



SANDOVAL COUNTY INVESTMENT COMMITTEE (SCIC)

REGULAR MEETING MINUTES

Commission Chambers – Sandoval County Administration Building

Tuesday, April 20th, 2021 –2:00-3:00PM

Due to the Coronavirus (COVID-19) Emergency declared by Governor Michelle Lujan Grisham and the limit on the maximum number of persons gathering, except for essential functions, the Sandoval Treasurer Investment Committee Meeting was closed to the public. The meeting was made available via WebEx for committee members.

1. CALL TO ORDER

Meeting was called to order at 2:01 PM. Roll Call:

Present:

Committee Members:

Jennifer A. Taylor, County Treasurer
Jessica McParlin, Deputy Treasurer
Holly Aguilar, Treasury Operations Manager
Christopher Daniel, Community Member *
Kelly Wainwright, Community Member*
Katherine Bruch, County Commission*
Wayne Johnson, County Manager
Robert Bidal, Community member*

Treasurer's Staff:

Michelle Sandoval, Senior Administrative Assistant

Portfolio Manager:

Deanne Woodring, Government Portfolio Advisors*

Non-Committee Members:

Robert Burpo, Financial Advisor*

Deputy County Manager Robert Doucette

Committee Members Not Present:

Cassandra Herrera, Director of Finance

David Heil, County Commission Chairman

* attended the meeting virtually

2. APPROVAL OF AGENDA Motion to approve the April 20th, 2021 agenda by County Manager Wayne Johnson; Second by Holly Aguilar; All in favor via roll call vote; Motion carries.

3. APPROVAL OF MINUTES Motion to approve the March 2nd, 2021 minutes by Deputy Treasurer Jessica McParlin; Second by Holly Aguilar. All in favor via roll call vote; Motion carries.

4. STATUS OF THE TREASURER'S OFFICE

Treasurer Taylor started off thanking everyone for attending the meeting. The Treasurer shared an update of positions within the Treasurer's Office. There has been a total of four positions filled within the Treasurer's Office and all have been filled by internal candidates. Currently, there are three positions that are open which are, two tax researcher positions and an accounting specialists position.

The Treasurer's Office is making a transition from paper checks to ACH transfers for the monthly distribution. There are still some entities that need to process their authorization forms. There was a test batch run for the month of April's distribution and all have arrived successfully.

The Treasurer's Office is working diligently to clear the retention that has piled up in the basement for over 15 years. The office is hoping to have everything itemized and approved for destruction after the second half tax season.

Chief Deputy Jessica McParlin proceeded to discuss that the County did not have an auction due to Covid and the State skipped over Sandoval County because of lack of access to public documentation. The Treasurer's Office is working diligently with IT and other related offices and departments to get them access to ensure we won't lose auction funds.

Chief Deputy McParlin proceeded to discuss all of the alternative ways for taxpayers to pay their second half property taxes. Those of which are over the phone, online, via mail and the drop box located on the North end of Administrative Building D. The Treasurer's Office is also doing an outreach to remote locations. The Treasurer's Office is working diligently to perfect the collections efforts of tax payments that are processed through the Lockbox services.

Holly Aguilar went over the Tax Maintenance Schedule, as of March 31st. There has been 60.18% of the 2020 Tax Roll and it is in line with previous years. This should be a good indicator of where we are, even with the global pandemic. With the Gross Receipt Tax, the Treasurer's Office received \$886 Thousand bringing the annual total to \$9.8 Million.

5. STATUS OF COUNTY INVESTMENTS

Holly Aguilar begins with the investment summary, stating there is currently a total of \$21.3 million in investments; \$3.3 million in CDs and LGIP accounts which are liquid. There were two investments that matured in the Economic Development account and both will be invested into a two- and three-year Treasury. Holly Aguilar passed it over to Deanne Woodring with Government Portfolio Advisors (GPA). Deanne stated that it is important to focus on the overall strategy since there is a lot going on in the market. It is important to consider a long term strategy because of the low rates. Then Deanne will review the investment policy and how many options it opens for the County.

Deanne turned it over to Garrett Cudahey, he went over how the Fed changed how the feds upgraded the economy but not the outlook of the rates. The Fed is forecasting a hotter economy in the short-run and still signals no rate hikes through 2023. We have never gone through a reopening process before or such a large stimulus package before so markets and economists have a lot to work through. There has never been a bigger income shock, transfer payments and consumption patterns. The economy has added 1.6 million jobs thus far in 2021 but the United States remains 8.4 million below the pre-pandemic. We need the unemployment rate to move higher overall if we have any anticipation for rates to increase. Cudahey turned it over to Deanne.

Deanne started by going over the portfolio structure. The main driver that has been carrying the portfolio has been the duration and the strategy is to continue to focus on that. The yields that are being bought are very low but it is important to believe in the discipline of maintaining your maturity structure between liquidity and core works. Having your money invested longer over interest rate cycles achieves the higher returns. The Treasurer's team and Deanne are working diligently to look at available liquid balances that can potentially be invested. According to historical balances, we should be expecting the book yields to be decreasing. There is a \$165,000 gain in the portfolio. With the addition of Supranationals to the investment policy, GPA has compiled a tactical strategy for investing in them. Making sure there are constraints and duration considerations.

6. APPROVAL OF INVESTMENT POLICY

Treasurer Taylor formally thanked Deanne and the GPA team as well as Rob Burpo and others for contribution to the investment policy. Chris Daniel requested an extension for sending in recommendations and changes for the policy, Commissioner Bruch agreed. Differed until further notice.

7. ADJOURN

Motion to adjourn by Treasurer Taylor, at 2:50 pm.