

# Community Foundation of North Central Washington

As of December 31, 2025

**BADGLEY+PHELPS**  
WEALTH MANAGERS

# CFNCW A.Z. Wells Foundation Charitable Trust Portfolio

As of December 31, 2025

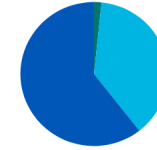
**BADGLEY+PHELPS**  
WEALTH MANAGERS

**Portfolio Summary**

**Portfolio Summary**

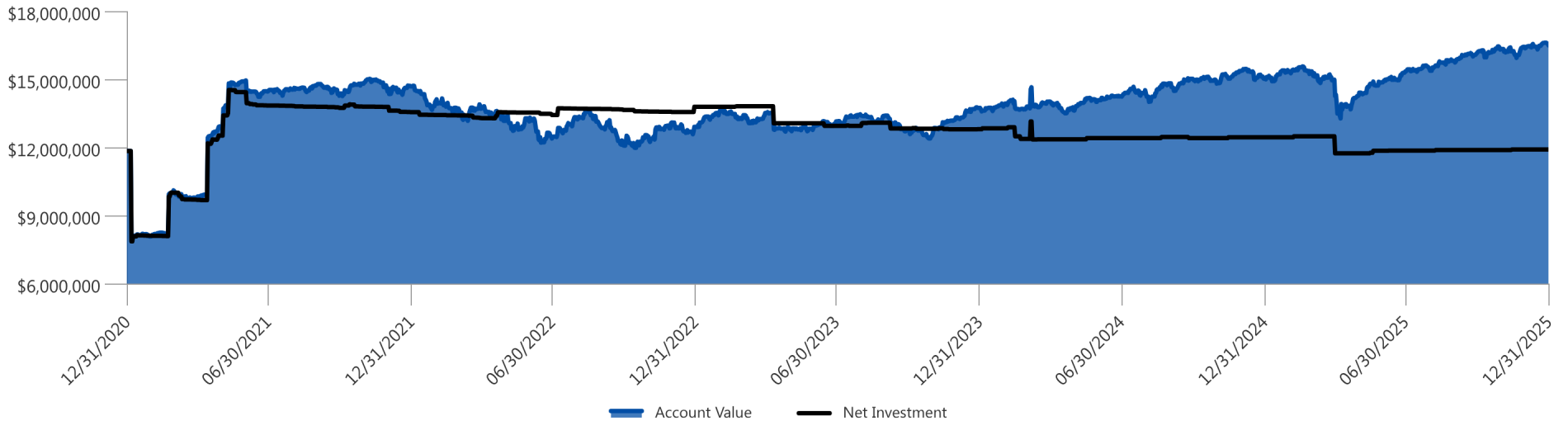
	3 - Month	Year-to-Date
Beginning Value	\$16,228,130	\$15,017,603
Net Contributions	\$24,000	-\$534,682
Change in Mkt. Value	\$247,729	\$2,016,938
Ending Value	\$16,499,859	\$16,499,859
Income	\$119,604	\$389,381
Ending Value (non-managed)	-	-
Total Value (All Assets)	\$16,499,859	\$16,499,859

**Asset Allocation**



Asset Class	Current Value	Current Percent	Target Percent
Cash	\$272,850	1.7%	1.0%
Fixed Income	\$6,232,924	37.8%	39.0%
Equity	\$9,994,086	60.6%	60.0%
<b>Total</b>	<b>\$16,499,859</b>	<b>100.0%</b>	<b>100.0%</b>

**Account Value vs Net Investment**



## Portfolio Performance

Asset Class	3 - Month Net Return	Year-to-Date Net Return	1 - Year Net Return	3 - Year Net Return	5 - Year Net Return	Inception-to-Date (12/30/2020) Net Return
<b>Fixed Income</b>	<b>0.8%</b>	<b>6.5%</b>	<b>6.5%</b>	<b>5.2%</b>	<b>1.5%</b>	<b>1.5%</b>
U.S. Treasury	0.7%	7.1%	7.1%	4.0%	-1.5%	-1.5%
Inflation Protected	-0.3%	7.2%	7.2%	3.9%	-0.7%	-0.6%
Corporate	0.9%	6.4%	6.4%	5.3%	1.8%	1.8%
Securitized	1.1%	9.4%	9.4%	5.3%	3.4%	3.4%
<b>Equity</b>	<b>2.0%</b>	<b>19.5%</b>	<b>19.5%</b>	<b>19.9%</b>	<b>11.3%</b>	<b>11.3%</b>
U.S. Growth	1.9%	17.1%	17.1%	22.6%	13.5%	13.6%
U.S. Small/Mid Cap	-0.1%	10.2%	10.2%	14.0%	7.9%	7.9%
International	3.8%	32.6%	32.6%	17.3%	7.8%	7.7%
<b>Total</b>	<b>1.5%</b>	<b>14.0%</b>	<b>14.0%</b>	<b>13.6%</b>	<b>6.7%</b>	<b>6.7%</b>
<i>Bloomberg US 1 - 5 yr Corporate</i>	<i>1.0%</i>	<i>6.8%</i>	<i>6.8%</i>	<i>6.0%</i>	<i>2.3%</i>	<i>2.3%</i>
<i>Bloomberg US Intrm Gov / Credit</i>	<i>0.9%</i>	<i>7.0%</i>	<i>7.0%</i>	<i>5.1%</i>	<i>1.0%</i>	<i>1.0%</i>
<i>Bloomberg US Municipal 1 - 5Y</i>	<i>0.5%</i>	<i>4.3%</i>	<i>4.3%</i>	<i>3.3%</i>	<i>1.3%</i>	<i>1.3%</i>
<i>Bloomberg Municipal 1 - 10Y Blend</i>	<i>0.9%</i>	<i>5.1%</i>	<i>5.1%</i>	<i>3.5%</i>	<i>1.2%</i>	<i>1.2%</i>
<i>S&amp;P 500 Composite</i>	<i>2.2%</i>	<i>17.9%</i>	<i>17.9%</i>	<i>23.0%</i>	<i>14.4%</i>	<i>14.6%</i>
<i>Russell 2500</i>	<i>1.3%</i>	<i>11.9%</i>	<i>11.9%</i>	<i>13.8%</i>	<i>7.3%</i>	<i>7.3%</i>
<i>MSCI AC World Ex-U.S.</i>	<i>4.1%</i>	<i>32.4%</i>	<i>32.4%</i>	<i>17.3%</i>	<i>7.9%</i>	<i>7.8%</i>

Returns for periods exceeding 12 months are annualized.

Equity Summary

Equity Style

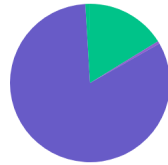


Style	Current Value	Current Percent
U.S. Growth	\$5,858,527	58.6%
U.S. Small/Mid Cap	\$1,643,828	16.4%
International	\$2,491,731	24.9%
<b>Total</b>	<b>\$9,994,086</b>	<b>100.0%</b>

Description	Value	Weight
iShares Russell 1000	\$5,858,527	58.6%
iShares MSCI ACWI ex US ETF	\$2,491,731	24.9%
Vanguard Small-Cap	\$832,663	8.3%
Vanguard Mid-Cap ETF	\$811,165	8.1%

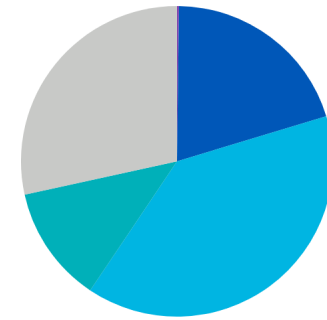
Fixed Income Summary

Sector Style Allocation



Style	Current Value	Current Percent
U.S. Treasury	\$1,009,016	16.2%
Inflation Protected	\$33,416	0.5%
Corporate	\$5,132,464	82.3%
Securitized	\$58,028	0.9%
<b>Total</b>	<b>\$6,232,924</b>	<b>100.0%</b>

S&P Ratings

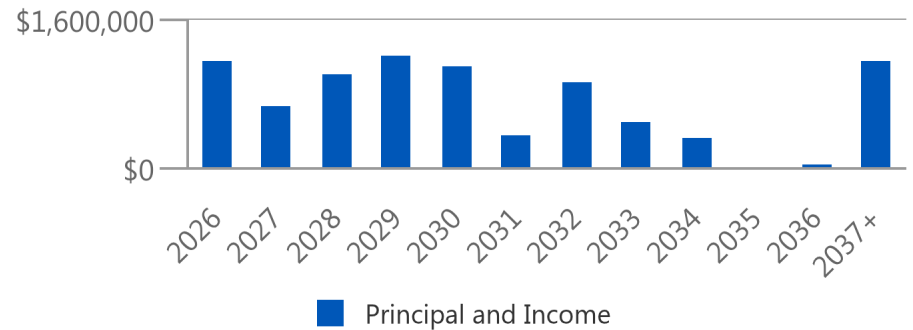


AAA: 0.20%	AA: 20.11%	A: 39.09%
BBB: 12.16%	NR: 28.44%	

Maturity Schedule

Redemption Year	Weight	Principal	Yield to Maturity (Cost)
2026	14.3%	\$886,000	1.5%
2027	6.9%	\$438,000	4.0%
2028	12.7%	\$787,000	4.6%
2029	16.7%	\$1,015,000	4.6%
2030	15.8%	\$942,000	4.4%
2031	4.1%	\$255,000	4.6%
2032	13.8%	\$844,000	4.5%
2033	7.4%	\$452,000	4.7%
2034	5.0%	\$303,000	4.7%
2036	0.3%	\$20,000	3.0%

Maturity Breakdown



Maturity by Year

## Fixed Income Characteristics

Description	Principal	Value	Weight	Annual Income	Yield to Maturity (Cost)	Yield to Maturity (Market)	Modified Duration (Market)
U.S. Treasury	\$1,015,000	\$1,009,016	16.2%	\$39,920	3.9%	3.8%	5.0
Inflation Protected	\$28,000	\$33,416	0.5%	\$203	0.2%	1.8%	7.7
Corporate	\$5,032,000	\$5,132,464	82.3%	\$210,393	4.1%	4.1%	3.5
Securitized	\$957,289	\$58,028	0.9%	\$2,292	58.8%	4.1%	13.3
<b>Total</b>	<b>\$7,032,289</b>	<b>\$6,232,924</b>	<b>100.0%</b>	<b>\$252,808</b>	<b>4.6%</b>	<b>4.1%</b>	<b>3.9</b>

---

**Account Details (Year-to-Date)**

<b>Account Number</b>	<b>Capital Contributions</b>	<b>Capital Withdrawals</b>	<b>Dividends</b>	<b>Taxable Interest</b>	<b>Tax Exempt Interest</b>	<b>End Value</b>
xxxx0064	\$215,318	-\$750,000				\$16,499,859

# CFNCW CRUTs & Gift Annuity Combined Portfolio

As of December 31, 2025

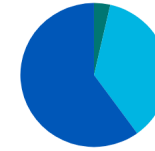
**BADGLEY+PHELPS**  
WEALTH MANAGERS

**Portfolio Summary**

**Portfolio Summary**

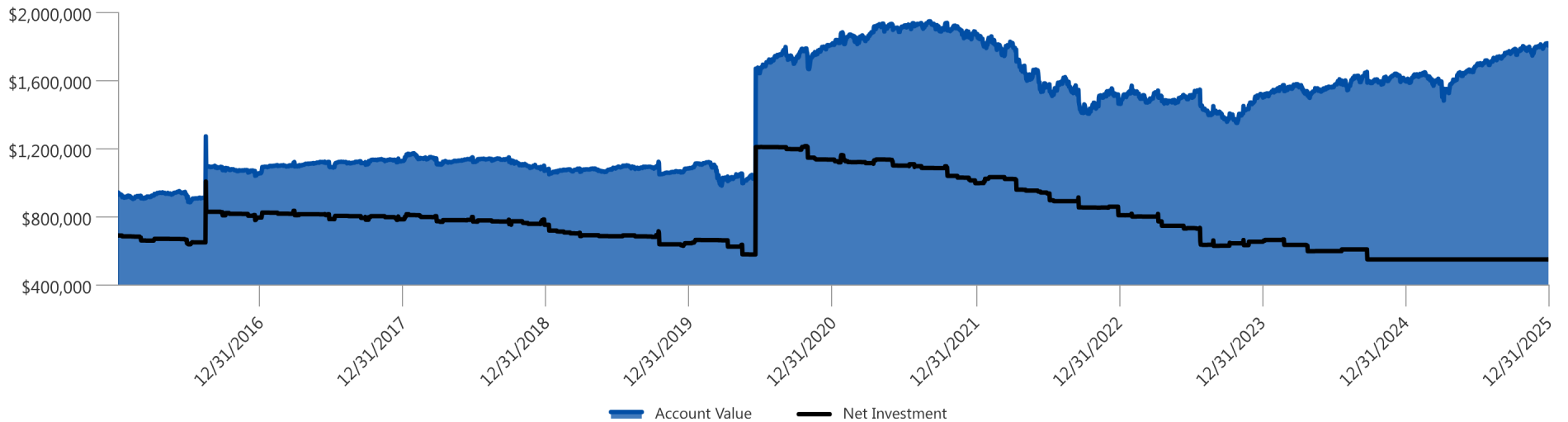
	3 - Month	Year-to-Date
Beginning Value	\$1,777,253	\$1,593,960
Net Contributions	\$0	\$21
Change in Mkt. Value	\$26,934	\$210,206
Ending Value	\$1,804,186	\$1,804,186
Income	\$12,840	\$37,571
Ending Value (non-managed)	-	-
Total Value (All Assets)	\$1,804,186	\$1,804,186

**Asset Allocation**



Asset Class	Current Value	Current Percent	Target Percent
Cash	\$64,275	3.6%	0.0%
Fixed Income	\$657,766	36.5%	40.0%
Equity	\$1,082,145	60.0%	60.0%
<b>Total</b>	<b>\$1,804,186</b>	<b>100.0%</b>	<b>100.0%</b>

**Account Value vs Net Investment**



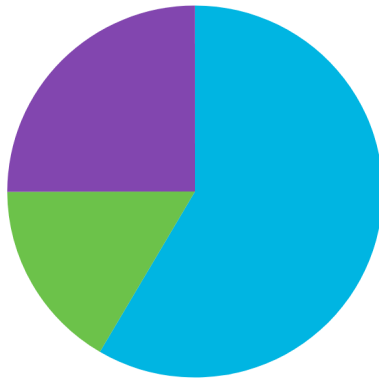
## Portfolio Performance

Asset Class	3 - Month Net Return	Year-to-Date Net Return	1 - Year Net Return	3 - Year Net Return	5 - Year Net Return	10 - Year Net Return	Inception-to-Date (12/30/2002) Net Return
<b>Fixed Income</b>	<b>0.9%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.0%</b>	<b>1.6%</b>	<b>2.4%</b>	<b>-</b>
U.S. Treasury	0.9%	7.3%	7.3%	-	-	-	-
Corporate	0.9%	5.4%	5.4%	5.0%	1.6%	2.4%	-
Other	-	-	-	-	-	-	-
<b>Equity</b>	<b>2.0%</b>	<b>19.3%</b>	<b>19.3%</b>	<b>19.8%</b>	<b>11.1%</b>	<b>12.4%</b>	<b>9.9%</b>
U.S. Growth	1.9%	17.2%	17.2%	22.6%	13.5%	15.5%	-
U.S. Small/Mid Cap	-0.1%	10.3%	10.3%	14.0%	8.2%	-	-
International	3.8%	32.6%	32.6%	17.3%	7.9%	9.3%	-
<b>Total</b>	<b>1.5%</b>	<b>13.2%</b>	<b>13.2%</b>	<b>13.5%</b>	<b>7.4%</b>	<b>7.0%</b>	<b>5.5%</b>
<i>Bloomberg US 1 - 5 yr Corporate</i>	<i>1.0%</i>	<i>6.8%</i>	<i>6.8%</i>	<i>6.0%</i>	<i>2.3%</i>	<i>3.0%</i>	<i>3.7%</i>
<i>Bloomberg US Intrm Gov / Credit</i>	<i>0.9%</i>	<i>7.0%</i>	<i>7.0%</i>	<i>5.1%</i>	<i>1.0%</i>	<i>2.3%</i>	<i>3.1%</i>
<i>Bloomberg US Municipal 1 - 5Y</i>	<i>0.5%</i>	<i>4.3%</i>	<i>4.3%</i>	<i>3.3%</i>	<i>1.3%</i>	<i>1.7%</i>	<i>2.4%</i>
<i>Bloomberg Municipal 1 - 10Y Blend</i>	<i>0.9%</i>	<i>5.1%</i>	<i>5.1%</i>	<i>3.5%</i>	<i>1.2%</i>	<i>2.1%</i>	<i>3.1%</i>
<i>S&amp;P 500 Composite</i>	<i>2.2%</i>	<i>17.9%</i>	<i>17.9%</i>	<i>23.0%</i>	<i>14.4%</i>	<i>14.8%</i>	<i>11.4%</i>
<i>Russell 2500</i>	<i>1.3%</i>	<i>11.9%</i>	<i>11.9%</i>	<i>13.8%</i>	<i>7.3%</i>	<i>10.4%</i>	<i>10.7%</i>
<i>MSCI AC World Ex-U.S.</i>	<i>4.1%</i>	<i>32.4%</i>	<i>32.4%</i>	<i>17.3%</i>	<i>7.9%</i>	<i>8.4%</i>	<i>8.1%</i>

Returns for periods exceeding 12 months are annualized.

Equity Summary

Equity Style

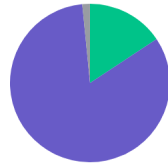


Description	Value	Weight
iShares Russell 1000	\$632,607	58.5%
iShares MSCI ACWI ex US ETF	\$270,802	25.0%
Vanguard Mid-Cap ETF	\$90,258	8.3%
Vanguard Small-Cap	\$88,477	8.2%

Style	Current Value	Current Percent
U.S. Growth	\$632,607	58.5%
U.S. Small/Mid Cap	\$178,735	16.5%
International	\$270,802	25.0%
<b>Total</b>	<b>\$1,082,145</b>	<b>100.0%</b>

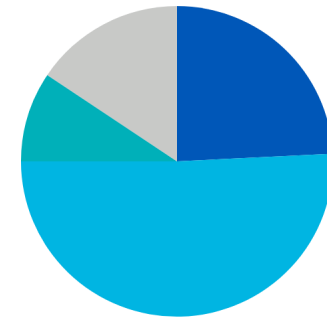
Fixed Income Summary

Sector Style Allocation



Style	Current Value	Current Percent
U.S. Treasury	\$102,870	15.6%
Corporate	\$544,698	82.8%
Other	\$10,198	1.6%
<b>Total</b>	<b>\$657,766</b>	<b>100.0%</b>

S&P Ratings

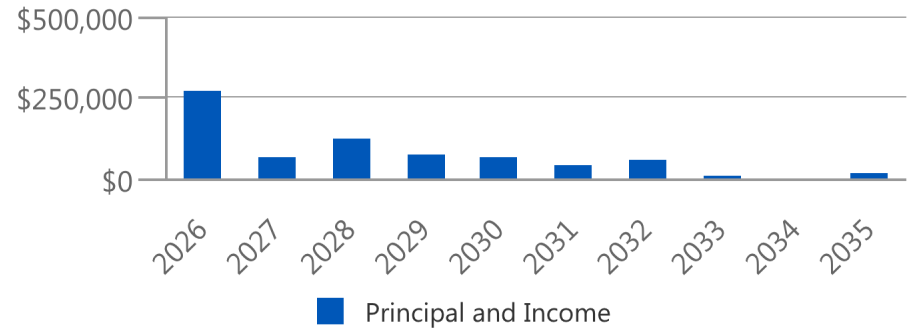


■ AA: 24.22%	■ A: 50.78%	■ BBB: 9.38%
■ NR: 15.63%		

Maturity Schedule

Redemption Year	Weight	Principal	Yield to Maturity (Cost)
2026	38.5%	\$250,000	1.5%
2027	7.0%	\$45,000	2.9%
2028	16.4%	\$105,000	4.4%
2029	9.6%	\$60,000	4.4%
2030	9.5%	\$60,000	4.2%
2031	5.7%	\$35,000	4.4%
2032	8.6%	\$55,000	4.3%
2033	1.6%	\$10,000	4.4%
2035	3.2%	\$20,000	4.5%

Maturity Breakdown



Maturity by Year

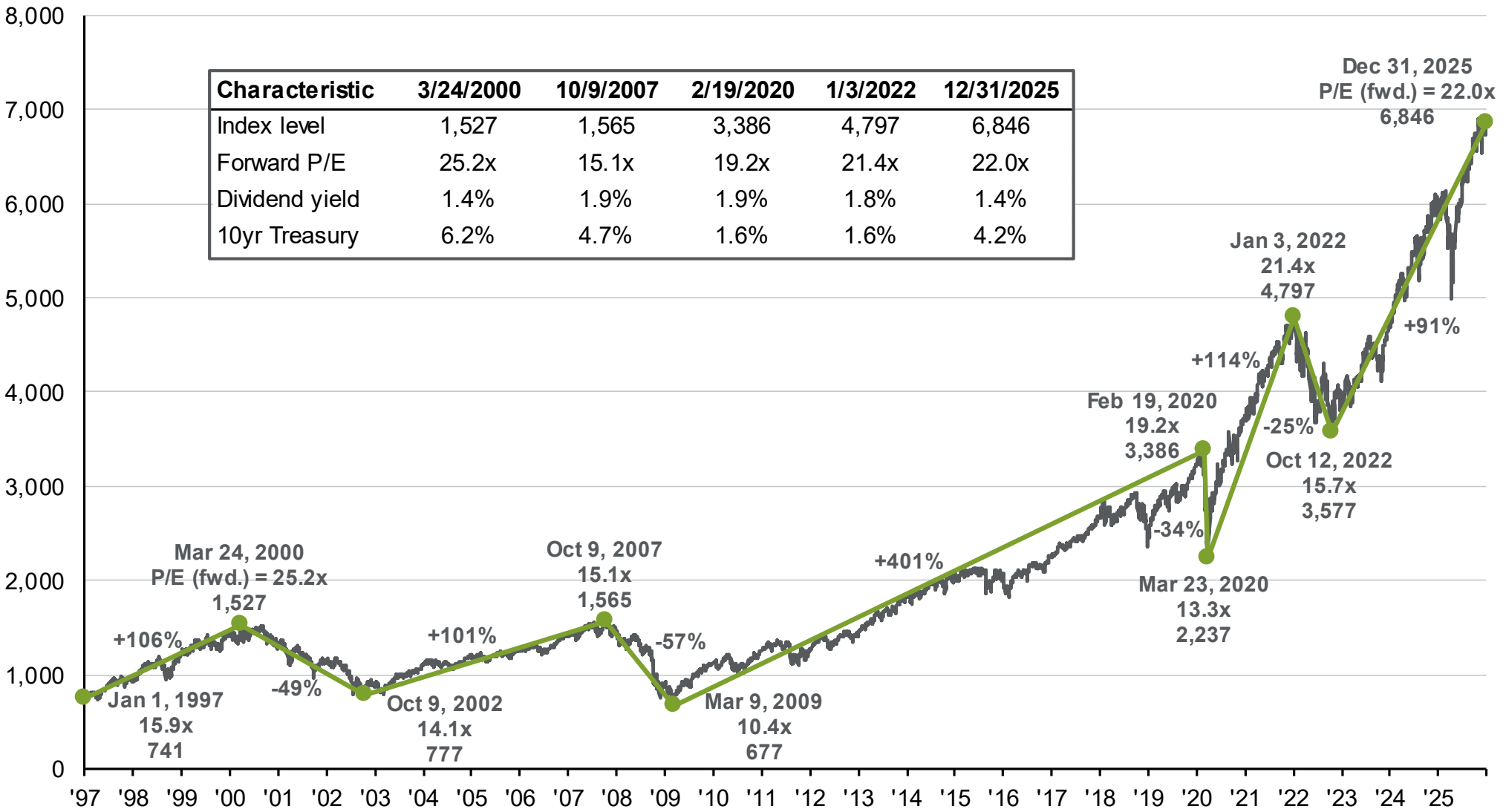
## Fixed Income Characteristics

Description	Principal	Value	Weight	Annual Income	Yield to Maturity (Cost)	Yield to Maturity (Market)	Modified Duration (Market)
U.S. Treasury	\$100,000	\$102,870	15.9%	\$4,163	3.9%	3.6%	3.1
Corporate	\$540,000	\$544,698	84.1%	\$18,038	3.0%	4.0%	2.5
<b>Total</b>	<b>\$640,000</b>	<b>\$647,568</b>	<b>100.0%</b>	<b>\$22,201</b>	<b>3.1%</b>	<b>3.9%</b>	<b>2.6</b>

**Account Details (Year-to-Date)**

Account Number	Capital Contributions	Capital Withdrawals	Dividends	Taxable Interest	Tax Exempt Interest	End Value
<b>Non Taxable</b>						
xxxx3123	\$0	\$0				\$1,101,441
xxxx5204	\$0	\$0				\$367,175
xxxx9975	\$21	\$0				\$252,360
	<b>\$21</b>	<b>\$0</b>				<b>\$1,720,976</b>
<b>Taxable</b>						
xxxx8454	\$0	\$0	\$1,041	\$590	\$0	\$83,211
	<b>\$0</b>	<b>\$0</b>	<b>\$1,041</b>	<b>\$590</b>	<b>\$0</b>	<b>\$83,211</b>
	<b>\$21</b>	<b>\$0</b>	<b>\$1,041</b>	<b>\$590</b>	<b>\$0</b>	<b>\$1,804,186</b>

## S&P 500 Price Index

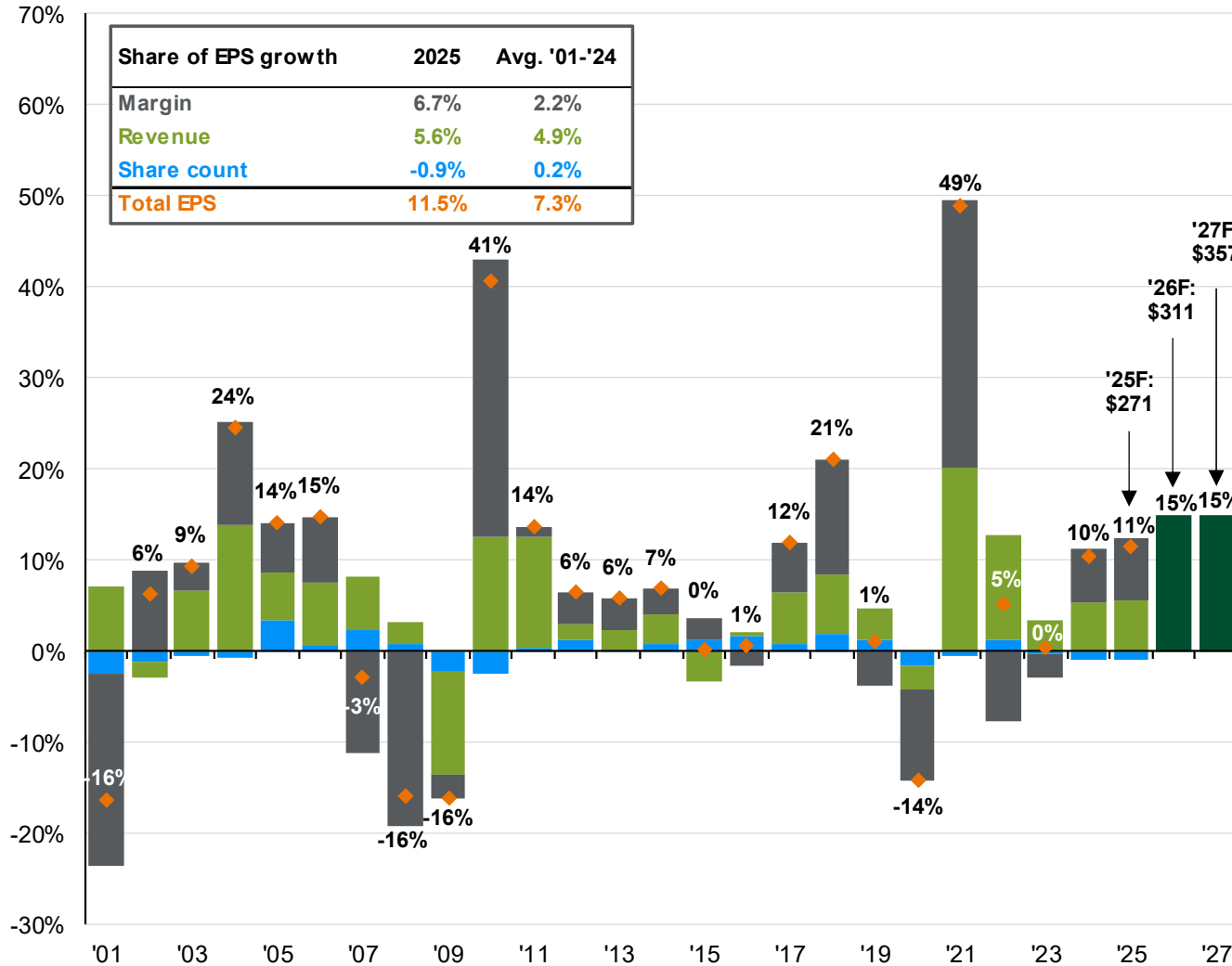


Source: FactSet, Federal Reserve, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management. Dividend yield is calculated as consensus analyst estimates of dividends in the next 12 months, provided by FactSet, divided by the most recent S&P 500 index price. Forward P/E ratio is the most recent S&P 500 index price divided by consensus estimates for earnings in the next 12 months, provided by IBES since January 1997 and FactSet since January 2022. Returns are cumulative and do not include the reinvestment of dividends. Past performance is no guarantee of future results. Guide to the Markets – U.S. Data are as of December 31, 2025.

# Sources of Earnings Growth and Profit Margins

## S&P 500 EPS growth

Year-over-year growth broken into changes in revenue, profit margin and share count



## S&P 500 profit margins

Quarterly earnings/sales

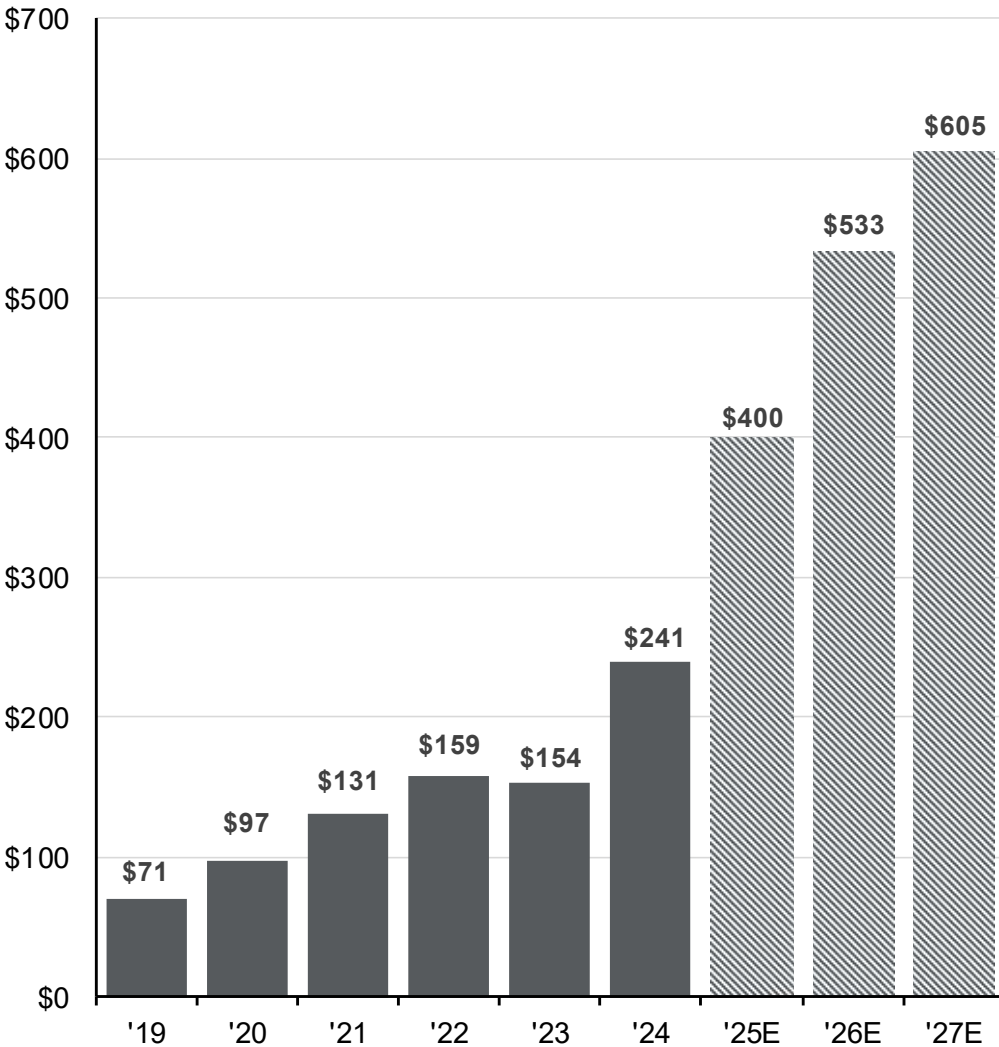


Source: Compustat, FactSet, Standard & Poor's, J.P. Morgan Asset Management. Historical EPS values are based on annual earnings per share. Forecasts for 2025, 2026 and 2027 reflect consensus analyst expectations, provided by FactSet. Past performance is no guarantee of future results. Guide to the Markets – U.S. Data are as of December 31, 2025.

# Artificial Intelligence: Hyperscaler Investment

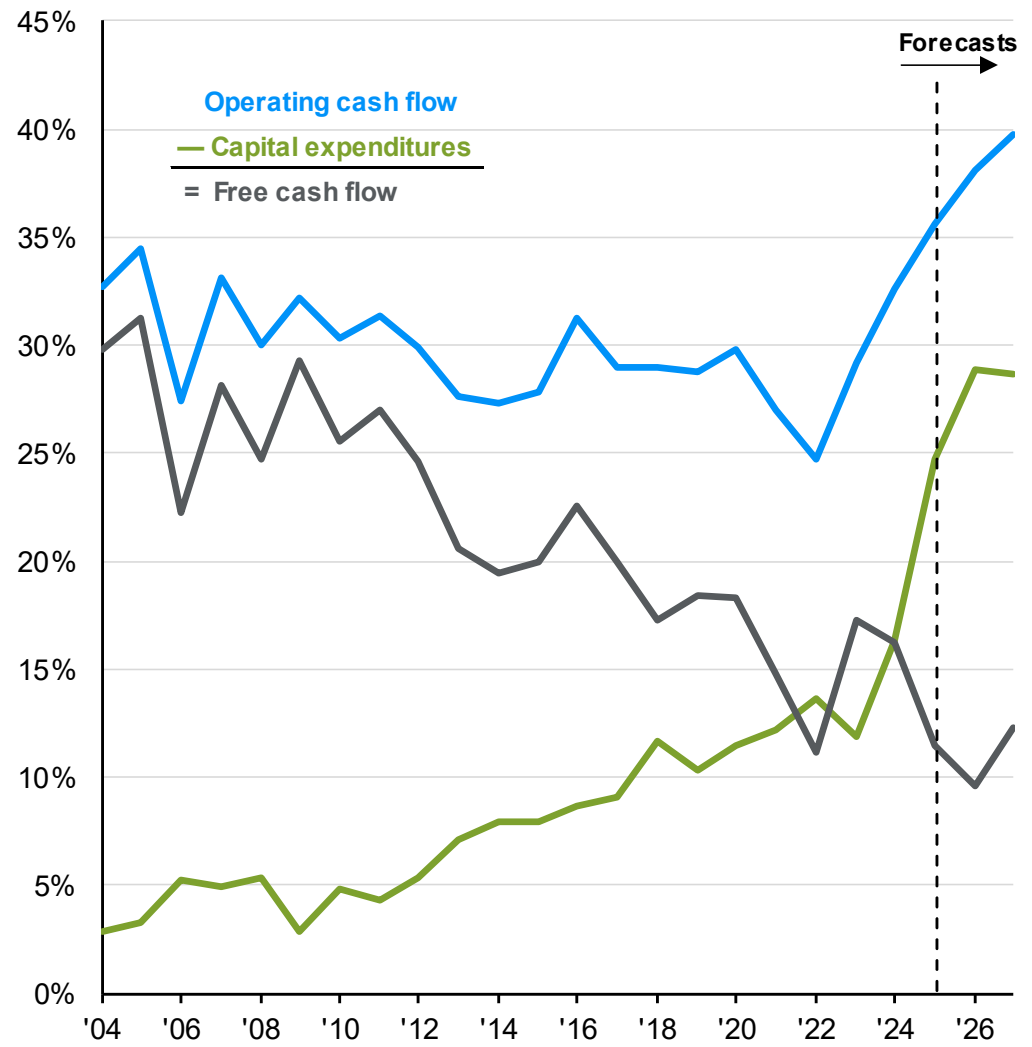
## Capex from the major AI hyperscalers\*

USD billions; Alphabet, Amazon, Meta, Microsoft, Oracle



## Hyperscalers' cash flow and capex

% of sales

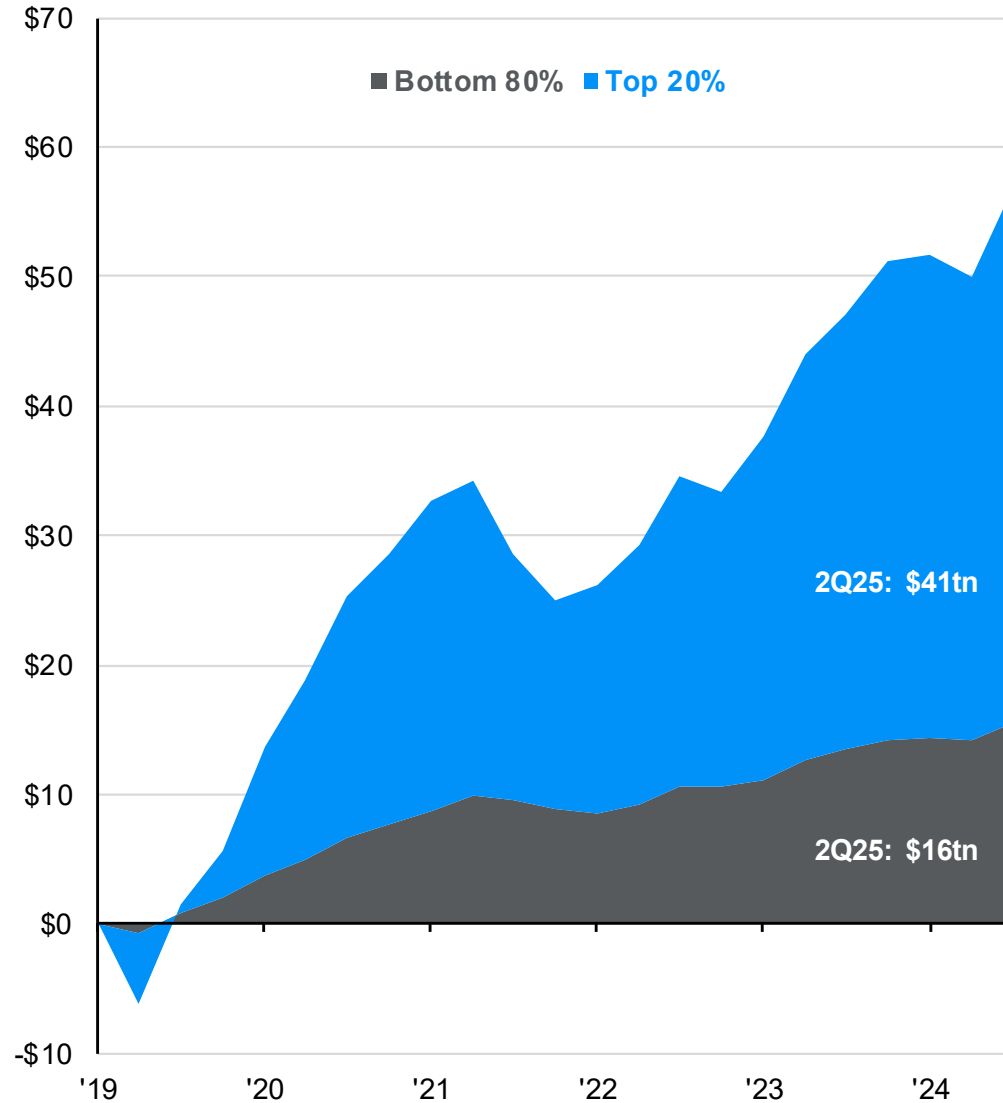


Source: Bloomberg, J.P. Morgan Asset Management. Data for 2025, 2026 and 2027 reflect consensus estimates. Capex shown is company total. \*Hyperscalers are the large cloud computing companies that own and operate data centers with horizontally linked servers that, along with cooling and data storage capabilities, enable them to house and operate AI workloads. Guide to the Markets – U.S. Data are as of December 31, 2025.

# Drivers of Consumer Spending

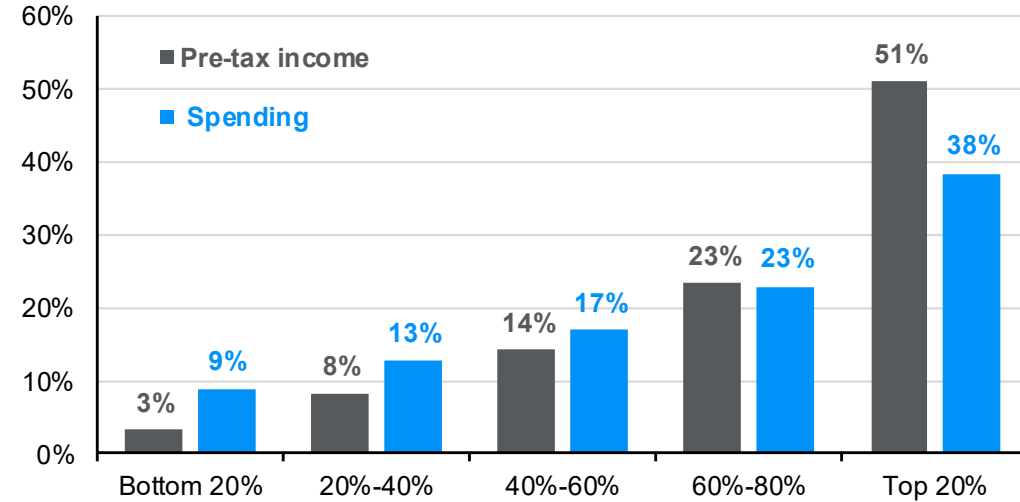
## Net worth growth by income cohort

Cumulative growth from 4Q19, by pre-tax income cohort, USD trillions



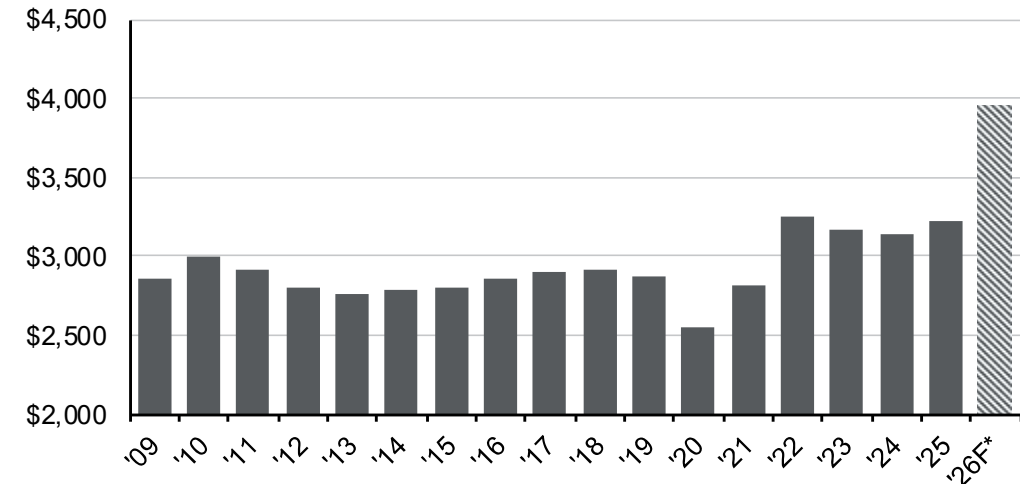
## Consumer share of total pre-tax income and spending

By pre-tax income cohort, 2024



## Average income tax refund by filing year

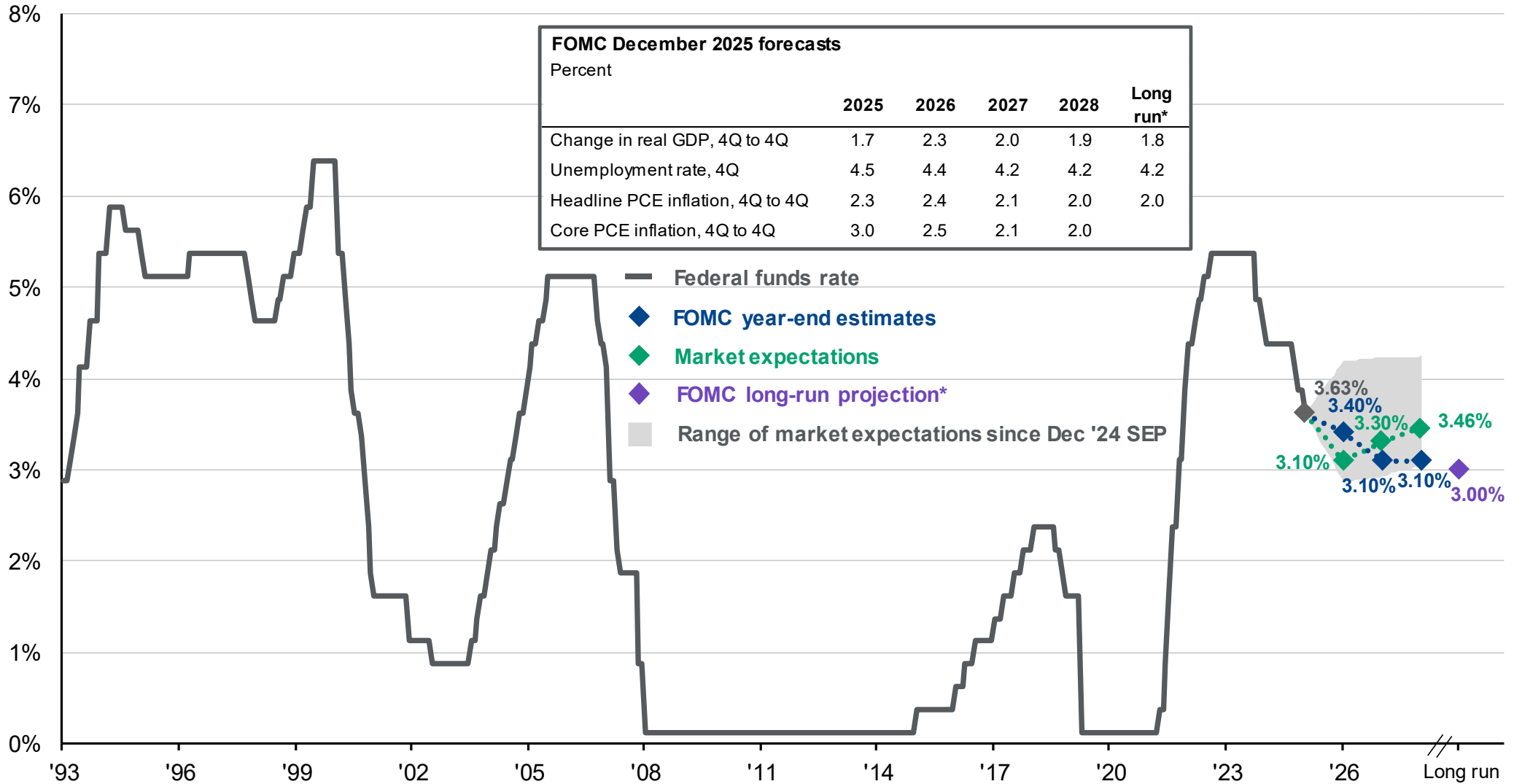
2009 - 2026F\*



Source: J.P. Morgan Asset Management; (Left) Federal Reserve; (Top right) BLS; (Bottom right) IRS. (Left) Data sourced from the 2024 Consumer Expenditure Survey. (Top right) Data sourced from the Federal Reserve's Distributional Financial Accounts report. (Bottom right) \*2026 figure is a J.P. Morgan Asset Management forecast.  
Guide to the Markets – U.S. Data are as of December 31, 2025.

## Federal funds rate expectations

FOMC and market expectations for the federal funds rate



Source: FactSet, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management. Returns are 12-month and 60-month annualized total returns, measured monthly, beginning 12/31/1993. R<sup>2</sup> represents the percent of variation in total return that can be explained by forward P/E ratios. The forward P/E ratio is the most recent S&P 500 index price divided by consensus analyst estimates for earnings in the next 12 months, provided by IBES since December 1993 and FactSet since January 2022. Past performance is no guarantee of future results.  
 Guide to the Markets – U.S. Data are as of December 31, 2025.

# Important Disclosures and Index Descriptions

---

This report is provided for informational purposes only. Any opinions expressed by Badgley Phelps are based on economic or market conditions at the time this material was written. Actual economic or market events may turn out differently than anticipated.

The graphs and tables making up this report have been based on unaudited, third-party data and performance information provided to us by one or more commercial databases. While we believe this information to be reliable, Badgley Phelps bears no responsibility whatsoever for any errors or omissions. Additionally, please be aware that past performance is not a guide to future performance and that the performance results displayed herein may have been adversely or favorably impacted by events and economic conditions that will not prevail in the future. Therefore, caution must be used in inferring that these results are indicative of future performance. An investment involves risks, including the possible loss of principal.

In addition to reports prepared by and received from Badgley Phelps, clients receive monthly account statements directly from the qualified custodian(s) of their brokerage accounts. A client's report may differ slightly from the custodian's statement(s) for various reasons, including but not limited to the following: (1) Badgley Phelps Reports generally are prepared on a trade-date basis, reflecting holdings as of the day transactions are executed, while holdings in custodians' statements generally are reported on a settlement basis, which typically is three to five business days after the trade date; (2) Badgley Phelps reports may include assets that it advises on but are not held at the Client's custodian (for which Badgley Phelps receives data and valuations from other sources as explained above); and/or (3) Badgley Phelps' Reports may exclude non-managed positions on which Badgley Phelps does not advise, while the custodians generally must report all client assets that they hold. Badgley Phelps encourages clients to compare their Reports to the custodians' statements on a regular basis and to direct any questions to their Wealth Advisor. A client that does not receive a monthly statement from their custodian should inform their Wealth Advisor.

An index is a hypothetical basket of securities. It cannot be invested in directly.

## **Equity Indexes**

**S&P 500 Total Return Index:** is an unmanaged composite of 500 leading large capitalization companies and covers approximately 80% of available market capitalization. The index includes the reinvestment of dividends.

**Russell 1000 Index:** is a subset of the Russell 3000 Index that includes approximately 1,000 of the largest companies in the US equity universe. Constructed using a transparent, rules-based methodology, the Russell 1000® Index is designed to provide unbiased representation of the large cap segment of the US equity market.

**Russell 1000 Growth Index:** measures the performance of the large cap growth segment of the US equity universe. It includes those Russell 1000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

**Russell 1000 Value Index:** measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

**Russell 2500 Index:** measures the performance of the small to midcap segment of the US equity universe, commonly referred to as "smid" cap. The Russell 2500 Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500 Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set.

**MSCI ACWI ex USA Net Index:** captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries. With 2,320 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

**MSCI EAFE Net Index:** designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The Index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

**MSCI Emerging Markets Net Index:** captures large and mid cap representation across 24 Emerging Markets (EM) countries. With 1,437 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

## **Fixed Income Indexes**

**Bloomberg Barclays US Corporate 1-5 Year Bond Index:** measures the investment grade, fixed-rate, taxable corporate bond market with one to five years left to maturity. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers. The index was launched in October 2003, with index history backfilled to January 1, 2001.

**Bloomberg Short (1-5 Year) Municipal Bond Index:** is a market value-weighted index which covers the short components of the Bloomberg Municipal Bond Index, an unmanaged, market value-weighted index which covers the U.S. investment-grade tax-exempt bond market. The Bloomberg Short (1-5 Year) Municipal Bond Index tracks tax-exempt Municipal General Obligation, Revenue, Insured, and Prerefunded bonds with a remaining maturity from 1 up to (but not including) 5 years.

**Bloomberg Municipal Bond 1-10 Year Blend Index:** is a market value-weighted index which covers the short and intermediate components of the Bloomberg Municipal Bond Index, an unmanaged, market value-weighted index which covers the U.S. investment-grade tax-exempt bond market. The Bloomberg Municipal Bond 1-10 Year Blend Index tracks tax-exempt Municipal General Obligation, Revenue, Insured, and Prerefunded bonds with a remaining maturity from 1 up to (but not including) 12 years.

**Bloomberg Barclays Intermediate Government/Credit Index:** Government/Credit Index, which is a broad-based index that measures the performance of Treasuries, government/related and investment grade U.S. corporate securities with a remaining maturity between one and 10 years.

## **Cash & Equivalents Index**

**FTSE 3 Month US T-Bill:** The FTSE 3 Month US T Bill Index Series is intended to track the daily performance of 3-month US Treasury bills. The indexes are designed to operate as a reference rate for a series of funds.