Endowment Trustees Report
(Long-Term Investment/Endowment Fund)

Rod Hersberger – Senior Trustee
Sunday – April 17, 2016
Issues Impacting the Market

- First half of quarter (1/1 – 2/14) wrought with recession fears
  - Chinese currency devaluation
  - Soft global growth
  - European immigration issues
  - Japan pushes borrowing rates into negative territory
  - All major market indexes down 10% - 15%

- Second half of quarter (2/15 – 3/31)
  - Dow turns positive for the year @ 3-17-17
    > Recession fears ease
    > Commodity prices stabilize
    > Sharp recovery in crude oil prices (up 53% since hitting a 13 year low on 2-11-16)
  - Riskier asset classes have been recovering since Mid-February
  - S&P 500 up 12% since Mid-February
Issues Impacting the Market (con’t)

- Market seems to be stabilizing into a broad trading range
- US economic data is steady, but not spectacular
- Quality large cap stocks remain the investment of choice, but diversity is still required
- Brexit talk has shaken markets and hurt US banks based in London, which may result in renegotiating with the rest of the EU
- Employment fairly stable in most parts of the country with unemployment claims below 300,000 for 58 consecutive weeks – best since 1973
- Federal Reserve hints at intention to hold possible rate increases to 2 during the year vs the expected 4
- Impact of Presidential election still to be determined
- World’s leading oil producers hinting at placing a limit on oil production, which will help the market
- Market experts expecting 2016 to mimic 2015 – high volatility, minimal results or change
Market Value and Return @ 3-31-16
$38,445,938
S&P 500 Index Volatility

Exhibit #3

Endowment Fund up $2.0 million at $38,445,938

Endowment Fund down $2.0 million at $36,454,834
### Time Weighted Rate of Return

<table>
<thead>
<tr>
<th>Period</th>
<th>Opening Balance</th>
<th>Contributions (Withdrawals)</th>
<th>Interest Dividends</th>
<th>Appreciation (Depreciation)</th>
<th>Closing Balance</th>
<th>ROR* Period</th>
<th>ROR* Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>March - 2016</strong></td>
<td>$36,454,834</td>
<td>$18,825</td>
<td>$108,752</td>
<td>$1,900,883</td>
<td>$38,445,938</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>February - 2016</strong></td>
<td>$37,233,216</td>
<td>$(627,004)</td>
<td>$41,405</td>
<td>$(192,783)</td>
<td>$36,454,834</td>
<td>(0.38%)</td>
<td>(4.25%)</td>
</tr>
<tr>
<td><strong>January – 2016</strong></td>
<td>$38,724,962</td>
<td>$9,342</td>
<td>$30,994</td>
<td>$(1,532,082)</td>
<td>$37,233,216</td>
<td>(3.87%)</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>$38,723,216</td>
<td>$(598,837)</td>
<td>$181,151</td>
<td>$176,018</td>
<td>$38,445,938</td>
<td>NA</td>
<td>(4.25%)</td>
</tr>
<tr>
<td><strong>December - 2015</strong></td>
<td>$39,537,981</td>
<td>$2,714</td>
<td>$702,064</td>
<td>$(1,517,798)</td>
<td>$38,724,962</td>
<td>(2.07%)</td>
<td>(2.89%)</td>
</tr>
<tr>
<td><strong>November - 2015</strong></td>
<td>$39,733,656</td>
<td>$0</td>
<td>$146,036</td>
<td>$(341,710)</td>
<td>$39,537,981</td>
<td>(0.48%)</td>
<td>(0.84%)</td>
</tr>
<tr>
<td><strong>October – 2015</strong></td>
<td>$37,767,659</td>
<td>$0</td>
<td>$56,731</td>
<td>$1,909,266</td>
<td>$39,733,656</td>
<td>5.21%</td>
<td>(0.36%)</td>
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<td><strong>September – 2015</strong></td>
<td>$38,680,372</td>
<td>$(8,595)</td>
<td>$102,953</td>
<td>$(1,007,072)</td>
<td>$37,767,659</td>
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<td><strong>August – 2015</strong></td>
<td>$40,656,752</td>
<td>$0</td>
<td>$51,321</td>
<td>$(2,027,701)</td>
<td>$38,680,372</td>
<td>(4.81%)</td>
<td>(3.03)</td>
</tr>
</tbody>
</table>

*Rate of Return
World Market Performance
- Calendar Year Market Returns @ 3-31-16

Exhibit #5
# Manager Allocation and Style

<table>
<thead>
<tr>
<th>Manager</th>
<th>Value</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>London Company* - <em>Large Cap Core</em></td>
<td>$7,074,842</td>
<td>18.4%</td>
</tr>
<tr>
<td>Merrill Lynch Personal Advisor** - (MLPA)</td>
<td>$17,300,336</td>
<td>45.0%</td>
</tr>
<tr>
<td>The Endowment Fund - <em>Alternatives</em></td>
<td>$1,395,413</td>
<td>3.6%</td>
</tr>
<tr>
<td>Capital Group - <em>International</em></td>
<td>$1,618,232</td>
<td>4.2%</td>
</tr>
<tr>
<td>Equity Income &amp; Growth - <em>ETF</em></td>
<td>$7,038,266</td>
<td>18.3%</td>
</tr>
<tr>
<td>Loomis Sayles - <em>Fixed Income</em></td>
<td>$4,018,849</td>
<td>10.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$38,445,938</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

*Replaced by Clearbridge ESG on April 1, 2016

**MLPA is a platform under which ALA can access different managers in the form of mutual funds and ETF’s. There are 12 different managers in this account including the SRI (Socially Responsible Investing) manager Ariel.
The Work of the Endowment Trustees

Recent/Future Trustee Actions

- The Trustees’ had another excellent education meeting in NYC
  - Discussed the investment practices of Vassar College
  - Exposure to another way of looking at alternative investing (Wellington Investment Management)
  - An extensive session on a “Strategic Allocation” model study
  - Examined other options for SRI
  - Replaced Third Avenue Global Real Estate with Vanguard US REIT ETF
  - Replaced Deutsche Global Infrastructure with Nuveen Real Asset Income

- Funded $230,000 in private equity with Blackstone
- Replaced London Company with Clearbridge ESG
- The Trustees will be meeting with the new Director of the Development Office in May to discuss enhancing growth in the endowment via fundraising efforts