



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

**Investment Advisory Committee Meeting Minutes**

Thursday, October 14, 2021

Virtual Webinar

Present:

Committee: Andy Duus, Chair; William Drake, Miriam Kreuzer, David Weisbrod

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

BET: Harry Fisher, Leslie Moriarty

Guests: William Ferdinand, Member, OPEB Trust Board; Odile Sudell, Cos Cob  
resident

The meeting was called to order at 10:03 A.M.

**1. Approval of the BET Investment Advisory Committee Meeting Minutes**

Mr. Drake made a motion, seconded by Ms. Kreuzer, to approve the Minutes of the Regular Meeting of the Investment Advisory Committee held on September 15, 2021. The Committee voted 4-0-0. Motion carried.

**2. Review and approval of any proposed investment actions of the October 14, 2021 meeting of the OPEB Trust Board**

Ms. Yemets reported that no explicit recommendations or actions were made during the OPEB Trust Board meeting that require IAC approval. During the discussion of market conditions, the Trustees made no changes to portfolio allocations.

**3. Discussion of the rebalancing mechanism for actively managed funds in the OPEB Trust Investment Policy Statement**

Ms. Yemets summarized the Trust Board discussion on rebalancing when OPEB allocations were not in compliance with the investment policy guidelines and OPEB Board Members and the IAC reaffirmed that, according to the policy, rebalancing is necessary when allocations to actively managed funds deviate 2% or more from the allocation limits set in the Investment Policy Statement.

The IAC noted that although the value of the OPEB Portfolio declined 3% in September, the fiscal year-to-date gain was \$66,775 and the September 30, 2021 market value of the Portfolio was \$43,877,658 with a CYTD return of 11.55% or 2.90% ahead of the blended benchmark.

#### **4. Update on the RFP for Investment Advisory Services for the OPEB Trust Fund**

Mr. Duus commented that although the RFP Evaluation Committee identified the probable winning OCIO firm, unresolved potential legal and insurance accounting issues remain. He expects the process will continue to move forward.

#### **5. Review of Treasury Reports:**

- **Town's cash position and invested cash allocations as of September 2021**

The September-end balance of the General Fund was \$196.4 million, deposited in three banks, Connecticut Short-Term Investment Fund and the CD Program, which combined earned \$33,930 in September.

- **General Fund monthly cash flows: actual for September 2021 and projected for the remainder of fiscal year 2022**

The Town's total cash balance excluding the Retirement Fund was \$316.5 million on September 30; 72% of all cash (excluding the Retirement Fund and the OPEB Trust) was in the General Fund. The Fund's inflows totaled \$8.4 million in September and the outflows were \$39.5 million. The General Fund ended the month with a total of \$196.4 million. The American Rescue Plan Act funds of \$15.7 million are maintained in an account separate from the General Fund to facilitate future complex reporting procedure.

- **Bank deposit interest rates and CD yields**

The Committee reviewed interest rates. The banks in which the Town maintains deposits have kept the rates at the same level since June 2021 with the exception of TD which lowered the interest paid on the Town's deposits from 15 bps to 12 bps effective September 1, 2021. The CT STIF rate in September was 9 bps.

The Town also maintains a bank CD Program in which it replaces maturing CDs with a like-value new CDs. The total value of the program, including pending rollovers, was \$21.1 million at September 30. As with the bank deposits, the yields of the replacement CDs have been mostly declining since July 2019.

Investment options were discussed. Although, it was noted that foreign banks were paying higher rates, the Treasurer and the Committee expressed hesitancy to compromise on investment safety. Ms. Yemets reported that some credit union investments promise slightly higher earnings, are protected by the National Credit Union Share Insurance Fund and have IDC ratings. Potentially, they could be introduced into the CD Program as higher yielding alternative to the bank CDs. However, she suggested that further research on this investment option is conducted to ensure the CD Program stays in compliance with the General Statutes of Connecticut. Concerned about prospective inflation, IAC members

suggested that the term of replacement CDs might be reduced (to possibly 6 months) from the original term of the maturing CDs.

In view of the foregoing, the Committee supported a reduction of interest income to be budgeted for FY23 to \$250,000.

6. **Old Business**

- Update on OPEB Trust outside investment manager process.

7. **New Business**

None

6. **Adjournment**

Ms. Kreuzer made a motion, seconded by Mr. Duus, to adjourn the Regular Meeting of the Investment Advisory Committee at 10:37 A.M, the Committee voted 4-0-0. Motion carried.

Next meeting is scheduled on November 9, 2021. Format and location to be determined.



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Catherine Sidor, Recording Secretary



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Andreas Duus, Chair, Investment Advisory Committee

**Schedule of future Investment Advisory Committee Meetings for calendar year 2021**

November 9, 2021 (Tuesday)

December 7, 2021 (Tuesday)