



**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION**

**INVESTMENT ADVISORY COMMITTEE (IAC)
MEETING MINUTES**

November 10, 2022

Present:

IAC Members: William Drake, Chairman, Harry Fisher, Miriam Kreuzer, David Weisbrod

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

BET Member: Dan Ozizmir, BET Chairman

The meeting was called to order at 10:00 A.M.

1. Approval of the BET IAC Meeting Minutes of October 13, 2022

Mr. Fisher made a motion to approve the October 13, 2022 meeting minutes, seconded by Ms. Kreuzer. The vote was 4-0-0 to approve the October 13, 2022 meeting minutes.

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

Ms. Yemets reviewed the OPEB Trust Portfolio performance results for the month of October and fiscal year-to-date. The OPEB Trust Portfolio gained \$1.6 million or 4.38% during the month and is down \$552K for the four months ended October 31, 2022. The Portfolio's ending market value was \$38,023,361. The best performing mutual fund within the Portfolio for October was Vanguard Total Stock Market Index Fund, with a return of 8.18%, and second best was the Total International Stock Index Fund with a return of 3.43%. US Fixed Income lost 1.37% and Int'l Fixed Income generated a return of 0.48%.

3. Review of Treasury Reports:

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

Ms. Yemets presented the October 31, 2022 Treasurer's Report, showing a General Fund cash balance of \$176,580,117, and made several comments regarding its contents. The total Town Cash position, including OPEB (excluding Retirement) was \$313,643,643. She noted that October appreciation for the General Fund was \$366,332, and FYTD General Fund appreciation was \$1.3 million. Less than 6.1% of all cash (excluding Retirement and OPEB)

is held at the banks (JPMorgan Chase, TD, Webster), and the majority of total cash funds are invested in US Treasuries (53.6%), CT STIF (32.6%), and the CD Program (7.7%).

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 earnings credit rates**

Ms. Yemets reviewed interest rates and earnings credit rates for each bank, Certificates of Deposit and U.S. Treasuries, noting that bank interest rates have not changed since the end of October but will be changing soon, and ECR rates have remained unchanged as well. STIF interest went from 2.51% in September to 3.13% in October, and as of yesterday the STIF rate was at 3.76%. CD rates are going up, and almost catching up with US Treasuries rates, with October rates at 3.84% for 3-month CD, 4.35% for 6-month CD, and 4.60% for 12-month CD. As of yesterday, these rates were all slightly higher. US Treasury rates have also been increasing, with the 3-mo rate at 4.22%, 6-months at 4.57%, 12-months at 4.66% and 10-year at 4.10% on October 31, 2022. All the rates are being monitored regularly in order to maximize the benefit of ECR/Interest rates.

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

Ms. Yemets presented a schedule of all US Treasury Bills investments which total \$105.0 million in the General Fund as of October 31st, showing trade date, maturity date, quantity, price and yield to maturity for each bill. The 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. Kreuzer asked that the Tax Department be reminded to send out the December/January Tax bills as early as possible. Ms. Yemets said she would follow up with Heather Smeriglio, Tax Collector, to ensure the new bills will go out as early as possible.

- **General Fund monthly cash flows: actual for October 2022 and projected for the remainder of fiscal year 2023**

Ms. Yemets presented the Cash Report for General Fund cash flows and balances through October 31, 2022. Tax collections were \$2.5 million in October. Total inflows for the month were \$7.1 million, and total outflows were \$40.2 million, for a net cash outflow of \$33.1 million in October.

4. **Old Business** – none

5. **New Business** - Mr. Drake made a motion, seconded by Ms. Kreuzer, to add the following item to this meeting's agenda: **Proposed change to Article 14, Section 189 of the Town Charter**. The vote was 4-0-0 to approve.

Proposed Change to Town Charter Article 14, Section 189

Mr. Mynarski distributed Section 189 [Restoration of Beneficiaries to Membership] of Article 14 [Retirement System] of the Town Charter, with red-lined proposed changes, and provided background information pertaining to retired individuals returning to active service. The current language of this Section of the Charter is outdated due to the Plan

being closed to all new employees. Since the changes are only housekeeping and language clean-up, the BET has authority to approve. (Mr. Mynarski explained that the BET only has authority to make changes to three sections of the Charter, and this is one of those sections.)

Mr. Fisher made a motion, seconded by Mr. Weisbrod, to approve the proposed wording changes to Article 14, Section 189 as distributed. The vote was 4-0-0 to approve.

Mr. Mynarski also suggested a charter revision committee be formed to update the wording of the Town Charter in general, as some of the language is outdated. It was noted that this would need to be done through the Selectmen's Office.

6. Adjournment

Upon a motion by Ms. Kreuzer, seconded by Mr. Fisher, to adjourn the Regular Meeting of the Investment Advisory Committee at 10:33 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 Tuesday, December 6, 2022 at 10:00 A.M. in the Mazza Room.