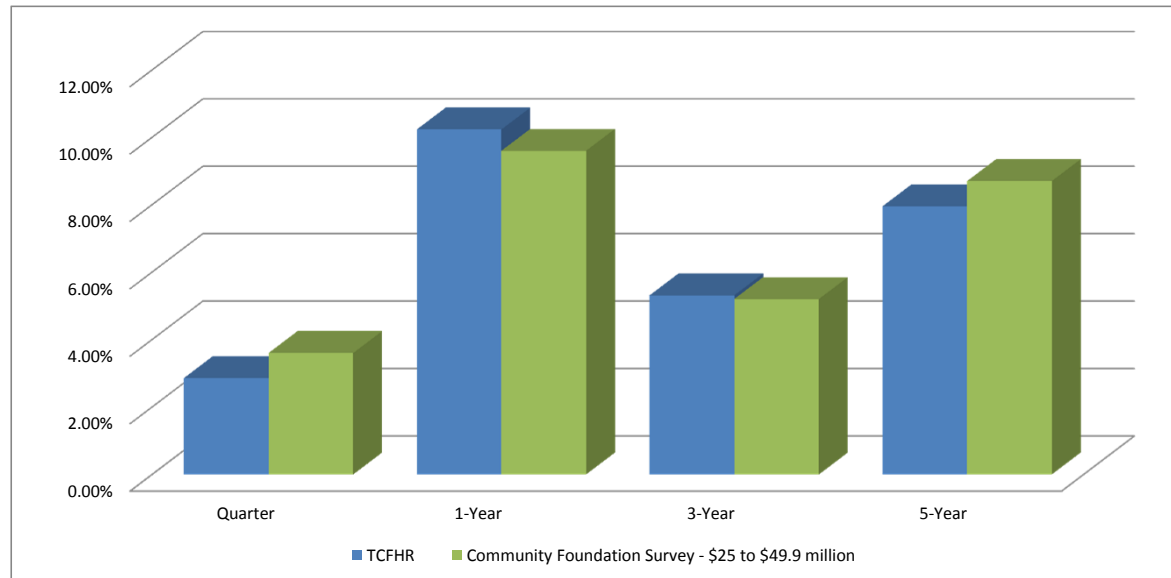


Investment Performance



Highlights

- > **\$1.7 million** -> Grants fiscal 2016-17
- > **\$0.5 million** -> Gifts fiscal year 2016-17
- > **\$24.7 million** -> Grants since inception
- > **\$31.42 million** -> Gross Assets*

Invested Asset Allocation

	\$
Cash & Cash Alternatives	3,516,262
U.S Fixed Income	6,626,013
International Fixed Income	716,946
U.S. Equities	13,127,215
International Equities	6,066,933
	<u>30,053,369</u>

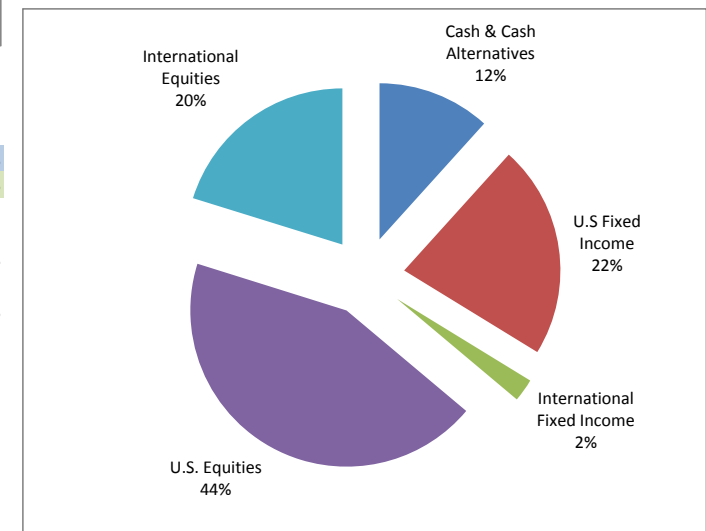
** Investment Performance - Reported to COF	#	Balance	Quarter	1-Year	3-Year	5-Year
(1) TCFHR		27,183,492	2.86%	10.23%	5.31%	7.95%
(2) Community Foundation Survey - \$25 to \$49.9 million	16	\$25-\$50 ML	3.60%	9.60%	5.20%	8.70%

(3) Investment Performance - Reported by Advisors	#	Balance	Quarter	1-Year	3-Year	5-Year
TCFHR Pool Only (Graves.Light)	131	20,298,045	2.80%	9.96%	5.35%	7.80%
(6) American Funds All including Cash- TCFHR actual	30	8,127,866	3.13%	11.65%		
(7) American Funds Balanced A (Stern & Heatwole)	5	138,070	1.71%	12.09%	8.26%	12.12%
(7) American Funds Balanced Portfolio A (Stern & Heatwole)	12	371,877	2.75%	10.35%	6.57%	
(7) American Funds Growth & Income Portfolio A	11	6,717,547	3.53%	12.78%	7.07%	
(7) American Funds Income Portfolio A	2	116,821	1.86%	11.27%	5.77%	
(7) American Funds Preservation Portfolio A	1	63,642	0.09%	2.13%	1.65%	
(5) Charitable Remainder Trust held as Trustee	1	414,316	2.64%	10.89%		

(Note: 30 Funds invested in American Funds; 1 invested in two.)

Benchmarks - Reported by Advisors	Quarter	1-Year	3-Year	5-Year
Morningstar Moderate (50% - 70% Equity) (Graves Light)	3.11%	9.07%	5.41%	9.20%
65% S&P 500/35% Barclays (Graves Light)	2.64%	12.18%	8.84%	11.70%
(4) Blended Benchmark (Graves Light)	3.28%	9.42%	6.07%	9.76%

** Note that investment performance is presented net of investment advisor fees and *past performance is not an indication of future results.*



Other Assets	Receivables/Prepays	1,341,441.46
	Property Plant & Equipment	25,563.81
Total Assets		31,420,374.51

Notes:

- (1) TCFHR reflects returns of The Community Foundation of Harrisonburg and Rockingham County as reported to the Colonial Consulting Group as part of the Finance and Administrative Officers Group (FAOG) Investment Performance Survey for Quarter ending 9/30/2016. Returns are composite for all assets held in the TCFHR Investment Pool and American Funds accounts (including the cash pool held by Wells Fargo Advisors as part of the overall investment pool and money market funds held in conjunction with American Funds) and are reported net of fees using the formula set by the Colonial Consulting Group.
- (2) The Colonial Consulting Group in conjunction with the Finance and Administrative Officers Group for Community Foundations performs a quarterly investment return survey of participating community foundations and provides aggregate results by asset category to all participants. The returns referenced above reflect the average return for the 16 community foundations with assets between \$25 and \$49.9 million invested who participated in the FAOG survey and were included in the 1st Cut Performance Update received November 11, 2016. Revised 11/15/2016 to incorporate returns reported by the Colonial Consulting Group.
- (3) Returns reported by the advisors do not include cash held for liquidity purposes including \$333,867 in the pooled cash account and \$719,909 in cash or cash equivalent accounts held in conjunction with American Funds accounts. Cash held in connection with American Funds accounts was higher than normal at the end of September due to grants planned for early October totaling \$325,000 from one fund. In addition, another fund received of almost \$200,000 during September. After assessing for cash needs over the next year, the majority of the gifted funds were subsequently invested in the portfolio series but not until the month of October. Returns reported to the Colonial Consulting Group in (1) above include cash. In addition, 5-year returns are not yet available for the American Funds Portfolio series funds.
- (4) The blended benchmark is a custom blend of security indices tracked by our investment advisor specifically for comparison to TCFHR returns. It is composed of the following 31% S&P 500, 11% S&P 1000, 23% EAFE, and 35% BCGC and is designed to model the asset allocation and risk strategy used by TCFHR.
- (5) TCFHR is trustee and residual beneficiary for a charitable remainder unitrust which provides payment of distributions to designated beneficiaries of the lesser of trust income or 5% of the fair market value of the assets as of the first day of each year over the beneficiaries' lives. This trust was transferred to the Foundation as part of a family foundation transfer and invested assets were maintained as initially set up by the trust.
- (6) Returns reported on this line for American Funds reflects all American Funds held by TCFHR and includes cash held in connection with those funds for liquidity purposes. This return is calculated by TCFHR and includes the effects of withdrawals and additions to the funds. Quarterly and annual returns were only calculated for the trailing year and not for the trailing 3 and 5 year periods.
- (7) These are the overall investment returns for each portfolio of American Funds held by TCFHR. These reflect the returns reported by American Funds and conveyed to us by Stern & Heatwole. These returns do not reflect actual activity in the individual funds held by TCFHR.