

# August Investment Update

## Market Commentary:

I loved the 70's. I remember my brother coming home from college in 1970 driving a pink Chevy convertible sporting long hair and a Fu Manchu mustache. Music was exploding, albums and anthems like The Rolling Stones - *Exile on Mainstreet*; Queen – *Bohemian Rhapsody*; Led Zeppelin – *Stairway to Heaven*; Pink Floyd – *Dark Side of the Moon*; Marvin Gaye – *What's going on*; Eagles – *Hotel California*; Willie Nelson – *Red Headed Stranger* to name just a few were gracing the AM/FM radio airwaves.

The movies were just as iconic - *The Godfather*, *Rocky*, *Star Wars*, *One Flew Over the Cuckoo's Nest*, *Taxi Driver*, *Close Encounters of the Third Kind*. Add in spaghetti westerns like *Two Mules for Sister Sarah* or gritty crime dramas like *The French Connection* and *Dirty Harry* and you have a cultural decade hard to beat.

But beneath the music and movies, the U.S. was trying to finance two wars it couldn't seem to win - Vietnam and the War on Poverty. The French decided to call our bluff, demanding physical gold instead of depreciating U.S. dollars. Nixon responded by "temporarily" closing the gold window in 1971. The dollar became full fiat, and inflation became the nation's new backdrop.

Lapels were wide, pants were bell bottomed, and Wall Street was still composed of mostly small partnerships that traded their own capital. So, you might ask, what does an awesome decade like the 70's have to do with our monthly investment team update? The simple answer to that question is Fiscal Dominance and it works like this:

Persistent deficits lead to rising debt. As borrowing grows, the Treasury leans on the Fed to keep rates low. Bond markets resist, auctions begin to falter, and the Fed is trapped — it cannot raise rates without worsening the deficit. At that point, fiscal needs dominate monetary policy, and Fed independence erodes."

## 1970s Stagflation vs. Today's Fiscal Dominance Risk

Category	1970s (Stagflation, Low Debt, Political Pressure and Low Fiscal Dominance Risk)	Today (Inflation, High Debt, Political Pressure High Fiscal Dominance Risk)
Debt-to-GDP	~30–40%	>100% (projected >200% in coming decades)
Deficit Drivers	Vietnam War, Great Society programs, oil shocks	Structural deficits, interest on debt, entitlements, defense, demographics



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Inflation Causes	Political pressure on Fed, oil shocks, wage-price spirals, fiat mandate	Fiscal arithmetic: rising debt service costs, bond market limits, stimulus overhang
Fed's Constraint	Political — Nixon pressured Burns to keep rates low	Fiscal and political — higher rates balloon deficit, risk of debt spiral, Trump
Fed's Options	Could and would eventually tighten (Volcker shock)	Limited: must consider ending IOR, raising reserve requirements, inflation taxation
Outcome	Double-digit inflation, then painful disinflation	Risk of sustained stagflation, bank disintermediation, and reduced central bank independence
Credibility of Fed	Damaged in 1970s, but restored by Volcker in 1980s	Threatened structurally — independence undermined by debt math
Systemic Risk	Manageable debt → system could absorb harsh tightening	High debt → harsh tightening itself could trigger fiscal crisis

Talking heads say today feels like the 1970s. Inflation, deficits, and political dysfunction echo that era. But the crucial difference is debt: in the '70s, Volcker could slam the brakes because debt was modest. Today, with debt above 100% of GDP and climbing, a Volcker-style reset isn't just unlikely - it may be impossible.

Mac thinks Taylor Swift's music will stand the test of time. I'm not so sure. But we both agree on this: unlike the 1970's, there is no Volcker waiting in the wings to save us, a Volker style reset is politically and mathematically out of reach.

## Estimated Foundation Pool Statistics at a Glance:

- Market Value: \$911.2 million
- Month-to-date: 0.7%
- Quarter-to-date: 1.1%
- Year-to-date: 6.9%
- Fiscal year-to-date: 1.1%



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## Public Winners/Losers:

**As of 8/28/2025**

	<b>Portfolio %</b>	<b>MTD</b>	<b>QTD</b>	<b>YTD</b>	<b>1-Year</b>
Public Assets + Bitcoin	44.4%	1.8%	2.0%	11.7%	19.0%
S&P 500		2.7%	5.0%	11.5%	17.8%
MSCI ACWI		3.0%	4.4%	14.9%	17.3%
<b>Winners</b>	<b>Portfolio %</b>	<b>MTD</b>	<b>QTD</b>	<b>YTD</b>	<b>1-Year</b>
FullerThaler Small-Cap	2.0%	9.4%	12.1%		
First Eagle Global Value	3.9%	4.5%	4.1%	19.5%	16.7%
<b>Losers</b>	<b>Portfolio %</b>	<b>MTD</b>	<b>QTD</b>	<b>YTD</b>	<b>1-Year</b>
Bitcoin	4.7%	-3.8%	1.6%	17.1%	85.7%
Chickasaw	7.0%	-0.6%	-1.4%	2.4%	17.1%

## Private Market Winners/Losers:

These represent the current winners and losers among the 78% of private managers who have reported to date.

**As of 6/30/2025**

<b>Portfolio</b>	<b>Portfolio %</b>	<b>QTD</b>
Private Market	44.7%	1.1%
Private Equity	27.9%	2.3%
Private Debt	3.6%	3.5%
Real Estate	8.4%	0.7%
<b>Benchmarks</b>	<b>Benchmark %</b>	<b>QTD</b>
Total Private Benchmark		-2.2%
Russell 3000 + 3%	28.0%	-4.0%
Credit Suisse Leveraged Loans + 2%	5.0%	1.1%
NCREIF Fund Index	11.0%	0.8%
<b>Winners</b>	<b>Portfolio %</b>	<b>QTD</b>
K4 Private Investors	1.4%	31.1%
Ridgemont III	1.0%	7.5%
<b>Losers</b>	<b>Portfolio %</b>	<b>QTD</b>
SK Capital V	0.6%	-15.1%
Stonepeak Infrastructure III	0.5%	-6.8%



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## Estimated Public Manager Performance:

	07/31/25 Market Value	08/28/25 Market Value	% of Portfolio	MTD	QTD	YTD	Trailing 1-Year
<b>As of August 28, 2025</b>							
<b>Total Public Assets ex Delayed Managers</b>	<b>\$422,022,197</b>	<b>\$435,245,756</b>	<b>47.8%</b>	<b>1.95%</b>	<b>1.96%</b>	<b>11.68%</b>	<b>19.01%</b>
<b>Equity</b>	<b>357,502,672</b>	<b>366,413,777</b>	<b>40.2%</b>	<b>2.77%</b>	<b>2.06%</b>	<b>11.40%</b>	<b>14.33%</b>
<b>MSCI ACWI TR (Net)</b>				<b>2.98%</b>	<b>4.37%</b>	<b>14.86%</b>	<b>17.28%</b>
<b>US Equity</b>	<b>250,259,124</b>	<b>256,094,231</b>	<b>28.1%</b>	<b>2.65%</b>	<b>3.17%</b>	<b>5.08%</b>	<b>10.58%</b>
DoubleLine Shiller Enhanced CAPE LLC - Class B a/c	40,527,995	41,877,776	4.6%	3.33%	2.40%	9.29%	13.11%
<b>S&amp;P 500 Total Return Index</b>				<b>2.68%</b>	<b>4.98%</b>	<b>11.49%</b>	<b>17.81%</b>
Vanguard Institutional Index (S&P 500)	98,977,828	101,624,889	11.2%	2.67%	4.97%	11.49%	
<b>S&amp;P 500 Total Return Index</b>				<b>2.68%</b>	<b>4.98%</b>	<b>11.49%</b>	
Chickasaw Capital Management, LLC	63,822,357	63,449,669	7.0%	(0.58%)	(1.42%)	2.43%	17.06%
<b>Alerian MLP Index TR</b>				<b>(0.58%)</b>	<b>2.57%</b>	<b>9.81%</b>	<b>15.46%</b>
GQQ Partners Global Equity Fund	30,049,497	30,680,536	3.4%	2.10%			
<b>MSCI ACWI TR (Net)</b>				<b>2.98%</b>			
FullerThaler Behavioral Small-Cap Growth Fund	16,881,448	18,461,360	2.0%	9.36%	12.11%		
<b>Russell 2000 Growth Total Return Index</b>				<b>6.83%</b>	<b>8.65%</b>		
<b>Developed Markets Equity</b>	<b>66,609,605</b>	<b>68,576,811</b>	<b>7.5%</b>	<b>2.95%</b>	<b>0.47%</b>	<b>3.19%</b>	<b>17.23%</b>
First Eagle Global Value	33,702,075	35,227,827	3.9%	4.53%	4.14%	19.54%	16.65%
<b>MSCI EAFE Net Total Return</b>				<b>4.58%</b>	<b>3.11%</b>	<b>23.16%</b>	<b>14.55%</b>
WCM Focused International Growth	32,907,530	33,348,984	3.7%	1.34%	(3.29%)	21.51%	17.84%
<b>MSCI EAFE Net Total Return</b>				<b>4.58%</b>	<b>3.11%</b>	<b>23.16%</b>	<b>14.55%</b>
<b>Emerging Markets Equity</b>	<b>40,633,943</b>	<b>41,742,735</b>	<b>4.6%</b>	<b>2.73%</b>	<b>1.27%</b>	<b>1.76%</b>	<b>30.28%</b>
Artisan Developing World	40,633,943	41,742,735	4.6%	2.73%	1.27%	18.24%	30.28%
<b>MSCI Emerging Markets Net Total Return</b>				<b>1.51%</b>	<b>3.49%</b>	<b>19.28%</b>	<b>17.36%</b>
<b>Investment Grade</b>	<b>19,092,875</b>	<b>25,092,875</b>	<b>2.8%</b>	<b>0.42%</b>	<b>0.85%</b>	<b>3.99%</b>	<b>4.03%</b>
Janus Henderson AAA CLO ETF	19,092,875	25,092,875	2.8%	0.42%	0.85%		
<b>Total Bitcoin</b>	<b>45,426,650</b>	<b>43,739,104</b>	<b>4.8%</b>	<b>(3.71%)</b>	<b>1.61%</b>	<b>17.08%</b>	<b>85.70%</b>
Bitcoin	44,366,305	42,690,358	4.7%	(3.78%)	1.61%	17.08%	85.70%
Bitcoin Held for Sale	1,060,345	1,048,746	0.1%	(1.09%)			

## Key Manager Meetings:

- Aug 7<sup>th</sup> – Kraken Bitcoin option writing call
- Aug 7<sup>th</sup> – ThirdPath operational due diligence call
- Aug 8<sup>th</sup> – Gene Humphry board walkthrough
- Aug 11<sup>th</sup> – Sage MSR Update Call
- Aug 12<sup>th</sup> – Access Venture LPAC meeting
- Aug 13<sup>th</sup> – Meketa board update call
- Aug 14<sup>th</sup> – CrossingBridge advisors into/due diligence call
- Aug 15<sup>th</sup> – Meketa portfolio builder demo
- Aug 15<sup>th</sup> – GreenStreet call
- Aug 18<sup>th</sup> – 20<sup>th</sup> – SALT conference
- Aug 19<sup>th</sup> – Clear Investment Group due diligence call
- Aug 20<sup>th</sup> – Zephyr Analytics intro call
- Aug 20<sup>th</sup> – 747 Capital buyout intro call
- Aug 22<sup>nd</sup> – Zephyr Analytics Platform Demo
- Aug 22<sup>nd</sup> – Gemspring buyout intro call
- Aug 22<sup>nd</sup> – Aristotle Pacific intro call
- Aug 22<sup>nd</sup> – LittleJohn & Co intro call
- Aug 22<sup>nd</sup> – Trinity Investors Intro call



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- Aug 25<sup>th</sup> – New Vista venture capital intro call
- Aug 27<sup>th</sup> – eVestment platform demo
- Aug 29<sup>th</sup> – Blockchain Capital update call

## Investment Subcommittee Meeting:

- None

## Notable Investment Updates:

- ThirdPath: After a long torturous process we were unable to get ThirdPath through due diligence
- Prime Movers Lab Fund II: AbbVie announced that it signed a definitive agreement to acquire the bretisilicin program of Gilgamesh Pharmaceuticals Inc., which will return approximately 53% of the fund or ~\$5 million
- Bitcoin Options: We have begun selling covered call options on bitcoin and have so far generated a yield on the bitcoin held for sale of 2.6%

## Historical and Current Pool Flows:

Month Ending	Beginning Market Value	Transfers in/out of Pool	Appreciation/Depreciation	Ending Market Value	Transfer Description
7/31/2023	\$794.6	-\$6.0	\$9.3	\$797.9	First Part of Board Approved \$20 mm for FAFA transfer
8/31/2023	\$797.9	-\$14.0	-\$10.7	\$773.2	Second Part of Board Approved \$20 mm for FAFA transfer
9/30/2023	\$773.2	\$9.2	-\$17.2	\$765.3	Brandywine short-term proceeds sent to wrong account end of month
10/31/2023	\$765.3	-\$13.0	-\$4.8	\$747.5	Brandywine and DIT settlement
11/30/2023	\$747.5	\$0.0	\$21.5	\$768.9	
12/31/2023	\$768.9	\$0.0	\$22.2	\$791.2	
1/31/2024	\$791.2	\$0.0	-\$0.5	\$790.7	
2/29/2024	\$790.7	\$0.0	\$19.7	\$810.4	
3/31/2024	\$810.4	\$0.0	\$17.1	\$827.5	
4/30/2024	\$827.5	\$0.0	-\$16.0	\$811.4	
5/31/2024	\$811.4	\$0.0	\$13.1	\$824.5	
6/30/2024	\$824.5	\$0.0	\$4.0	\$828.5	
7/31/2024	\$828.5	\$0.0	\$6.2	\$834.7	
8/31/2024	\$834.7	\$0.0	\$10.1	\$844.8	
9/30/2024	\$844.8	\$3.6	\$14.5	\$863.0	DIT settlement
10/31/2024	\$863.0	\$0.0	\$0.2	\$863.1	
11/30/2024	\$863.1	\$0.0	\$20.8	\$883.9	
12/31/2024	\$883.9	-\$5.0	-\$17.9	\$861.0	DIT settlement
1/31/2025	\$861.0	\$0.0	\$10.6	\$871.6	
2/28/2025	\$871.6	\$0.0	-\$2.8	\$868.8	
3/31/2025	\$868.8	\$0.0	-\$11.9	\$856.9	
4/30/2025	\$856.9	\$0.0	\$6.0	\$862.9	
5/31/2025	\$862.9	\$0.0	\$16.5	\$879.5	
6/30/2025	\$879.5	-\$4.5	\$17.3	\$892.2	DIT settlement
7/31/2025	\$892.2	\$0.0	\$12.2	\$904.5	
8/31/2025	\$904.5	\$0.0	\$6.8	\$911.2	

As of August 31, 2025, the endowment pool ended the month at \$911.2 million, reflecting a \$6.8 million increase in market value driven entirely by investment performance.



# August Investment Update

## Pool Cash:

Below is the cash balance as far as we have visibility:

INVESTMENT DESCRIPTION	DATE	CASH FLOW	CASH BALANCE
CASH	8/29/2025		\$12,236,102
MSTR 9 PERP Pfd	8/29/2025	\$2,054,270	\$14,290,371
AUTOZONE INC	9/3/2025	\$1,200,000	\$15,490,371
CAN PACIFIC RAILWAY	9/3/2025	\$1,000,000	\$16,490,371
O'REILLY AUTOMOTIVE INC	9/3/2025	\$1,000,000	\$17,490,371
ENCAP ENERGY CAPITAL FUND XI, LP	9/3/2025	(\$9,151)	\$17,481,220
CBRE GROUP INC - A	9/4/2025	\$1,000,000	\$18,481,220
CENTERPOINT ENERGY INC	9/4/2025	\$1,000,000	\$19,481,220
PRIME MOVERS GROWTH FUND I	9/5/2025	(\$400,000)	\$19,081,220
O'REILLY AUTOMOTIVE INC	9/5/2025	\$250,000	\$19,331,220
EASTMAN CHEMICAL CO	9/8/2025	\$1,000,000	\$20,331,220
ENCAP ENERGY CAPITAL FUND XI, LP	9/11/2025	(\$14,100)	\$20,317,121
MONDELEZ INTERNATIONAL INC-A	9/16/2025	\$675,000	\$20,992,121
PARKER HANNIFIN CORP	9/16/2025	\$1,000,000	\$21,992,121
LIBERTY UTILITIES CO	9/18/2025	\$1,500,000	\$23,492,121
NEXTERA ENERGY INC	10/8/2025	\$500,000	\$23,992,121



# August Investment Update

## Short-Term Bond Fund:

Liquidity Dashboard - Short Term							Date <span style="color: red;">8/29/2025</span>
Cash & Equivalents	Balance	Weight	Market Yield	Market Yield x Balance	Yield at Cost	12 Mo. Transfer Coverage Avg: \$4,373,816	Duration (Days)
Jonah Operating	\$751,847	0.8%	0.00%	\$0	0.00%	0.2x	0.0
Jonah Bank Savings	\$508,394	0.6%	1.40%	\$7,118	1.40%	0.1x	0.0
First Interstate Bank	\$9,931	0.0%	0.10%	\$10	0.10%	0.0x	0.0
<b>Total - Banks</b>	<b>\$1,270,172</b>	<b>1.4%</b>	<b>0.56%</b>	<b>\$7,127</b>	<b>0.56%</b>	<b>0.3x</b>	<b>0.0</b>
US Bank MMF - FGZXX	\$3,234,349	3.5%	4.17%	\$134,872	4.17%	0.7x	0.0
Altriarch*	\$11,000,000	12.1%	13.89%	\$1,527,744	13.50%	2.5x	292.5
Bitcoin**	\$5,687,862	6.2%	0.00%	\$0	0.00%	1.3x	0.0
Commercial Paper	\$39,937,823	43.8%	4.42%	\$1,766,616	4.42%	9.1x	20.1
JAAA	\$6,068,607	6.7%	5.09%	\$308,892	5.09%	1.4x	0.0
Corporate	\$7,000,000	7.7%	4.82%	\$337,260	4.82%	1.6x	88.0
Time Deposit	\$0	0.0%	0.00%	\$0	0.00%	0.0x	0.0
US Treasury Bill	\$11,742,085	12.9%	4.33%	\$508,481	4.34%	2.7x	36.6
Preferreds	\$5,279,366	5.8%	9.00%	\$474,933	9.79%	1.2x	
<b>Short Term Account</b>	<b>\$89,950,091</b>	<b>98.6%</b>	<b>6.00%</b>	<b>\$5,058,799</b>	<b>6.00%</b>	<b>20.6x</b>	<b>60.1</b>
<b>Total</b>	<b>\$91,220,264</b>	<b>100.0%</b>	<b>5.92%</b>	<b>\$5,065,927</b>	<b>5.93%</b>	<b>20.9x</b>	<b>59.3</b>
							<b>W/o Altriarch</b>

\*Monthly distribution annualized  
\*\*Bitcoin is not included in the yield calculation

**Short-Term Fund Composition**

Category	Percentage
Commercial Paper	47.4%
US Treasury Bill	13.9%
Altriarch	13.1%
JAAA	7.2%
Corporate	8.3%
Preferreds	6.3%
Cash	3.8%

**Banks and Short Term-Inflows and Outflows**

Month	UW TRANSFER - OUTFLOW	FACILITY TRANSFERS - OUTFLOW	INFLOWS
Aug-23	\$3.0M	\$0.0M	\$2.5M
Sep-23	\$1.0M	\$0.0M	\$1.5M
Oct-23	\$4.0M	\$0.0M	\$3.5M
Nov-23	\$2.0M	\$0.0M	\$1.0M
Dec-23	\$3.5M	\$0.0M	\$6.0M
Jan-24	\$7.0M	\$5.0M	\$3.0M
Feb-24	\$3.0M	\$5.0M	\$3.0M
Mar-24	\$1.0M	\$5.0M	\$6.0M
Apr-24	\$3.0M	\$5.0M	\$2.0M
May-24	\$3.0M	\$5.0M	\$4.0M
Jun-24	\$1.0M	\$5.0M	\$1.0M
Jul-24	\$3.0M	\$5.0M	\$3.0M
Aug-24	\$4.0M	\$5.0M	\$2.0M
Sep-24	\$3.0M	\$5.0M	\$5.0M
Oct-24	\$3.0M	\$5.0M	\$3.0M
Nov-24	\$4.0M	\$5.0M	\$8.0M
Dec-24	\$3.0M	\$5.0M	\$6.0M
Jan-25	\$2.0M	\$5.0M	\$6.0M
Feb-25	\$3.0M	\$5.0M	\$2.0M
Mar-25	\$4.0M	\$5.0M	\$6.0M
Apr-25	\$3.0M	\$5.0M	\$6.0M
May-25	\$3.0M	\$5.0M	\$3.0M
Jun-25	\$1.0M	\$5.0M	\$1.0M
Jul-25	\$3.0M	\$5.0M	\$2.0M
Aug-25	\$4.0M	\$5.0M	\$3.0M



# August Investment Update

## Private Market Cash Flows:

Capital Calls (\$)			Distributions (\$)		
Date	Amount	Manager	Date	Amount	Manager
8/4/25	\$ (4,700,000)	MANCHESTER SCIO APARTMENTS PREFERRED INVESTORS, LLC	8/1/2025	\$ 379,003	Orion Mine Finance (Delaware) Fund II, LP
8/29/25	\$ (91,000)	Point 406 Ventures IV, L.P.	8/5/2025	\$ 74,486	TCI Real Estate Partners Fund IV Limited
			8/7/2025	\$ 10,670	EnCap Energy Capital Fund XI, L.P.
			8/7/2025	\$ 43,737	Fortress Credit Opportunities Fund IV, L.P.
			8/8/2025	\$ 105,079	HH 170 UW, LLC
			8/12/2025	\$ 52,426	Fortress Credit Opportunities Fund III, L.P.
			8/13/2025	\$ 2,776	Tailwater Energy Fund III, L.P.
			8/13/2025	\$ 12,517	MSouth Equity Partners IV, L.P.
			8/14/2025	\$ 353,000	Atlas Venture Fund XII
			8/15/2025	\$ 41,473	DRA Growth and Income Fund X, LLC
			8/19/2025	\$ 337,864	Atlas Venture Fund XI, L.P.
			8/20/2025	\$ 19,531	Stonepeak Infrastructure Fund III, L.P.
			8/25/2025	\$ 33,880	Fortress Credit Opportunities Fund, L.P.
			8/25/2025	\$ 229,416	K4 Private Investors
			8/26/2025	\$ 3,216,583	OAKTREE CLO EQUITY FUND I, L.P.
			8/27/2025	\$ 23,762	Fortress Credit Opportunities Fund II, L.P.
			8/28/2025	\$ 154,587	Global Infrastructure Partners III, L.P.
	<b>\$ (4,791,000)</b>	<b>TOTAL</b>		<b>\$5,090,789</b>	<b>TOTAL</b>

Best,

Philip Treick, Chief Investment Officer

Joe Briones, Analyst / Portfolio Manager

Hazen Dickerson, Analyst / Portfolio Manager

Mac Festa, Investment Analyst

Levi Johnson, Summer Intern

Nolan Nachbar, Summer Intern

