



MARKET UPDATE AND PERFORMANCE REVIEW

Blue Mountain Community Foundation



BLUE MOUNTAIN
COMMUNITY
FOUNDATION

Serving Donors.

Strengthening Communities.

Presented by:

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BMCF MARKET AND PORTFOLIO REVIEW

- It should come as no surprise to anyone that the global markets and economies witnessed an unprecedented decline in returns and productivity.
- Just as surprising was the rebound in the stock market in April.
- The Foundation approached this market sell-off as an opportunity to right-size the asset allocation and seek quality investments that were on sale.
- But while the market seems to have stabilized a bit there is much damage to repair to the global economy and it will take time.
- What are other Community Foundations doing in response to the Covid-19 pandemic?

Community Foundation Research and Training Institute Survey

126 community foundations responded to the survey regarding responses to the coronavirus pandemic. Some of the most important findings are as follows:

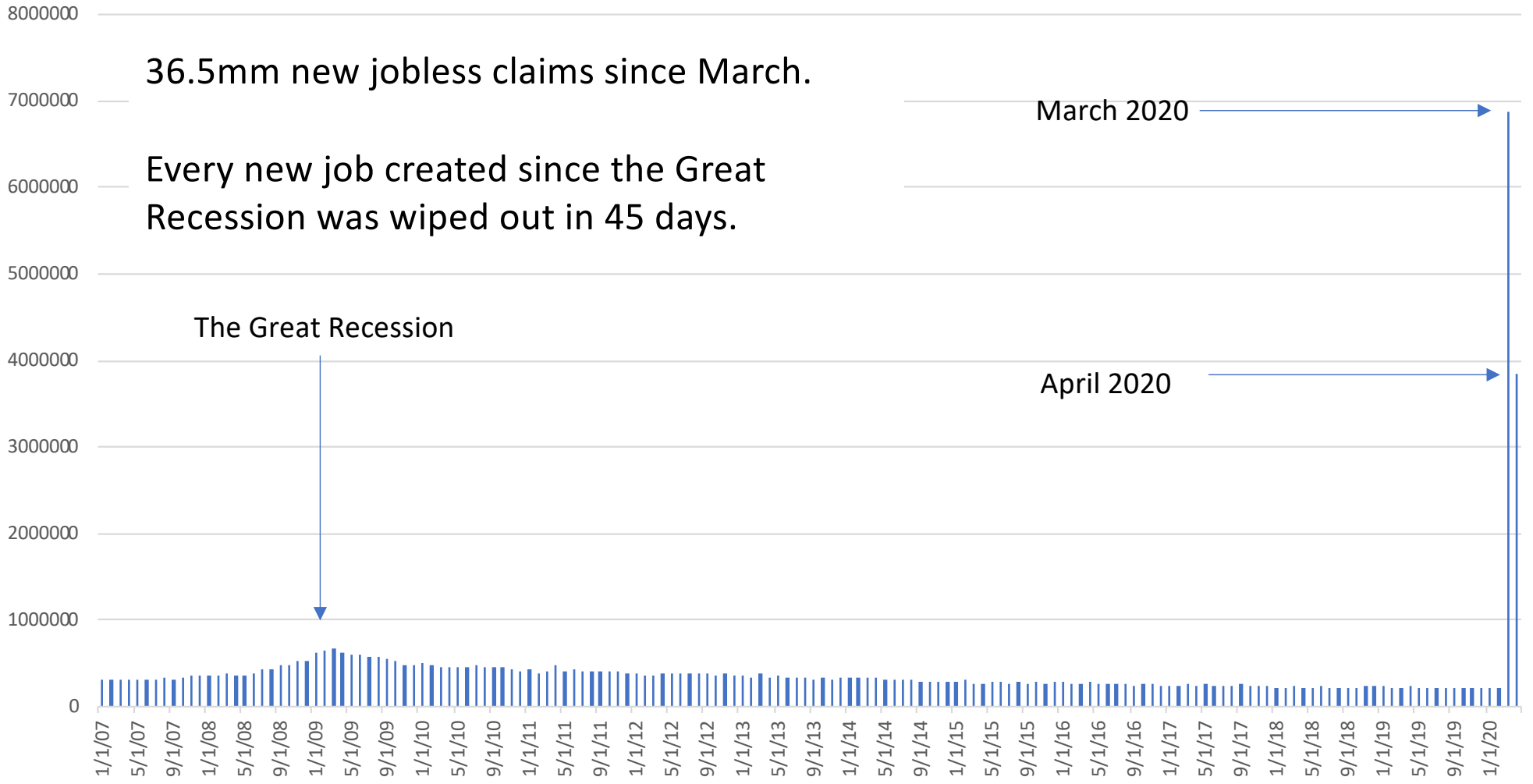
- 82% of community foundations have created a fund dedicated to providing grants to support organizations dealing with the pandemic.
 - Of the remaining 18%, most are using a disaster relief fund that already existed, but has been repurposed to help local coronavirus efforts
- 98% of community foundations have made a grant to deal with the local response to the crisis.
 - The most common type of fund that has provided a grant to deal with a pandemic is a donor advised fund, followed closely by unrestricted endowments, pandemic relief funds and field of interest funds.

Community Foundation Research and Training Institute Survey- Cont'd

- 96% of community foundations have closed their offices and are working remotely
- 84% of community foundation expect their next board meeting to take place as scheduled, but it will be conducted remotely, rather than through an in-person meeting
- 66% of community foundations have applied for support from the Paycheck Protection Program.

Market Data & Graphs

Monthly New Jobless Claims



36.5mm new jobless claims since March.

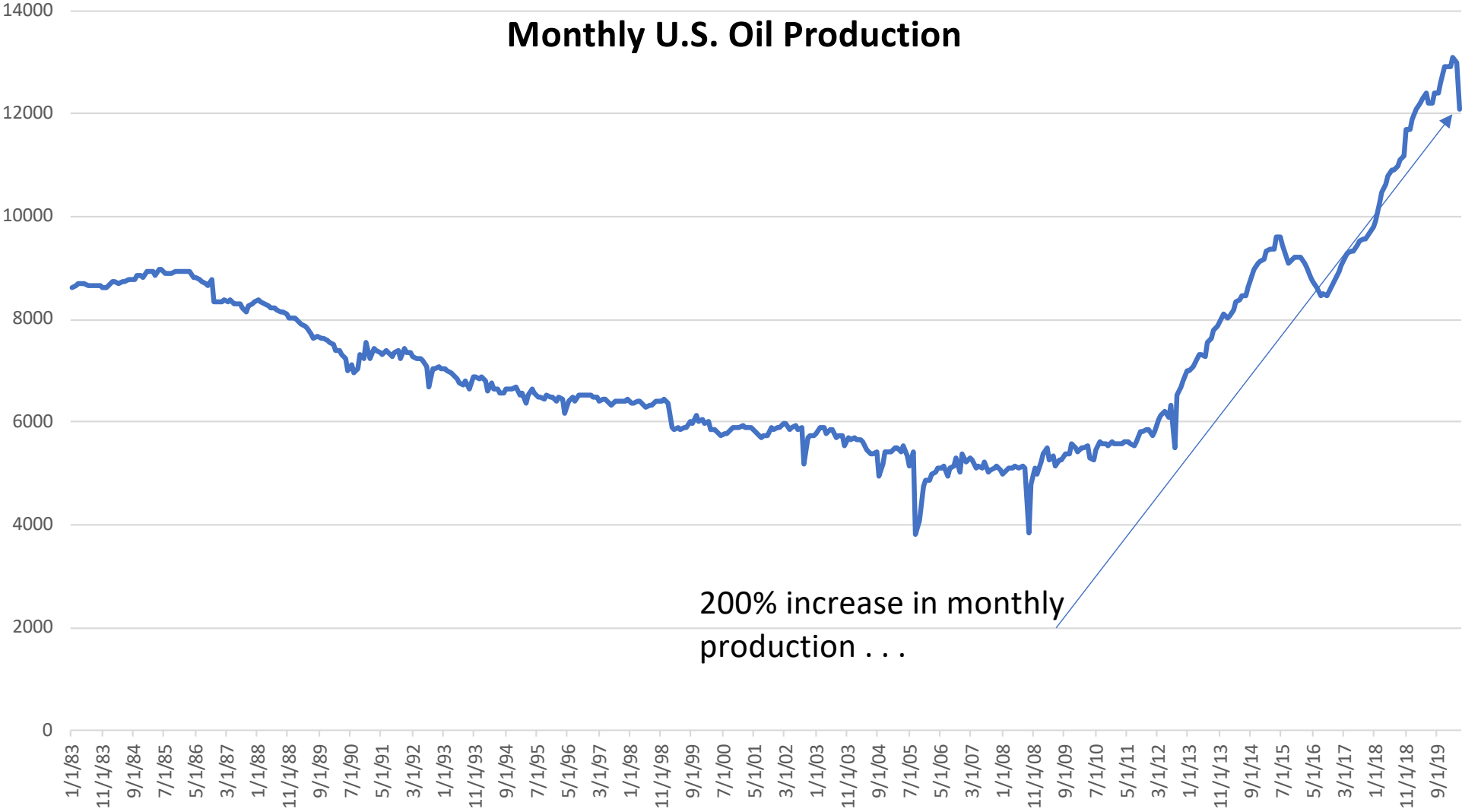
Every new job created since the Great Recession was wiped out in 45 days.

The Great Recession

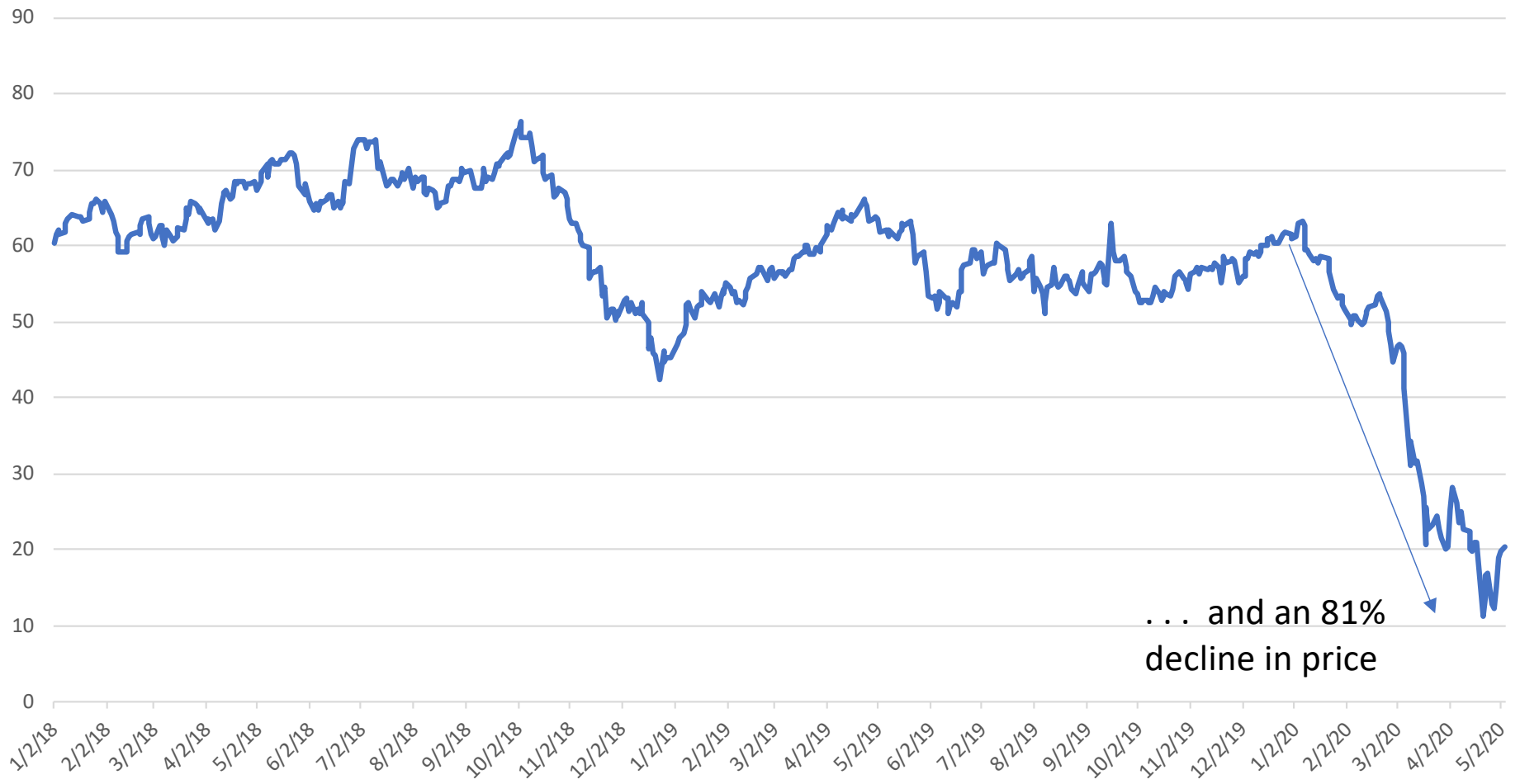
March 2020

April 2020

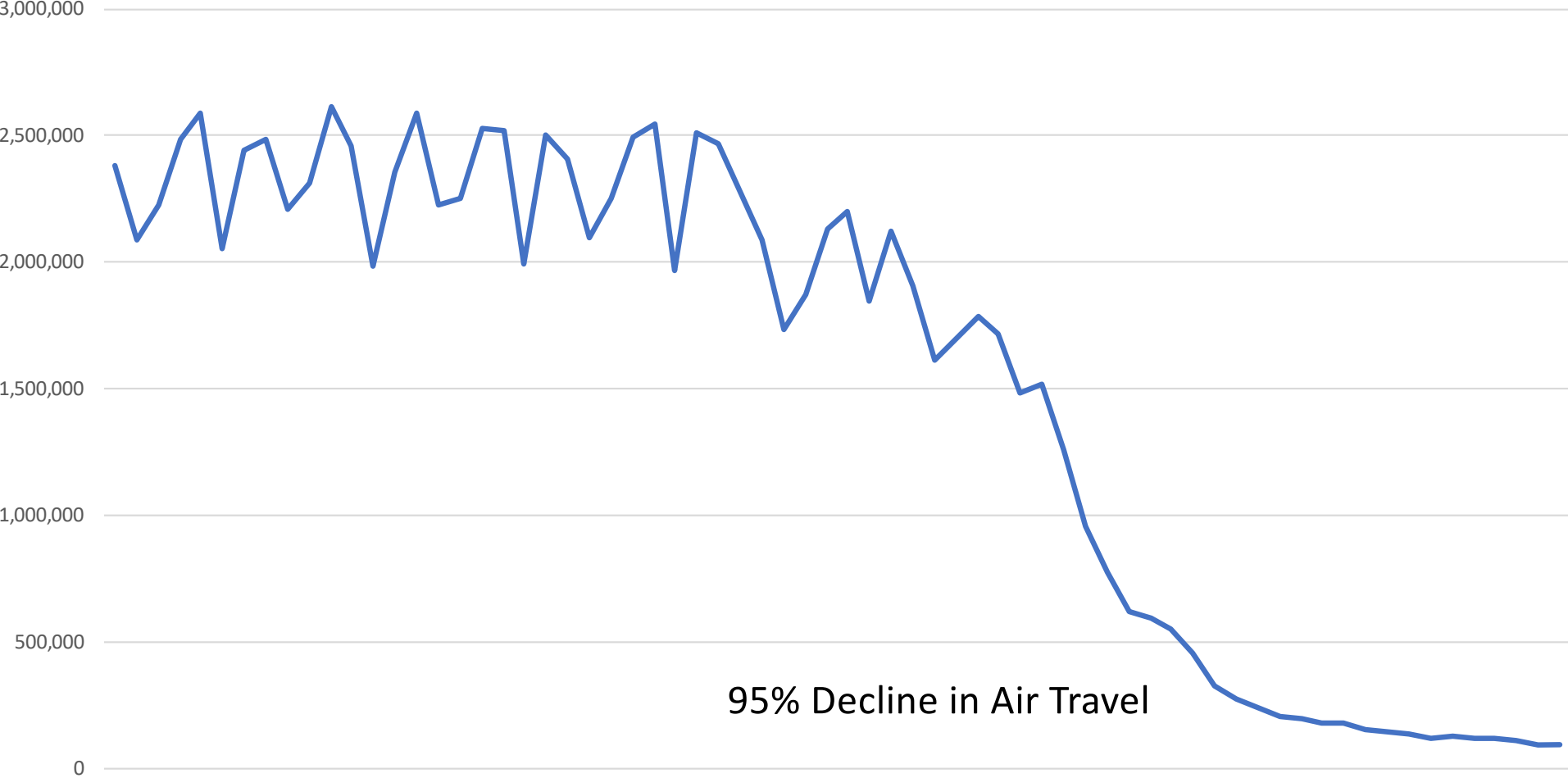
Monthly U.S. Oil Production



Crude Oil Prices

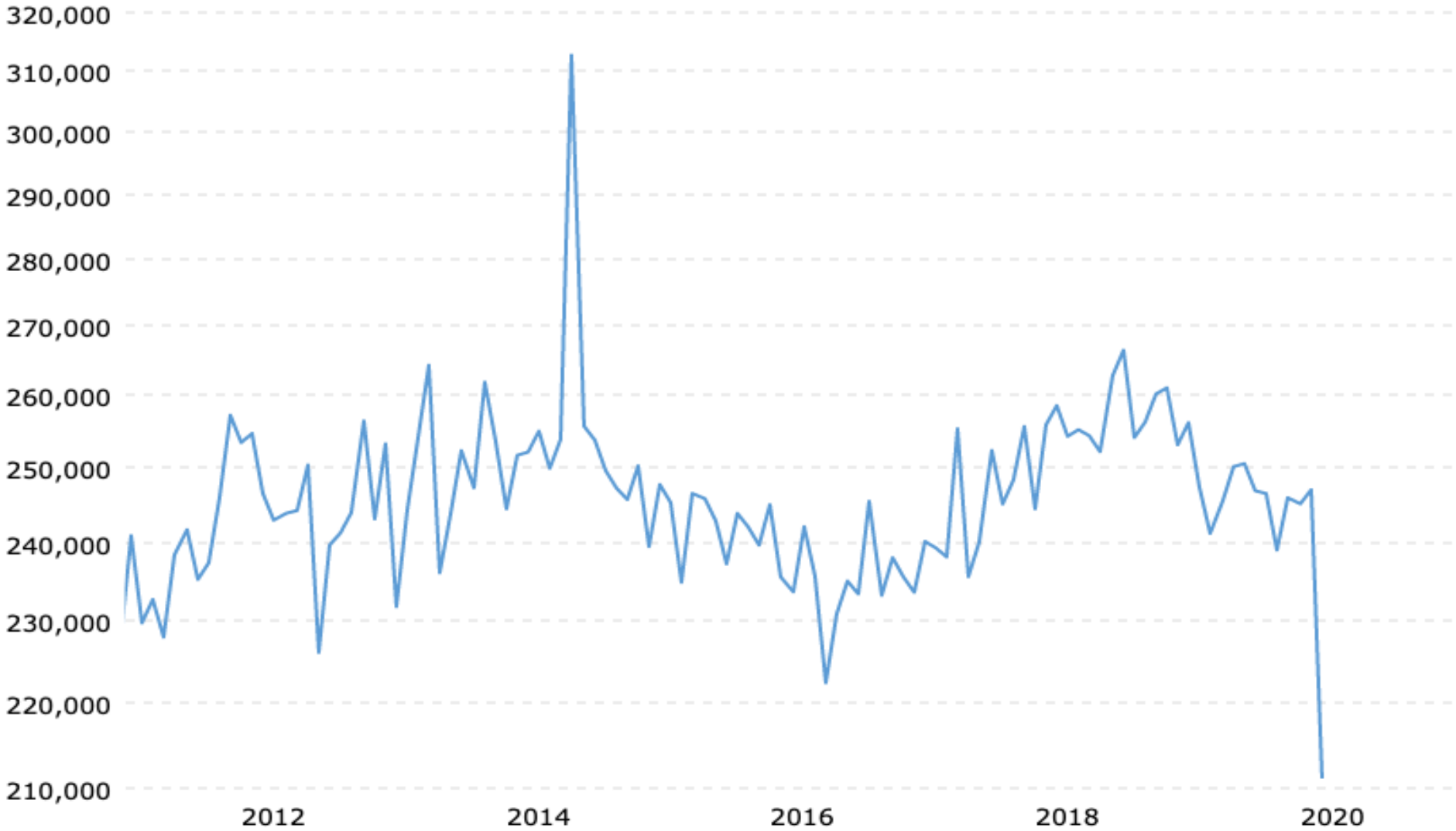


Total Airline Travelers Feb-April 2020

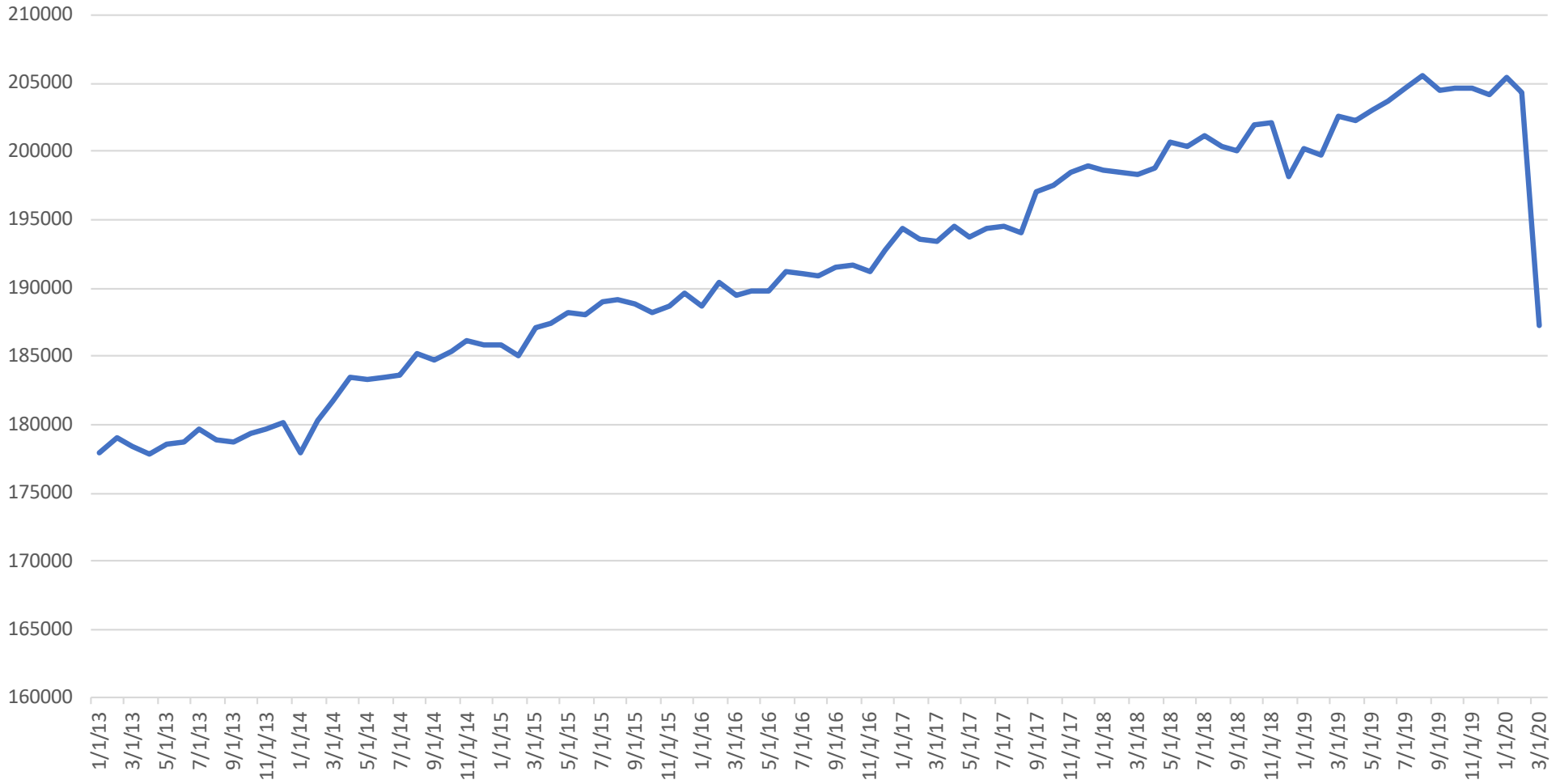


95% Decline in Air Travel

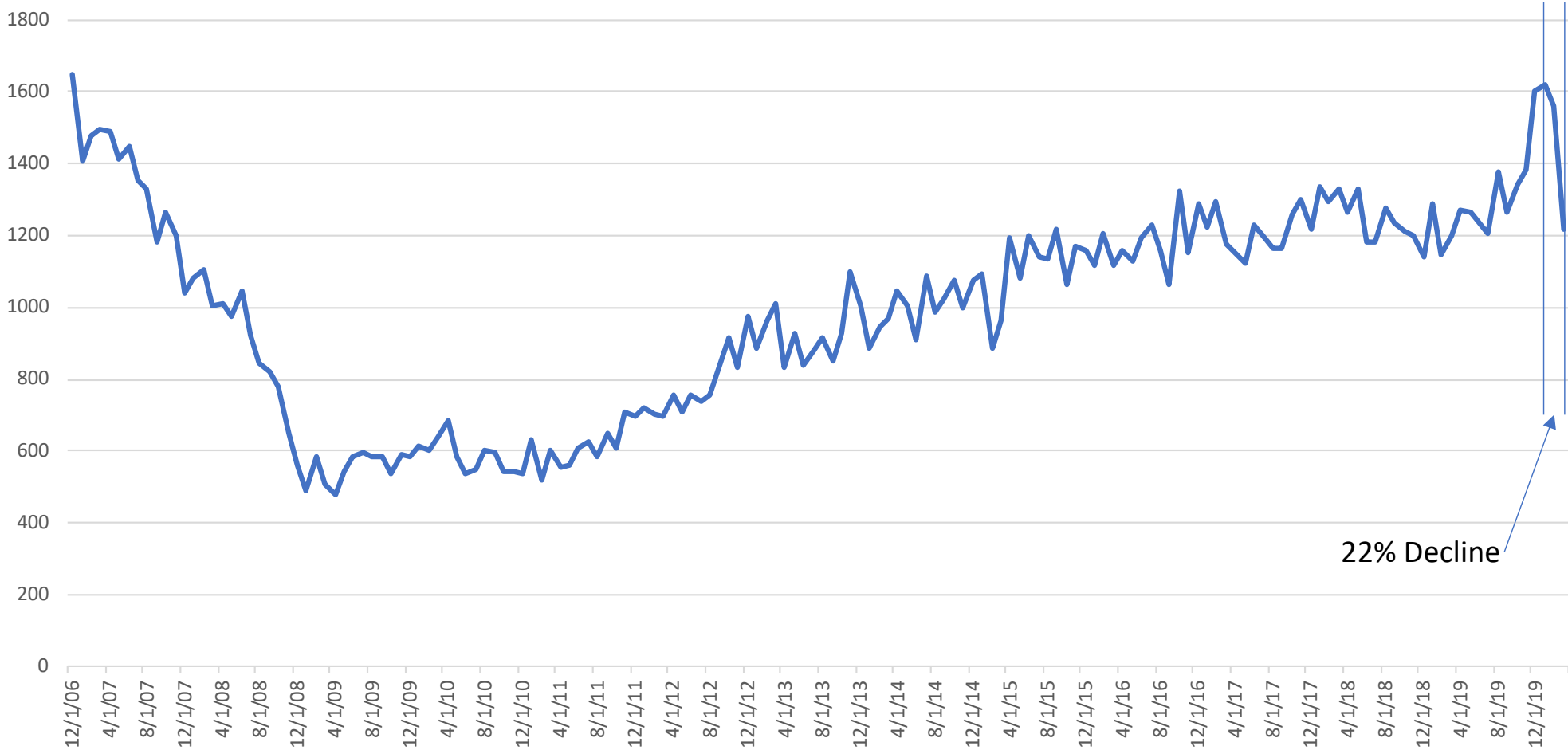
Durable Goods Orders



U.S. Retail Sales

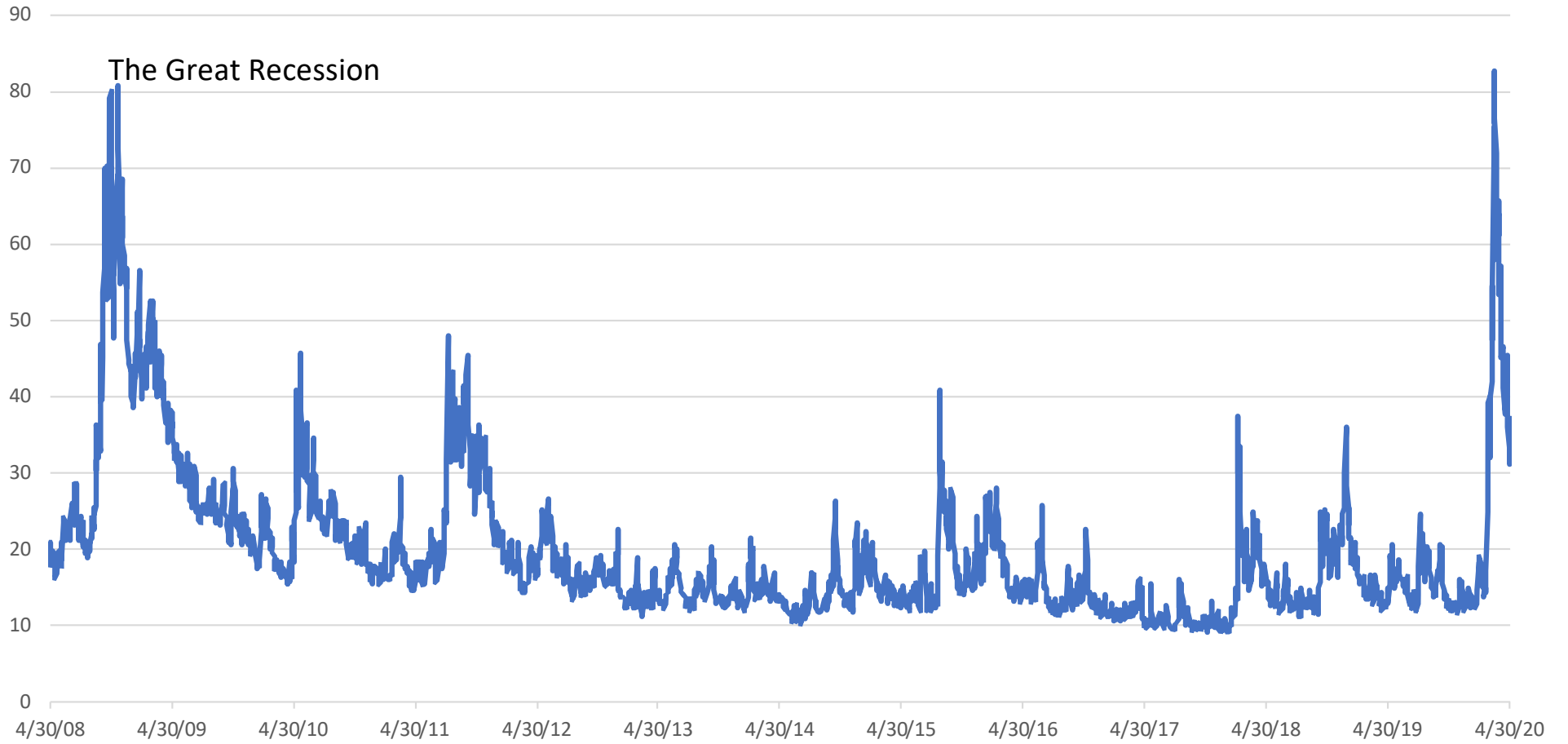


Housing Starts

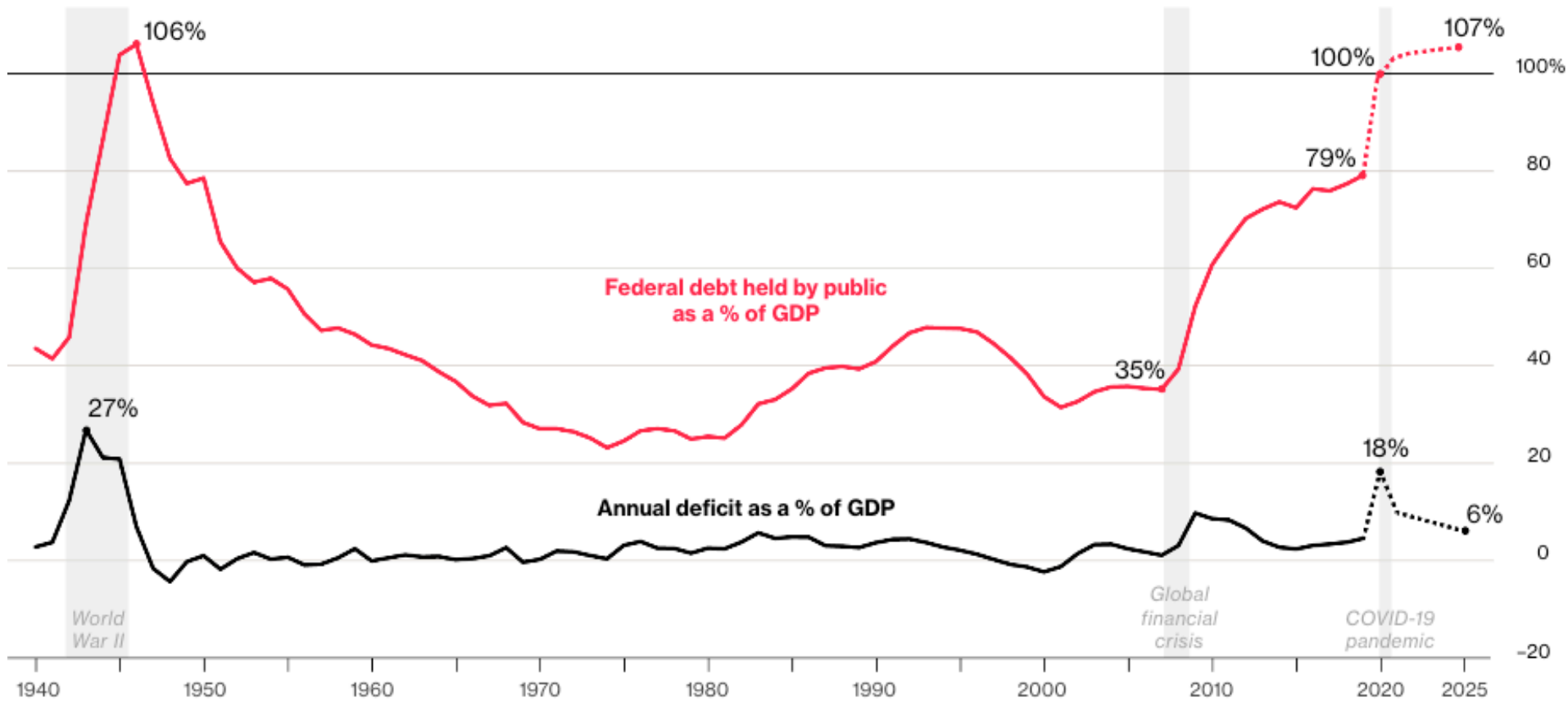


22% Decline

Market Volatility Indicator (VIX)

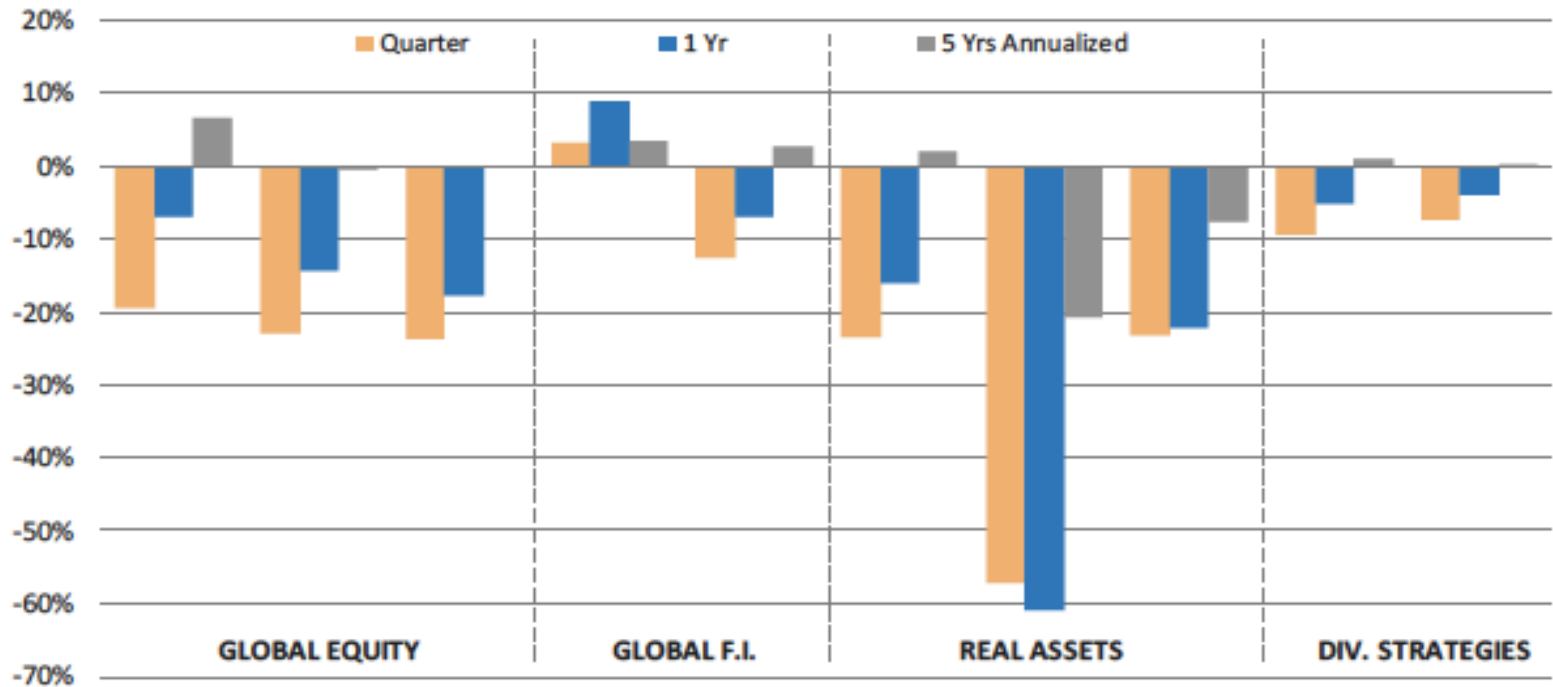


Debt Projection Exceeds Economic Output



Sources: Committee for a Responsible Federal Budget, Congressional Budget Office, Bloomberg data

Major Asset Class Returns as of March 31

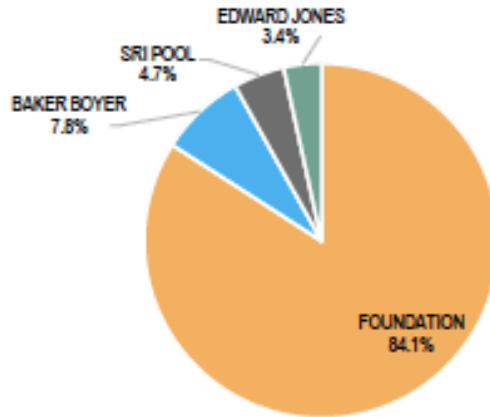


	S&P 500 Index	MSCI EAFE Index	MSCI Emerging Mkts Index	Blmbrg Barclays U.S. Agg Index	Blmbrg Barclays HY Index	FTSE NAREIT All Equity Index	Alerian MLP Index	Blmbrg Cmdty Index	HFRI Fund Wtd Comp. Index	HFRI Fund of Fund Index
Quarter	-19.6%	-22.8%	-23.6%	3.1%	-12.7%	-23.4%	-57.2%	-23.3%	-9.4%	-7.3%
1 Yr	-7.0%	-14.4%	-17.7%	8.9%	-6.9%	-15.9%	-60.9%	-22.3%	-5.1%	-3.9%
5 Yrs Annualized	6.7%	-0.6%	-0.4%	3.4%	2.8%	2.0%	-20.7%	-7.8%	1.1%	0.3%

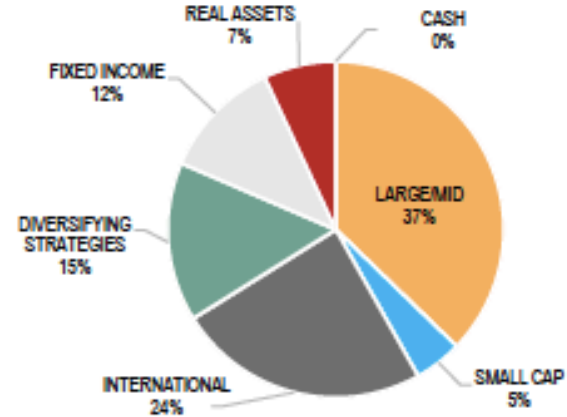
Blue Mountain Community Foundation Trailing Returns *as of April 30*

	Quarter	1-Year	3-Year	5-Year	Since Inc.	Inc. Date	Market Value
Blue Mountain CF	-12.8	-8.9	1.0	2.0	5.2	Aug-03	\$ 35,292,756
Baker Boyer	-17.7	-16.2	-3.1	0.0	3.5	Jan-05	\$ 3,270,895
SRI Pool	-10.3	-3.5	-	-	1.4	Feb-18	\$ 1,962,117
Edward Jones	-8.4	-1.8	3.8	3.9	4.1	Jun-14	\$ 1,442,306
TOTAL							\$ 41,968,074

BLUE MOUNTAIN CF TOTAL ASSETS

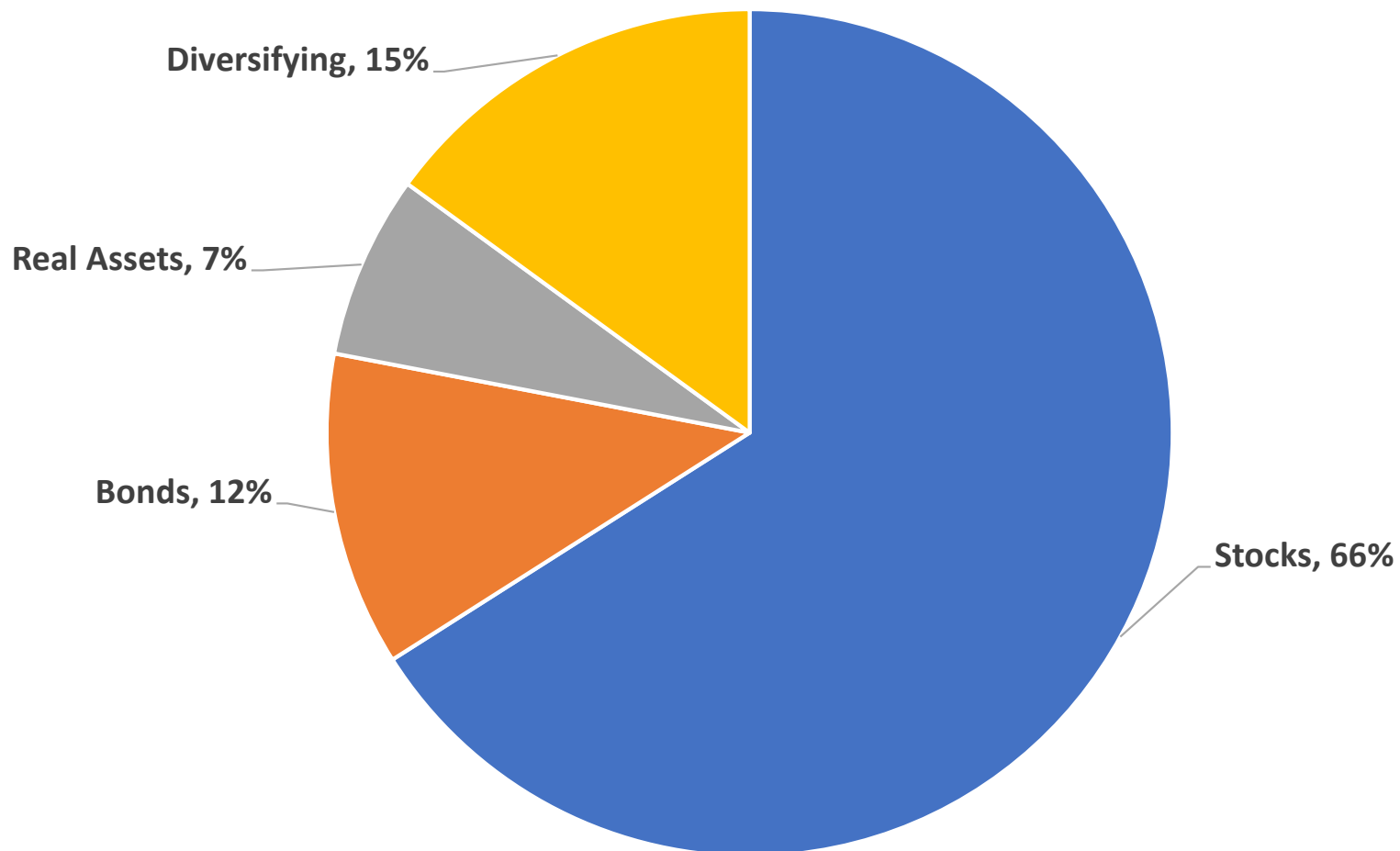


LONG TERM POOL ASSET ALLOCATION



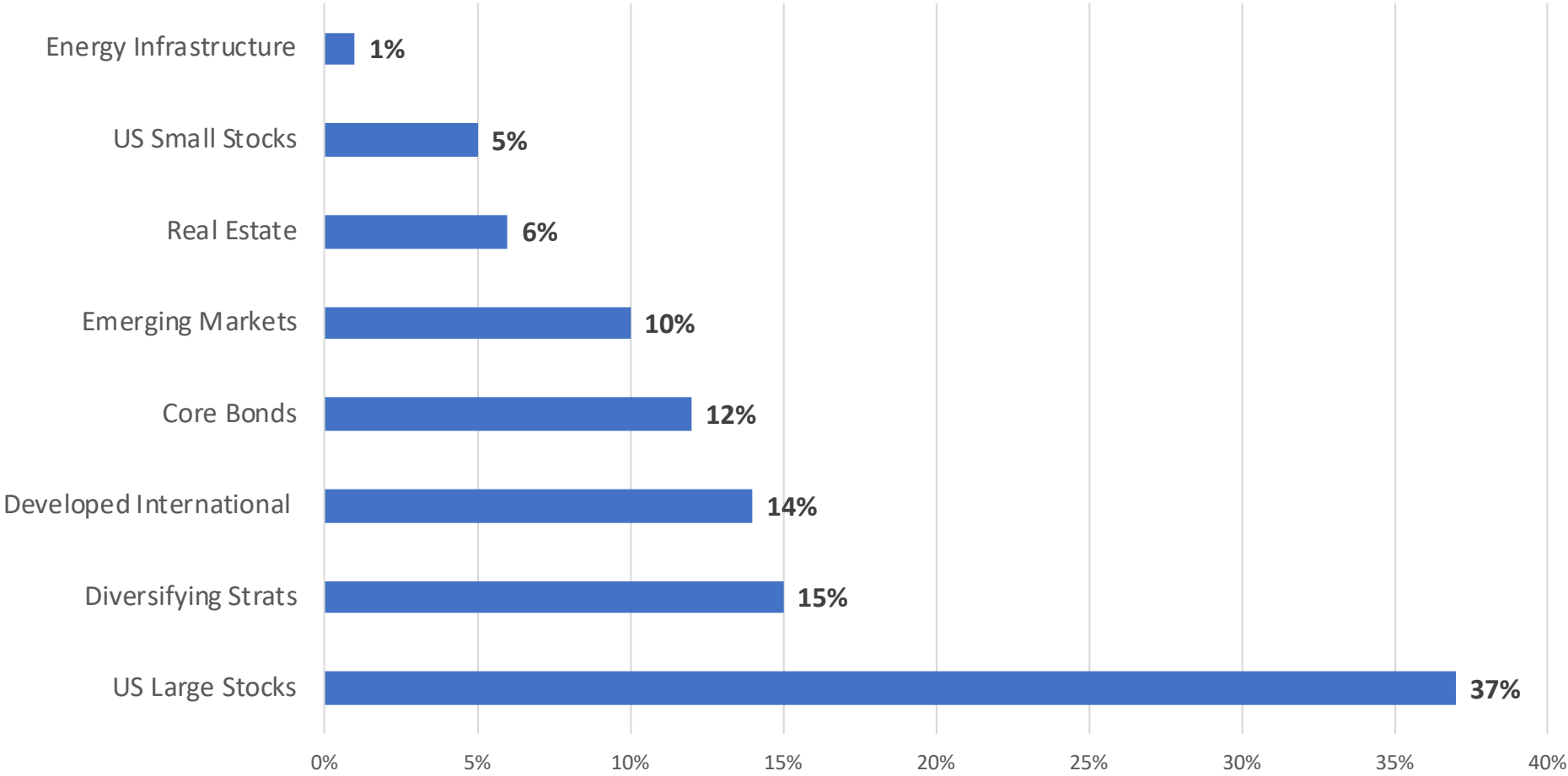
The BMCF focuses on long-term returns with downside protection by emphasizing diversification and quality.

Broad Asset Allocation *as of April 30*



Detailed Asset Allocation

as of April 30



PORTFOLIO UPDATE

During the market sell-off in March, the Blue Mountain Community Foundation focused on the long-term allocation and exhibited patience.

BMCF Foundation Assets

*(Long-Term Pool, Baker Boyer, SRI Pool,
Edward Jones, Lamar Farm)*

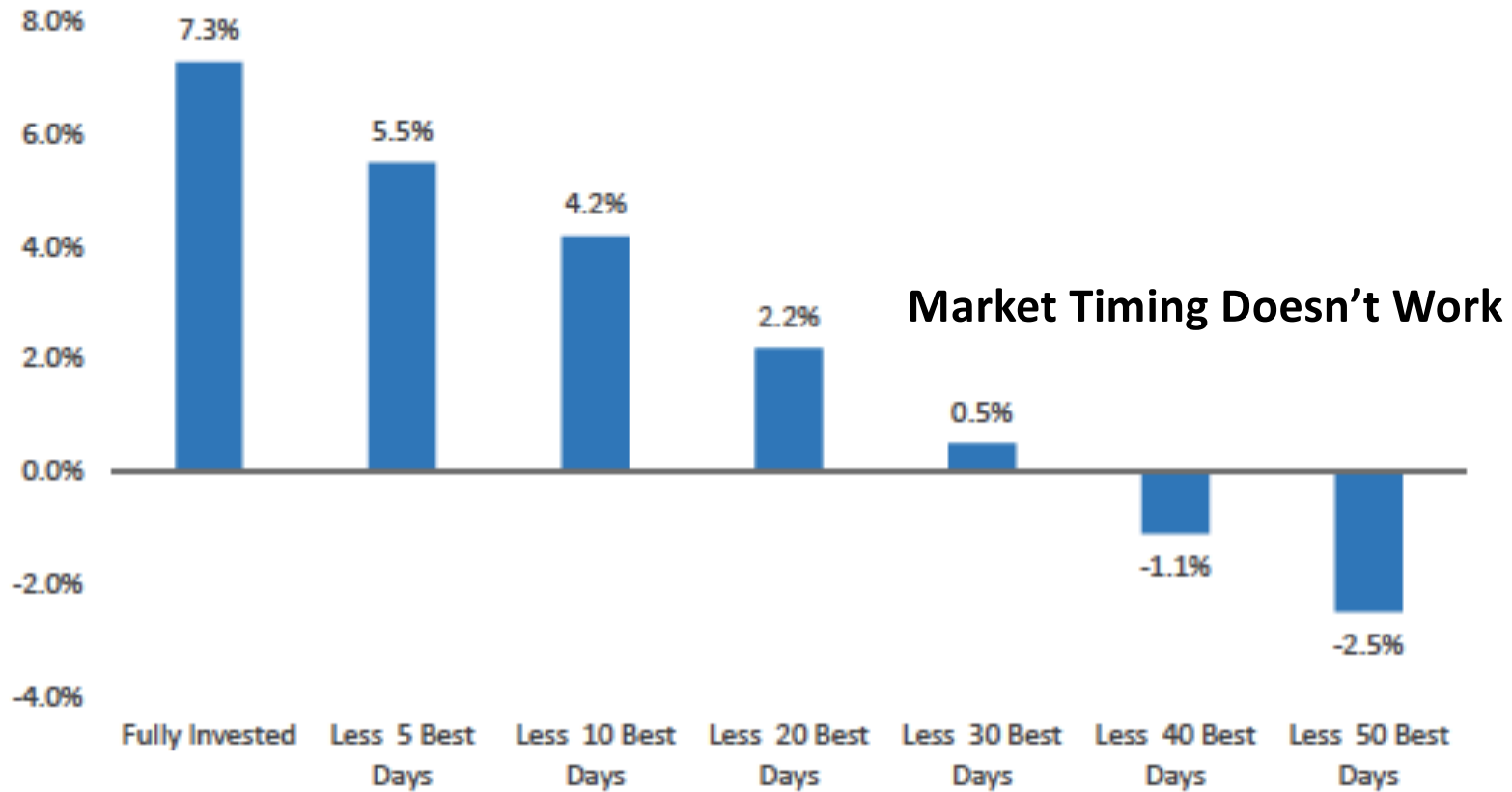
March 31, 2020 = \$40.0mm

April 30, 2020 = \$43.4mm

A gain of \$3.4 million in a month

THE COST OF MARKET TIMING AND MISSING REBOUNDS

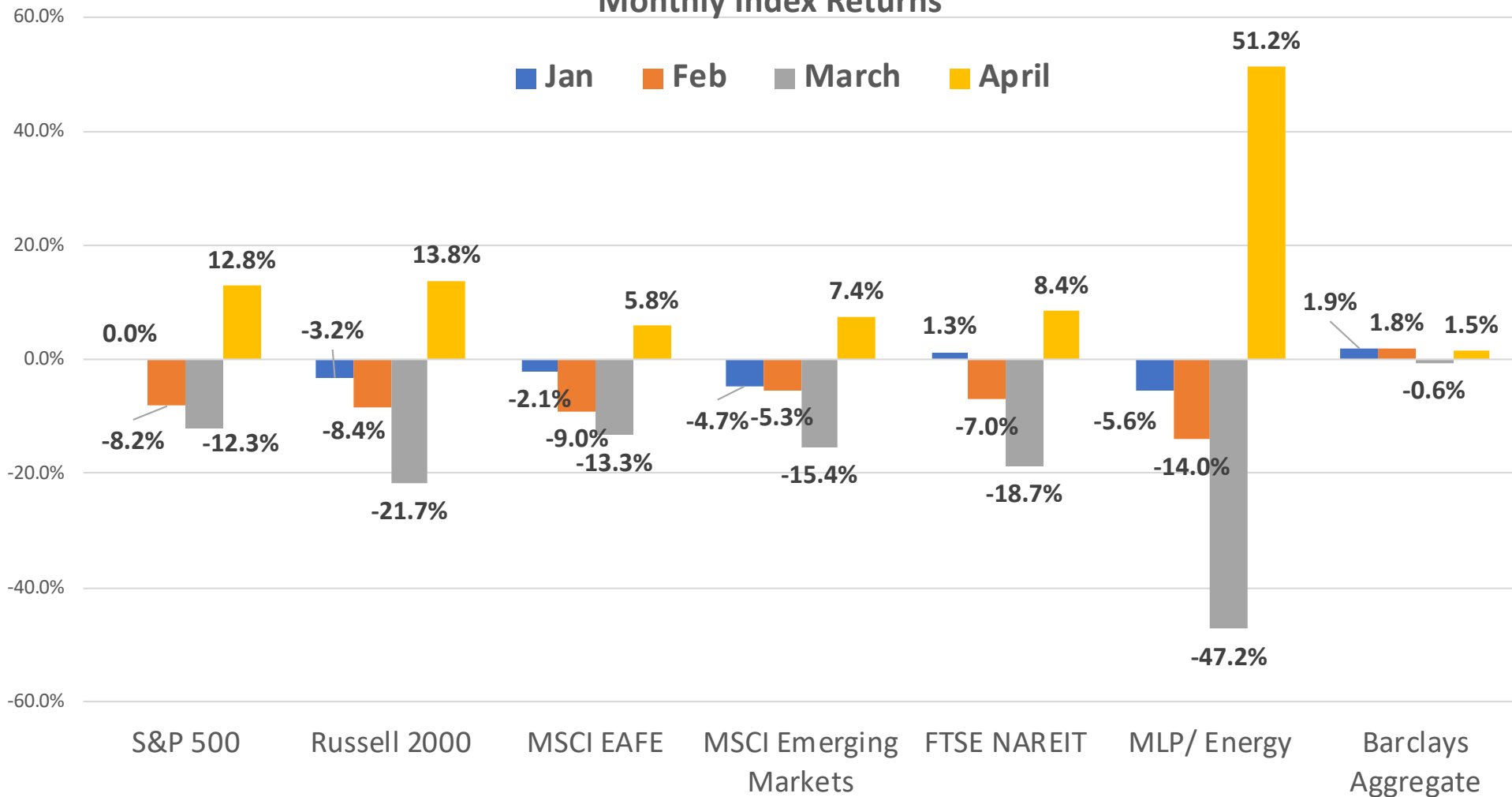
S&P 500 Compound Annual Growth Rate (January 1, 1995 - March 15, 2020)



Data source: Strategas

Monthly Index Returns

■ Jan ■ Feb ■ March ■ April



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
MLPs 43.7%	Commod 25.9%	Emerging Markets 55.8%	Public RE 31.6%	Emerging Markets 34.0%	Public RE 35.1%	Emerging Markets 39.4%	Int'l Bonds 11.4%	Emerging Markets 78.5%	MLPs 35.9%	Private RE 14.3%	Public RE 19.7%	Small Cap 38.8%	Public RE 28.0%	Private RE 13.3%	Small Cap 21.3%	Emerging Markets 37.3%	Private Equity 11.2%
Public RE 13.9%	Int'l Bonds 22.1%	Small Cap 47.3%	Emerging Markets 25.6%	Private Equity 23.3%	Emerging Markets 32.2%	Private Equity 22.9%	Bonds 5.2%	MLPs 76.4%	Public RE 27.9%	MLPs 13.9%	Emerging Markets 18.2%	Mid Cap 34.8%	Large Cap 13.7%	Private Equity 5.9%	MLPs 18.3%	Int'l 25.0%	Private RE 5.3%
Bonds 8.4%	Bonds 10.3%	MLPs 44.5%	Private Equity 20.4%	Commod 21.4%	Private Equity 27.0%	Commod 16.2%	Private RE -6.5%	High Yield 58.2%	Small Cap 26.9%	Private Equity 8.8%	Int'l 17.3%	Large Cap 32.4%	Mid Cap 13.2%	Public RE 2.8%	High Yield 17.1%	Large Cap 21.8%	Bonds 0.0%
Private RE 7.3%	Private RE 6.7%	Mid Cap 40.1%	Int'l 20.2%	Private RE 20.1%	Int'l 26.3%	Private RE 15.8%	Div Strats -19.0%	Mid Cap 40.5%	Mid Cap 25.5%	Public RE 8.3%	Mid Cap 17.3%	MLPs 27.6%	Private RE 11.8%	Large Cap 1.4%	Mid Cap 13.8%	Mid Cap 18.5%	Int'l Bonds -1.7%
High Yield 5.3%	Public RE 3.8%	Int'l 38.6%	Mid Cap 20.2%	Int'l 13.5%	MLPs 26.1%	MLPs 12.7%	Private Equity -25.0%	Int'l 31.8%	Emerging Markets 18.9%	Bonds 7.8%	Small Cap 16.3%	Int'l 22.8%	Private Equity 10.9%	Bonds 0.5%	Large Cap 11.9%	Private Equity 17.4%	High Yield -2.1%
Div Strats 4.6%	High Yield -1.4%	Public RE 37.1%	Small Cap 18.3%	Diversified Portfolio 13.0%	Diversified Portfolio 18.7%	Diversified Portfolio 11.5%	High Yield -26.2%	Diversified Portfolio 10.9%	Private Equity 18.6%	Int'l Bonds 5.9%	Large Cap 16.0%	Private Equity 19.0%	Bonds 6.0%	Int'l -0.8%	Commod 11.8%	Diversified Portfolio 11.0%	Public RE -4.0%
Small Cap 2.5%	Div Strats -1.5%	High Yield 29.0%	MLPs 16.7%	Mid Cap 12.7%	Small Cap 18.4%	Int'l Bonds 11.3%	Hedged Equity -26.7%	Public RE 28.0%	Commod 16.8%	High Yield 5.0%	High Yield 15.8%	Hedged Equity 14.3%	Small Cap 4.9%	Hedged Equity -1.0%	Emerging Markets 11.2%	Small Cap 14.6%	Div Strats -4.1%
Hedged Equity 0.4%	MLPs -3.4%	Large Cap 28.7%	Diversified Portfolio 16.0%	Public RE 12.2%	Private RE 16.6%	Int'l 11.2%	Diversified Portfolio -28.3%	Small Cap 27.2%	High Yield 15.1%	Large Cap 2.1%	Private Equity 11.8%	Diversified Portfolio 13.6%	MLPs 4.8%	Div Strats -1.1%	Private Equity 9.5%	Hedged Equity 13.3%	Large Cap -4.4%
Diversified Portfolio -2.0%	Diversified Portfolio -4.5%	Diversified Portfolio 28.5%	Private RE 14.5%	Hedged Equity 10.6%	Large Cap 15.8%	Hedged Equity 10.5%	Small Cap -33.8%	Large Cap 26.5%	Large Cap 15.1%	Mid Cap -1.5%	Diversified Portfolio 11.7%	Private RE 11.0%	Diversified Portfolio 3.7%	Mid Cap -2.4%	Public RE 8.6%	Int'l Bonds 9.9%	Diversified Portfolio -5.6%
Emerging Markets -2.6%	Hedged Equity -4.7%	Commod 23.9%	Int'l Bonds 12.0%	Div Strats 9.3%	Mid Cap 15.3%	Div Strats 10.0%	Commod -35.6%	Hedged Equity 24.6%	Diversified Portfolio 14.6%	Diversified Portfolio -2.0%	Private RE 10.5%	Div Strats 9.1%	Div Strats 3.0%	Diversified Portfolio -3.7%	Diversified Portfolio 8.4%	Public RE 8.7%	Hedged Equity -6.9%
Int'l Bonds -3.6%	Emerging Markets -6.2%	Hedged Equity 20.5%	High Yield 11.1%	MLPs 6.3%	Div Strats 12.9%	Bonds 7.0%	MLPs -36.9%	Div Strats 20.0%	Private RE 13.1%	Small Cap -4.2%	Hedged Equity 7.4%	High Yield 7.4%	High Yield 2.5%	Small Cap -4.4%	Private RE 8.0%	Div Strats 8.6%	Mid Cap -9.1%
Mid Cap -5.6%	Private Equity -11.6%	Div Strats 19.5%	Large Cap 10.9%	Large Cap 4.9%	High Yield 11.8%	Mid Cap 5.6%	Large Cap -37.0%	Commod 18.9%	Hedged Equity 10.5%	Div Strats -5.3%	Div Strats 6.4%	Public RE 2.9%	Hedged Equity 1.8%	High Yield -4.5%	Hedged Equity 5.5%	High Yield 7.5%	Small Cap -11.0%
Large Cap -11.9%	Int'l -15.9%	Private Equity 19.1%	Commod 9.1%	Small Cap 4.6%	Hedged Equity 11.7%	Large Cap 5.5%	Public RE -37.7%	Private Equity 10.2%	Div Strats 10.2%	Hedged Equity -8.4%	MLPs 4.8%	Bonds -2.0%	Emerging Markets -2.2%	Int'l Bonds -4.8%	Div Strats 5.4%	Private RE 7.0%	Commod -11.2%
Private Equity -19.0%	Mid Cap -16.2%	Int'l Bonds 18.6%	Div Strats 9.0%	High Yield 2.7%	Int'l Bonds 6.8%	High Yield 1.9%	Mid Cap -41.5%	Bonds 5.9%	Int'l 7.7%	Int'l -12.1%	Bonds 4.2%	Emerging Markets -2.6%	Int'l Bonds -2.5%	Emerging Markets -14.9%	Bonds 2.6%	Bonds 3.5%	MLPs -12.4%
Commod -19.5%	Small Cap -20.5%	Private RE 9.0%	Hedged Equity 7.7%	Bonds 2.4%	Bonds 4.3%	Small Cap -1.6%	Int'l -43.4%	Int'l Bonds 3.9%	Int'l Bonds 6.8%	Commod -13.3%	Int'l Bonds 0.8%	Int'l Bonds -5.1%	Int'l -4.9%	Commod -24.7%	Int'l Bonds 1.9%	Commod 1.7%	Int'l -13.8%
Int'l -21.4%	Large Cap -22.1%	Bonds 4.1%	Bonds 4.3%	Int'l Bonds -9.2%	Commod 2.1%	Public RE -15.7%	Emerging Markets -53.3%	Private RE -16.9%	Bonds 6.5%	Emerging Markets -18.4%	Commod -1.1%	Commod -9.5%	Commod -17.0%	MLPs -32.6%	Int'l 1.0%	MLPs -6.5%	Emerging Markets -14.6%

BMCF REVIEW

These recent times have been difficult for everyone and the challenges go well beyond the stock market. But this too shall pass. We need to be patient. We need to be disciplined. We need to find the silver lining and take advantage of that.

WHAT WILL THE FOUNDATION DO MOVING FORWARD . . . ?

In short, what it's always done.

- Focus on what matters
- Let asset allocation be the driver of return
- Be bold when the opportunity presents itself
- Look at the trees but pay attention to the forest
- Be long-term but not complacent

THANK YOU TO EVERYONE

BE SAFE!

QUESTIONS?