch. 38, § 1; 1977, ch. 247, § 124; 2011, ch. 106, § 1.

Annotations

Cross references. — For penalty for violation of expenditure restrictions, see 6-3-8 NMSA 1978.

The 2011 amendment, effective July 1, 2012, authorized the secretary of finance and administration to withhold allotments to state agencies and state institutions that have failed to submit audit reports required by the Audit Act.

ANNOTATIONS

Governor not authorized to reduce periodic allotments. — This section does not by itself supply standards sufficient to authorize executive department regulation of the state treasury; thus, the governor could not reduce periodic allotments in anticipation of appropriation reductions by the legislature. State ex rel. Schwartz v. Johnson, 1995-NMSC-080, 120 N.M. 820, 907 P.2d 1001.

Am. Jur. 2d, A.L.R. and C.J.S. references. — Liability for work done or materials furnished, etc., for state or federal governments in excess of appropriations, 19 A.L.R. 408.