

## Wellington United Church of Christ Endowment Board of Trustees Annual Report for 2011

Under Article IX of the By-Laws of Wellington Avenue United Church of Christ, the Endowment Board is charged with the administration, investment and disbursement of monies within the Endowment Fund. The actions of the Board are further governed by a "Statement of Investment Policy, Objectives & Guidelines" approved by the congregation. Investment objectives call upon the board to:

- Manage all assets in a manner such that a well diversified and well managed portfolio is constructed that is appropriate to the long-term horizon identified, while maintaining liquidity and balancing risk tolerance; and to
- Remain socially responsible, actively investing and supporting institutions, companies and corporations that are making a positive contribution to society and whose products and services are in direct alignment with the values and mission of the church.

During 2011 the financial markets experienced a high level of volatility, reflecting the uncertainty associated with the current and prolonged recession. The Endowment Fund remained invested in a diverse array of investment vehicles including certificates of deposit, mutual funds and individual stocks.

At the end of 2011 the assets of the Fund were invested as follows:

Cash (checking, money market)	\$ 36,017
Fixed Income (FDIC insured certificates of deposit)	\$ 256,673
Mutual Funds (Calvert, EuroPac, Alger Green, Templeton)	\$ 268,908
Individual Stocks (through William Blair & Company)	\$ 216,353
TOTAL	\$ 777,951

The Endowment Fund's effective value at the beginning of 2011, including all disbursements was \$830,774. During 2011, the Board disbursed \$35,000 to the Wellington general operating fund. With the disbursement of funds and a loss in overall market value, the Fund's effective balance as of December 31, 2011, was \$777,951. Each year the amount of money distributed from the Endowment Fund to the general operating fund of the church is based on a percentage of the net increase of the fund over the previous year. In any case a minimum of \$12,000 must be distributed on an annual basis to the general operating account of the church. Since the Fund produced a negative return for 2011, \$12,000 will be distributed to the general operating account of the church during 2012, disbursed in equal quarterly payments beginning in April of 2012.

As with each report from the Board, we note that future performance of the Fund and therefore contributions to the general fund can not be predicted nor guaranteed above the minimum established by the by-laws of the Endowment Fund.

Respectfully submitted,

Endowment Board of Trustees

Lan Richart, Chair  
Bill Southwick, Treasurer  
Roland Dehne, Secretary

Earl Talbot  
Jennifer Pitts  
Hans Lagoni (Non-voting Advisor)