

TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
Investment Advisory Committee (IAC) Meeting Minutes
December 6, 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 Members: Dan Ozizmir, BET Chairman

The meeting was called to order at 10:05 A.M.

1. Approval of the BET IAC Meeting Minutes of November 10, 2022

Mr. Fisher made a motion to approve the November 10, 2022 meeting minutes, seconded by Ms. Kreuzer. The vote was 4-0-0 to approve the November 10, 2022 meeting minutes.

2. Update on the OPEB Trust Portfolio market value as of November 30, 2022

Ms. Yemets reviewed the OPEB Trust Portfolio performance results for the month of November and fiscal year-to-date. The OPEB Trust Portfolio gained \$2.7 million during the month and is up \$2.2 million for the five months ended November 30, 2022. The Portfolio's ending market value was \$40.7 million. While the Vanguard Performance Portfolio report is not yet available, Ms. Yemets gave the following performance summary for the month of November: Total Stock Market Index Fund generated a positive return of 5.2%, Total International Stock Index Fund had a positive return of 13.4%, Total Bond Market Index Fund gained 3.7%, and Total International Bond Fund gained 2.5%, resulting in a total Portfolio return of 7.15% for the month.

3. Review of Treasury Reports:

• **Town's cash position and invested cash allocations on November 30, 2022**

Ms. Yemets presented the November 30, 2022 Treasurer's Report, showing a General Fund cash balance of \$152,787,729, and made several comments regarding its contents, highlighting the receipt of the first payment of \$1.0 million received from the Cohen Foundation into the Capital Projects Fund for the Eastern Greenwich Civic Center project. The total Town Cash position, including OPEB (excluding Retirement) was \$293,028,456. She noted that November appreciation for the General Fund was \$462,722, and FYTD General Fund appreciation was \$1.8 million. Ms. Yemets reviewed the Invested Cash Allocations schedule, noting less than 6% 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 (44.4%), CT STIF (41.7%), and the CD Program (8.5%).

• **Bank interest rates and earnings credit rates**

Ms. Yemets discussed the interest rates for each bank, Certificates of Deposit and U.S. Treasuries, noting that interest rates continue to change rapidly while earnings credit rates (ECR) remain unchanged. She noted the JPMorgan Chase interest rate increased from 1.92% in October to 2.52% at the end of November, and that rates and balances are constantly monitored, in order to maximize the benefit of ECR/Interest rates. Mr. Weisbrod discussed the supplementary leverage ratio, and how it impacts interest rates at larger banks.

Ms. Yemets also noted that \$4.7 million of COVID ARP funds remain at TD because spending is ongoing (\$15 million of ARP funds are separately invested in U.S. Treasuries).

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

Ms. Yemets presented a schedule of all U.S. Treasury Bills investments which total \$77.0 million in the General Fund as of November 30th, showing trade date, maturity date, quantity, price and yield to maturity for each bill. The schedule also showed U.S. Treasuries purchased in the Capital Projects Fund (\$16 million), ARP COVID Recovery Fund (\$15.1 million), Capital Non-Recurring Fund (\$2.3 million) and Sewer Maintenance Fund (\$2.4 million).

Ms. Yemets noted that the General Fund is not currently investing in new U.S. Treasuries, but will consider resuming purchases as tax receipts start coming in for the new billing period. She noted that, per discussion with Heather Smeriglio, Tax Collector, the Tax Department is hoping to have the new tax bills sent out by December 15th.

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

Ms. Yemets presented the Cash Report for General Fund cash flows and balances through November 30, 2022. Tax collections were \$2.0 million in November, Building Permits were \$601.2 thousand, Conveyance Tax was \$594.7 thousand, and Grants were \$1.8 million. Total inflows for the month were \$7.5 million, and total outflows were \$31.3 million, for a net cash outflow of \$23.8 million in November.

4. **Old Business** – none

5. **New Business** – none

6. **Adjournment**

Upon a motion by Mr. Fisher, seconded by Mr. Drake, to adjourn the Regular Meeting of the Investment Advisory Committee at 10:36 AM, 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 a concurrent meeting with the OPEB Trust Board on Thursday, January 12, 2023 at 10:00 AM in the Mazza Room.