Investment Pools Performance & Commentary
March 31, 2025

THE ECONOMIC CLIMATE

The threat and implementation of tariffs by the U.S. administration has been more aggressive than expected. A string of weak economic data, along with these policy decisions, have triggered a greater likelihood of recession. So far, the core aspects of the economy—employment, consumption, wage gains—remain fairly solid, while household and business sentiment has dropped substantially. It is not yet clear how souring sentiment will translate to the real economy. U.S. inflation drifted lower towards the Federal Reserve 2% target. Inflation was 2.4% YoY in March, and core inflation rose 2.8%. But tariffs implemented by the Trump administration and an escalating trade war with China may push inflation upward. Given recent moves by the U.S. administration, most investors appear to expect weaker economic growth in 2025 and moderately higher inflation. This puts the Fed in a difficult position.

MARKET PORTFOLIO IMPACTS

A change in tariff policy near the end of Q1 shocked markets and led to severe selloffs across global markets, with U.S. equities taking the worst of the losses. Growth stocks, notably the Magnificent 7, have led the market downward. Small capitalization stocks underperformed large caps. Businesses that have fully embraced globalization and outsourced supply chains may find themselves in a particularly difficult position due to the drastic shift in U.S. trade policy.

THE INVESTMENT CLIMATE

The 10-year U.S. Treasury yield fell from 4.55% to 4.23% during the quarter, reflecting somewhat of a reversal of the economic optimism of Q4. Credit spreads widened during the quarter, and lower quality spreads saw larger shifts. High yield bond spreads rose by 41bps to 3.53%, while investment grade spreads rose to 1.0%. Despite recent widening events, credit spreads across all ratings remain below long-term historical averages.

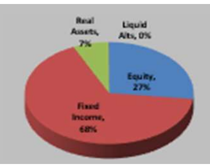
FISCAL YEAR TO DATE PERFORMANCE

With respect to the fiscal year, the Endowment portfolio returned 4.0% on a fiscal year to date basis. Weakness in US equities drove a lower return environment in the first quarter with international equities outperforming.

Investment Pools	Three months ended 3/31/2025	Year to Date	Fiscal Year to Date	One (1) Year Return	Three (3) Year Return	Five (5) Year Return
Cash Equivalent 100% Cash Equivalents	*1.0*	*1.0*	*3.5*	*4.7*	*2.4*	*1.5*
Global Constrained Income & Growth 25% Equity, 65% Fixed Income, 5% Real Estate, 5% Alternative Investments	*1.6*	*1.6*	*4.6*	*5.7*	*2.6*	*5.2*
Global Constrained Balanced 45% Equity, 40% Fixed Income, 10% Real Estate, 5% Alternative Investments	*0.4*	*0.4*	*4.4*	*6.1*	*3.5*	*8.2*
Global Growth & Income 60% Equity, 25% Fixed Income, 10% Real Estate, 5% Alternative Investments	*-0.6*	*-0.6*	*4.0*	*6.0*	*4.1*	*10.1*
Endowment	*-0.3*	*-0.3*	*4.0*	*5.7*	*3.7*	*8.9*
Market Benchmarks						
Cash **-** *90-Day Treasury Bills*	*1.0*	*1.0*	*3.6*	*5.0*	*4.2*	*2.6*
Bonds - *Bloomberg Barclays US Aggregate*	*2.8*	*2.8*	*4.8*	*4.9*	*0.5*	*-0.4*
International Stocks - *MSCI ACWI ex U.S.*	*5.2*	*5.2*	*5.1*	*6.1*	*4.5*	*10.9*
Domestic Stocks **-** *S&P 500*	*-4.3*	*-4.3*	*3.8*	*8.3*	*9.1*	*18.6*
Blended Benchmark - Endowment[1]	*0.4*	*0.4*	*4.4*	*5.9*	*3.7*	*9.6*

GLOBAL CONSTRAINED INCOME & GROWTH

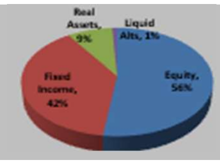
Designed for donors or nonprofits with medium-term objectives (3-5 years). While moderately conservative, this pool will have a risk of loss. A moderate portion may be invested in capital appreciation oriented investments. The income allocation may include an allocation to fixed income instruments. The pool will not include an allocation to illiquid alternative investments.



The Global Constrained Income & Growth Pool returned 1.6% during the quarter and was up 5.7% over the past year. Domestic Equity was down 6.3% and International Equity was up 3.9% over the quarter. Total Equities account for 26.7% of the portfolio. Domestic Equities and International Equity underperformed their respective benchmark. The Pool's Fixed Income securities, which comprise 67.6% of total assets, posted a 3.1% return for the quarter and outperformed its benchmark. The 5.3% allocation to REITs was up 3.2% and outperformed its benchmark.

GLOBAL CONSTRAINED BALANCED

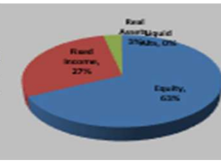
Designed for donors or nonprofits with longer-term objectives (7+ years) and spending rates of less than 4% of assets per year. A portion may be invested in capital appreciation-oriented investments. The income allocation may include an allocation to fixed income instruments. The pool will not include an allocation to illiquid alternative investments.



The Global Constrained Balanced pool returned 0.4% during the quarter and was up 6.1% over the past year. Domestic Equities was negative over the quarter, posting a return of 6.2%, while international equities posted a positive return of 3.9%. Total Equities account for 43.4% of the portfolio. Domestic Equities and International Equities underperformed their respective benchmark. The Pool's Fixed Income securities, which comprise 38.8% of the total assets, posted a 3.1% return for the quarter and outperformed its benchmark. The 8.9% allocati to REITs was up 3.2% and outperformed its benchmark.

GLOBAL GROWTH & INCOME

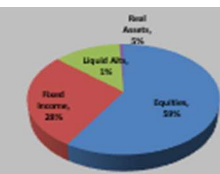
Designed for donors or nonprofits with long-term objectives (10+ years) yet with liquidity requirements an with spending objectives of approximately 4% of assets per year. A large portion may be invested in capita appreciation-oriented investments. The income allocation may include an allocation to fixed income instruments. The pool will not include an allocation to illiquid alternative investments.



The Global Growth & Income pool returned -0.6% during the quarter and was up 6.0% over the past year. Domestic Equities posted -6.3% and International Equities posted 4.0% returns respectively over the quarter. Total Equities account for 62.8% of the portfolio. Domestic Equities and International Equities underperformed their respective benchmark. The Pool's Fixed Income securities, which comprise 26.3% of its total assets, posted a 3.1% return for the quarter and outperformed its benchmark. The 10.4% allocation to REITs was up 3.2% and outperformed its benchmark.

ENDOWMENT POOL

Designed for donors or nonprofits with endowment-like objectives (20+ years), willing to accept moderat illiquidity and with spending objectives of approximately 4% of assets per year. A large portion may be invested in capital appreciation-oriented investments. The income allocation may include an allocation tc fixed income instruments. The pool may include an allocation to illiquid alternative investments. The management of this pool will be consistent with endowment best practices.



The Endowment pool posted -0.3% during the quarter. For the trailing one year the Endowment was up 5.7%. Domestic Equities was down 6.3% while International Equities was up 4.1% over the quarter. Total Equities account for 56.6% of the portfolio, Domestic Equities and International Equities underperformed their respective benchmark. The Pool's Fixed Income securities, which comprise 27.2% of its total assets, posted a 3.0% for the quarter and outperformed its benchmark. Real Estate returned 1.5% over the quarter and outperformed its benchmark.

1. *30% Russell 3000, 26% MSCI ACWI ex US, 22% Bloomberg Barclays US Aggregate, 10% FTSE NAREIT All, 5% Bloomberg Commodity Index, 7% HFRI Fund of Funds Composite Index.*

Notes: *The above are the historical returns for each of the five investment pools.* ***Investment performance of individual funds may vary from the total pool return due to the timing of contributions and grants. Historical returns are not a predictor of future returns. The returns above are net of fees paid to investment managers. This fee represents the plans' blended expense ratio and is between 50 and 60 basis points annually. The fee for our investment consultant, Verus, is not reflected in the returns.***

Underlying Investment Managers

Domestic Equity: Vanguard FTSE Social Index, Vanguard Extended Market ETF
International Equity: Causeway International Value, EuroPacific Growth, DFA International Small Cap, Calvert Emerging Markets Equity
Fixed Income: Dodge & Cox Income, Met West Total Return, Vanguard Inflation Protected Securities
Alternative Investments: AQR Style Premia Fund
Real Assets: TownSquare Real Estate, Penn Square, UBS Trumbull, TA Realty Fund, Invesco Real Estate, Vanguard REIT Index
Note: Performance for Penn Square Global Real Estate II and Town Square Real Estate Alpha Fund I is lagged by at least one quarter.