

4 February 2023

To: The Class of 1958

Subject: 2023 Annual Report for the USMA Class of 1958 Perpetual Endowment Fund

Dear USMA Class of 1958

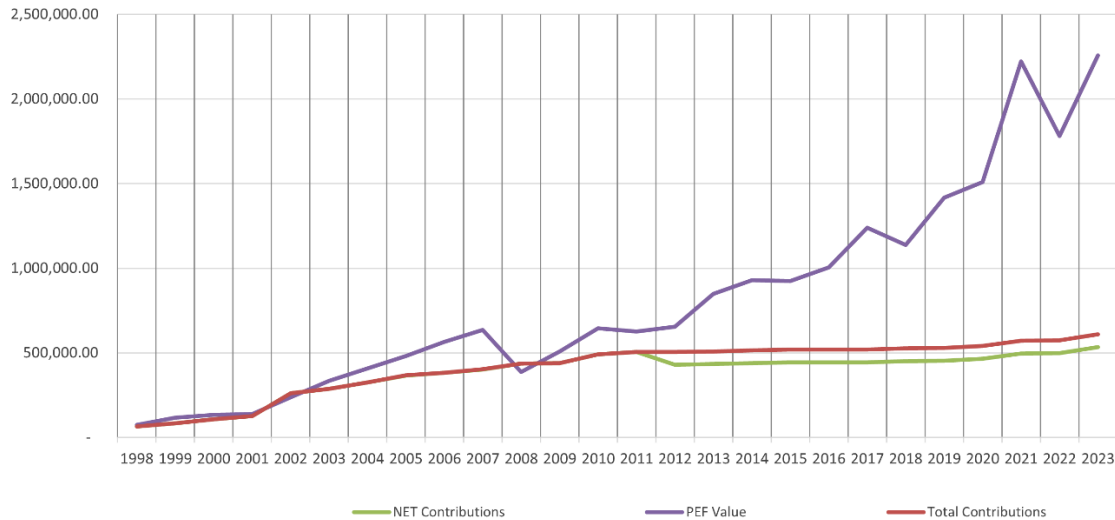
Overall, 2023 proved to be a good year. The market was volatile in the beginning of the year but finished strong. After the downward trend for the most of 2022, I am pleased to report that the value of the fund at the end of 2023 has finally exceeded the value on 1 January 2022. This upward trend is continuing – **as of 2 February 2023 the balance is over 2.3 million dollars which is about \$71 thousand more than the balance at end of 2023.** Below are the account details.

Status of your Class Endowment as of 31 December 2023

1.	2023 RESULTS	
	Value on 1 January 2023:	\$1,780,662
	2023 Contributions:	\$ 35,900
	Grants to Class of '58 Fund:	\$ (50)
	Administrative Adjustments: ¹	\$ 5,218
	Change in Account Value:	\$ 436,293
	Value on 31 December 2023:	\$2,258,023
2.	SINCE INCEPTION (10/20/1998):	
	Total Investments:	\$ 609,749
	Total Withdrawals:	\$ (76,100)
	Net Lifetime Contributed:	\$ 533,649
	Paper Profit:	\$1,724,374
3.	2023 ACCOUNT PERFORMANCE:	
	Return on Investment:	\$ 436,293
	2023 Rate of Return:	26.81%
4.	2023 FUND and BENCHMARK PERFORMANCE	
	• U.S. Equity Access:	25.98%
	Benchmark – S&P 500:	18.40%
	• Total Market Index:	20.05%
	Benchmark – DJ U.S. Total Stock Mkt Index:	20.79%
	• International Equity Access:	14.71%
	Benchmark – MSCI EAFE Index:	8.02%
	• Sustainable International Index:	12.33%
	Benchmark – MSCI ACWI xUSA ESG Ldrs:	13.81%

¹ This line item "Administrative Adjustments" reflects dollars deposited in the PEF each quarter because our fund is above the million-dollar threshold. There is standard administrative fee that is taken out of the PEF account each quarter and then based on PEF account value a certain amount of dollars is returned to the fund. This type of transaction is termed "Administrative Adjustments."

CLASS of 1958 Perpetual Endowment Fund Performance



At the 21 November 2023 annual board meeting, the board voted to leave the PEF money in the four current investment funds. At the end of calendar year 2023, the accounts reflected the board approved allocation target as follows (The accounts were rebalanced accordingly):

- 10% International Equity Access Pool
- 10% Sustainable International Index
- 40% Total Market Index
- 40% US Equity Access Pool

The fund is required to contribute \$250 every seven years to a charitable cause. Years ago, the Endowment Board voted to accomplish this with an automatic donation to the AOG - Class of 1958 Gift Fund of \$50 each year in June. In addition, the Fund granted \$75,000 in 2012 towards the funding of the First-Class Club Renovation and upgrade.

2023 was a big year for contributions, totaling \$35,900. The large 2023 contribution amount is largely due to the \$24,900 disbursed on 1 June 2023 from the class of '58's admin funds in honor (at the time) of 249 surviving classmates (\$100 donation for each). The distribution was voted on at the class reunion in May 2023 at the business meeting.

Seven members of the Class have included the Endowment Fund on estate documents for a total of \$174,958. Of the \$174,958, \$30,000 has been deposited into the Endowment Fund. If anyone has established the Gift Fund as a beneficiary in your estate, please drop me a line or send me an email (dnagle82@gmail.com) so that I can annotate that information in the Treasurer's records.

The PEF was established by a vote of the Class of '58 on the 40th reunion to provide a long-term series of gifts to the USMA. The Endowment by-laws require that the Endowment Board distribute 25% of the Fund to the Academy in 2058 and continue with additional 25% donations every 10 years after that into perpetuity.

If you would care to contribute to your class fund, please mail your check to the below address, made payable to **"Fidelity Charitable Gift Fund."**

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