



UNITARIAN
UNIVERSALIST
ASSOCIATION OF
CONGREGATIONS

Treasurer's Report to the Board of Trustees

October 13, 2012

Tim Brennan
Treasurer & Chief Financial Officer




Outline

- Audit process
- “Dashboard” of financial indicators
- New endowment entity
- HQ move



Independent audits

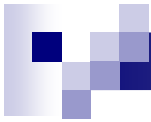
- UUA audited by Mayer, Hoffman, McCann
– Tofias New England Division
- EBT (Health Plan) audited by McGladrey & Pullen
- Field work complete
- Audit committee meets with both auditors
Oct 29
- Board receives audit committee report on
Nov 15



FY12 Actual Results (unaudited)

Current Operations (in \$000s)

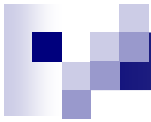
Through 6/30/12	YTD Actual	YTD Budget	Prior Year Actual
Total revenue	26,316	26,684	24,910
Total expenses	25,613	26,097	24,867
Surplus (deficit)	703	587	43



FY12 Annual Program Fund

(in \$000s)

FY	Through	Actual	Goal	% of Goal	vs. Prev FY
FY 13	10/5/12	1,511	7,500	20.15%	4.5%
FY 12	9/27/11	1,446	7,000	20.66%	8.91%



UU Organizations Retirement Plan

(\$millions)	June12	June11	June 10
Retirement Plan	206	200	163



UU Organizations Retirement Plan

at 6/30/12

Fund Performance vs. Morningstar Peer Group

	1 Year	3 Years	5 Years
Total funds*	30	30	30
Bottom 25%	2	2	0
Bottom half	4	5	2

Fund Watch Status†

Ratings by Fiduciary Investment Advisors

Total*	Maintain	Watch	Terminate
30	28	1	1

* Includes 12 life cycle funds

† Fund recommended for termination has been replaced



UUCEF Investment Performance

Periods ending 6/30/12

	1 Year	3 Years	5 Years
Gross return	-0.6%	12.5%	3.5%
Benchmark*	-2.4%	9.7%	2.5%

** Weighted average of underlying benchmarks for each asset class*

Performance compared to like-sized endowments

Periods ending 6/30/12

	1 Year	3 Years	5 Years
Percentile rank #	64	9	14

1 = highest 1% 100 = lowest 1%



UUCEF Investment Performance

Periods ending 8/31/12

	1 Year	3 Years	5 Years
Gross return	7.0%	10.4%	4.3%
Net return	5.9%	9.3%	3.2%
Benchmark*	5.2%	7.6%	3.1%

** Weighted average of underlying benchmarks for each asset class*



UU Common Endowment Fund

- In FY12, 28 new congregations invested, 3 withdrew
- \$11.1 million in new investments from congregations



New entity to hold endowment

- Create firewall between assets of congregations and UUA liabilities
- Limited Liability Company with 501(c)3 designation from IRS
- UUA is manager
- Transition in 6 to 9 months
- UU Common Endowment Fund, LLC created 10/7/12

COMMONWEALTH OF MASSACHUSETTS

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

Limited Liability Company Certificate
(General Laws Chapter 156C, Section 12)

I hereby certify that upon examination of this limited liability company certificate,
duly submitted to me, it appears that the provisions of the General Laws relative
thereto have been complied with, and I hereby approve said application; and the
filing fee in the amount of \$ _____ having been paid, said application is deemed
to have been filed with me this

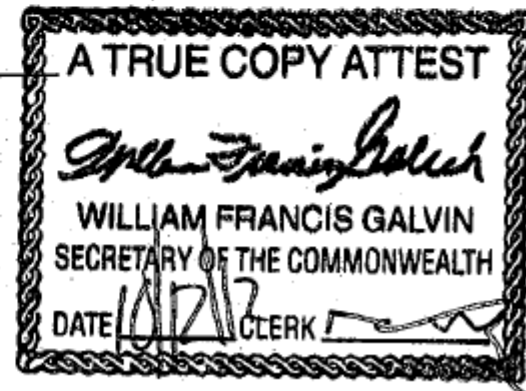
11 day of Oct, 20 12, at _____ a.m./p.m.
time

Effective date: _____

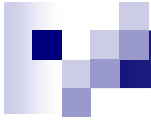
WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

William Francis Galvin

Filing fee: \$500







Headquarters search criteria

- Boston or Cambridge near public transportation
- ~ 40K square feet
- open design with maximum flexibility
- strong sense of welcome
- welcoming area/visitor center
- Smaller, fewer private offices; “hotel” offices
- More convening space
- Equipped with current technology

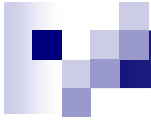


Search process

- Working with consultants at Leggat McCall
- Screening process that identified a dozen properties as possible
- Currently evaluating two
- Recent valuations of UUA properties indicate a strong market when we sell
- More to come



Rachel Daugherty's baby – Charlie Budzian, b. 10/10/2012
8lb 3oz, 21 1/4 inches long



Top Priorities

- New legal entity for UUCEF
- Headquarters move