

CDCES Investment Committee

March 8, 2018

6:30 pm

St. Paul's United Methodist Church (Milwaukie)

Present: Randy Adams, DJ Antlitz, Norm Dyer (chair), Becca Wieringa, Greg DuFault, David White (bookkeeper), Millie Riley, Donna Ward, Bruce Rogers, Laura Jaquith Bartlett (administrative assistant)

Norm opened at 6:32 with some quick check-in, followed by prayer.

The January 2018 minutes were approved as corrected.

We reviewed some ongoing questions from Dan Wilson-Fey, the annual conference treasurer. Audit: There is a need to search through the old file drawers for CDCES at the conference center, to see if copies of audit reports are stored there. Laura will set-up a time for Norm and Bruce to work on this.

Directors & Officers Insurance: We can't do much more on this until Scott is present [note: during the full board meeting, Scott gave an update]

501c3 tax status: David called Sherrie to get our EIN, which he then gave to Scott, who is planning to do some research on the IRS site to get the answer. Becca is willing to work on this, if she can figure out where to go to get some answers. [again, a plan was formulated at the subsequent meeting of the CDCES]

Investment Report

"The Trump man did it again," was the statement Greg used to begin his report! This is what a volatile market looks like. Last week's market saw a number of swings from positive to negative and back again. We've experienced the five most volatile trading days in the history of the stock market. The current volatility has ended an historic period of calm in the equity markets (2009 to the present). 2018 is likely to be a transitional year in the market with moderate upside. Global Growth is on track for positive returns.

The volatility is caused by uncertainty around the Federal Reserve: there is fear of inflation and rising interest rates; reduction of the Fed stimulus program; new Fed members including Chair Jerome Powell; challenge to control inflation; slow and steady rate hikes. Greg reports that good news is bad news for the Market: increase in wages with 2.9% growth; US economy near full employment; labor participation rate getting better; tax stimulus—lower corporate and individual taxes; discretionary spending growth; de-regulation-corporate growth; infrastructure budget debate-US growth.

Norm adjourned the meeting at 7:06pm.

Respectfully submitted,
Laura Jaquith Bartlett
CDCES Administrative Assistant

Dufault, Smith & Meeuwsen

WEALTH MANAGEMENT GROUP

of Wells Fargo Advisors

CDCES

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This is what a volatile market looks like

- Last week's market saw a number of swings from positive to negative and back
- 5 most volatile trading days in the stock market history
- This ended an historic period of calm in the equity markets, 2009 to present
- 2018 likely to be a transitional year in the market with moderate upside
- Global Growth on track for positive returns

What caused Volatility?

Uncertainty around the Federal Reserve

- Fear of inflation and rising interest rates
- Reduction of Fed stimulus program
- New members including Chair Jerome Powell
- Challenge to control inflation
- Slow and steady rate hikes

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Now good news is bad news for the Market

- Increase in wages with 2.9% growth
- US economy near full employment
- Labor participation rate getting better
- Tax stimulus –lower corporate and individual taxes
- Discretionary spending-growth
- De-regulation-corporate growth
- Infrastructure budget debate -US growth

Equity ²⁰¹⁷ 13.47%
LT: 3.67%
ST: 1.40%