

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

March 29, 2017

Santa Fe, New Mexico

This meeting of the Santa Fe County Investment Committee was called to order by County Treasurer Patrick Varela at approximately 4:07 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
Greg Shaffer, County Attorney
Katherine Miller, Manager
Anna Hansen, Commissioner
Anna Hamilton Commissioner [Alternate]
Eric Loucks, Citizen

Member(s) Excused:

Don Moya, Finance Director
Henry Roybal, Commissioner

Others Present:

Lori Armijo, Treasurer's Office
Theresa Romero, Treasurer's Office

Approval of Minutes: February 23, 2017

Mr. Shaffer noted an error on page one. [That correction was made and the corrected minutes submitted.]

Mr. Shaffer moved to approve the minutes as corrected. Commissioner Hamilton seconded and the motion carried by unanimous voice vote.

Ratification of Eric Loucks to Investment Committee

Treasurer Varela reminded the Committee that Mr. Loucks was introduced at their February meeting and is now on the agenda for ratification as the Committee's at-large member.

Upon motion by Commissioner Hansen and second by Commissioner Hamilton, the appointment of Eric Loucks to serve as the member at-large of the IC was unanimously ratified.

SFC CLERK RECORDED 07/06/2017

In regards to Andrew Leyba's resignation, Mr. Shaffer said that according to the Investment Policy, Section 3.c.1.7, the private sector member shall be deemed to have resigned upon missing three consecutive duly held meetings of the IC.

Results of Bank Meeting

Referring to the packet, Treasurer Varela said he included a couple of slides that he received from that meeting. He reviewed the County's investment schedule and the internal restrictions of maximum 1—year term investments within the core portfolio and 5 years in the operation portfolio.

Mr. Loucks said there has been a flattening of the yield curve. He discussed the effects of the movements of rates on bonds/investments.

Treasurer Varela said there appeared to be a 50 percent chance that the fed rates will increase by June 2017 and an 86 percent the increase will occur by December 2017. He mentioned that French prime minister candidate Marine Le Pen has said if elected she will push to remove France from the EU and that could have a tremendous impact on interest rates.

Treasurer Varela noted that inflation rate in the US is 2.7 percent, the target is 2.0 percent and a fed hike is expected in the near future.

The lock box program is expected to gear up next month as well as the Property Tax Outreach Program.

Update from GIOA Government Investment Officers Association

Manager Miller said the keynote speaker, Tom Sosnoff, founder and co-CEO of TastyTrade, provided a very interesting presentation stating the most important factors involved in slow growth is that personal income is relatively flat and the GDP growth is unsustainable.

Treasurer Varela was recognized at the meeting for his work with the legislature.

Delinquent Collection

Update and Totals Collected

Treasurer Varela announced \$335,054.78 was collected in February. He said his staff was very thorough in its collections. Mobile home owners are unaware of the fact that they are required to pay personal property taxes and he recommended that be included in the disclosure papers at closing.

Portfolio Balance Sheet, Call Notices, Etc.

Ms. Romero provided the following information as of the end of February:

- There are 45 operational accounts with a total of \$84,204,858.21
- GOB 2011 series contains one account totaling \$9,005,461.10
- GOB 2013 Series has one account totaling \$9,134,777.14

- Core Account holdings has 15 accounts with a total of \$21,792,800.17

Grand total at Fifth Third is \$124,137,896.62

- There are 9 CDs at various banks and local credit unions totaling \$2,248,000.00
- At LANB the Studio account has \$5,700,000.
- First National Santa Fe has 33 accounts for a total of \$75,384,731.28
- UBS has four accounts with \$45,746,182.85

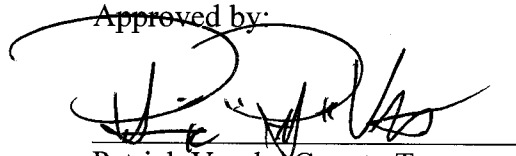
Grand total of all 118 accounts at the end of February was \$253,216,801.75

Treasurer Varela explained that the Studio draw-down will show up on next month's spreadsheet and said there were no major changes to the portfolio in January.

A discussion ensued regarding changing the time and day of the meeting. The new meeting time was tentatively scheduled for the third Wednesday of the month at 4:00.

Adjournment

Having completed the agenda and with no further business to conduct the meeting was declared adjourned at 5:00 p.m.

Approved by:

 Patrick Varela, County Treasurer

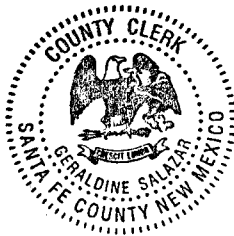
Respectfully submitted by:

Karen Farrell, Wordswork

SFC CLERK RECORDED 07/06/2017

COUNTY OF SANTA FE) INVESTMENT COMMITTEE M
 STATE OF NEW MEXICO) ss PAGES: 3

I Hereby Certify That This Instrument Was Filed for
 Record On The 6TH Day Of July, 2017 at 11:28:12 AM
 And Was Duly Recorded as Instrument # 1830206
 Of The Records Of Santa Fe County



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