

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

February 27, 2015

Santa Fe, New Mexico

This meeting of the Santa Fe County Investments Committee was called to order by County Treasurer Patrick Varela, at approximately 2:20 p.m. on the above-cited date in the Legal Conference Room on the second floor of the County Administration Building located at 102 Grant Avenue, Santa Fe, NM.

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

Members Present:

Patrick Varela, County Treasurer
Katherine Miller, County Manager
Carole Jaramillo, County Finance Director
Greg Shaffer, County Attorney

Member(s) Excused:

Robert Anaya, County Commissioner
Miguel Chavez, County Commissioner
Andrew Leyba, Private Sector

Others Staff Present:

Eric Lujan, Deputy County Treasurer
Theresa Romero, Administrator, Treasurer's Office
Lori Armijo, Administrative Assistant, Treasurer's Office

Approval of Minutes: January 15, 2015

The following corrections were offered:

Page 3: "Manager Miller recalled they were ten \$1 million bonds that were sold; some lost but the gains won out."

Page 5: "He recalled the requirements to enter an installment agreement were fairly high and he suggested the Affiliate may want to investigate statutory as well as regulatory changes that could make installment agreements a more viable option to stop the foreclosure process."

Manager Miller moved to approve the minutes as amended. Her motion was seconded by Mr. Shaffer and passed without opposition. [Ms. Jaramillo abstained.]

SFC CLERK RECORDED 03/31/2015

Clarification of Schwab Account

Treasurer Varela clarified that excess money following tax collection would be moved by LANB to the County's Schwab's account at 10 basis points. Wells Fargo has a government money market earning 21 basis points and \$20 million was placed in that account immediately. According to the State Treasurer's website, the highest yield is 105 basis points for a three-year account. Schwab did not retain the contract with the custody bank.

Mr. Shaffer said legal staff was reviewing the contract negotiations.

Results of LANB Meeting of February 4, 2015

Treasurer Varela said the County had been over-collateralized and he reviewed the securities released on the last business day of January. Some of the maturities were 2041 at 290 basis points which is not optimal.

Investment Policy Review: White Paper Discussion

Treasurer Varela read the proposed white paper on investing County funds which included an introduction, background, action and conclusion.

Manager Miller suggested adding under the background section that the Treasurer's investment strategy and plan are presented and approved by the Board of Finance on a quarterly basis.

Manager Miller suggested including an explanation in the background section explaining the existence of the longer maturity investments in the portfolio as follows: The current policy is to invest in short-term maturities; however, there is a portion of the portfolio that contains longer-term maturities from the previous investment policy. Staff continues to watch those legacy investments to bring them in line with the current policy.

Treasurer Varela said a copy was forwarded to Commissioner Stefanics via her liaison.

Mr. Shaffer recommended the white paper be forwarded in a word document to the Commissioners and committee members for ease of edit before it comes back to this body for action.

Delinquent Collection: Update and Totals Collected

Treasurer Varela reported the following regarding delinquent tax collections:

- For January the amount of \$209,526.22

He announced that there was 1 percent of uncollected taxes which was the best record the County has ever had.

SFC CLERK RECORDED 03/31/2015

NM State Treasurer's Update

In December 2014, Treasurer Varela said the incoming Treasurer Eichenberg said the Lehman Brothers settlement would be at the top of his agenda. At the January Treasurers Affiliate it was announced that funds would be distributed. Santa Fe County received \$26,259.80 which is about 10 percent of what was lost.

Manager Miller asked Ms. Jaramillo to review the shown losses to determine how they were posted as potential or unrealized. The Manager said she'd like to see the loss written off this year. Ms. Jaramillo said she would work with the County CPA on that issue.

Treasurer Varela requested direction on where the recovered \$26,259.80 should go.

Portfolio Balance Sheet

Theresa Romero provided the following information:

A.	Operations Account #2601 (48+ accts)	\$ 85,655,079.65
	GOB 2011 Refunding #0920	\$ 9,877,179.19
	Core Account #7575-3300	\$ 33,481,180.80
	GOB 2013 Series #8520	\$ 10,215,563.80
	Grand Total at Charles Schwab	\$139,239,003.35
B.	Los Alamos Bank	\$ 1,248,000.00
	LANB Accounts – 1% yield	\$ 1,729,554.08
	Santa Fe Studios Account	\$ 6,058,740.38
	LANB various operating accts	\$ 23,919,494.50
C.	First National Bank	\$ 3,016,175.06
	GOB 2013 Series acct.	\$ 6,009,203.86
	Total combined	\$ 9,025,378.92
D.	Wells Fargo	\$ 24,004,488.43
E.	State Treasurer's LGIP Account	\$ 26,901.54
	GRAND TOTAL OF ALL ACCOUNTS	\$205,251,551.20

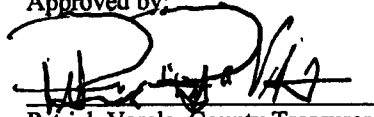
Treasurer Varela said the Wells Fargo account is invested in US Treasuries that are referred to as Government Money Market MINT.

Treasurer Varela reviewed the securities that were called and redeemable and there may be up to \$20 million that could be freed up for operations. He noted the US dollar is strong and better than the Euro now. He said he was always watching the market and political events for an opportunity to sell older securities.


Adjournment

Having completed the agenda and with no further business to come before the Committee, this meeting adjourned at 3:05 p.m.

Approved by:


Patrick Varela, County Treasurer

Respectfully submitted by:



Karen Farrell, Wordswork



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC MINUTES
PAGES: 4

I Hereby Certify That This Instrument Was Filed for
Record On The 31ST Day Of March, 2015 at 12:53 54 PM
And Was Duly Recorded as Instrument # 1760920
Of The Records Of Santa Fe County

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

SFC CLERK RECORDED 03/31/2015