

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

March 25, 2021

Santa Fe, New Mexico

This meeting of the Santa Fe County Investment Committee was called to order by County Treasurer Jennifer Manzanares at approximately 3:03 p.m. on the above-cited date.

In accordance with the Public Health Emergency Order issued by the State of New Mexico, and pursuant to the New Mexico Attorney General's Open Government Division Advisory during COVID-19, public entities are authorized to conduct virtual meetings.

Lori Armijo called roll and a quorum was indicated with the presence of the following members:

Members Present:

Jennifer Manzanares, Treasurer
Katherine Miller, County Manager
Greg Shaffer, County Attorney
Henry Roybal, Commissioner
Hank Hughes, Commissioner [Alternate]
Yvonne Herrera, Finance Director
Eric Loucks, Citizen

Member(s) Excused:

Anna Hamilton, Commissioner

Others Present:

Patrick Varela, Deputy Treasurer
Lori Armijo, Treasurer's Office
Brian Olachea, Treasurer's Office
Daniel Fresquez, Media Coordinator
Jennifer Wilson, Finance Department
Elias Bernardino, Deputy County Manager
David Silva, Tracker Software

Approval of Agenda

Commissioner Roybal moved approval and Manager Miller seconded. There were no objections.

Approval of Minutes: February 25, 2021

Commissioner Hughes moved to approve the minutes as published. Mr. Loucks seconded and the minutes were unanimously [7-0] approved by roll call vote.

SEC CLERK RECORDED 06/25/2021

Results from Fiscal Agent

Treasurer Manzanares stated she met with Sunflower Bank to discuss market updates, and changes to some of the sub-accounts. A signature card had been outstanding and has since been completed. The lock box will be starting March 29th and will continue through May 14th.

Delinquent Collections

Treasurer Manzanares said one staff member will be retiring at the end of March. They are working with HR and two delinquent tax specialists have recently come on board. 2020 delinquent collections to date are \$5,226,648.35. The total for January and February was \$158,489.70 and for 2021 was \$498,361.03. They will be looking to streamline the operations in the future.

Manager Miller asked about the collection rates vis-à-vis the pandemic, for purposes of budgeting. Treasurer Manzanares said those numbers are on the maintenance report. Ms. Herrera indicated she had the report for January and they are ahead one percent over tax year 19. Manager Miller noted the billing was higher, so it is good to hear they are ahead. Ms. Herrera added the February report will give a better indication.

Manager Miller asked if the anomaly was due to the election and Deputy Treasurer Varela said it was from the school board election. Manager Miller asked if the delays would be happening from now on due to bond elections and Treasurer Manzanares said she understood it was a permanent change, and this was discussed at length at the Treasurer's affiliate.

Presentation from Tracker

David Silva shared his screen and presented information related to software that will benefit the County's investment process. This web-based software service provider has been a member of the GFOA since 1997. The platform can accommodate unlimited users simultaneously. He showed the marketing page, which features standard calculations. Data entry is automated and accurate reports are generated. The software tracks such things as coupon payments, monthly portfolio maintenance, variable rate securities, money markets, and update reminders. Calculations can be made by maturity range, face amount, book value, and reports are customizable and refinable. Once formatted the report can become the standard report. Mr. Silva showed examples of reports by sector, agencies, CDs, etc.

Mr. Loucks asked about performance reports, and Mr. Silva said these can be done showing return by book or market value. The software tracks earnings, average capital base, amortization, interest income, by security and by the entire portfolio.

Ms. Herrera asked about monthly general ledger activity. Mr. Silva showed the accounting functions – by principal, accrued interest, dividends, coupon frequency, amortization, interest payments, etc. He said the software can manage the portfolio reports, accounting reports, and

reports for GASB, to meet regulatory requirements, or to provide the Investment Committee information. Reports can be configured to be published on a website.

Ms. Herrera asked how existing investments would be entered into the system. Mr. Silva said data entry is simple and the transactions would be done Tracker and would reconcile to the custodian bank to ensure accuracy.

Mr. Loucks asked if they get a data feed from the custodians that is updated automatically. Mr. Silva indicated that would be too expensive but they have multiple price imports so there is a way to extract that information from the custodian bank and import that quickly into Tracker. There are additional modules that provide charts and graphs, economic indices, and enhanced reports. He demonstrated displaying a number of reports.

Ms. Herrera requested a separate meeting with Mr. Silva and the accounting staff. Treasurer Manzanares stated staff has spent some time with Mr. Silva and it has been very informative.

Economic Outlook

Deputy Treasurer Varela updated the committee on Treasury yields. Ten to 30-year have been stable. Earlier in the week short-term trades were in negative territory before returning to positive. Crude oil traded at \$59/bbl earlier in the day due to the Suez Canal blockage. A price increase is anticipated for summer. Inflation is creeping up temporarily.

Attorney Shaffer asked for an update on Santa Fe County including short-term commercial paper in its Investment Policy. Deputy Treasurer Varela noted that the Treasurers Affiliate approved inclusion in 2019.

Manager Miller said it would be a good topic for this committee to discuss and provide a recommendation with a suggested percentage and/or restrictions. Treasurer Manzanares said the Board of Finance would be meeting in April.

It was confirmed that short-term commercial paper provided a slightly higher yield with slightly higher risk. Deputy Treasurer Varela indicated the ratings are S&P A1 and Moody's P1.

Mr. Loucks asked where the paper could be bought and how many broker-dealers were involved. Deputy Treasurer Varela said Jaffries is the prime dealer, along with Vining Sparks.

Attorney Shaffer said it could be an agenda item for the next meeting. Manager Miller mentioned the IP could be modified to include it in the definitions and in the diversification table.

Portfolio Balance Sheet, Call Notices, Etc.

Mr. Olachea provided the following information as of the end of February 2021:

- There are 63 operational accounts with a total of \$133,715,861.43
- GOB 2011 Series contains one account at \$4,437,564.13
- Housing has two accounts at \$4,001,287.05

- GOB 2013 Series has three accounts totaling \$4,035,053.21
- GRT 2019 Series has four accounts totaling \$11,044,897.43
- GOB 2018 Series has four accounts for \$10,043,541.03
- Core Portfolio has 45 accounts with a total of \$27,419,613.89
- The Schwab Account has 23 accounts with \$31,833,115.32

Grand total at US Bank and Enterprise is 112 accounts with \$226,530,933.49

- There are four CDs at and one CDAR totaling \$1,263,833.46
- The Studio lockbox at Enterprise Bank has \$4,947,817.81
-

Total of those six accounts is \$6,211,701.27

- First National/Sunflower has 41 accounts for a total of \$53,004,501.03
- UBS has six accounts with \$40,455,253.31
- BNY Mellon has four accounts with \$11,738,731.95

Total of those 53 accounts is \$111,410,187.56

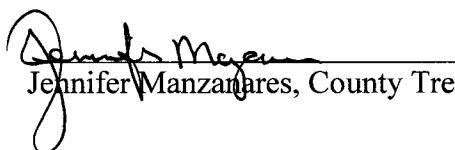
Grand total of all 197 accounts at the end of February was \$337,941,121.05

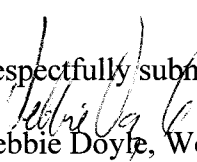
Treasurer Manzanares indicated Ms. Armijo will send out potential dates for the Investment 101 class in March.

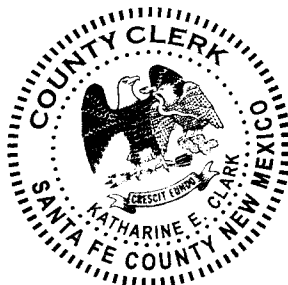
Adjournment

Following motion from Commissioner Hughes and second from Commissioner Roybal, the meeting adjourned at 4:11 p.m.

Approved by:

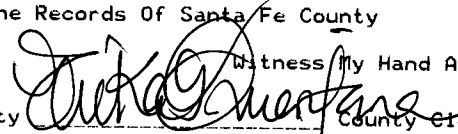

Jennifer Manzanares, County Treasurer

Respectfully submitted by:

Debbie Doyle, Wordswork



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 25TH Day Of June, 2021 at 02:39:26 PM
And Was Duly Recorded as Instrument # 1957614
Of The Records Of Santa Fe County


Deputy Katharine E. Clark
County Clerk, Santa Fe, NM

Santa Fe County
Investment Committee: March 25, 2021