Investment Pools Performance & Commentary
June 30, 2025

THE ECONOMIC CLIMATE

Real GDP growth beat expectations in Q2, coming in at 3.0% quarter-over-quarter annualized (2.0% year-over-year) relative to expectations for a growth number in the mid-2s. This report was welcome news to investors and served as further evidence that the economy is moving along at a moderate pace, rather than slowing abruptly. Calendar year 2025 growth will likely be much milder than the surprising strength shown during 2024. U.S. inflation remained sticky and above the Fed's target, rising from 2.4% to 2.7%. There is evidence of price increases across particular items such as televisions, auto parts, and medical equipment, but these rises so far are not large enough to materially lift the overall inflation rate. Some broad inflation categories such as 'apparel' and 'new automobiles' have fallen in price since March.

MARKET PORTFOLIO IMPACTS

If U.S. businesses mostly choose to absorb the cost of tariffs rather than hike prices, that would be good for inflation. But this scenario would be damaging to corporate earnings as tariffs hit profit margins. Year-over-year Q2 S&P 500 earnings growth is expected to be +5.6%, according to FactSet as of July 11th. This would mark the weakest growth rate since Q4 2023. Earnings growth is expected to ramp up in the coming quarters, with +9.3% growth for calendar year 2025, according to FactSet.

THE INVESTMENT CLIMATE

The 10-year U.S. Treasury yield ended Q2 relatively unchanged at 4.23%. Shorter-term bond yields came down slightly, contributing to a positive return on short- and medium-term Treasury bonds. Credit spreads widened in April following tariff "Liberation Day", but quickly rebounded after delays, progress regarding negotiations, and muted economic impacts helped improve the outlook. Despite widening by nearly 1% in April, high yield bond spreads ended the quarter tighter by 56bps at 2.96%. Investment grade spreads similarly tightened, ending the quarter at 0.88%. These levels are extremely tight relative to history.

FISCAL YEAR TO DATE PERFORMANCE

With respect to the fiscal year, the Endowment portfolio returned 12.4% for the FY 2025. Despite volatility in Q2 of 2025, equity markets pushed portfolios higher.

Investment Pools	Three months ended 6/30/2025	Year to Date	Fiscal Year to Date	One (1) Year Return	Three (3) Year Return	Five (5) Year Return
Cash Equivalent 100% Cash Equivalents	*1.1*	*2.2*	*4.7*	*4.7*	*4.5*	*2.7*
Global Constrained Income & Growth 25% Equity, 65% Fixed Income, 5% Real Estate, 5% Alternative Investments	*4.2*	*5.8*	*9.0*	*9.0*	*7.3*	*4.3*
Global Constrained Balanced 45% Equity, 40% Fixed Income, 10% Real Estate, 5% Alternative Investments	*6.2*	*6.6*	*10.9*	*10.9*	*10.0*	*6.9*
Global Growth & Income 60% Equity, 25% Fixed Income, 10% Real Estate, 5% Alternative Investments	*8.0*	*7.4*	*12.3*	*12.3*	*11.9*	*8.6*
Endowment	*8.1*	*7.7*	*12.4*	*12.4*	*10.4*	*8.3*
Market Benchmarks						
***Cash** - 90-Day Treasury Bills*	*1.0*	*2.1*	*4.7*	*4.7*	*4.6*	*2.8*
Bonds - *Bloomberg Barclays US Aggregate*	*1.2*	*4.0*	*6.1*	*6.1*	*2.5*	*-0.7*
International Stocks - *MSCI ACWI ex U.S.*	*12.0*	*17.9*	*17.7*	*17.7*	*14.0*	*10.1*
***Domestic Stocks** - S&P 500*	*10.9*	*6.2*	*15.2*	*15.2*	*19.7*	*16.6*
Blended Benchmark - Endowment[1]	*7.1*	*7.5*	*11.9*	*11.9*	*10.6*	*8.7*

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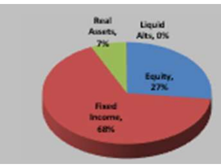
GLOBAL CONSTRAINED INCOME & GROWTH

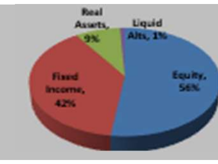
Designed for donors or nonprofits with medium-term objectives (3-5 years). While moderately conservative, this pool will have a risk of loss. A moderate portion may be invested in capital appreciation oriented investments. The income allocation may include an allocation to fixed income instruments. The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



The Global Constrained Income & Growth Pool returned 4.2% during the quarter and was up 5.8% over the past year. Domestic Equity was up 12.5% and International Equity was up 10.7% over the quarter. Total Equities account for 28.9% of the portfolio. Domestic Equities outperformed its benchmark and International Equity underperformed its benchmark. The Pool's Fixed Income securities, which comprise 65.7% of its total assets, posted a 1.4% return for the quarter and outperformed its benchmark. The 5.1% allocation to REITs was u 1.3% and outperformed its benchmark.

GLOBAL CONSTRAINED BALANCED

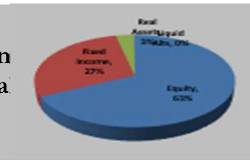
Designed for donors or nonprofits with longer-term objectives (7+ years) and spending rates of less than 4% of assets per year. A portion may be invested in capital appreciation-oriented investments. The income allocation may include an allocation to fixed income instruments. The pool will not include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



The Global Constrained Balanced pool returned 6.2% during the quarter and was up 6.6% over the past year. Domestic Equities and International equities were positive, posting a return of 12.2% and 10.6% respectively. Total Equities account for 48.5% of the portfolio. Domestic Equities outperformed its benchmark, and International Equities underperformed its benchmark. The Pool's Fixed Income securiti which comprise 41.3% of the total assets, posted a 1.5% return for the quarter and outperformed its benchmark. The 9.7% allocation to REI was up 1.3% and outperformed its benchmark.

GLOBAL GROWTH & INCOME

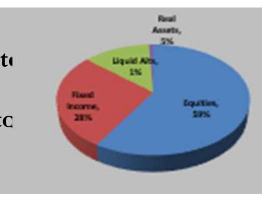
Designed for donors or nonprofits with long-term objectives (10+ years) yet with liquidity requirements an with spending objectives of approximately 4% of assets per year. A large portion may be invested in capita appreciation-oriented investments. The income allocation may include an allocation to fixed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



The Global Growth & Income pool returned 8.0% during the quarter and was up 7.4% over the past year. Domestic Equities posted 12.4% and International Equities posted 11.5% returns respectively over the quarter. Total Equities account for 63.6% of the portfolio. Domestic Equities outperformed its benchmark, and International Equities underperformed its benchmark. The Pool's Fixed Income securities, which comprise 26.1% of its total assets, posted a 1.5% return for the quarter and outperformed its benchmark. The 9.7% allocation to REITs was up 1.3% 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 8.1% during the quarter. For the trailing one year the Endowment was up 12.4%. Domestic Equities was up 12.3% while International Equities was up 11.4% over the quarter. Total Equities account for 65% of the portfolio, Domestic Equities outperformed its benchmark, and International Equities underperformed its benchmark. The Pool's Fixed Income securities, which comprise 24.4% of its total assets, posted a 1.6% for the quarter and outperformed its benchmark. Real Estate returned 0.6% 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.