

RETIREMENT BOARD MEETING

August 18, 2022

1. Opening of Meeting.
2. Approval of Minute No. 286 dated February 17, 2022, Approval of Minute No. 287 dated May 19, 2022.
3. Public Comment.
4. Treasurer's Report:

Bank Reconciliations – January 2022, February 2022, March 2022, April 2022, May 2022, and June 2022
5. Requisitions:

Requisitions – May 2022 – July 2022
6. Old Business.
7. New Business:
 - A. Approval of a request from Raffaele Casale to purchase prior service time dated December 27, 2004 to March 17, 2006 in the amount of \$1,975.75.
 - B. Presentation: Dave Reichert – Korn Ferry
 - C. Portfolio Presentation: Lee Martin, Ph.D. – Marquette Associates.
8. Adjournment.

The quarterly meeting of the Washington County Retirement Board was held at approximately 3:00 p.m. on Thursday, February 17, 2022, in the public meeting room with the following members being present: Commissioners Diana Irey Vaughan, Larry Maggi and Nick Sherman; Treasurer Tom Flickinger. Also present: Finance Director Joshua Hatfield; County Solicitor Jana Grimm; Chief Clerk Cindy Griffin; Secretary Paula Jansante; Executive Assistant Marie Trossman; Chief of Staff Michael Namie; and Lee Martin, Ph.D. representing Marquette Associates. Absent was Controller April Sloane.

Approval of Minutes

Mrs. Vaughan entertained a motion to approve Minute No. 285 dated December 1, 2021. The motion was moved by Mr. Sherman and seconded by Mr. Maggi that the above-mentioned minutes be approved as written.

No discussion followed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Public Comment

None.

Treasurer's Report

Mr. Flickinger presented the Bank Reconciliations for November 2021. It was moved by Mr. Flickinger and seconded by Mr. Sherman to accept the reconciliations of the above-mentioned statements.

Mrs. Vaughn paused to note the lack of December and January and Mr. Flickinger responded that neither month is completed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Retirement Allowance Report

Bank Balance as of November 1, 2021	\$ 293,491.85
Deposits to Checking Account	-0-
Transfers In	671,704.45
Add: ACH Credit	289,210.23
Less: Cancelled Checks	(289,783.57)
Less: ACH Debits	<u>(862,598.09)</u>
Bank Balance as of November 30, 2021	\$ 102,024.87
Less: Outstanding Checks	(68,991.68)
Less: Retirement Check Run	<u>(33,033.19)</u>
Reconciled Balance as of November 30, 2021	<u>\$ -0-</u>

Requisitions

Mr. Flickinger stated that requisitions for the months of December 2021 and January 2022 totaled \$2,374,023.52

It was moved by Mr. Flickinger and seconded by Mr. Sherman that the requisitions be approved.

No discussion followed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Distributions

December 2021

Check	Payee	Amount
2283	Solomon Armstead	1,479.07
2284	National Slovak Society as trustee of Patricia Ashcom	600.14
2285	John Edgehill-Haynes	10,795.33
2286	National Financial Services LLC as trustee of IRA of Leeann Howell	3,112.3
2287	Leann Howell	11,000.00
2288	Shawn Myers	323.93
2289	Justice Ottey-Jones	1,099.35
2290	Kelli Stein	,886.06
2291	Washington County Regular Payroll Escrow Account	24,13.42
2292	Washington County Cash Disbursement Account	60,176.92
Transfer	PNC Bank	62,727.32
Transfer	Washington Co Retirement Account	<u>825,234.80</u>
	Total December 2022 Distributions	<u>1,057,569.70</u>

January 2022

Check	Payee	Amount
2294	Estate of Elizabeth Carol Shawley	530.58
2295	Robin Joyce Amos	21,702.92
2296	Michael L Garber	21,702.92
2297	Walter W Garber	21,702.92
2298	William R Garber Jr	21,702.92
2299	Dustin Vandivner	56.79
2300	Joyell Carter	1,761.87
2301	Kimberly A Furmanek	12,047.61
2302	Stifel As Trustee if IRA of Michael Anthony Ierino	15,870.11
2303	GBU Financial Life as Trustee of IRA Sara A Sichi	16,690.97
2304	Tina Landis	15,021.85
2305	James Lipniskis	160,608.65
2306	Washington County Regular Payroll Escrow Account	25,019.26
2393	Washington County Cash Disbursement Account	19,487.90
2307	Washington Co. Cash Disbursement Acct	9.51
Transfer	PNC Bank	123,952.93
Transfer	Washington Co. Retirement Acct	<u>838,584.13</u>
	Total January 2022 Distributions	<u>1,316,453.82</u>

Old Business

None.

New Business

Mrs. Vaughan entertained a motion to approve the 2022 Washington County Retirement Fund budget.

It was moved by Mr. Sherman and seconded by Mr. Maggi that the above-mentioned budget be approved.

No discussion followed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Mrs. Vaughn entertained a motion to approve of the purchase of Employee Benefit Statements from Korn Ferry at a cost of \$1.85 per statement for a total approximate cost of \$1337.55. The cost per statement remains unchanged from 2021.

It was moved by Mr. Sherman and seconded by Mr. Maggi that the above-mentioned purchase be approved.

No discussion followed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Mrs. Vaughn entertained a motion to approve a request from Natalie Mazza to purchase prior service time dated August 5, 2002 to July 24, 2004 in the amount of \$2,065.96.

It was moved by Mr. Sherman and seconded by Mr. Maggi that the above-mentioned request be approved.

No discussion followed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Portfolio Presentation – Lee Martin, Ph.D. – Marquette Associates

Mr. Martin quickly noted that he will soon be meeting the new controller, April Sloane, and that two new partners were added to the business: Lauren and Amy.

Mr. Martin began the discussion with presentation of the End of Year report. He stated that Washington County had a strong year. He pointed out that four out of the past five years had produced mid-teen returns so there are a lot of gains to help protect the impact on the County ADC in the current strained environment. Mr. Martin went over the market environment and pointed out that GDP did retreat in the third quarter but accelerated in the fourth quarter driven by business and consumer spending. Mrs. Vaughn asked Mr. Martin if he's seen that people are really investing in remodel projects. Mr. Martin responded that in this low-rate environment, there has been significant amount over recent years assuming the project was not impacted by global supply change. He went on that business investment is expected to continue through 2022 due to the need to build business inventory back on anticipation that the world was opening again post pandemic. He stated that the hope is people will continue to spend because that is what drives our economy and the January numbers have come out and, even with inflation, people are continuing to spend. Mrs. Vaughn asked if people are saving less or are they saving at the same rate. Mr. Martin responded that they have more money saved because of the stimulus provided over the past couple of years.

Mr. Martin noted the problems associated with stressed global supply chains. Trucker strikes in the US and lockdowns in China are making it more and more difficult to move goods, which subsequently has catalyzed inflation as demand outstripped supply.

Continuing with the inflation discussion, Mr. Martin addressed the real estate market. He stated that over the past 18 months there has been a significant shift in leadership within the real estate market, with more traditional office and retail sectors struggling in the work from home environment whereas, industrial and apartment segments have really benefitted from the new environment. For the past year, real estate has gained over 20%. As inflation has risen, the value and income derived from real estate has moved in line. Mr. Flickinger asks what the impact of the bond and equity market will be, pointing out that the Federal Government is raising the interest rate and inflation is still rising. Mr. Martin answers this by saying that downward pressure is on both bonds and equities. Inflation causes prices to rise which, in turn, lowers company profitability and future earnings which are headwind for equities, particularly growth stocks. Additionally, the outlook for bonds is not great as we enter a period of rising rates which are a headwind for price appreciation in the bond market. Aggregate Bonds are already down four percent this year. The Federal Government plans to have six or more 25 basis point rate hikes over the next two years, beginning in March. There has also been some talk of the Federal Government kicking March off with a 50 basis point increase in March to combat inflation – but it seems unlikely.

Finally, Mr. Martin moves on to the global economy. He stated that, in the developed world, inflation is a problem everywhere. He goes on to state that the one exception is China right now. Mr. Martin recalls that last year, China really dragged down the emerging markets because of the tech regulations and the issues they had within the real estate markets. He pointed to speaking about that over the summer. Mr. Martin goes on to explain that where everyone has started to tighten fiscal policy, China has gone the opposite way and has started to stimulate their economy and have lowered rates. Which is why China has leads the equity markets so far in 2022.

Transitioning to indexes, Mr. Martin points out that US stocks lead the way in 2021, up 25 percent. However, so far this year, the growth stocks and tech stocks have been pummeled. The good news is that the county has less allocated to those sticks relatively to more defensive value positions. Emerging markets were negative last year on the back of poor performance in China. Moving forward, bonds were flat so far for the quarter. However, in real terms, with inflation so high, fixed income returns were negative. Absolute returns in 2022 are negative. We have, however, benefitted from high-yield bonds, as they are up over 5% for the year. Mr. Martin continues by saying that the real story pertains to the inflation-sensitive assets. TIPS is up 2.4% and public real estate is up 41% for the year. Private markets tend to follow public markets by about 12 to 18 months, which is why private real estate returns are starting to mimic what we saw in public markets last year.

Mr. Martin then reflects on the County's performance. We ended the year at just over \$213 million, gaining about \$10 million in the fourth quarter. As of now we are down to about \$208 million. Our high quality equities are really performing well. Defensive equity added about 5% of over performance last year over its benchmark because people were buying stock options as insurance. The County put private equity and private credit in at the right time last year, as equities are going down, therefore we expect to see private equity and credit to increase outperform their traditional counterparts.

Over five years, which is the most important benchmark, is the assumed rate of return, which is 6.5%. During this time period, we have handedly out performed that – posting a return of 10.2%. Four out of our last five years, we have had a high double digit percentage return. We have a lot of gains which could come in handy because we expect a few tough years ahead, likely beginning this

year.

Moving forward, Mr. Martin elaborates on some changes made in the fourth quarter. We switched out the low volatility manager to MFS, the one that we've seen in OPEB for years. MFS is Marquette's number one low volatility manager. Also, in the defensive equity, we split it between Parametric and Neuberger. This should yield more premium in a market sell off. Mr. Martin summarizes that the diversity in our portfolio has really set us up well for the likely tough upcoming years.

After some discussion with regard to percentages allocated to private equity and public equity, Mrs. Vaughan entertained a motion to move an additional 2% of public equity to private equity. It was moved by Mr. Flickinger to move 2% of public equity to private equity. Mr. Maggi seconded the motion.

No discussion followed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

After additional discussion, Mrs. Vaughan entertained a motion to move 1% from fixed income to private credit. It was moved by Mr. Flickinger to move 1% from fixed income to private credit. Mr. Maggi seconded the motion.

No discussion followed.

Roll call vote taken:

Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Moving on to the managers, Mr. Martin stated that U.S. equities are up 10.2% relative to 9.3% for the benchmark. Twin Capital Dividend Select, the local large cap defensive manager is over 1% ahead so far in January, as expected in this environment. GW&K Small-Mid Cap Core has outperformed by an annualized 4.5% since inception. On the global side, Mr. Martin noted we did lag by about 170 basis points for the fourth quarter, which was recouped in January. Artisan, Dodge & Cox Global Stock, Alliance Bernstein, and MFS Global Low Volatility aided in this. Turning to the Non-U.S. Equity Composite, we outperformed by about 30 basis points in the quarter and 2% in January, thanks to Schroder International Multi-Cap Equity Trust. Also, we added two new managers: one in the emerging markets, Wellington. Additionally, we added Harding Loevner International to give us some small cap exposure overseas. Moving to the Defensive Equity Composite, we are up about 5.9%, about 40 above the base portfolio. The Real Estate Composite brought in 22.0% last year. Since April of last year, TA Realty Core Fund returned 27% which is 10% above the index. Mr. Martin also noted that Timberland/Farmland returned 7%, and Infrastructure had a great year bringing in 6% for the year. He noted that Private Credit Composite delivered 2.4% since inception. Also, Private Equity was up 4.3% for the fourth quarter. Finally, Mr. Martin announced that there would be some fee reductions coming up with MFS Global.

The meeting was adjourned at 3:29 p.m.

THE FOREGOING MINUTES SUBMITTED FOR APPROVAL:

_____, 2022

ATTEST: _____

DRAFT

The quarterly meeting of the Washington County Retirement Board was held at approximately 3:30 p.m. on Thursday, May 18, 2022, in the public meeting room with the following members being present: Commissioners Diana Irey Vaughan, Larry Maggi and Nick Sherman; Treasurer Tom Flickinger; and Controller April Sloane, via phone. Also present: Deputy Controller Heather Sheatler; Chief Clerk Cindy Griffin; Secretary Paula Jansante; Executive Assistant Marie Trossman; Chief of Staff Michael Namie; and Lee Martin, Ph.D. representing Marquette Associates.

Approval of Minutes

Mrs. Vaughan entertained a motion to hold Minute No. 286 dated February 17, 2022, in abeyance pending corrections. The motion was moved by Mr. Sherman and seconded by Mr. Maggi that the above-mentioned minutes be approved as written.

No discussion followed.

Roll call vote taken:

Ms. Sloane – yes; Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Public Comment

None.

Treasurer's Report

Mr. Flickinger presented the Bank Reconciliations for December 2021. It was moved by Mr. Flickinger and seconded by Mr. Sherman to accept the reconciliations of the above-mentioned statement.

Roll call vote taken:

Ms. Sloane – yes; Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Retirement Allowance Report

Bank Balance as of December 1, 2021	\$ 102,024.87
Deposits to Checking Account	4,656.2
Transfers In	1,338,021.18
Add: ACH Credit	490,578.00
Other Credits	-0-
Less: Cancelled Checks	(209,104.80)
Less: Other Debits	-0-
Less: ACH Debits	<u>(858,480.33)</u>
Funds Transfers Out	-0-
Bank Balance as of December 31, 2021	\$ 867,695.12
Transfers to Mutual Fund	-0-
Less: Outstanding Checks	(831,421.97)
Less: Retirement Check Run	<u>(36,273.15)</u>
Reconciled Balance as of December 31, 2021	<u>\$ -0-</u>

Requisitions

Ms. Sheatler stated that requisitions for the months of February 2022, March 2022, and April 2022 totaled \$3,273,579.54.

It was moved by Mrs. Sherman and seconded by Mr. Maggi that the requisitions be approved.

No discussion followed.

Roll call vote taken:

Ms. Sloane – yes; Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.

Motion passed unanimously.

Distributions

February 2022

Check	Payee	Amount
2308	Estate of Ralph Richard Shawley	170.62
2309	William E Speakman Jr	994.10
2310	NFS/FMTC IRA FBO Jose Alvarado	20,307.76
2311	Capital Bank & Trust IRA for Candice Bentz	17,265.47
2312	Winfield Carson	703.64
2313	James R Harrington III	5,383.57
2314	American General Life as trustee of IRA of Sara J Necciai	33,664.12
2315	Jamie Restanio	36,190.15
2316	Steven Scott	6,235.95
2317	Gaitens Tucceri & Nicholas PC FBO Charlee Rosini	4,484.39
2318	Fidelity as trustee of IRA of Charlee Rosini	1,821.97
2319	Michael Carso	11,807.68
2378*	VOID - Gaitens Tucceri & Nicholas PC FBO Charlee Rosini (check date: 11/30/2021)	-6,306.36
2320	Washington County Regular Payroll Escrow Account	24,494.96
2321	Washington Co. Cash Disbursement Acct	26,906.04
Transfer	PNC Bank	71,792.42
Transfer	Washington Co. Retirement Acct	849,714.39
Total February 2022 Distributions		<u>1,105,630.87</u>

March 2022

Check	Payee	Amount
2322	Robert Greg Fresa	63.33
2323	Michael Boyza	242.22
2324	Meloney Dennis	386.48
2325	Richard Griffith	1,263.04
2326	Myra Jakubek	18,8483.19
2327	John W Kibbe	2, 601.70
2328	Paul C Rock	99,728.06
2329	Shalee Schnore	2,132.40
2330	Washington County Regular Payroll Escrow Account	24,779.20
2331	Washington Co. Cash Disbursement Acct	58,614.26
Transfer	PNC Bank	76,689.31
Transfer	Washington Co. Retirement Acct	<u>847,219.05</u>
	Total March 2022 Distributions	<u>1,132,567.24</u>

April 2022

Check	Payee	Amount
2332	Edward Grey	3,225.81
2333	Capital Bank & Trust Co as a trustee of IRA of Joseph J Joscsak IV	9,819.12
2334	UPMC Savings Plans FBO Claset Klos	3,539.16
2335	Ameriprise Trust Co as trustee if IRA Deborah C Webb	78,671.50
2336	Washington County Regular Payroll Escrow Account	23,937.09
2337	Washington Co. Cash Disbursement Acct	6,469.67
Transfer	PNC Bank	59,816.21
Transfer	Washington Co. Retirement Acct	<u>849,902.87</u>
	Total April 2022 Distributions	<u>1,035,381.43</u>

Old Business

None.

New Business

Mrs. Vaughan entertained a motion to approve a request from Robert Lonick to purchase prior service time, dated December 17, 1998 to July 20, 1999 and September 7, 2004 to November 8, 2004, in the amount of \$2,848.32. The motion was moved by Mr. Sherman and seconded by Mr. Maggi that the above-mentioned request be approved.

No discussion followed.

Roll call vote taken:

Ms. Sloane – yes; Mr. Flickinger – yes; Mr. Maggi – yes; Mr. Sherman – yes; Mrs. Vaughan – yes.
Motion passed unanimously.

Portfolio Presentation – Lee Martin, Ph.D. – Marquette Associates

Mr. Martin started by pointing out that the financial expectation came to a head in the first quarter. The GDP came in below expectations, down 1.4%, and the net exports and slowdown in inventory buildup did not produce as expected. This was attributed to inflation and supply chain issues. He also mentioned that expectations for grave stocks would be low due to concerns over global issues such as Russia and Ukraine relations impacting Europe, as well as China's zero Covid policy leading supply chain issues impacting inflation around the world. This is concerning because the Federal Government will need to raise rates for inflation purposes. However, inflation rising too quickly can tip the country into recession. Most indicators are down, except for the Misery Index.

Mr. Martin goes on to note that consumer confidence is low. The public has pulled back from spending due to inflation. Retailers have come in well below expectations. However, this is also because retailers have tried to maintain prices while costs are rising and, thus, their overall net profits are down. This is also the reason for big selloffs in the equity markets. He continued by pointing out how the charts of consumer confidence mimics a market cycle. However, over the last 5 years, our funds have been diversified and as much a quarter of said funds are not moving with the market.

Moving on globally, Mr. Martin reiterated that Europe's confidence has collapsed due to the Russian/Ukraine war. He stated that mainland Europe's dependency on Russian oil and gas has impacted growth estimates. Furthermore, China's zero covid policy has greatly impacted the global supply chain issues due to closing huge economy's such as Shang Hai. This is leading to continuous supply chain issues which has resulted in lifted prices across the world.

Mr. Martin touched developed market, US and internationally, were down approximately 5% while emerging markets are down roughly 7%. Again, he points to China as a causation, due to China being 1/3 of emerging markets and about 8.5% of the broad international market.

Switching to bonds, Mr. Martin stated that agricultural bonds are down nearly 6%, giving it the worst quarter since 1981. He elaborated that, through April, the ag bond core bonds were down 9.5%. However, our fixed income is only down just over 6%. He explained that, as rates go up, the longer duration bonds become more impacted. This is the reason for the 300-basis point difference.

Transitioning to inflation on sensitive assets. TIPS is down only 3%. This is nearly 3% better than core bonds. He states that commodities, such as precious metals and energies, are up. He pointed out that every sector is down, however, energy is up 39% and utilities are up 4%. This is

linked to good infrastructure. Mr. Flickinger asked if the Build Back Better infrastructure investment has hit the infrastructure. Mr. Martin responded no because infrastructure is a 30-to-50-year development.

Moving on to the portfolio, Mr. Martin stated that Washington County finished the quarter at 205 million. He pointed out that the portfolio was down about 7 million due to both stocks and bonds being down. This equates 3.3%, which is better than policy, and ranking Washington County's defined benefit plan in the top 10% of the US. This is due to portfolio being well diversified. The smaller funds that are just in stocks and bonds are down more because of the lack of diversified assets. This is the difference from 2008 when investments lacked diversifying assets.

Touching on real assets, the private equity and private credit added last year, are all positive for the quarter. Mr. Flickinger asked Mr. Martin to define private credit. Mr. Martin used the example of bank loans that are not impacted by rising rates. And as they write new loans, the interest rates rise. In response lending to private companies and equity firms has transitioned to private investors stepping in creating private credit.

Mr. Martin spoke about gains over the past five years. He pointed out that 4 of the last 5 years has yielded double figures creating a 200-basis point cushion in an environment that has fueled risk on equities: equities and bond prices going up because rates are coming down. Due to the more diversified assets, it produced under the benchmark, however, it was well above the assumed rate of return. The goal would be to reach 6.5% each year. Additionally, the private equity and private credit addendum voted on previously added 2% and 1% respectfully.

Moving on, Mr. Martin pointed out the diversifying assets added over the past few years. Particularly the defensive equity, citing volatility risk premium yielding a good premium when there is volatility in the market. He pointed out the diversified real assets portfolio which hedges inflation. This includes real estate, timber, farmland, and infrastructure. When inflation goes up, these assets go up as well, helping to offset some of the down market in equity bonds. With the recent additions of private equity and private credit, this adds up to 23% at the end of March and this will go to 26% this quarter.

Touching on the county's total equities of 53.5%, Mr. Martin states this is about the median of a big institutional fund. Similarly, fixed income is a little more conservative because the assumed rate of return is a little more conservative. The other assets classes reflect the previously mentioned median as well.

Year rankings over time, show that the quarter is top decile, top quartile, and above median going back. The older time periods were periods which were less in favor. There should be a high ranking going forward due to the portfolio doing well during the downturn.

Washington County is doing better even just on your traditional investments. However, NASDAQ area is what's being crushed so far this quarter.

Moving to fixed income, the duration is down at 4.1 said the AG is down near 6.8. The 25% lower duration is why there is a 300-basis point growth in fixed income for the year. This is relative to core bonds, which most funds use. The is a yield of about 3%. The yields are going up and there is more yield due to the high yield fund which are up.

Closing with Washington County funds through April. However, due to the length of time it takes for real estate and private to come out, it is not included for April. The U.S. equity was down 4.6 and benchmark was down 5.3. There was a better outperformance by tilt into value. This is better than TWIN. TWIN was ahead 270 basis points in April, but, due to the aggressiveness you would expect on the lag in that environment, they are better protected during selling and that is why there was not a total elimination last year. Likewise, because GW&K is more of a growth bent, they lagged that core benchmark for the third quarter but are well ahead for the one year. GW&K were 100 basis points up April. Global equities are at benchmark, however, there is a lack of about 20 for the three-month period yet about 30 basis points ahead in April. Headwinds were the growth time managers like Artisan and the AB Globe Core. The major values were with Dodge & Cox and the high quality/low volatility manager like MFS. They were only down 2.7 when the broad market was down 5.4. Non-U.S. Equity Composite was 100 behind for the quarter due to the emerging markets. Washington County did change from the index to active during the quarter but there is not a full quarter return, and it will be included in the next report. Schroder is in line with benchmark and 130 ahead for the year. Defensive equity was in line for the quarter. However, over the past year it is 9.5 rather than 7.8, as the volatility premiums are quite high. In the alternative section, real estate is up 29%. Washington County left JP Morgan about a year ago. JP Morgan was struggling due to large office and retail allocations. Alternatively, Washington County joined Clarion and TA. TA only has one retail and is at 37.5% for the year. Timber and farmland are yielding a 10% return. Infrastructure is slowly increasing. The county used Cohen & Steers as a public equity version on the short term. They were added in November 2020 and has made 16% rather than the 14%, in that period. Those assets have been used to fund the private in a timely manner because equities are selling off and the private infrastructure is positive for the quarter. On private equity and private credit, public equities are selling off. However, there is an immediate 1.3% gain from the private equity. The county is invested in open-ended private equity, providing an income from day one. This is fortunate in this environment, due public equities going down. Likewise, private credit was positive .6 where fixed income was down 4.5% for the quarter.

Lastly, for April alone, U.S. equity was down 77 but the broad market was down 9. Global is ahead 30. Global equities are down 8. U.S. is still about 30 behind. There are currently no other alternatives. However, the things that are selling off are not affecting the county's portfolio as negatively as expected. This relative performance is expected in May as well.

The meeting was adjourned at 4:04 p.m.

THE FOREGOING MINUTES SUBMITTED FOR APPROVAL:

_____, 2022

ATTEST: _____