

MINUTES OF THE
SANTA FE COUNTY
INVESTMENT COMMITTEE

September 29, 2022

Santa Fe, New Mexico

This meeting of the Santa Fe County Investment Committee was called to order by County Treasurer Jennifer Manzanares at approximately 3:00 p.m. on the above-cited date. This meeting was conducted as a hybrid, incorporating both in-person and virtual participation.

Roll call indicated a quorum with the presence of the following members:

Members Present:

Jennifer “Jenn” Manzanares, Treasurer
Anna Hamilton, Commissioner [3:15 arrival]
Anna Hansen, Commissioner [alternate]
Yvonne Herrera, Finance Director [via Webex]
Greg Shaffer, County Manager [via Webex]
Jeff Young, County Attorney [via Webex]
Eric Loucks, Citizen Member [via Webex]

Member(s) Absent:

Rudy Garcia, Commissioner

Others Present:

Patrick Varela, Deputy Treasurer
Elias Bernardino, Deputy Manager
Lori Armijo, Treasurer’s Office Administrator
Victor Vigil, Treasurer’s Office, Customer Service Specialist
Brian Olachea, Treasurer’s Office, Operations Manager
Leandro Cordova, Deputy Manager
Hank Hughes, Commissioner [alternate]

Approval of Agenda

There were no changes to the agenda. Commissioner Hansen moved to approve and Commissioner Hughes seconded. The motion passed by unanimous [6-0] roll call vote. [Commissioner Hughes served until Commissioner Hamilton arrived and Ms. Herrera was not yet present.]

SFC CLERK RECORDED 11/03/2022

Approval of Minutes: September 1, 2022

Manager Shaffer moved to approve the September 1, 2022 minutes as presented. Commissioner Hansen seconded. The motion passed by unanimous [6-0] roll call vote. [Ms. Herrera arrived immediately thereafter.]

Results from Fiscal Agent

Treasurer Manzanares stated the lock box dates will be November 7th until December 16th. Taxes will be considered late following December 23rd.

The Keefe account was discussed with the fiscal agent and Brian Olachea, Treasurer's Office, Operations Manager, said policy changes are necessary to meet the bank's requirements. He said additional follow-up is required on this topic.

Economic Outlook

Deputy Treasurer Varela shared a power point, noting that the yield curve increased last week. Actual inflation is at 6.3 percent; last month it was 6.8 percent. Mr. Varela offered the following points:

- Energy and food appear to be the main drivers of inflation
 - The housing market has slowed to the 2009 rate with a drop in home loans
 - Employment has improved with the State of New Mexico at 4.4 percent unemployment
 - FedEx has dropped to its lowest in revenue and profits since 1980
 - The Port of Los Angeles saw a lighter-than-usual August. Shipments were down to pre-pandemic levels
 - While home prices have dropped rents are still high
 - There has been a higher rate of white collar job losses than those of blue collar.
- The recent subsea Russian pipelines burst to Europe will push energy costs higher

Investment-wise, Mr. Varela said this year's strategy has been to invest in very short up the curve and once the curve comes down the investments will be at higher interest rates. Moving forward, the following instruments will be used: short-term Treasuries, brokered non-callable five-year to six-year CDs, and one-year to two-year fixed-incomes, with or without call option to include short-term steppers, and instruments for cash flow.

Mr. Loucks mentioned that the interest rates shown on the charts are Fed Fund interest rates – overnight, short-term money. Investors would like to see interest rates “normalized” or what they have done historically which is in the 4 percent to 6 percent range. The classic yield curve shows that the shorter time of investment the less risk and the lower interest rate achieved.

Treasurer's Office Updates

Treasurer Manzanares said the tax bills will go out October 31st. The office has developed an outreach schedule to serve the taxpayers in Edgewood, Eldorado and in the City. Taxpayers will be encouraged to pay on line.

Staffing is still short, however, interviews are ongoing.

Portfolio Balance Sheet & Schedule [Documents available through Treasurer's Office]

Mr. Olachea reviewed the balance sheet:

US Bank/Enterprise	122 accounts	\$ 318,956,060.58
CDs	6 CDs	\$ 5,993,573.13
First National	35 accounts	\$ 42,548,390.19
UBS	11 accounts	\$ 36,049,337.20
BNY Melon	4 accounts	\$ 8,277,348.23
Total		\$ 411,824,709.33

Mr. Loucks asked whether the County could obtain better basis points and Mr. Varela said he has talked to the bank and will follow up on that.

Treasurer Manzanares noted that the fiscal agent RFP is in process.

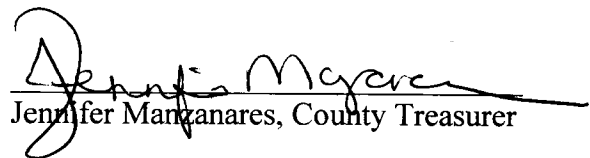
Deputy Manager Cordova mentioned that the County was close to awarding the contract for the northeast-southeast connector project which is close to \$20 million. A cash flow schedule will be developed in the next few months.

The next meeting is scheduled for October 27th.

Adjournment

Commissioner Hansen moved to adjourn and Commissioner Hamilton seconded, and the meeting adjourned at approximately 3:40 p.m.

Approved by:


Jennifer Manzanares, County Treasurer

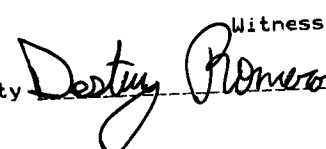
Respectfully submitted by:


Karen Farrell, 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 3RD Day Of November, 2022 at 09:04:53 AM
And Was Duly Recorded as Instrument # 2000754
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Katharine E. Clark
Deputy  County Clerk, Santa Fe, NM

