

NOTICE OF PUBLIC MEETING

AGENDA

CLARK COUNTY OPEB BOARD OF TRUSTEES

Thursday, May 19, 2022, 3:00 PM

PLEASE NOTE AT THIS TIME, THERE WILL BE NO IN-PERSON ATTENDANCE AT THE MAY 19, 2022 TRUSTEE MEETING.

If you desire to participate in this meeting, please listen via teleconference (audio only):

+1-408-418-9388 United States Toll (access code): 2499 660 3821

This meeting has been properly noticed and posted in the following locations:		Agenda Also Available At:	
CC Government Center 500 S. Grand Central Pkwy Las Vegas, NV (Principal Office)	Regional Justice Center 200 Lewis Ave, 1 st Fl. Las Vegas, NV	City of Las Vegas 400 E. Stewart Ave Las Vegas, NV	City of No. Las Vegas 2200 Civic Center Dr. No. Las Vegas, NV
Third Street Building 309 S. Third St. Las Vegas, NV	Paradise Park Pool & Center 4775 McLeod Dr. Las Vegas, NV	City of Henderson 240 Water St. Henderson, NV	City of Boulder City 400 California Ave. Boulder City, NV
Winchester Park & Center 3130 S. McLeod Dr Las Vegas, NV	Desert Breeze Park & Community Ctr. 8275 Spring Mtn. Rd Las Vegas, NV	City of Mesquite 10 E. Mesquite Blvd. Mesquite, NV	Clark County Regional Govt. Ctr. 101 Civic Way Laughlin, NV

- Items on the agenda may be taken out of order.
 - The OPEB Board of Trustees may combine two or more agenda items for consideration.
 - The OPEB Board of Trustees may remove an item from the agenda or delay discussion relating to an item at any time.
 - If you do not wish to attend the meeting via teleconference but desire to provide written general public comment or public comment on an individual agenda item, please submit your comments prior to 11:30AM, May 19, 2022. You can submit your comments to Leah.Dwyer@ClarkCountyNV.gov. Be sure to include your name, address, the agenda item number on which you are providing comment, and your comment. Comments will not be read into the record and will be included as back-up materials for the record. All comments received will be compiled into a document and shared with members of the public body, meeting attendees and on the public website.
- The main agenda is available on Clark County's website, <http://www.ClarkCountyNV.gov>. For copies of agenda items and supporting backup materials, please contact Leah Dwyer at (702) 455-3327.

This is a period devoted to comments by the general public about items on this agenda. If you wish to speak to the OPEB Board of Trustees about items within its jurisdiction but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Comments will be limited to three minutes. Speakers must clearly state their name (last name spelled for the record) and address. No action may be taken on a matter not listed on the posted agenda. If any member of the OPEB Board of Trustees wishes to extend the length of a presentation, this will be done by the Chair or the Board by majority vote.

1. Approval of agenda. (For possible action)
2. Approval of the minutes of the Clark County, Nevada OPEB Trustee meeting on February 17, 2022. (For possible action)
3. Receive a report on financial statements as of and for the nine months ending March 31, 2022. (For possible action)
4. Approval of the Clark County OPEB Budget for fiscal year ending June 30, 2023 (For possible action)
5. Receive the Quarterly Investment Report from FHN Financial Main Street Advisors. (For possible action)
6. Trustee's/Staff announcements, requests for information, and topics for future agendas, Statements relating to items not on the agenda and any ideas and suggestions for greater efficiency, cost effectiveness and innovation in providing for the benefits of Clark County, Nevada OPEB Trust participants in accordance with the benefit plans. (No discussion on this item will take place among Trustees.)

Comments by the General Public

A period devoted to comments by the general public about matters relevant to the OPEB Board of Trustees' jurisdiction will be held. No action may be taken on a matter not listed on the posted agenda. Comments will be limited to three minutes. Speakers must clearly state their name (last name spelled for the record) and address. If any member of the OPEB Board of Trustees wishes to extend the length of a presentation, this will be done by the Chair or the Board by majority vote.

If you desire to provide a written general public comment on an item not appearing on this agenda but within the general jurisdiction of this body, please submit your comments prior to 11:30AM May 19, 2022. You can submit your comments to Leah.Dwyer@ClarkCountyNV.gov. Be sure to include your name, address, and your comment. Comments will not be read into the record and will be included as back-up materials for the record. All comments received will be compiled into a document and shared with the members of the public body, meeting attendees, and on the public body's website.

OPEB Board of Trustees

CLARK COUNTY, NEVADA

Jessica Colvin
Chair
Laura Fitzpatrick
Vice-Chair
David Dobrzynski
Trustee
Joseph Piurkowski
Trustee

CALL TO ORDER

The public meeting of the Clark County OPEB Board of Trustees meeting was called to order by Jessica Colvin Clark County Treasurer on Thursday, February 17, 2022 at 3:03 PM.

**PLEASE NOTE THAT DUE TO COVID-19,
THERE WILL BE NO IN-PERSON ATTENDANCE AT THE
February 17, 2022 COMMISSION MEETING.**

If you desire to participate in this meeting, please listen via teleconference (audio only):

[+1-408-418-9388](tel:+14084189388) United States Toll

(access code): 2485 569 1916

This public meeting was properly noticed and posted.

ATTENDEES:

Jessica Colvin, Chair – Via WebEx

Anna Danchik, Clark County, Comptroller – Via WebEx

Joseph Piurkowski, Department of Aviation – Via WebEx

David Dobrzynski, Trustee – Via WebEx

Rick Phillips, FTN Financial – Via WebEx

Drew Solomon, Clark County, Principal Management Analyst – Via WebEx

Rachel Stevens, Clark County, Principal Management Analyst – Via WebEx

There were no comments from the general public.

1. Approval of Agenda (For possible action)

- Motion made by Mr. David Dobrzynski to approve the Agenda for February 17, 2022 – motion passed unanimously

2. Approval of the minutes of the Clark County, Nevada OPEB Trustee meeting from November 18, 2021. (For possible action)

- A motion was made by Mr. David Dobrzynski to approve the minutes from the November 18, 2021 meeting - motion passed unanimously.

3. **Receive a report on the audit of the OPEB Trust for Fiscal year 2020 (For possible action)**
 - Ms. Anna Danchik summarized the OPEB Trust report for Fiscal year 2020.
 - Discussed the separation of Clark County and Aviation and breaking them out for the audit.
 - No action taken.
4. **Receive a report on the audit of the OPEB Trust for Fiscal year 2021 (For possible action)**
 - Ms. Anna Danchik summarized the OPEB Trust report for Fiscal year 2021.
 - Fiscal Year 2022 audit to start August 2022.
 - No action taken.
5. **Receive a report on financial statements as of and for the three months ending, December 31, 2021. (For possible action)**
 - Ms. Anna Danchik summarized the financial statements.
 - No action taken.
6. **Discussion of the Quarterly Investment Report from FHN Financial Main Street Advisors. (For possible action)**
 - Mr. Rick Phillips summarized the Quarterly Investment Report dated December 31, 2021 and the Economic/Market update dated February 17, 2022.
7. **Trustee's/Staff announcements, requests for information, and topics for future agendas, Statements relating to items not on the agenda and any ideas and suggestions for greater efficiency, cost effectiveness and innovation in providing for the benefits of Clark County, Nevada OPEB Trust participants in accordance with the benefit plans. (No discussion on this item will take place among Trustees.)**
 - Contact Kathy from Sherman and Howard to draw up a governmental finance trust document and bring to next meeting to review.

Comments by the General Public

A period devoted to comments by the general public about matters relevant to the OPEB Board of Trustees' jurisdiction will be held. No action may be taken on a matter not listed on the posted agenda. Comments will be limited to three minutes. Speakers must clearly state their name (last name spelled for the record) and address. If any member of the OPEB Board of Trustees wishes to extend the length of a presentation, this will be done by the Chair or the Board by majority vote.

There were no comments from the general public.

There being no further business, the meeting was adjourned at 3:38 PM.

Clark County, Nevada
 OPEB Trust Fund
 Statement of Plan Net Assets
 March 31, 2022

	<u>Clark County</u>	<u>Department of Aviation</u>	<u>Total</u>
Assets			
Cash and investments			
Cash	\$ 17,468	\$ 3,423	\$ 20,891
State of Nevada RBIF	151,605,381	55,264,854	206,870,235
Clark County Investment Pool	129,973	14,159	144,132
Total assets	<u>151,752,822</u>	<u>55,282,436</u>	<u>207,035,258</u>
Liabilities			
Accrued expenses	<u>4,447</u>	<u>1,733</u>	<u>6,180</u>
Net Assets Held in Trust for Other Postemployment Benefits	<u>\$ 151,748,375</u>	<u>\$ 55,280,703</u>	<u>\$ 207,029,078</u>

Clark County, Nevada
OPEB Trust Fund
Statement of Changes in Plan Net Assets
For the Period July 1, 2021 through March 31, 2022 - Budget to Actual

	Clark County	Department of Aviation	Total	Unapproved YTD Budget	Favorable (Unfavorable) Variance
Additions					
Contributions					
Employer - Clark County	\$ -	\$ -	\$ -	\$ -	\$ -
Employer - Department of Aviation	-	-	-	-	-
Total contributions	-	-	-	-	-
Investment income (loss)					
Interest	1,665,244	648,861	2,314,105	68,714	2,245,391
Net increase (decrease) in fair value of investments	1,460,821	569,207	2,030,028	-	2,030,028
Total investment income (loss)	3,126,065	1,218,068	4,344,133	68,714	4,275,419
Less investment expense	(46,760)	(18,220)	(64,980)	(68,714)	3,734
Net investment income (loss)	3,079,305	1,199,848	4,279,153	-	4,279,153
Total additions	3,079,305	1,199,848	4,279,153	-	4,279,153
Deductions					
Administrative expenses					
Accounting services	-	-	-	-	-
Audit fees	33,210	12,940	46,150	15,750	(30,400)
Continuing education	-	-	-	1,800	1,800
Bank fees	-	-	-	450	450
Insurance	-	-	-	7,500	7,500
Retiree benefits	-	-	-	4,196,300	4,196,300
Trustee fees	115	45	160	240	80
Other	-	-	-	4,125	4,125
Total administrative expenses	33,325	12,985	46,310	4,226,165	4,179,855
Change in plan net assets	3,045,980	1,186,863	4,232,843	(4,226,165)	8,459,008
Net Assets Held in Trust for Other Postemployment Benefits					
Beginning of year	148,702,395	54,093,840	202,796,235	159,230,986	43,565,249
End of year	\$ 151,748,375	\$ 55,280,703	\$ 207,029,078	\$ 155,004,821	\$ 52,024,257

Clark County, Nevada OPEB Trust Fund
 Budget
 For the Fiscal Year Ended June 30, 2023

	<u>FY23 Budget</u>	<u>Clark County</u>	<u>Department of Aviation</u>
Additions			
Contributions			
Employer - Clark County	\$ -	\$ -	\$ -
Employer - Department of Aviation	-	-	-
Total contributions	<u>-</u>	<u>-</u>	<u>-</u>
Investment income (loss)			
Interest	86,640	62,347	24,293
Net increase (decrease) in fair value of investments	-	-	-
Total investment income (loss)	<u>86,640</u>	<u>62,347</u>	<u>24,293</u>
Less investment expense	<u>(86,640)</u>	<u>(62,347)</u>	<u>(24,293)</u>
Net investment income (loss)	<u>-</u>	<u>-</u>	<u>-</u>
Total additions	<u>-</u>	<u>-</u>	<u>-</u>
Deductions			
Benefits			
Administrative expenses			
Accounting services	-	-	-
Audit fees	22,000	15,831	6,169
Continuing education	2,400	1,727	673
Bank fees	600	432	168
Insurance	10,000	7,196	2,804
Retiree benefits	4,925,607	3,915,858	1,009,749
Trustee fees	320	230	90
Other	5,500	3,958	1,542
Total administrative expenses	<u>4,966,427</u>	<u>3,945,232</u>	<u>1,021,195</u>
Change in plan net assets	(4,966,427)	(3,945,232)	(1,021,195)
Net Assets Held in Trust for Other Postemployment Benefits			
Beginning of year	<u>202,796,250</u>	<u>149,411,480</u>	<u>53,384,293</u>
End of year	<u>\$ 197,829,823</u>	<u>\$ 145,466,247</u>	<u>\$ 52,363,098</u>



Client Management Team

Rick Phillips

President & Chief Investment Officer
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Tonya Dazzio

Chief Operating & Compliance Officer
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Greg Balls, CFA

Assistant Chief Investment Officer
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Quarterly Investment Report

Clark County OPEB Trust

March 2022

Sector	Current Market Value	Prior Qtr Market Value	Period Change
U.S. Stocks - RBIF	107,338,511.09	112,035,786.23	(4,697,275.14)
U.S. Bonds -RBIF	56,105,369.65	57,229,034.76	(1,123,665.11)
International Stocks - RBIF	42,412,883.08	44,525,022.60	(2,112,139.52)
Cash Equivalents - RBIF	1,013,471.77	1,742,608.87	(729,137.11)
Clark County Inv Pool (Fixed Income)	144,132.52	147,935.16	(3,802.64)
Total	207,014,368.11	215,680,387.62	(8,666,019.51)

Cost vs Market Value

Market Value	207,014,368.11
Book Value	120,015,629.40
Variance	86,998,738.71

Total Gain/Loss % 72.49%

Since Inception

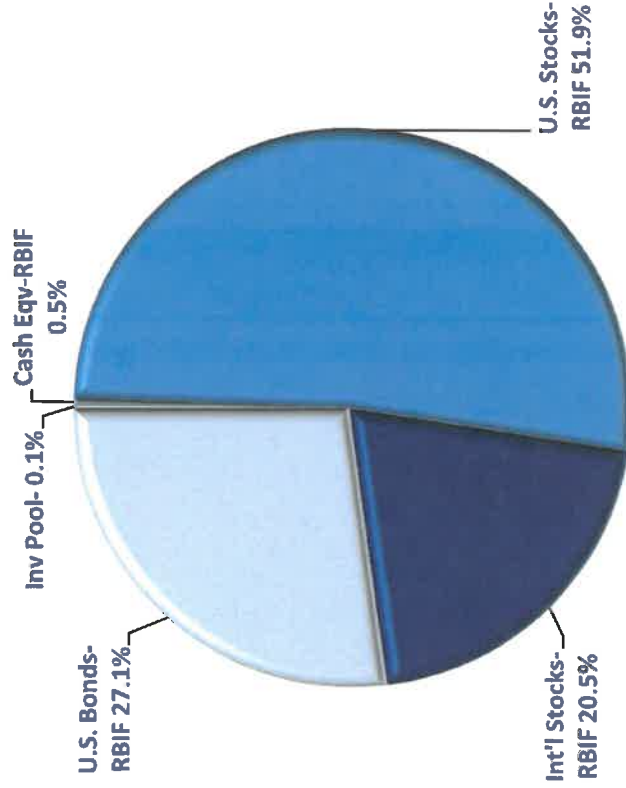
Annualized Gain/Loss% 7.90%

RBIF Allocations	Target	Range
U.S. Equity	49%	46.5%-54.0%
International Equity	21%	19.0%-23.5%
U.S. Bonds	30%	25%*

*Rebalance minimum

Note: First deposit into RBIF was 1/30/15

Total Asset Allocation

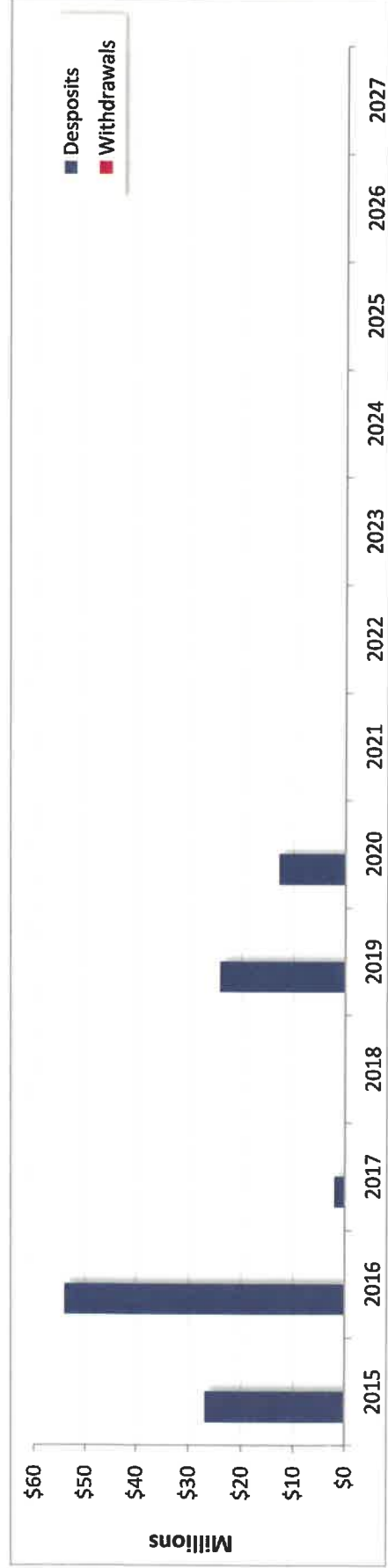


Fiscal Year Contributions/Withdrawals to RBIF in \$Millions

Month	Fiscal Year 2017		Fiscal Year 2018		Fiscal Year 2019		Fiscal Year 2020		Fiscal Year 2021		Fiscal Year 2022	
	Dep	Withdrl	Dep	Withdrl	Dep	Withdrl	Dep	Withdrl	Dep	Withdrl	Dep	Withdrl
July							1.61					
August							1.61					
September					2.41		1.61					
October					2.41		1.61					
November					2.41		1.61					
December					2.41		1.61					
January	2.00				2.41		1.61					
February					2.41		1.61					
March					2.41		1.61					
April					2.41							
May					2.41							
June					2.41							
Total	2.00	0.00	0.00	0.00	24.08	0.00	12.91	0.00	0.00	0.00	0.00	0.00

Fiscal Year Contributions/Withdrawals to RBIF - \$Millions

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
	26.9	54.0	2.0	0.0	24.1	12.9	0.0	0.0						119.9

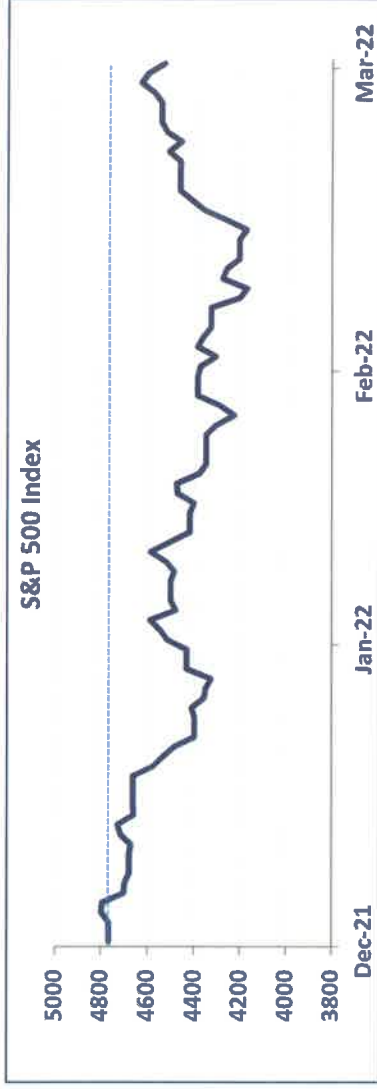


S&P 500 (Domestic Stocks)

Quarterly Return: **(4.60%)**

Key Points

- A More Aggressive Fed
- High Inflation
- Consumer Confidence Sours

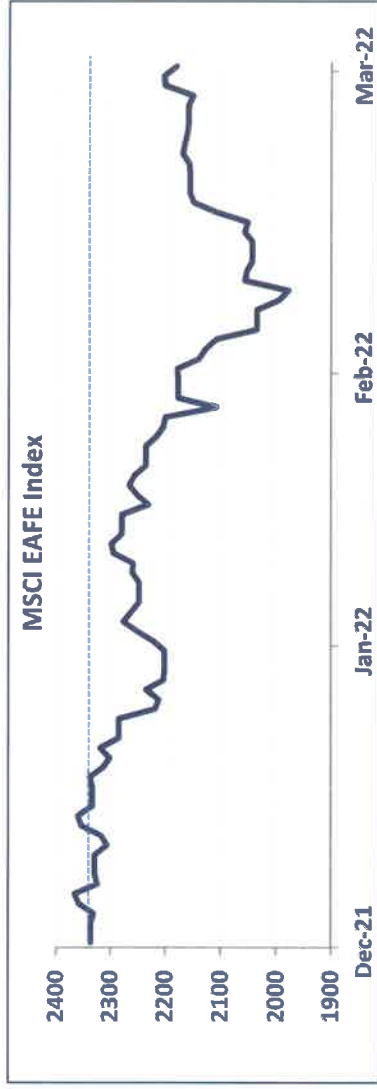


MSCIEAFE (International Stocks)

Quarterly Return: **(5.75%)**

Key Points

- Central Banks Remove Accommodation
- Russian/Ukraine War
- Inflation Concerns

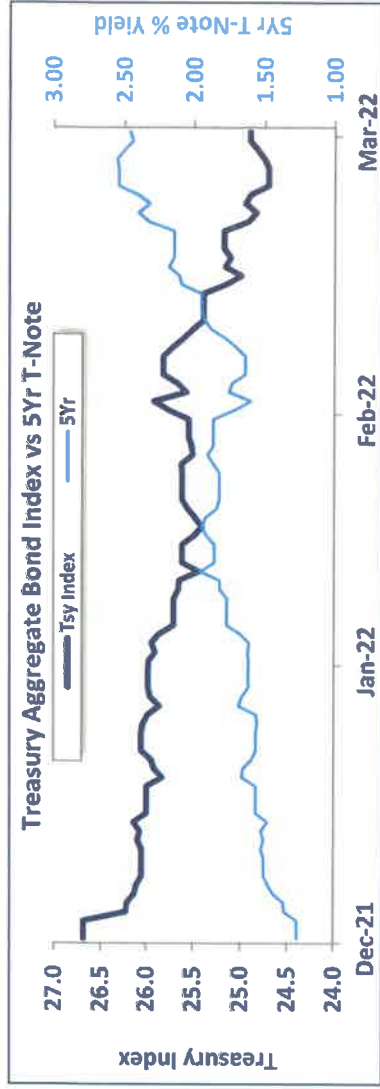


iShares US Treasury Bond Index (Domestic Fixed-Income)

Quarterly Return: **(6.47%)**

Key Points

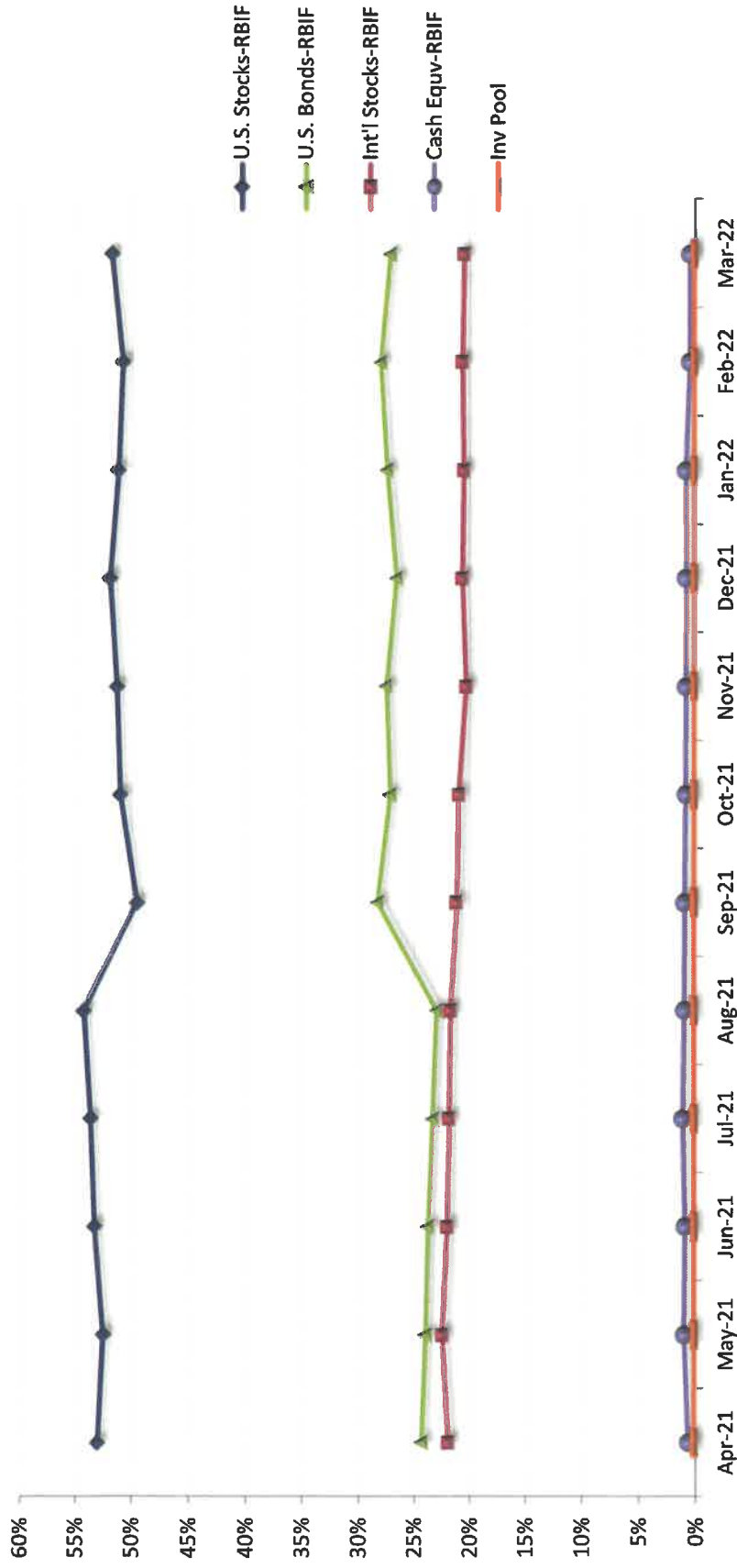
- Fed Raises Rates For First Time in 2 Years
- Higher Inflation Means More Aggressive Fed
- Worries About Persistent Inflation



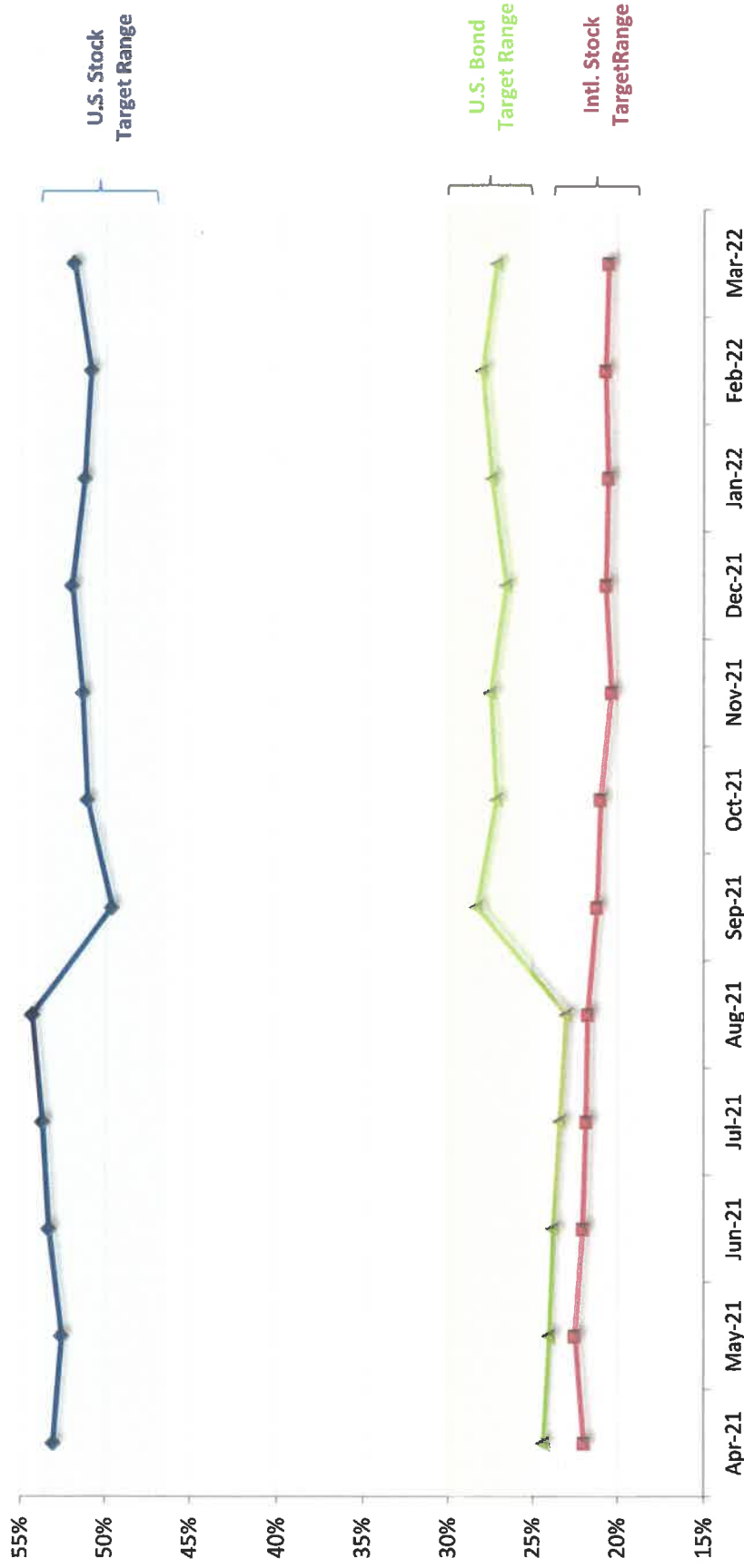
Historical Sector Allocation - All Assets

Clark County OPEB Trust

3/31/2022

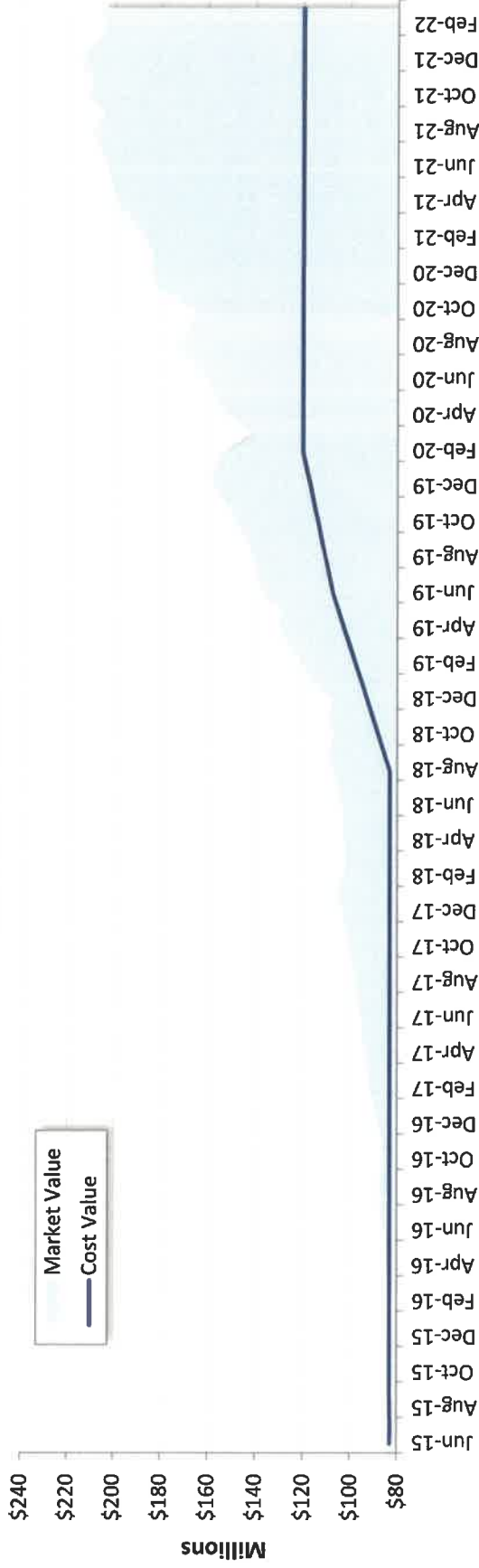


Sector	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
CC Inv Pool	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
U.S. Stocks - RBIF	53.0%	52.5%	53.3%	53.6%	54.3%	49.5%	51.0%	51.3%	51.9%	51.2%	50.8%	51.9%
U.S. Bonds - RBIF	24.3%	24.0%	23.7%	23.3%	23.0%	28.3%	27.1%	27.5%	26.5%	27.4%	28.0%	27.1%
Int'l Stocks - RBIF	21.9%	22.4%	22.0%	21.8%	21.7%	21.2%	20.9%	20.3%	20.6%	20.5%	20.6%	20.5%
Cash Equiv - RBIF	0.6%	1.0%	0.9%	1.1%	1.0%	0.9%	0.9%	0.8%	0.8%	0.8%	0.5%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

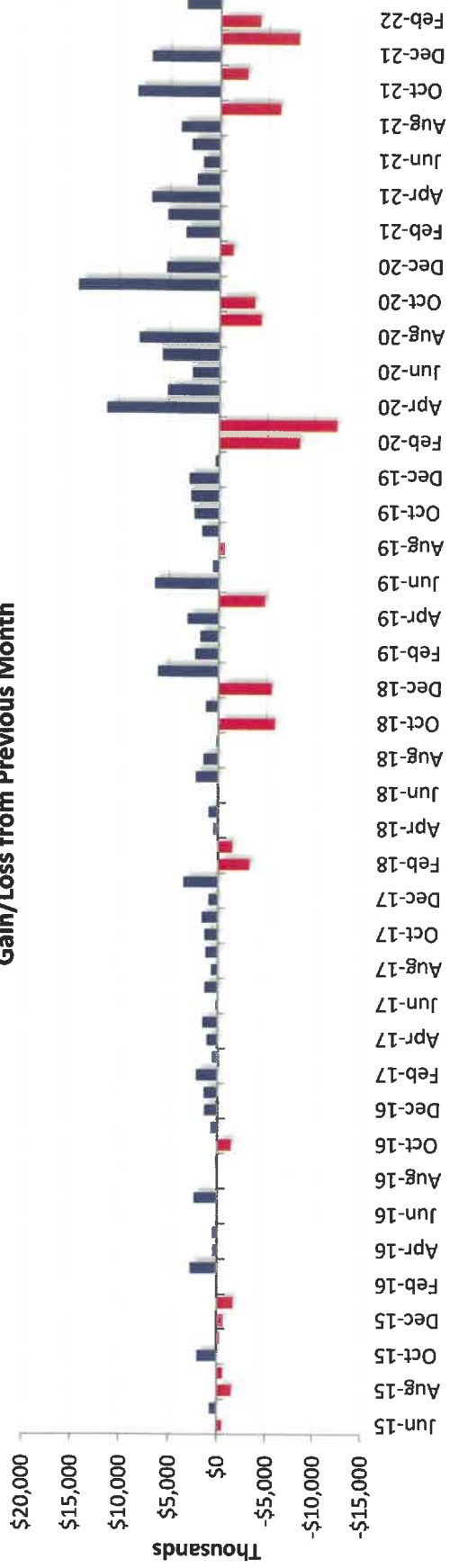


RBIF Sector	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
U.S. Stocks - RBIF	53.1%	52.5%	53.3%	53.7%	54.3%	49.6%	51.1%	51.4%	52.0%	51.2%	50.9%	51.9%
Int'l Stocks - RBIF	22.0%	22.5%	22.0%	21.8%	21.7%	21.2%	21.0%	20.3%	20.7%	20.5%	20.7%	20.5%
U.S. Bonds - RBIF	24.4%	24.0%	23.7%	23.3%	23.0%	28.3%	27.1%	27.5%	26.6%	27.4%	28.0%	27.1%
Cash Equiv - RBIF	0.6%	1.0%	0.9%	1.1%	1.0%	0.9%	0.9%	0.8%	0.8%	0.8%	0.5%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Cost Value vs. Market Value



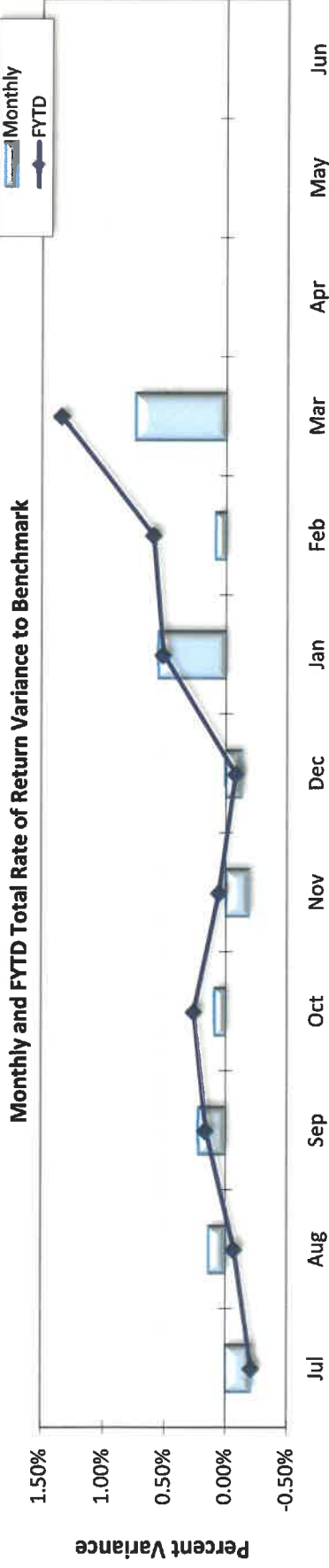
Gain/Loss from Previous Month



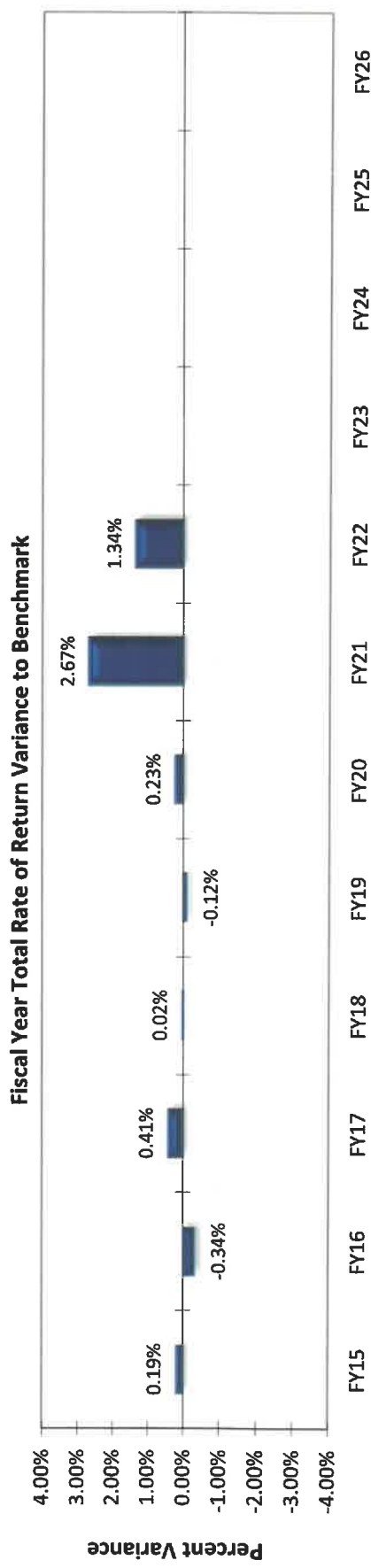
Historical Total Rate of Return Performance - RBIF Investments Only

Clark County OPEB Trust

3/31/2022



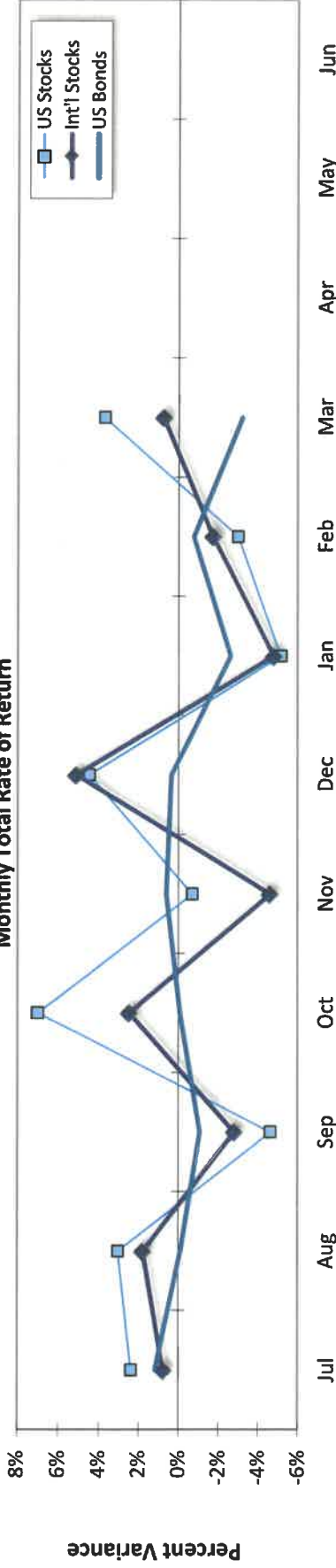
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
RBIF Portfolio	1.465%	1.977%	-2.966%	4.022%	-1.326%	3.245%	-3.779%	-1.968%	1.753%			
RBIF Benchmark	1.677%	1.835%	-3.189%	3.930%	-1.131%	3.378%	-4.334%	-2.059%	1.013%			
Monthly Variance	-0.212%	0.142%	0.223%	0.093%	-0.195%	-0.133%	0.554%	0.090%	0.741%			
FYTD Variance	-0.212%	-0.072%	0.161%	0.261%	0.054%	-0.082%	0.512%	0.594%	1.343%			



FYTD	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
RBIF Portfolio	2.61%	1.59%	12.51%	8.33%	7.82%	6.65%	27.44%	2.12%				
Benchmark	2.42%	1.93%	12.10%	8.31%	7.94%	6.42%	24.77%	0.78%				
Yearly Variance	0.19%	-0.34%	0.41%	0.02%	-0.12%	0.23%	2.67%	1.34%				

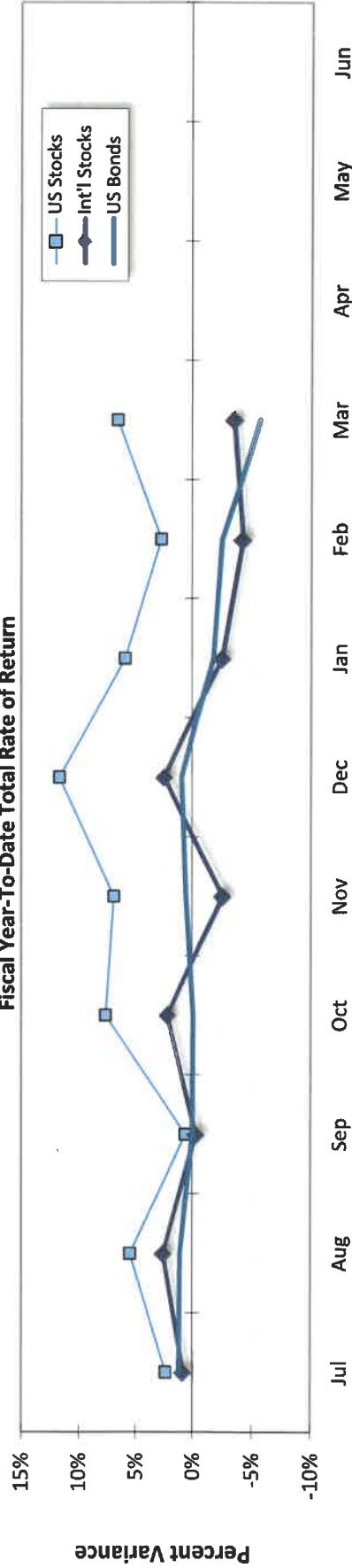
Benchmark: 49% S&P 500, 30% Barclays Aggregate Bond, 21% MSCI EAFE -- RBIF Returns are net of fees
 FY 2015 Started for the month ending February 2015

Monthly Total Rate of Return

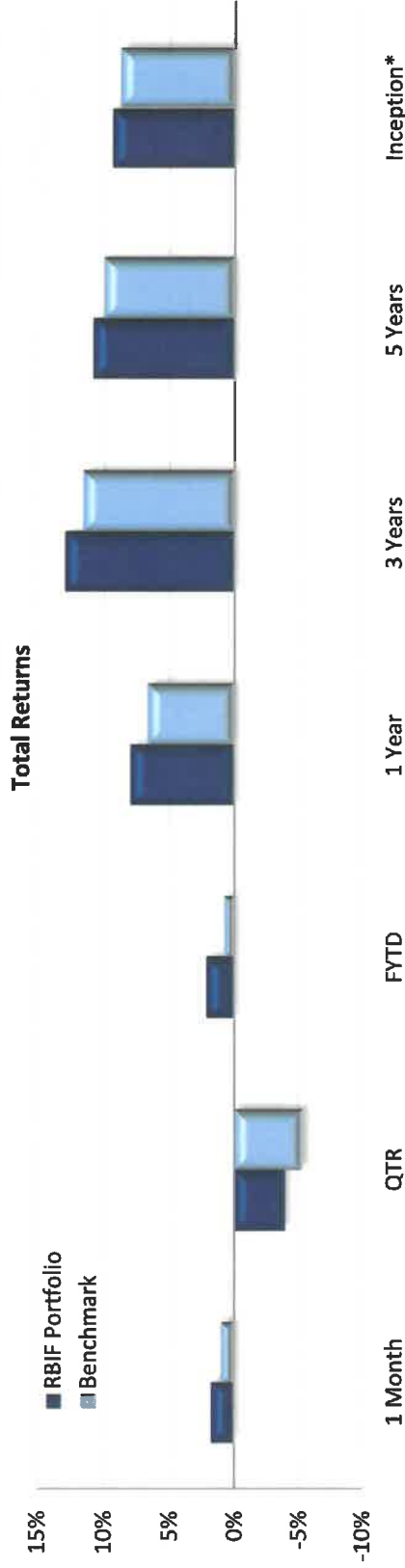


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
U.S. Stocks	2.38%	3.04%	-4.65%	7.01%	-0.70%	4.47%	-5.17%	-3.00%	3.71%			
Int'l Stocks	0.77%	1.79%	-2.80%	2.47%	-4.63%	5.13%	-4.82%	-1.72%	0.76%			
U.S. Bonds	1.17%	-0.10%	-1.07%	-0.07%	0.61%	0.36%	-2.62%	-0.76%	-3.22%			

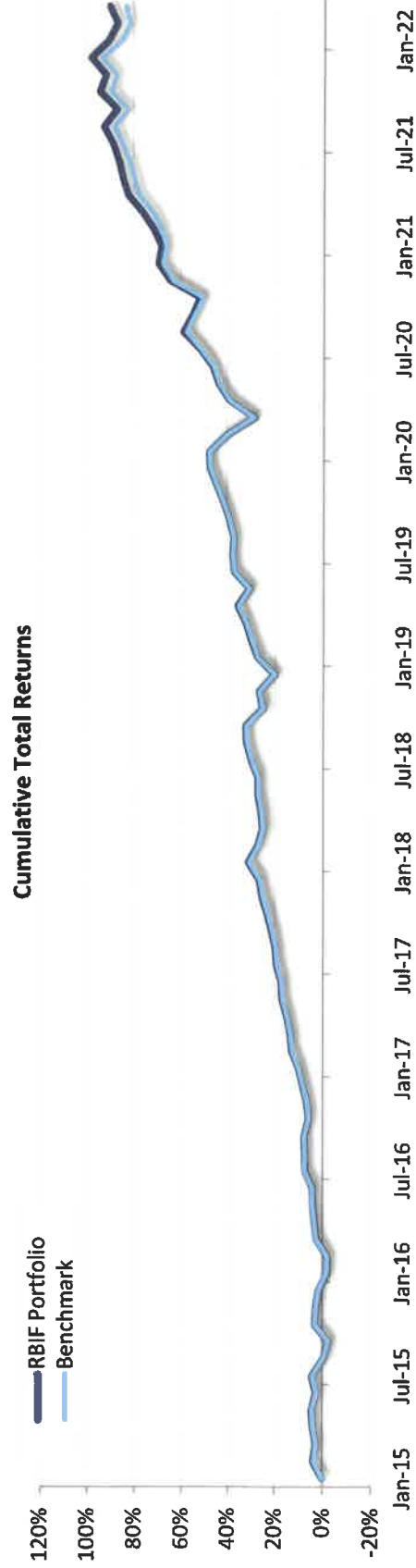
Fiscal Year-To-Date Total Rate of Return



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
U.S. Stocks	2.38%	5.49%	0.58%	7.63%	6.88%	11.66%	5.88%	2.71%	6.52%			
Int'l Stocks	0.77%	2.57%	-0.30%	2.16%	-2.57%	2.43%	-2.51%	-4.19%	-3.46%			
U.S. Bonds	1.17%	1.07%	-0.01%	-0.08%	0.53%	0.89%	-1.75%	-2.50%	-5.64%			

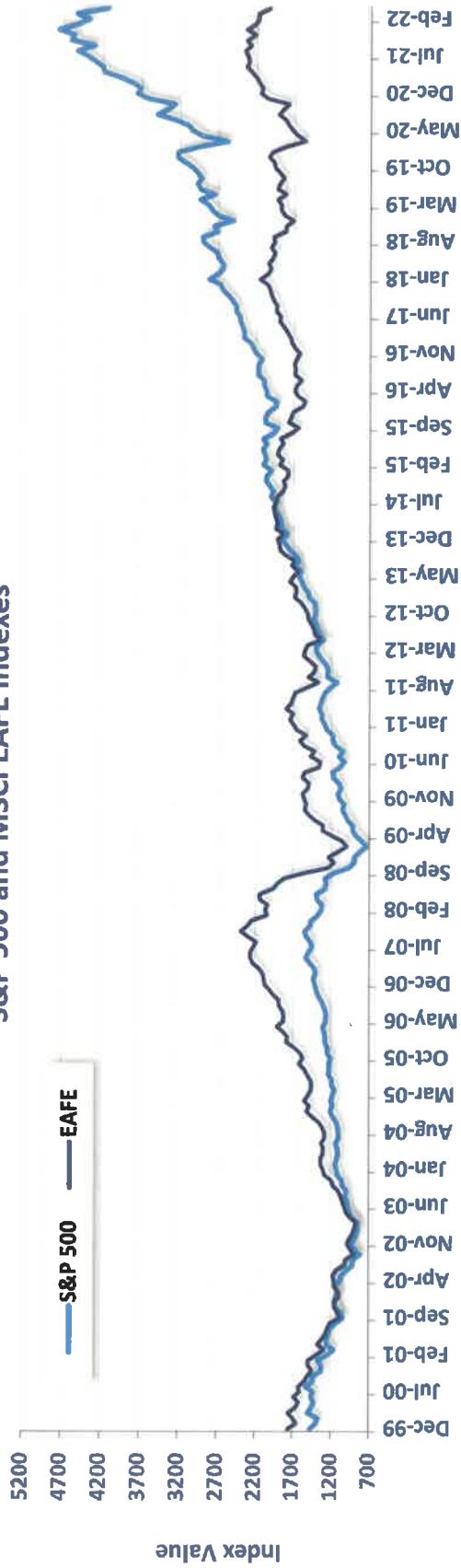


	Latest Month	Latest QTR	FYTD	One Year	Three Years	Five Years	Since Inception*
RBIF Portfolio	1.75%	-4.02%	2.12%	7.96%	12.95%	10.84%	9.38%
Benchmark	1.01%	-5.35%	0.78%	6.68%	11.61%	10.05%	8.80%
Variance	0.74%	1.34%	1.34%	1.29%	1.34%	0.79%	0.57%

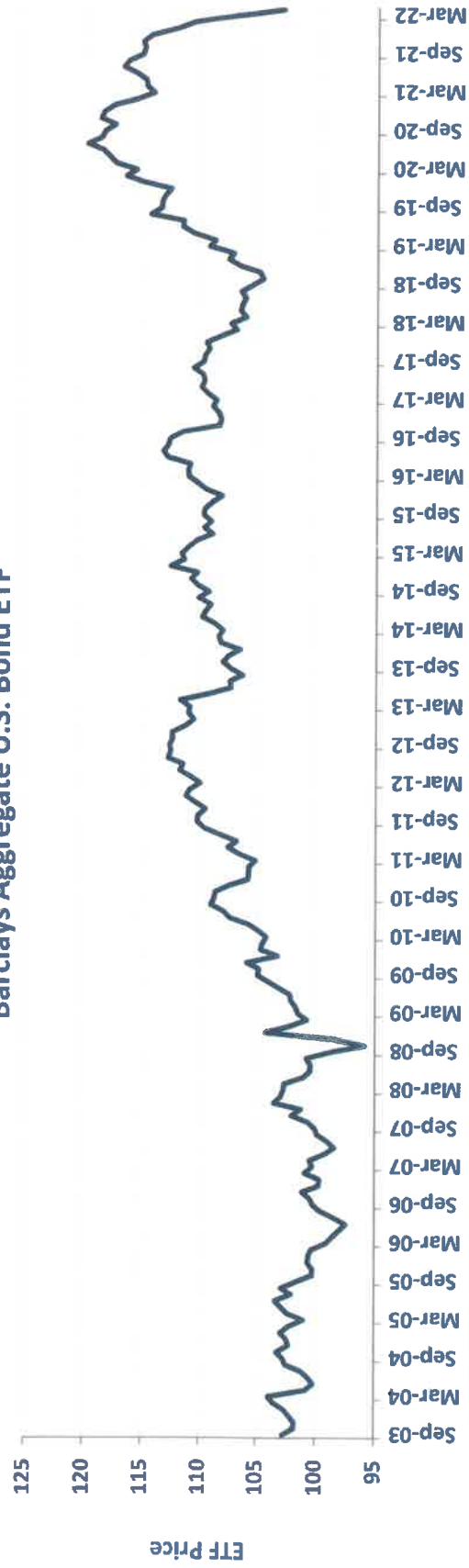


* Inception Date of 1/31/2015

S&P 500 and MSCI EAFE Indexes



Barclays Aggregate U.S. Bond ETF



Data Source: Bloomberg

Glossary and Disclosure

Report Source Data:

RBIF: Bank of New York Mellon

Benchmark: Bloomberg

Clark County Investment Pool: FHN Main Street

RBIF Information:

RBIF investments are overseen by Nevada PERS personnel

Investment object is to generate an 8% long-term return, exceeding CPI by 4.5%

Asset classes will be rebalanced according to range triggers shown on page 2

Rebalancing funding source/destination shall be those asset classes furthest away from their targets

Glossary:

S&P 500: S&P index capturing large-cap U.S. based companies

MSCI EAFE: MSCI index capturing large and mid-cap equities across developed markets in EAFE (Europe, Australasia, and the Far East), excluding the U.S. and Canada

Barclays Aggregate Treasury Index: ETF which seeks to track the investment results of an index composed of U.S. Treasury bonds and notes

Barclays Aggregate Bond: Barclays index which tracks an index of U.S. investment-grade government (including mortgage-backed) and corporate bonds

ETF: Exchange traded fund, is a marketable security that tracks an index, such as the Barclays Aggregate Bond Index

Investment Pool: Short-term, high quality fixed income pool overseen by the Clark County Treasurer

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Clark County OPEB Trust

Quarterly Economic/Market Update

May 19, 2022

Rick Phillips, President
Tonya Dazzo, Chief Operating Officer
Greg Balls, CFA, Assistant Chief Investment Officer



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What Will the Fed "Break" This Time?

Fed's Neel Kashkari confident inflation can come down, but not without some pain

PUBLISHED 8:00 AM MAR 9 2022 BY JEFF CAS
UPDATED 8:00 AM MAR 9 2022 BY JEFF CAS

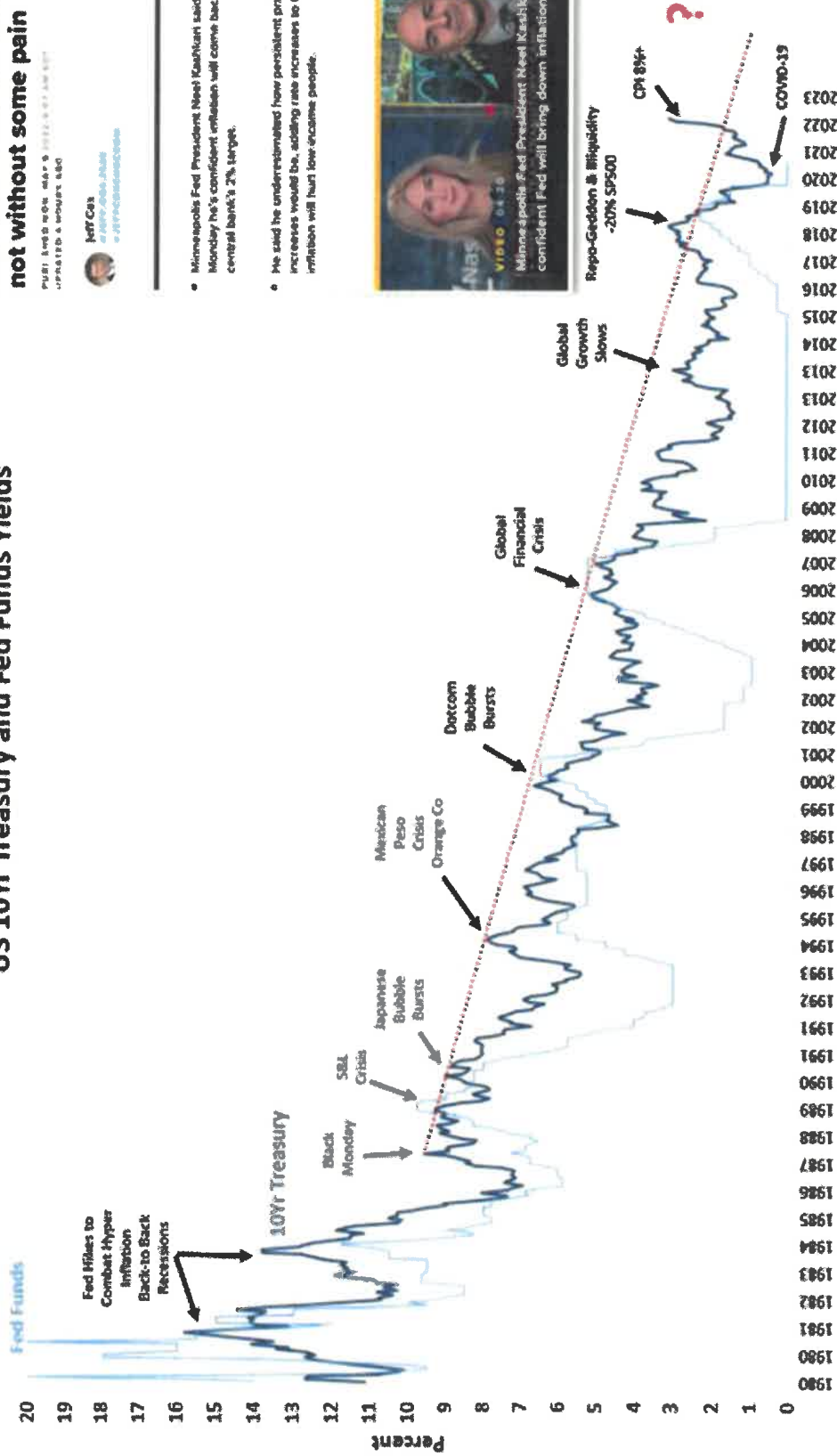


Jeff Cas
@jeffcas
#FHNFINANCIALADVISORS

- Minneapolis Fed President Neel Kashkari said Monday he's confident inflation will come back to the central bank's 2% target.
- He said he underestimated how persistent price increases would be, adding rate increases to tame inflation will hurt low-income people.



US 10Yr Treasury and Fed Funds Yields



Source: Bloomberg

Former NY Fed President: Inflation is Enemy #1...Risk Assets Watch Out!

If Stocks Don't Fall, the Fed Needs to Force Them

Tightening financial conditions will be key to getting inflation under control.



Bill Dudley Says Fed Might Need to Force Stocks to Fall

By **Bill Dudley**

April 6, 2022, 5:00 AM CDT Corrected April 7, 2022, 8:33 AM CDT

FOCUS

BARCLAYS Economics Research
6 May 2022

Global Economics Weekly

Into gloomy territory

Central banks are becoming increasingly hawkish despite signs of plummeting activity in China and Europe, more Russian energy bans, and ongoing supply-side pressures. This heightened determination to respond to inflation amid intensifying growth risks has shifted financial markets' focus to the costs of such a scenario.

Source: Bloomberg, Barclays

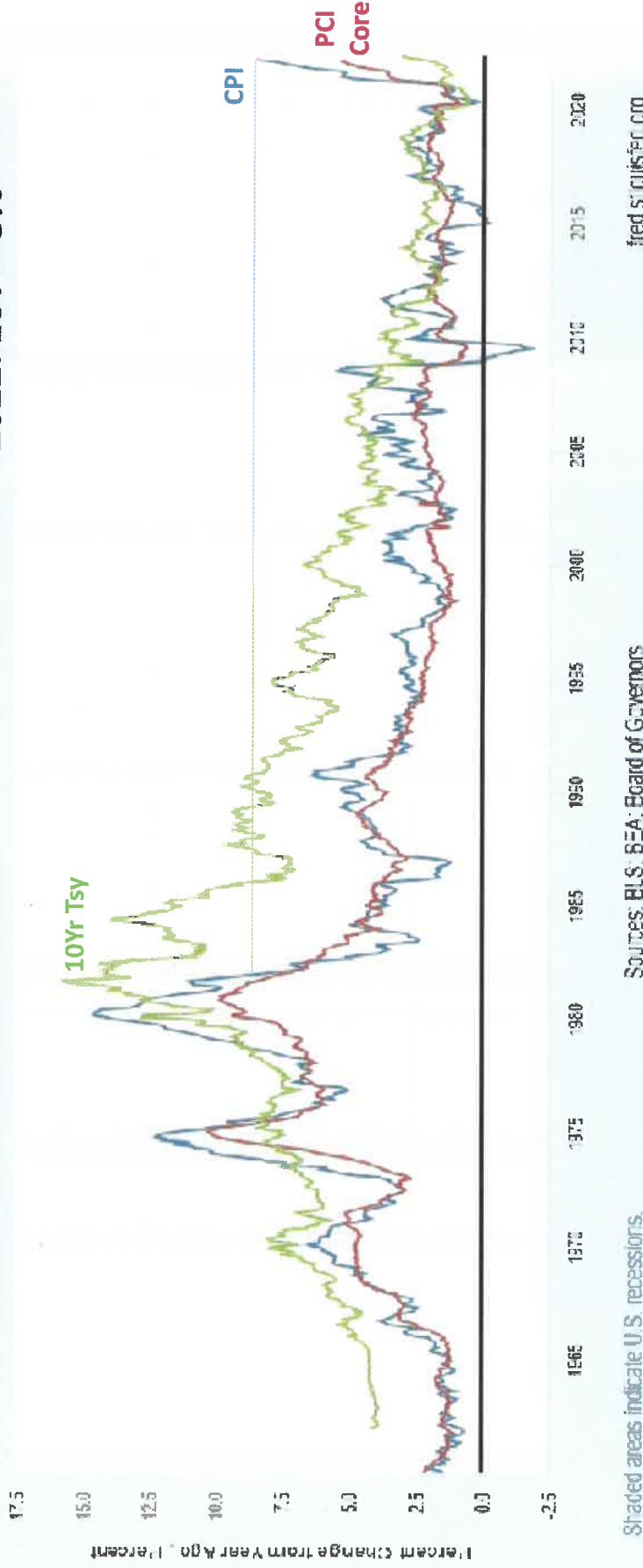


Will It Stay Different This Time?



- Consumer Price Index for All Urban Consumers: All Items in U.S. City Average
- Personal Consumption Expenditures Excluding Food and Energy (Chain-Type Price Index)
- Market Yield on U.S. Treasury Securities at 10-Year Constant Maturity

1982: 10Y = 14%
2022: 10Y = 3%



Main Reasons for Low Rates/Inflation Recently: Debt, Demographics, Technology, Globalization, Unionization

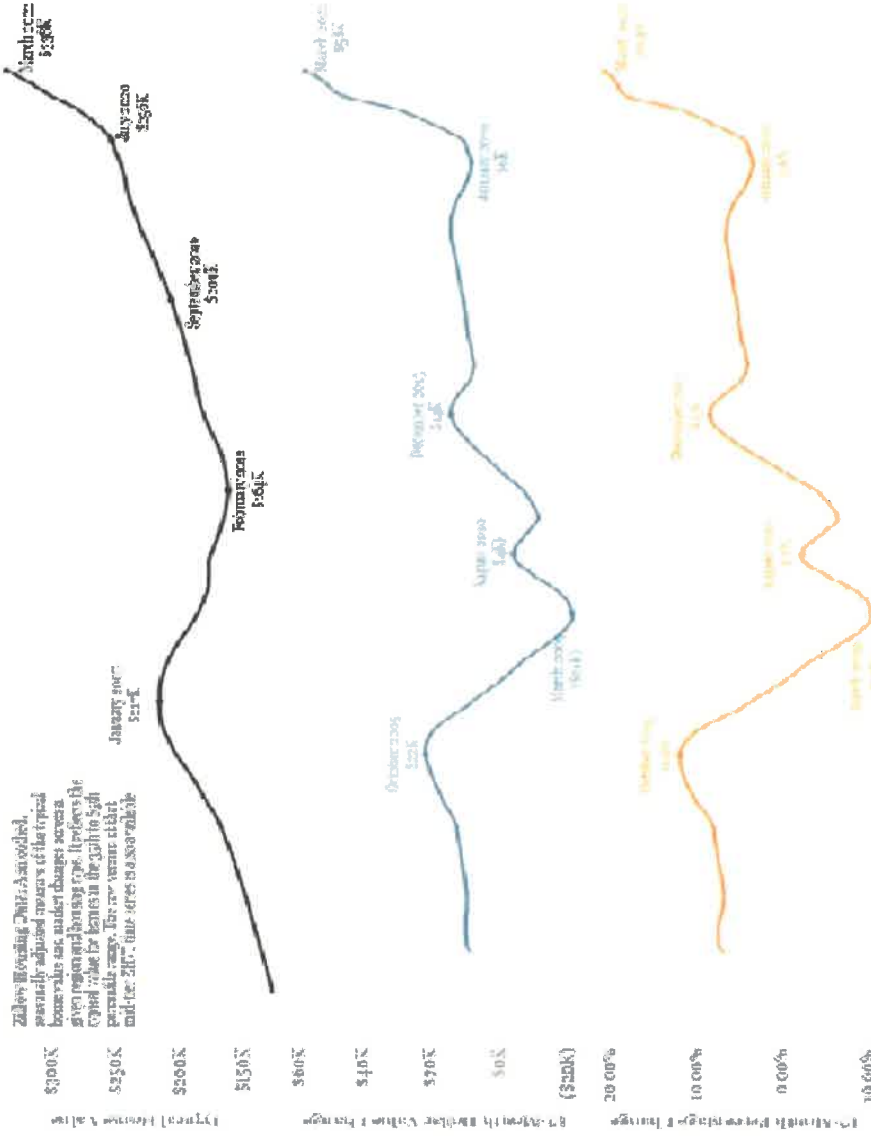
Source: Bloomberg



House Prices Have Skyrocketed...Housing Inflation Typically Lags

Typical Home Values In The United States

Zillow Home Value Index



Source: Zillow

Wall Street Journal - (March 18, 2022) **Homes Earned More for Owners Than Their Jobs Last Year**

"The people who are winning the housing bids, typically, are folks who have higher incomes or have the equity from their previous home that they're able to put forward," said Nicole Buchanan, an economist at Zillow. "That's definitely a big challenge, I think, when we consider first-time buyers, renters, people who don't already own a home and aren't really benefiting from that equity. Collectively, U.S. homeowners with mortgages gained more than \$3.2 trillion in equity in 2021 compared with a year earlier, according to housing-data provider CoreLogic."

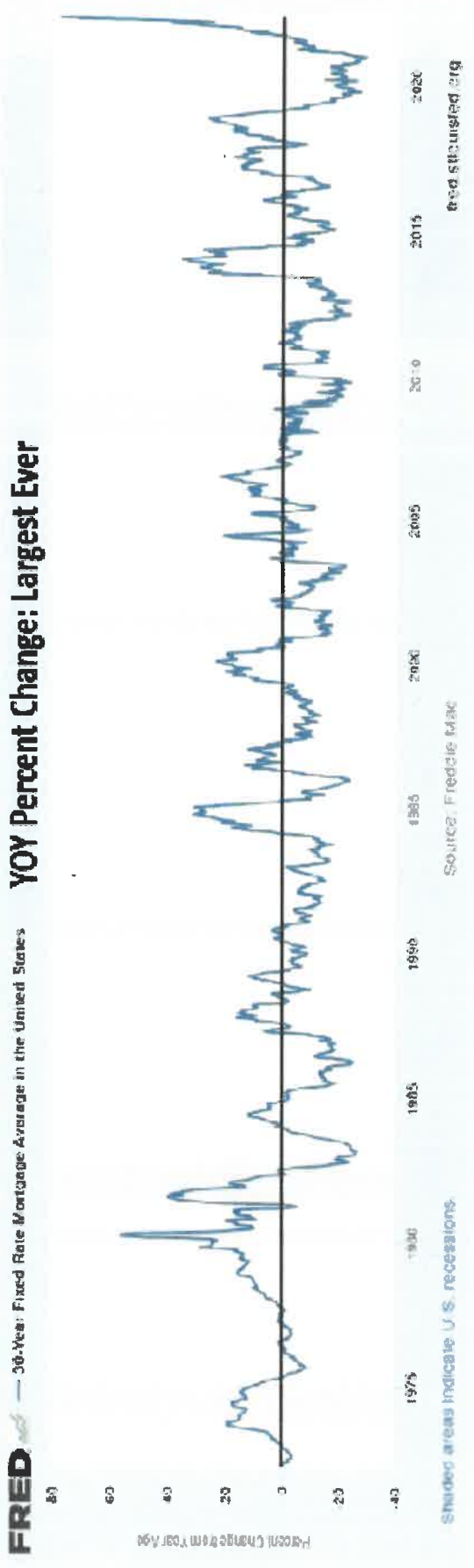
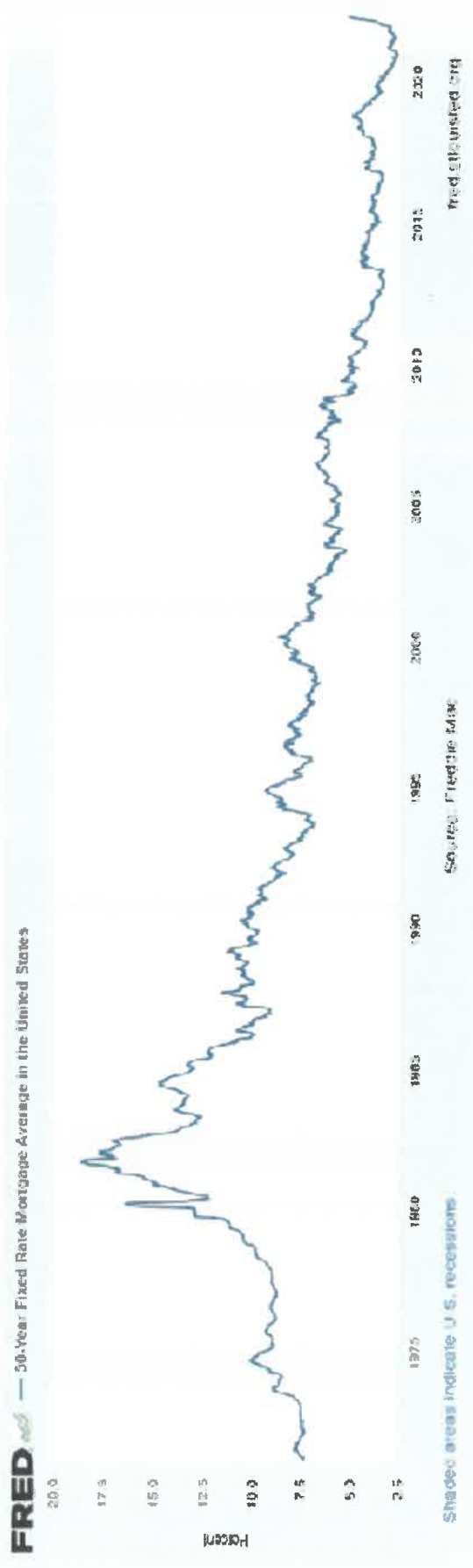
Comment

The top panel of the chart above displays the typical home value according to Zillow. The middle panel shows how much the typical home's value has appreciated each year in dollars. The bottom panel shows year-over-year appreciation on a percentage basis. As the story notes, the Census Bureau calculated the median yearly wage in the U.S. to be \$50,292. With home values appreciating \$56,000 in the twelve months ending February, this is the first time in the history of this data series, which includes the housing bubble, that the yearly increase in home value has eclipsed median yearly salary.

Source: Bloomberg



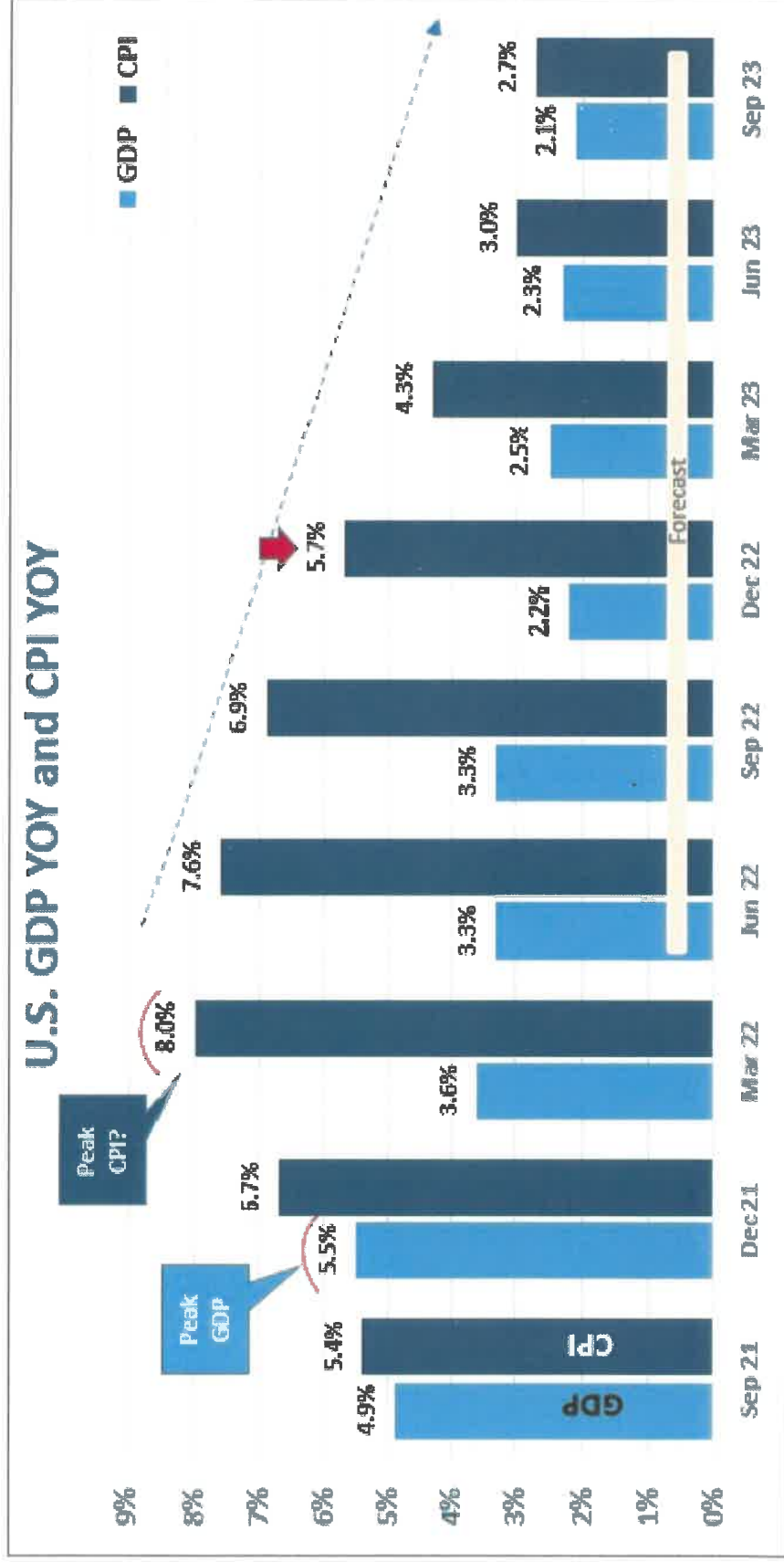
30 Year Mortgage Rate is Still Low...But the Avg Annual P&I Payment is 30% Higher



Source: FRED



Interest Rates & Fed Policy are a Function of Future Expectations of Growth & Inflation

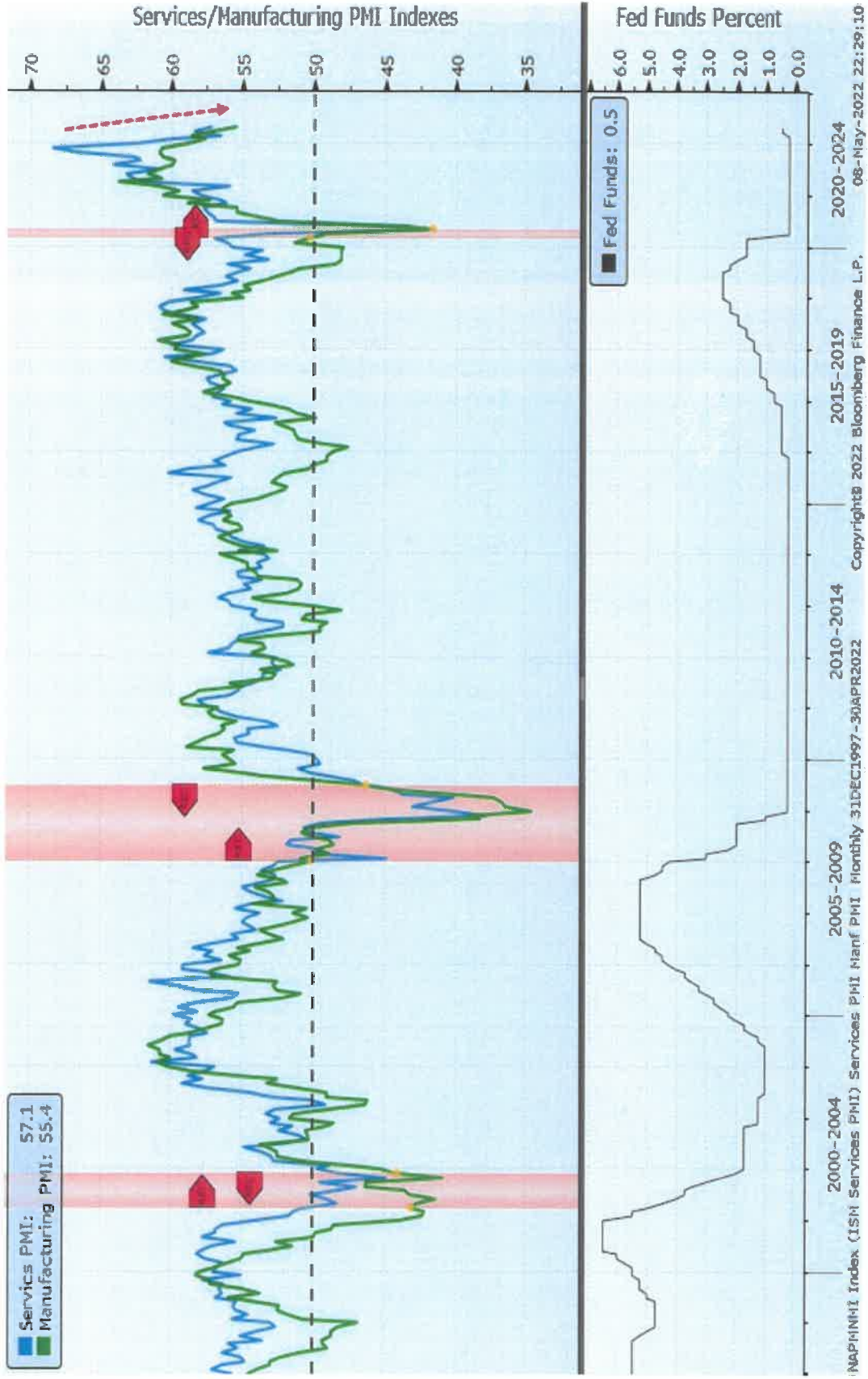


GDP and CPI: Quarterly Average

Source: Bloomberg



Purchasing Managers Indexes ROC (Rate of Change) Declining Materially...Still Above 50

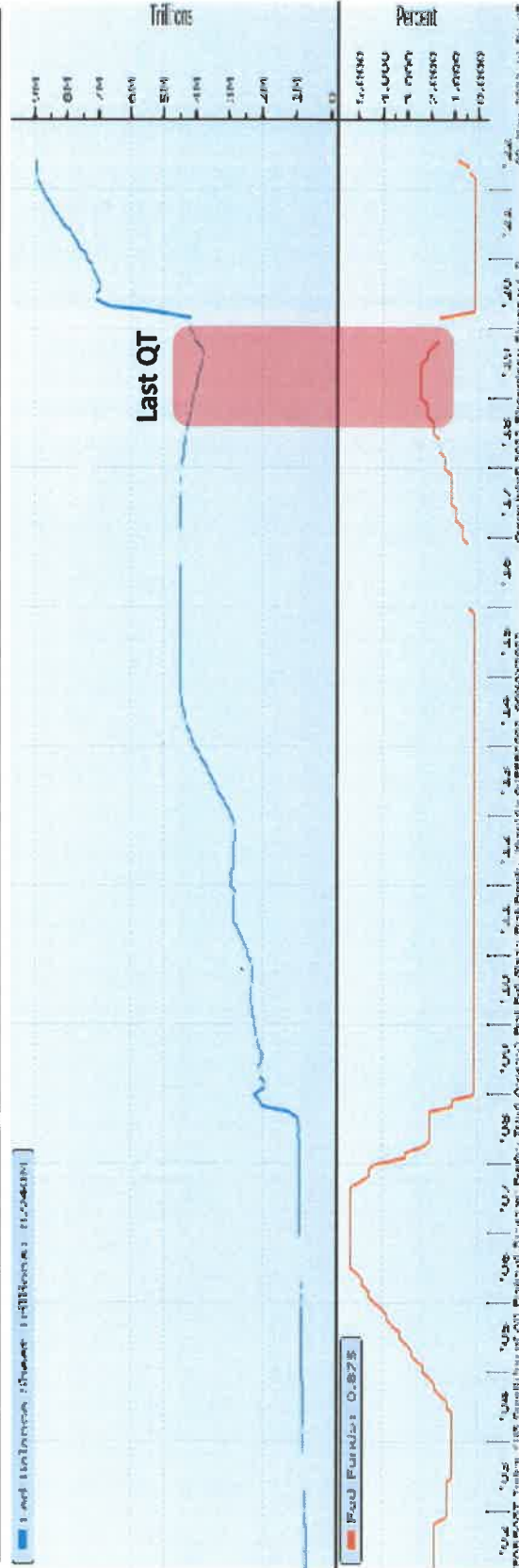
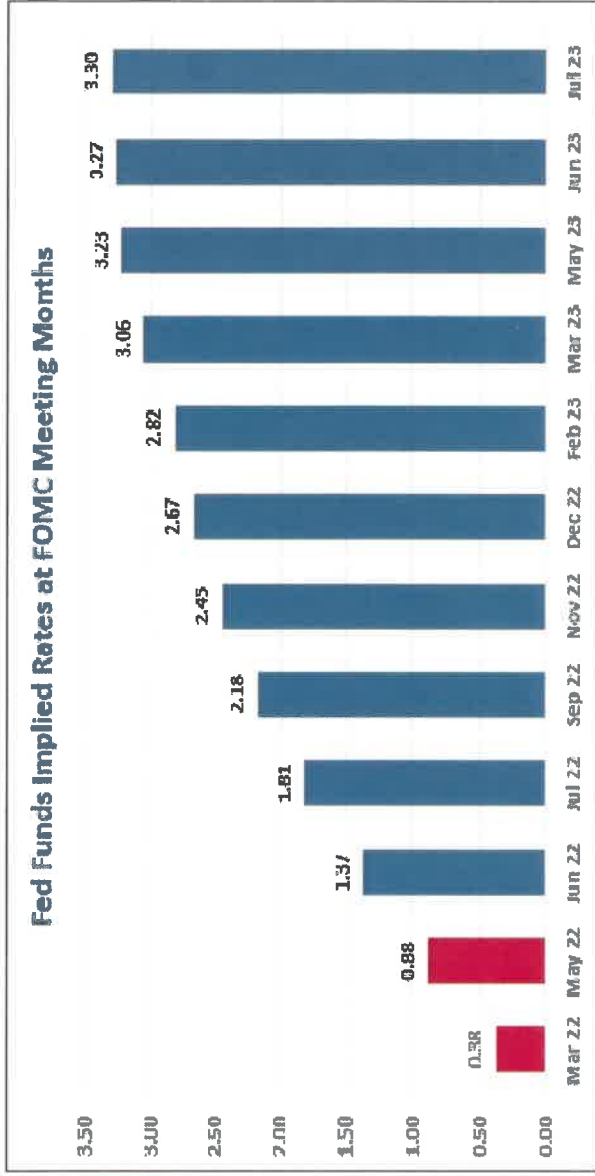


Source: Bloomberg



Fed Is Tightening Financial Conditions Via Hikes & Future Quantitative Tightening

Meeting Dates	Cumulative Future Hikes	Implied Fed Funds Rate
16-Mar-22	Hiked 25	0.38
4-May-22	Hiked 50	0.88
15-Jun-22	2.1	1.37
27-Jul-22	3.9	1.81
21-Sep-22	5.3	2.18
2-Nov-22	6.4	2.45
14-Dec-22	7.3	2.67
1-Feb-23	7.9	2.82
15-Mar-23	8.7	3.06
3-May-23	9.4	3.23
14-Jun-23	9.6	3.27
26 Jul-23	9.7	3.30

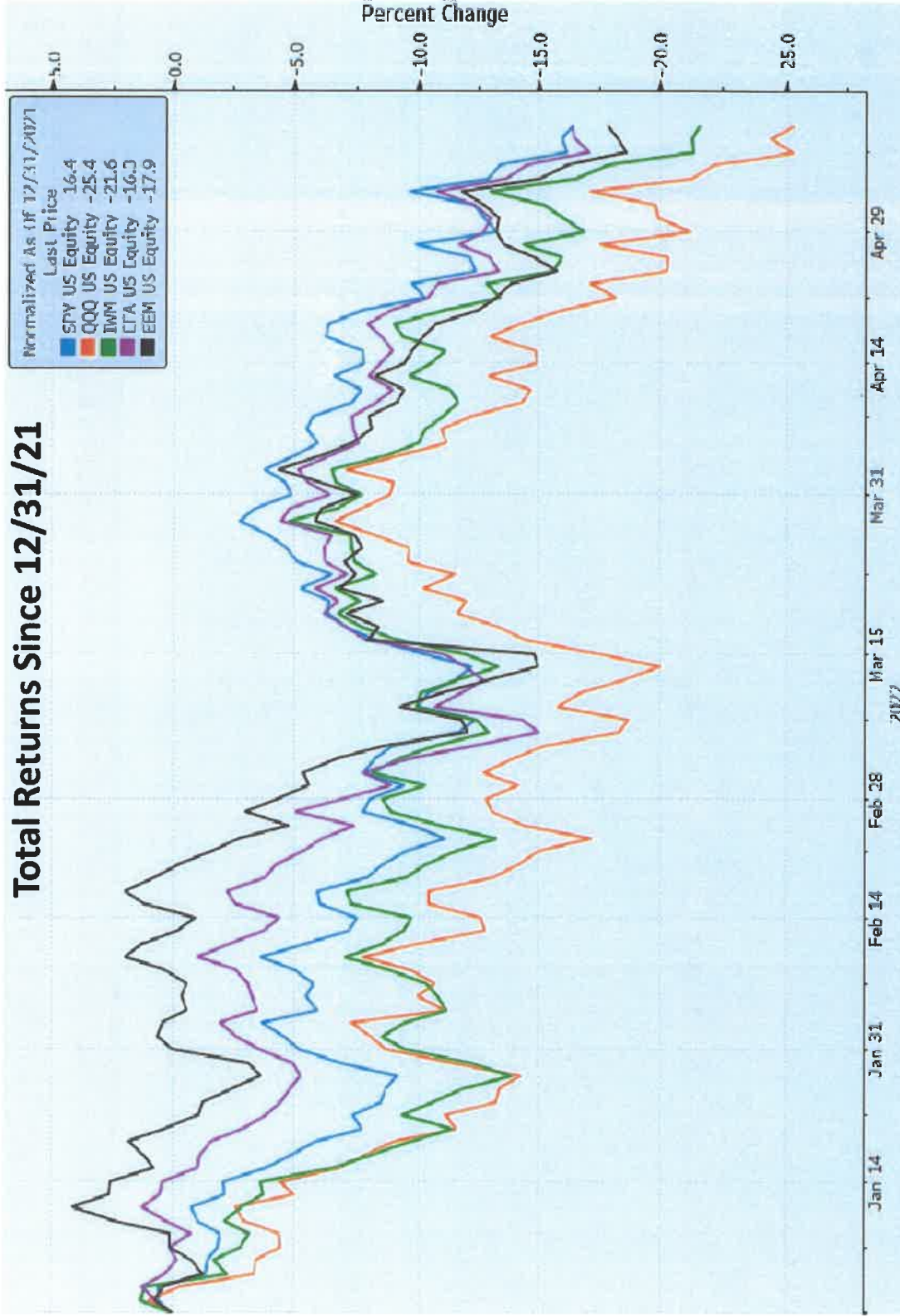


Source: Bloomberg



Stock Indexes Starting to Show Some Stress

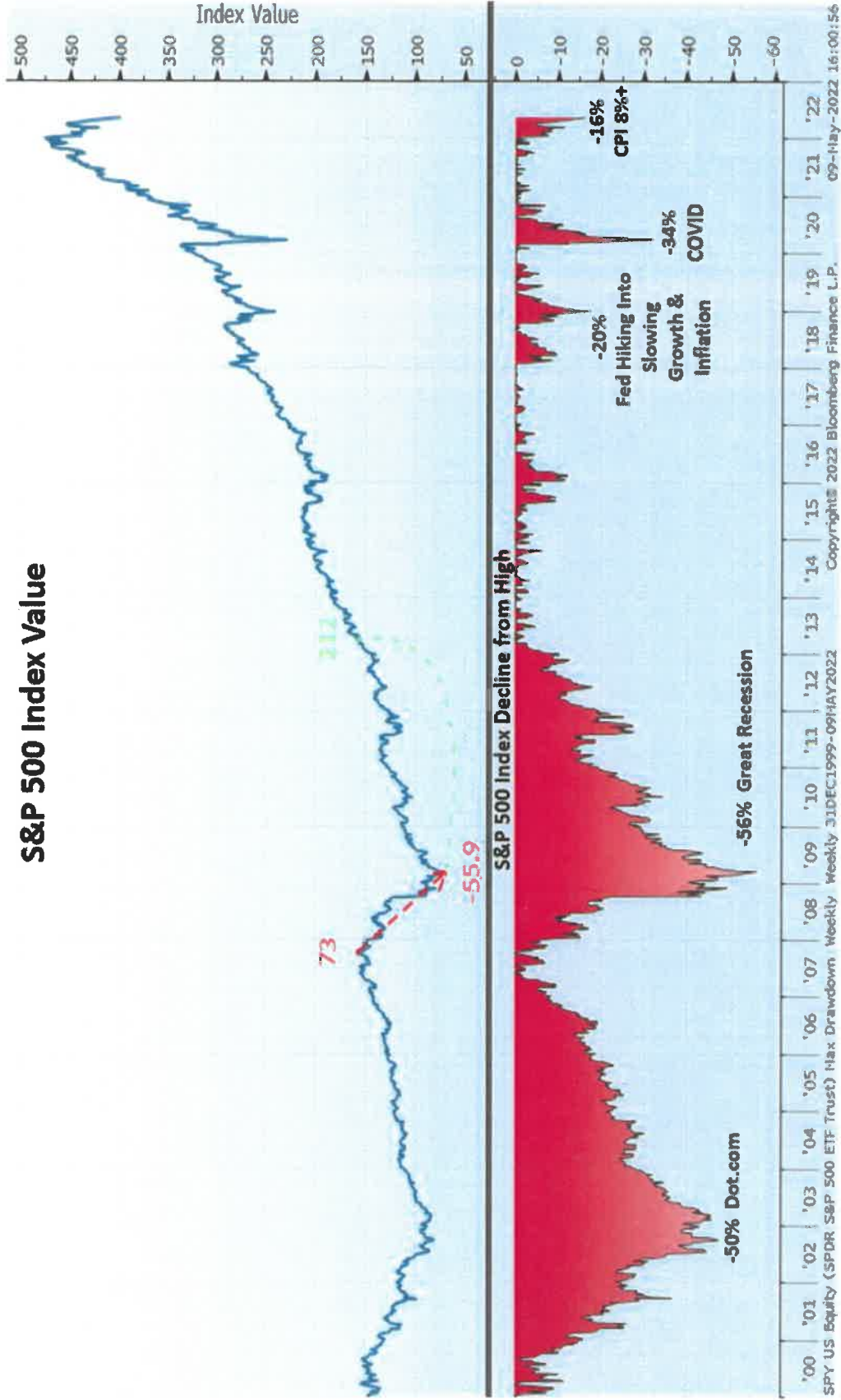
Total Returns Since 12/31/2021



SPY US Equity (SPDR S&P 500 ETF Trust) Stocks Normalized Daily 31DEC2021-L1MAY2022 Copyrights 2022 Bloomberg Finance L.P. 11-May-2022 06:49:47

But the S&P 500 Has Seen A Lot Worse

S&P 500 Index Value



Source: Bloomberg



RBIF Return Information: “Reverting to the Mean”

Retirement Benefits Investment Fund

March 31, 2022

Performance Gross of Fees

Asset Class	Market Value	Target Allocation	Actual Allocation	FYTD Return	One Year	3 Years	5 Years	10 Years	Since Inception (2008)
U.S. Stocks- S&P 500 Index	\$ 409,358,396	50.5%	52.0%	6.5%	15.6%	18.9%	16.0%	14.6%	11.0%
Market Return				6.5%	15.7%	18.9%	16.0%	14.6%	11.0%
Int'l Stocks- MSCI World x US Index	\$ 163,300,941	21.5%	20.7%	-2.4%	3.3%	8.9%	7.5%	6.8%	3.7%
Market Return				-2.5%	3.0%	8.6%	7.2%	6.5%	3.5%
U.S. Bonds- U.S. Bond Index	\$ 213,871,942	28.0%	27.2%	-2.9%	-2.9%	3.3%	2.9%	2.4%	3.2%
Market Return				-3.0%	-3.1%	3.3%	2.9%	2.2%	3.1%
Total RBIF Fund	\$ 787,586,407	100.0%	100.0%	2.2%	8.0%	13.0%	10.9%	9.6%	7.7%
Market Return				2.0%	7.6%	12.6%	10.6%	9.5%	7.6%

Source: NV PERS



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