

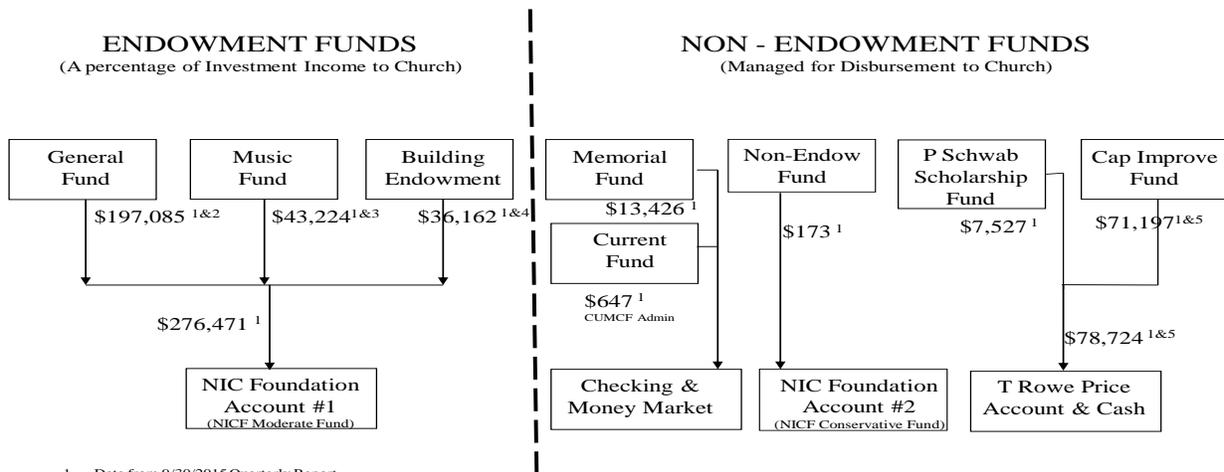
CUMC Foundation Summary

[For Church Council Meeting 11/11/2015]

The CUMC Foundation Board met on November 4, 2015 to discuss performance of the CUMCF investments during 2015. The following is a summary of the accounts.

CUMC Foundation

(Balances as of 9/30/2015)



- 1 Data from 9/30/2015 Quarterly Report
- 2 \$9300 distributed to CUMC in 1 Qtr 2015
- 3 \$2400 distributed to CUMC in 1 Qtr 2015
- 4 \$600 to be distributed to CUMC Trustees CIF in 1 Qtr 2015
- 5 \$25,000 of CIF held in cash awaiting investment decision

The short term performance of our investments has been mediocre, as the world markets were choppy in 2015. For the nine months ending September 30, 2015, the Foundation had contribution income of \$112,556, dividends in the amount of \$4,927, loss on sale of investments of \$56, gain on the sale of investments of \$11,026, unrealized depreciation of \$32,663 and management fees deducted of \$0. There were expenses of \$177. Net income for the period was \$84,587.

Other key items from the 2015 Board meeting includes:

- **INVESTMENT PREFORMANCE:** The NICUMC Foundation changed their investment advisor last year and changed the investment direction to include more international investments to increase what was thought to be weak performance. With current problems in the world economy, this move has worsen the performance in the short term. The CUMC Foundation will monitor and evaluate other potential investment directions in 2016.
- **FOUNDATION DISTRIBUTIONS:** Based on the performance of the Endowed Funds, the Foundation voted at the Board meeting on November 4, 2015 to distribute a total of \$13,000 to CUMC in the first quarter of 2016. This includes \$10,000 from the General Endowment for the Church Council to determine the distribution, \$2400 from the Music Endowment to the CUMC music program, and \$600 from the Building Endowment for the Trustees. Since the Foundation was established by the Annual Conference of CUMC on November 12, 2000 the Foundation has

returned \$107,900 to the church, while maintaining the principle of the investments. With this new distribution, the total will increase to \$120,900.

- **MEMORIAL FUND DISTRIBUTIONS:** A large IRA that was received by the church into the Memorial Fund was distributed to the current Building Project as it was known that the person and family wanted the moneys to be so distributed. The Memorial Fund also contains funds that families have specified be used for technology in the church. The Foundation Board voted to distribute up to \$4000 of these funds to the church to assist with the project to upgrade the church phone system.
- **HARTWIG TRUSTS:** Two large bequests came to the Memorial Fund from two Hartwig trusts late last year. Based on language in the trust documents and language in the obituaries, the Foundation determined that the moneys were to be designated for the CUMC building. After discussions with the Trustees, the Foundation voted to put one half the money in the Capital Improvement Fund and the other half in the endowed Building Fund for long term annual return to the Trustees. The trust moneys going to the CIF is being held in cash while investment direction is determined.
- **T. ROWE PRICE INVESTMENTS:** Foundation was notified that the T. Rowe Price portfolio manager is stepping down in October 2015 after 30 years. The T. Rowe Price account contains the Trustee's Capital Improvement Fund, which are managed by Foundation, and the Paul Schwab Scholarship Fund. The Foundation will monitor the performance of the fund and has advised the Trustees so we can decide whether to stay with T. Rowe Price or invest funds elsewhere.
- **PROMOTIONS:** Foundation Board members made presentations to several adult Sunday schools about the Foundation and planned giving. As members of the congregation talked to the Foundation members about their planned giving after the presentations, it is thought these presentations were successful.
- **1837 SOCIETY:** The Foundation continued developing activities focused on the 1837 Society - those CUMC members or other benefactors who support CUMC through planned gifts, estate plans or other forms of commitments to make a planned gift. Outcomes include:
 - Redevelopment of the 1837 Society list of members, as the available lists were out of date. This was accomplished through mailings, publications, presentations to Sunday Schools, etc. We now have an up-to-date list of 1837 Society members and information on whether we can use their names in Foundation publications. New members were added to the list.
 - A recognition luncheon for the 1837 Society members was held February 15, 2015.
- **FINACIAL PEACE UNIVERSITY** is currently in its 7th week. Though the class was publicized in the church, few of the congregation are attending. Two families from the community signed up, but dropped out because of personal reasons. There is only one student in the class, a grad student from NCC who attends CUMC. It is likely this class will no longer be presented.
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The markets are choppy and we have seen losses in 2015, the economy is expected to improve.

For the CUMCF Board,
George M. Groves
President, CUMCF Board