

Philosophy & Facts

Objective: To provide long-term growth of capital and generation of income by investing in a diversified mix of domestic and foreign equities, fixed income securities and alternative investments. This pool is appropriate for donors who seek moderate growth paired with stability. First National Investment Management (“FNIM”) and Dimensional Fund Advisors (“DFA”) manage this pool.

	Target Allocation			Category Range
	Equity	Fixed Income	Alternative	
Balanced Pool	55%	30%	15%	+/- 15%

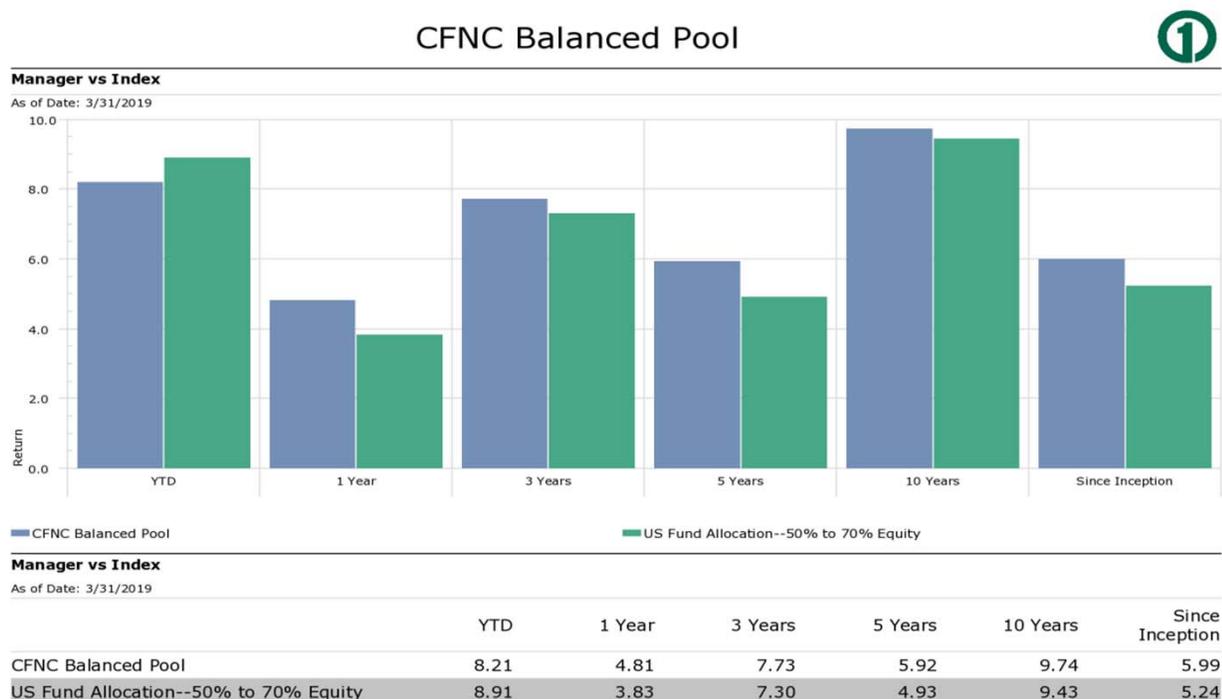
First National Investment Management: The CFNC Balanced Pool utilizes the FNIM Tactical Asset Allocation Model. The objective of tactical asset allocation decisions is to improve upon a passive mix of equities and fixed income securities through a disciplined active allocation approach. This approach is based on weighting sectors within the market for changing economic conditions and relative values. For equity exposure, FNIM utilizes exchange traded funds (ETFs) and mutual funds representing the following asset classes: Large Cap Value, Large Cap Growth, Small Cap Value, Small Cap Growth, Developed International, Emerging Markets, U.S. REITs and International REITs. FNIM employs an actively managed individual bond portfolio for the fixed income portion of the model, complimented with mutual funds for yield and diversification.

In 2013, the Investment Committee approved an allocation to a U.S. Index approach utilizing equity and fixed income ETFs and mutual funds. For equity exposure, the strategy has exposure to a U.S. Broad Market Index and U.S. REITs. For fixed income, the strategy holds an allocation to a short-term investment grade corporate bond fund and the Barclay’s U.S. Aggregate Index.

Dimensional Fund Advisors: DFA’s investment approach is grounded in academic research and is based on the premises that markets work efficiently and that risk and return are related. DFA allocates funds based on three factors that affect value: market risk, size and book-to-market values. The CFNC Balanced Pool utilizes the DFA Global 60/40, Global 25/75, U.S. REIT and International REIT Funds. These portfolios invest in over 10,000 underlying securities across more than 35 countries. The investment objective of the Global 60/40 Fund is to seek total return consisting of capital appreciation and current income. The investment objective of the Global 25/75 Fund is to seek total return consistent with current income and preservation of capital with some capital appreciation. The investment objectives of the U.S. and International REIT Funds are to achieve long-term capital appreciation. The portfolios offer broad diversification across global asset classes.

Alternatives: In 2015, the Investment Committee approved an allocation to alternative investments. The goal of this asset class is to strategically manage risk and increase diversification, while meeting return goals. Each investment in an alternative investment is evaluated by the Investment Committee independently of marketable securities, and authorized by the Committee.

Portfolio Return vs. Morningstar Category



Source: Morningstar Direct

What the graph shows us:

The graph reflects the average annualized returns for the CFNC Balanced Pool and the Morningstar benchmark for the different periods within the analysis time frame (1 year, 3 year, etc.). Annual Return graph plots the annualized returns of the CFNC Balanced Pool against the returns of the Morningstar 50% to 70% Equity benchmark.

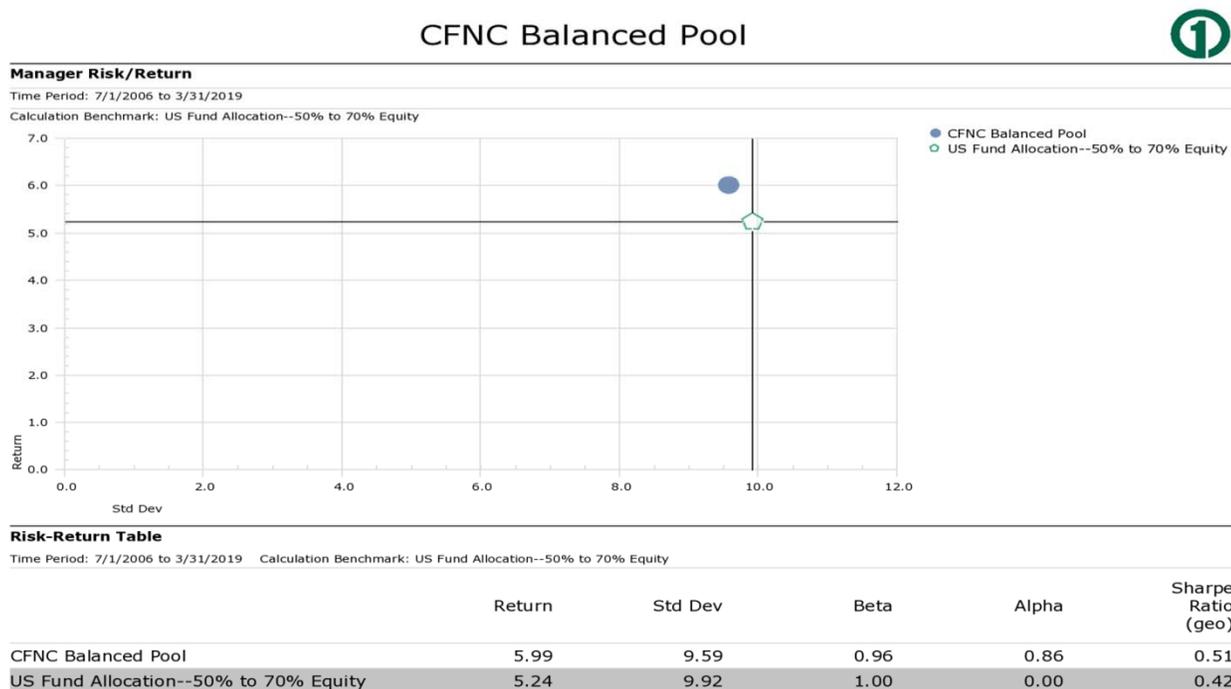
What the table shows us:

The manager vs. benchmark table is a numerical representation of the graph above. It displays the average annualized returns for the CFNC Balanced Pool and Morningstar benchmark for the different periods within the analysis timeframe (1 year, 3 year, etc.). The blue bars represent the CFNC Balanced Pool and the green bars represent the Morningstar benchmark.

*The Morningstar 50% to 70% Equity benchmark consists of a peer group of mutual funds that seek to provide both capital appreciation and income by investing 50-70% of assets in equities and the remainder in fixed income and cash.

Source: Morningstar

Portfolio Risk Return vs. Morningstar Category



Source: Morningstar Direct

What the graph shows us:

The Portfolio Risk / Return graph plots the CFNC Balanced Pool's return (annualized %) against the portfolio's standard deviation. The blue dot represents the CFNC Balanced Pool and the white dot represents the Morningstar 50% to 70% Equity benchmark.

If the CFNC Balanced Pool has outperformed the Morningstar benchmark, the portfolio will plot above the horizontal line. If the total risk is less than that of its benchmark, the portfolio will plot to the left of the vertical line.

What the table shows us:

Return - The annualized portfolio return over the entire analysis period.

Standard Deviation - The total risk or variability of the portfolio's returns about its mean.

Beta - The systematic (market) risk of a portfolio. A portfolio with a beta of one is considered to be as risky as the market.

Alpha - Measures the difference between a portfolio's actual returns and the return one would expect given the portfolio's level of risk. A positive Alpha means the portfolio has exceeded expectations based on the level of risk.

Sharpe Ratio - A measurement of risk adjusted return and the excess return of a portfolio over the risk free rate (3 month T-Bill) per unit of risk (Std. Deviation).

Past performance is not a guarantee of future results.

Philosophy & Facts

Objective: To provide long-term growth of capital and with production of income being secondary. Funds shall be invested primarily in a diversified mix of domestic and foreign equities, fixed income securities and alternative investments. This pool is appropriate for donors seeking capital appreciation who have a higher tolerance for volatility. First National Investment Management (“FNIM”) and Dimensional Fund Advisors (“DFA”) manage this pool.

	Target Allocation			
	Equity	Fixed Income	Alternative	Category Range
Growth Pool	70%	15%	15%	+/- 15%

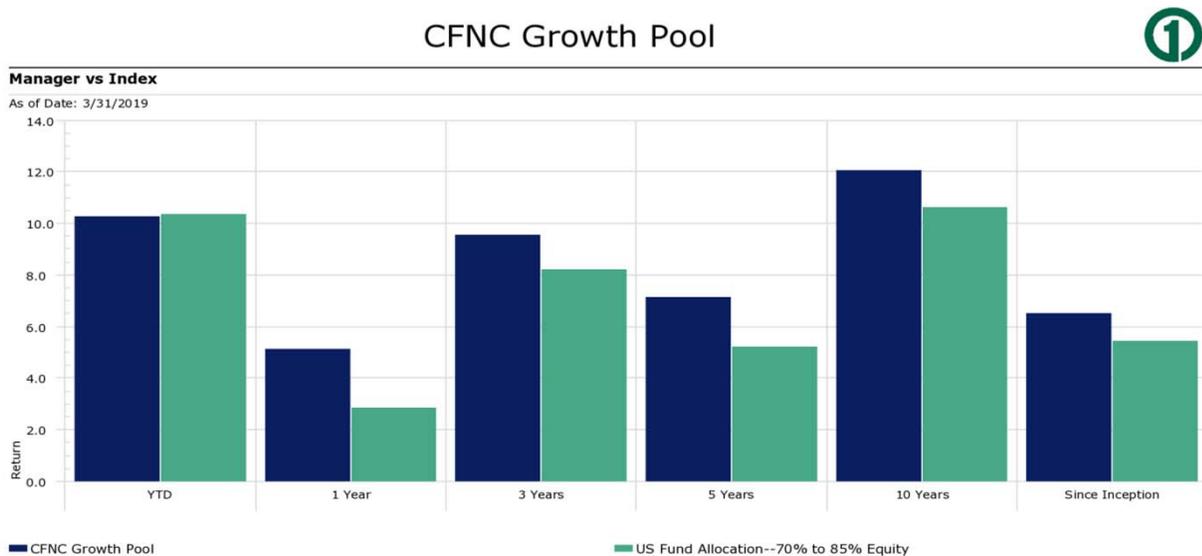
First National Investment Management: The CFNC Growth Pool utilizes the FNIM Tactical Asset Allocation Model. The objective of tactical asset allocation decisions is to improve upon a passive mix of equities and fixed income securities through a disciplined active allocation approach. This approach is based on weighting sectors within the market for changing economic conditions and relative values. For equity exposure, FNIM utilizes exchange traded funds (ETFs) and mutual funds representing the following asset classes: Large Cap Value, Large Cap Growth, Small Cap Value, Small Cap Growth, Developed International, Emerging Markets, U.S. REITs and International REITs. FNIM employs an actively managed individual bond portfolio for the fixed income portion of the model, complimented with mutual funds for yield and diversification.

In 2013, the Investment Committee approved an allocation to a U.S. Index approach utilizing equity and fixed income ETFs and mutual funds. For equity exposure, the strategy has exposure to a U.S. Broad Market Index and U.S. REITs. For fixed income, the strategy holds an allocation to a short-term investment grade corporate bond fund and the Barclay’s U.S. Aggregate Index.

Dimensional Fund Advisors: DFA’s investment approach is grounded in academic research and is based on the premises that markets work efficiently and that risk and return are related. DFA allocates funds based on three factors that affect value: market risk, size and book-to-market values. The CFNC Balanced Pool utilizes the DFA Global 60/40, Global 25/75, U.S. REIT and International REIT Funds. These portfolios invest in over 10,000 underlying securities across more than 35 countries. The investment objective of the Global 60/40 Fund is to seek total return consisting of capital appreciation and current income. The investment objective of the Global 25/75 Fund is to seek total return consistent with current income and preservation of capital with some capital appreciation. The investment objectives of the U.S. and International REIT Funds are to achieve long-term capital appreciation. The portfolios offer broad diversification across global asset classes.

Alternatives: In 2017, the Investment Committee approved an allocation to alternative investments. The goal of this asset class is to strategically manage risk and increase diversification, while meeting return goals. Each investment in an alternative investment is evaluated by the Investment Committee independently of marketable securities, and authorized by the Committee.

Portfolio Return vs. Morningstar Category



Manager vs Index
As of Date: 3/31/2019

	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
CFNC Growth Pool	10.29	5.14	9.56	7.15	12.05	6.50
US Fund Allocation--70% to 85% Equity	10.34	2.86	8.21	5.21	10.61	5.45

Source: Morningstar Direct

What the graph shows us:

The graph reflects the average annualized returns for the CFNC Growth Pool and the Morningstar benchmark for the different periods within the analysis time frame (1 year, 3 year, etc.). Annual Return graph plots the annualized returns of the CFNC Growth Pool against the returns of the Morningstar 70% to 85% Equity benchmark.

What the table shows us:

The manager vs. benchmark table is a numerical representation of the graph above. It displays the average annualized returns for the CFNC Growth Pool and Morningstar benchmark for the different periods within the analysis timeframe (1 year, 3 year, etc.). The blue bars represent the CFNC Growth Pool and the green bars represent the Morningstar benchmark.

*The Morningstar 70% to 85% Equity benchmark consists of a peer group of mutual funds that seek to provide both capital appreciation and income by investing 70-85% of assets in equities and the remainder in fixed income and cash.

Source: Morningstar

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Portfolio Risk Return vs. Morningstar Category

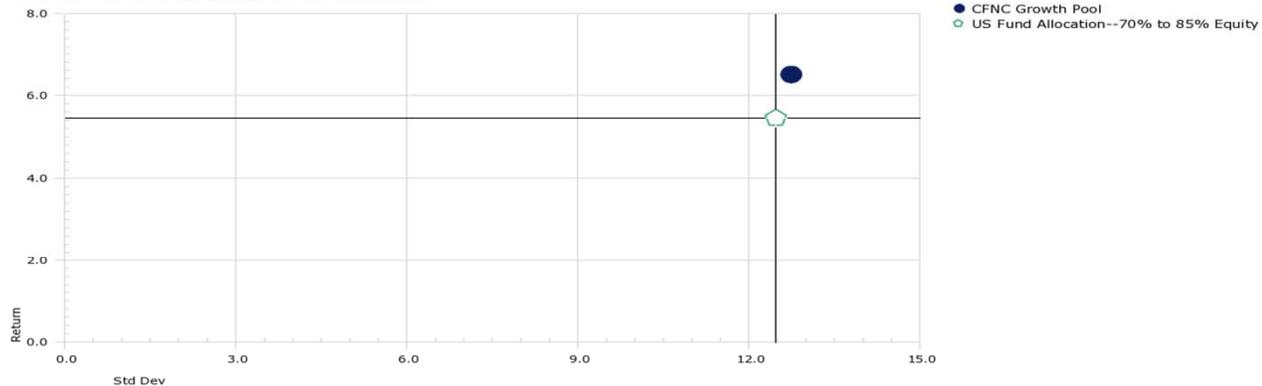
CFNC Growth Pool



Manager Risk/Return

Time Period: 7/1/2006 to 3/31/2019

Calculation Benchmark: US Fund Allocation--70% to 85% Equity



Risk-Return Table

Time Period: 7/1/2006 to 3/31/2019

Calculation Benchmark: US Fund Allocation--70% to 85% Equity

	Return	Std Dev	Beta	Alpha	Sharpe Ratio (geo)
CFNC Growth Pool	6.50	12.74	1.01	0.96	0.42
US Fund Allocation--70% to 85% Equity	5.45	12.49	1.00	0.00	0.35

Source: Morningstar Direct

What the graph shows us:

The Portfolio Risk / Return graph plots the CFNC Growth Pool's return (annualized %) against the portfolio's standard deviation. The blue dot represents the CFNC Growth Pool and the white dot represents the Morningstar 70% to 85% Equity benchmark.

If the CFNC Growth Pool has outperformed the Morningstar benchmark, the portfolio will plot above the horizontal line. If the total risk is less than that of its benchmark, the portfolio will plot to the left of the vertical line.

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Sharpe Ratio - A measurement of risk adjusted return and the excess return of a portfolio over the risk free rate (3 month T-Bill) per unit of risk (Std. Deviation).

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Philosophy & Facts

Objective: To provide current income with long-term growth of capital being secondary. Funds shall be invested primarily in fixed income securities, with a smaller allocation to a diversified mix of domestic and foreign equities and alternative investments. This pool is appropriate for donors who seek some opportunity for capital appreciation, but have a lower tolerance for volatility. First National Investment Management (“FNIM”) manages this pool.

	Target Allocation			Category Range
	Equity	Fixed Income	Alternative	
Conservative Pool	25%	65%	10%	+/- 10%

First National Investment Management: The CFNC Conservative Pool utilizes the FNIM Tactical Asset Allocation Model. The objective of tactical asset allocation decisions is to improve upon a passive mix of equities and fixed income securities through a disciplined active allocation approach. This approach is based on weighting sectors within the market for changing economic conditions and relative values. For equity exposure, FNIM utilizes exchange traded funds (ETFs) and mutual funds representing the following asset classes: Large Cap Value, Large Cap Growth, Small Cap Value, Small Cap Growth, Developed International, Emerging Markets, U.S. REITs and International REITs. FNIM employs an actively managed individual bond portfolio for the fixed income portion of the model, complimented with mutual funds for yield and diversification.

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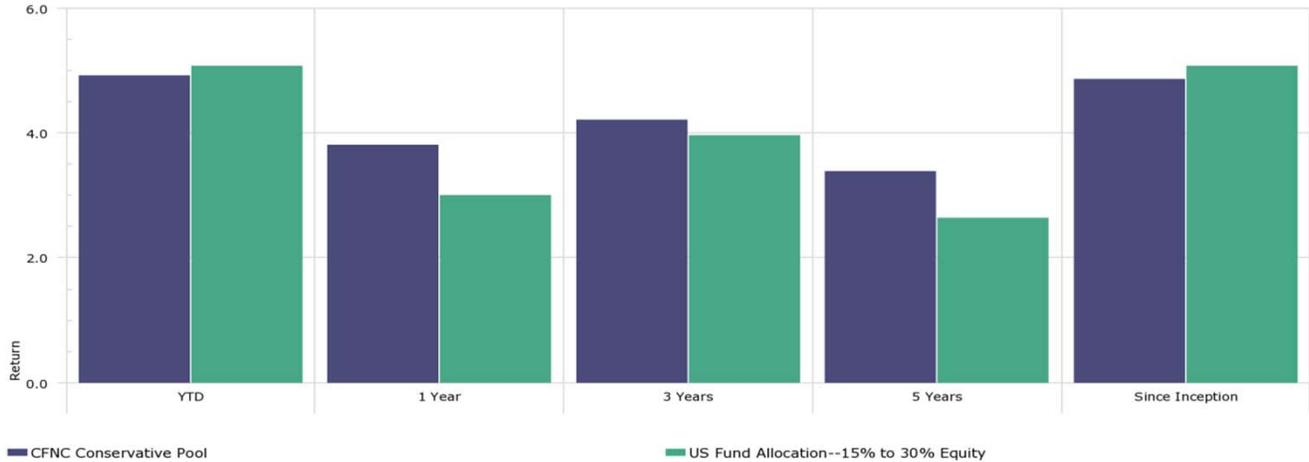
Portfolio Return vs. Morningstar Category

CFNC Conservative Pool



Manager vs Index

As of Date: 3/31/2019



Manager vs Index

As of Date: 3/31/2019

	YTD	1 Year	3 Years	5 Years	Since Inception
CFNC Conservative Pool	4.92	3.80	4.22	3.40	4.85
US Fund Allocation--15% to 30% Equity	5.07	3.00	3.96	2.64	5.08

Source: Morningstar Direct

What the graph shows us:

The graph reflects the average annualized returns for the CFNC Conservative Pool and the Morningstar benchmark for the different periods within the analysis time frame (1 year, 3 year, etc.). Annual Return graph plots the annualized returns of the CFNC Conservative Pool against the returns of the Morningstar 15% to 30% Equity benchmark.

What the table shows us:

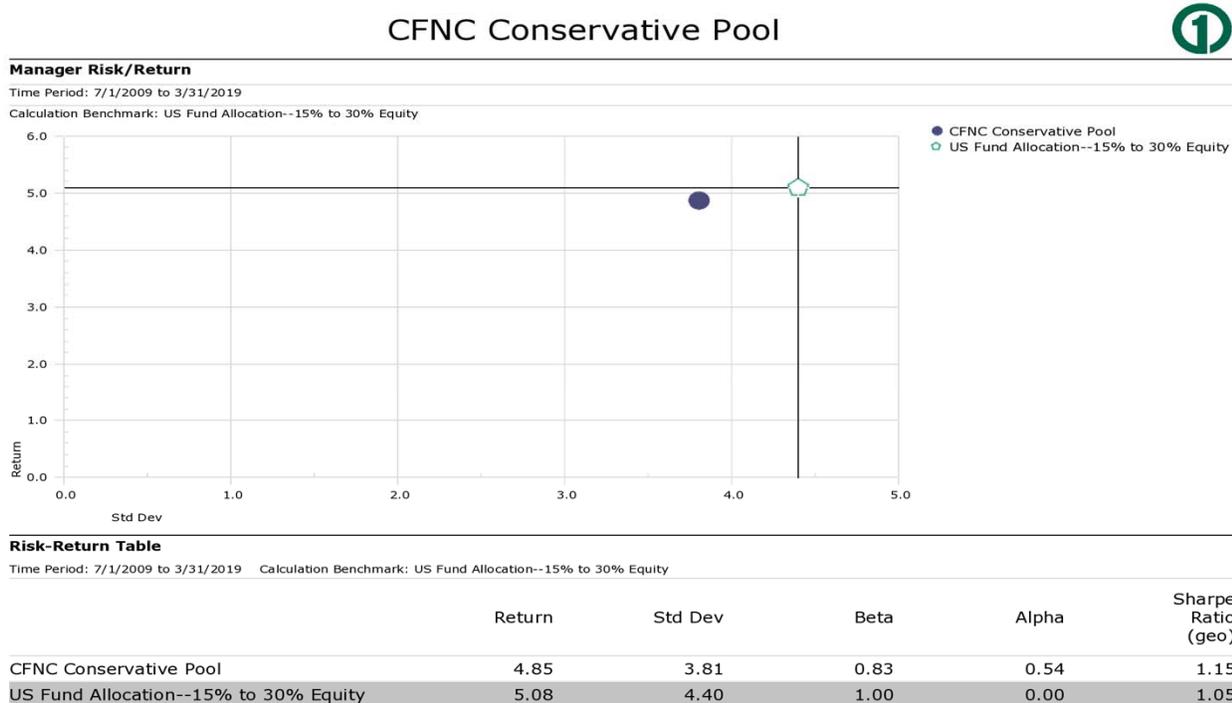
The manager vs. benchmark table is a numerical representation of the graph above. It displays the average annualized returns for the CFNC Conservative Pool and Morningstar benchmark for the different periods within the analysis timeframe (1 year, 3 year, etc.). The blue bars represent the CFNC Conservative Pool and the green bars represent the Morningstar benchmark.

*The Morningstar 15% to 30% Equity benchmark consists of a peer group of mutual funds that seek to provide both capital appreciation and income by investing 15-30% of assets in equities and the remainder in fixed income and cash.

Source: Morningstar

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Portfolio Risk Return vs. Morningstar Category



Source: Morningstar Direct

What the graph shows us:

The Portfolio Risk / Return graph plots the CFNC Conservative Pool's return (annualized %) against the portfolio's standard deviation. The blue dot represents the CFNC Conservative Pool and the white dot represents the Morningstar 15% to 30% Equity benchmark.

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