COMMUNITY FIRST®
FOUNDATION

Annual Investment Meeting

Economics to Impact

March 7, 2023

COMMUNITY FIRST® FOUNDATION

Welcome

Kelly Dunkin
President & CEO
Community First Foundation

COMMUNITY FIRST® FOUNDATION

Agenda

- **Welcome & Opening Comments**
  Kelly Dunkin, President and CEO
- **Role of Finance and Investment Committee**
  Dale Martin, Chair of Finance & Investment Committee of Community First Foundation
- **2022 Review & 2023 Market Outlook**
  Graystone Consulting
- **Q & A**
  Ken Kirwin, CFO / COO
- **Break**

Economics to Impact

- Kelly Dunkin, President and CEO
- Tim Zeckser, Nonprofit Endowment Manager

COMMUNITY FIRST® FOUNDATION

Community First Foundation Board

Aaron Azari
Retired Executive Vice President
BOK Financial

David Bomberger
Retired
Pinnacol Assurance

A. Nikki Borchardt Campbell
Executive Director
National American Indian Court Judges Association

Kristin L. Calder, CPA
Director
Kundinger, Corder & Montoya, P.C.

Elycia Cook
Chief Executive Officer
Big Brothers and Big Sisters of Colorado

Kelly Dunkin
President and CEO
Community First Foundation

Joy S. Johnson
Community Advocate

Kelly Kaminskas
Chief Digital Officer
FirstBank

Russell W. Kemp, Esq.
Attorney
Ireland Stapleton

Shelly A. Marquez
President
Mercy Housing Mountain Plains

Dale Martin
Director, Private Markets
Fire and Police Pension Association of Colorado

Andre McGregor
Founder/CEO
ForceMetrics

Adi Merchant
Senior Director, Talent Acquisition
Vail Resorts Management Company

Stacey Pool
Chief Marketing Officer
Noodles & Company

Penfield W. Tate III
Attorney and Chief Environmental Justice Officer at Project Canary, PBC

Leah Varnell
Executive Director
CASA of Jefferson and Gilpin Counties

Gaye Woods
System Vice President of Diversity and Health Equity for CommonSpirit Health

COMMUNITY FIRST® FOUNDATION

Community First Foundation Staff

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Neelamai Chunlapak
Accounting Manager

Gerry Culver
Development & Community Engagement Manager

Christine Moreland, CPA
Controller

Karen Newcomb
Finance and Accounting Clerk

April Reid
Accountant

Jennifer Robinson
Vice President of Business Systems and Intelligence

Kelly Degering
Grants Manager

Tyler Donovan
Email and Web Designer

Kelly Dunkin
President and CEO

Marybeth Goodwin
Director of Community Impact

Daniel Stone
Marketing Manager

Tamara Swiech
Senior Accountant

Erica Thornley
Vice President of Product Development, ColoradoGives

Bryce Wilkinson
Operations Manager, ColoradoGives

Tim Zeckser
Endowment Manager

Your Investment Team

Community First Foundation
Finance & Investment Committee
Graystone Consulting

Dale Martin
Board Member, Chair Finance & Investment Committee

COMMUNITY FIRST® FOUNDATION

Finance & Investment Committee

Dale Martin

Director, Private Markets

Fire and Police Pension Association of Colorado

David Bomberger

Retired

Pinnacol Assurance

Kelly Dunkin

President and CEO

Community First Foundation

Joy S. Johnson

Community Advocate

Kenneth R. Kirwin

Chief Operating Officer and Chief Financial Officer

Not pictured: Melissa Cheong, *Community Committee Member*

COMMUNITY FIRST FOUNDATION

Graystone Consulting from Morgan Stanley

Outsourced Chief Investment Officer

Robert J. Morris
Senior Vice President

Graystone Consulting
from Morgan Stanley

Graystone Consulting
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Annual Investor Meeting
March 2023

COMMUNITY FIRST FOUNDATION

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Agenda: Today's Discussion

Section 1 →Capital Markets Update 3 – 22

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Section 3 →Disclosures 39 – 47

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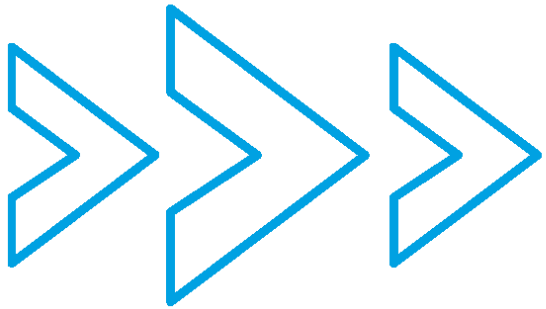
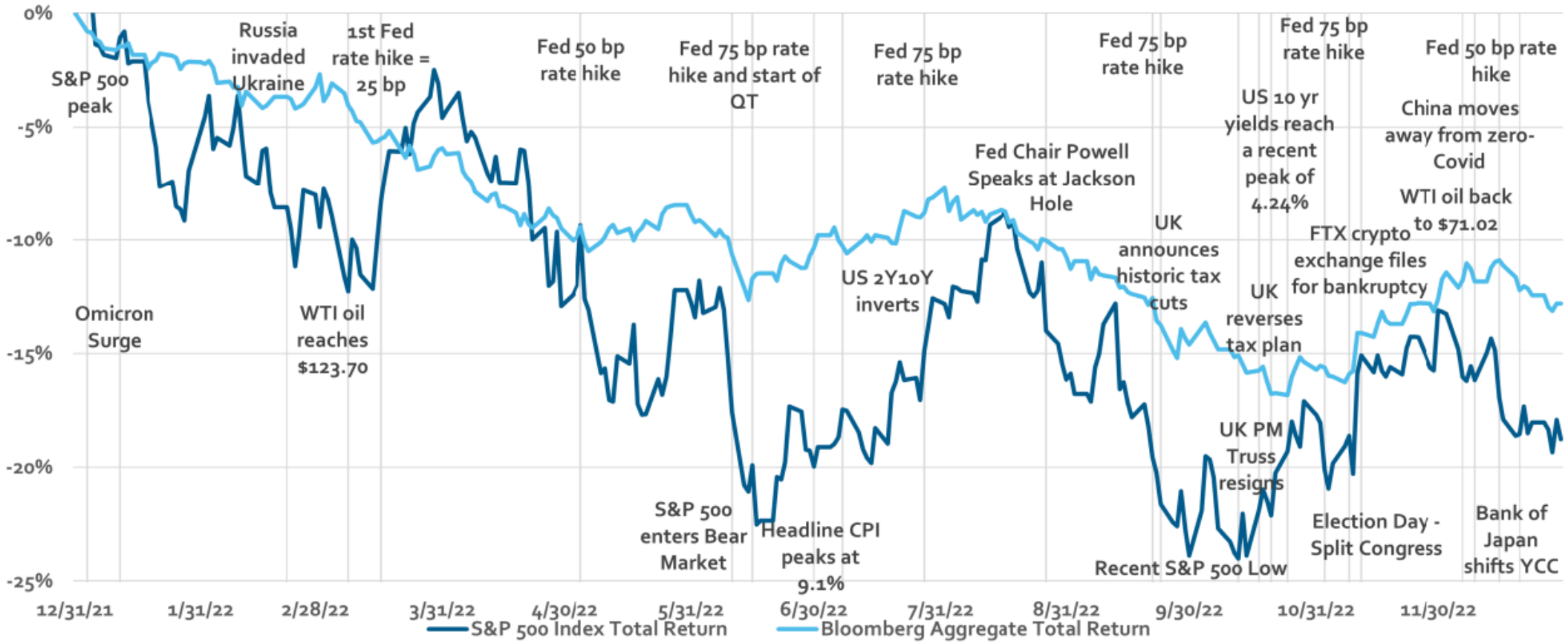


Capital Markets Update

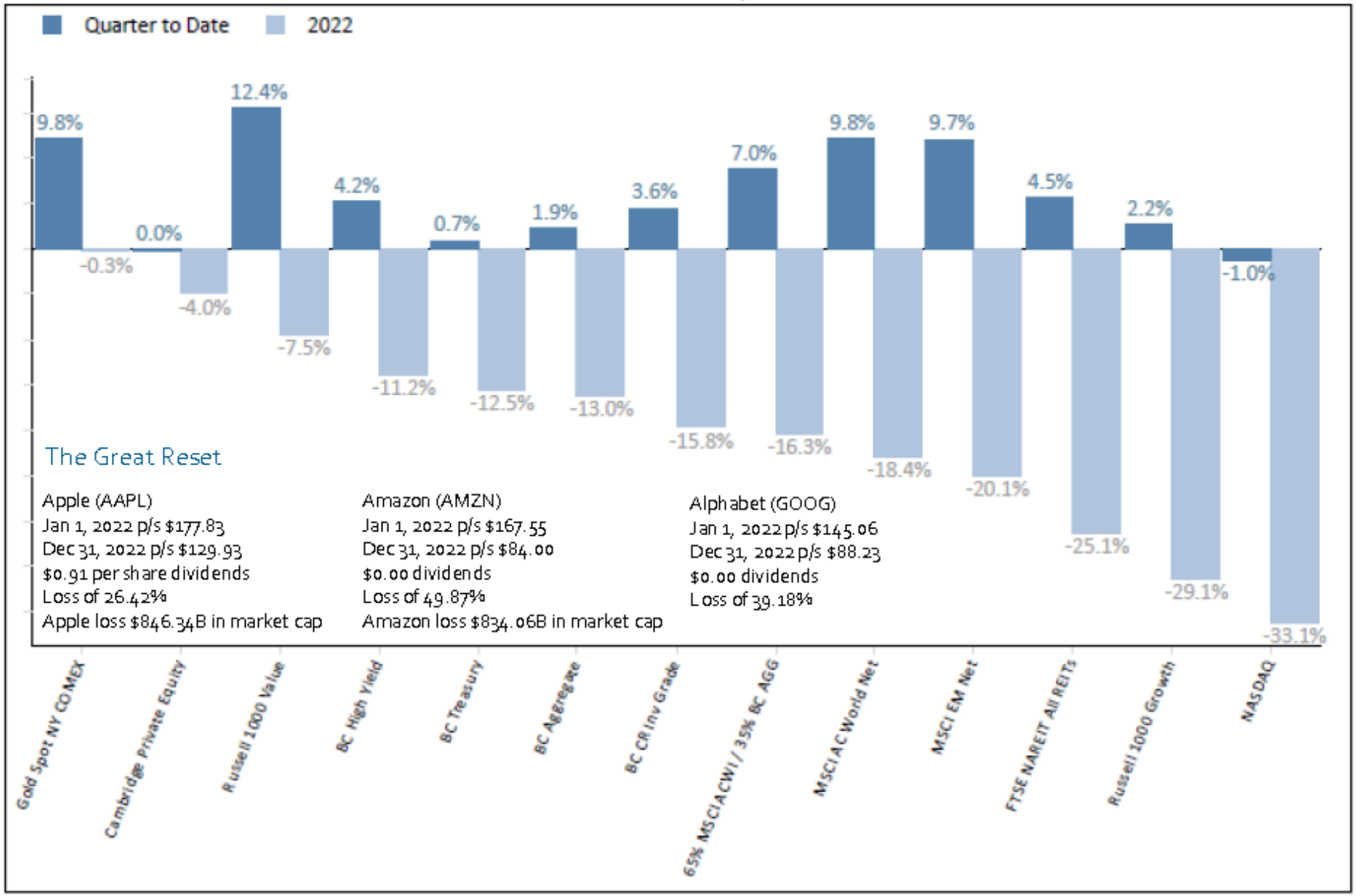
Overall 2022 was Challenging for both Equities and Fixed Income

Total Returns of S&P 500 and Bloomberg Agg in Relation to 2022 Events



Source: Bloomberg and Morgan Stanley Wealth Management GIO.

Capital Market Indices YTD 2022



Source: PSN, Investment Metrics, LLC

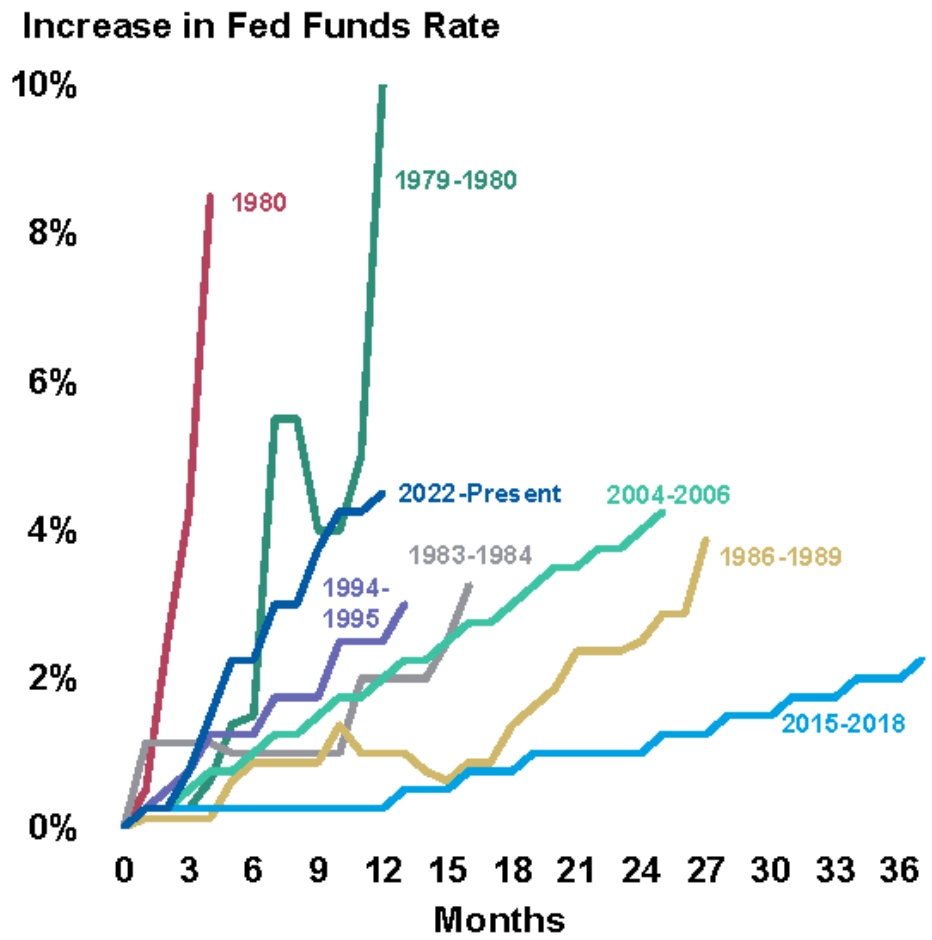
Back to the Future….

Metric	Current	Historical Average
Base Rate	4.25% - 4.50%	4.60% (Since 1954)
S&P 500 Forward P/E	17.6x	15.5x prior 20 years
S&P Trailing P/E	18.7x	17.0x prior 20 years
30 Yr. Mortgage Rate	6.42%	5.93% (Mortgage Rate 2003)

The Fed's course of action has simply taken away the excess easy money used to combat 2020.

Compared to historical averages the easy money of 2019-2021 was the abnormality.

Drivers of 2022 Bear Market Were Textbook



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 31, 2022

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of February 1, 2023

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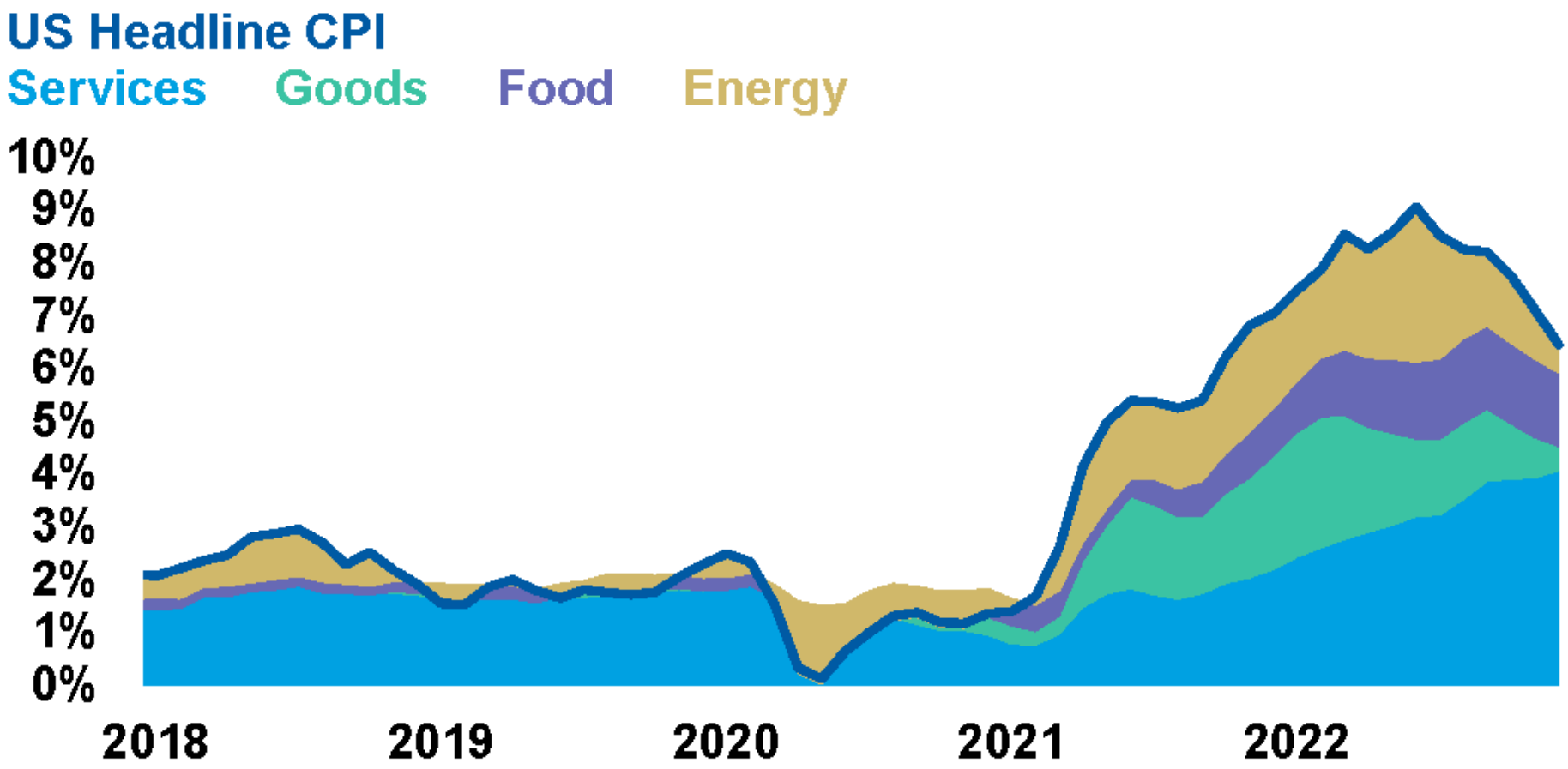
Inflation Assumed Tamed Despite Dynamics in Services



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 31, 2022

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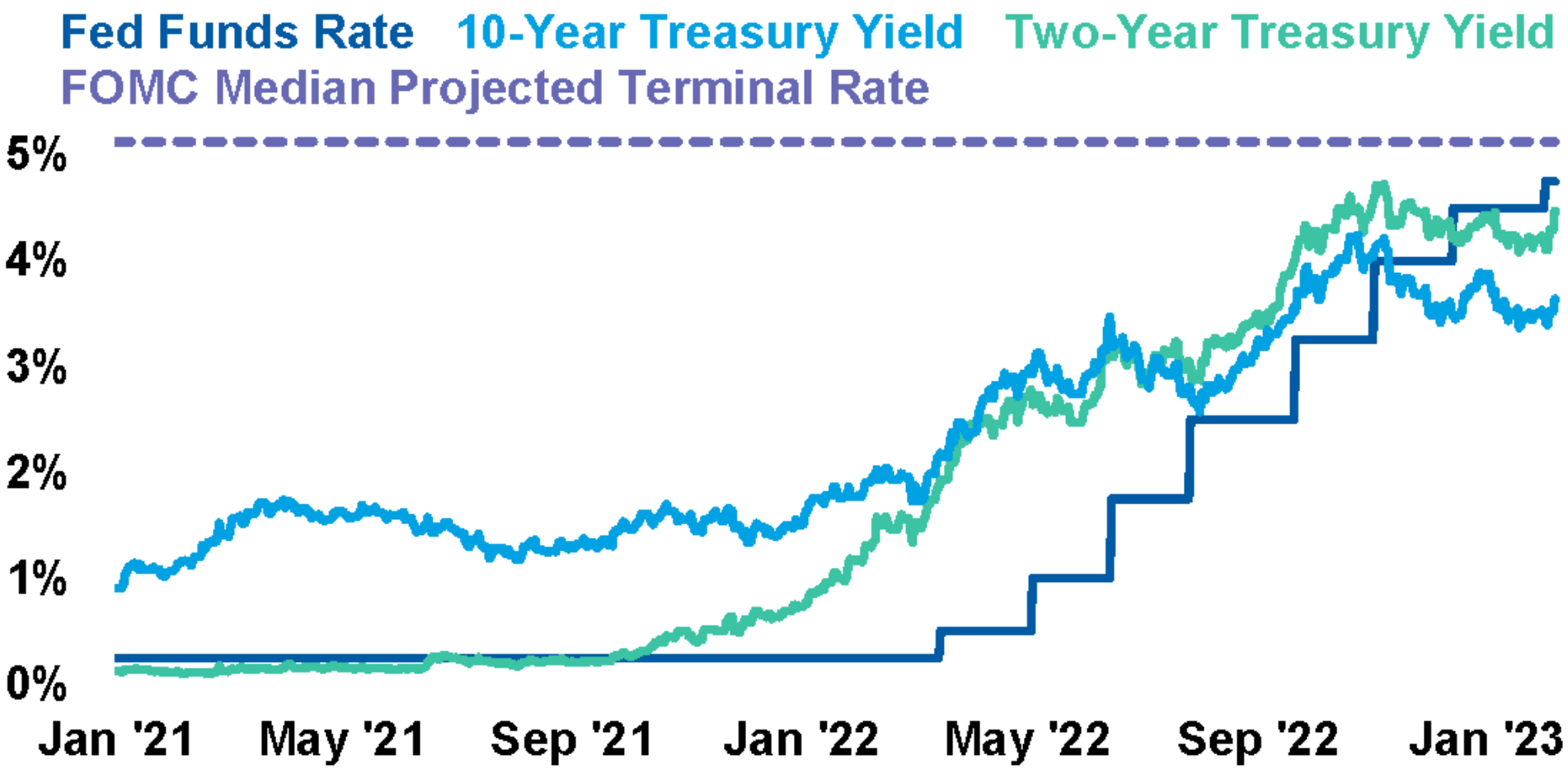
Bonds Appear to Be Pricing the "Signaled" Fed Path



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of February 6, 2023

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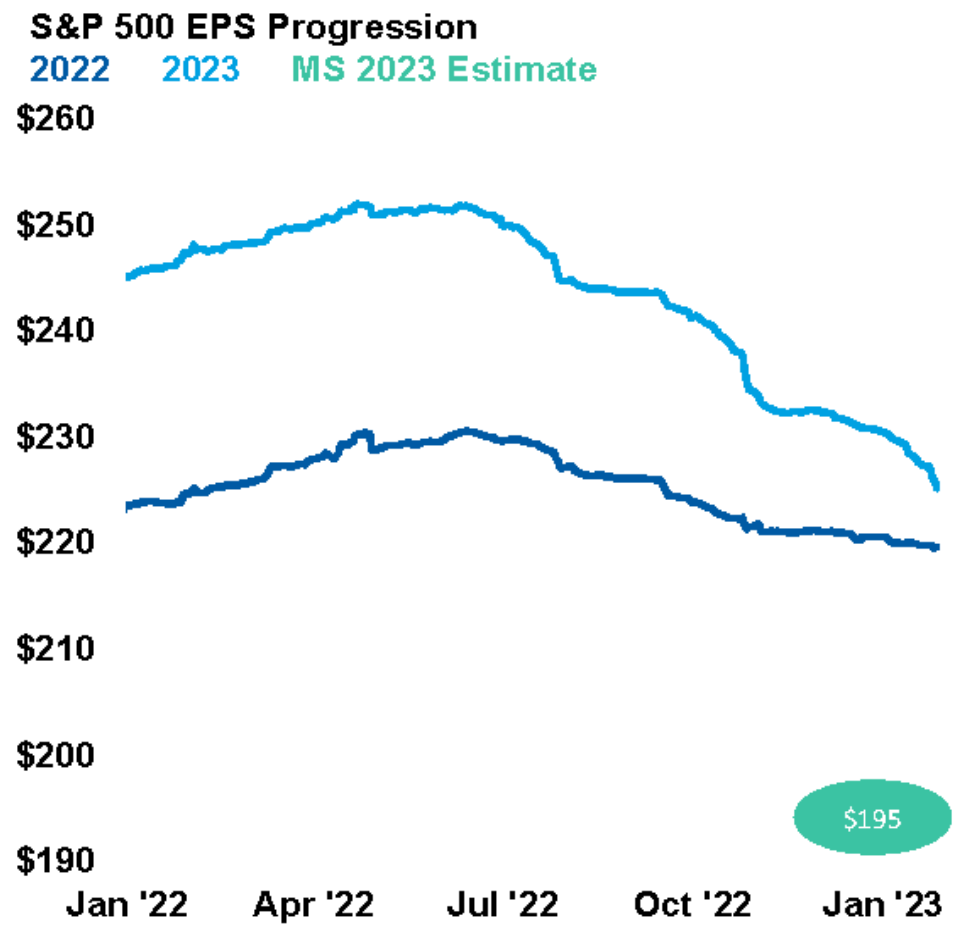
While Stocks Discounted Lower Valuations but Not Lower Earnings



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of February 6, 2023

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of January 27, 2023

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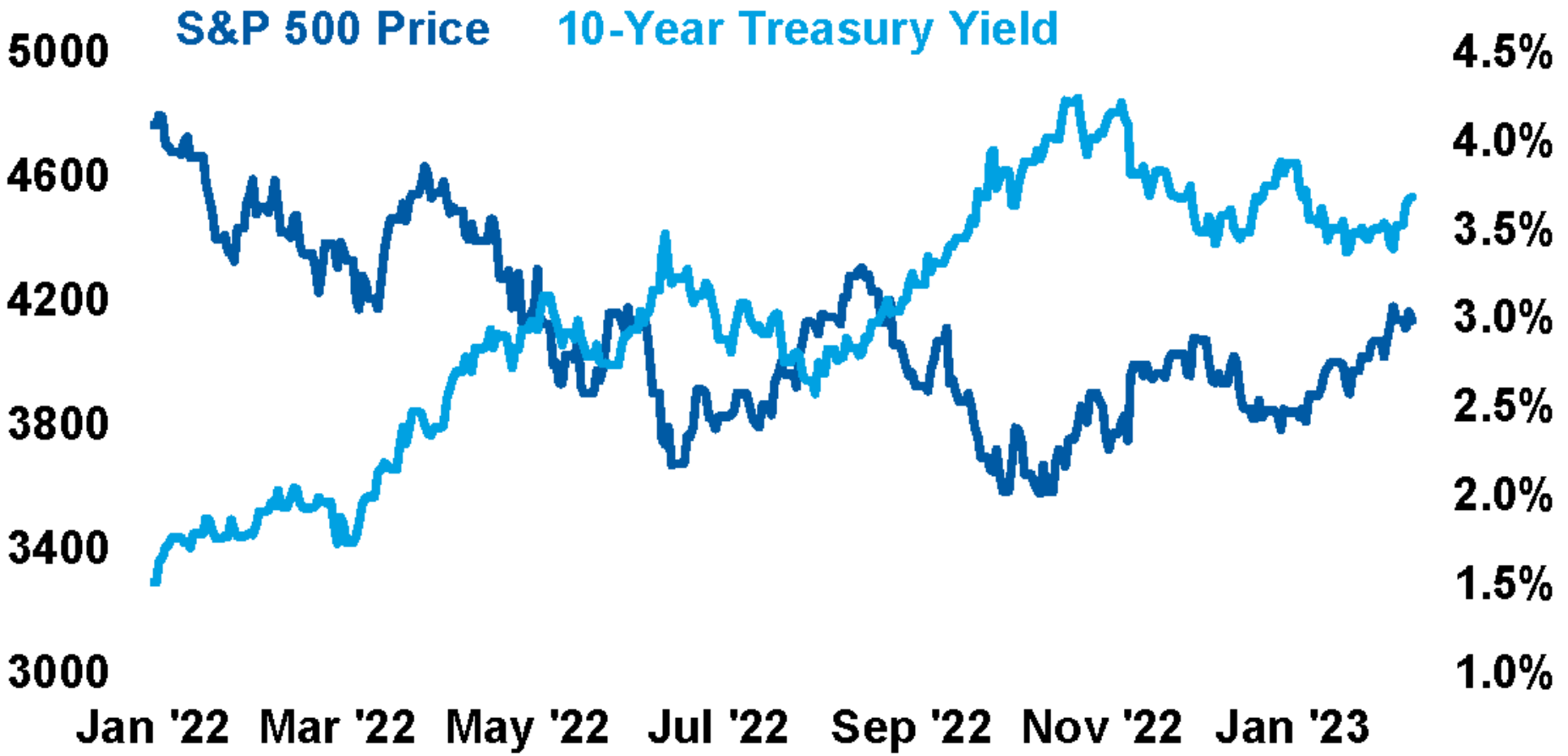
Since Peak in Rates, Equities Pricing a "Soft Landing"



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of February 6, 2023

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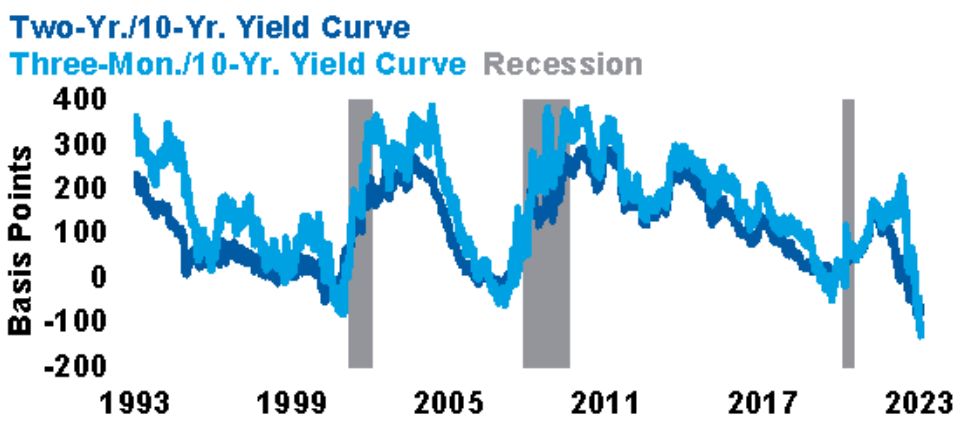
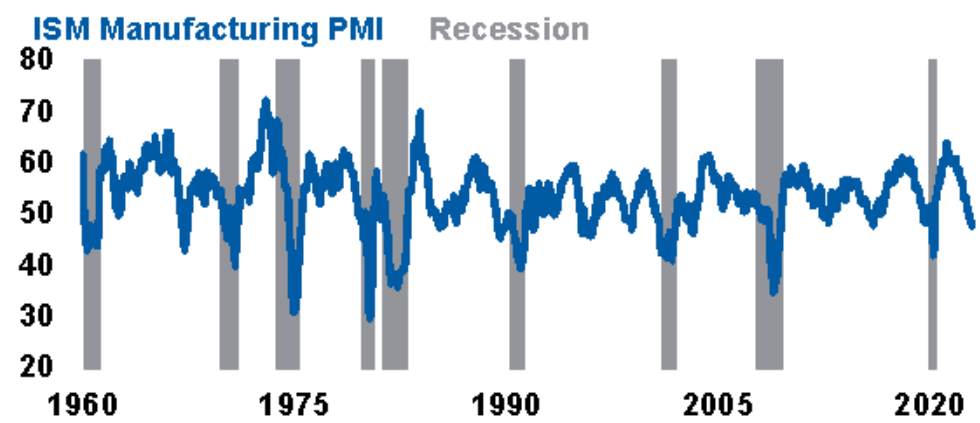
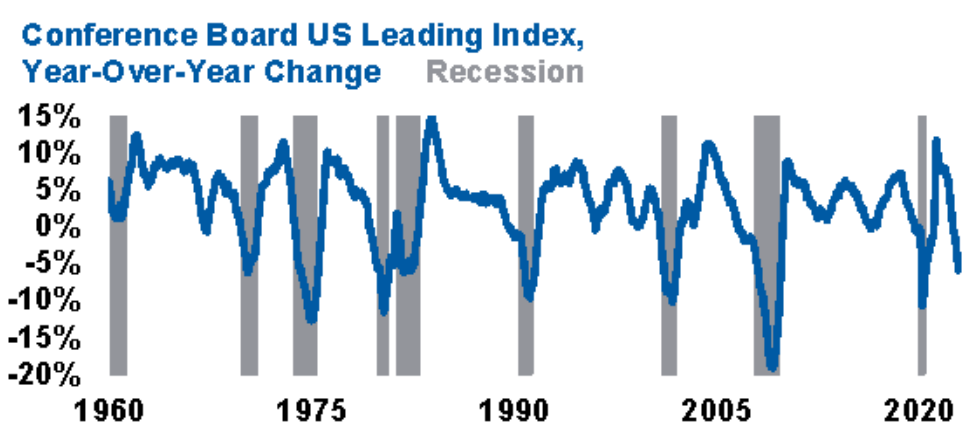
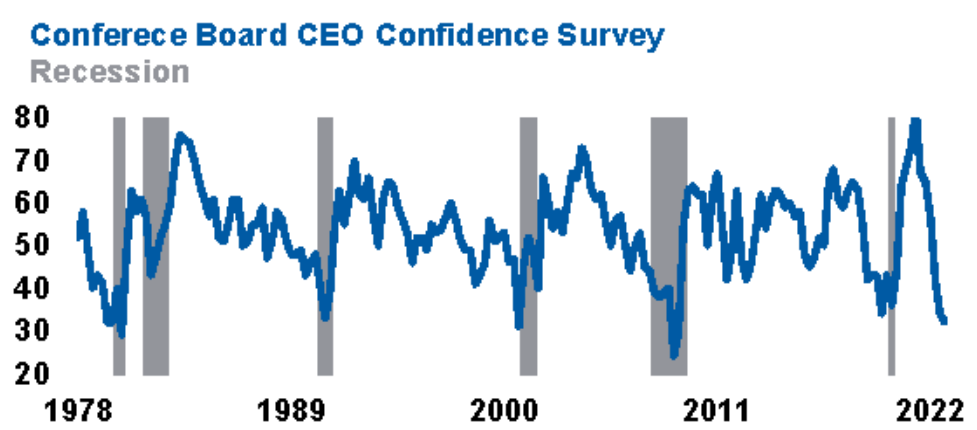
Recession Indicators Are Flashing and Being Ignored









Source: Morgan Stanley Wealth Management GIC, Bloomberg as of February 6, 2023
Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 31, 2022

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of January 31, 2023
Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 31, 2022

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For 2023 the Controversy Is Uncertainty

Consensus = "Goldilocks"

- Growth: Soft Landing
- Inflation: Less than 3%
- Fed: Pause at 4.75% and Cut by 50 bps
- Corporate Earnings: Flat to Down Less Than 5%

Morgan Stanley & Co. + GIC View

- Growth: A Close Call
- Inflation: Greater Than 3%
- Fed: Pause at 5% and Hold For All of 2023
- Corporate Earnings: Down Greater Than 10%

Equity Risk Premiums Should Be Higher Than Long-Term Average

Source: Morgan Stanley Wealth Management GIC, Morgan Stanley & Co. Research. Equity risk premium is the excess return that an individual stock or the overall stock market provides over a risk-free rate. The risk-free rate represents the interest an investor would expect from an absolutely risk-free investment over a specified period of time.

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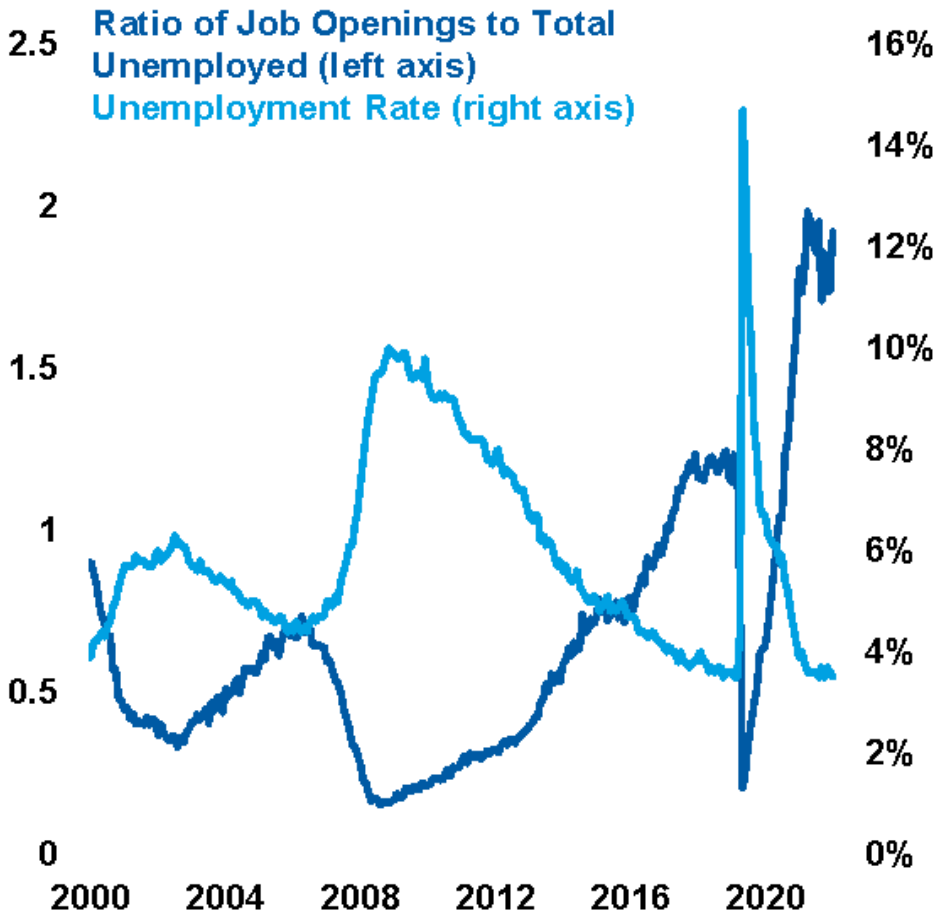
Tight Labor Market Is Assumed to Be "Goldilocks"



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 31, 2022

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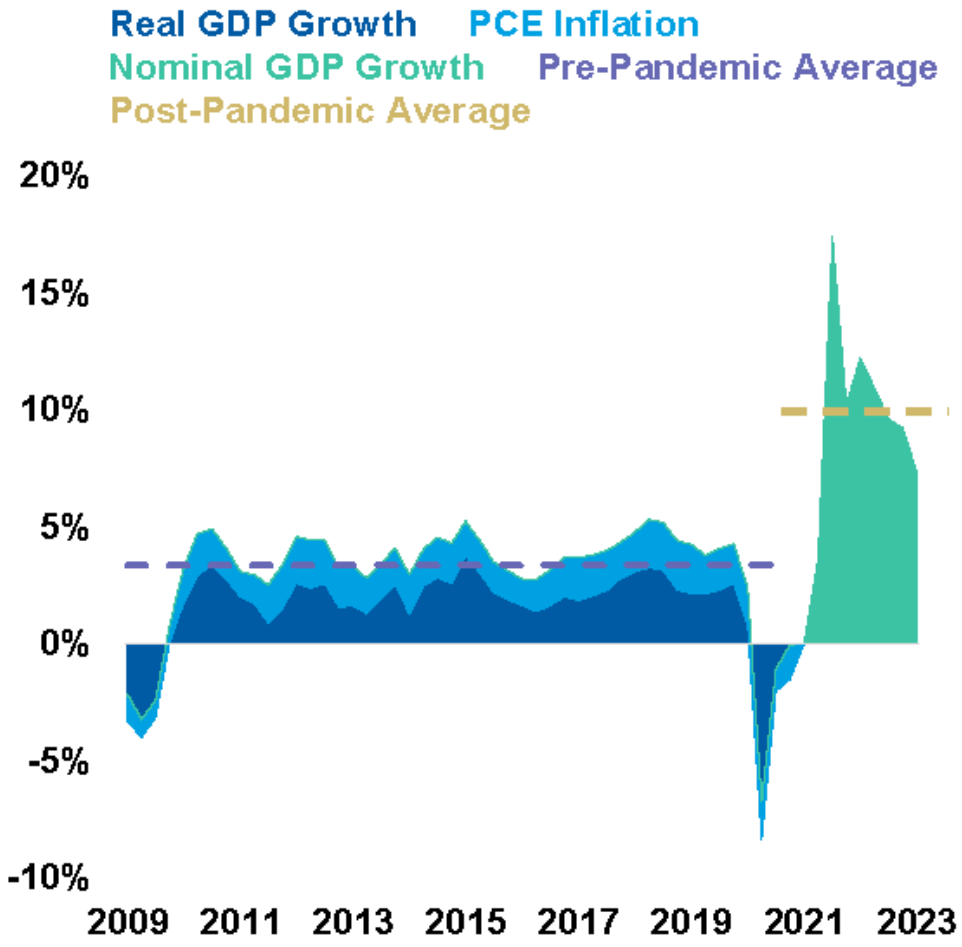
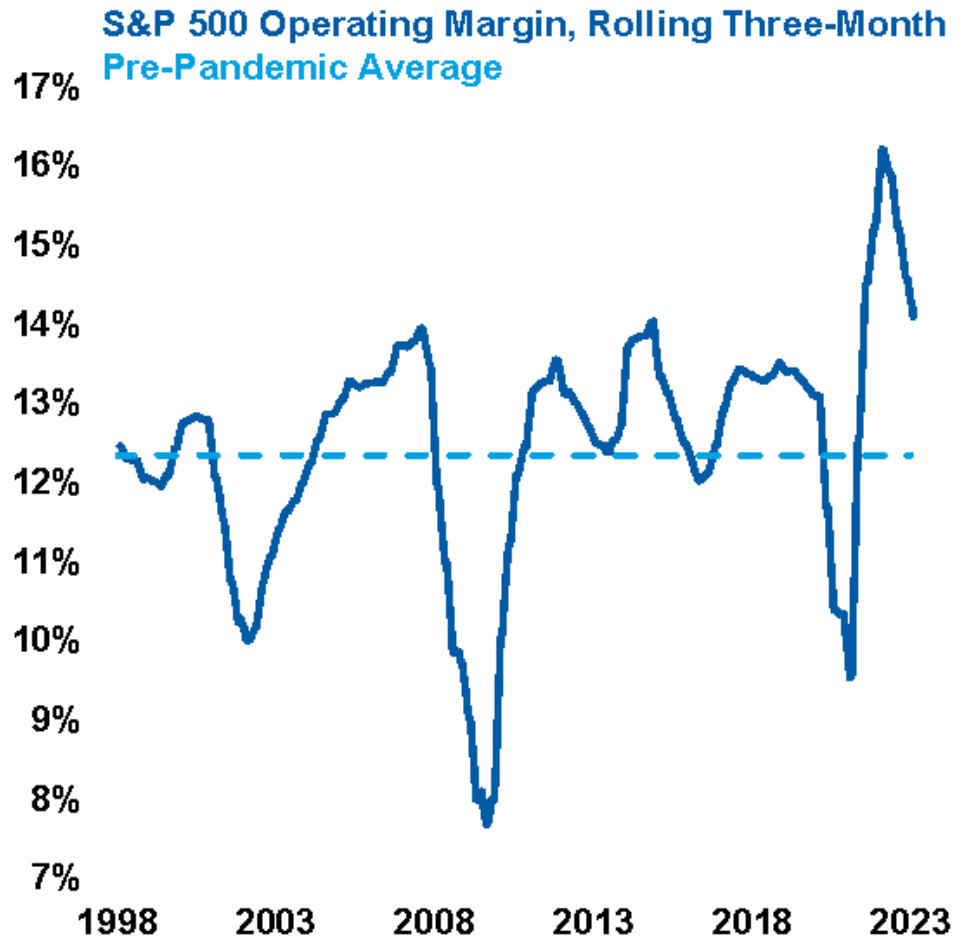
Our 2023 Call Is Based on the Idea of Negative Operating Leverage





Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 31, 2022

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of February 6, 2023

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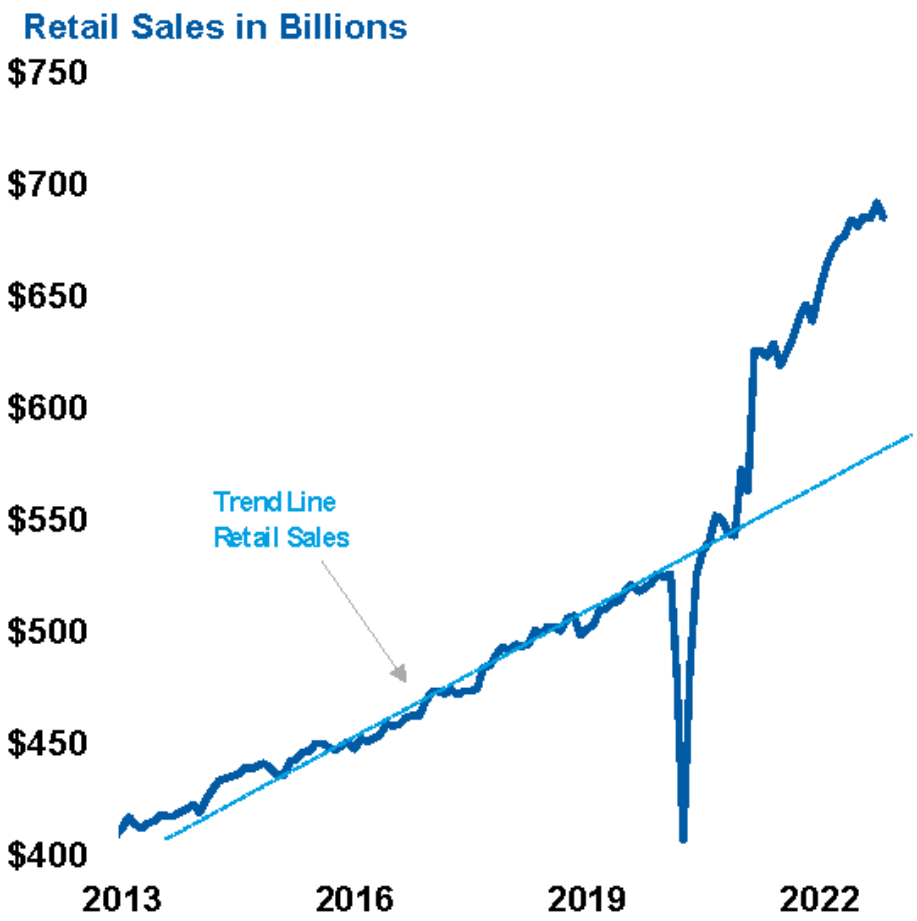
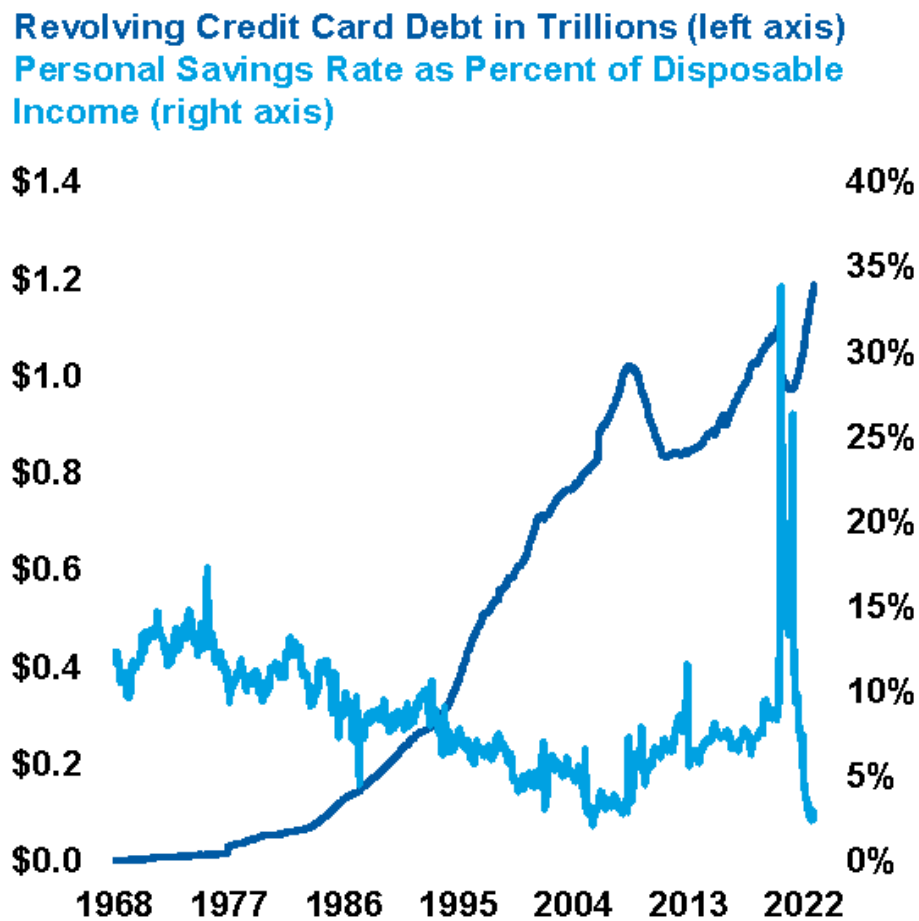
Consumers Have Overspent



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of November 30, 2022



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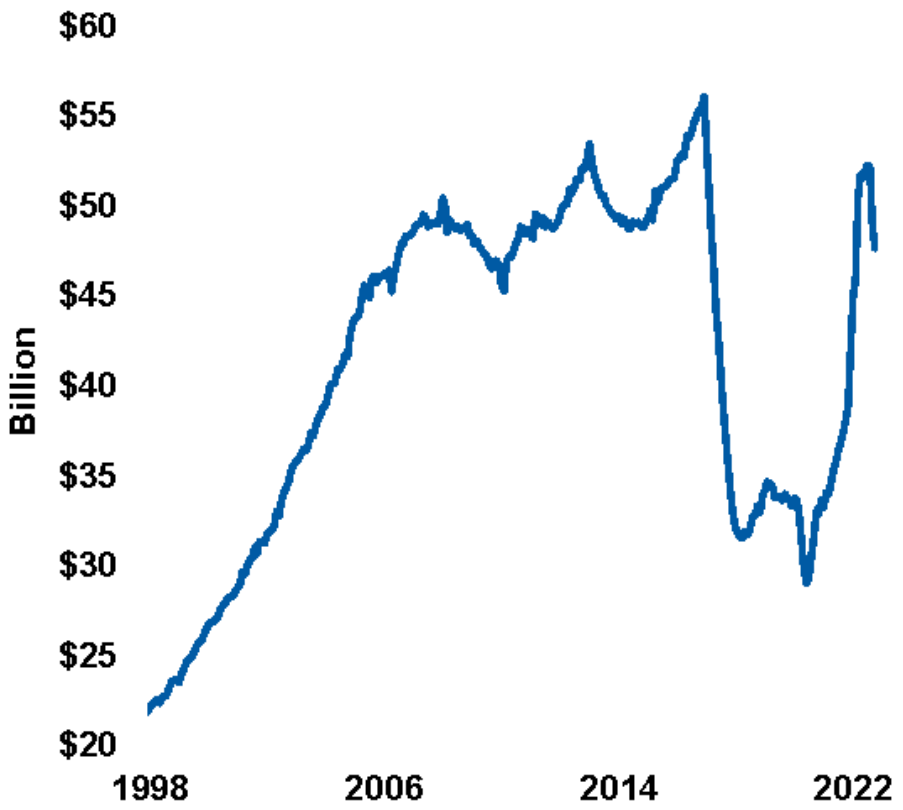
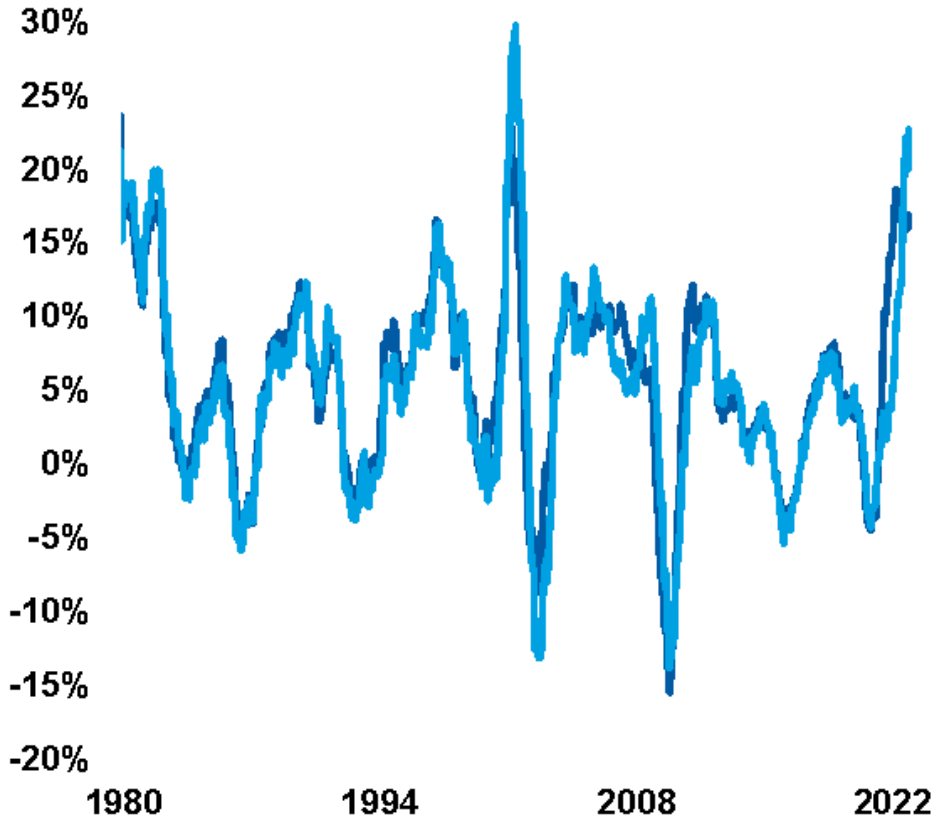
Inventories Are High and Costs Are Growing Faster Than Sales

US Real Retail Trade Inventories Other General Merchandise Stores



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of October 31, 2022

Sales, Year-Over-Year Change
COGS, Year-Over-Year Change



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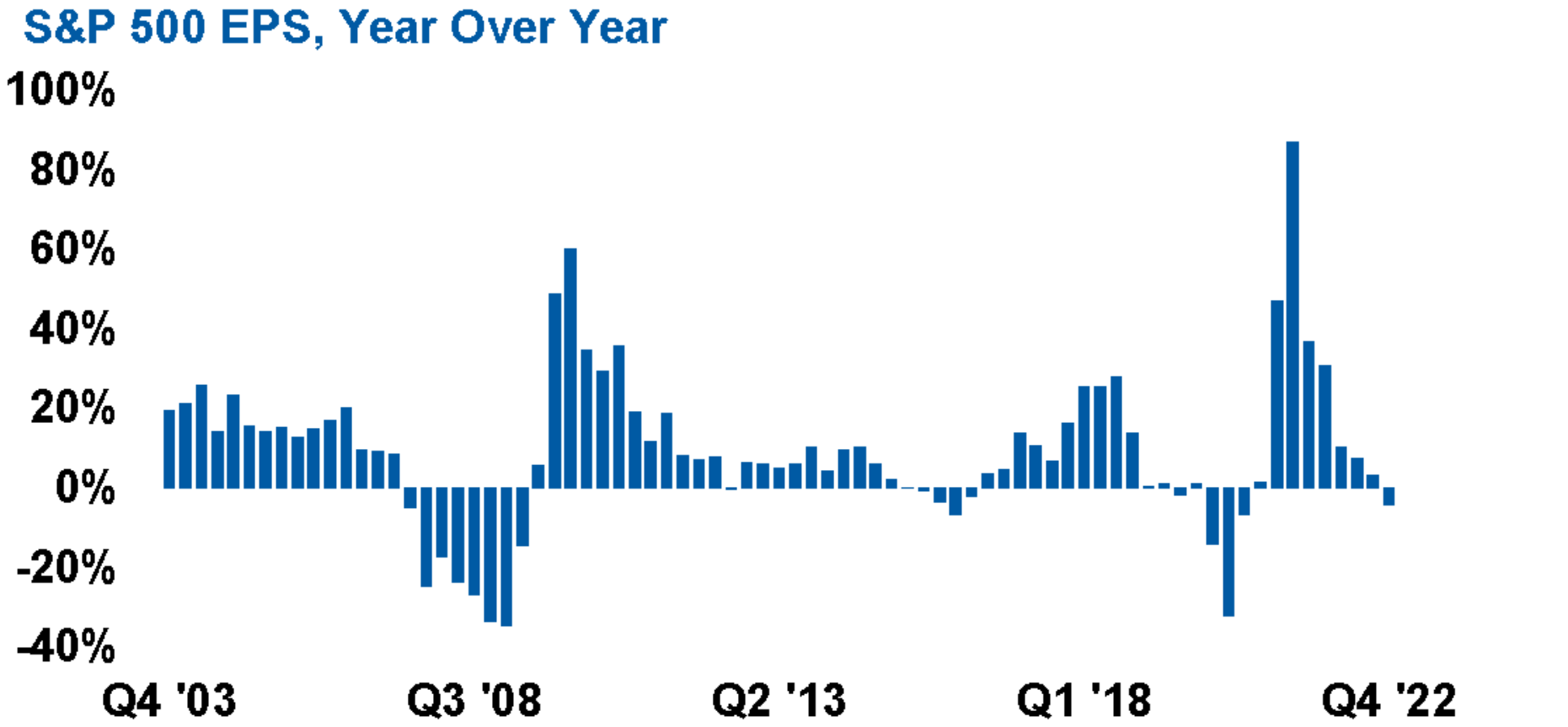
This Is the First Negative Year-Over-Year EPS Growth Quarter Since the COVID Recession...



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 31, 2022

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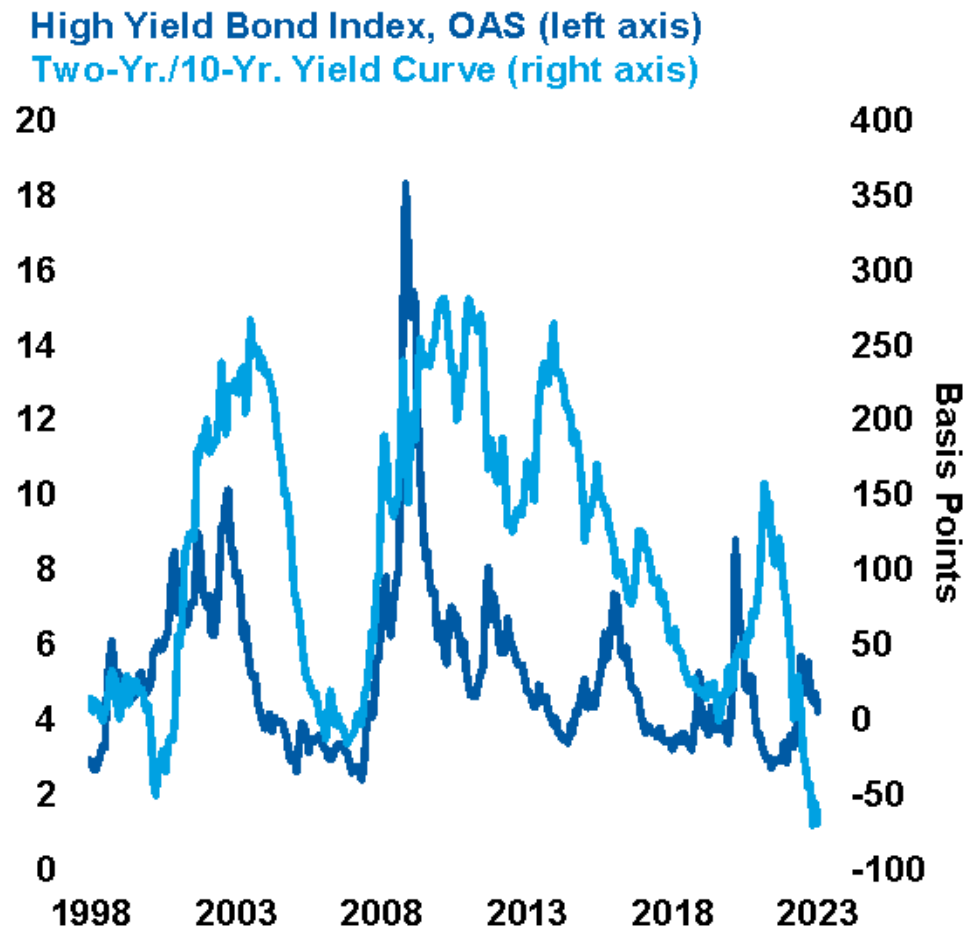
Valuations Are Not Cheap

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of January 31, 2023. Equity risk premium is the excess return that an individual stock or the overall stock market provides over a risk-free rate



Source: Morgan Stanley Wealth Management GIC, Bloomberg as of January 31, 2023. High Yield Bond Index is represented by the Bloomberg Aggregate High Yield Index. Past performance does not guarantee future results.

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S&P's Forward Multiple Is Several Turns Rich Based on the Current Real Rate Backdrop

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of February 7, 2023

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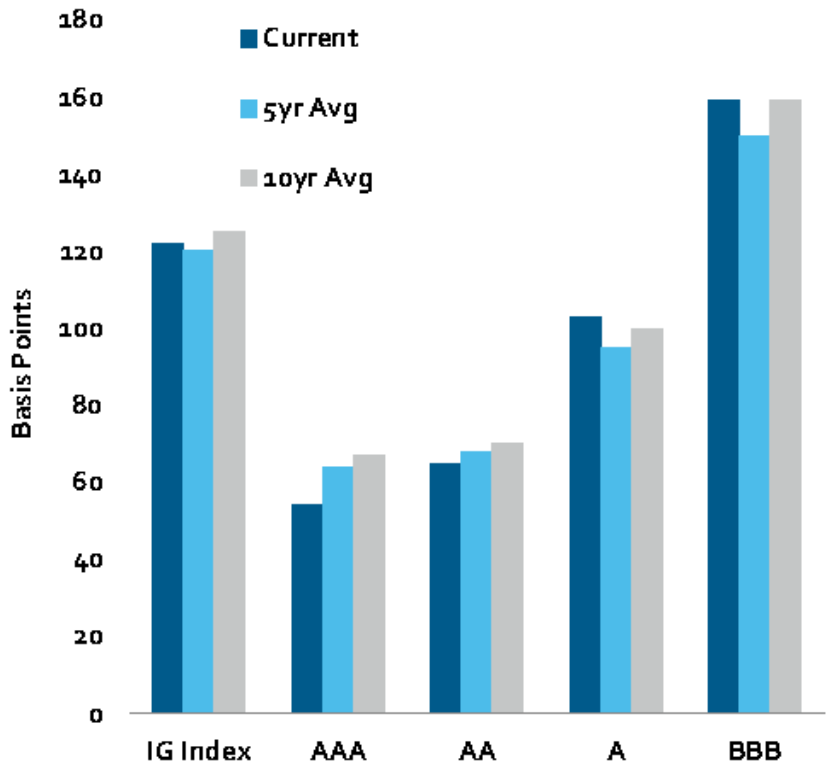
US Investment Grade and High Yield Spreads by Rating

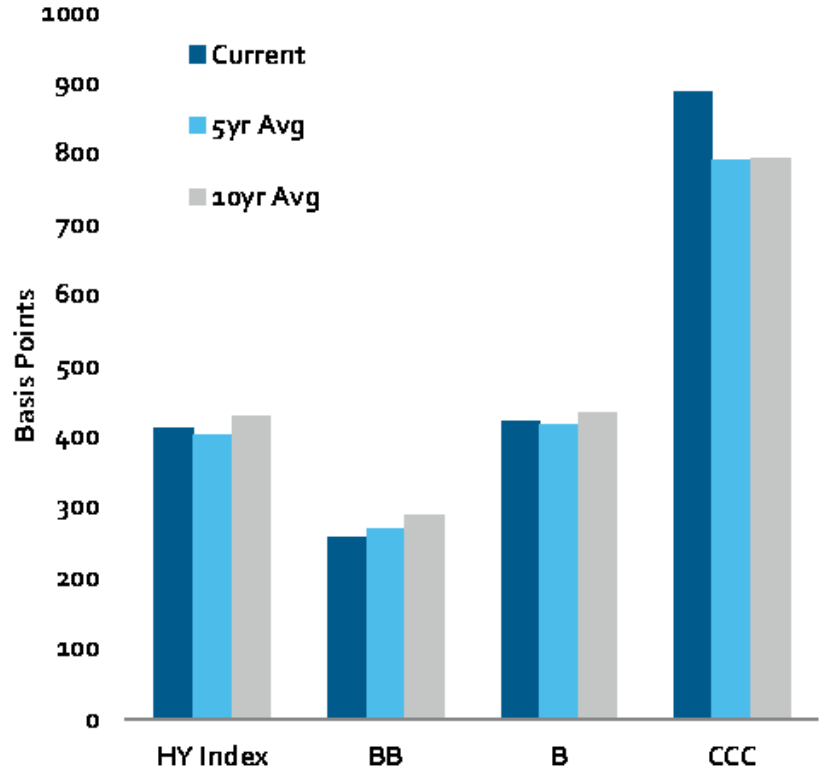
Investment Grade Option Adjusted Spreads[1] by Rating

As of January 18, 2023



High Yield Spreads by Rating (Spread to Worst)

As of January 18, 2023



Source: The Yield Book® Software and Services. © 2022 FTSE Index LLC All rights reserved., Morgan Stanley Wealth Management GIC. (1) Option Adjusted Spread (OAS) is a measurement of the spread of a fixed income security rate and the risk-free rate of return, which is adjusted to take into account an embedded option. Investment Grade and High Yield are Citi indices.

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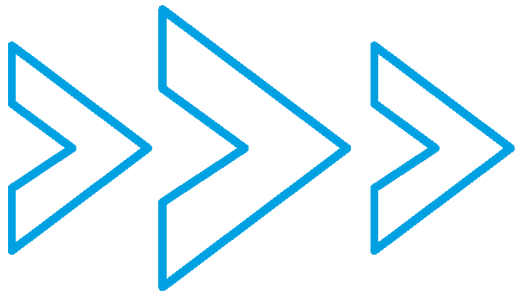
Conclusion and Allocation Strategy

- Equities
  - Continue to remain cautious in general given potential earnings pressures into 2023.
  - We expect volatile but rangebound trading of plus/minus another 5% to 10%.
  - Favor cash flow strategies and companies / industries which can generate organic cash flow.
  - Within EM, China's regulatory crackdown and zero-tolerance for COVID cases have exacerbated the economic slowing that began last year. Odds are rising for China stimulus, and growth linked to supply chains is rebounding in South Asia. We are opportunistically adding to positions there and in Latin America, which benefits from already tight central bank policy and commodity exporter windfalls.

- Fixed Income
  - Markets have aggressively priced the Fed's hawkish rate path and with yield curves apt to face ongoing flattening pressure, risks of a policy mistake rise. However, with spreads widening and long-term rates reflecting a more reasonable terminal value, bonds are a decent relative portfolio hedge.
  - Cash flow opportunities exist with Investment Grade corporates showing greater than average debt service coverage.



Performance

Long Term Portfolio

As of Jan 31, 2023

Performance

- Long-term trailing portfolio return outpacing benchmark

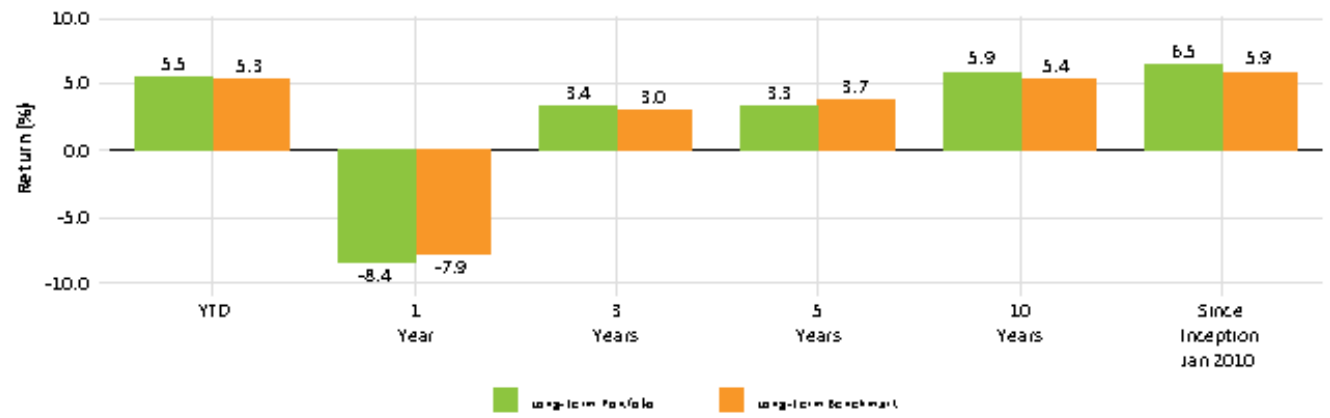
Liquidity

- 100% of the Long-Term Portfolio is invested in strategies with daily liquidity

Cost Efficiency

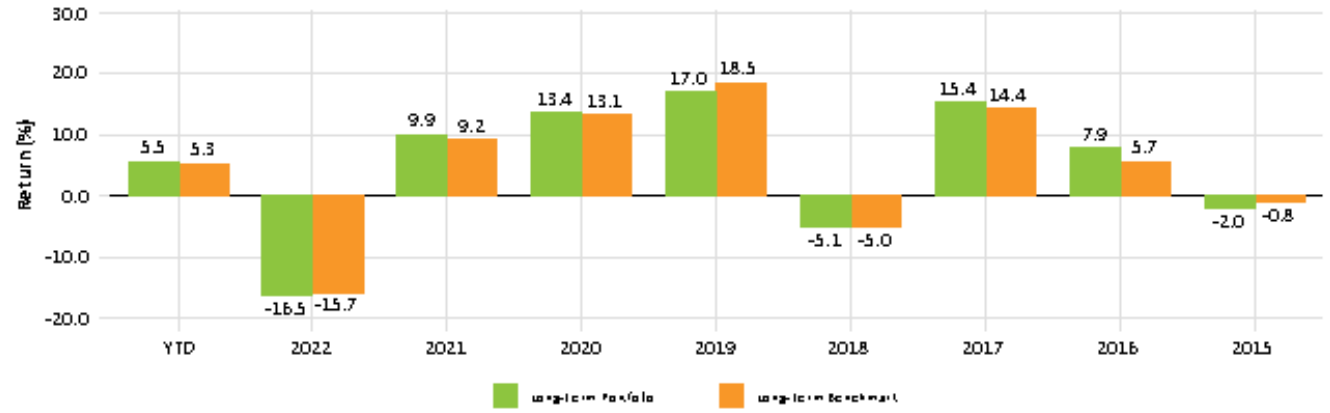
- Annual investment management costs of 0.29%

Multi-Period Performance Analysis



	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception Jan 2010
Long-Term Portfolio	5.52	-8.39	3.35	3.32	5.89	6.51
Long-Term Benchmark	5.33	-7.88	3.00	3.75	5.37	5.85

Calendar Year Performance Analysis



	YTD	2022	2021	2020	2019	2018	2017	2016	2015
Long-Term Portfolio	5.52	-16.49	9.94	13.45	16.97	-5.08	15.35	7.88	-2.00
Long-Term Benchmark	5.33	-15.75	9.19	13.08	18.51	-5.04	14.37	5.66	-0.82

Community First Foundation: Long-Term Fund

Graystone Consulting from Morgan Stanley

YEAR ENDED DECEMBER 31, 2022

Asset Class / Manager	Benchmark	Benchmark Allocation	Average Allocation	Benchmark Index Return	CFF Asset Class Return	Benchmark Allocation Attribution	Asset Allocation Effect	Manager Selection Effect	Portfolio Attribution
Equities	MSCI ACWI	55.0%	57.0%	-18.36%	-19.09%	-10.00%	-0.47%	-0.76%	-11.22%
Fixed Income	Bloombergs Barclays US Aggregate	45.0%	43.0%	-13.01%	-11.47%	-5.75%	0.16%	0.32%	-5.27%
Cash	90-Day Treasury Bill	0.0%	0.0%	1.50%	1.97%	0.00%	0.00%	0.00%	0.00%
Attribution Totals		100.0%	100.0%			-15.75%	-0.31%	-0.43%	-16.49%

Equity

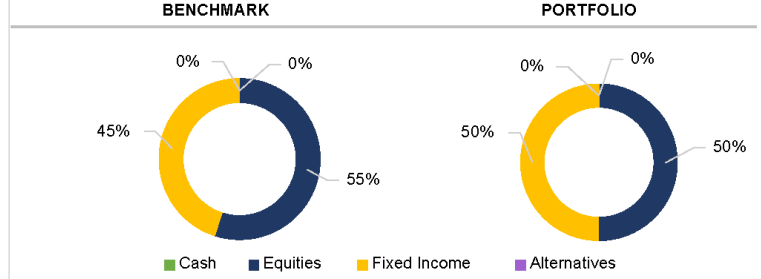
- Tactical underweight to global equities with an emphasis on active management
- While short-term estimates for equities are flat, we still see relative value opportunities within selective segments of the equity markets that should bode well for active managers

Fixed Income

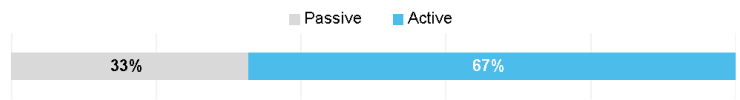
- Tactical overweight to investment grade fixed income
- Front end investment grade offers attractive risk/reward with decent carry, amid improving credit quality and interest coverage

PORTFOLIO POSITIONING VS. POLICY BENCHMARK

ASSET CLASS	BENCHMARK	PORTFOLIO	UNDERWEIGHT	NEUTRAL	OVERWEIGHT
Cash	-	0.0%		■	
Equities	55.0%	50.1%	■		
US Large Cap	*29.5%*	*27.3%*	■		
US SMID Cap	*3.7%*	*4.0%*		■	
International	*15.6%*	*12.1%*	■		
Emerging Market	*6.2%*	*6.7%*		■	
Fixed Income	45.0%	49.9%			■
Investment Grade FI	*45.0%*	*49.9%*			■
Non-US Fixed Income	-	-			
Sub-Investment Grade FI	-	-			
Tax Exempt Fixed Income	-	-			
Alternatives	-	-			
Real Assets	-	-			
Hedged Strategies	-	-			
Private Investments	-	-			



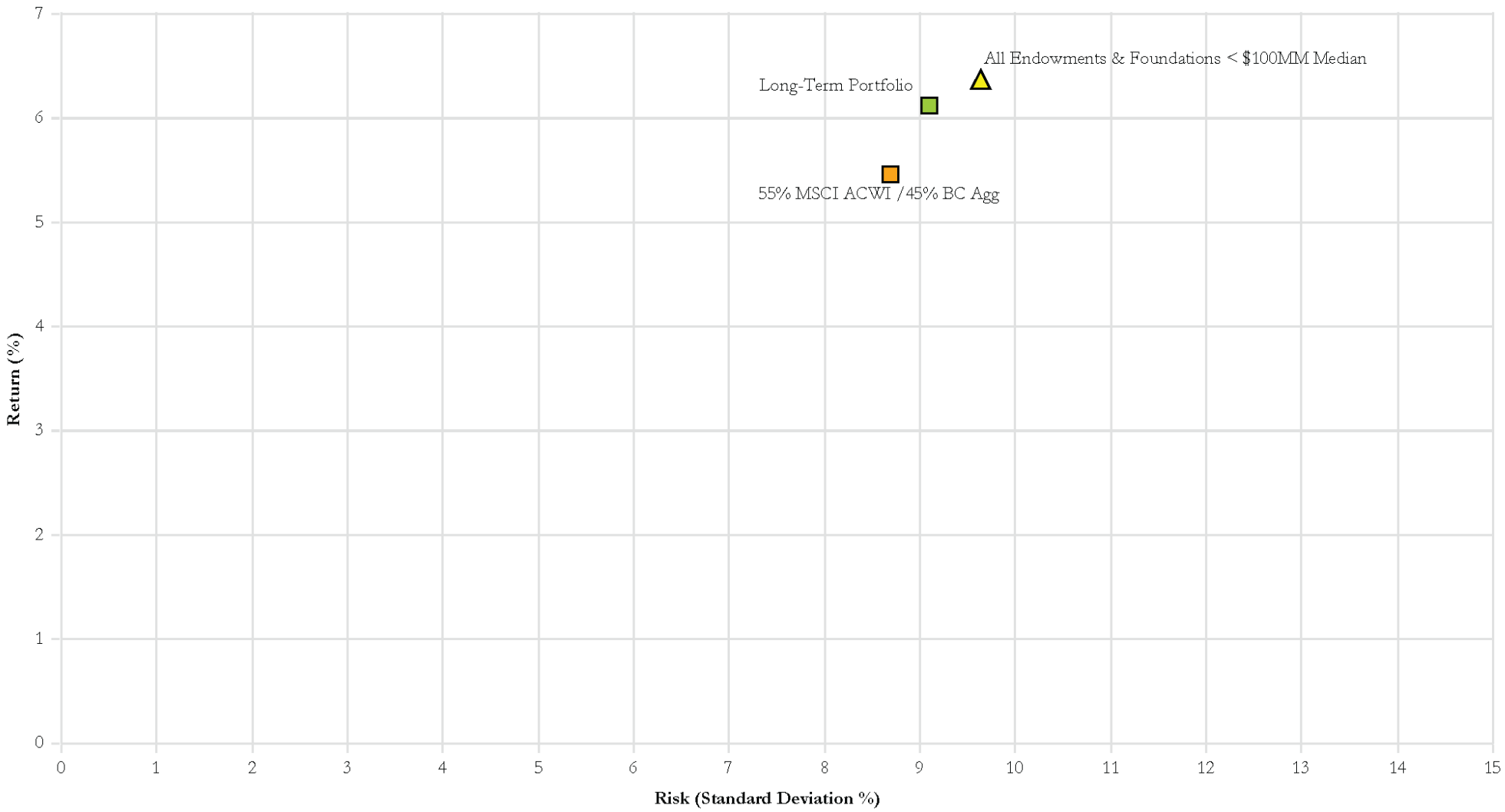
ACTIVE/PASSIVE ALLOCATION



Active	67%
Passive	33%
Total	100%

Long Term Fund (Nonprofit Endowments)

Since Inception (01/01/2010) Risk / Return Analysis



	Return	Standard Deviation	Sharpe Ratio
Long-Term Portfolio	**6.11**	**9.12**	**0.63**
55% MSCI ACWI /45% BC Agg	5.47	8.72	0.59
All Endowments & Foundations < $100MM Median	6.38	9.67	0.64

Community First Foundation ESG / Impact Objectives

PORTFOLIO PREFERENCES

PORTFOLIO INTEGRATION APPROACH

- Title Portfolio toward specific themes or objectives

AVAILABLE INVESTMENT OPPORTUNITIES

- Public market investments (e.g., Public Equities, Income, Multi-Asset)

APPROACHES TO INVESTING WITH IMPACT

- Restriction Screening
- Shareholder engagement

IMPACT PREFERENCES

IMPACT OBJECTIVES

CLIMATE ACTION

- Cleaner Energy Sources
- Climate Disclosure
- Climate Footprint
- Energy Efficiency
- Natural Resource Solutions
- Natural Resource Use

FOSSIL FUEL AWARE

- Cleaner Energy Sources
- Climate Disclosure
- Climate Footprint
- Energy Efficiency

CUSTOMIZED IMPACT OBJECTIVES

- Diversity in Leadership
- Governance Practices
- Human Rights Record

ISSUES OF CONCERN

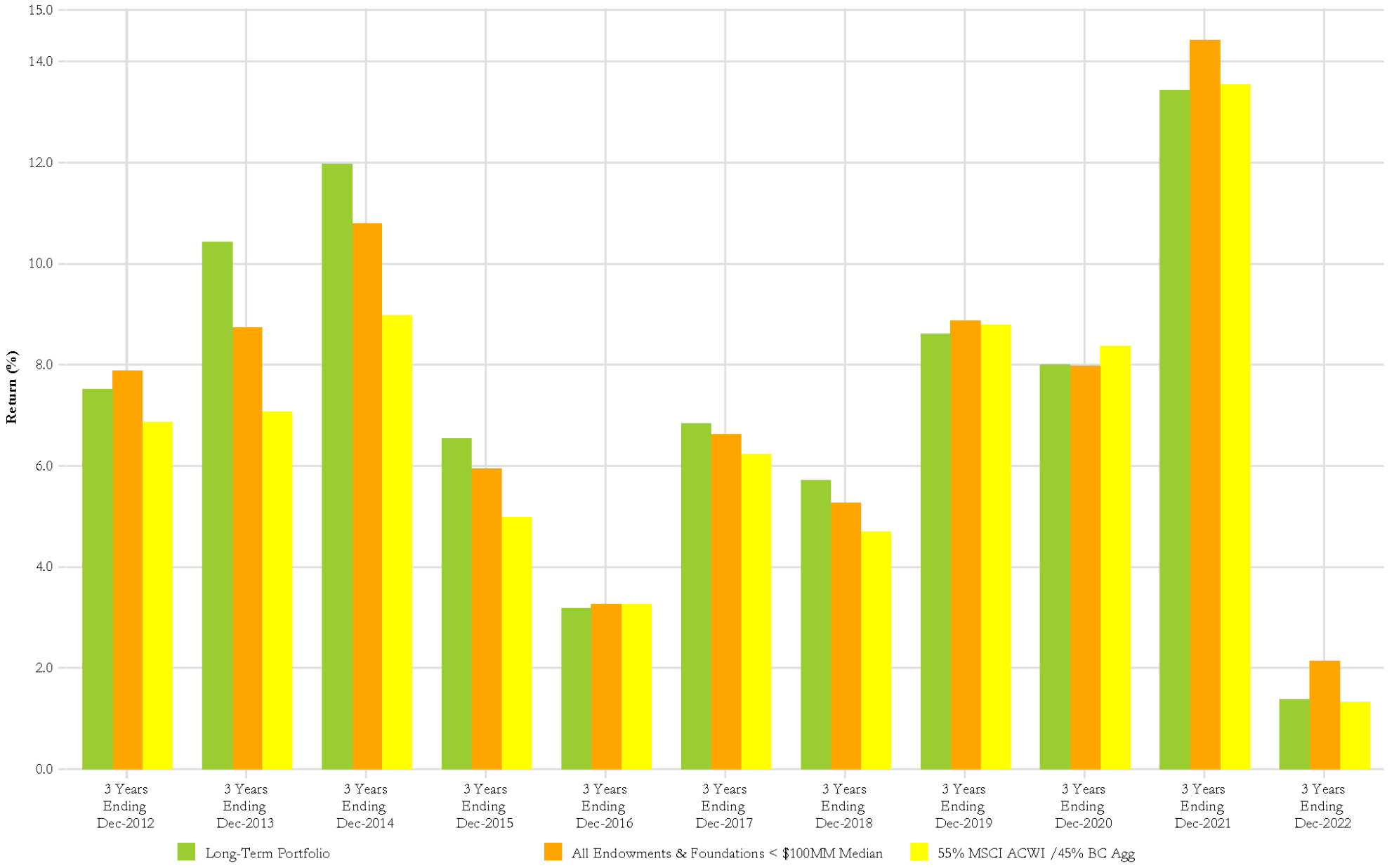
- Environment (Bottom 5% Performers)
- Human Rights (Bottom 5% Performers)
- Weapons (Firearms)

PORTFOLIO ACTIVATION

89%
Total

Long Term Portfolio

Rolling 3 Year Returns vs Peer Universe



Short Term Portfolio

As of Jan 31, 2023

Fund Overview

Fund Assets Under Management
$13.33m

Annual Investment Management Costs*
0.21%

Description

The Short Term Portfolio's objective is to maximize capital appreciation and income while maintaining purchasing power and excess investment returns over inflation.

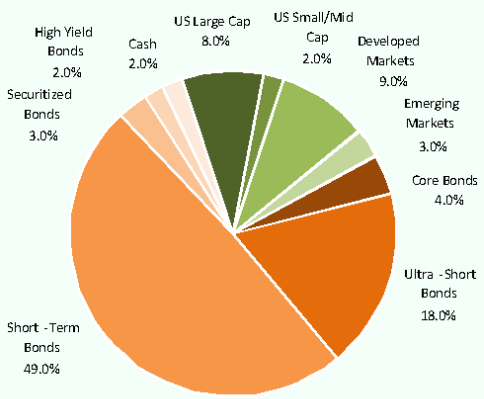
About Performance

*The investment results depicted herein represent historical Net performance after the deduction of investment manager and portfolio implementation costs.

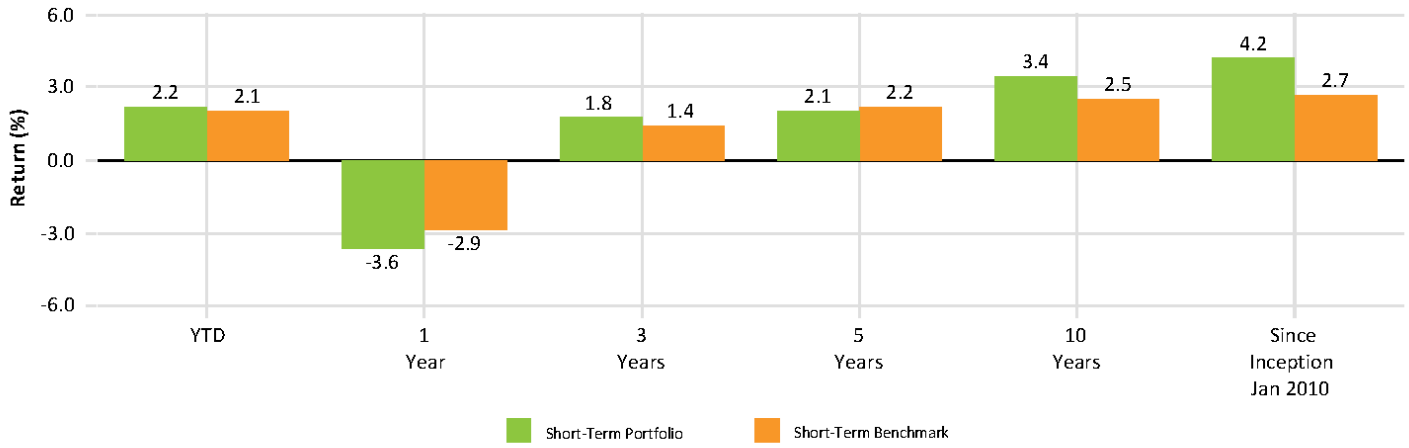
Annual, cumulative and annualized total returns are calculated assuming reinvestment of dividends and income plus capital appreciation. Performance for periods greater than one year is annualized. The performance data presented has been prepared by the fund or its sponsor.

Past performance is not a guarantee of future results.

Target Asset Allocation

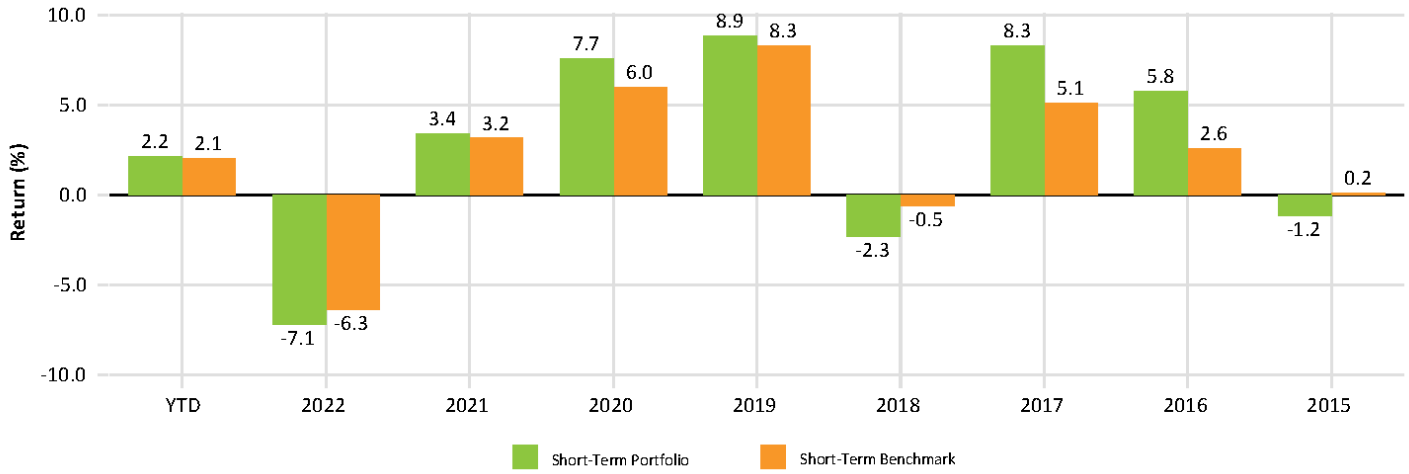


Multi-Period Performance Analysis



	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception Jan 2010
Short-Term Portfolio	**2.18**	**-3.62**	**1.81**	**2.07**	**3.44**	**4.23**
Short-Term Benchmark	2.06	-2.90	1.44	2.22	2.52	2.68

Calendar Year Performance Analysis



	YTD	2022	2021	2020	2019	2018	2017	2016	2015
Short-Term Portfolio	**2.18**	**-7.15**	**3.37**	**7.67**	**8.88**	**-2.31**	**8.34**	**5.82**	**-1.17**
Short-Term Benchmark	2.06	-6.31	3.17	6.01	8.27	-0.54	5.15	2.63	0.16

*Short-term benchmark consist of: 20% MSCI All Country World Index, 75% Bloomberg Barclays US Aggregate Index, and 5% 90-day Treasury Bill.

Community First Foundation: Short Term Fund

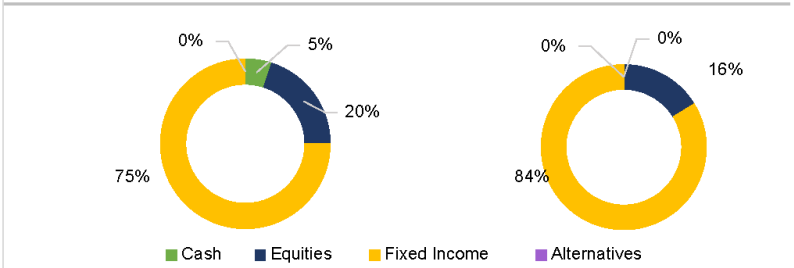
Graystone Consulting from Morgan Stanley

YEAR ENDED DECEMBER 31, 2022

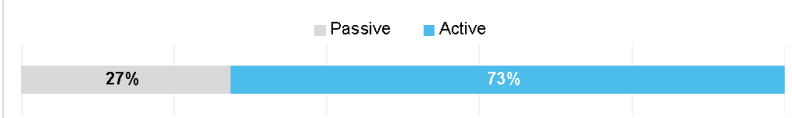
Asset Class / Manager	Benchmark	Benchmark Allocation	Average Allocation	Benchmark Index Return	CFF Asset Class Return	Benchmark Allocation Attribution	Asset Allocation Effect	Manager Selection Effect	Portfolio Attribution
Equities	MSCI ACWI	20.0%	21.0%	-18.36%	-19.37%	-3.63%	-0.41%	-0.21%	-4.26%
Fixed Income	Bloombergs Barclays US Agg 1-3 Yr	75.0%	79.0%	-3.72%	-3.42%	-2.75%	-0.38%	0.24%	-2.89%
Cash	90-Day Treasury Bill	5.0%	0.0%	1.50%	0.54%	0.08%	-0.08%	0.00%	0.00%
Attribution Totals		100.0%	100.0%			-6.31%	-0.87%	0.03%	-7.15%

PORTFOLIO POSITIONING VS. POLICY BENCHMARK

ASSET CLASS	BENCHMARK	PORTFOLIO	UNDERWEIGHT	NEUTRAL	OVERWEIGHT
Cash	5.0%	-	■		
Equities	20.0%	16.2%	■		
US Large Cap	*10.7%*	*9.2%*	■		
US SMID Cap	*1.3%*	*1.3%*		■	
International	*5.7%*	*3.4%*	■		
Emerging Market	*2.2%*	*2.3%*		■	
Fixed Income	75.0%	83.8%			■
Investment Grade FI	*75.0%*	*82.2%*			■
Non-US Fixed Income	-	-			
Sub-Investment Grade FI	-	*1.6%*			■
Tax Exempt Fixed Income	-	-			
Alternatives	-	-			
Real Assets	-	-			
Hedged Strategies	-	-			
Private Investments	-	-			

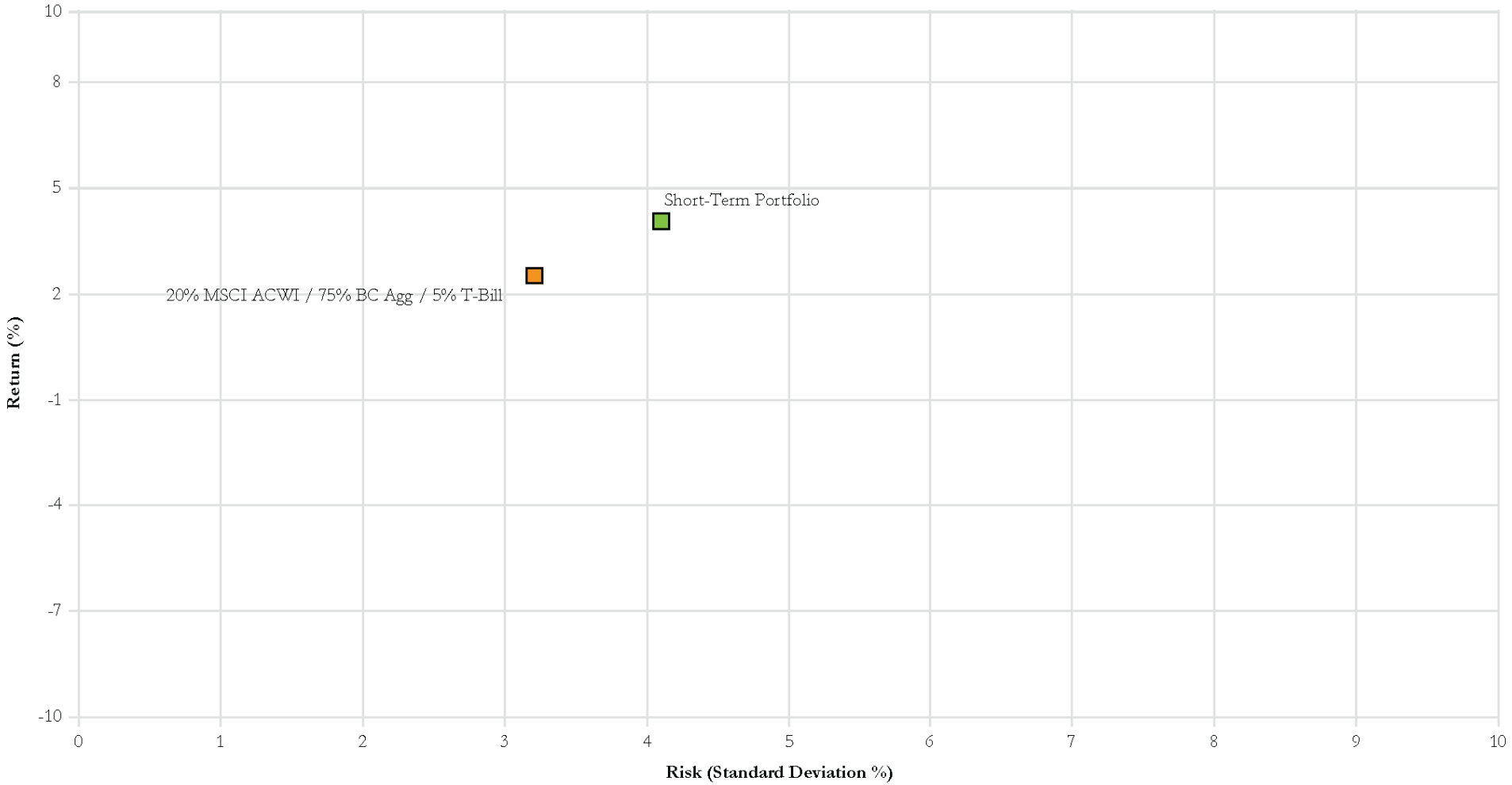


ACTIVE/PASSIVE ALLOCATION



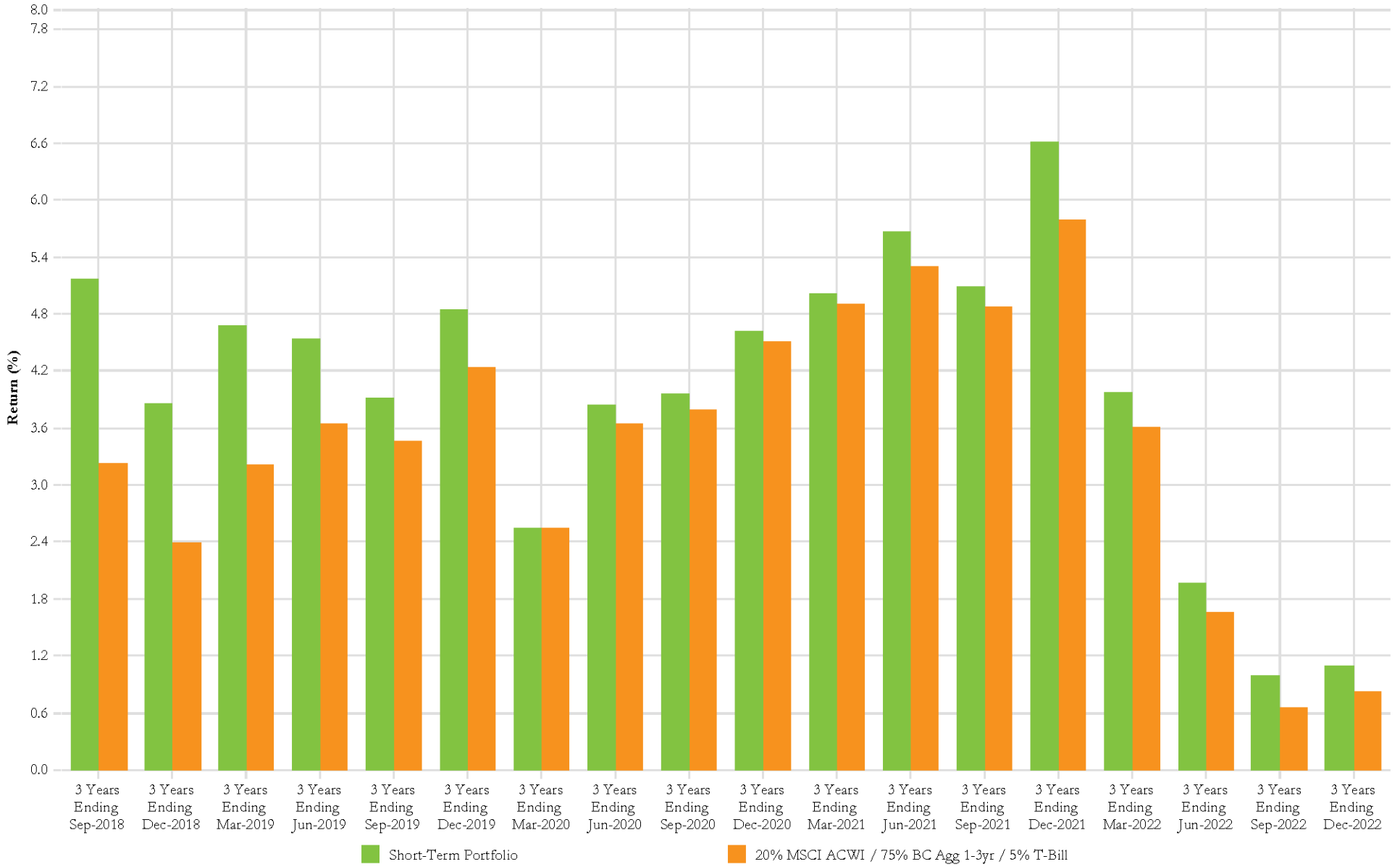
Active	73%
Passive	27%
Total	100%

Since Inception (01/01/2010) Risk / Return Analysis



	Return	Standard Deviation	Sharpe Ratio
Short-Term Portfolio	**4.09**	**4.12**	**0.85**
20% MSCI ACWI / 75% BC Agg / 5% T-Bill	2.54	3.22	0.61

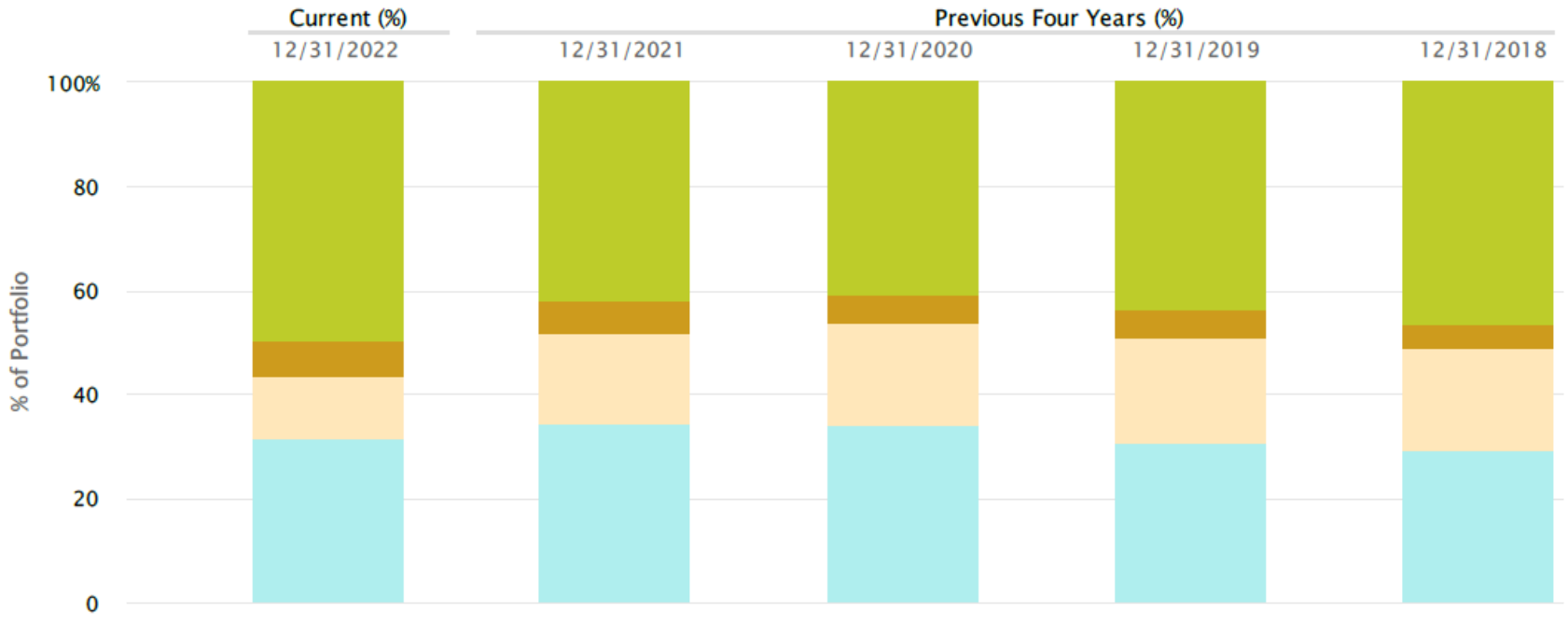
Rolling 3 Year Returns vs Benchmark



Long Term Portfolio – Decisions Review

Over the previous 4 years MS Graystone as OCIO to the Foundation dynamically adjusts both portfolio asset allocation and manager selection in attempt to improve return outcomes and minimize investment risk within the context of CFF's investment policy

HISTORICAL ALLOCATION

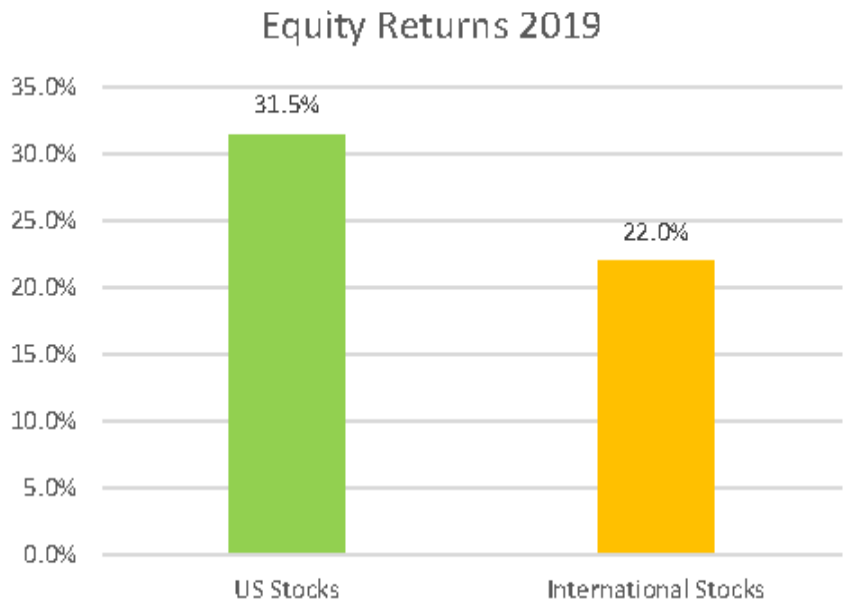


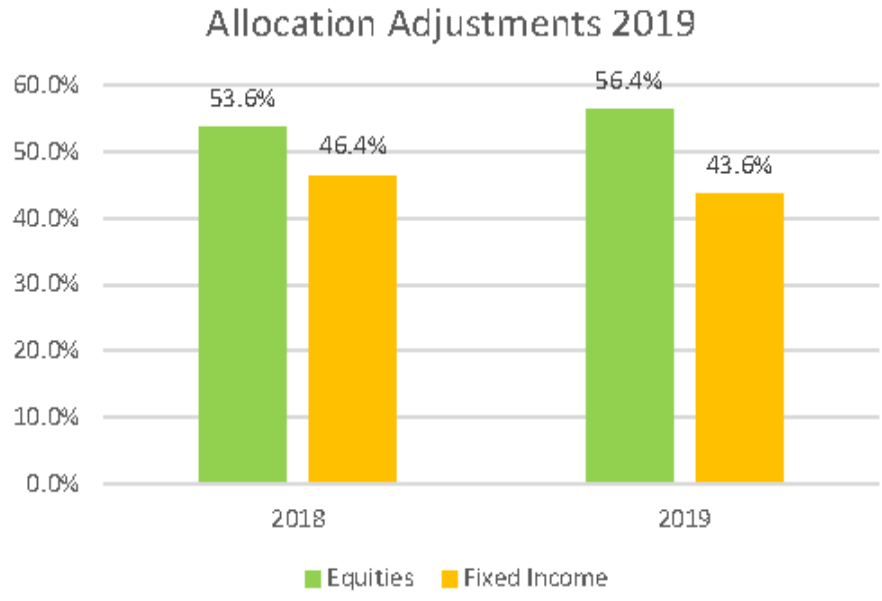
% OF PORTFOLIO	Current 12/31/2022 (%)	12/31/2021 (%)	12/31/2020 (%)	12/31/2019 (%)	12/31/2018 (%)
Cash	0.0	0.0	0.0	0.0	0.0
US Equities	31.4	34.3	33.9	30.8	29.4
International Equities	12.1	17.3	19.9	20.2	19.3
Emerging & Frontier Mkt	6.7	6.6	5.4	5.4	4.9
Fixed Income & Preferreds	49.8	41.8	40.7	43.6	46.4
% of Portfolio	100.0	100.0	100.0	100.0	100.0

Over the trailing 3 years, the Long-Term Portfolio has *outperformed* the policy benchmark by 0.35% annualized after costs, roughly 1% cumulative.

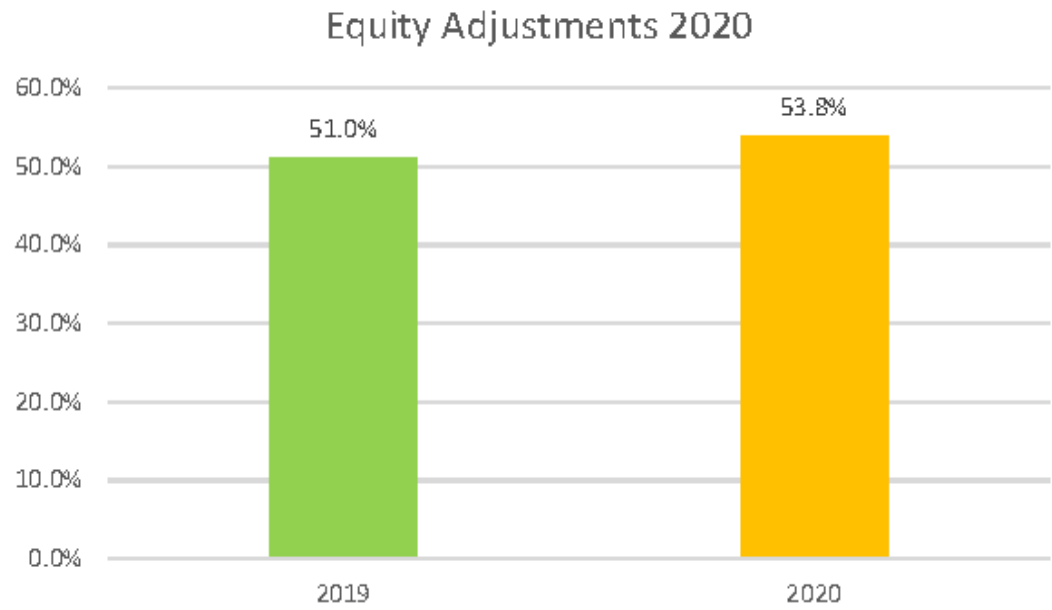
Since January 2010, the LT has returned an annualized rate of 6.5%, roughly 128% cumulative return.

Annual Meeting Date	Expectation(s)	Outcome	Action(s) Taken
2019	• Modest equity gains post-2018 bear market	• US Stocks gained 31.5% • International stocks gained 22%	• +3% equity allocation • -3% fixed income allocation

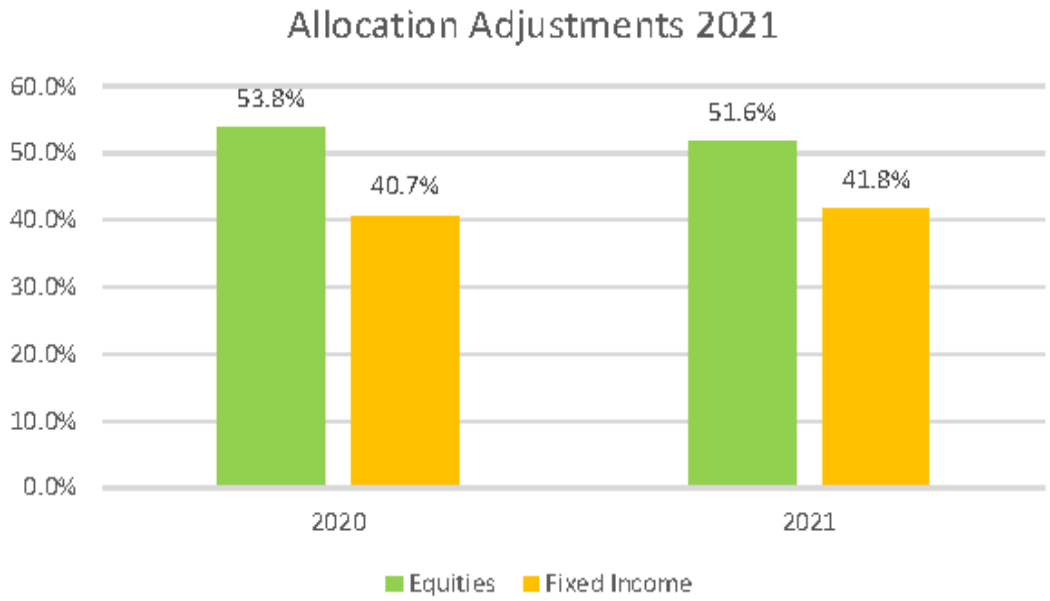




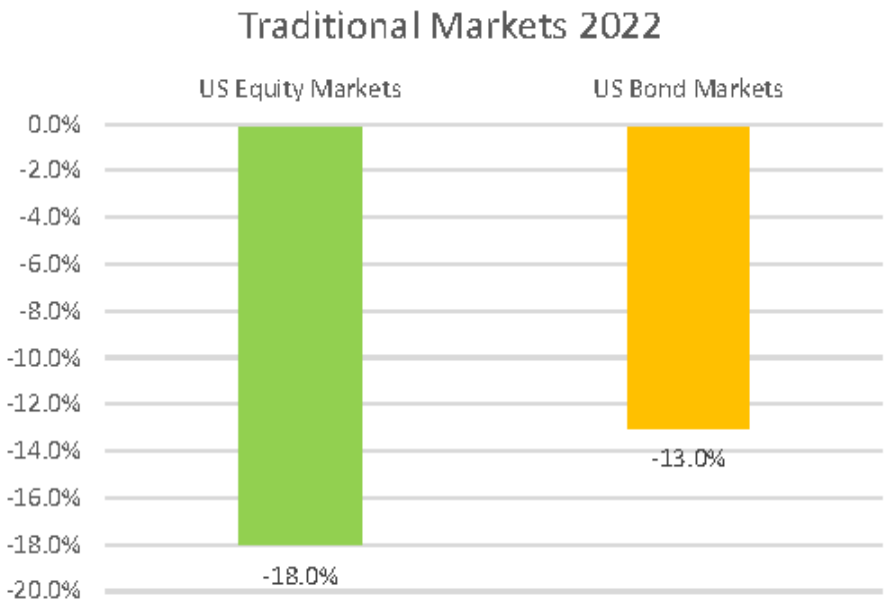
Annual Meeting Date	Expectation(s)	Outcome	Action(s) Taken
2020	• Inflation expected to rise paired with overvalued equity markets	• Global pandemic inspired selloff 1H 2020 • Post-lockdown recovery in 2H 2020	• Added to equity positions during latter half of 2020 post-COVID selloff

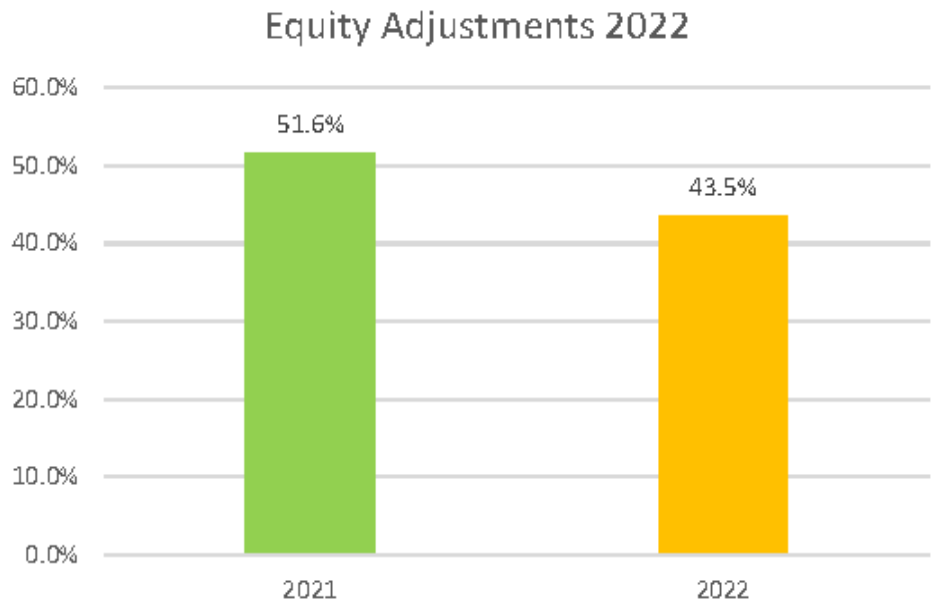


Annual Meeting Date	Expectation(s)	Outcome	Action(s) Taken
2021	• Post-COVID stimulus would profoundly impact markets and further drive rising inflation expectations	• Stock markets further recovered from pandemic lows as markets priced in a full economic recovery	• Reduced overweight position in Growth equities • Maintained underweight position to fixed income



Annual Meeting Date	Expectation(s)	Outcome	Action(s) Taken
2022	• Anticipated Fed rate increases • Morgan Stanley called for a circa 7-8% market decline	• US equity markets declined over 18% • US bond market declined 13%	• Reduced equity exposure by 8% • Reduced duration exposure within the fixed income allocation





Outlook and Positioning

EQUITIES

- **Continue to remain cautious in general given potential earnings pressures into 2023**
- **Expect volatile rangebound trading of plus/minus 5% to 10%**
- **Favor cash flow strategies and companies / industries which can generate organic cash flow**

FIXED INCOME

- **Markets have aggressively priced the Fed's hawkish rate path and with yield curves apt to face ongoing flattening pressure, risks of a policy mistake rise**
- **However, with spreads widening and long-term rates reflecting a more reasonable terminal value, bonds are a decent relative portfolio hedge**
- **Cash flow opportunities exist with Investment Grade corporates showing greater than average debt service coverage**

	Q4 2023 Forecast		
	Bear	Base	Bull
Equities			
S&P 500	3,500	3,900	4,200
MSCI Europe	1,485	1,790	2,060
Topix	1,500	2,020	2,350
MSCI EM	790	1,100	1,230
Rates (%)			
US Treasury 10-Year	3.90	3.15	2.10
German Bund 10-Year	1.60	1.50	1.35
UK Gilt 10-Year	3.40	3.10	2.80
Japanese Govt. Bond 10-Year	0.75	0.45	0.10
Credit Spreads (bps)			
US Investment Grade	210	155	125
US High Yield	700	575	400
EUR Investment Grade	300	190	150
EUR High Yield	850	650	450
EM Sovereign	650	460	350
US CMBS	200	140	110
Commodities			
Brent Crude Oil (spot)	65	110.0	135

Source: Bloomberg, FactSet, Morgan Stanley & Co., Morgan Stanley Wealth Management GIC, The Yield Book® Software and Services. © 2022 FTSE Index LLC. All rights reserved.

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material.

Questions and Answers

Ken Kirwin
Chief Operating Officer +
Chief Financial Officer

COMMUNITY FIRST® FOUNDATION

Break

Economics to Impact

Tim Zeckser
Endowment Manager

Kelly Dunkin
President & CEO

Objectives for today

- Understand what is happening in philanthropy right now
- Identify practical ideas to implement
- Know where to find resources

Curveballs,
the cold,
& Coors Field
WELLS FARGO
TOYOTA
TUNDRA
FRONTIER AIRLINES
Orthopedics & Spine Center

National and Local Giving Data

- *Giving USA* Annual Report
- University of Colorado Leeds School of Business Forecast
- CBS and CPR reports on Colorado Demographics
- Harvard Business School Studies on Corporate Social Responsibility
- Russell James Study on Planned Giving
- Graystone Consulting
- Community First Foundation Colorado Gives Team

Let's look at giving numbers.

What was the total dollar amount raised in the United States in 2021?

(according to *Giving USA*)

$484.85 Billion

In 2021, Americans gave **$484.85 BILLION** to charity

NEW WAYS OF GIVING ARE INCREASINGLY POPULAR: DONOR ADVISED FUNDS AND OTHER PLANNED GIVING TOOLS ARE KEY.

Where did the generosity come from?*

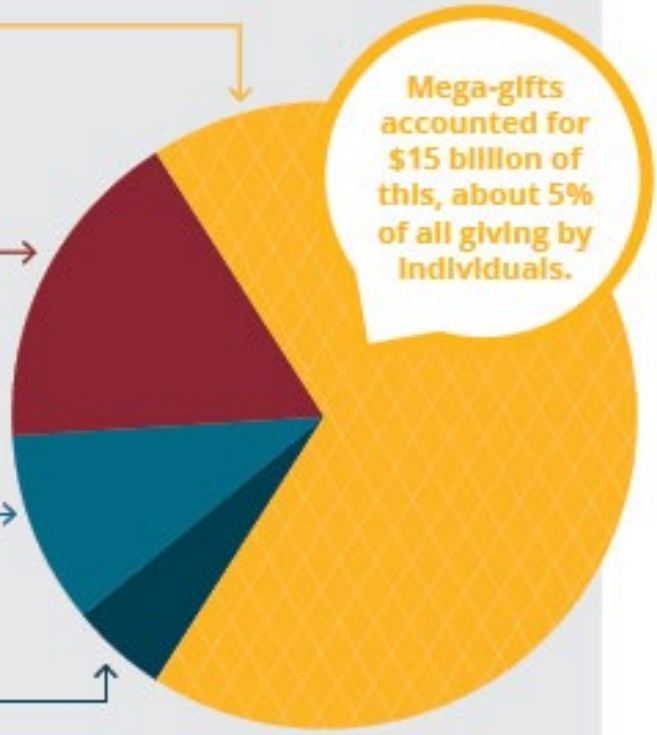
CONTRIBUTIONS BY SOURCE *(by percentage of the total)*

67%
Giving by Individuals
$326.87 billion

19%
Giving by Foundations
$90.88 billion

9%
Giving by Bequest
$46.01 billion

4%
Giving by Corporations
$21.08 billion



* All figures on this infographic are reported in current dollars.

Where did the charitable dollars go?

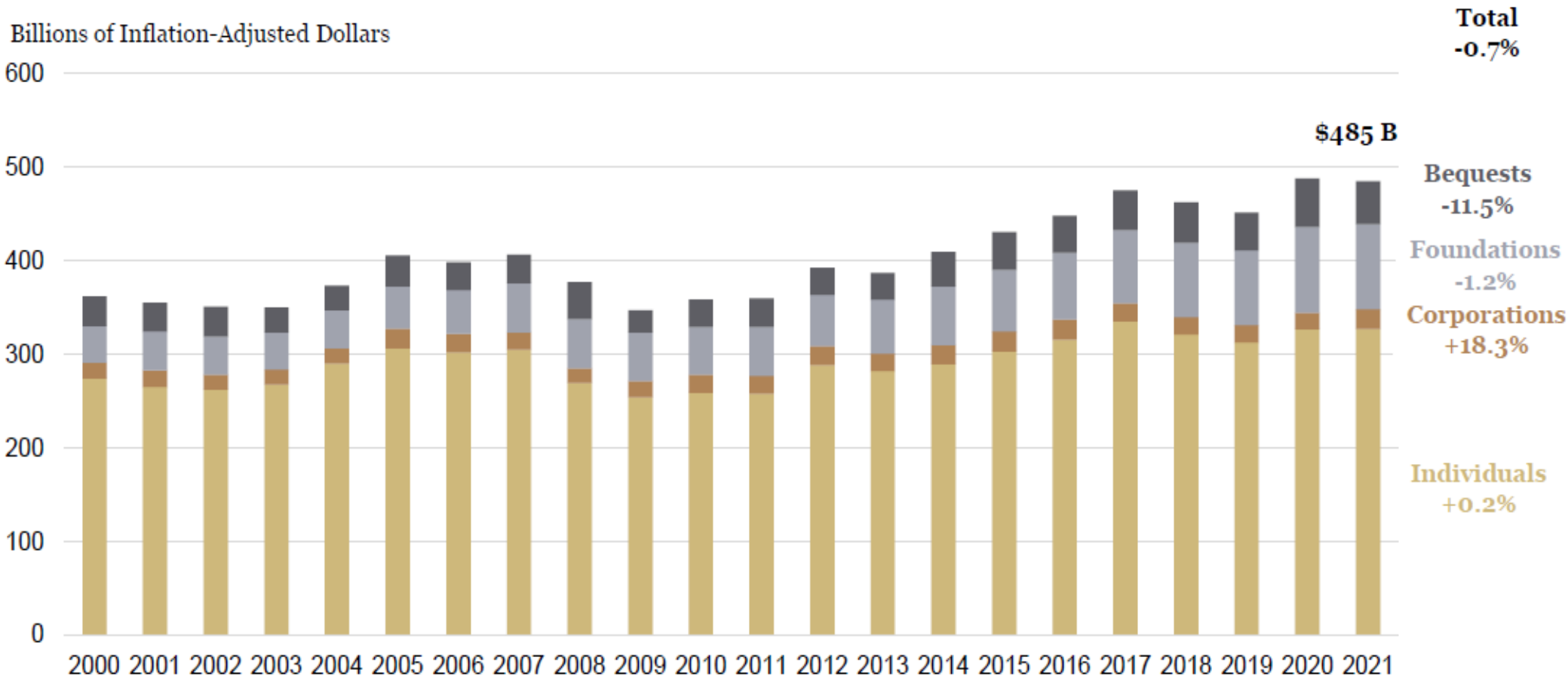
CONTRIBUTIONS BY DESTINATION *(by percentage of the total)*

- **27%** to Religion — $135.78 billion (increase over 2020)
- **14%** to Education — $70.79 billion (decrease from 2020)
- **13%** to Human Services — $65.33 billion (increase over 2020)
- **13%** to Grant-Making Foundations — $64.26 billion (increase over 2020)
- **11%** to Public-Society Benefit — $55.85 billion (increase over 2020)
- **8%** to Health — $40.58 billion (increase over 2020)
- **5%** to International Affairs — $27.44 billion (flat to 2020)
- **5%** to Arts, Culture & Humanities — $23.50 billion (increase over 2020)
- **3%** to Environment/Animals — $16.32 billion (increase over 2020)
- **2%** to Individuals — $11.74 billion (decrease from 2020)

Gross domestic product increased 10.1%, positively impacting **corporate giving.**

Arts, Culture & Humanities grew 27.5%, bolstered in part by the return to in-person activities.

National Giving Trending Up



How much was raised in 2022?

2021 = $484.85 Billion

2022 = ???

Here at home.

Colorado 2022 by the numbers

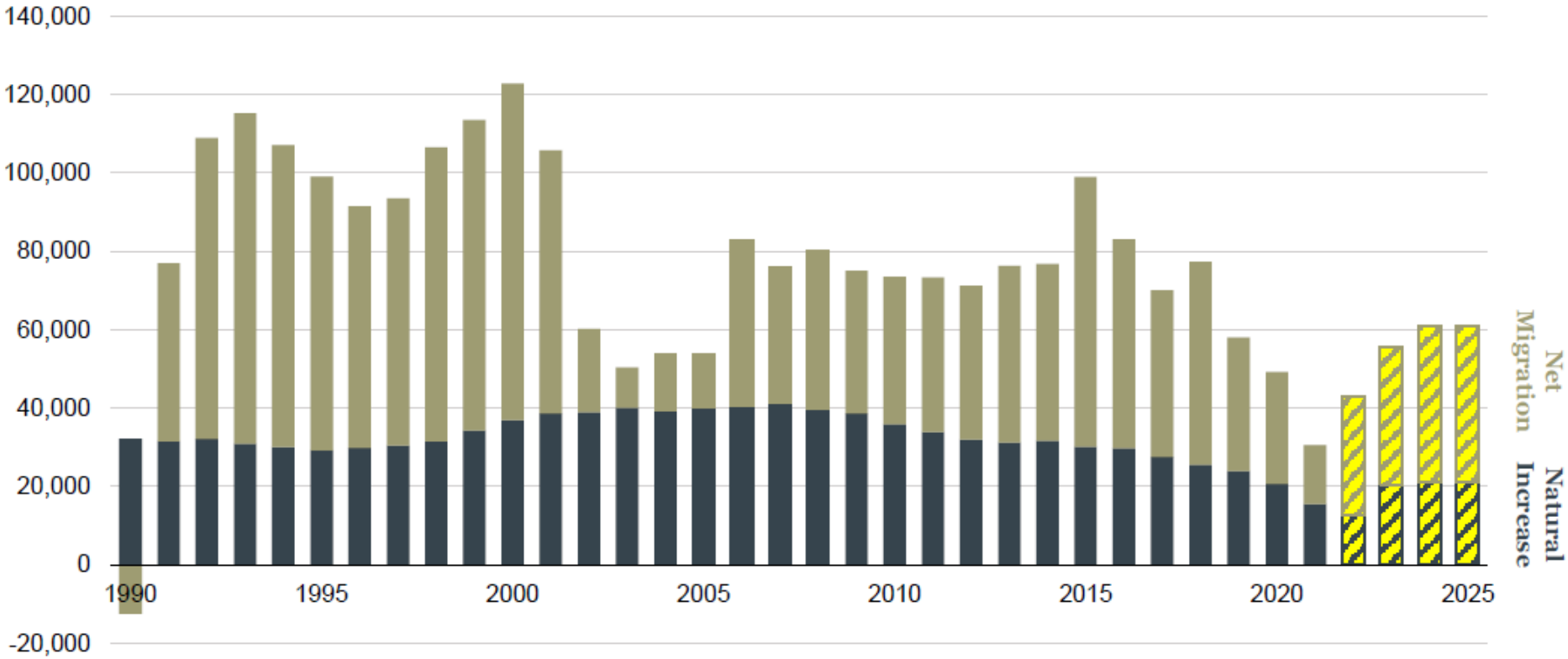
1st
Per Capita Personal Income Growth

6th
Real GDP Growth

7th
Per Capita Personal Income

25th
Unemployment

Colorado's population is changing



Who are We?

Colorado is becoming more diverse.

Colorado has the second fastest growing population of people over 60 in the US.

The Median Age in increasing.

Knowing Your Donors

- Coloradans are getting wealthier at a faster pace than the average US American.
- Colorado is NOT immune to unemployment.
- Population growth is slowing compared to 20 years ago.
- We are getting older and more diverse.

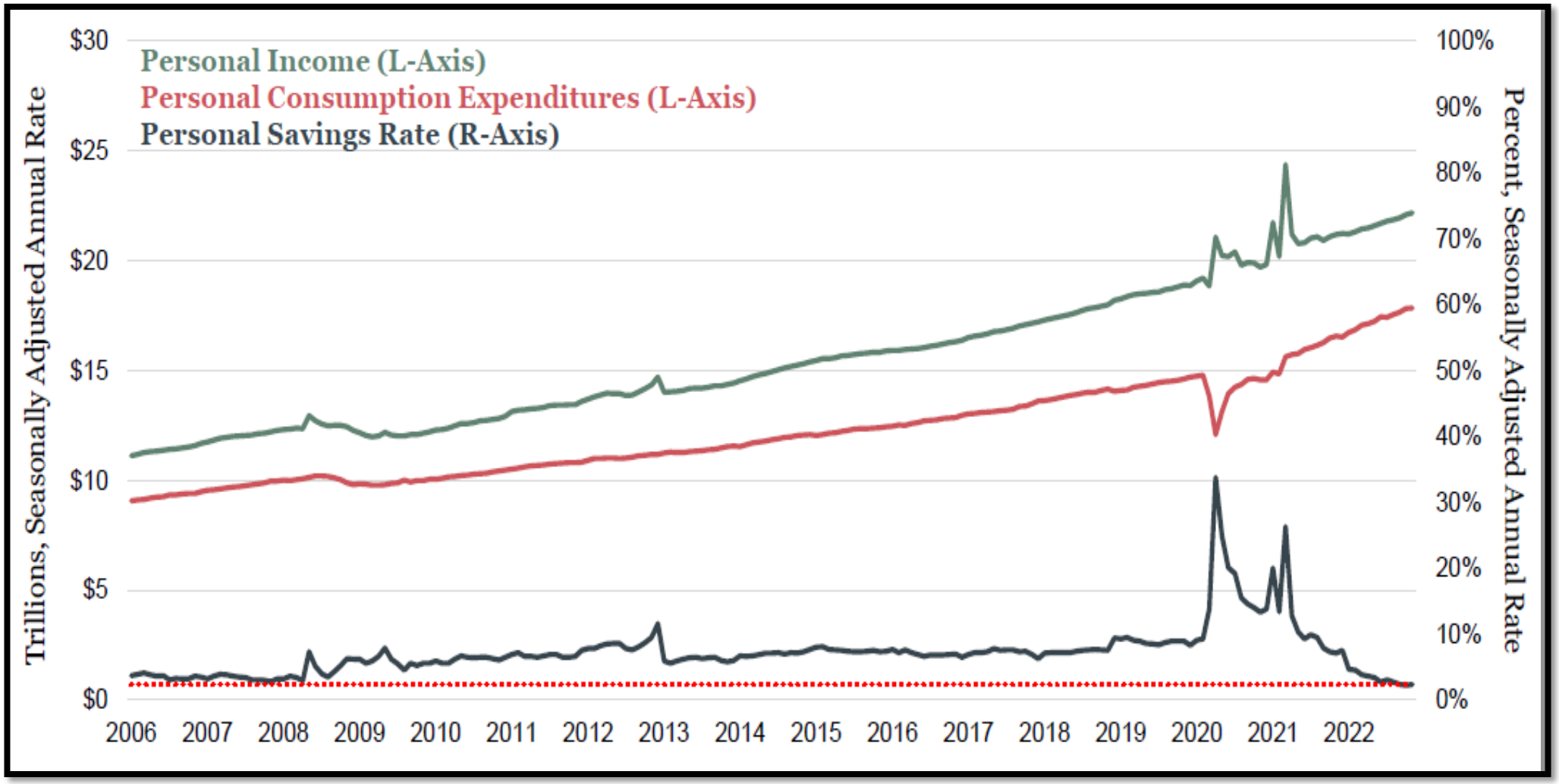
What does it all mean for 2023?

Individual Donors

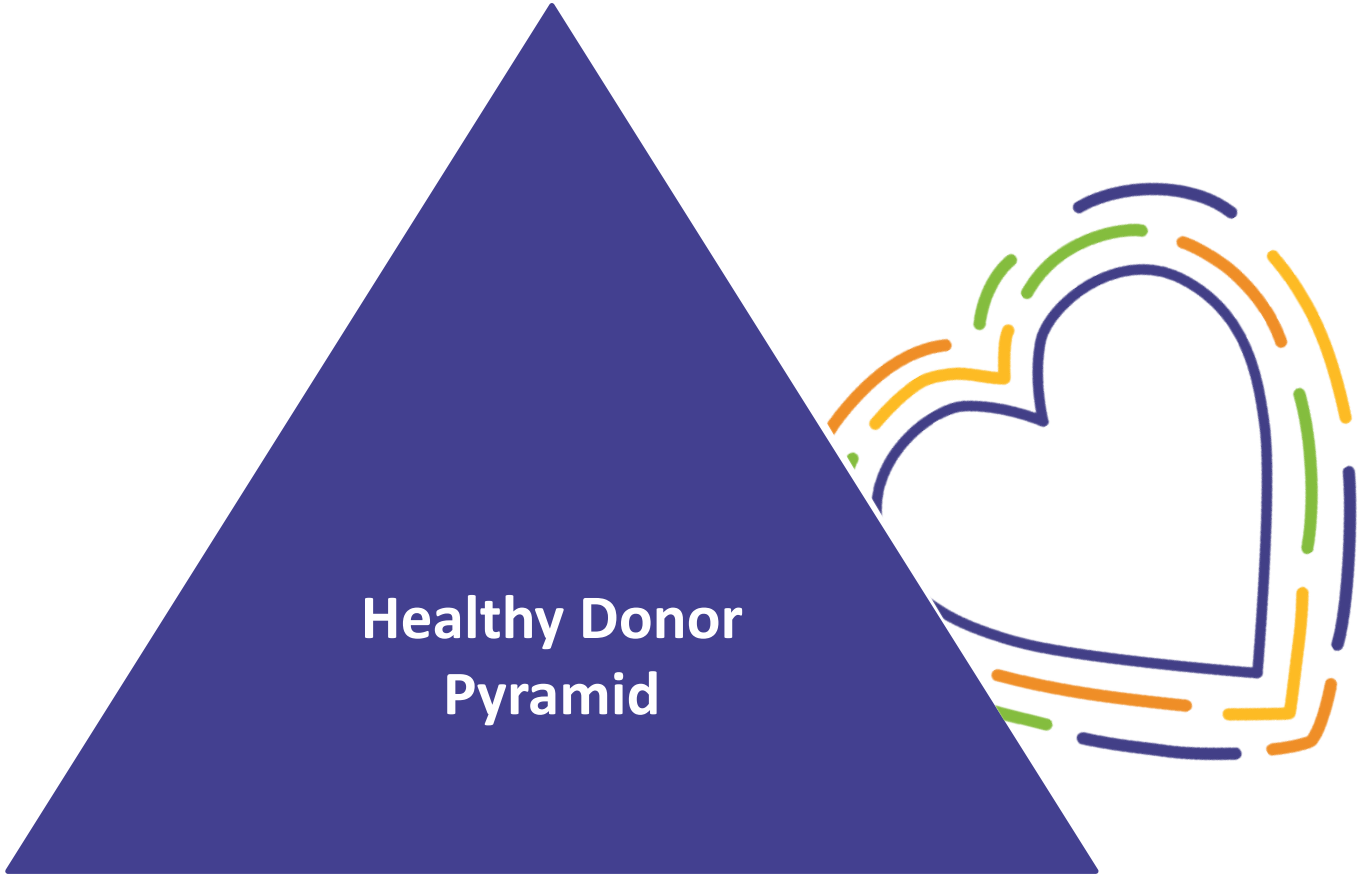
Individuals

- **Individual** giving has remained flat (ticked down as a percentage of total charitable giving).
- Dropped below 70% of total giving for first time in 2018 and has never recovered. 67% in 2021.
- Poor savings months in Q4 of 2022, hurt individual giving the most.

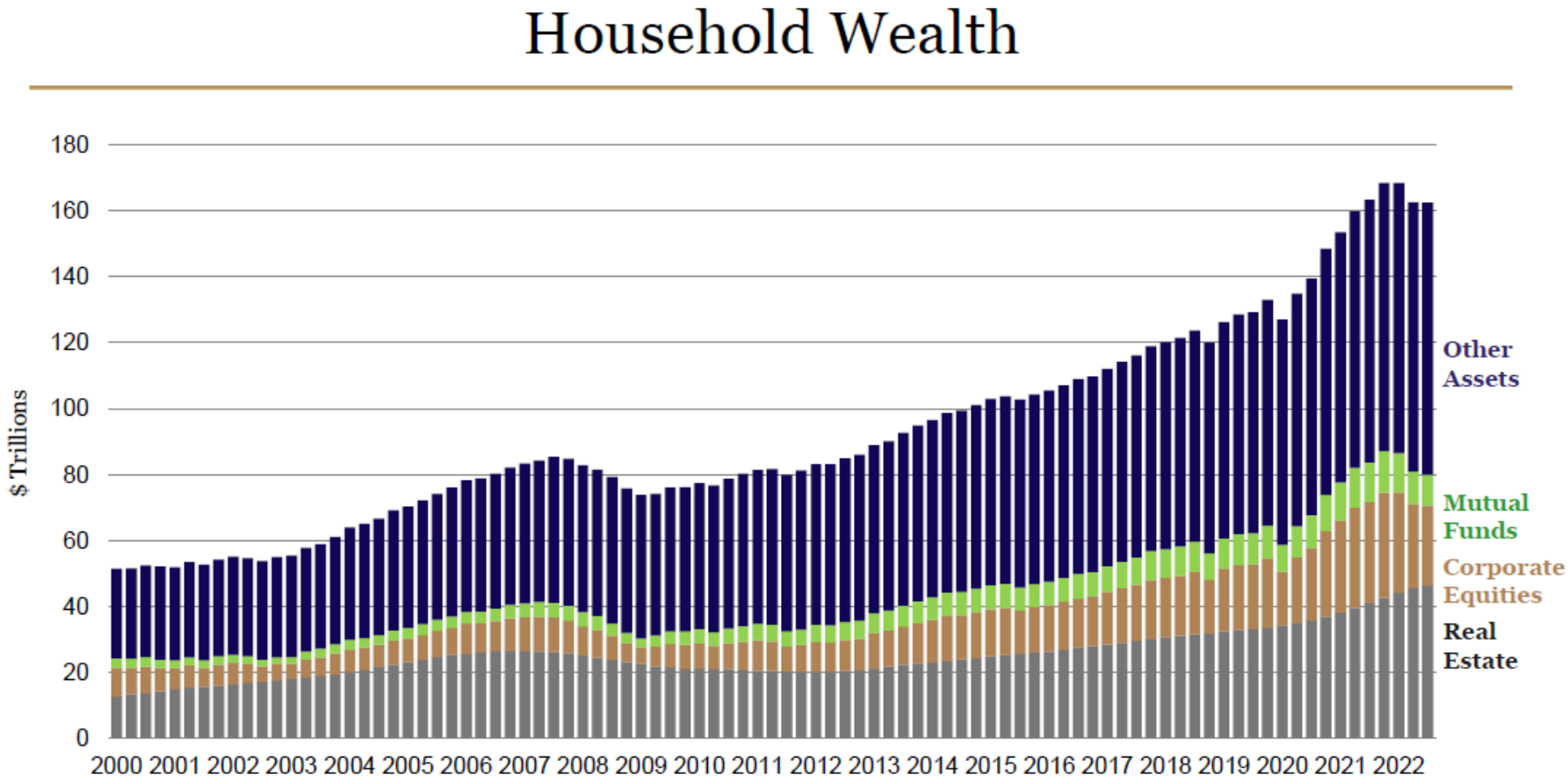
Will low savings impact giving?



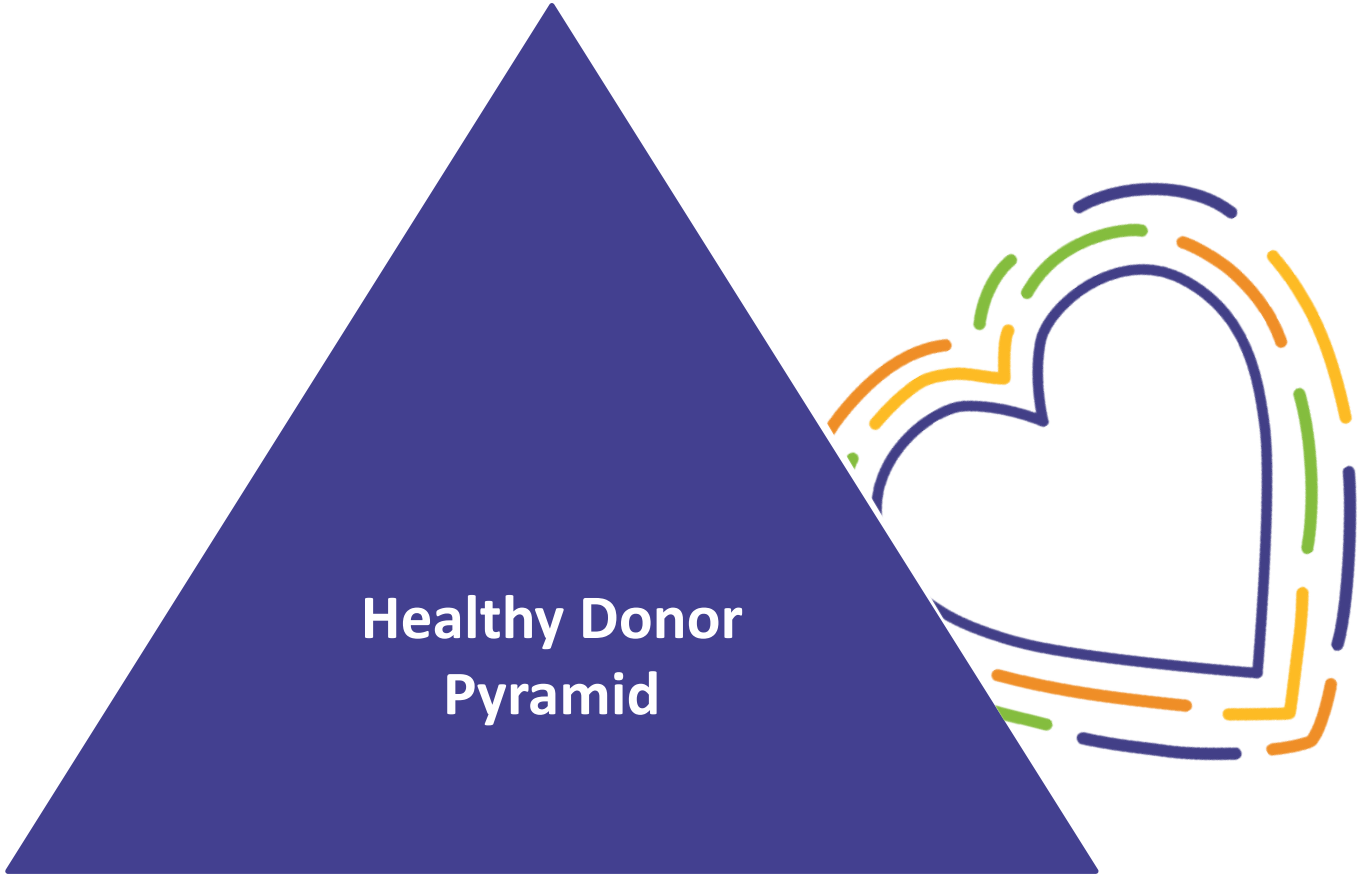
Individual Donor Strategy in 2023



Individual Donor Strategy in 2023

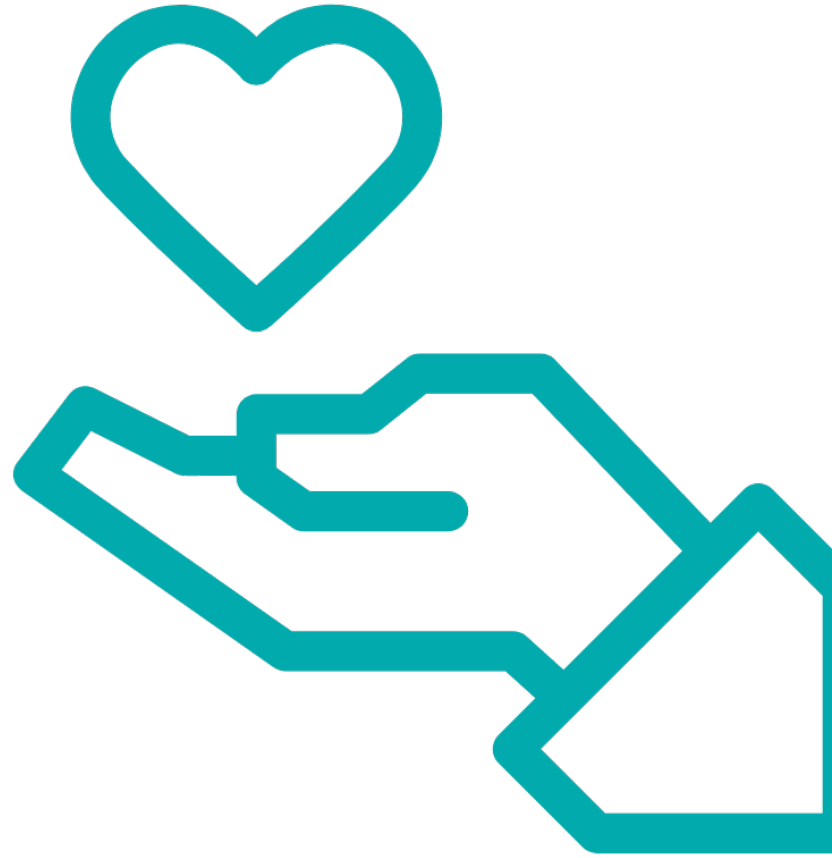


Individual Donor Strategy in 2023



Individual Donor Concepts for 2023

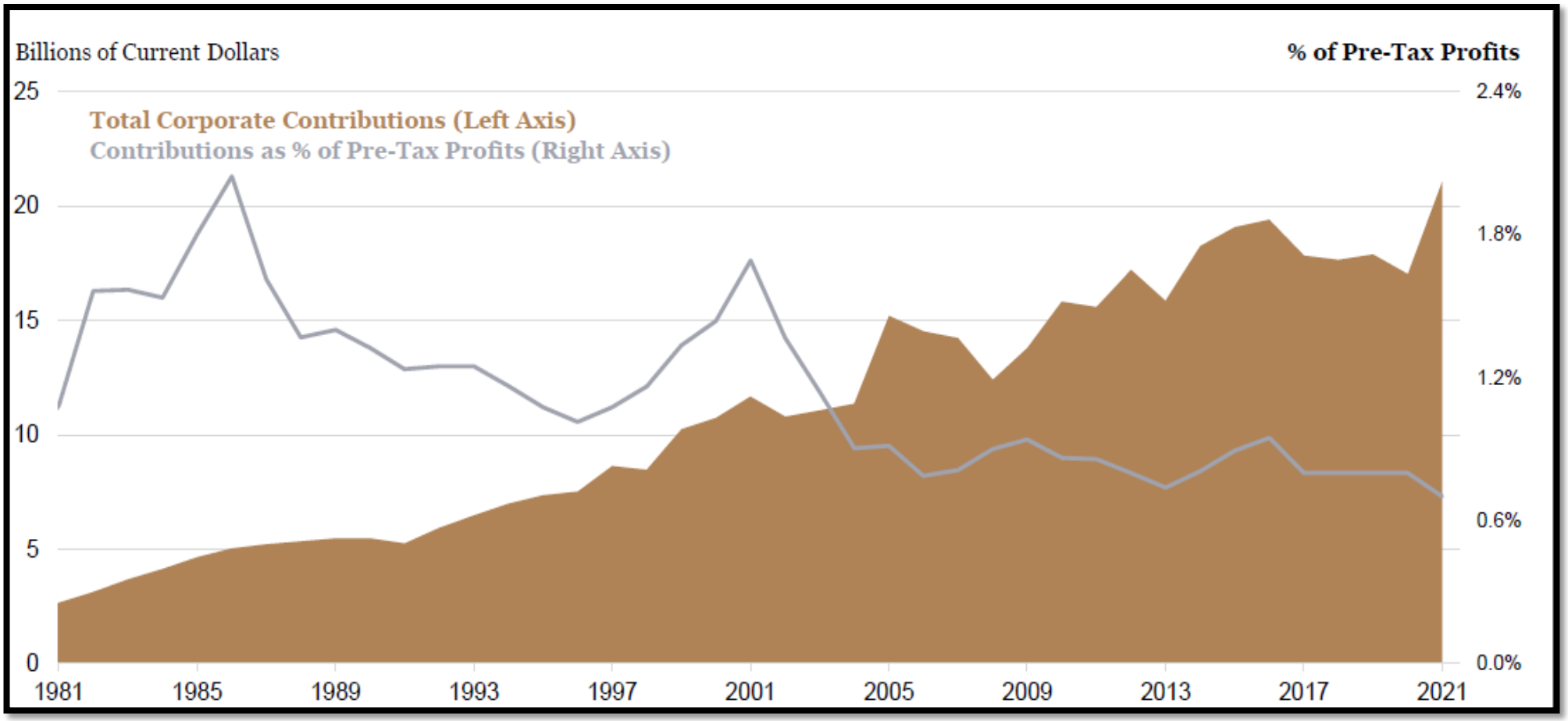
- Individual gifts might take time to recover in early 2023.
- Don’t panic and don’t abandon your annual donors. US Households are getting wealthier over the long run.
- Utilize major donors to limit volatility and act as a springboard to sustainability.



Corporate Giving

Corporate Giving

Corporate Giving in the US **surpassed $21 billion** for the first time ever! However, as a percentage of **pre-taxed profits it is flat at 0.7%.**



Corporate Social Responsibility

41% percent of millennial investors prioritize understanding a company's CSR practices, compared to just **27% of Gen X** and **16% of baby boomers.**

77% of consumers are motivated to purchase from companies committed to making the world a better place, while **73% of investors** state that efforts to improve the environment and society contribute to their investment decisions.

CSR?

What does it mean for my organization?

Corporate Social Responsibility is not directly resulting in more financially charitable companies.

- Promoting Volunteerism
- Limiting Environmental Impact
- Offering Matching Gifts

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65% of Fortune 500 Companies offer matching gifts.

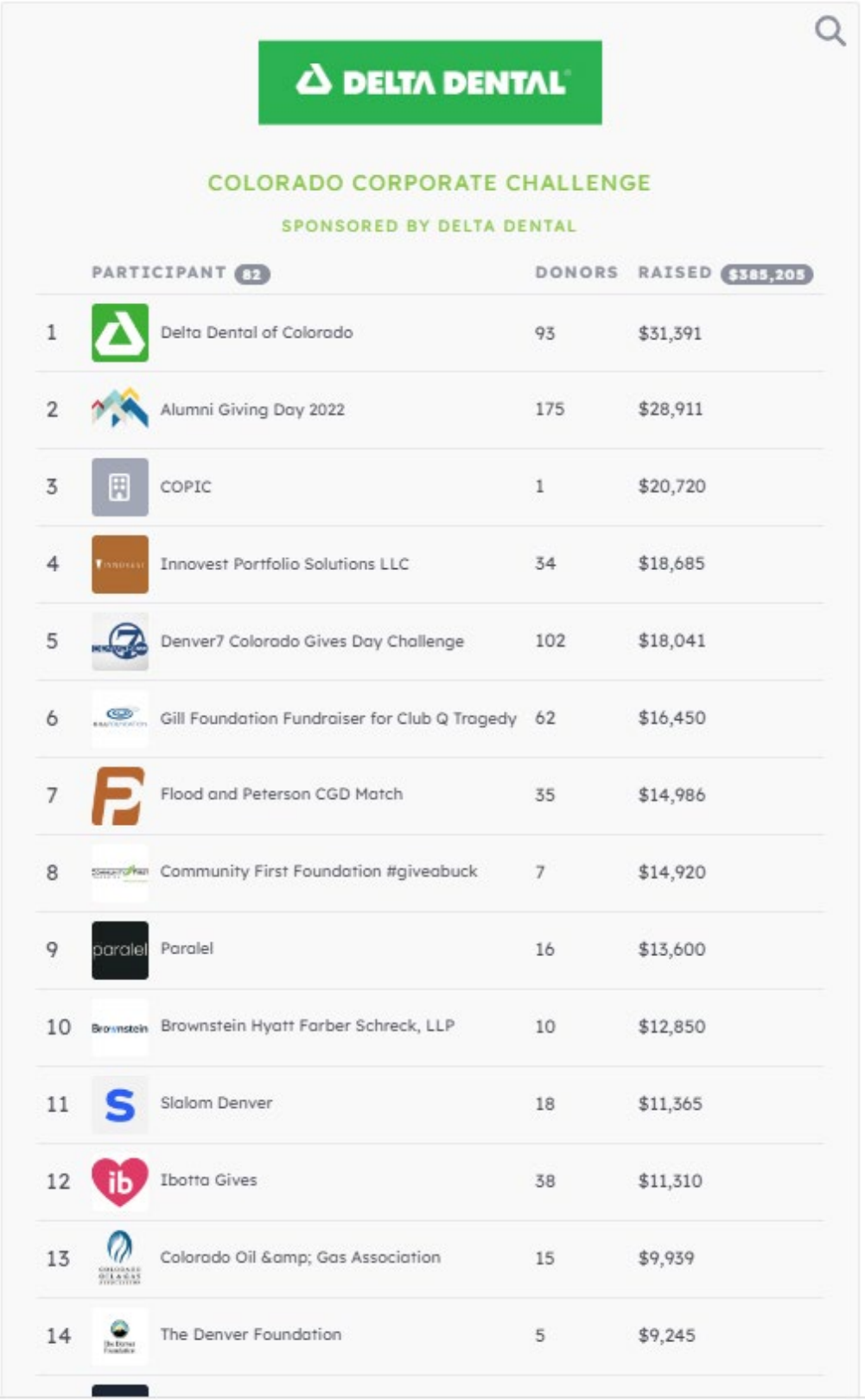
78% of employees have no idea that their company will match.

Only 8-9% of eligible employees utilize their match

Corporate Partnership Concepts in 2023

- Direct Corporate Giving/Sponsorships might slow in 2023.
- Can you engage companies looking for volunteer opportunities?
- Can you better utilize matching gifts?
- What will CSR momentum produce?

Corporations are changing how they give



DELTA DENTAL

COLORADO CORPORATE CHALLENGE

SPONSORED BY DELTA DENTAL

	PARTICIPANT 82	DONORS	RAISED $385,205
1	Delta Dental of Colorado	93	$31,391
2	Alumni Giving Day 2022	175	$28,911
3	COPIC	1	$20,720
4	Innovest Portfolio Solutions LLC	34	$18,685
5	Denver7 Colorado Gives Day Challenge	102	$18,041
6	Gill Foundation Fundraiser for Club Q Tragedy	62	$16,450
7	Flood and Peterson CGD Match	35	$14,986
8	Community First Foundation #giveabuck	7	$14,920
9	Paralel	16	$13,600
10	Brownstein Hyatt Farber Schreck, LLP	10	$12,850
11	Slalom Denver	18	$11,365
12	Ibotta Gives	38	$11,310
13	Colorado Oil & Gas Association	15	$9,939
14	The Denver Foundation	5	$9,245

Planned Giving and Bequest

Bequests

Bequest shot up to **$41.2 billion in 2020**, then increased again to **$46.1 billion in 2021.**

Bequests should continue to rise in this historic wealth transfer!

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Average Annual Gift to an Organization

Prior to Making Planned Gift	After Making Planned Gift
$4,210	$7,381

Bequests

- Bequest shot up to **$41.2 billion in 2020**, then increased again to **$46.1 billion in 2021.**
- Bequests should continue to rise in this historic wealth transfer!
- Planned Gifts don’t detract from annual giving, they enhance it.
- Legacy donors are more likely to choose organizations and give more when there are perpetuity options, such as endowments.

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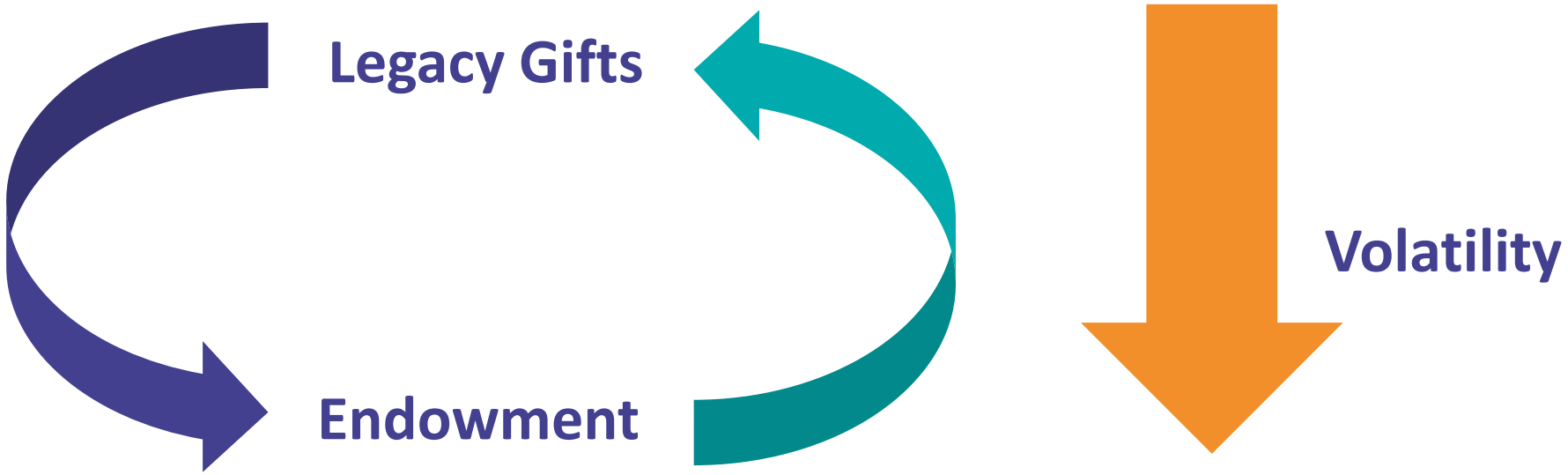
Planned Giving & Endowments



Planned Giving Strategy

- All indicators suggest that bequests will continue to rise.
- Planned Giving programs increase annual giving amounts.
- Bequests are the best way to grow endowments and create more consistent revenue streams.
- Now it the time to solidify your Planned Giving Program!

What's the Game Plan?

1. Don’t Sacrifice Long-Term Strategy for Short-Term Gains with Individuals.
2. Be creative with your Corporate Relations.
3. Initiate or enhance Planned Giving Program, now!
4. Use major or legacy donors as a springboard to sustainability by building an endowment.

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Resources

- My favorite reports:
  Giving USA Annual Report, Russell James
  Colorado Economic Forecast by the CU Leeds School of Business

- Connect with local fundraising chapters

- **Of course, Community First Foundation!**

Making Good Happen

Your partners in making good happen.

Connect with Business
Grow your donor base
Secure your future with endowments, long-term funds, planned giving
Future
Have deeper impact

COMING SOON!

Nonprofit Capacity Grant Opportunity

grow

Made possible by
The Schlessman Family Foundation

COLORADO
GIVESDAY
ColoradoGivesDay.org
December 5
1STBANK
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GIVE WHERE YOU LIVE

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Good for
Nonprofits

Good for
donors.

Good for Business.

Good for
Colorado.