

**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
INVESTMENT ADVISORY COMMITTEE (IAC)
MEETING MINUTES**

September 14, 2022

Present:

IAC Members: William Drake, Chairman (by phone); Harry Fisher; Miriam Kreuzer
David Weisbrod

Staff: Joan Lynch, Assistant to the Treasurer, Peter Mynarski, Comptroller;
Nataliya Yemets, Treasurer

BET Members: Dan Ozizmir, BET Chairman

The meeting was called to order at 8:35 A.M.

1. Approval of the BET IAC Meeting Minutes of July 14, 2022

Mr. Fisher made a motion to approve the July 14, 2022 meeting minutes, seconded by Ms. Kreuzer. The vote was 4-0-0 to approve the July 14, 2022 meeting minutes.

2. Update on the OPEB Trust Portfolio market value as of August 31, 2022

Ms. Yemets reviewed the OPEB Trust Portfolio performance results for the month and year-to-date. In July, the OPEB Trust Portfolio gained 6.5%, and in August the Portfolio lost 3.63%, ending with a market value of \$39,662,568 as of August 31, 2022. The Portfolio lost \$1.4 million in August and gained \$1.1 million FYTD as of August 31, 2022. On August 3rd, Vanguard performed a rebalancing resulting in the following allocation of the Portfolio as of August 31st: US equities 45.1%, non-US equities 29.9%, US fixed income 20.1%, and non-US fixed income 5.0% of the total Portfolio.

The Committee discussed and agreed to invite the Town's actuary, Mr. Greg Stump, to the next concurrent meeting of the IAC and OPEB (to be present by phone).

3. Review of Treasury Reports:

• **Town's cash position and invested cash allocations on August 31, 2022**

Ms. Yemets presented the August 31, 2022 Treasurer's Report, showing a General Fund cash balance of \$223,303,737, and made several comments regarding its contents. She noted that the General Fund purchased \$46.5 million of US Treasuries in August, and the Capital Projects Fund purchased \$23.8 million of US Treasuries in August.

In addition, Ms. Yemets provided a schedule of invested cash allocations, and discussed the interest rates, noting that interest rates continue to change rapidly.

- **Bank interest rates and ECR**

Ms. Yemets reviewed interest rates and earnings credit rates for each bank, Certificates of Deposit and U.S. Treasuries, noting again that interest rates are changing rapidly and are therefore being monitored regularly.

- **Investments in U.S. Treasury Bills**

Ms. Yemets reviewed a schedule of all US Treasury Bills Investments which total \$129.0 million in the General Fund as of August 31st, showing trade date, maturity date, quantity, price and yield to maturity for each bill. She noted that maturities are never longer than six months. This schedule also showed US Treasuries purchased in the Capital Projects Fund (\$24.0 million), ARP COVID Recovery Fund (\$15.0 million), Capital Non-Recurring Fund (\$2.3 million) and Sewer Maintenance Fund (\$2.4 million).

Ms. Yemets discussed the process of purchasing US Treasuries, based on liquidity needs and interest rate differentials between STIF and US Treasuries. Mr. Ozizmir discussed potential favorable impact from investing in US Treasuries to fiscal 2024 budget (for both General Fund and Capital Projects Fund).

- **General Fund monthly cash flows: actual for July and August 2022 and projected for fiscal year 2023**

Ms. Yemets presented the Cash Report for General Fund cash flows and balances through August 31, 2022. Tax collections were \$141 million in July and \$36 million in August, and conveyance tax continued to run relatively high at \$717,223 in July and \$964,577 in August. Total inflows were \$154 million in July and \$40 million in August, and total outflows were \$64 million in July (including net Pension Contribution of \$27 million and Debt Service payments), and \$38 million in August, for net cash inflow of \$90 million in July and \$2 million in August.

Ms. Yemets reviewed the FY 2023 cash flow projections by month, noting they were prepared based on the FY 2023 Budget, taking into consideration actual results to date and other known factors.

4. **Old Business** – None

5. **New Business** – None

6. **Adjournment**

Upon a motion by Ms. Kreuzer, seconded by Mr. Fisher, to adjourn the Regular Meeting of the Investment Advisory Committee at 9:37 A.M, the Committee voted 4-0-0 to adjourn.

Joan Lynch, Recording Secretary

William Drake, Chairman, Investment Advisory Cmte

The next meeting of the IAC will be held on Thursday, October 13, 2022 at 8:30 A.M. in the Mazza Room. It will be a concurrent meeting with the OPEB Trust Board.