



*the*  
**EPISCOPAL**  
**CHURCH** *in*  
WESTERN OREGON

# Investment Overview

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**DIOCESAN INVESTMENT FUND**

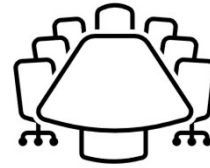
SEPTEMBER 30, 2024

# Diocesan Investment Fund

A long-term, diversified investment portfolio that includes U.S. and non-U.S. equities, fixed income, real estate, and marketable alternatives.

<b>Investment Horizon</b>	Long-term
<b>Assets</b>	\$33.7 million
<b>Focus</b>	Traditional investments
<b>Inception Date</b>	1/1992

## Governed by:



**Diocesan Board of Trustees**



**Diocesan Investment Committee**

### SUPPORTED BY:

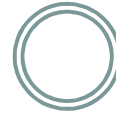


*the* EPISCOPAL CHURCH  
in WESTERN OREGON

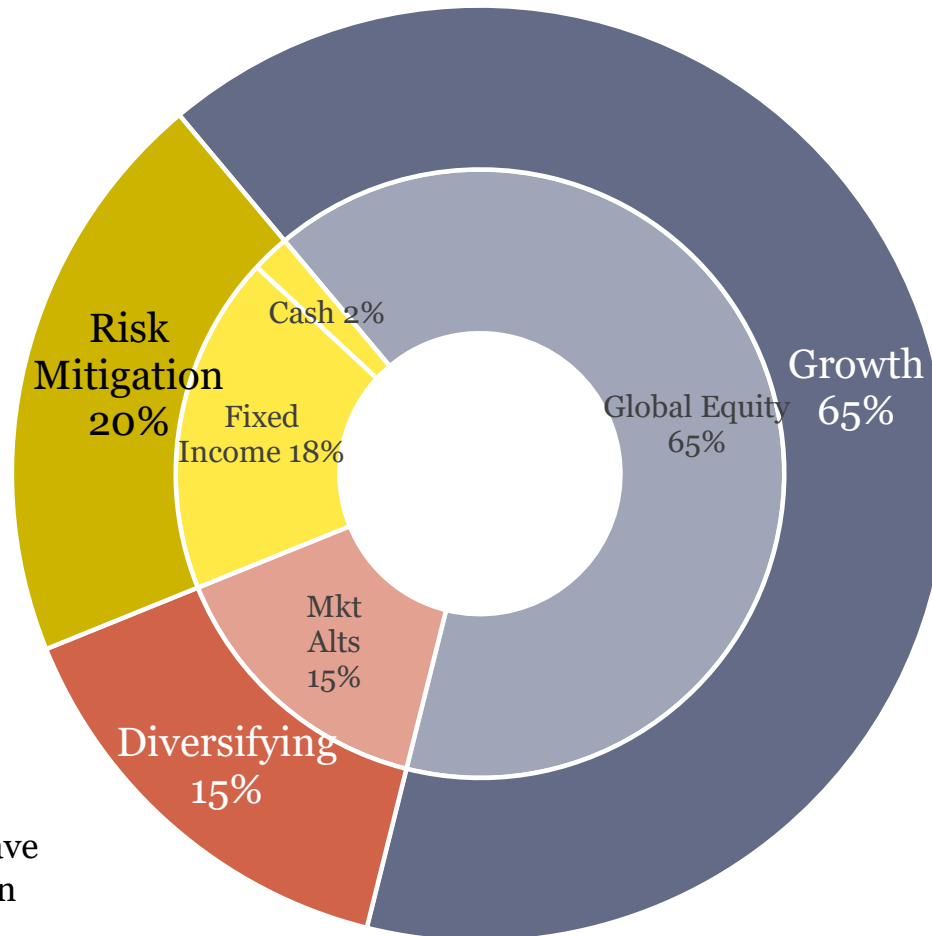
<b>Role</b>	Investment Advisor	Custodian Bank	Finance Staff
<b>Description</b>	Full-service investment advisory firm	Specialized financial institution responsible for safeguarding assets	Dedicated personnel responsible for investor relations, communications, and accounting



# Investment Structure



## Target Asset Allocation



### Risk Mitigation

Investments are expected to preserve capital when equity markets are down










Growth Investments are more volatile and are expected to increase assets

Diversifying Investments have potential portfolio diversification benefits



# Manager Descriptions










Manager	Strategy	Description
Global Equity		
	Fundamental Large Index Fund	An institutional mutual fund that replicates the Russell Fundamental US Large Cap Index, which is weighted based on company fundamentals.
	S&P 500 Index Fund	An institutional mutual fund that replicates the S&P 500 Index.
	Small Cap Value Equity	A mutual fund that invests in small U.S. companies by using fundamental, bottom-up research to identify high-quality companies that are expected to earn more than their cost of capital.
	Small Cap Equity	A mutual fund that invests in small U.S. companies with a traditional value, absolute return focus, placing a premium on avoiding large losses and investing with a “margin of safety.”
	International Stock	A value-oriented mutual fund that seeks long-term capital growth by investing in a diversified portfolio of mid-to-large non-U.S. companies.
	International Index Fund	An institutional mutual fund that replicates the MSCI EAFE Index.
	International Equity	A growth-oriented mutual fund that seeks long-term capital appreciation by employing a primarily bottom-up investment strategy, investing in non-U.S. developed markets and emerging markets.
	International Small Cap	A mutual fund that applies academic research to invest in a broad cross-section of small cap companies internationally.
	Emerging Markets Equity	An institutional mutual fund that invests in emerging markets, focusing on quality growth companies at attractive prices.



# Manager Descriptions



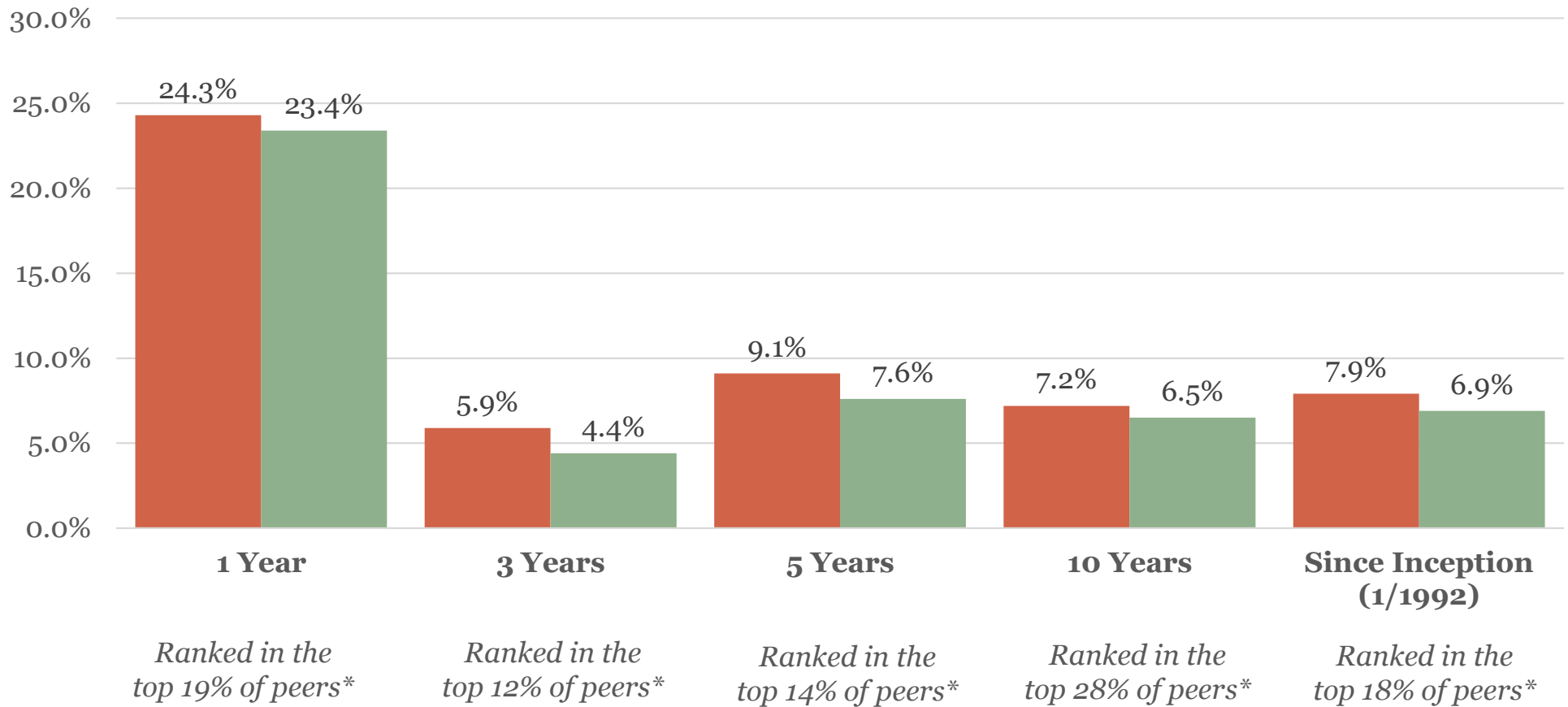
Manager	Strategy	Description
<b>Marketable Alternatives</b>		
 PIMCO	All Asset	An institutional mutual fund with a “real return” strategy that invests tactically across underlying PIMCO mutual funds to outperform inflation by 5% over the long-term.
 BlackRock	Multi-Asset Income	An institutional mutual fund that tactically invests globally in income-oriented strategies.
 Dimensional	Global Real Estate	An institutional mutual fund that invests in a broad range of securities of U.S. and non-U.S. companies in the real estate industry, including companies in developed and emerging markets, with a focus on real estate investment trusts or companies that are REIT-like entities.
<b>Fixed Income</b>		
 BlackRock	Total Return	A mutual fund that employs a core plus strategy with a research-driven approach combining top-down macroeconomic analysis and bottom-up security selection.
 DoubleLine	Core Bond	An institutional mutual fund that employs a core plus strategy that relies on top-down sector allocation weightings and fundamental, bottom-up security selection.
 Vanguard	Total Bond Index Fund	An institutional mutual fund that replicates the Bloomberg Aggregate Bond Index.
<b>Cash</b>		
 Federated Hermes	Government Money Market	An institutional mutual fund that seeks to obtain a high level of income while maintaining a stable \$1 NAV and a very short average maturity.



# Returns as of September 30, 2024



■ Diocesan Investment Fund    ■ 60/40 MSCI ACWI/Barclays Agg (market benchmark)



\* The DIF is ranked in a national universe of plan sponsors with up to \$50 million in assets.



# Why Consider the DIF?



We employ a carefully controlled investment process, managed by experienced investment professionals.

## 1. ACCESS TO INVESTMENTS

The investments retained by the Diocese for the DIF are typically only available to institutional investors.

## 2. COMPETITIVE FEES

Projected annual expenses are 0.8%\* including all investment management, advisory, and custody service fees.

## 3. PRUDENTLY MANAGED

The Committee consists of experienced professionals and is supported by practiced and respected investment advisory and custody specialists.

\* Expenses are projected using the DIF's target allocation.



# Why it Matters

*from a large and small parish with investments in the DIF*



## St. Bart's, Beaverton

*“Earnings and returns from the DIF go directly to keep our facility in good shape. We have eight different Recovery Groups that meet here regularly. We can keep their rent rates extremely low to help them with their mission and extend our Outreach.*

*We also have a Korean Baptist Church which meets at St. Bart's. We keep their rents very low as well, which helps them to offer two services, one in English and one in Korean, which reach 75-85 congregants every Sunday.*”

— REV. JEFF LITTLEFIELD,  
RECTOR

## Ascension Parish, Portland

*“After many years of turmoil and change, Ascension Parish found itself feeling stable and ready to look forward for the first time in many years. Its Parish financial resources had been safely “parked” in the Diocesan Short-Term Fund (STIF), and yet with interest rates at such historically low levels, the Vestry challenged whether it could put some of that balance to work in a longer-term “growth” investment/fund.*

*The Diocesan Investment Fund (DIF) was considered, and quickly embraced as an opportunity for the longer term funds of Ascension to gain access to a professionally managed, broadly diversified and institutionally monitored portfolio at a very low cost. We used dollar-cost averaging to invest funds over a one-year period of time beginning in 2015, and couldn't be more pleased with the results.*”

— JEFF KRUM, SENIOR WARDEN





# Which Investment is Right for You?



Will you need this money in the next 12 months?

Yes

## DIOCESAN SHORT-TERM INVESTMENT FUND (STIF)

**Investment horizon:** short-term

**Assets:** \$5.8 million

**Projected Annual Expenses:**

0.2% investment management

0.1% custody services

0.3%

**Focus:** traditional, low duration investments

**Inception date:** 2/2010

No

## DIOCESAN INVESTMENT FUND (DIF)

**Investment horizon:** long-term

**Assets:** \$33.7 million

**Projected Annual Expenses:**

0.4% investment management

0.4% custody & consulting services

0.8%

**Focus:** traditional, diversified investments

**Inception date:** 1/1992

## DIOCESAN SOCIALLY RESPONSIBLE INVESTMENT FUND (SRIF)

**Investment horizon:** long-term

**Assets:** \$8.9 million

**Projected Annual Expenses:**

0.4% investment management

0.4% custody & consulting services

0.8%

**Focus:** socially responsible criteria & gospel value priorities identified at 2017 Convention

**Inception date:** 9/2016

FOR MORE INFORMATION

(503) 636-5613 | Finance Office  
[www.ecwo.org/investments](http://www.ecwo.org/investments)



## Diocesan Investment Committee

A committee of and  
reporting to the  
Diocesan Board of  
Trustees

### ex-officio resources:

Anne Marie Lowe  
Canon for Finance & Property  
971-204-4115

Ashlee Moehring  
Sellwood Investment Partners LLC  
503-596-2885

Mike Penfield, Convenor  
St. John the Baptist, Portland  
503-939-5898

Rev. Brendan Barnicle  
St. Francis of Assisi, Wilsonville  
503-901-4908

James Baxendale  
Trinity Cathedral, Portland  
503-919-0087

Ginger Dietzman  
St. Gabriel the Archangel, Bethany  
530-945-0859

Bill Gellatly  
Church of the Good Samaritan,  
Corvallis  
503-867-6514

Kathy Gordon, Treasurer  
503-485-2425

Rick Grimshaw  
St. Michael & All Angels, Portland  
503-221-7616

Kate Kenemer  
Grace Memorial, Portland  
503-358-7974

Jeffrey Krum  
Ascension, Portland  
503-704-5699

Michael Montgomery  
St. Philip the Deacon, Portland  
503-278-0388

Madeline Moore  
St. David of Wales, Portland  
503-502-0405

Rev. Jaime Sanders  
Christ Church, St. Helens  
503-997-1651

Susan Workman  
St. John the Baptist, Portland  
503 593-3533



# Investment Restrictions



## Contributions

- \$10,000 initial deposits
- Quarterly contributions
- Requests due by the 15<sup>th</sup> of the month prior

## Withdrawals

- Monthly liquidity
- Requests due by the 15<sup>th</sup> of the month prior



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