

Activities to Date Updated as of February 6, 2025

The Committee uses three investment advisors including Alesco and, starting in 2025, Clark Capital and Westpath. It receives investment reports from the advisors at each quarterly meeting and each advisor meets in person with the Committee at least twice per year. The Committee monitors advisor performance against benchmarks, and performance against benchmarks varies quarter by quarter among the advisors. At the end of the fourth quarter, all Restricted Fund assets previously advised by Canandaigua National Bank were transferred to Westpath, and all assets previously advised by Manning & Napier were transferred such that the General Endowment was evenly split between Alesco and Clark Capital.

In the fourth quarter of 2024, the general endowment decreased by \$172,211 after \$72,272 of distributions were made. The Restricted Funds decreased by \$59,207 after \$36,826 was distributed. Over the full year 2024, the general endowment increased by approximately \$303,000 to a total of \$6,762,245 after a total of \$289,152 in distributions were made. During 2024, the thirteen Restricted Funds increased by approximately \$144,000 after a total of \$129,005 distributions were made.

The Committee distributes 4.5% of the 20-quarter average balance of each fund (or the rough equivalent for newer funds) for the Annual Operating Plan, capital funds and restricted fund-designated purposes. This strategy is generally accepted by endowments as a means to smooth distributions through market swings but also provide for long term principal growth. Thus, when the market spikes distributions do not correspondingly increase, and when the market turns down, distributions are not decreased as much. The Committee has approved continuing distributions at the 4.5% level for 2025, but continues to monitor whether the 4.5% rate used remains appropriate for future years.

Several years ago, the Committee established a Dreamscape Goal of an aggregate of \$10,000,000 for endowment and restricted funds. The funds currently are \$41,000 short of the goal. The Committee continues to note the importance of planned gifts in achieving long-term goals.

The Committee also continues to monitor general trends in the portfolio related to ESG (Environmental, Social and Governance) investments.

The Committee discussed policies and past practices related to adding funds received in bequests to the general endowment, subject to any donor restrictions, and recommended to the Governing Board for consideration a policy of adding all such bequests to the endowment.