

INVESTED FUNDS COMMITTEE - ANNUAL REPORT FOR JUNE 2021

The committee ensures the prudent oversight of our invested funds by meeting with representatives from the Bank of America Wealth Management Group (our largest fund). We provide direction and make decisions based on our investment goals and objectives. We continued our withdrawal rate of 4.5% using 28 running quarters for the Bank of America funds for the operating budget of the church. We do not control the Balcom Trust which is managed by the TD Bank. They are required by the IRS to distribute 5%. Our two small Boutwell funds are managed by the UUA.

As you can see from the graph at the bottom of the page, our investments have increased significantly since the same time last year. Keep in mind that this is only a snapshot and we always expect the numbers to fluctuate. We are able to smooth out the disbursement amounts of the main portfolio using an average of 7 years results. This past year we took 4.5% of the main portfolio and recommended that percentage for the coming year. Our plan had been to decrease the percentage in light of lower expected future market returns. That plan is on hold because of the pandemic and the uncertain economic condition; we do not know what will be required for the church going forward.

The past year has seen a significant increase in our portfolio, allowing the endowment to continue to contribute significantly to the operating budget of the church. This has allowed a proposed contribution of \$147,272.09 to the church operating budget. Income from the restricted funds is allotted to specific items. These funds are smaller, but still contribute substantially towards their designated purposes. Here is a list of each fund and the estimated amount that could be distributed this coming year.

- Blodgett (minister’s discretionary fund) \$374.83
- White Wing School (supports our preschool) \$978.44
- Florence M Lyon (provides flowers for church events) \$1099.00
- Deschamps (for mental health causes) \$428.72
- Philip Ellis Stevens (maintains church musical instruments) \$995.18
- Slanetz Memorial Sign (erecting and maintaining signs) \$267.45
- Slanetz Membership (supports the membership team work) \$384.46
- Total of restricted funds \$4528.09

Since these funds can only be used for their designated purpose, we don’t always use the amounts. For example, the Slanetz Memorial Sign Fund builds up until we need work done on one of our church’s signs. The Deschamps Fund has not been used in recent years, as it was designated to fund a program that we no longer run.

Change in the Market Value of our funds from 3/31/2020 - 3/31/2021

	MARCH 2019	MARCH 2020	MARCH 2021	% CHANGE 2020-2021
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Bank of America Main * Restricted Funds	\$3,804,373 81,142	\$3,251,596 71,475	\$4,475,681.11 \$100,624.15	37.60 % 40.78 %
TOTAL	<u>3,885,515</u>	<u>3,323,071</u>	<u>\$4,576,305.26</u>	<u>37.71%</u>
TD Bank Balcolm Trust	\$ 245,637	\$ 232,189	\$274,293.31	18.13%
UUA Boutwell Funds	\$ 31,179	\$ 27,721	\$36,396.31	31.2%
Total	\$4,162,331	\$3,582,981	\$4,886,994.88	36.39%

*11% are Cemetery co-mingled funds

The March totals are used as they are the latest figures available. Our fiscal year ends on May 31. ESG (Environmental, Social, and Governance) and SRI (Socially Responsible Investments) investments are an important part of our portfolio and currently comprise about 62%. This includes our investment in the New Hampshire Community Loan Fund. We have been concentrating on gradually increasing this percentage as ESG investments are becoming available in more sectors of our portfolio. Our bankers at US Trust/Bank of America are assisting in this transition.

Current Members: Kathy Grossman, chair; June Haskell, Steve Hedges, Harry Purkhiser, Jon Lasselle, Bob Sampson, and Kevin Murray, Cemetery Treasurer
Ex-officio members: Allison Palm, Minister; Lindsey Sylvester, Church Treasurer; Brenna Woods, Board of Trustees President.