

INVESTMENT COMMITTEE - NOTES FROM OCTOBER 18, 2021

US BANK PRIVATE WEALTH MANAGEMENT - - 10:00 AM

Present: Chuck, Dennis, Bill Heiting, John Sylla, and Bill Rogalinski

Market value	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020
	\$92.1M	\$91.5M	\$84.9M	\$75.9M	\$66.5M

- Net contributions
 - Calendar YTD - \$11.9M / \$701k Fiscal YTD
- Earnings, gains/losses
 - Calendar YTD - \$4.5M / -\$406k Fiscal YTD
- Allocation – Equities 56%, Fixed 43%, Cash/Other 1%
- Bonds – Current Yield 2.62%

ROI	3 Month (Net of Fees)	9 Months Net	Trailing 12 Months
Portfolio	-0.55% vs. benchmark -0.01%	5.2% vs. benchmark 6.4%	13.8% vs. benchmark 13.7%
Equities	= -0.70%	11.44%	29.56%
Fixed	= -0.01%	-0.63%	-0.03%

BMO GLOBAL ASSET MANAGEMENT - - 11:00AM

Present: Chuck, Dennis, Bill Heiting, and Troy Rossow

UPDATE – SALE OF BMO ASSET MANAGEMENT ANNOUNCED APRIL 12, 2021

The sale of BMO Asset Management to Ameriprise/Columbia Threadneedle continues to move forward with anticipated completion by December 15. The existing BMO Equity Team will move to Columbia Threadneedle, fees to remain the same as currently in place with BMO, as well as the Catholic screening guidelines. The decision on who the Fixed Income manager will be made soon. The Diocese has decided to move with the manager. The International Fund manager, Lazard International and Harding Loevner International, will remain.

QUALIFIED (RETIREMENT)

LERP	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sept 30, 2020
Market value	\$42.8M	\$43.6M	\$41.6M	\$41.2M	\$37.9M

SJPF	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sept 30, 2020
Market value	\$12.7M	\$12.7M	\$11.9M	\$11.7M	\$11.2M

- Allocation – Equities 59.2% (Domestic 48.3%, International 10.9%) / Fixed 38.1% / Cash 2.7%

ROI	3 Month (Net of Fees)	Trailing 12 Months
Portfolio	-0.27% vs. benchmark -0.13%	18.7% vs. benchmark 18.33%
Equities	-0.22% vs. benchmark -0.28%	33.3% vs. benchmark 32.3%
Fixed	-0.17% vs. benchmark 0.04%	-1.14% vs. benchmark -1.13%

NON-QUALIFIED (ENDOWMENTS)

Endowments	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sept 30, 2020
Market value	\$43.9M	\$44.3M	\$42.2M	\$41.5M	\$37.9M

- Allocation – Equities 56.7%, Fixed 43.3%

ROI	3 Month (Net of Fees)	Trailing 12 Months
Portfolio	-0.19%	17.4%
Equities	7.1%	33.8%
Fixed	-0.20%	-1.13%

MARKET VIEWS/ CONCERNS OF INVESTORS:

- Both institutions experienced a downturn in the third quarter.
- Both institutions expect to see a strong final quarter of 2021 with regard to equity investments, while the bond market is flat to slightly negative as a result of rate increases and a reduction of purchases by the Fed.
- Household savings remain higher than normal.
- Corporate Earnings remain strong although the Issues with supply chain will impact future corporate growth over the next year contributing to continued market volatility.
- Fed target inflation level around 2% to 2.5%. Currently running at 4.3%.with expectations to be higher in coming months. The idea that this being “transitory” is waning and could be longer than Fed originally expected affecting both equity and bond markets.
- Both still favor US Equities vs Developed and Emerging markets.