



Investment Policy Statement

BANDON POOL

INTRODUCTION

The Bandon Pool Fund (hereinafter referred to as the “Fund”) was created to provide perpetual financial support to the Bandon Community Swimming Pool Development Corporation (ABN Bandon Pool). The purpose of this Investment Policy Statement is to establish guidelines for the Fund’s investment portfolio (the “Portfolio”) . This statement also incorporates accountability standards that will be used for monitoring the progress of the Portfolio’s investment program and for evaluating the contributions of the manager(s) hired on behalf of the Fund and its beneficiaries.

ROLE OF THE INVESTMENT COMMITTEE

- The Investment Committee (the “Committee”) is acting in a fiduciary capacity with respect to the Portfolio and is accountable to the Board of Directors for overseeing the investment of all assets owned by, or held in trust for, the Portfolio. Until established separately by the Bandon Pool Board of Directors, this role will be executed by the Board, with the Treasurer acting as the Committee chair.
- This Investment Policy Statement sets forth the investment objectives, distribution policies and guidelines that govern the activities of the Committee and any other parties to whom the Committee has delegated investment management responsibility for Portfolio Assets.
- The investment policies for the Fund contained herein have been formulated consistently with Bandon Pool’s anticipated financial needs and in consideration for assuming investment and financial risk as reflected in the majority opinion of the Committee.
- Policies contained in this statement are intended to provide guidelines where necessary for ensuring that the Portfolio’s investments are managed consistently with the short-term and long-term financial goals of the Fund. At the same time, they are intended to provide for sufficient flexibility in the face of changes in capital market conditions and in the financial circumstances of Bandon Pool.

- The Committee will review this Investment Policy Statement at least once per year. Changes to this Investment Policy Statement can be made only by affirmation of a majority of the Committee, and written confirmation of the changes will be provided to all Committee members and to any other parties hired on behalf of the Portfolio as soon thereafter as practical.
- The Committee will engage the services of a local Certified Financial Planner (CFP) or nationally reputable financial services company to manage the Portfolio. The selection of the CFP or company will be by Committee vote and in accordance with the Bandon Pool Code of Conduct.

INVESTMENT OBJECTIVE AND SPENDING POLICY

- The Fund is to be invested with the objective of preserving the long-term, real purchasing power of assets, while providing a relatively predictable and growing stream of annual distributions in support of Bandon Pool.
- For making distributions, the Fund shall make use of a total-return based spending policy, meaning that it will fund distributions from net investment income, net realized capital gains, and proceeds from the sale of investments.

INVESTMENT GOALS

As of 2025, Bandon Pool is expected to have an operating deficit of \$200,000 per year. The goal of the Committee is to raise capital and invest funds such that a minimum of 2 years shortfall is available in cash by the opening of the Bandon Pool to the public (estimated 2030). Furthermore, the Portfolio should have sufficient capital --\$3.5 million so that investment return will continue this revenue stream for decades to come.

RISK TOLERANCE

Bandon Pool and the Committee recognize they are stewards of the funds donated to them by the residents and community of Bandon and other charitable foundations. As such, we will pursue a lower risk strategy for all investments, recognizing that this will likely result in lower returns.

ASSET ALLOCATION

- The Portfolio allocation should be approximately 45% in equity investments, 45% in fixed income investments such as bonds, and 10% in cash and money markets. Equity investments should be diversified to reduce risk and, in keeping with our code of conduct and business plan, avoid the following:

- a. Companies which sell products proven to be detrimental to physical health of minors such as tobacco, firearms, alcohol and recreational drugs.
- b. Corporations whose primary service is to law enforcement or incarceration facilities.

PERFORMANCE BENCHMARKING

The goal of the Portfolio is an average annual return of 6% after brokerage and planner fees. Performance will be reviewed yearly along with this Investment Policy Statement.

REGULAR REVIEW

The Committee Chair shall review the portfolio monthly with the CFP and prepare a report for the Committee at least quarterly. Reports may be generated more frequently based on market conditions and financial needs of Bandon Pool