



WOODBURY COMMUNITY FOUNDATION

Investment & Spending Policy

INTRODUCTION

The Woodbury Community Foundation ("WCF" or "the Foundation") was established in 2003 as a nonprofit organization with the mission to strengthen our community by connecting people and organizations with causes that make positive impacts on the lives of people in the Woodbury community.

The WCF plays a very important role in engaging donors, connecting resources, and helping build community in ways that individuals and individual organizations cannot begin to imagine. For the Foundation to fulfill its mission, it helps facilitate charitable giving by identifying community needs, building relationships with mission-aligned organizations and prospective donors, and creating funds that support the work of organizations that are in our community or serve the residents of Woodbury in meaningful and impactful ways.

For donors, the Foundation serves as a pathway that connects their personal passions to their philanthropy by creating vital connections between those organizations serving the community and those who want to help build it. The Foundation was created to serve the entire community and helps donors make informed choices about where their gifts can make the most impact by identifying individual or family goals for their charitable interests and making sure that they can be met by making reasonable choices.

WCF provides a permanent resource to help sustain the area's exceptional quality of life and offers flexible charitable gift planning options for individuals and organizations. The Woodbury Community Foundation works with donors, individuals, family, businesses, organizations to create and sustain charitable funds that will make the most benefit and impact in the Woodbury community. Money donated to the WCF are investable assets, also known as its principal or corpus. The Foundation is not subject to federal or state income taxes.

Such charitable or donated funds are designated as either endowed funds or non-endowed funds. All donated monies, whether endowed or non-endowed, are invested, thus generating investment income. This invested income is used for specific purposes in and for the benefit of the Woodbury community.

PURPOSES OF THIS INVESTMENT AND SPENDING POLICY

In implementing this policy, the WCF understands and accepts its role in the community as a vehicle for citizens and organizations to fulfill their charitable objectives.

This Investment and Policy Statement contains the goals and investment objectives of the WCF. The policy is intended to provide the Board of Director's (Board) guidance to the Executive



Committee (serving as the Investment Committee of the WCF which may designate in whole or in part, to the Finance & Audit Committee) and the investment manager(s) responsibilities for managing the Foundation's assets. It provides certain specific investment policies which governs how to seek to achieve the goals and objectives. This Investment and Spending Policy, upon review and approval of the Board of Directors, is to be executed by:

- Stating in a written document the Foundation's attitudes, expectations, objectives, and guidance for the investment of all of the portfolio's assets and the spending policy associated with those assets to provide the appropriate annual cash payouts to meet grantmaking and administrative needs.
- Describing a risk tolerance for the investment of the Foundation's endowed and non-endowed assets and monitoring the investments for adherence to the risk tolerance.
- Defining certain responsibilities of the Executive Committee (serving as the Investment Committee), the consultant (if any), the investment manager(s) and other specified parties.
- Establishing investment guidelines regarding the selection of investment manager(s), allowable securities, and diversification of assets.
- Specifying the criteria for evaluating the performance of the Foundation's investment manager(s) including the criteria for changing the manager or investment firm.
- Creating consistency in adherence to this Policy for current and future Board of Directors and Executive Committee members.
- Establishing criteria to select, monitor, evaluate, and compare the performance results achieved by each investment manager on a regular basis.
- Maintaining the necessary liquidity of the portfolio to meet operating and non-operating cash requirements that may be reasonably anticipated.
- Encouraging effective communication between the WCF and all parties involved with the investment management decisions, and
- Ensuring donors to Funds have internet access to periodic reports on the performance and transactions associated with their Fund and are provided all necessary annual reports and forms for them to complete their income tax forms.

It is expected that this Investment and Spending Policy will be dynamic and will be periodically examined to reflect the WCF's current financial status, capital markets conditions, and the Board's philosophy regarding the investment of its assets.

RESPONSIBILITIES OF THE FOUNDATION

The Board of Directors has fiduciary responsibility for all funds held and invested by the WCF. It executes this responsibility by delegating the following to the Executive Committee. The Board reserves to itself the exclusive right to revise the Investment and Spending Policy and may also grant exceptions to the Investment and Spending Policy. The Foundation is subject to the Uniform Prudent Management of Institutional Funds Act.

Executive Committee (serving as the WCF Investment Committee)



The Executive Committee (which may designate in whole or in part, to the Finance & Audit Committee) will be responsible for:

- Preparing and periodically reviewing this Investments & Spending Policy for continued completeness and accuracy.
- Prudently selecting investment options and diversifying the portfolio's assets to meet an agreed upon risk/return profile.
- Controlling and accounting for all investment, record-keeping and administrative expenses associated with the portfolio.
- Monitoring and supervising all consultants, investment managers, and vendors.
- Avoiding transactions prohibited by policy and/or law and managing conflicts of interest.
- Approving recommendations and recording annual distributions from the fund(s).
- Reviewing and dealing prudently with conflicts of interest.

The Consultant

If the WCF retains a consultant or advisor the responsibilities may include:

- Assist the committee in strategic investment planning by assisting in the development of an investment and spending policy, an asset allocations strategy, and/or portfolio structure.
- Recommend investment managers to manage all or a portion of the assets.
- Provide WCF assets performance measurements on a quarterly basis.
- Periodically meet with the committee to review investment performance and recommend any changes to Investment Managers based on their performance.

Custodians

WCF holds all its assets in corporate form, whether managed as part of the WCF's investments or separately managed by a financial institution and related financial advisor preferred and designated by a donor. WCF will select an appropriate investment approach, consistent with Investment & Spending Policies, for managing such assets, which may include using one or more investment managers, mutual funds, bank services, or other strategies. These custodians are responsible for the safekeeping of the portfolio's assets.

The specific duties and responsibilities of the custodians are to function as a fiduciary in all aspects of their services to the WCF which will include, but are not limited to:

- Value the holdings.
- Collect all income and dividends owed to the portfolio.
- Settle all buy-sell orders.



- Rebalance the portfolio periodically to keep the asset allocation within the established guidelines.
- Exercise all rights, including voting rights (in accordance with their established Proxy Voting Guidelines), as are acquired through the purchase of securities, where practical.
- Provide timely reports that include but not limited to:
 - Detail transactions.
 - Cash flows.
 - Securities held and their current value.
 - Change in value of each security.
 - The overall portfolio value since the previous report.

All investment firms and banking institutions must be willing to manage assets subject to WCF's governing documents, Investment & Spending Policies, and the fiduciary oversight of the Board of Directors to assure that our donor's funds, whether part of WCF's investment pool or separately managed, will qualify as a "component fund" of this community foundation as defined by the Department of Treasury and Internal Revenue Service (IRS).

The Investment Manager(s) serve as an objective, third-party professional retained to assist the committee in managing the overall investment process. The Manager(s) is/are responsible for guiding the Executive Committee through a disciplined and rigorous investment process to enable the committee to meet the fiduciary responsibilities outlined above.

INVESTMENT POLICY

The Board of Directors shall ensure that Foundation assets are invested following the guidelines set forth in this Policy. The allocation of WCF's financial assets into investment categories will take into consideration the Foundation's liquidity needs and its objective for long-term asset growth. The use of consistent standards for preservation of capital will be used in order to achieve the highest possible total rate of return on investment of the Foundation's assets, which are actively invested. The investment philosophy and objective of the Foundation is that its assets must be managed to meet the payout percentages and assure sufficient growth, beyond inflation, to maintain and ideally grow the spending power of those assets over time.

Investment Strategy/Guidelines

Diversification of assets will be employed to help ensure that adverse results from one security or class of securities will not have an unduly detrimental effect on the entire investment portfolio. Diversification is interpreted to include diversification by type, by characteristic, and by number of investments, as well as by investment style of management organization. WCF's investment portfolio is intended to be a growth oriented, but balanced fund.



Due to the Foundation's need to preserve liquidity by holding cash for working capital, the investment allocation in total may operate at a more conservative proportion than the approved target allocation.

Selection of equities will be oriented towards high quality issues with a balance of favorable growth prospects and current yield.

The Board of Directors shall not select individual equities or sector funds, nor participate in short sales or margin transactions.

All sales, exchanges, purchases and other transactions of any kind, that do not violate any of these investment strategies and guidelines or the prohibited securities and transactions shown below, do not need to receive the prior oral or written approval of the Board of Directors, and can be performed by its designated professional investment managers. However, the Board of Directors may require its investment managers to report all transactions to the Foundation in summary form within a reasonable time-period. The Board of Directors will use these periodic reports to assess adherence to this Policy.

Prohibited Securities and Transactions

The following categories of securities or security transactions are not permissible without the written approval by the WCF Chair: venture capital funds, letter stock, private placements, real estate properties (except for those that might become part of Board approved and accepted gifts), short sales, commodities and futures, margin purchases, lending of assets, buying or selling of put and call options, any individually purchased securities that are not offered through an SEC registration filing, the buying and selling of foreign securities not registered through an SEC filing or not denominated in US dollars, all securities not offered through SEC registration filing except for direct obligations of the US Government and its agencies, oil and gas properties, or other natural resources related to properties and digital assets such as cryptocurrency and nonfungible tokens (NFT's).

Goals and Targets

The investment goal of the Woodbury Community Foundation is to achieve a minimum long term (10+ years), weighted average (of endowed and non-endowed accounts) annual total return of 4.5% to 6.5% (before investment management costs are applied) or greater. The minimum target rate of return over a rolling 5-year period is equal to or exceeds the spending rate, expressed as a percent of assets, plus the rate of inflation as measured by the Consumer Price Index (CPI). For example, if inflation is at 2% and the spending rate is 4%, the minimum target rate of return would be 6%.

Performance Objectives

Performance will be benchmarked to the most appropriate weighted index related to each categorized investment within each area of allocation. For example, if the asset allocation for domestic large cap



equities in a managed portfolio is 45%, then the weighted benchmark index will be the domestic large cap S&P 500 index times .45. A blended benchmark created by combining the indices to **mirror** the detailed target asset allocation will be used to evaluate a manager's performance and should be included on all performance reports. For example, for a WCF **Endowed Fund**, where the risk/return portfolio objective is low risk, by examining **Exhibit B**, an Income Focused asset allocation would be the appropriate selection, thus the indices and weighting for the WCF **Endowed Fund**, would be as follows:

<u>Asset Class</u>	<u>Index</u>	<u>Assumed Mirror Weighting</u>
Domestic Large Cap Equity	S&P 500	10%
Domestic Mid Cap Equity	Russell Mid Cap	3%
Domestic Small Cap Equity	Russell 2000	1%
International Equity	MSCI EAFE	6%
Domestic Fixed Income	Barclay Capital U.S. Aggregate Bond	80%

Similarly, for example, the indices and weighting for a WCF **non-endowed Fund** where the risk/reward of the donors whose assets are pooled together resulted a portfolio objective of (from **Exhibit B**) Balanced growth plus income, for example, would be as follows:

<u>Asset Class</u>	<u>Index</u>	<u>Assumed Mirror Weighting</u>
Domestic Large Cap Equity	S&P 500	24%
Domestic Mid Cap Equity	Russell Mid Cap	6%
Domestic Small Cap Equity	Russell 2000	3%
International Equity	MSCI EAFE	17%
Domestic Fixed Income	Barclay Capital U.S. Aggregate Bond	50%

Time Horizon

The investment guidelines are based upon a long-term investment horizon. The Portfolio's strategic asset allocation is also based on this long-term perspective. Short-term liquidity requirements may be addressed by creating non-endowed, temporarily restricted funds where distributions are subject to less stringent requirements and where principal may be used, if necessary.



Risk Tolerances

The Board recognizes that some risk must be assumed in order to achieve the investment objectives of the portfolio. In establishing the risk tolerances of this program, the ability to withstand short and intermediate term variability are continually evaluated. The portfolio's long-term horizon, current financial conditions and other factors suggest some interim fluctuations in market value and rates of return may be tolerated in order to achieve the longer-term objectives.

The Board also recognizes that endowed assets and non-endowed assets are likely to need to be managed in accordance to different risk tolerances and must not be comingled by the Investment Manager(s) into the same managed account unless the risk tolerance for the assets are identical.

Asset Allocation

Asset allocation for the investment portfolio has been shown to be the single most important determinant of the investment performance over the long run, and the WCF investment manager(s) are encouraged to diversify the WCF's financial investments among appropriate assets classes. Exhibit B to this Investment and Spending Policy describes alternative investment risk-return trade-offs and is intended to assist the Executive Committee in selecting a strategic asset allocation for its endowed and non-endowed funds. Exhibit B will be updated annually to reflect the most current data and the WCF Board agrees that the update will not require Board approval.

Each investment manager shall have the discretion to determine its portfolio's individual security holdings as long as they don't violate the prohibited securities and transactions detailed in this policy.

Rebalancing Procedures

The allocation to each asset class and to investment styles within each class are expected to remain stable over many market cycles, however, since capital appreciations (and depreciations), trading activity, payouts in each managed account can result in deviations from the accounts target asset allocation, the manager should rebalance the assets on a periodic basis, not less frequent than quarterly, unless approved by the Executive Committee.

Cash and Equivalents

It is generally expected that the investment manager will keep the WCF's assets fully invested in securities, however, it is recognized that cash reserves may be utilized from time to time to provide liquidity or to implement some types of investment strategies. Cash reserves should be held in a money market fund, short-term maturity Treasury securities, or in insured savings instruments of commercial banks and savings and loans.



Fund Agreement

The WCF currently has 5 funds (Donor Advised, Donor Designated, Field of Interest, Scholarship and Fiscal Agency Fund) where the donor and the WCF execute a Fund Agreement. With the exception of the Field of Interest Fund, the Agreement will be developed using the personal details provided by the donor by completing a questionnaire as shown in **Exhibit A**. Among the questions the donor will be asked is to select the portfolio objective which best match their risk/return objectives from the alternatives shown in **Exhibit B**. This selection will determine which WCF's pooled asset account the donor's assets will be invested (with assets other donors with the same risk/return objective).

Endowed Funds

Endowed funds or an endowment, is a donation of money or property to a nonprofit organization that is held and maintained in an investment account(s). As with typical endowments, WCF endowments are designed to keep and maintain the principal or corpus amount intact in such investment accounts. The principal amount or corpus in these investment accounts then generates a continual stream of investment income. It is this generated investment income rather than the principal or corpus which is disbursed for charitable endeavors and programs benefiting the Woodbury community. Thus, the goal of the WCF endowments is a long-term Woodbury community focus and appreciation of funds.

Both the donor and the WCF recognize that investments inherently expose the principal or corpus to a degree of risk. Given that the ultimate goal of WCF endowments is to maintain the endowment principal and thus generate a continual stream of income for beneficial Woodbury community purposes, WCF endowed investment accounts are thus conservative in nature. While the WCF will always attempt to abide by the investment restrictions and guidelines desired and designated by the donor, the WCF, reserves the right to ultimately determine the limits on the degree of risk exposure resulting from specific endowment investments. A prospective endowment donor therefore is requested to acknowledge that these WCF's investment philosophies must be maintained to ensure long-term benefits to the Woodbury community.

The WCF has some Endowed Funds where the signed Fund Agreement of the donors have documented a higher risk tolerance than described above and been approved by the WCF Board Chair. These endowments are invested in a pooled asset fund consistent with the donor's documented risk tolerance.

The WCF seeks safety and liquidity in all of its endowed investments followed by yield. Safety of principal is the foremost objective of the endowed assets investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The endowed investment portfolio shall remain sufficiently liquid to meet operating requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining a market rate of return, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. Accordingly, The Executive Committee has selected (from Exhibit B) the Income Focus allocation for its



endowed funds. Accordingly, the asset allocation for endowed funds is 20% equity and 80% fixed income.

Accordingly, the WCF's endowed assets are to be managed as follows:

<u>Asset Class</u>	<u>Target %</u>	<u>Minimum %</u>	<u>Maximum %</u>
Equities	20	15	25
Fixed Income	80	75	85

Non-endowed Funds

Endowed Funds where the donor has a higher risk tolerance than the above endowments, donations without agreements, restrictions, or stipulations, also generate a continual stream of investment income which is used for charitable endeavors and beneficial purposes in the Woodbury Community. Donations, gifts or bequests below \$5,000 are to be held in cash, savings, treasuries or money market funds. Many donors elect to establish one of the WCF's 4 funds (Donor Advised, Donor Designated, Scholarship and Fiscal Agency Fund) and not as an endowment. When the donor completes the questionnaire shown in **Exhibit A** and identifies a portfolio objective using **Exhibit B**, and selects a portfolio objective of, for example, Balanced growth and income, the funds are to be invested with those of the other donors with the same portfolio objective.

Fiscal Sponsorship Funds

A partnership may be created when the WCF extends its tax-exempt status to a select volunteer group whose mission and objectives align with those of the WCF. WCF Sponsorship most often is used by volunteers who are collaborating on the planning or accomplishment of charitable work, but when the charitable project they are planning or the charitable program they want to accomplish is complete, they may not retain sufficient volunteers to choose to become a nonprofit organization. In such a Fiscal Sponsorship arrangement, the sponsor, WCF in this case, accepts tax deductible donations and processes grants or payments to vendors on behalf of the sponsored project/program and a Fiscal Sponsorship Agreement is executed. A Fiscal Sponsorship Agreement must be executed between the partner and WCF prior to accepting any donations.

The WCF will charge a partner a quarterly fee to process the incoming and outgoing transactions. The collected fees are thus available for the cash management of WCF assets. These funds are to be kept in a checking or savings account until the project is complete.

Performance Management and Reporting

Each calendar year, the WCF's investment manager will provide an electronic or paper copy of a statement:

- Monthly - for each separate account showing the standard information (beginning value, assets added value, value of disbursements, fees and charges, change in the value of the holdings, and



ending value), as well as details for each of these categories from the account holdings and transactions for reporting as deemed necessary by the Executive Committee.

- Quarterly – A snapshot asset analysis of each account and the entire portfolio and total return of the accounts and the entire portfolio.
- Semi-annually – Same as the quarterly including blended benchmark performance measurement created by combining the indices to mirror the target asset allocation for each account and for the total portfolio. This will be presented to the Executive Committee and to the Board of Directors.
- Calendar year- Same as quarterly.

The Board recognizes the importance of the long-term focus when evaluating the performance of the investment managers and understands the potential for performance over the short-term may deviate significantly from the performance of representative market indices and it will not terminate an investment manager on the basis of short-term performance. During the periodic review process (at least once every three years), should the performance of an investment manager be below goal range for over a 5-year period, such under performance may be considered in vetting potential replacement of the investment manager. The Board may request the Executive Committee to initiate an extra level of scrutiny, or consider termination, of an investment manager based on factors like:

- Any material event that affects the ownership or capital structure of the Investment management firm, or management of the account.
- Any legal or regulatory action taken against the manager.
- Any material servicing deficiencies, including failure to communicate or provide reports in a timely fashion.
- Violate the terms of the contract or changes to agreed-upon services without prior written approval of the Executive Committee.
- Lack of diversification of the accounts based on the WCF's selected portfolio objectives.
- Continuing a lack of performance

The Board may choose to replace the investment manager at any time as part of an overall restructuring of the WCF's portfolio or any other reason.

Communications

The Foundation is to be informed immediately by telephone or email to the Chair of the Board of any significant changes affecting the investment management company or bank, its parents(s), management personnel, ownership structure, or key personnel including partners, principals, and officers. These communications should be followed up in writing within seven (7) business days.

Spending Policy

The annual cash payout of all funds is expected to be, on average, 3% to 5% of the average market value with the following exceptions:



- those funds containing illiquid assets (such as certain real estate or other property), non-endowed funds, funds where the Foundation serves as the fiscal partner, seedling funds, or those funds below their minimum gift level required to establish a particular fund.
- on occasion, the Board may opt to not take a distribution if the portfolio doesn't register positive gains. The payout will be calculated using a 12-quarter or 3-year trailing average and net of investment management fees or any other reasonable method determined by the Executive Committee.

The Board understands and approves that the Foundation needs to take advantage of electronic check approval and electronic signatures on all checks.

- In situations where the WCF Portfolio is underwater, the Board may consider adopting a reduced spending policy.
- for funds invested in a portfolio that is less than five years old, the market value will be the average of all quarterly market values to date. This payout will be used to meet grantmaking obligations. Administrative fees and investment management fees will be netted out of returns and will be reported on annual statements.

The threshold balance is defined as the dollar value required to distribute or grant from particular funds. For instances in which a fund has dropped below its threshold balance, the spending rate for the following year may be reduced to net income, unless otherwise specified in the fund agreement. The Board may elect to reduce the spending rate in instances when such a rate would take a fund below its threshold balance. Donors will be given the opportunity to make additional gifts at any time in order to allow their fund to make immediate and/or additional disbursements above and beyond what the Investment & Spending Policy allows. Donors may select a spending rate greater than what is outlined (with Foundation approval) at the time the Fund Agreement is created. However, donors will be advised by the Foundation that spending above and beyond the rate outlined herein may have a significant detrimental effect on the long-term growth of the fund.

The Treasurer can arrange with banking institutions to provide for the operational requirements of the organization and can invest excess capital funds in certificates of deposit, money market funds and in federal obligations such as Treasury Notes and Bills, with approval from the Board of Directors.

Acknowledgement and Citations

Many Investment and Spending Policies of Community Foundations were examined to develop the structure and content of this Policy, especially the Adams County Community Foundation, the Community Foundation for Northern Michigan, and the South Dakota School of Mines and Technology Center for Alumni Relations and Advancement Investment Policy Statement. Writings from each of these Foundations will be found in this WCF Investment and Spending Policy.

Approved - Woodbury Community Foundation Board of Directors

Date July 25, 2024

EXHIBIT A TO THE INVESTMENT AND SPENDING POLICY

The content of this Exhibit may be updated from time to time to keep the questionnaire fresh and the WCF Board agrees that such updates will not require the reapproval of the latest approved Investment and Spending Policy.

With the exception of unrestricted gifts to the Woodbury Community Foundation Discretionary Fund, all other gifts which have been recommended for acceptance require a WCF Gift Acceptance and a Fund Agreement be signed by the donor and the WCF Chair. The following describes the information a donor will need to provide the WCF to prepare the Fund Agreement.

- How did you learn about the WCF and decide to select it for your charitable gifting?
- What fund are you interested in?
- Your name, home address, telephone number, and email address.
- The name and contact information for the Fund Advisors (typically you and possibly your spouse or partner).
- The name and contact information for the Fund Successor Advisor(s) you want to have make the recommendations for donations/grant recommendations if and when you decide to relinquish this responsibility or upon your death. These Successor Advisors(s) are typically one or more of your children or grandchildren or perhaps you want to have the remaining funds in the account to be donated to the WCF.
- The amount you are donating and if you expect to add to the Fund in the future.
- Your best estimate as to how many donations/grants you will be making from the Fund each year.
- Using a description of various Asset Mixes and historical example annual yields for each of these Asset mixes, examine Exhibit B to determine which of the Asset mixes best matches your risk tolerance. This determines how you want your fund invested with a financial firm that the WCF currently has pooled funds.
- The name(s), firm name and contact information for any professional advisors (such as a financial advisor, attorney, or accountant) who have your permission to receive information about your Fund.



EXHIBIT B TO THE INVESTMENT AND SPENDING POLICY

The content of this Exhibit will be updated annually to keep the information fresh and the WCF Board agrees any update will not require the reapproval of the latest approved Investment and Spending Policy.

INTRODUCTION

As stated in the body of this Policy, asset allocation for an investment portfolio has been shown to be the single most important determinant of the investment performance over the long run. The following is intended to assist the donor in determining which asset allocation best matches her/his risk tolerance.

EXAMPLE INVESTMENT OBJECTIVES (INCREASING IN RISK)

1. Preservation of principal (original investment) – investment should be placed in a savings account, CDs, US Treasuries or money market funds.
2. Income – about 80% in various types of US and International investment bonds and cash, and 20% in various types of US and International equity assets.
3. Balanced Plus Income – about 65% in various types of US and International investment bonds and cash, and 35% in various types of US and International equity assets.
4. Balanced Growth Plus Income – about 50%% in various types of US and International investment bonds and cash, and 50% in various types of US and International equity assets.
5. Balanced Plus Growth – about 35% in various types of US and International investment bonds and cash, and 65% in various types of US and International equity assets.
6. Growth – about 20% in various types of US and International investment bonds and cash, and 80% in various types of US and International equity assets.
7. All Equity – about 1% in cash, and 99% in various types of US and International equity assets.

EXAMPLE: INVESTMENT OBJECTIVE RISK/RETURN: 1990-2024¹

INVESTMENT OBJECTIVES 	INCOME FOCUS PERCENT	BALANCED + INCOME PERCENT	BALANCED GROWTH + INCOME PERCENT	BALANCED + GROWTH PERCENT	GROWTH FOCUS PERCENT	100% EQUITY PERCENT
EQUITY²	20	35	50	65	80	99
BONDS³	80	65	50	35	20	1
AVG ANNUAL RETURN	4.7	5.2	5.8	6.3	6.8	7.2
STANDARD DEVIATION	5.3	6.9	8.8	10.8	12.8	15.5
BEST 12-MONTH RETURN	21.0	26.3	32.7	39.7	46.8	56.0
WORST 12-MONTH RETURN	-17.1	-18.5	-25.4	-32.1	-38.6	-46.8
BEST 5-YEAR RETURN	10.3	11.3	13.2	15.1	17.3	20.1
WORST 5-YEAR RETURN	-0.5	-0.5	-1.7	-2.9	-4.5	-6.4
NUMBER OF CALENDAR YEARS UP	30	29	27	26	26	26
NUMBER OF CALENDAR YEARS DOWN	5	6	8	9	9	9

1 – Sources: Bloomberg, Morningstar, MSCI, Russell and S&P covering the dates 1990-2024.

Example returns are before management fees are applied. These data should not be used to try to predict future investment performance.



2 - Equities include U.S. Large Cap, Mid-Cap, Small Cap, Developed International Large Cap, Developed International Small and Mid-Cap stocks and Emerging Market Equity.

3 – Bonds include U.S. Investment Grade Bonds, International Bonds, U.S. High Yield Bonds, and Emerging Market debt.