



FOUNDATION

FINANCE COMMITTEE

Zoom Conference Call

Thursday, August 10, 2023, 8:00 am – 9:00 am

Meeting Minutes

Present: M Mahboob Akhter Isaiah Henry Jim Leach
Mark Schwartz Dr. Elliot Stern Jackie Han, District Fiscal
Elizabeth McCann, staff Roxanne Metz, staff Andrew Hom, staff
Emily Cramer, staff

Absent: Anthony Ferry Scott Kitcher

Guest: Graystone – Dan Tichenor

1. Meeting called to order at 8:06 a.m.
2. Attendance taken and quorum achieved.
3. Consent Agendas
 - May 11, 2023 Finance Committee Meeting Minutes approved.
 - Gifts Received (5/1/23-6/30/23) approved.Jim Leach motioned to approve and Dr. Elliot Stern seconded, motion approved.
4. Investment Performance Report 06/30/23 Review by Graystone Consulting, Dan Tichenor
 - Market outlook is stronger than anticipated
 - Regional banking still disruptive, risks still exists.
 - Earnings stronger than expected. Will experience more headwinds going forward at end of year.

Recent Developments

Endowment Fund

- Slightly rebalanced portfolio from International Equities to Fixed Income in order to stay within IPS mandated asset allocation ranges.

Recommendations

General Fund

- Maintain asset allocation targets based upon 2023 Capital Market Assumptions
 - US Equity: 19.0%
 - International Equity: 19.0%
 - Fixed Income: 42.0%
 - Alternatives: 20.0%
- Trim Breckinridge Intermediate Gov/Credit by 5.0% and use proceeds to increase Western Asset Core Plus Fixed Income
 - Continue to extend duration to lock in higher yields as we believe the Fed is at or nearing the end of their aggressive rate hike cycle
- Trim SPDR S&P 1500 Composite Stock Market and Aristotle Value Equity and use proceeds to →
 - Establish NEW ~2.5% to WisdomTree US Divided ETF (DTD)

- Fund designed to track the performance of the WisdomTree US Dividend Index, which tracks dividend-paying US companies that pay regular cash dividends
- To be included in the index, a company must pay regular cash dividends, have a market cap of at least \$100MM, and have an average daily trading volume of at least \$100,000 three months prior to the index screen

Endowment Fund

- Update asset allocation targets based upon 2023 Capital Market Assumptions
 - US Equity: 28.0% → 27.0%
 - International Equity: 28.0% → 27.0%
 - Fixed Income: 24% → 26.0%
 - Alternatives: 20.0%
 - Rebalance portfolio toward updated asset allocation targets
 - Within Fixed Income split proceeds equally between Breckinridge Intermediate Fixed Income and Western Asset Core Plus
 - Trim SPDR S&P 1500 Composite Stock Market and Aristotle Value Equity and use proceeds to →
 - Establish NEW ~5.0% to WisdomTree US Dividend ETF (DTD)
5. Foundation Financial Statement Review by Andrew Horn
 - Reviewed Statement of Financial Position, June 2023
 - Reviewed Statement of Activities by Area, June 2023
 - Reviewed Activities Budget to Actual, June 2023
 6. Meeting adjourned at 8:56 am.

NEXT MEETING: SEPTEMBER 14, 2023 AT 8:00 A.M