

# Domestic Equity Pool

As of 9/30/2020

## Trailing Returns

Equity Pool & Benchmark	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>Domestic Equity Pool TR</b>	<b>5.47</b>	<b>9.18</b>	<b>14.96</b>	<b>11.66</b>	<b>13.70</b>	
Domestic Equity Benchmark	5.49	9.20	14.99	11.65	13.69	13.44
S&P 500 TR USD	5.57	8.93	15.15	12.28	14.15	13.74
Russell 3000 TR USD	5.41	9.21	15.00	11.65	13.69	13.48

Performance for the Domestic Equity Pool prior to 06/30/2019 is pro-forma based on the experience of the previous Equity Pool

## Trailing Returns

Domestic Equity Pool Holding & Benchmark	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>Vanguard Instl Ttl Stk Mkt Idx InstlPIs</b>	<b>5.47</b>	<b>9.18</b>	<b>14.97</b>	<b>11.67</b>	<b>13.71</b>	<b>13.54</b>
CRSP US Total Market TR USD	5.49	9.20	14.99	11.65	13.69	13.44

## Purpose

The purpose of the Domestic Equity Pool is to facilitate the funding of current and future charitable needs of participating charitable funds and organizations. The long term investment objective of the Domestic Equity Pool is to obtain broad US equity market exposure utilizing a passive, cost effective approach that is diversified across market capitalizations and regions. A secondary objective is to provide cash flows to fund distributions and to preserve the purchasing power of the funds to meet charitable needs now and in the future.

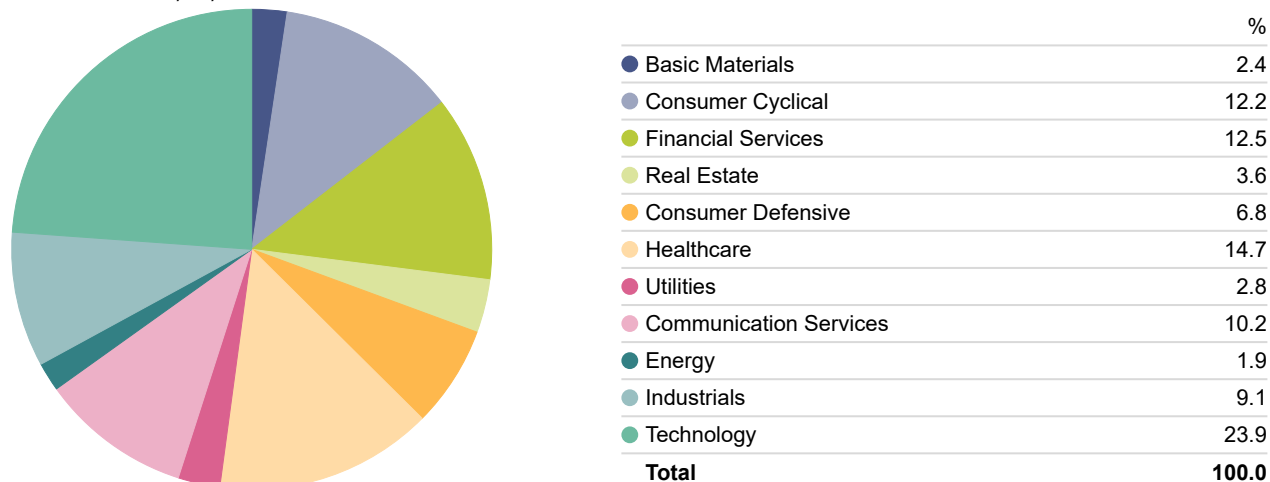
## Domestic Equity Pool - Top Holdings

Portfolio Date: 9/30/2020

Total Market Value: \$392,553,751.88	Market Value (mil)	Portfolio Weighting %
Vanguard Instl Ttl Stk Mkt Idx InstlPIs	\$ 392.6	100%

## Domestic Equity Pool - Equity Sectors (Morningstar)

Portfolio Date: 9/30/2020



Equity Benchmark Current  
CRSP US Total Stock Market 100%

## Top Stock Holdings

1. Apple Inc.
2. Microsoft Corp
3. Amazon.com Inc.
4. Facebook Inc A
5. Alphabet Inc.A
6. Alphabet Inc C
7. Berkshire Hathaway Inc B
8. Johnson & Johnson
9. Procter & Gamble Co
10. Visa Inc A

Trailing Twelve Month Dividend Yield: 1.94%

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transaction costs.

Estimated Pool Investment Management Fee: .03%

# International Equity Pool

As of 9/30/2020

## Trailing Returns

Equity Pool & Benchmark	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>International Equity Pool TR</b>	<b>-4.90</b>	<b>6.29</b>	<b>3.56</b>	<b>1.24</b>	<b>6.30</b>	
International Equity Benchmark	-5.41	6.53	3.26	1.17	6.32	
FTSE Global All Cap ex US TR USD	-4.87	6.78	3.98	1.61	6.72	4.62

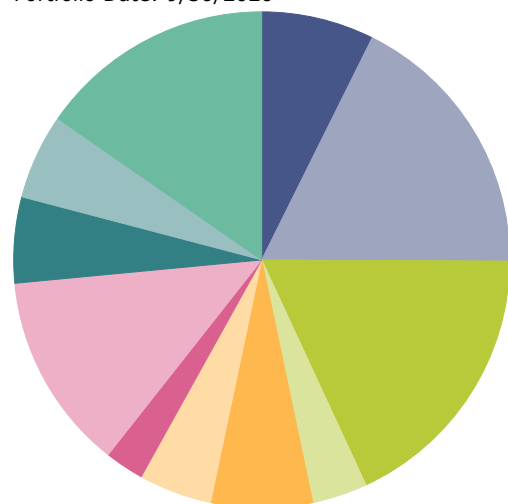
Performance for the International Equity Pool prior to 06/30/2019 is pro-forma based on the experience of the previous Equity Pool

## Trailing Returns

International Equity Pool Holding & Benchmark	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>Vanguard Developed Markets Index Instl</b>	<b>-5.75</b>	<b>5.59</b>	<b>2.12</b>	<b>0.93</b>	<b>5.80</b>	<b>4.98</b>
FTSE Developed ex US All Cap NR USD	-6.21	5.92	1.86	0.71	5.63	
<b>Vanguard Emerging Mkts Stock Idx Instl</b>	<b>-1.38</b>	<b>9.05</b>	<b>9.80</b>	<b>2.54</b>	<b>8.24</b>	<b>2.30</b>
FTSE Emerging NR USD	-2.09	9.18	9.42	2.92	8.83	2.49

## International Equity Pool - Equity Sectors (Morningstar)

Portfolio Date: 9/30/2020



International Equity Benchmark	Current
FTSE Developed ex US All Cap	82%
FTSE Emerging Markets	18%

Source: Morningstar Direct

## Purpose

The purpose of the International Equity Pool is to facilitate the funding of current and future charitable needs of participating charitable funds and organizations. The long term investment objective of the International Equity Pool is to obtain broad international equity market exposure utilizing a passive, cost effective approach that is diversified across market capitalizations and regions. A secondary objective is to provide cash flows to fund distributions and to preserve the purchasing power of the funds to meet charitable needs now and in the future.

## International Equity Pool - Top Holdings

Portfolio Date: 9/30/2020

Total Market Value: \$149,221,333.38	Market Value (mil)	Portfolio Weighting %
Vanguard Developed Markets Index Ins Pls	\$ 124.7	82%
Vanguard Emerging Mkts Stock Idx Instl	\$ 27.5	18%

## Top Stock Holdings

1. Nestle SA
2. Alibaba Group Holdings Ltd ADR
3. Tencent Holdings Ltd
4. Roche Holdings AG Dividend Right Cert.
5. Samsung Electronics Co Ltd
6. Novartis AG
7. SAP SE
8. Toyota Motor Corp
9. Taiwan Semiconductor Manufacturing Co Ltd
10. ASML Holdings NV

Trailing Twelve Month Dividend Yield: 2.45%

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transaction costs.

Estimated Pool Investment Management Fee: .06%

# Intermediate-Term Fixed Income Pool

As of 9/30/2020

## Trailing Returns

Int-Term Fixed Income Pool & Blended Benchmark	Year to Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>Intermediate-Term Fixed Income Pool TR</b>	<b>7.16</b>	<b>1.02</b>	<b>7.43</b>	<b>5.43</b>	<b>4.39</b>	
Intermediate-Term Fixed Income Benchmark	7.12	1.08	7.57	5.49	4.51	4.15

## Purpose

The purpose of the Intermediate-Term Fixed Income Pool is to provide capital preservation and current income to help meet spending requirements of donor portfolios. The Pool will utilize a passive, cost effective approach with a secondary objective to provide broad exposure to U.S. income markets. The Pool is diversified across U.S. Treasuries notes and bonds, corporate bonds, bank loans, mortgaged-backed securities and U.S. Treasury Inflation-Protected Securities. The average effective duration and interest rate risk of the Pool will be commensurate with broad fixed income benchmarks such as the Barclays U.S. Aggregate Bond Index.

## Trailing Returns

Int-Term Fix. Income Pool Holdings & Benchmarks	Year to Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>Vanguard Interm-Term Bond Index I</b>	<b>9.02</b>	<b>1.02</b>	<b>8.92</b>	<b>6.28</b>	<b>4.89</b>	<b>4.44</b>
BBgBarc US 5-10Y GovCredit FIAdj TR USD	8.91	1.06	9.05	6.30	4.96	4.49
<b>Vanguard Mortgage-Backed Secs Idx Instl</b>	<b>3.46</b>	<b>0.08</b>	<b>4.18</b>	<b>3.50</b>	<b>2.83</b>	
BBgBarc US MBS TR USD	3.62	0.11	4.36	3.68	2.98	3.01
<b>Vanguard Shrt-Term Infl-Prot Sec Idx Ins</b>	<b>3.65</b>	<b>1.71</b>	<b>4.73</b>	<b>3.06</b>	<b>2.43</b>	
BBgBarc US TIPS 0-5 Year TR USD	3.71	1.75	4.89	3.10	2.48	1.75
<b>Xtrackers USD High Yield Corp Bd ETF</b>	<b>-0.91</b>	<b>4.24</b>	<b>1.53</b>	<b>3.50</b>		
Solactive USD HY Corp Total Mkt TR USD	-0.68	4.41	1.93	3.75	6.29	

## Intermediate-Term Fixed Income Pool Holdings

Portfolio Date: 9/30/2020

	Market Value (mil)	Portfolio Weight %
Total Market Value	\$148,196,005.60	
Vanguard Interm-Term Bond Index I	\$ 103.7	70%
Vanguard Mortgage-Backed Secs Idx Instl	\$ 29.6	20%
Xtrackers USD High Yield Corp Bd ETF	\$ 7.4	5%
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	\$ 7.4	5%

## Int.-Term Fixed Income Benchmark Weights

	Percent	Inception Date: January 1, 2014
Barclays US 5-10Y Gov/Credit FIAdj TR USD	70%	Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transactions costs.
Barclays US MBS Float Adjusted TR USD	20%	
Solactive USD HY Corp Total Mkt TR USD	5%	Estimated Pool Investment Management Fee: 0.07%
Barclays U.S. Treasury TIPS 0-5Y TR USD	5%	

## Fixed Income Pool Statistics

Average Yield to Maturity	1.31%
Average Effective Duration	5.53 years
Trailing Twelve Month Yield	2.37%

# Short-Term Fixed Income Pool

As of 9/30/2020

## Trailing Returns

Short-Term Fix. Inc. Pool & Blended Benchmark	Year To Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>Short-Term Fixed Income Pool TR</b>	<b>3.89</b>	<b>0.46</b>	<b>4.47</b>	<b>3.38</b>	<b>2.62</b>	
Short-Term Fixed Income Benchmark	3.96	0.55	4.64	3.49	2.74	2.36

## Trailing Returns

Short-Term Fix. Inc. Pool Holdings & Benchmarks	Year to Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
<b>Vanguard Short-Term Bond Idx I</b>	<b>4.41</b>	<b>0.33</b>	<b>4.80</b>	<b>3.43</b>	<b>2.53</b>	
BBgBarc US 1-5Y GovCredit FIAdj TR USD	4.36	0.37	4.88	3.47	2.59	2.09
<b>Vanguard Mortgage-Backed Secs Idx Instl</b>	<b>3.46</b>	<b>0.08</b>	<b>4.18</b>	<b>3.50</b>	<b>2.83</b>	
BBgBarc US MBS Float Adjusted TR USD	3.60	0.14	4.32	3.61	2.93	2.97
<b>Vanguard Shrt-Term Infl-Prot Sec Idx Ins</b>	<b>3.65</b>	<b>1.71</b>	<b>4.73</b>	<b>3.06</b>	<b>2.43</b>	
BBgBarc US TIPS 0-5 Year TR USD	3.71	1.75	4.89	3.10	2.48	1.75
<b>Invesco Senior Loan ETF</b>	<b>-1.68</b>	<b>2.94</b>	<b>0.14</b>	<b>2.32</b>	<b>3.12</b>	
S&P/LSTA U.S. Leveraged Loan 100 TR USD	-0.53	3.54	1.71	3.36	4.14	4.07

## Short-Term Fixed Income Benchmark Weights

	Percent
Barclays US 1-5Y GovCredit FIAdj TR USD	70%
Barclays US MBS Float Adjusted TR US	20%
Barclays U.S. Treasury TIPS 0-5Y TR USD	5%
S&P/LSTA U.S. Leveraged Loan 100 TR USD	5%

## Inception Date: January 1, 2014

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transactions costs.

Estimated Pool Investment Management Fee: 0.09%

## Purpose

The purpose of the Short-Term Fixed Income Pool is to provide capital preservation and current income to help meet spending requirements of donor portfolios. The Pool will utilize a passive, cost effective approach with a secondary objective to provide broad exposure to U.S. income markets. The Pool is diversified across U.S. Treasury notes and bonds, corporate bonds, bank loans, mortgaged-backed securities and U.S. Treasury Inflation-Protected Securities. The Pool will have a lower average effective duration than broad fixed income market benchmarks such as the Barclays U.S. Aggregate Bond Index, hence limiting overall interest rate risk.

## Short-Term Fixed Income Pool Holdings

Portfolio Date: 9/30/2020

Total Market Value: \$238,979,762.61	Market Value (mil)	Portfolio Weight %
Vanguard Short-Term Bond Idx I	\$ 167.3	70%
Vanguard Mortgage-Backed Secs Idx Instl	\$ 47.8	20%
Invesco Senior Loan ETF	\$ 12.0	5%
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	\$ 12.0	5%

## Fixed Income Pool Statistics

Average Yield to Maturity	0.75%
Average Effective Duration	2.74 years
Trailing Twelve Month Yield	2.02%

---

# Money Market Pool

As of 09/30/2020

---

## Purpose

The purpose of the Money Market Pool is to provide liquidity for participating charitable funds and organizations in funding grant making and payment of fees and administrative costs while providing desired principal stability. The long term investment objective of the Money Market Pool is to seek a competitive market return to preserve and grow the portfolio, provide cash flows to meet charitable needs now and those in the future. As such, the Money Market Pool is highly liquid, which enables donors to access funds for grants in a timely manner. The Money Market Pool invests in bank deposits and obligations of the United States government and its agencies.

---

### Money Market Trailing Returns

Time Period	Money Market Pool	90 Day Treasury Bills
Year to Date	0.24%	0.36%
3 Months	0.00%	0.01%
1 Year	0.65%	0.77%
3 Years	1.22%	1.62%
5 Years	0.79%	1.17%
10 Years	0.41%	0.61%

*Performance periods greater than 12 months are annualized.  
Performance is net of investment management fees but not the  
Foundation's administrative fees.*

**Current Month Return Annualized: 0.00%**

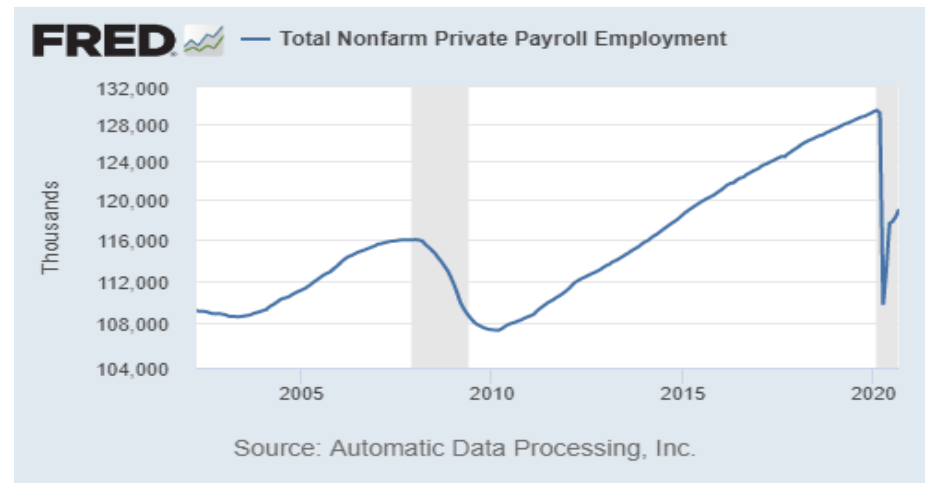
# Investment Commentary—September 2020

The release of this Investment Report was held until after the Investment Committee met on October 28th to see if there would be any changes to the Investment Pools or Mixes. However, no changes were made.

Many times it is helpful to list the things that keep investors awake at night. Investors often say that a bull market has to “climb a wall of worry.” All of the factors in our wall of worry have been around for some time, but so far investors have been ascending the wall successfully. However, success to date does not mean the concerns have gone away.

The first factor may have been resolved even as one reads this commentary. There is a possibility that no clear winner will emerge in the presidential race or the key congressional races for that matter. Hopefully, it is mere coincidence that we faced a similar situation in the 2000 presidential race just after the stock market peaked and the long bear market began. Speculation aside, a serious delay in the resolution of the election would create an open ended period of uncertainty for investors.

The second factor is the inability to assess the extent of the damage from the pandemic. The human cost is apparent and considerable. However, the impact of the pandemic ranges from death, disrupted lives to complete loss of livelihood. These issues will impact people for many years. Less important,



Automatic Data Processing, Inc., Total Nonfarm Private Payroll Employment [NPPTTL], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/NPPTTL>, October 29, 2020.

but still significant, is the economic damage caused by the pandemic. Should the economic disruption be short lived, many small and medium-sized businesses will not survive because they had insufficient capital to ride out the turbulence. Also, others will find that changes in consumption patterns will render their business models obsolete. These businesses will eventually evolve or be replaced by new business ventures. However, in the interim, the issue of lost jobs and the problems caused by lack of employment will not be resolved in the short run.

The third factor stems from the possibility of a resurgent coronavirus during the winter months leading to more stringent lockdowns than we have experienced to date. The disruption to life would call into question the economy’s ability to recover until a vaccine is available, distributed and taken.

The fourth factor was discussed in the last Commentary: early signs that the Federal Reserve may be getting its wish for an accelerating inflation rate. The combination of empty store shelves and accelerating money supply growth could lead to a burst of rapid growth in the Consumer Price Index. Many, however, believe that an accelerating inflation rate would not last due to the deflationary impact from the tremendous debt burden the world has assumed.

Despite all this gloom and doom the capital markets acquitted themselves well during the third quarter. The Domestic Equity Pool hit an all-time high in September and returned 9.2% for the quarter and 5.5% year-to-date. The International Equity Pool narrowly missed an all-time high but still managed a total return of 6.3% in the quarter and 1.0% year to date. The equity markets were driven by the performance of a handful of very large technology stocks whose businesses performed well in the locked down economy.

Ten year U.S. Treasury note yields were virtually unchanged in the quarter, but the Intermediate-Term Fixed Income Pool returned 1.0% as yields from corporate bonds continued to decline driving their prices higher. Year-to-date the Intermediate Pool has gained 7.2%. The Short-Term Fixed Income Pool returned 0.5% for the quarter as it benefited from the same narrowing of credit spreads seen in the intermediate bonds. Year-to-date the Short-Term Pool has gained 3.9%.