

January 16, 2026

BAXTER STATE PARK AUTHORITY

INVESTMENT REVIEW

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Prepared For:

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Commissioner of Inland Fisheries and Wildlife

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Chair of BSP Authority

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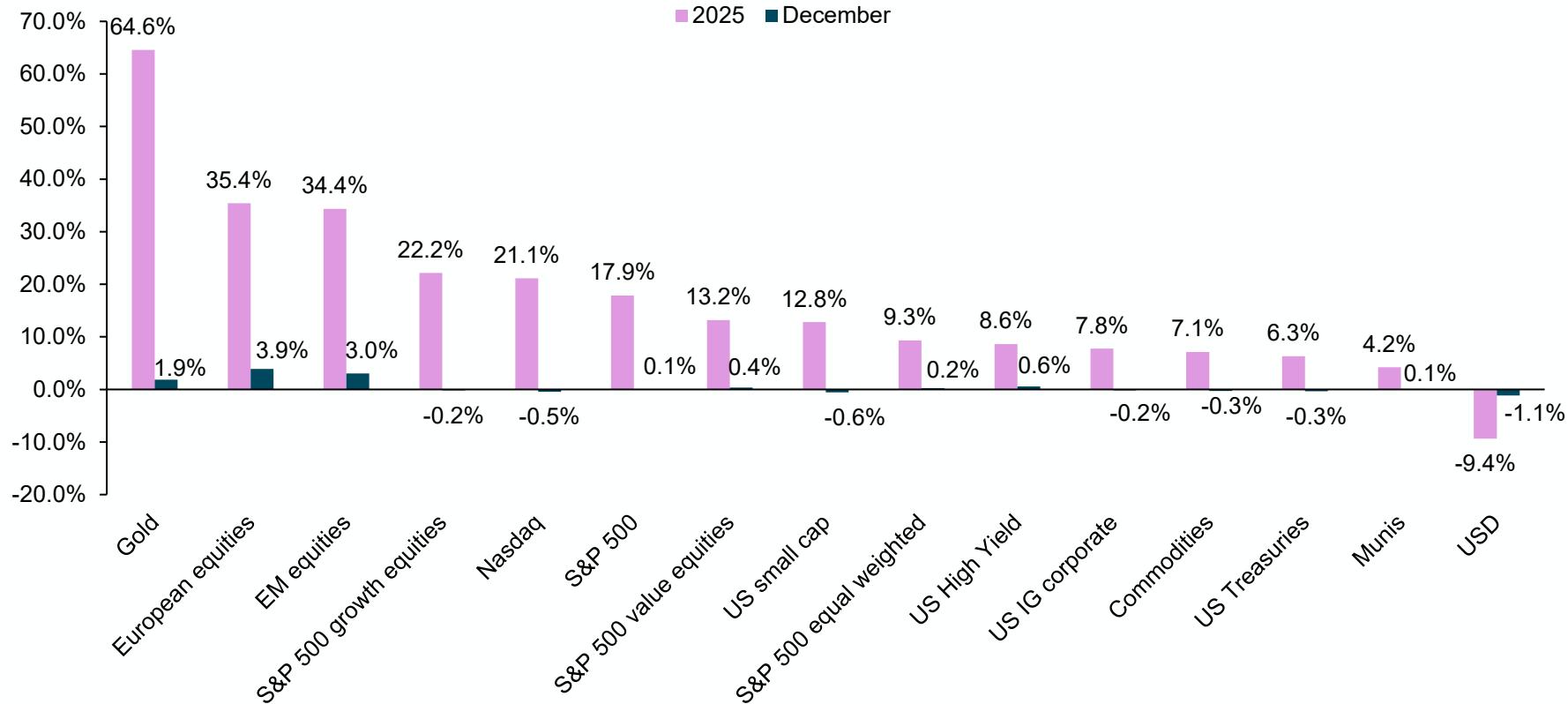
Aaron Frey

Maine Attorney General

A good year for markets

- The S&P 500 gained 18% in 2025 which trailed the NASDAQ's 21% gain.
- International equities were also strong with Europe and EM up more than 30% (in USD).
- Fixed income delivered gains between 4%-8% for the year.
- Gold was the leader up 65% while the USD lagged and was down 9%.

Broad asset class total returns %

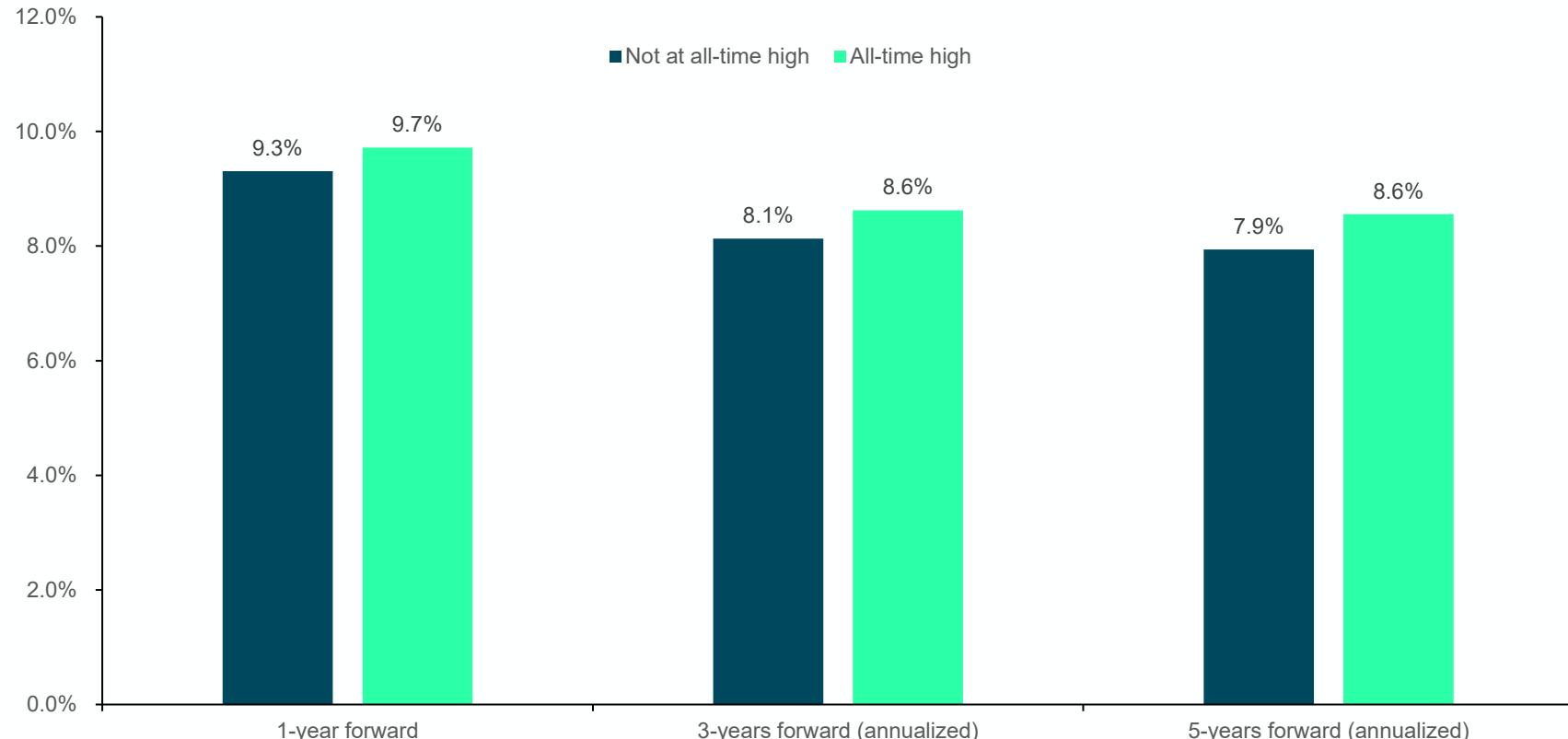


Source: Bloomberg. Data as of 1/7/2026. Past performance is no guarantee of future results. Total returns where data available or relevant.

Investing at all time highs isn't a risk

- The S&P 500 reached 39 all-time highs in 2025 — the 5th-most since 2000 and 15th-most in history.
- When markets reach new highs, investors can become overly cautious and think the market has peaked.
- Historically, on average forward returns after new all-time highs are higher vs. days when the market hasn't peaked.
- Staying invested and diversified with a long-term perspective is the best way to build wealth.

S&P 500 returns after new all-time highs vs. other days: 1950 to 2025



As of 12/31/2025. Source: Bloomberg. S&P 500 price returns.

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BNY Wealth forecasts

	2025	2026	2027
U.S. Real GDP (Y/Y)	0.5% - 1.5%	1.7% - 2.3%	1.7% - 2.3%
U.S. Headline CPI Year-End Target	2.6% - 3.3%	2.6% - 3.3%	2.5% - 3.0%
S&P 500 Earnings	\$265 - \$275	\$305 - \$315	\$350 - \$360
S&P 500 Year-End Target*	6,300 - 6,700	7,200 - 7,600	8,000 - 8,400
10-Year Treasury Yield**	4.00% - 4.50%	4.00% - 4.50%	3.75% - 4.25%

Our estimates reflect a 20% chance of a mild U.S. recession in 2026. *Based on 2028 calendar year S&P 500 earnings target mid-point of \$397. **10-year Treasury yield is year-end target, not range.

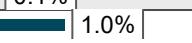
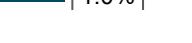
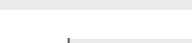
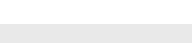
Source: BNY Wealth. As of 1/7/2026.

Change in Assets

	2025	2024
Beginning Market Value	\$119,271,882	\$110,261,453
Net Flows	(\$3,558,489)	(\$4,244,664)
<i>Portfolio Additions</i>	<i>\$17,179</i>	<i>\$18,872</i>
<i>Withdrawals</i>	<i>(\$3,575,668)</i>	<i>(\$4,263,535)</i>
Investment Return*	\$16,738,541	\$13,255,093
Ending Market Value	\$132,451,934	\$119,271,882

*Investment Return (Net of Fees)

Portfolio Positioning: Baxter State Park Consolidated

Fund Type	Actual Allocation	Target Allocation	Over / Under (vs Target)	Market Value
Cash				
Cash and Cash Equivalents	1.8%	0.5%		\$2,325,492
Total Cash	1.8%	0.5%		\$2,325,492
Equities				
U.S. Large Cap	37.8%	36.5%		\$50,038,292
U.S. Mid Cap	6.7%	7.0%		\$8,886,240
U.S. Small Cap	3.3%	3.5%		\$4,334,893
Developed International	10.8%	10.7%		\$14,311,775
Emerging Markets - Large Cap	5.4%	5.3%		\$7,117,740
Total Equities	63.9%	63.0%		\$84,688,939
Fixed Income				
Taxable Fixed Income	19.9%	20.5%		\$26,291,357
High Yield	0.8%	1.0%		\$1,108,719
Emerging Mkts - Fixed Income	1.0%	1.0%		\$1,297,743
Total Fixed Income	21.7%	22.5%		\$28,697,819
Alternative Investments				
Private Equity	12.6%	14.0%		\$16,739,684
Total Alternative Investments	12.6%	14.0%		\$16,739,684
TOTAL	100%	100%		\$132,451,934

IPS Ranges

Equity: 50%-70% (Policy Target 60%)

Bonds: 15%-35% (Policy Target 25%)

Alternatives: 0%-25% (Policy Target 15%)

"Risk asset" cap: 80% of portfolio (equities / alternatives / HY bonds / EM fixed income)

Note: Private Equity line item includes Fugio PE/VC Funds, Commonfund PE Funds, Fortress Lending Fund III, and Ares Strategic Income Fund

Annualized Returns	Three Months	YTD	Annualized			
			Three Years	Five Years	Ten Years	Fifteen Years
Total Portfolio						
Baxter Trust (Net)	1.7%	14.1%	15.0%	8.1%	9.2%	8.1%
Investment Fund (Net)	1.5%	11.8%	9.5%	8.4%	10.0%	8.8%
Consolidated (Net)	1.7%	13.5%	13.3%	8.2%	9.5%	8.3%
1) Blended Benchmark (70 ACWI / 5 SO / 25 Agg)	2.8%	18.5%	16.6%	8.6%	9.6%	8.4%
2) Blended Benchmark (70 S&P 500 / 5 SO / 25 Agg)	2.3%	15.4%	17.8%	10.4%	11.3%	10.8%
3) Consumer Price Index + 3%	1.2%	5.6%	6.0%	7.6%	6.3%	5.7%

Benchmark Summary

- 1) 70% MSCI ACWI / 25% Bloomberg Agg Bond Index (Bonds) / 5% (50% 90 day Tbill + 3% / 50% MSCI ACWI)
- 2) 70% S&P 500 / 25% Bloomberg Agg Bond Index / 5% (50% 90 day Tbill + 3% / 50% MSCI ACWI)
- 3) Benchmark tracking purchasing power of assets after distributions

This information is being provided for information purposes only, based on sources we believe to be accurate. It is not to be considered as an official statement of the account(s).

Stewardship Index

Year-Ending	Market Value	Total Return Consolidated ⁽¹⁾	Distributions		Inflation CPI	Inflation Core CPI ⁽²⁾	The Stewardship "Index" ⁽³⁾	The Stewardship "Index" ^(3,4)
12/31/01	\$51,709,678	-2.8%	\$1,284,800	2.5%	1.6%	2.7%	-6.9%	-8.0%
12/31/02	\$45,106,324	-10.3%	\$1,382,000	3.1%	2.4%	1.9%	-15.7%	-15.2%
12/31/03	\$53,110,536	21.3%	\$1,615,000	3.0%	1.9%	1.1%	16.4%	17.2%
12/31/04	\$56,655,724	9.9%	\$1,660,000	2.9%	3.3%	2.2%	3.7%	4.8%
12/31/05	\$58,511,512	6.7%	\$1,821,800	3.1%	3.4%	2.2%	0.2%	1.4%
12/31/06	\$63,077,391	10.7%	\$1,555,000	2.5%	2.5%	2.5%	5.7%	5.7%
12/31/07	\$67,762,152	10.3%	\$1,725,000	2.5%	4.1%	2.3%	3.7%	5.5%
12/31/08	\$47,006,778	-28.1%	\$1,935,000	4.1%	0.1%	2.3%	-32.3%	-34.5%
12/31/09	\$55,711,926	23.3%	\$1,965,000	3.5%	2.7%	1.7%	17.1%	18.1%
12/31/10	\$61,442,234	14.1%	\$2,050,000	3.3%	1.5%	1.0%	9.2%	9.7%
12/31/11	\$56,268,986	-4.7%	\$2,090,000	3.7%	3.0%	1.7%	-11.4%	-10.1%
12/31/12	\$61,727,964	13.3%	\$1,920,000	3.1%	1.7%	2.1%	8.5%	8.1%
12/31/13	\$70,460,064	17.4%	\$1,845,000	2.6%	1.6%	1.8%	13.2%	12.9%
12/31/14	\$72,919,068	6.6%	\$1,890,000	2.6%	0.8%	1.7%	3.2%	2.3%
12/31/15	\$70,402,050	-0.6%	\$2,120,700	3.0%	0.7%	2.1%	-4.3%	-5.7%
12/31/16	\$73,715,143	7.8%	\$2,023,000	2.7%	2.1%	2.2%	3.0%	2.9%
12/31/17	\$84,004,182	17.1%	\$2,200,188	2.6%	2.1%	1.8%	12.4%	12.7%
12/31/18	\$77,800,029	-5.0%	\$2,155,000	2.8%	1.9%	2.2%	-9.6%	-9.9%
12/31/19	\$91,751,652	21.4%	\$2,500,000	2.7%	2.3%	2.3%	16.4%	16.4%
12/31/20	\$101,806,117	14.3%	\$2,769,471	2.7%	1.4%	1.6%	10.2%	10.0%
12/31/21	\$119,426,401	19.4%	\$1,980,208	1.7%	7.0%	5.5%	10.7%	12.2%
12/31/22	\$99,475,549	-14.6%	\$2,586,811	2.6%	6.5%	5.7%	-23.7%	-22.9%
12/31/23	\$110,261,453	14.2%	\$3,024,519	2.7%	3.4%	3.9%	8.0%	7.5%
12/31/24	\$119,271,883	12.3%	\$4,251,113	3.6%	2.9%	3.2%	5.8%	5.5%
12/31/25	\$132,451,934	13.5%	\$3,558,965	2.7%	2.7%	2.6%	8.1%	8.2%
25 Year Average:	\$76,073,469.22	6.7%	\$2,156,343	2.8%	2.5%	2.4%	1.3%	1.5%

⁽¹⁾ Long-term average return presented is geometric mean return

⁽²⁾ Data retrieved from the Bureau of Labor Statistics

⁽³⁾ Total return *less* distribution rate, adjusted for inflation.

⁽⁴⁾ Stewardship Index calculated using Core CPI

Administration

OPERATIONAL SUMMARY: BSP INVESTMENT FUND

Investment Authority

BNY Wealth has full investment authority within the guidelines set out by the Investment Policy Statement.

Statements

Income and principal summary, with asset lists, are mailed quarterly to Brian Noyes and Rupert White. Baxter State Park Authority receives monthly and annual statements. Kevin Adam receives monthly statements. The State Treasurer receives annual statements. The Attorney General of Maine receives quarterly statements.

Payments

Upon receipt of authorized instruction.

Fees

On the 24th of each month, one twelfth (1/12) of the annual fee is charged to income based on the following fee schedule:

Advisory Fee Based on Market Value *

.40% on the first \$25,000,000

.25% on the next \$25,000,000

.20% on the next \$100,000,000

* 15% discount to be applied to advisory fee tiers

Administration

OPERATIONAL SUMMARY: BAXTER TRUST

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Investment Authority

Boston Safe (BNY Wealth) is sole Trustee for the Percival Baxter Trust.

Statements

Consolidated and individual income and principal summary, with asset lists, are mailed quarterly to Brian Noyes and Rupert White for both Trust accounts. Kevin Adam receives monthly statements for both Trust accounts. Baxter State Park Authority receives monthly and annual (calendar year end) statements for the two Trust accounts. The Maine State Treasurer receives annual statements for the Park's fiscal year-end (June) for both Trust accounts. The Maine State Attorney General receives quarterly statements for both accounts.

Payments

At the end of each month, net income is transferred to the Baxter State Park Authority Investment Fund (a/c # 10600421xxx).

Fees

At the end of each month fees are charged 50% to income and 50% to principal based on the following schedule: 5% of Income, in accordance with Amendment to Trust dated May 18, 1966.

Performance Review: Disclosure

Performance shown is total return, expressed as a percentage, including income and gains (realized and unrealized) in the portfolio. For periods of greater than one year, performance is shown as an average annual rate of return. Periods of less than one year are not annualized.

Portfolio Net of Fee returns reflects the deduction of management fees or other fees payable by the account.

In valuing the assets in portfolios, we use data and information supplied by the third-party vendors. Although we exercise great care in the selection of such vendors, we do not guarantee the accuracy of the information provided.

Past performance is not necessarily indicative of future results.

Information appearing in the "Since Inception" or "Report Period" column on your report represents the performance data since the time we began to calculate performance returns for the specific asset classes or subclasses held in your account(s). In some instances, the calculations for portfolio information may pre-date the detailed information appearing on your report.

Market values, contributions/withdrawals, and gain/loss data on the report may differ from account statements as a result of differential system handling of accruals, included and excluded assets, start dates and transaction dating. This information should not be used for tax purposes.

Additionally, where the Inception Date for your account(s) is not the first day of the month, there will be a timing mismatch with the underlying benchmarks as benchmark performance is calculated from the first day of the month, regardless of your account(s) Inception Date. Also, it always takes time to align a new account with our agreed upon investment strategy. For example, if an account consists of all cash or legacy securities on Inception Date, the account will need to be fully transitioned before comparison with the underlying benchmark is appropriate.

Benchmarks: Benchmarks used for performance comparison are noted on the report.

* The Intermediate Municipal Bond Index represents returns of the Constant 5.5 year Duration Blend of the Merrill Lynch Intermediate (U0T0) Municipal Bond Index and the Merrill Lynch 12-22 Year (U4A0) Municipal Bond Index for periods prior to January 2010 and the returns of the S&P Municipal Bond Intermediate Index from January 2010 forward.

* The Global Equity Index represents returns of the S&P 500 for periods prior to March 2024 and the returns of the MSCI ACWI IMI (net) from March 2024 forward.

* The US All Cap Index represents returns of the S&P 1500 (reweighted) index prior to July 2025, and returns of the Solactive Re-Weighted 1500 from July 2025 forward.

* The MSCI ACWI / MSCI ACWI IMI Index represents returns of the MSCI All Country World Index for periods prior to March 2024 and the returns of the MSCI ACWI IMI (Net) from March 2024 forward.

For additional performance information, or for any matter pertaining to your account relationship, please contact your Wealth Manager.