

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

August 29, 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 4:10 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.

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

Members Present:

Patrick Varela, Treasurer
Anna Hamilton, Commissioner
Greg Shaffer [for the Manager's Office]
Gary Giron, Finance Director
Rachel Brown [for the Attorney's Office]

Member(s) Excused:

Eric Loucks, Citizen
Henry Roybal, Commissioner

Others Present:

Theresa Romero, Treasurer's Office
Lori Armijo, Treasurer's Office
Yvonne Herrera, Finance Division

Approval of Minutes: July 25, 2019

Commissioner Hamilton moved to approve the minutes as published. Mr. Giron seconded and the minutes were unanimously [5-0] approved as submitted.

Results of Bank Meeting

Treasurer Varela stated House Bill 407, a 500-page law, will impact the lock box due to timing issues. The tax bills will be done after the elections. Four of the five Class A counties are affected, including Santa Fe County. There are two school districts, Pojoaque and Espanola, comprising six entity codes out of 22 that will be affected. There will have to be an extension of the billing to December 1 through December 4, or possibly even later. Delinquencies will begin January 11th. Historically, bills had to be sent out no later than November 4th by statute prior to the enactment of HB 407.

SFC CLERK RECORDED 11/25/2019

In response to Commission Hamilton's questions, Treasurer Varela noted calculations for the bills take time. He added some charter schools need money earlier due to their being closed in December.

Mr. Shaffer asked if property tax bills for the entire county would be delayed or just for those affected by the mill levies. Treasurer Varela said only those impacted by the mill levies. He hopes to mail out 85 to 88 percent of the bills on time. Further problems may arise if a canvass is required. The Tax & Revenue Department has not taken a position on partial mailings. He suggested sending out PSAs on the radio to advise people in the affected communities of the situation.

Treasurer Varela distributed yield curve graphs showing more pronounced inversion. However, many of the other variables indicative of a coming recess are absent, i.e., high unemployment, inflation, flat housing market and GDP. The yield curve could be an anomaly. He anticipated a lower yielding portfolio in the coming days.

Commissioner Hamilton noted there is chatter about the instability that bodes ill, vis-à-vis a possible recession and it is important to keep this in mind in future budgeting and planning, and to work to make the County as recession-proof as possible. She pointed out the efforts that have been made to modify the capital planning process and recommended proceeding conservatively.

Treasurer Varela suggested looking at prime commercial paper and diversified to the extent legally possible.

Mr. Giron mentioned tariffs and Brexit contributing to the uncertainty.

Delinquent Collection

Treasurer Varela said the July total was \$1,361,824.53 for real property, which is typical for July. The total for personal property, i.e., mobile homes and trailers was \$29,786.93.

Portfolio Balance Sheet, Call Notices, Etc.

Ms. Romero provided the following information as of the end of July 2019:

- There are 76 operational accounts with a total of \$118,408,347.21
- GOB 2011 Series contains 1 money market account at \$5,129,683.54
- GOB 2013 Series has 4 accounts totaling \$6,210,199.64
- Core Account holdings has 39 accounts with a total of \$27,718,648.04
- Enterprise, formerly LANB has 23 accounts totaling \$43,201,538.64

Grand total at US Bank and Enterprise is 120 accounts with \$200,668,423.07

- There are 4 CDs at local credit unions and one CDAR totaling \$1,255,069.16
- The Studio lockbox has \$5,342,628.15
- First National/Sunflower has 37 accounts for a total of \$61,633,396.86

- UBS has six accounts with \$36,386,518.01
- BNY Mellon has one account with \$2,794,717.72

Grand total of all 198 accounts at the end of July 2019 was \$308,080,753.49

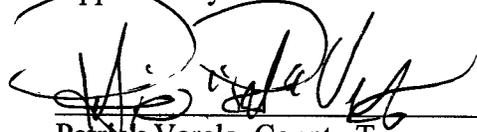
Portfolio Balance Sheet, Call Notices, New Purchases, Etc.

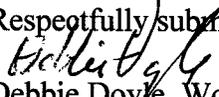
Treasurer Varela pointed out the calls and new investments, some with call protection. He is looking for sovereigns, New Mexico municipal bonds and brokered CDs. Most investments will be fairly short term.

Adjournment

Upon motion by Commissioner Hamilton and second by Mr. Giron the meeting was declared adjourned at 4:40 p.m.

Approved by:


 Patrick Varela, County Treasurer

Respectfully submitted by:

 Debbie Doyle, Wordswork

COUNTY OF SANTA FE)
 STATE OF NEW MEXICO) ss

INVESTMENT COMMITTEE M
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I Hereby Certify That This Instrument Was Filed for
 Record On The 25TH Day Of November, 2019 at 02:04:01 PM
 And Was Duly Recorded As Instrument # 1902842
 Of The Records Of Santa Fe County

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



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