

## **2016/17 Investment Committee Report to the CUUC Congregation**

This report summarizes the activities of the CUUC Investment Committee during the 2016 calendar year and serves to fulfill the reporting requirement specified in the CUUC By-Laws.

As of 1 January 2016 the Investment Committee oversaw a portfolio valued at \$312,683, divided among 7 accounts:

- Endowment
- Music
- Building
- Capital
- Pre-Paid Pledges
- Planned Giving Restricted
- Planned Giving Unrestricted

During the course of the year the committee returned \$100,983 to CUUC for a variety of reasons, leaving the year-end total balance at \$248,021.

Details of account balances and assets held in each account are provided to the Treasurer each month along with a statement from the custodian of all assets, Charles Schwab.

The investment return on the CUUC portfolio for 2016 was approximately 15.6%. The year-end asset-allocation for the portfolio was 67% Equity, 30% Income, and 3% Cash, though this varied during the year based upon cash-flow requirements. The portfolio's Equity Investments fared well during the year, earning 12.5%. The Income results were excellent, earning over 25% in both income and capital appreciation. Our position holding floating rate securities fared well given the expectation for rising interest rates. The cash allocation earned little due to the low rates paid on money market funds under current conditions.

Significant events during 2016 included:

- The Board of Trustees elected not to exercise its right to take a distribution from the Endowment Fund.

Account Balances as of 3/31/2017:

- Endowment \$ 61,324
  - Music \$ 6,437
  - Building \$ 2,715
  - Capital \$ 368
  - Pre-Paid Pledges \$ 8,535
  - Planned Giving Restricted \$ 165,615
  - Planned Giving Unrestricted \$ 18,109
- \$263,104