

2017 Investment Committee Report to the CUUC Congregation

This report summarizes the activities of the CUUC Investment Committee during the 2017 calendar year and serves to fulfill the reporting requirement specified in the CUUC By-Laws.

As of 1 January 2017 the Investment Committee oversaw a portfolio valued at \$248,021, 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 \$59,318 to CUUC for a variety of reasons, and received \$165,029 from the Congregation, leaving the year-end total balance at \$385,670. 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 2017 was approximately 10%. The year-end asset-allocation for the portfolio was 48% Equity, 40% Income, and 12% Cash, though this varied during the year based upon cash-flow requirements. The portfolio's Equity Investments fared well during the year, earning 21%. The Income results were mixed, though the current yield on the holdings is above 6%. The cash allocation earned little due to the low rates paid on money market funds under current conditions. Large cash positions were maintained during the year in anticipation of various spending needs that were forecast by the Finance Committee.

Significant events during 2017 included:

- The Board of Trustees elected to exercise its right to take a distribution from the Endowment Fund. \$4,364 was distributed, representing dividends, interest and realized capital gains for the calendar year, in accordance with the CUUC By-Laws.
- The Church received a significant bequest that was added to the Planned Giving- Unrestricted account.
- Carol Wise left the Investment Committee after many years of service. Her position remains unfilled.

Account Balances as of 3/31/2018:

- Endowment \$ 64,712
- Music \$ 6,602
- Building \$ 2,766
- Capital \$ 16,027
- Pre-Paid Pledges \$ 5,698
- Planned Giving Restricted \$ 183,589
- Planned Giving Unrestricted \$ 246,189

Total \$525,583

Respectfully Submitted by David Hollands, Investment Committee Chairman