



# **Treasurer's Report to the Board of Trustees**

**March 5, 2015**

Tim Brennan  
Treasurer & Chief Financial Officer



# Agenda

- New investment
- 2014 UUCEF performance
- Property update



# Investment Committee actions

- Aug 14: voted to allocate up to 10% to private capital
- Rather than investing in traded securities, invest directly in companies and projects
- Less liquid – funds tied up for many years
- Higher expected returns with greater dispersion among managers
- March 2: voted to invest \$5 mm in private real estate



# Business resolution

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

- Biggest impact from private capital – “Clean Trillion”
- Hired Brockton Capital Management – private real estate fund in UK
- Acquire existing, inefficient buildings and retrofit them
- Buildings are source of 1/3 of GHG emissions
- Build to BREEAM standard; report impact through GRESB survey; follow responsible contractor policy



## 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.”***

- Workshop at GA: “Addressing Climate Change Through UUA Investments” Thursday 6/25, 1:15 PM
- Speakers: Lucia Santini (Investment Committee), David Stewart (SRI Committee Co-chair), Tim Brennan
- Written report will be published before GA



# UUCEF Investment Performance

## Periods ending 12/31/14

	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>
Gross return	3.8%	10.0%	8.6%
Net return	2.8%	8.9%	7.5%
Benchmark*	4.5%	9.4%	7.6%

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





# UUCEF Investment Performance

## Periods ending 12/31/14

### Performance compared to like-sized endowments

	1 Year	3 Years	5 Years
Percentile rank #	71	64	55

*# 1 = highest 1%    100 = lowest 1%*



## Property update

- Shifting security on \$10 million loan to real estate from endowment
- Applying for property tax exemption on the UUA occupied space for year starting July 1, 2015





# Top Priorities

- Budget process
- Move assets to UUCEF LLC by 7/1/15
- Climate change business resolution implementation