

# Endowment Committee Report for the annual UCH membership meeting. (June 28, 2020)

## COMMITTEE MEMBERS AND PURPOSE

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The Endowment Committee (E/C) consists of five members and one volunteer investment advisor. The E/C meets periodically throughout the church year.

The E/C invests gifts to the fund and maintains financial oversight of the fund.

## KEY ACTIVITIES THIS PAST YEAR

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The E/C continues to raise awareness within the church community on the ways to contribute to the fund.

Our recognition cocktail party was held in the Fall to celebrate members of the LEGACY CIRCLE. The William Channing Gannett Legacy Circle recognizes individuals or entities that committed to gift \$5000 or more to the fund. A plaque hangs in the church living room recognizing Legacy Members.

Multiple contributions from an individual are recorded and the cumulative amount noted for possible Legacy membership.

Several individuals have noted that they have named UCH in their wills.

## FUND FINANCIAL STATUS

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The Endowment Fund received \$ 2,550 in gift contributions between April 1 2019 and May 2020.

The Endowment Fund value at May 30, 2020 was: \$191,999. The investment increase portion is \$7,807 (4.3%), and with the donations included the fund has increased \$ 9,827 over last April value of \$182,172.

The fund investments generally trend with the fluctuations in the U.S. stock market.

The E/C is also charged with the administration of the closed Perpetual Pledge Fund. No new funds were accepted after May 17, 1997. Income or gains generated in this fund may be used by the Board of Trustees to supplement the church operating budget.

The value of the PP fund as of May 30, 2020 is \$ 83,456 after transferring the income gain of approximately \$ 7,800 to the UCH general fund.

General comments and observations: During the first half of this past church year we saw a robust stock market. The second half of the year was a volatile stock market coinciding with the Covid 19 pandemic.

Market values dropped over 30% shortly after the Covid 19 had established itself in the USA, followed by a rebound to a decent level, followed by more volatility.

The Endowment Fund is comprised of two investment funds.

1. UUCEF (this fund decreased \$ 2,698 from previous year.) This fund is comprised of investments that the UUA recommends as investing in UU values.
2. Fidelity (this fund increased \$ 7,807 from previous year) This is a fund comprised of E/C selected investments.

The Perpetual Pledge fund is a closed fund and is invested with Fidelity. It is not the same Fidelity fund as the Endowment fund. The value of this fund decreased \$13,324 in value the past year. The E/C is reviewing this portfolio to evaluate why this Fidelity fund decreased in value while the Endowment fund with Fidelity managed a slight increase. Prior year values of the two funds tracked much closer.