

**MINUTES OF THE FEBRUARY 25, 2025
INVESTMENT COMMITTEE MEETING
OF THE
PATRICK AND AIMEE BUTLER FAMILY FOUNDATION**

The Investment Committee meeting of the Patrick and Aimee Butler Family Foundation was held on Tuesday, February 25, 2025, at 3:00 p.m. Central Time via conference call.

The meeting was called to order by Patrick O'Brien, current Chair of the Investment Committee. John K. Butler acted as recording Secretary of the meeting.

Upon call of the Secretary, the following Committee members were present: Patrick O'Brien, Ronald Kaliebe, Andrew B. LeFevour and Emmett LeFevour. Also present were Foundation Chief Investment Officer John Butler and Foundation Co-Director Robert Hybbs.

The Chair called for consideration of the minutes of the August 20, 2024 meeting of the Investment Committee. Upon motion duly made, seconded and unanimously carried, the minutes of the August 20, 2024 Investment Committee meeting were approved, ratified and confirmed.

The Chair then called on Mr. John Butler to provide an overview of the markets in 2024. Mr. Butler commented that the year was a continuation of 2023, with growth and risk assets outperforming and diversified portfolios lagging. Valuations of almost all asset classes remain elevated and there is little concern for the risk side of the equation.

The committee then reviewed the 2024 year-end summary statement, which is produced by the Foundation's custodian, Principal Custody Solutions. Mr. Butler pointed out that the Foundation assets continued to hold steady around \$100 million, with a strong stock market offsetting grants and expenses.

Mr. Butler next reviewed the performance of the overall Foundation portfolio for the year. The Foundation's total return for 2024 was 6.5%, below the estimated 7-9% for the average foundation. In a shift from most years, smaller foundations outperformed their larger peers as smaller foundations tend to be less diversified and have more exposure to US large-cap stocks.

Mr. Butler then reviewed the asset allocation of the Foundation and the performance of the Foundation's individual asset managers. As of December 31, 2024, the asset allocation remains within the targets set by the Foundation's Investment Policy Statement. Mr. Butler also noted that he is planning to revise this report to include what he believes will be more relevant information for the Committee.

Next, Mr. Butler reviewed with the Committee the schedule showing the managers of the various asset classes of the Foundation, where the assets are held (i.e., who is the custodian) and the estimated fees paid by the Foundation. Mr. Butler then discussed the total cost of managing the Foundation's assets versus the costs incurred by other foundations and noted that the Butler Foundation's costs remain well below average.

Mr. Butler then updated the Committee on any potential new investments or recent changes. Several of the private investments are wrapping up and the remaining dollar amounts are very small. These investments include the Morgan Stanley Real Estate Funds and the Wastewater Fund. The newest private investment, Starwood Opportunity Fund XIII, has started to make investments, but has not yet called capital as it is using a line of credit. It is still too early in the process to determine any potential return numbers, but there are no red flags. Mr. Butler also informed the Committee that he had sold the entire position of the Templeton Total Return Fund at the end of January. The Fund underperformed when bond yields moved lower, as was expected, but it then also underperformed when bond yields started to move higher, which was a disappointment. The Fund has also experienced a sharp decrease in assets, which increases its risk profile.

The next Committee meeting will be in August of 2025. The meeting will be scheduled in July and materials for it will be sent one week before.

The meeting adjourned at 3:45 p.m. Central Time.


John K. Butler, Secretary

ATTEST: 
Patrick O'Brien, Committee Chair