

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

February 28, 2019

Santa Fe, New Mexico

This meeting of the Santa Fe County Investment Committee was called to order by County Treasurer Patrick Varela at approximately 3:00 p.m. on the above-cited date in the County Legal Conference Room on the second floor of the County Administrative Building located at 102 Grant Avenue, Santa Fe, NM.

Lori Armjio called roll and a quorum was indicated with the presence of the following members:

Members Present:

Patrick Varela, Treasurer
Bruce Frederick, County Attorney
Ed Moreno, Alternate
Anna Hamilton, Commissioner
Katherine Miller, Manager
Eric Loucks, Citizen Member
Yvonne Herrera, Finance Division

Member(s) Excused:

Henry Roybal, Commissioner

Others Present:

Anna Hansen, Commissioner
Theresa Romero, Treasurer's Office
Lori Armijo, Treasurer's Office
Jennifer Manzanares, Deputy Treasurer

Approval of Minutes: November 29, 2018

Commissioner Hamilton moved to approve the minutes as published. Mr. Loucks seconded and the minutes were unanimously approved as submitted.

Results of Bank Meeting

Treasurer Varela stated the meeting occurred yesterday with a focus on lock boxes and ACHs which the former Director of Finance recommended. The bank is scheduled to change its

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commercial website this June which conflicts with the County's June 31st fiscal year closing. The last time the bank made a change, the County was unable to access its archives. The bank is taking the County's concerns into consideration.

Treasurer Varela reviewed the yield curve since November 2018. The fed is discussing a decrease to the fed rate.

Treasurer Varela introduced Jennifer Manzanares, the new Deputy Treasurer. Ms. Manzanares, a native of Santa Fe County, said she has 21 years at Los Alamos National Lab where she worked in quality assurance and has worked with Congressman Lujan with a focus on drug overdose prevention and trauma care. Manager Miller lauded Ms. Manzanares' efforts in helping the County get Narcan and mentioned she served as a trustee for the El Rancho community center.

Delinquent Report

Treasurer Varela said the office was restructured and at this point only one person is involved in collections of delinquencies. He reviewed the numbers for November and December of 2018. The collections for January 2019 totaled \$446,868.14.

Portfolio Balance Sheet, Call Notices, Etc.

Treasurer Varela said he did not initiate investing during December and January although there were a few maturities.

Theresa Romero provided the following information for December 2018:

- There were 82 operational accounts with a total of \$117,693,011.70
- GOB 2011 Series contained 21 accounts totaling \$5,316,311.32
- GOB 2013 Series had 10 accounts totaling \$6,148,262.39
- Core Account holdings had 30 accounts with a total of \$27,395,581.32
- Charles Schwab had 24 accounts totaling \$50,934,898.43

Grand total at US Bank and Schwab were 143 accounts with \$207,488,065.16

- There were 5 CDs at local credit unions and one CDAR totaling \$1,253,064.66
- At LANB the Studio account the balance was \$5,342,628.15
- First National/Sunflower had 37 accounts for a total of \$69,498,690.49
- UBS had six accounts with \$46,969,187.40
- Portigon contained one account with \$2,249,600

Grand total of all 222 accounts at the end of December was \$332,801,235.86

Treasurer Varela noted that one of the Portigon accounts was transferred to BNY Mellon. Ms. Herrera said the principal went to the reserve account and net present value plus the earnings went into the revenue account for future debt service payments. Manager Miller noted that the Portigon accounts were from the bond that paid for the jail and Sheriff's complex.

Neither of the bonds was callable. She is researching if rather than using the funds for debt service, they can be used to expand the RECC, evidence storage, etc. The idea of constructing a new building at the Public Safety Complex for Fire Administration is also under consideration.

Ms. Herrera said she was informed by Bond Counselor Franklin that according to the bond covenants, the principle set aside for the 1997 Series A has to stay in a reserve account. She recalled it was \$84,000 of net present value earnings and \$11,000 in trust was provided when the account closed in December. Treasurer Varela said a new account could be opened within a day.

Manager Miller recommended that the interest go toward the safety complex project.

The January 2019 information was provided by Ms. Romero as follows:

- There are 82 operational accounts with a total of \$117,993,366.45
- GOB 2011 Series contains 17 accounts totaling \$5,325,001.38
- GOB 2013 Series has 9 accounts totaling \$6,172,659.64
- Core Account holdings has 33 accounts with a total of \$27,466,301.61
- Charles Schwab has 23 accounts totaling \$51,056,851.69

Grand total at US Bank and Schwab is 141 accounts with \$208,014,180.77

- There are 5 CDs at local credit unions and one CDAR totaling \$1,253,064.66
- At LANB the Studio account has one account with a balance of \$5,342,628.15
- First National/Sunflower has 36 accounts for a total of \$42,732,313.09
- UBS has six accounts with \$47,060,544.84
- BNY Mellon – 1997 Series MM has \$2,774,357.97

Grand total of all 218 accounts at the end of October was \$307,177,089.48

Commissioner Hamilton commented that having December and January figures was very helpful.

Referring to the drawdowns for the new building, Manager Miller anticipated the amount would substantially increase as the building nears completion. The new \$30 million GRT bonds will be spent down within a year for the new building and work on the old County administration building. She expected most of the funds would be spend between now and September. She recommended working with Deputy Flores on the drawdown schedule.

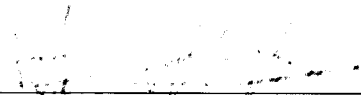
A discussion ensued regarding the LANB Studio account and there was a drawdown in October 30, 2018 in the amount of \$209,324.13. The County provided a loan guarantee in the amount of \$6.5 million against the Studio's construction loan. The note is for 30 years and Ms. Miller recalled it started in 2010/11. Once a year, the County draws down the account leaving the main principle on the loan in the account. Mr. Loucks offered to review the account history.

Treasurer Varela reviewed last month's schedule and highlighted the money market account with BNY Mellon which will be held until 2027 from Portigon.

Adjournment

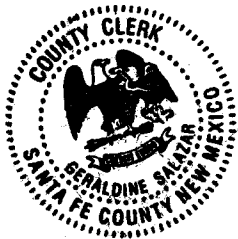
With no further business to conduct the meeting was declared adjourned at 3:55 p.m.

Approved by:



Patrick Varela, County Treasurer

Respectfully submitted by:


Karen Farrell, Wordswork



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss
INVESTMENT COMMITTEE M
PAGES: 4
I Hereby Certify That This Instrument Was Filed for
Record On The 29TH Day Of March, 2019 at 02:21:55 PM
And Was Duly Recorded as Instrument # 1882445
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Deputy  County Clerk, Santa Fe, NM
Geraldine Salazar

SEC. CLERK RECORDED 03/29/2019