

**INVESTMENT COMMITTEE
MINUTES
October 30, 2017**

Attendees: Tom Muething (committee member), Peg Conway (committee member), Kathy Harcourt, Scott Lahrmer, Edward Hattenbach

Guest speaker: Robert Francati, Managing Director, PNC Capital Markets

The minutes of the October 26, 2016 meeting were approved as submitted.

Bob Francati, reviewed the village's investment objectives. There are certain inherent risks in any investment portfolio, be credit, interest, or liquidity. Amberley Village's portfolio is laddered to minimize most of these risks. Currently, the village has \$6,500,000 in various CD's and US Agency obligations. One \$250,000 CD recently matured and the proceeds were not immediately reinvested. The average maturity of these investments is 1.00 year with an average yield of approximately 1.20%. This structure allows the village to have the benefit of longer term investments to attract moderately higher returns without having the risk of having to be forced to liquidate investments when there might be a critical need for cash. Current reinvestment rates are approximately 1.75%. Investments maturing in 2018 are \$4,500,000. Under the current laddering of investments, the overall average yield will be increasing to approximately 1.70%.

Mr. Francati also reviewed the PNC economists rate projections going forward. Their opinion is that there will be some FOMC rate hikes occurring in December, 2017. After that, there is no clear expectations of rate increases until the current president of the Federal Reserve is either replaced or reappointed.

There were opportunities to ask questions of Mr. Francati.

There being no further business, the meeting was adjourned.

Edward Hattenbach
Chairman, Investment Committee