

**SANTA FE COUNTY
INVESTMENT COMMITTEE MEETING
NOVEMBER 20, 2014**

Committee Members:

Pat Varela, County Treasurer
Daniel Mayfield, County Commissioner (Telephone)
Robert Anaya, County Commissioner (Absent)
Katherine Miller, County Manager (Absent)

Greg Shaffer, County Attorney
Teresa Martinez, Finance Director
Andrew Leyba, Private Sector

1. Call Meeting to Order:

- A. Roll Call of Committee Members
- B. Approval of November 14, 2014 Special Investment Committee Meeting Minutes by Private Sector, Andrew Leyba and second by Finance Director, Teresa Martinez

2. Current Agenda Items:

Treasurer Pat Varela began the meeting by informing the committee that the Assistant County Manager, Tony Flores was there in County Manger, Katherine Miller's absence. The Treasurer presented the committee with Special Investment Committee Meeting minutes. Treasurer Varela stated that in Bernalillo County there was an audit finding due to the former County Treasurer manipulating the minutes. Treasurer Varela also stated that he has a broker dealer list and emails them, for example he had a three year security with a maturity date and was checking to see who would give him competitive rates and mentioned that two brokers with the same CUSIP number, one was at par being one hundred dollars and one was at nighty eight eighty. He also stated that Bernalillo County was using the same broker for their investments, who is Royce Simpson. Treasurer Varela stated he would like to remove one broker and said he's trying to educate everyone and share the knowledge and be as transparent as he can. He also mentioned that the Finance Department is kept up to date; however he's going to be sharing the bidding process with everyone because the Finance Dept. deals with the auditors first hand. Treasurer Varela clarified that he focuses on Safety, Liquidity and Yield.

Finance Director, Teresa Martinez mentioned if we thought about using a stenographer to do the minutes and said they aren't that expensive and would be efficient and worthwhile.

Assistant County Manager, Tony Flores also agreed with a third party doing the minutes and he would have Bill Taylor, Procurement Manager get in touch with the Treasurer's Office to start the process.

Treasurer Varela stated that having a third party to do the minutes would be great, that way the minutes can't be manipulated. Treasurer Varela also stated that Bernalillo County didn't have anyone from the county on the committee; he said they were Bankers, Investors from outside the county and members from their bank. Treasurer Varela stated there wasn't any communication within their county, no Legal representation, or anyone from the Manager's Office or the Finance Department or from their Commission. Treasurer Varela also stated that Santa Fe County has been credited a lot for assisting them. He also said that our Liaison who is Public Trust is helping them with the same principles that we have. Treasurer Varela also stated that if they would have had this before, they probably wouldn't be in the situation they are now in.

Treasurer Varela stated that they met with Los Alamos National Bank on November 5th, regarding the Lockbox procedures and what was estimated to come in. Treasurer Varela also mentioned that LANB needed the verbiage on the letter for a certain amount of dollars to the Charles Schwab assets to cash ratio. Treasurer Varela also included a letter that he had emailed to Eric Loucks, Investment Officer from LANB authorizing a cash flow transfer of \$22,000,000.00 from the operations account into the Charles Schwab account and will be earning ten basis points during the duration and Becky Meyer, Senior Accountant will keep the Treasurer informed when it needs to go back into the operations account for the distribution.

3. New Bond Purchases:

Treasurer Varela stated one trade was done which is a T-Bill for \$50,000.00 through our Charles Schwab account from the core account; however he has spoken with Teresa Martinez and Becky Meyer about moving it back into our operations account.

4. Property Tax Collection Maintenance Report:

Treasurer Varela informed the committee that **\$546,165.92** was collected for the month of October.

5. Portfolio Balance Sheet Report:

Theresa Romero, Department Administrator informed the committee that in the Treasurer's Investment Portfolio we have the following for the month of October:

A.	Operations Account #2601	\$ 77,948,975.29
	GOB 2011 Refunding #0920	\$ 10,732,452.53
	Core Account Holdings #7575-3300	\$ 33,263,206.60
	GOB 2013 Series #8520	<u>\$ 10,912,658.47</u>
	Total	\$132,857,292.89
B.	Los Alamos National Bank	\$ 9,255,627.13
	LANB Various Operations Accounts	\$ 28,135,501.52
	First National Bank	\$ 9,022,004.51
	Wells Fargo (Money Market Acct.)	\$ 4,000,132.56
	State Treasurer LGIP Accounts	<u>\$ 641.64</u>
	Total of Various Accounts	\$ 50,413,907.36
	 GRAND TOTAL OF ALL ACCOUNTS	 \$183,271,200.25

6. Other Business:

County Attorney, Greg Shaffer stated that we should discuss the policy at another meeting since we didn't have it on the agenda prior to the meeting; however we could describe what the desire of the proposed revisions so everyone could be prepared for the next meeting.

Treasurer Varela stated that the committee had discussed the policy along with Sheila Duffy, Director of Public Trust and several copies had gone back and forth for comments and the one that got filed and approved by the Board of County Commissioners had some typos and language that wasn't added so Manager Miller suggested that he contact Ms. Duffy, so he has and it's been corrected. Treasurer Varela inquired about the committee reviewing the collateralization chart that the State of New Mexico Treasurer's office has for recommendations, for example if it says it should be collateralized at 102% the we would collateralize for that amount, if says it should be for 50%, then again we could follow it and possibly earn a little more interest, this is a just proposal; however it would be up to this committee to allow the collateralization.

Motion to adjourn by Private Sector, Andrew Leyba and second by Finance Director, Teresa Martinez

7. Adjournment:



Patrick J. "Pat" Varela, SF County Treasurer

2014 SEP 10 10:51 AM



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 26TH Day Of December, 2014 at 01:50:09 PM
And Was Duly Recorded as Instrument # 1753847
Of The Records Of Santa Fe County

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