

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

October 28, 2021

Santa Fe, New Mexico

This meeting of the Santa Fe County Investment Committee was called to order by County Treasurer Jennifer Manzanares at approximately 3:00 p.m. on the above-cited date.

In accordance with the Public Health Emergency Order issued by the State of New Mexico, and pursuant to the New Mexico Attorney General's Open Government Division Advisory during COVID-19, public entities are authorized to conduct virtual meetings.

Roll call indicated a quorum with the presence of the following members:

Members Present:

Jennifer "Jenn" Manzanares, Treasurer
Anna Hamilton, Commissioner
Yvonne Herrera, Finance Director
Eric Loucks, Citizen Member
Katherine Miller, County Manager
Henry Roybal, Commissioner
Greg Shaffer, County Attorney

Member(s) Excused:

None

Others Present:

Hank Hughes, Commissioner [Alternate]
Patrick Varela, Deputy Treasurer
Victor Vigil, Treasurer's Office
Lori Armijo, Treasurer's Office
Elias Bernardino, Deputy Manager

Approval of Agenda

Manager Miller moved to approve the agenda as published. Commissioner Hamilton seconded. The vote occurred later in the meeting and passed by unanimous roll call vote.

SFC CLERK RECORDED 02/01/2022

Approval of Minutes: August 26, 2021

Mr. Shaffer noted that on page 3, under the “Portfolio Balance Sheet, Call Notices, Etc.” there were question marks where a date was needed. Treasurer Manzanares said the date should be 7/2021 and staff would make that correction.

Mr. Shaffer moved to approve the minutes as corrected. Commissioner Hamilton seconded. The vote occurred later in the meeting and passed by unanimous roll call vote.

Results from Fiscal Agent

Treasurer Manzanares stated she met with the fiscal agent/Sunflower Bank and reviewed the normal order of business regarding the lock box and staffing the lock box. The tax billing will be delayed to December 1st and collections begin December 10th and continue to January 10th. The Treasurer’s Office has been working with radio stations, newspapers and school districts to inform the community of the tax delay. A mobile call as well as emails will go out to individuals who have used the online payment system. She thanked the Commissioners’ liaisons for assisting in getting the message out.

A discussion regarding PCards occurred with Sunflower, stated Treasurer Manzanares. The bank is conducting a pilot program to ascertain the feasibility of the service and will report back on the results.

Economic Outlooks

Deputy Treasurer Varela provided data on the daily yield curve and noted that the GDP for the 3Q was down from the previous quarter. With the holiday season and the Build Back Better Act there is anticipation that the economy will improve; however, the problems with the supply chain will have a continued impact on the economy. China is experiencing a Covid outbreak and in the United States, industry is experiencing a reduction in the necessary workforce.

The inflation rate is back at June’s 5.39 level. He anticipated the rate would stay high until summer 2022. The winter is projected to be very cold and the price of coal and natural gas will be high. He mentioned that Hertz has ordered 100,000 Tesla electric cars. Treasury Bills are going for a better rate. The CD market is better than some of the interest provided by local banks. The County will be placing money in Treasuries and short-term fixed-income markets.

GIOA Recap

Treasurer Manzanares said she attended the Government Investment Officers Association (GIOA) conference in September where there were many informative sessions offered.

• Investment Policy Certification

GIOA is offering a policy certification on investment policies. As a goal for the office, the

Treasurer said they'd like to attain that certification by March 2022. There is a \$150 fee for the certification which includes GIOA feedback. The committee had no objections to the goal.

- **Rating of Local Banks Small and Large**

Manager Miller said the GIOA had some very good material on this topic. She recommended this could be helpful for the County. Treasurer Manzanares said she would put the information together for the December meeting.

Delinquent Collections

The office has a new hire working with the delinquent tax team. Treasurer Manzanares said her office is carefully considering how to approach delinquencies to prevent homelessness. Staff will work on promoting additional dialogue to help all parties. She expected the collection numbers to improve as the team moves forward. During September \$99,811.24 delinquent taxes were collected and the total for 2021 is \$1,536,232.80.

Portfolio Balance Sheet, Call Notices, Etc.

Ms. Armijo reviewed the balance sheet as follows:

- There are 44 operational accounts with a total of \$170,427,283.51
- GOB 2011 Series contains one account at \$1,055,388.50
- Housing has two accounts at \$4,026,889.45
- GOB 2013 Series has three accounts totaling \$3,631,062.71
- GRT 2019 Series has four accounts totaling \$9,729,175.16
- GOB 2018 Series has four accounts for \$8,909,613.97
- GOB 2021 Series has two accounts for \$25,522,603.93
- Core Portfolio has 38 accounts with a total of \$28,083,795.76
- GOB 2015 Series has one account with a total of \$4,625,099.79
- GOB 2017 Series has one account with a total of \$8,141,640.98
- GOB 1997 Series has two accounts with a total of \$435,214.19

Grand total at US Bank/Enterprise is 86 accounts with \$264,587,767.95

- There are five in the various CDs category totaling \$1,245,000.00
- The Studio lockbox at Enterprise Bank has \$4,947,817.81

Total of those six accounts is \$6,192,817.81

- First National/Sunflower has 41 accounts for a total of \$40,750,316.33
- UBS has 12 accounts with \$38,886,987.46
- BNY Mellon has four accounts with \$9,900,806.55

Total of various 59 accounts is \$95,730,928.15

Grand total of all 156 accounts at the end of September was \$360,318,696.10

Mr. Varela noted that the Studio account at Enterprise Bank & Trust recently experienced a drawdown of approximately \$199,000 which will be reflected next month.

Manager Miller asked about the .35 return at Sunflower Bank in the operations accounts and whether money would be moved to Reich & Tang. Treasurer Manzanares said there had been discussion about ICS (Insured Cash Sweep) accounts/payroll and payroll schedule; those are at .35. Manager Miller recalled that Sunflower was not going to be able to maintain the .35 for the County's account and Mr. Varela said Sunflower decided to provide 35 basis points across the board if the County utilizes the ICS. He said the funds are fully collateralized at the FDIC \$250,000 limit. Stating she was pleased to get 35 basis points on a checking account, Manager Miller requested holding a special meeting mid-November with the collateralizing firm to explain their process and inform the committee on how it is collateralized and insured. Mr. Loucks offered to make inquiries about the collateralization mechanism.

Other Business

Finance Director Herrera reminded the committee that the fiscal agent bank contract is in its seventh year and expires in June 2022.

Treasurer Manzanares noted that there would be a Board of Finance meeting at the next BCC meeting and the IC would meet next in December.

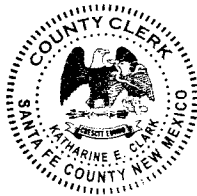
Adjournment

Following a motion from Commissioner Roybal and second from Manager Miller, the meeting adjourned at approximately 3:45 p.m.

Approved by:

Jennifer Manzanares
Jennifer Manzanares, County Treasurer

Respectfully submitted by:
Karen Farrell
Karen Farrell, 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 1ST Day Of February, 2022 at 03:10:51 PM
And Was Duly Recorded as Instrument # 1979298
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Katharine E. Clark
Deputy *Darting Romero* County Clerk, Santa Fe, NM

SFC CLERK RECORDED 02/01/2022