



Investment Objectives

The primary investment objective of the Community Foundation of Snohomish County is to preserve the real value (inflation adjusted) of current assets and future gifts. The Foundation manages its endowed and operational assets according to guidelines established by the Board of Directors and Finance Committee. The allocation policy is designed to provide an optimal asset mix for the portfolio, emphasizing diversification in order to lower risk and maximize total return.

	Lower Limit	Strategic Allocation	Upper Limit
Domestic Large-Cap Equity Growth	10%	15%	25%
Domestic Large-Cap Equity Value	10%	15%	25%
Small/Mid-Cap Equity	0%	10%	25%
International Equity	5%	10%	30%
Alternative	0%	3%	25%
Fixed Income	25%	30%	50%
Impact Investing	0%	5%	5%
Cash Equivalent	0%	5%	10%
Real Assets	0%	7%	10%

The Foundation’s investment goal is to earn, through a combination of appreciation and income, an annual return net of fees of at least 5-7%. Our average rate of return since 2008 is 7.2%.

Year	Rate of Return (gross)
2017	13.65%
2016	7.75%
2015	0.03%
2014	5.70%
2013	17.30%
2012	11.50%
2011	2.61%
2010	13.56%
2009	21.34%
2008	-21.74%

Harbour Investment Management, Wells Fargo Private Banking and D.A. Davidson & Co. function as our investment consultants to provide oversight, guidance, design and implementation of the Community Foundation’s portfolio. Our Finance Committee meets with investment managers quarterly and compares the investments to the benchmark for that asset class. The Foundation also utilizes local banks for certificates of deposit when appropriate. As with all investments there is a risk that the fund may decline in value due to negative investment returns. Past investment results are not a guarantee of future performance.

The Community Foundation of Snohomish County does not endorse specific investment advisors or guarantee performance.