

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

July 16, 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 2:00 p.m. on the above-cited date in the County Manager's 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 present:

Members Present:

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

Member(s) Excused:

Miguel Chavez, County Commissioner
Andrew Leyba, Private Sector

Others Present:

Eric Lujan, Deputy County Treasurer
Lori Armijo, Treasurer's Office
Theresa Romero, Treasurer's Office
Chris Barela, Constituent Liaison

Approval of Minutes: June 25, 2015

Commissioner Anaya moved to approve as presented. His motion was seconded by Manager Miller and passed by unanimous [5-0] voice vote.

Results of LANB Meeting

Treasurer Varela reported that a meeting occurred with LANB on July 1st. Prior to the meeting, LANB said they would wire all funds to the County's new custodian, Fifth Third Bank, and it has not yet happened. Because the fund transfers were not accomplished prior to the new fiscal year, there will be reporting on two accounts next year.

SFC CLERK RECORDED 09/24/2015

SFC CLERK RECORDED 09/24/2015

Charles Schwab required several signatures to wire the funds and that requirement added a few days to the transaction which was completed on July 3rd. There were wire fund and closure fees were \$200.

Treasurer Varela said the transactions are complete and nothing will need to be written off.

Bank Transition Team

Treasurer Varela said a transition team was necessary to monitor the changeover and he requested the appointment of a “champion” or “go-to person” from each affected department.

Marlene Garcia, IT, said departmental tasks have been identified along with an appointed monitor. She said IT was working with the Treasurer and Finance departments. The transition team is working with a checklist to ensure nothing is missed.

Mr. Shaffer said the main contracts with FNB have been signed and the addendum is under further review. Ms. Jaramillo said there were eight addenda and Bill Taylor was setting up a meeting with an FNB representative to flesh out questions and concerns. There were also issues for IT’s review.

Ms. Garcia said once the transition team is established it will be a matter of checking off items and verifying the check format. Changes may require a program modification which may result in additional contract time. Ms. Garcia said she had concerns regarding dates.

Delinquent Collection

Update and Totals Collected

Treasurer Varela said June was a record month in collections which totaled \$509,255.96 and year-to-date collections were \$2,066,440.40. The number of accounts forwarded to the State for collection – those that are three years in arrears of taxes – has steadily reduced. This year’s total was 1,464, much less than last year’s total of 2,500. He was pleased to note that the Treasurer’s staff has been diligent in this arena.

The mobile home red-tagging program brought in over \$200,000. This program has been in existence since 2013 and has been very successful.

Economic Outlook

Treasurer Varela referred to the data provided by Eric Loucks at LANB. The Treasurer said when he came into office the weighted average of maturity for the entire portfolio was over nine years. Currently, the average of the FG Now account is three years and the Core account is just over 9.5 years. He said most of the bonds that extended out past 2030 have been sold. He said they have been tracking the bonds since he arrived and he was pleased with the progress. Of the Class A counties in New Mexico, Santa Fe was ranked the best in regards to bonds.

Portfolio Balance Sheet, Call Notices, Etc.

Theresa Romero provided the following information from June noting the County's accounts were with Charles Schwab during the month:

- There are 48 operational accounts with a total of \$66,352,480.02
- GOB 2011 Refunding (#0920), one account with \$4,727,263.32
- Core Account, 32 accounts with a total of \$28,635,767.88
- GOB 2013 Series (#8520) has been transferred
- [Fifth Third Bank GOB 2013 Series \$24,715,009.14]

Grand total at Charles Schwab is \$124,430,472.36

- LANB Savings Accounts, CDs and SF Studio: \$17,842,936.99
 - LANB Operations Accounts, 21 accounts with \$47,214,044.46
 - First National Bank, two accounts for a total of \$9,030,980.98
 - Wells Fargo, one account with \$30,029,495.55
 - State Treasurer LGIP, 12 accounts for \$26,912.37
- Grand total of all accounts at the end of May 2015 was \$228,574,842.71

Treasurer Varela noted that the transfer documents and explanation of the \$50 fees were included in the packet from Charles Schwab as well as any transition fees. He also mentioned that the Federal Reserve may be increasing funds by 25 basis points, the price of crude oil continues to decrease and pump prices are expected to continue to go down. All of these components are variables that impact bonds.

Other Business

Commissioner Anaya said the transition team was an excellent idea to keep track of the process.

Commissioner Anaya asked whether staff had the opportunity to discuss the use of credit cards for transfer station fees, etc. Treasurer Varela said FNB has options of this nature and it may be possible to pay County utility bills on line.

Ms. Jaramillo stated a couple of County departments use debit cards for purchases. At this point the County Clerk's Office does not accept credit cards; however, the Treasurer's Office does. In fact, tax bills can be paid on line, stated the Treasurer.

As a Class A county, Commissioner Anaya said we should offer that convenience and he asked staff to continue to investigate the idea.

Deputy Treasurer Lujan recommended including the topic of paying County bills/fees on line and use of credit cards within the discussion of the transition team. Commissioner Anaya agreed and suggested the team develop recommendations for the County's review. It was mentioned that the money collected by different County departments is all brought to the Treasurer for deposit.

Adjournment

Upon motion by Commissioner Anaya and second by Ms. Jaramillo, this meeting was declared adjourned at 2:45 p.m.

Approved by:



Patrick Varela, County Treasurer

Respectfully submitted by:

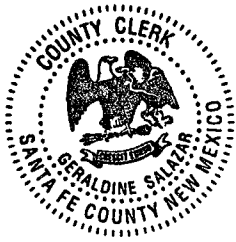
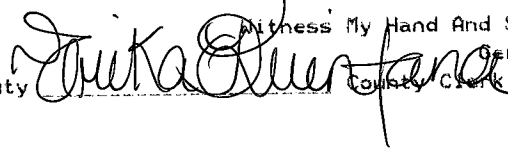
Karen Farrell, Wordswork

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

INVESTMENT COMMITTEE M
PAGES: 4

I Hereby Certify That This Instrument Was Filed for
Record On The 24TH Day Of September, 2015 at 04:42:35 PM
And Was Duly Recorded as Instrument # 1775485
Of The Records Of Santa Fe County

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



SFC CLERK RECORDED 09/24/2015

SFC CLERK RECORDED 09/24/2015