INVESTMENT COMMITTEE - NOTES FROM JULY 25, 2022

US BANK PRIVATE WEALTH MANAGEMENT - - 9:30 AM

Present: Chuck, Ellen, Dennis, Bill Heiting, Nathan Boebel, and Bill Rogalinski

Market value	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021
	$87.9M	**$91.0M**	**$95.6M**	**$92.1M**	**$91.5M**

- Net contributions
  Quarter = $5.1M / $5.8M Fiscal YTD
- Earnings, gains/losses
  Quarter = -$8.4M / -$9.7M Fiscal YTD
- Allocation – Equities 51%, Fixed 43%, Commodities 3%, Cash 2% *vs. prior QTR at 57%, Fixed 42%, and Cash 1%*
- Equity Asset Allocation – Large Cap 63%, Mid Cap 17%, Small 4%, Developed Markets 16% *vs. prior QTR Large Cap 65%, Mid Cap 15%, Small 5%, Developed Markets 15%*
- Bonds – Current Yield 2.83% (Effective Maturity 4.3 years/Average Quality "A") *vs. prior QTR Current Yield 2.72%*

ROI	6 Month (Net of Fees)	Trailing 12 Months
Portfolio	-13.5% vs. benchmark -13.2%	-10.6% vs. benchmark -9.6%
Equities	-18.2%	12.3%
Fixed	-7.0%	-7.70%
Commodities	-6.4%	n/a

MARKET VIEWS/ CONCERNS OF INVESTORS:

- Currently overweight in cash which will provide a base when opportunities arise in the equity sector. Moving to more valued stocks as compared to previous growth sector.
- Inflationary pressures, higher interest rates, and elevated oil prices are creating a more defensive portfolio orientation emphasizing bonds and real assets <Infra-structure Funds>, over equities in the short term.
- Housing and used car markets beginning to soften as interest rates increase.
- Opportunities will expand to re-invest in equities as stock prices drop for financially strong corporations. The 2nd quarter earnings reports coming out this week.
- The Federal Reserve as well as other global central banks will continue increasing interest rates to curb inflation. The Fed to increase rate by 75 basis points this week potentially easing future rate increases toward year end.
- The 1st and 2nd quarters will post negative GDP which they feel indicates a mild short-term recession.