

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

September 22, 2016

Santa Fe, New Mexico

This meeting of the Santa Fe County Investment Committee was called to order by County Treasurer Patrick Varela at approximately 3:45 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 present:

Members Present:

Patrick Varela, Treasurer
Henry Roybal, Commissioner
Greg Shaffer, County Attorney
Carole Jaramillo, Finance Director

Member(s) Excused:

Miguel Chavez, Commissioner
Katherine Miller, Manager
Andrew Leyba, Private Sector

Others Present:

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

Approval of Minutes: August 19, 2016

Commissioner Roybal moved to approve the August minutes as published. Mr. Shaffer seconded and the motion passed without opposition. [Ms. Jaramillo abstained.]

Results of Bank Meetings

Treasurer Varela stated LANB was pressuring the County to close all accounts, which Treasurer Varela said he would once he received the needed collateral reports. Once those were received all accounts were closed with the exception of the Santa Fe Studios account, and the proceeds moved to First National. A meeting was held yesterday regarding lock boxes, which will be needed for the coming tax season.

The Treasurer said he has the PosPay access for Budget Director Don Moya.

Portfolio Current State

Treasurer Varela indicated all of the long-term securities have been sold, and he reviewed charts showing holdings and cash. He said he is waiting for input from Erik Aaboe regarding disposition of the cash. Ms. Jaramillo listed the accounts that would have to be opened for the 2016 Series bonds, adding she would provide the amounts. Treasurer Varela noted that the paperwork for opening accounts at Wells Fargo was becoming onerous.

Delinquent Collections

Treasurer Varela said that in August there were delinquent collections of \$606,983.46 from over 300 accounts. The chart should read Madelyn instead of Brenda.

Portfolio Balance Sheet, Call Notices, Etc.

- Ms. Romero provided the following information as of the end of August:
- There are 36 operational accounts with a total of \$74,567,574.64
 - GOB 2011 series contains one Treasury Bill and one money market totaling \$8,985,684.53
 - Core Account holdings has 8 accounts that included the money market with a total of \$32,154,473.47
 - GOB 2013 Series has one money market and one Treasury Bill totaling \$9,119,184.50

Grand total at Fifth Third is \$124,826,917.14

- There are four CDs at various banks and credit unions totaling \$998,000.00
- LANB has one account (Santa Fe Studios) with \$5,901,081.91
- First National Santa Fe has 30 accounts for a total of \$69,953,335.86
- There are two accounts at UBS for a total of \$31,152,533.00

Subtotal of the various accounts is \$108,004,950.77

Grand total of all accounts at the end of the month was \$232,831,867.91

Treasurer Varela noted that the yield at UBS went down and is tracking the market. He reviewed the investments in the Operational, core, and LGIP accounts.

Discussion of the Investment Policy

Mr. Shaffer distributed copies of the latest iteration of the IP [*Exhibit 1*] and reviewed suggested changes made. There is now clarification on page 3 as to who is to appoint the private sector member. That member is to be appointed by the Treasurer subject to the confirmation of the Investment Committee.

On page 4, Section III. E. 3, Mr. Shaffer advised changing "should" to "shall."

Mr. Shaffer read the section on the core portfolio, "I. Core Portfolio: Notwithstanding anything in this Policy to the contrary, the County Treasurer may propose, and the County Board of Finance may authorize, funds to be invested in investments the maximum stated final maturity of which is at least five years but not longer than 10 years from the date of purchase. Such investments shall be part of the Core Portfolio, which is hereby created. The market value of the Core Portfolio shall not exceed \$25 million."

This reflects the fact that all of the past outstanding long-term investments have been liquidated.

Mr. Lujan suggested that the authorization be done by the Investment Committee since they meet more often than the Board of Finance.

Treasurer Varela asked that cash accounts be on the list of permitted investments, per Senate Bill 56. They could be included with the federally insured cash accounts (FICA).

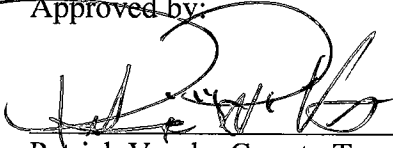
Treasurer Varela recommended having Promontory appear at the next Board of Finance meeting on October 25th to explain cash accounts.

Mr. Shaffer noted that these changes have not been officially approved and recommended moving the next Investment Committee meeting to before the BCC/Board of Finance meeting. He said he would email the proposed changes to the Commissioners.


Adjournment

Upon motion by Commissioner Roybal and second by Mr. Shaffer this meeting was declared adjourned at 4:15 p.m.



Approved by:

Patrick Varela, County Treasurer

Respectfully submitted by:
Debbie Doyle, Wordswork

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 7TH Day Of February, 2017 at 02:49:08 PM
And Was Duly Recorded as Instrument # 1817046
Of The Records Of Santa Fe County
Deputy  (In Witness My Hand And Seal Of Office
Geraldine Salazar
County Clerk Santa Fe, NM