



Treasurer's Report to the Board of Trustees

January 16, 2015

**Tim Brennan
Treasurer & Chief Financial Officer**



Agenda

- Implementation of Business Resolution
- 2nd Quarter Budget Forecast
- Property update



Business resolution

“Invest an appropriate share of UUCEF holdings in securities that will support the transition to a clean energy economy.”

- Hired Breckinridge to manage fixed income account; includes green bonds, infrastructure bonds
- Investment Committee directed our consultants, NEPC, to research private capital opportunities
- Looking for investments in green real estate, sustainable businesses, impact investments



Business resolution

“The UUA may retain investments in CT200 companies in which it is engaged in shareholder activism”

- Filed climate resolutions with Marathon, Newfield, Chesapeake, Chevron, Conoco
- Addressing carbon asset risk, executive compensation, public policy on climate, lobbying
- Ceres: “The UU's should get some sort of award for CAR engagement overachievement.”
- Represented UUA in dialogues with Apache, Occidental, Exxon, Conoco
- Supported BCAM in engagement with Statoil



Business resolution

“Continue to divest its UUCEF holdings of directly-held securities of CT200 companies.”

- Portfolio includes only **eight** oil and gas producers included on the **Carbon Tracker 200** list
- All positions in coal companies sold
- Small positions in 6 CT 200 companies held in shareholder advocacy account



Business resolution

“The President and the Treasurer of the UUA shall report to each General Assembly from 2015 through 2019 on our Association’s progress on the above resolutions.”

- Report in general session at 2015 General Assembly in Portland
- Workshop to provide more detail and answer questions
- Written report will be published before GA



2nd Quarter Forecast

- Headline: Projecting breakeven for the year
- Major gift campaign fundraising ahead of schedule
- APF projected to be within 1% of budget (-\$77K)
- Anticipated interest earnings from property sale proceeds not realized (-\$125K)
- No contingency remains
- Next year will be much more predictable



Real estate transaction

- Option to purchase 24 Farnsworth Street from the Davis Companies exercised on January 8, 2015
- Purchase price \$25.4 million
- Deed registered on January 9, 2015
- Issued RFP for building management services; received four proposals
- Hired Barkan Management Company – original developer of 24 Farnsworth St.



Energy Efficiency Loans

- Plan to refocus Small Project Loans Program on energy efficiency and sustainability
- Current program: “financing for relatively inexpensive projects in three broad categories: congregational mission, environmental stewardship, and critical/emergency.”
- Purposes: “Energy efficient windows, doors, furnaces, and low flow toilets, Solar Panel Installation”
- Up to \$100,000 following current guidelines

<http://www.uua.org/finance/buildings/120472.shtml>



Top Priorities

- Move assets to UUCEF LLC by 7/1/15
- Management of building as landlord
 - Tax issues
 - Loan security
- Climate change business resolution implementation