CHARLEVOIX COUNTY COMMUNITY FOUNDATION

Investment Management and Performance

Investment Management

Community Foundation trustees and professional investment managers at Fund Evaluation Group oversee the investment pool. Investment policies provide a clear understanding of the philosophy and objectives as well as the standards that are utilized by the Investment Committee in monitoring investment performance.

Investment of Assets

All funds of the Community Foundation are commingled for investment purposes, in either the Long-Term Investment Pool or the Environmental, Social, and Governance (ESG) Investment Pool. Investment performance is reviewed quarterly by the investment manager and the Community Foundation's Investment Committee.

A summary of the performance of the Community Foundation's Long-Term Investment Pool follows:

3Q	1 Year	5 Years	10 Years	Inception (12/1994)
-1.4%	8.6%	6.6%	9.5%	8.2%

Environmental, Social, and Governance Investment Pool was established as an option in late 2019.

3Q	1 Year	3 Years	5 Years	Inception (12/2019)
1.7%	13.5%	19.7%	9.4%	11.2%

The Long-Term Investment Pool represents funds that are broadly diversified in public equity and fixed income investments. The ESG Pool investments also integrate environmental, social, and corporate governance factors into the investment decision-making process. Both pools have a long-term focus and a similar asset allocation approach.

Spending Policy

The spending policy applies to all permanently endowed funds. The amount that may be appropriated for expenditure is determined by a total return system. The maximum amount that may be appropriated for expenditure in the coming year is calculated each September 30th and is reviewed and approved by the Finance Committee annually. The calculation is as follows:

a. A 12-quarter rolling average of the applicable fund's market value is determined.
b. The average market value is multiplied by a spending rate, as follows:
    - The maximum amount that may be appropriated for fund sub-types will be 4.75% of the average market value calculated in "a," above; scholarship funds will be 5% of the average market value calculated in "a," above.