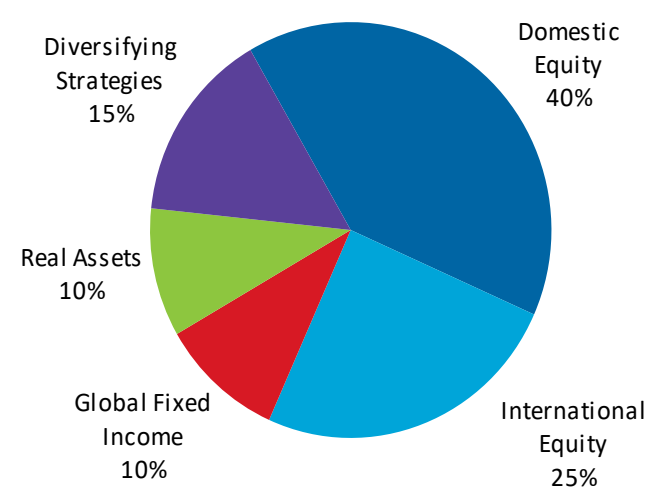
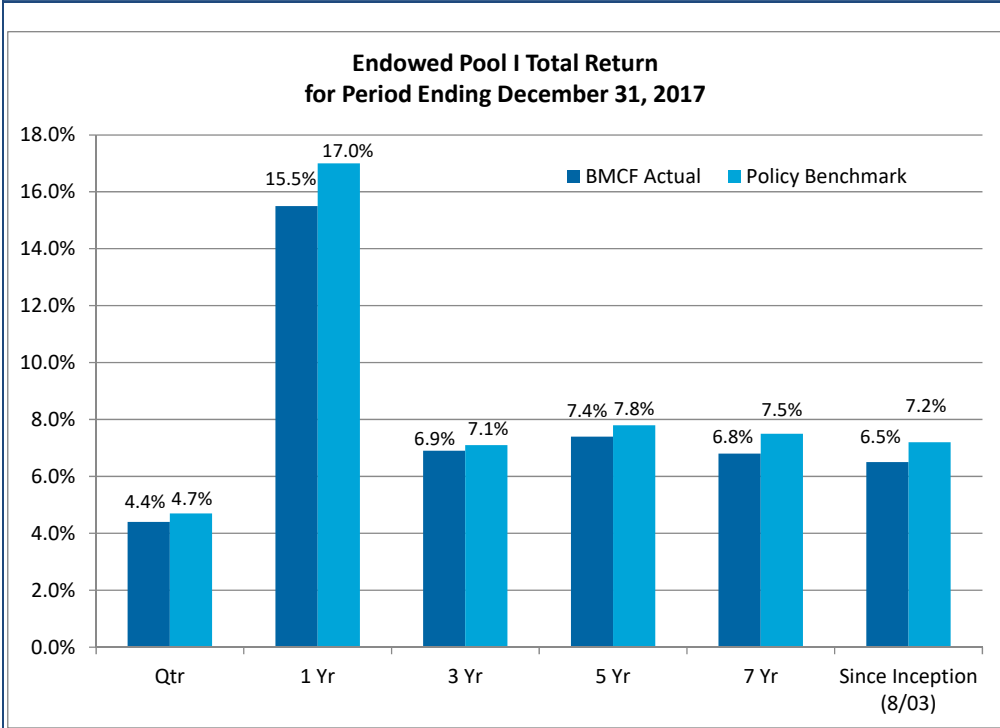


Investment Summary Long Term Pool I \$40 Million as of December 31, 2017

<p style="text-align: center;">Overview</p> <p>Consultant: Fund Evaluation Group</p> <p>It is the practice of the Foundation that no member of the Investment Committee manages any part of the asset allocation or receives compensation for their advice. This ensures impartiality when reviewing money manager performance.</p> <p>The size of Blue Mountain Community Foundation's asset base allows the negotiation of fees on a wholesale basis increasing the overall investment return for all participants in each pool.</p> <p>The Foundation's fiscal year is July 1 to June 30.</p>	<p style="text-align: center;">Asset Allocation: Long Term Targets</p> <div style="text-align: center;">  </div>
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The Foundation's Policy Benchmark is a composite of indexes comprised of: 65% MSCI AC World Index, 10% Barclays US Aggregate Bond Index, 15% HFRI Fund of Funds Index, and 10% S&P North

- Investment Managers & Current Allocations**
- Domestic Equities (41%)**
- iShares S&P 500 Index, Schwab Fundamental Large Co Index, iShares Russell 2000 Index Funds, DFA US Small Cap Value Fund
- International Equities (26%)**
- iShares MSCI EAFE Index, AQR Int'l Equity, DFA Int'l Value, DFA Int'l Sm Cap Value, DFA Emerging Mkts Value, DFA Emerging Mkts Sm Cap
- Fixed Income (10%)**
- iShares Barclays US Aggregate, JP Morgan Core Bond, Franklin Templeton Global Bond, Virtus SEIX Floating Rate
- Real Assets (8%)**
- Vanguard Energy Fund, JP Morgan Alerian MLP Index, iShares Global REIT
- Diversifying Strategies (13%)**
- Private Advisors Stable Value, FPA Crescent, Wells Fargo Absolute Return, iShares US Preferred Stock Index
- Cash (2%)**



**Investment Summary
Long Term Pool I
\$40 Million as of December 31, 2017**

INVESTMENT COMMITTEE MEMBERS	INVESTMENT PHILOSOPHY
<p>Mark Sherry, Chair, Treasurer <i>Sherry Family Farm</i></p> <p>Anne-Marie Zell Schwerin <i>Executive Director, YWCA</i></p> <p>Peter Harvey <i>Chief Financial Officer, Whitman College</i></p> <p>Jim Hayner <i>Attorney, Minnick-Hayner Attorneys at Law</i></p> <p>Kevin Michelson <i>Chief Executive Officer, Walla Walla Clinic</i></p> <p>Steve VanAusdle <i>President Emeritus, Walla Walla Community College</i></p> <p>Chris Jay <i>Senior VP Wealth Mgmt, Merrill Lynch, Anchorage, AK</i></p>	<p>Blue Mountain Community Foundation’s endowment funds are invested in a “Balanced” portfolio, which is structured for long-term total return. To provide diversification and to moderate risk, the investments are divided into carefully-defined asset classes. Funding available for each asset classification is invested by professional money managers hired by the Foundation through a rigorous selection process. The investment performance of each manager is monitored by an independent investment consultant retained by the Foundation.</p> <hr/> <p style="text-align: center;">INVESTMENT COMMITTEE MISSION</p> <p>The mission of the Investment Committee is to provide oversight, guidance and direction regarding the investment of the assets of the Foundation. The Investment Committee operates under guidelines of the Investment Policy Statement approved by the Board of Trustees of the Foundation. In accordance with this policy the Investment Committee is committed to:</p> <ol style="list-style-type: none"> 1. Protecting the corpus of the endowment; 2. Preserving the spending power of the endowment; 3. Maintaining a diversified portfolio of assets in order to meet investment return objectives while keeping the level of risk commensurate with that of the median fund in a representative foundation and endowment universe; and <p>Complying with applicable law.</p>

RECENT INVESTMENT COMMITTEE ACTIONS

May 2017—Chris Jay joined committee as volunteer.

January 2017—Mark Sherry appointed Chair of committee. Lloyd Baker resigned from committee. Steve VanAusdle joined committee as volunteer.

August, 2016—Approved liquidating ABS Hedge Fund.

February, 2016—Approved liquidating Private Advisors Stable Value Fund; payback will take place over a two year period.

July, 2015—Changed Long-term Target Allocation to Equity 65%, Fixed Income 10%, Real Assets 10%, Diversifying Strategies 15%. Approved liquidating 50% of iShares Core US Aggregate Bond ETF and JP Morgan Core Bond and investing in iShares Core S&P 500 ETF and Schwab Fundamental US Large Co Index.

February, 2015—Approved liquidating Powershares DB and investing in Vanguard Energy ETF.

November, 2014—Approved liquidating PIMCO Total Return Fund and investing in JP Morgan Core Bond Fund and Barclays Aggregate Core US Aggregate Fund

February, 2013— Changed long term target allocation to Private Capital to 0%, and added 5% each to the targets of Global Equity (now 55%), Global Fixed (now 20%), and Real Assets (now 10%).

November, 2012 – Recommended restated Investment Policy Statement (IPS) to Board of Trustees. Also agreed to increase current allocation to real assets and added JP Morgan Alerian MLP Index. Don Harwood completed his term on the committee after 14 years of service. Board of Trustees approved the IPS.