

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

	Portfolio %	MTD	QTD	YTD	1-Year
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%
Winners	Portfolio %	MTD	QTD	YTD	1-Year
FullerThaler Small-Cap	2.0%	9.4%	12.1%		
First Eagle Global Value	3.9%	4.5%	4.1%	19.5%	16.7%
Losers	Portfolio %	MTD	QTD	YTD	1-Year
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

Portfolio	Portfolio %	QTD
Private Market	44.7%	1.1%
Private Equity	27.9%	2.3%
Private Debt	3.6%	3.5%
Real Estate	8.4%	0.7%
Benchmarks	Benchmark %	QTD
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%
Winners	Portfolio %	QTD
K4 Private Investors	1.4%	31.1%
Ridgemont III	1.0%	7.5%
Losers	Portfolio %	QTD
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
As of August 28, 2025							
Total Public Assets ex Delayed Managers	\$422,022,197	\$435,245,756	47.8%	1.95%	1.96%	11.68%	19.01%
Equity	357,502,672	366,413,777	40.2%	2.77%	2.06%	11.40%	14.33%
MSCI ACWI TR (Net)				2.98%	4.37%	14.86%	17.28%
US Equity	250,259,124	256,094,231	28.1%	2.65%	3.17%	5.08%	10.58%
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%
S&P 500 Total Return Index				2.68%	4.98%	11.49%	17.81%
Vanguard Institutional Index (S&P 500)	98,977,828	101,624,889	11.2%	2.67%	4.97%	11.49%	
S&P 500 Total Return Index				2.68%	4.98%	11.49%	
Chickasaw Capital Management, LLC	63,822,357	63,449,669	7.0%	(0.58%)	(1.42%)	2.43%	17.06%
Alerian MLP Index TR				(0.58%)	2.57%	9.81%	15.46%
GQG Partners Global Equity Fund	30,049,497	30,680,536	3.4%	2.10%			
MSCI ACWI TR (Net)				2.98%			
FullerThaler Behavioral Small-Cap Growth Fund	16,881,448	18,461,360	2.0%	9.36%	12.11%		
Russell 2000 Growth Total Return Index				6.83%	8.65%		
Developed Markets Equity	66,609,605	68,576,811	7.5%	2.95%	0.47%	3.19%	17.23%
First Eagle Global Value	33,702,075	35,227,827	3.9%	4.53%	4.14%	19.54%	16.65%
MSCI EAFE Net Total Return				4.58%	3.11%	23.16%	14.55%
WCM Focused International Growth	32,907,530	33,348,984	3.7%	1.34%	(3.29%)	21.51%	17.84%
MSCI EAFE Net Total Return				4.58%	3.11%	23.16%	14.55%
Emerging Markets Equity	40,633,943	41,742,735	4.6%	2.73%	1.27%	1.76%	30.28%
Artisan Developing World	40,633,943	41,742,735	4.6%	2.73%	1.27%	18.24%	30.28%
MSCI Emerging Markets Net Total Return				1.51%	3.49%	19.28%	17.36%
Investment Grade	19,092,875	25,092,875	2.8%	0.42%	0.85%	3.99%	4.03%
Janus Henderson AAA CLO ETF	19,092,875	25,092,875	2.8%	0.42%	0.85%		
Total Bitcoin	45,426,650	43,739,104	4.8%	(3.71%)	1.61%	17.08%	85.70%
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 7th – Kraken Bitcoin option writing call
- Aug 7th – ThirdPath operational due diligence call
- Aug 8th – Gene Humphry board walkthrough
- Aug 11th – Sage MSR Update Call
- Aug 12th – Access Venture LPAC meeting
- Aug 13th – Meketa board update call
- Aug 14th – CrossingBridge advisors into/due diligence call
- Aug 15th – Meketa portfolio builder demo
- Aug 15th – GreenStreet call
- Aug 18th – 20th – SALT conference
- Aug 19th – Clear Investment Group due diligence call
- Aug 20th – Zephyr Analytics intro call
- Aug 20th – 747 Capital buyout intro call
- Aug 22nd – Zephyr Analytics Platform Demo
- Aug 22nd – Gemspring buyout intro call
- Aug 22nd – Aristotle Pacific intro call
- Aug 22nd – LittleJohn & Co intro call
- Aug 22nd – Trinity Investors Intro call



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- Aug 25th – New Vista venture capital intro call
- Aug 27th – eVestment platform demo
- Aug 29th – 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 brexisiloin 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.



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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



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Short-Term Bond Fund:

Liquidity Dashboard - Short Term

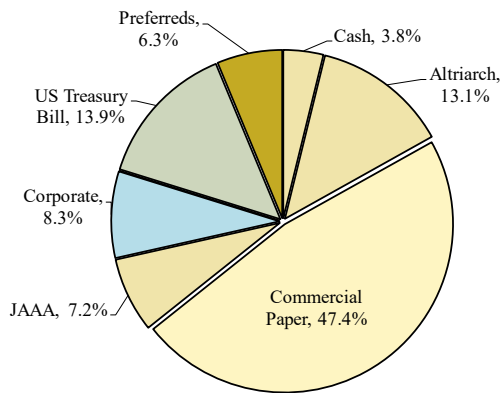
Date 8/29/2025

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
Total - Banks	\$1,270,172	1.4%	0.56%	\$7,127	0.56%	0.3x	0.0
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	
Short Term Account	\$89,950,091	98.6%	6.00%	\$5,058,799	6.00%	20.6x	60.1
Total	\$91,220,264	100.0%	5.92%	\$5,065,927	5.93%	20.9x	59.3
						W/o Altriarch	0.0

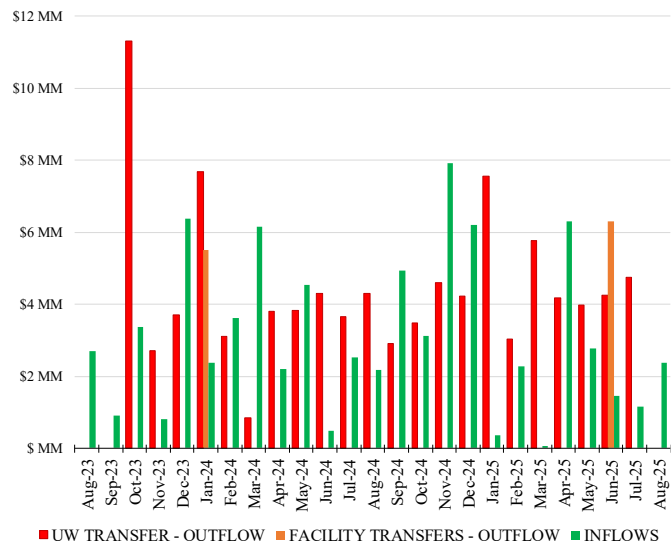
*Monthly distribution annualized

**Bitcoin is not included in the yield calculation

Short-Term Fund Composition



Banks and Short Term-Inflows and Outflows



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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.
	\$ (4,791,000)	TOTAL		\$5,090,789	TOTAL

Best,

Philip Treick, Chief Investment Officer

Joe Briones, Analyst / Portfolio Manager

Hazen Dickerson, Analyst / Portfolio Manager

Mac Festa, Investment Analyst

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