

2011 - 12 CD #16.1
2011- 12 ET #6.9
2011 – 12 EBD #13.4
(2011 – 12 Annual Conference)



Endowment Trustees Report to Council

(Long-Term Investment Fund)

Dan Bradbury – Senior Trustee
Saturday – June 23, 2012



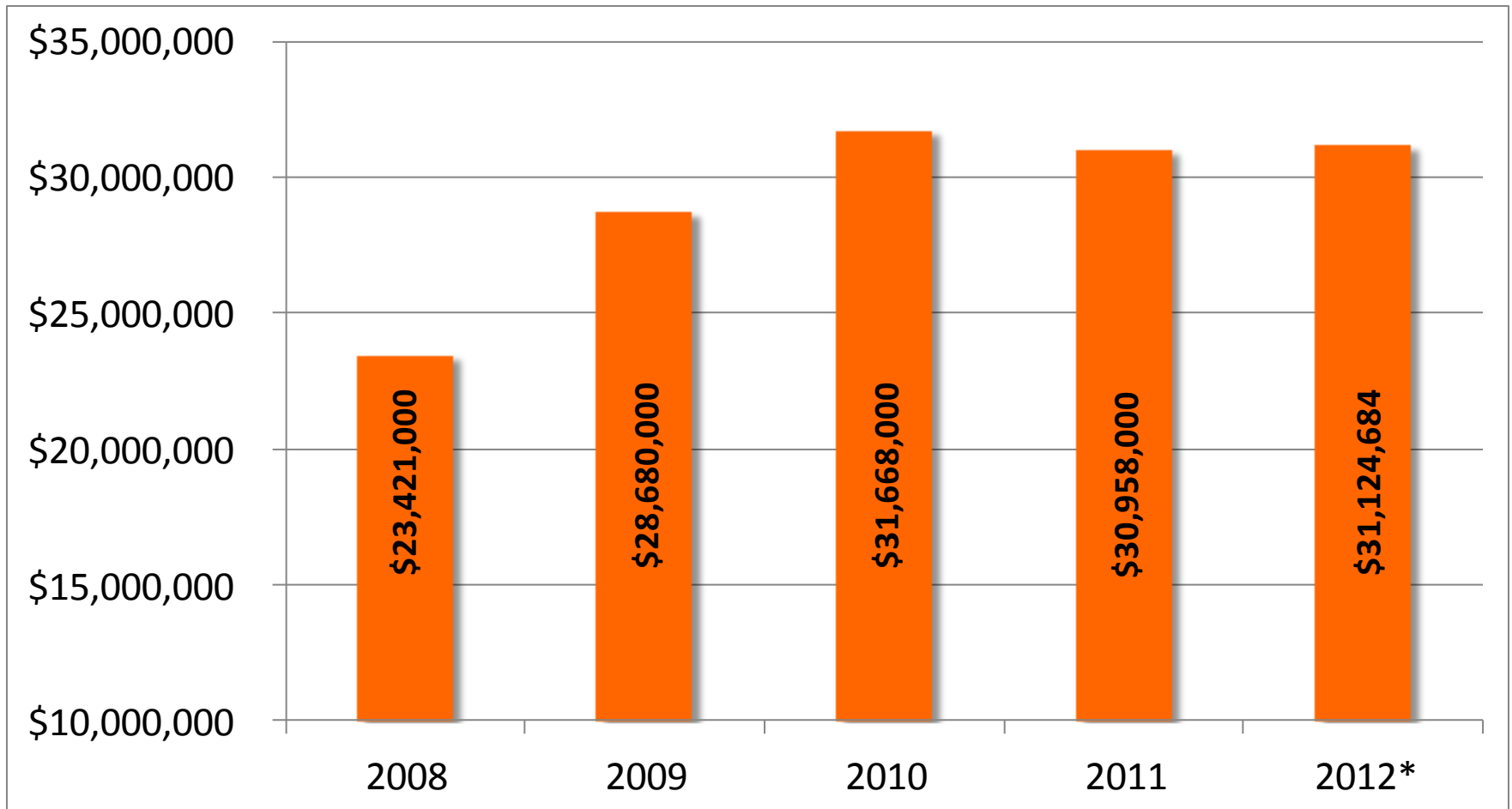
Issues Impacting the Market

- Market experienced its best 1st quarter results since 1998
- Concerns over European debt continue to weigh on the market during the second quarter and has acted as a downside accelerant
- Contracting (recession) European economies compounding slowing growth in Pacific rim economies, which have been the growth engines of the global economy.
- JPMorgan Chase's \$2.0 billion trading loss reignites fears of U.S. banks gone too far

Market Value @ 5-31-12

Exhibit #2

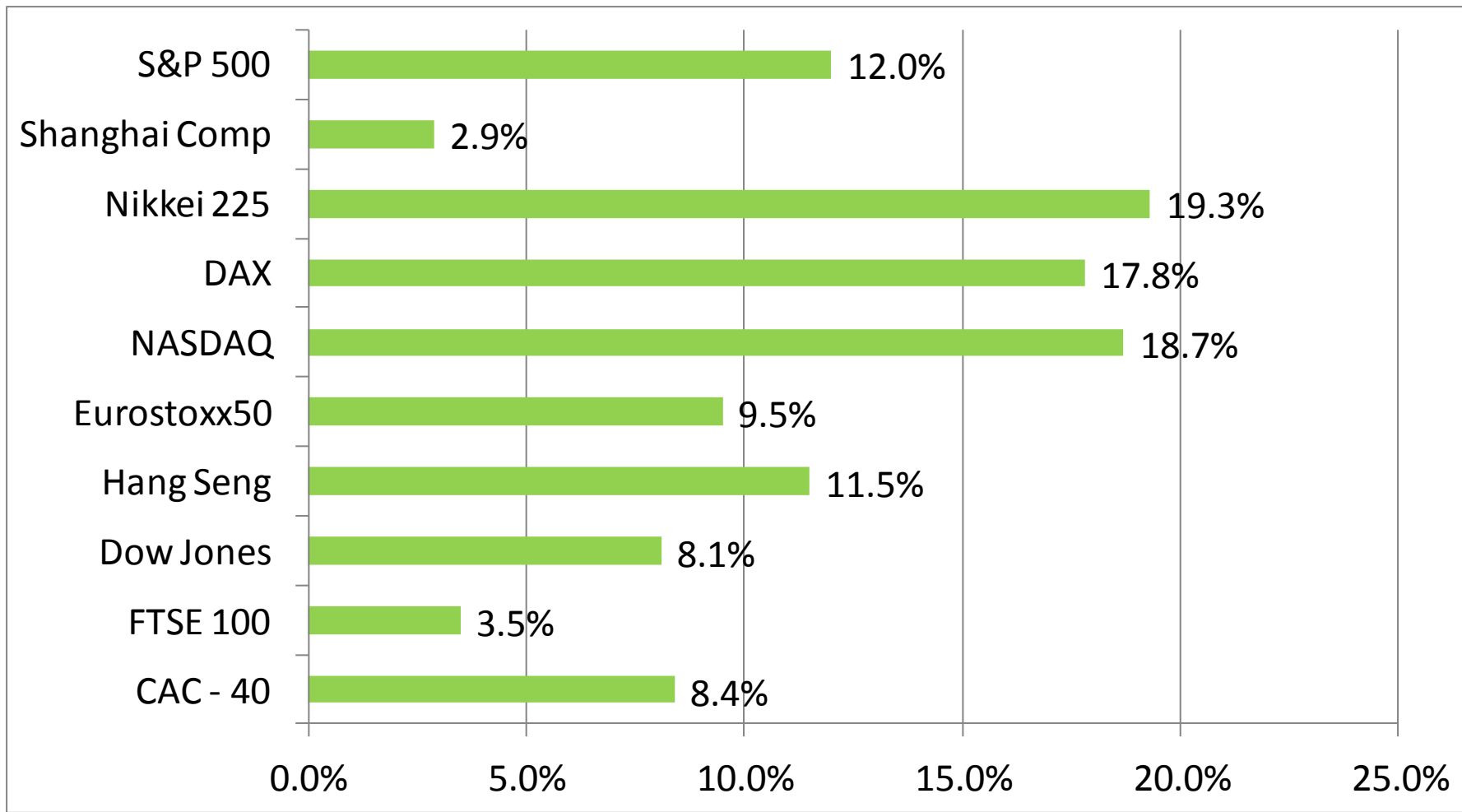
\$31,124,684



*YTD 5 months ending 5-31-12

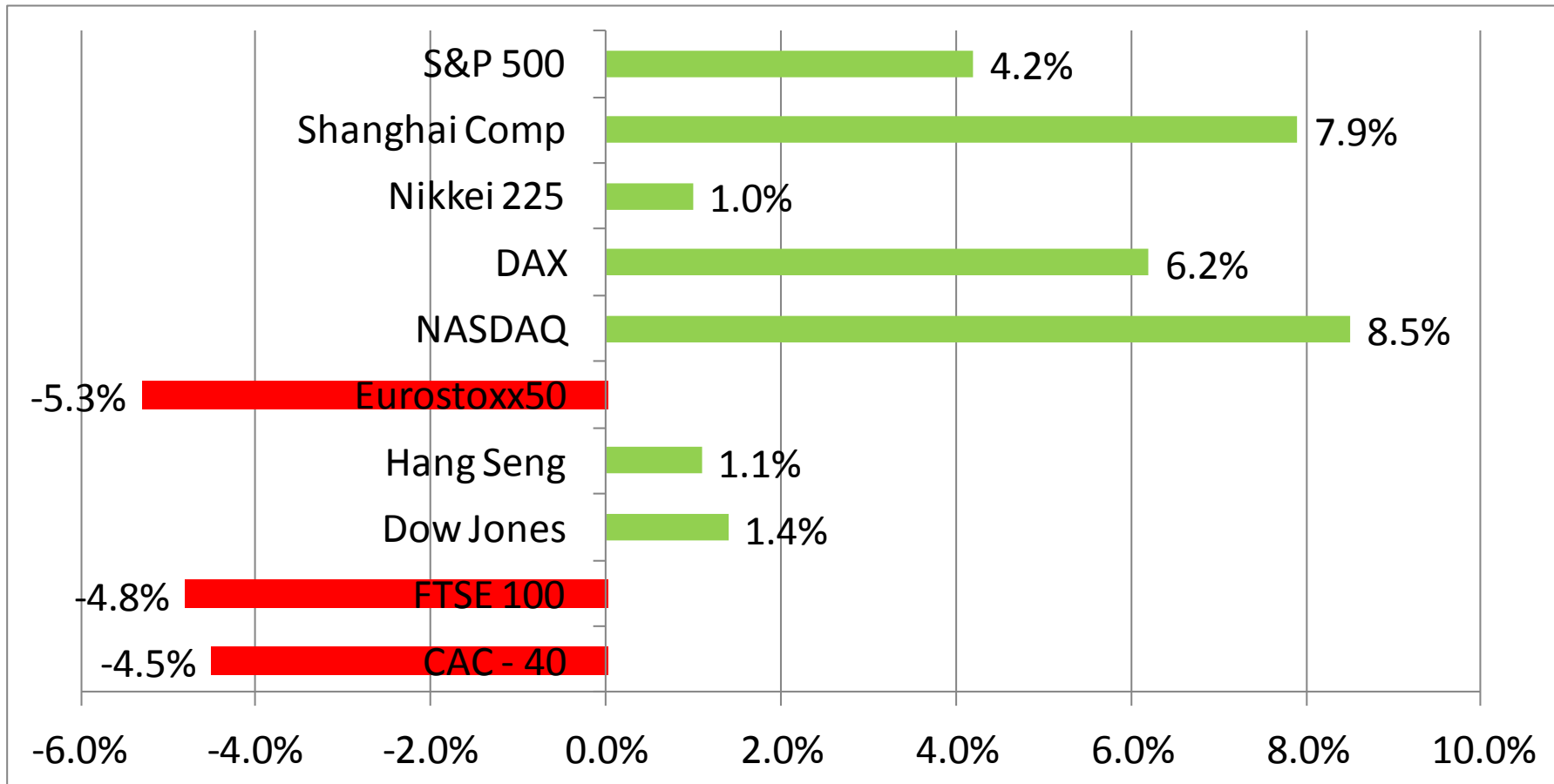
World Market Performance

- Market Returns for the 3 Months Ending 3-31-12



World Market Performance

- Market Returns for the 5 Months Ending 5-31-12



Manager Performance and Allocation

5 Months Ending - 5/31/12

<u>Managers</u>	<u>Market Value</u>	<u>% of Portfolio</u>	<u>Returns</u>	<u>Index</u>
London – Large Cap Core	\$ 3,757,030	12.1%	5.8%	3.5%
IDP – Large Cap Growth	\$ 3,919,251	12.6%	4.6%	7.2%
IDP – Large Cap Value	\$ 2,541,363	8.2%	2.2%	3.5%
NFJ – Small Cap Value	\$ 1,419,267	4.6%	-4.4%	3.3%
Ariel Capital - SRI	\$ 532,801	1.7%	3.5%	4.0%
IDP - International	\$ 1,804,161	5.8%	-0.7%	-3.5%
Endowment Fund	\$ 3,385,296	10.9%	1.4%	2.5%
Invesco - REIT	<u>\$ 1,700,394</u>	<u>5.5%</u>	7.7%	8.4%
Total Equity	\$19,059,563	61.4%		

Manager Performance and Allocation

5 Months Ending-5 / 31 / 12 (Con't)

<u>Managers</u>	<u>Market Value</u>	<u>% of Portfolio</u>	<u>Returns</u>	<u>Index</u>
Neuberger - Intermediate	\$ 1,026,812	3.3%	2.1%	1.9%
Lord Abbett – Conv. Bonds	\$ 834,849	2.7%	2.8%	3.7%
Global Bonds	\$ 3,118,284	10.0%	2.1%	0.9%
Corporate Fixed Income	\$ 3,060,136	9.8%	-1.0%	0.9%
Pimco - Bonds	<u>\$ 4,025,039</u>	<u>12.8%</u>	4.4%	2.5%
Total Fixed Income	\$12,065,120	38.6%		
Total Portfolio	\$31,124,683	100.00%	2.9%	3.6%

Manager Composite Performance

@ 3/31/12*

<u>Managers</u>	<u>1 Year</u>	<u>Benchmark</u>	<u>3 Year</u>	<u>Benchmark</u>	<u>5 Year</u>	<u>Benchmark</u>
London Company - Core	18.5%	4.8%	28.0%	22.8%	7.4%	(0.8%)
IDP - Large Cap Growth	8.3%	11.0%	NA	NA	NA	NA
IDP - Large Cap Value	3.6%	4.8%	21.8%	22.8%	NA	NA
NFJ - Small Cap Value	(5.0%)	(1.1%)	20.4%	25.4%	2.3%	0.0%
Ariel Capital - SRI	0.7%	2.3%	33.5%	29.2%	3.8%	1.3%
IDP - International	(5.1%)	(5.3%)	19.5%	17.7%	NA	NA
Invesco - REIT	12.0%	11.3%	37.7%	42.2%	(0.4%)	(0.1%)
Neuberger – Intermediate Bonds	6.3%	5.9%	6.3%	5.0%	5.6%	5.3%
Lord Abbett - Convertible Bonds	(3.0%)	1.7%	12.1%	14.1%	3.7%	0.4%
Global Bond	0.7%	5.6%	NA	NA	NA	NA
PIMCO - Bonds	6.2%	7.7%	9.2%	7.0%	7.7%	6.2%
Endowment Fund - Alternatives	(3.3%)	(3.0%)	6.1%	4.5%	0.6%	(0.6%)

*Most currently available information

Asset Allocation Strategy

Exhibit #8

ASSET ALLOCATION STRATEGY		POLICY GUIDELINES @ 3-31-12			
		Min	Target	Actual	Max
Domestic Large/Medium Cap Stocks		30%	45%	34.6%	50%
	London Company - Core			12.1%	
	IDP - Large Cap Value			8.2%	
	IDP - Large Cap Growth			12.6%	
	Ariel - SRI			1.7%	
Domestic Small/Medium Cap Stocks		0%	5%	4.6%	10%
	NFJ - Small Cap Value			4.6%	
Alternative Investments		0%	10%	10.9%	15%
	Endowment Fund			10.9%	
International Equity		5%	10%	5.8%	15%
	IDP - International			5.8%	
Real Estate Investment Trust (REIT)		5%	5%	5.5%	15%
	Invesco			5.5%	
Investment Grade Fixed Income		20%	30%	38.7%	50%
	Neuberger Intermediate			3.3%	
	Global Fixed Income			10.0%	
	Corporate Fixed Income			9.8%	
	Lord Abbett			2.7%	
	PIMCO - Bonds			12.9%	
Total				100%	

Pending Portfolio Impacts

-Year End Fiscal Cliff & Other-

- Debt Ceiling Deal Part I - \$40 Billion
- Expiring Bush Tax Cuts - \$240 Billion
- Debt Ceiling Deal Part II - \$110 Billion
- Other* - \$150 Billion
- Expiring Payroll Tax Holiday - \$129 Billion
- Extending Unemployment - \$40 Billion
- European Debt Crisis
- Presidential Election
- Slowing economic growth in China, India and other emerging markets
- Austerity induced recession in Europe

*Includes infrastructure spending, Health care implementation, AMT etc.