

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

June 27, 2018

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.

Roll was called and a quorum was indicated with the presence of the following members:

Members Present:

Patrick Varela, Treasurer
Katherine Miller, Manager
Anna Hamilton, Commissioner
Eric Loucks, Citizen
Anna Hansen, Commissioner
Stephanie Schardin Clarke, Finance Director

Member(s) Excused:

Bruce Frederick, County Attorney

Others Present:

Ed Moreno, Commissioner – alternate
Eric J. Lujan, Chief Deputy Treasurer
Theresa Romero, Treasurer's Office
Lori Armijo, Treasurer's Office
Kirk Herrera, Finance Department Intern

Approval of Minutes: May 24, 2018

Ms. Clarke moved to approve the minutes as published. Mr. Loucks seconded and the minutes were unanimously [6-0] approved as submitted.

Results of Bank Meeting

Treasurer Varela stated the bank's responsiveness has improved and he cited a mix-up with the disbursement of property taxes that the bank immediately corrected. He reviewed the bank provided information which included US Treasuries, the expectations of an interest rate hike, and inflation forecast.

SFC CLERK RECORDED 08/01/2018

The Treasurer said he recently purchased 32 CDs to enhance the County's cash flow and depending on the duration, the rate is 1.5 percent for three months to 2.4 percent for a longer period.

Treasurer Varela mentioned that social consciousness is driving some counties to purchase supranationals, which promote green development, rather than US Treasuries. He advocated legislation permitting supranationals as an investment vehicle.

Delinquent Collections

Treasurer Varela announced the May collection totals were \$465,518.36. He anticipated June figures will be higher because taxes on properties that were slated to go to auction were paid. He noted that the State auctioned ten county properties. The state had an auction in December 2017 and again in May 2018 of properties in Santa Fe County. Ms. Romero said there were 60 properties scheduled for auction and following payments, that number was reduced to ten. The minimum bid covers the property taxes, stated Ms. Romero.

Manager Miller expressed interest in investigating whether the County could bid on properties to incorporate, in some fashion, into the affordable housing program.

Portfolio Balance Sheet, Call Notices, Etc.

Ms. Romero provided the following information as of the end of May 2018:

- There are 55 operational accounts with a total of \$112,231,340.28
- GOB 2011 Series contains one account totaling \$7,937,450.90
- GOB 2013 Series has two accounts totaling \$6,101,834.08
- Core Account holdings has 15 accounts with a total of \$21,126,648.22
- Charles Schwab has 20 accounts totaling \$21,843,012.64

Grand total at US Bank and Schwab is 73 accounts with \$169,240,286.12

- Various CDs, 27 accounts totaling \$6,750,783.63
- LANB-Studio account has \$5,551,952.28
- First National/Sunflower has 33 accounts for a total of \$54,547,918.60
- UBS has six accounts with \$46,573,358.07
- Portigon has two accounts with \$2,675,505

Grand total of all 189 accounts at the end of May was \$285,339,803.70

Commissioner Hansen asked about the Portigon account and Ms. Clarke said the agreements have been drafted for termination on July 16, 2018. A meeting will be scheduled with County bond counselor Peter Franklin and the Treasurer will sign off on the termination agreements.

Treasurer Varela said the funds listed with the US Bank money market were drawn down and used for the purchase of the 32 CDs he mentioned earlier. Ms. Clarke noted that her department was working on the GOB drawdowns.

Ms. Clarke said she was developing information to illustrate the County's history of earnings. There are some gaps in the data but it was coming together and she thanked Ms. Romero for her assistance. Regarding the current reporting she recommending categorizing by asset-type rather than by institution or GO series. She said she was developing an earnings report which is coming from the County's general ledger system.

Mr. Loucks offered to compile the Schwab information and forward that to her.

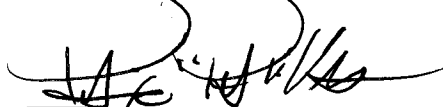
Treasurer Varela reviewed the investment schedule materials held in the bank and savings accounts, Schwab accounts, core accounts, and the operational account(s). The June report will provide greater detail on the purchases.

There was discussion about selling some of the older CDs and bonds that were purchased by the previous treasurer. Treasurer Varela said he keeps his eyes on market to time these sales.

Adjournment

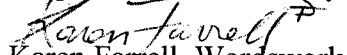
With no further business to conduct the meeting was declared adjourned at approximately 3:55 p.m.

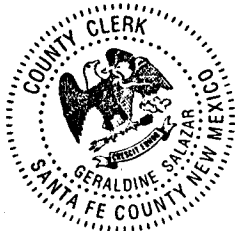
Approved by:



Patrick Varela, County Treasurer

Respectfully submitted by:



Karen Farrell, Wordswork



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

INVESTMENT COMMITTEE
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I Hereby Certify That This Instrument Was Filed for
Record On The 1ST Day Of August, 2018 at 02:10:22 PM
And Was Duly Recorded as Instrument # 1864066
Of The Records Of Santa Fe County


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