



# CARMEL AREA WASTEWATER DISTRICT

## Pension & Investment Long Term Investments

### STANDING COMMITTEE MEETING MINUTES

3:00 p.m. Monday, April 20, 2026

Via teleconference and in-person

#### CALL TO ORDER – ROLL CALL

The meeting was called to order at 3:08 p.m.

**Present:** President Siegfried, Pro Tem Urquhart

*\*Signifies Virtual Attendance*

#### Other Attendees:

- Barbara Buikema, General Manager
- Kevin Young, Wastewater System Analyst
- \*Chuck Else, Osborne Partners Capital\*

**Absent:** None

#### 1. Appearances / Public Comments

Anyone wishing to address the Committee on a matter not appearing on the agenda may do so now. Public comment is limited to 3 minutes per person per topic. No action shall be taken on any item not appearing on the agenda.

*There were no public comments.*

#### 2. Agenda Changes

Any requests to move an item on the agenda will be considered at this time.

*There were no agenda changes.*

#### 2. Information / Discussion Items

##### ➤ Review of Portfolio Performance

- The portfolio increased from \$7,173,774 to \$7,269,438 for the period 01-01-26 to 04-15-26.
- Mr. Else described the market as extremely volatile. An “under the surface rotation” started in November and is still ongoing. There is a concentration in large cap tech market, yet the NASDAQ has decreased 10 points and the S & P has decreased 9 points.
- The District portfolio reached 4% on the downside; but captured 75-80% on the upside. The overall portfolio is up 3%.

- Media narrative similar to tech implosion in 2000 due to fear of Artificial Intelligence (AI). Software stock were “shellacked” due to AI fears. Mr. Else’s opinion is that AI is not yet ripe for takeover. It can augment but not replace. Markets are acting like this will happen overnight and it will not. Materials are out-performing technology AI. Rationality is coming back to the market.
- No net change in asset allocation.
- Notable, the recent Iran-related developments did not produce a pronounced spike in the U.S. dollar. Net effect of Iran will be positive on the equity side. During periods of geopolitical risk the rule of thumb is to watch the bond market, it is a better indicator.
- Market valuation shifts have reset against a backdrop of strong 1<sup>st</sup> quarter earnings. S&P 500 fell 22.5x to 17.7x; S&P 500 EW (equal weighted) fell 18.0x to 14.5x; and Russell 2000 fell 25.5x to 18.8x. A wide valuation gap means that small-cap stocks (smaller companies) are trading at much lower prices relative to their earnings or book value compared to large-cap stocks (large companies). This suggests small caps are cheap/undersold and large caps are expensive/crowded, often signaling that investors are favoring safety over growth, or that a market leadership rotation may be coming.
- Currently he sees no stress in bond market. Thinks there will not be a global recession. As long as Congress does nothing its probably good for the markets (per Mr. Else).

**The Committee adjourned the meeting at 3:55 p.m.**

#### **4. Adjournment**

The next regular Board meeting will be held at 9:00 a.m., Thursday, April 30, 2026, or at an alternate acceptable date. The following regular Board meeting will be held at 9:00 a.m., Thursday, May 28, 2026. **Note:** The meeting will have a teleconference option hosted through Zoom. You can access the Zoom link by visiting the District website [CAWD website \(cawd.org\)](http://cawd.org). If you need assistance, please call the District office at 831-624-1248 or email [downstream@cawd.org](mailto:downstream@cawd.org). After staff reports have been distributed, if additional documents are produced by the District and provided to the Board regarding any item on the agenda, they will be made available on the District website.

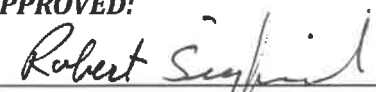
**As Reported To:**




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**Jeff Bandy, Acting General Manager**

**APPROVED:**




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**Robert Siegfried, President of the Board**