

ESS Finance Committee Call NOTES

Wednesday, August 31, 2022, at 11 am ET, 10 am CT, 9 am MT, 8 am PT

Committee Page: <http://escop.info/blcfinance/>

Membership:

Moses Kairo, Past ESCOP Chair (Finance Chair), mkairo@umes.edu

Matt Wilson, Incoming ESCOP Chair, mwilso25@wvu.edu

Glenda Humiston, BLC Chair, Glenda.Humiston@ucop.edu

Saied Mostaghimi, At-large BLC member, smostagh@vt.edu

Jeff Jacobsen, Executive Vice-chair jjacobsn@msu.edu

Chris Hamilton, Assistant Vice-chair christina.hamilton@wisc.edu

Doug Steele, APLU VP FANR, dsteele@aplu.org

Call Attendees: Moses Kairo, Matt Wilson, Glenda Humiston, Saied Mostaghimi, Matt Kappa, Suzanne Moran, Jeff Jacobsen, Chris Hamilton (recorder)

Agenda/Notes:

1. Approve Agenda – Moses
 - Glenda made a motion to approve, Saied seconded.
 - Agenda approved as distributed.
2. ESS TD Wealth Account Update – Jeff
 - See [Excel table and figure](#) pasted below illustrating the account performance since inception. Our starting value was \$582,420 back in 10/2020 and as of 8/2022 was \$586,089.
 - As a reminder the ESS Investment Policy defines moderately conservation investment framework as: Fixed (60-70%, Equity (30-40%) and cash (0-10%).
 - As of the end of July in the tables below, we were slightly above our initial investment, but Matt Kappa presented a more recent performance table from the end of August showing we were back down below the original \$600,000 at around \$571,000.
3. TD Wealth Update, Q&A as needed – Suzanne, Matt
 - As stated above, end of August's account statement shows the account value at about \$571,000.
 - This decline from 2021 is being fueled by inflation, which is the worst seen in the US in 40 years.
 - Bond market likely approaching its bottom. We expect it to recover, but very slowly due to high interest rates.
 - Stocks might rebound faster than bonds, but unlikely to return to their January 2021 levels also because of inflation and overall stock market devaluation. For instance, P/E ratios are lower than they had been at about 18/1, down from 25/1 at the end of 2021. Stocks is the investment category where we will see the most gain when the market stabilizes and rebounds.
 - Overall, TD recommends we stay the course and stay with our current allocation. They see no benefit in changing our portfolio at this time. If we hypothetically needed to

withdraw \$100,000, they would recommend taking it pro rata equally across the asset classes we hold of Fixed (60-70%, Equity (30-40%) and cash (0-10%).

4. Other, as needed
 - None identified.

Call adjourned at 10:47 am CT.

ESS Investment Account Performance Since Inception (10/2020)

Period (MonthYear)	Fixed Income	Equity	Cash	Total
Oct20	406,013	164,659	11,747	582,420
Nov20	419,967	176,667	10,441	607,075
Dec20	424,033	181,768	11,007	616,808
Jan21	421,976	177,153	12,937	612,066
Feb21	420,653	177,483	13,026	611,161
Mar21	422,802	180,982	13,242	617,026
Apr21	423,093	193,280	11,031	627,404
May21	426,864	193,600	11,111	631,575
Jun21	429,673	197,589	11,930	639,192
Jul21	435,173	197,311	14,210	646,693
Aug21	436,628	201,976	14,290	652,894
Sep21	431,602	195,097	14,519	641,218
Oct21	437,485	200,422	11,317	649,225
Nov21	436,299	198,719	11,393	646,410
Dec21	441,560	201,293	12,548	655,401
Jan22	428,499	196,118	11,004	635,622
Feb22	420,014	188,259	11,083	619,356
Mar22	413,568	191,353	11,285	616,206
Apr22	395,479	177,394	11,655	584,528
May22	397,653	178,472	11,740	587,865
Jun22	389,051	166,324	12,783	568,159
Jul22	392,470	183,878	9,740	586,089
Aug22				
Sep22				
Oct22				
Nov22				
Dec22				

