

**SANTA FE COUNTY
INVESTMENT COMMITTEE MINUTES
JULY 11, 2013**

Committee Members:

Pat Varela, Treasurer
Steve Ross, County Attorney
Daniel Mayfield, County Commissioner
Andrew Leyba, Private Sector

Kathy Holian, County Commissioner
Katherine Miller, County Manager
Teresa Martinez, Finance Division Director

1. Call Meeting to Order:

- A. Roll Call of Committee Members
- B. Approval of March 20, 2013 Minutes by Commissioner Holian and second by Andrew Leyba

2. Current Agenda Items:

- A. Treasurer Varela began the meeting by informing the committee about the results of the May 1st, 2013 meeting at Los Alamos National Bank regarding the Public Trust. They are an entity that the Treasurer is working with to make sure we are in compliance with all our investments. He stated that he had a discussion with the County Manager Katherine Miller regarding the Santa Fe Studio CD and he discovered that he's not able to view any details on that CD except the loan documentation. Treasurer Varela stated that he sent the information to County Manager Katherine Miller. Treasurer Varela also informed the committee that he also discussed the last lockbox and fees associated with the last tax rush with LANB.

B. Property Tax Collection Maintenance Report:

Treasurer Varela informed the committee that to date, the collection rate is \$140,793.416.00, this is the base tax cumulative total. He stated that \$148,341,405 was billed and at this time the collection rate is 95%, he mentioned that he expects this percentage to go up to 97% or 98% now that the delinquent bills have been mailed out. A graph of the delinquent collections is attached. These are the May collections. June's collection report will be out in July's meeting. Jointly, Bobbi Dalton and Brenda Sandoval have collected over one million dollars. The Treasurer informed the committee that we have budgeted for a Service, which is a detective service that allows us to track names and addresses, and hopefully this should increase our tax collection rate. At this time, date is still being collected.

C. Charles Schwab Totals:

Treasurer Varela informed the committee on all the balances we have, and presented graphs with all the totals. He informed the committee that next month they will be opening a 2013 GOB Bond at Charles Schwab for \$19,000,000.00. County Manager Katherine Miller asked about the GOB 2011 increasing over three million from April to May. Treasurer Varela informed the committee that we had a Federal Home Loan Discount Note that was called that was a Treasury bill. He also included a copy of the Treasury Curve and it shows for the last three weeks it has been going up and that's why he's been choosing to invest with these treasury notes for GOB bonds for cash flow. Treasurer Varela informed the committee that he, and County Manager Katherine Miller, Finance Division Director Teresa Martinez, and Eric Loucks from LANB met and they'll keep everyone informed of all the transactions they are making, and updating everyone know of all the progress they're making. There will be many investments before the Investment Committee Meeting.

D. Public Trust:

Treasurer Varela informed the committee that the Public Trust is making sure we are in compliance. They recommended that we have more than three Broker Dealers so we can have an even spread. He included information on the Brokers and the FINRA report which is a back ground date check and also to make sure there's no criminal activity or to make sure there aren't any discrepancies. These brokers have also dealt with the previous County Treasurer. Treasurer Varela spoke with some at the GFOA Conference and also at the NM Association of Counties, and they are registered with the state of New Mexico. The plan is to get three bids from a pool of three of these brokers every time we are purchasing bonds or treasury notes, and the one with the best bid is who we'll choose. The reason for that is so any auditors can't question why we keep using the same brokers. Private Sector Andrew Leyba asked if these are insured. Treasurer Varela stated that the bonds are insured with the FDIC. Treasurer Varela asked for a motion to approve the broker list, and Private Sector Andrew Leyba approved and second by Commissioner Kathy Holian.

E. Investment Committee Member:

Treasurer Varela informed the committee that he would like to add another member, which would be our bank representative Eric Loucks from LANB. He asked County Attorney Steve Ross on how we would go with this procedure. County Attorney Steve Ross stated this would be an amendment to the investment policy and would be a resolution and could take anywhere from sixty to ninety days. Treasurer Varela stated that Mr. Loucks is very knowledgeable and constantly viewing employment rates and foreclosures and feels he would be a great value to the committee.

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F. Municipalities and Repossessions:

Treasurer Varela informed the committee that he had spoken with County Manager Katherine Miller about adding municipalities and repossessions with a certain criteria. County Manager Katherine Miller informed the committee these types of investments would need to have Double A rating or Triple A depending on if they are insured. Treasurer Varela stated that he would like to add that to the policy. Public Trust will be here at the next meeting to give more details regarding all these investments.

G. April's Portfolio Balance Sheet Report:

Theresa Romero from the Treasurer's Office informed the committee that in the Treasurer's Investment Portfolio we have the following:

1. Operations Account #2601	\$104,742,867.05
2. GOB 2011 Refunding #0920	\$ 13,007,541.40
3. GOB 2007 A Account #3823	\$ 345,708.96
4. GRT 2008 JRB Account #1921	\$ 3,791,910.15
5. GRT 2010 A&B Account #9220	<u>\$ 534,250.48</u>
Grand Total for Charles Schwab	\$122,422,278.04

1. Los Alamos National Bank	\$21,062,044.36
2. LANB Various Operations Accts.	\$36,295,135.86
3. First National Bank	\$ 3,004,893.39
4. State Treasurer LGIP Accts.	<u>\$ 640.90</u>
Grand Total for all Accounts	\$182,784,992.55

H. May's Portfolio Balance Sheet Report:

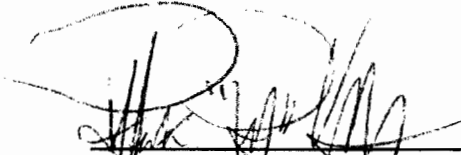
1. Operations Account #2601	\$102,300,090.16
2. GOB 2011 Refunding #0920	\$ 16,062,305.37
3. GOB 2007 A Account #3823	\$ 346,570.47
4. GRT 2008 JRB Account #1921	\$ 3,793,610.52
5. GRT 2010 A&B Account #9220	<u>\$ 534,250.48</u>
Grand Total for Charles Schwab	\$123,036,827.00

1. Los Alamos National Bank	\$20,812,182.05
2. LANB Various Operations Accts.	\$53,235,343.19
3. First National Bank	\$ 3,006,169.44
4. State Treasurer LGIP Accts.	<u>\$ 640.96</u>
Grand Total for all Accounts	\$200,091,062.64

I. Other Business:

Treasurer Varela suggested moving up the investment committee meetings up by one week, in case of a cancellation he can still have the meeting in that month. County Manager Katherine Miller informed the committee about appointing Andrew Leyba as an official Committee Member.

Adjournment



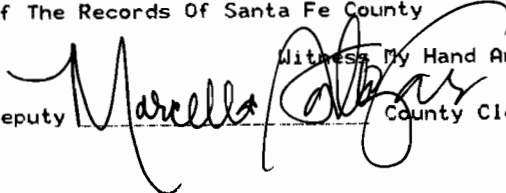
Patrick "Pat" J. Varela
SF County Treasurer



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 29TH Day Of July, 2013 at 01:03:10 PM
And Was Duly Recorded as Instrument # **1713388**
Of The Records Of Santa Fe County

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

2013 JUL 29 01:03:10 PM
SANTA FE COUNTY CLERK'S OFFICE