ANNUAL TREASURER REPORT
Jan. 1, 2016 to Dec. 31, 2016

ENDOWMENT
Date of Inception May 6, 2010 when the Greater New Haven Water Pollution Authority transferred $1,000,000 to the Greater New Haven Green Fund, Inc doing business as the Greater New Haven Green Fund. The monies were set aside in 2005 as part of the agreement establishing GNHWPCA from its predecessor municipal authorities (New Haven, East Haven, Woodbridge and Hamden).

STEWARDSHIP
The Green Fund is an endowment managed under the provisions of the Uniform Prudent Management of Institutional Funds (UPMIFA). Grants from the fund must benefit environmental and public health initiatives in the constituent municipalities of the GNHWPCA, New Haven, East Haven, Hamden and Woodbridge. The Board of Directors has contracted with the Community Foundation of Greater New Haven (CFGNH) to manage the endowment.

INVESTMENT PHILOSOPHY AND ASSET ALLOCATION STRATEGY
Our endowment is part of the Community Foundation’s Fund (CFGNH, Inc.). Our board adopted a 5.25% spending rule for 2016 to maintain the endowment’s purchasing power over the long term even as it pays for grants and related expenses.

INVESTMENT PERFORMANCE
As of Dec. 31, 2016 the Community Foundation of Greater New Haven reported its investment performance for 2016 as follows:

<table>
<thead>
<tr>
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<th>FY 2016</th>
<th>3 yrs trailing</th>
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<tbody>
<tr>
<td>CFGNH, Inc.</td>
<td>4.2 %</td>
<td>5.4%</td>
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<tr>
<td>Market Benchmark</td>
<td>7.3 %</td>
<td>4.4%</td>
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The Community Foundation of Greater New Haven under-performed its Market Benchmark for FY 2016 largely because of poor results in the ‘absolute return’ asset class.

SPENDING RULE POLICY
Our fund was established in 2010. Initially our board chose a conservative spending rule of 5% because the investment climate can be challenging and volatile, i.e. 5% of the value of the endowment was withdrawn to allow us to make grants in accordance with our mission and pay for our expenses. In 2016, given our stable financial position, we adopted a new spending rule policy of 5.25% annual extraction.

ENDOWMENT STATUS SUMMARY:

<table>
<thead>
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<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td>Beginning Market Value, Jan. 1</td>
<td>$1,206,383.16</td>
<td>$1,265,046.69</td>
<td>$1,240,607</td>
</tr>
<tr>
<td>Spending policy: (grants etc.)</td>
<td>-54,337.00</td>
<td>-58,834.76</td>
<td>-58,010</td>
</tr>
<tr>
<td>Investment Income</td>
<td>31,126.36</td>
<td>20,542.61</td>
<td>1317</td>
</tr>
</tbody>
</table>
Appreciation/Depreciation                         92,927.70                     30,745.56                   46,017
Investment Manager Fees                           -6,706.53                     -11,777.32                  -5242
Administrative Fees                                      -4,347.00   -5,116.00                  -6110.09
Total Ending Fund Value, Dec 31.      $1,265,046.69                  $1,240,606.78         $1,224,689.27

SUMMARY OF FINANCIAL ACTIVITY Greater New Haven Green Fund (unaudited)

EXPENDITURES:
GRANTS & SPONSORSHIPS:       $48,700
ADMINISTRATION FEES               1322     GNHGF Board Expenses
PROFESSIONAL FEES                     4788     Accounting and insurance

TOTAL                                         $54,810

INCOME:
INTEREST FROM CHECKING          $82
SPENDING RULE DISBURSEMENT         $58,835
DONATIONS

TOTAL                                                        $58,917

CASH POSITION
Beginning 2016                  $77,777
Ending 2016                      $82,246

RESTRICTED FUNDS: The Green Fund holds $10,000 (originally $20,000) from a Community Benefits Agreement executed between Public Service Enterprise Group (PSEG) and the City of New Haven. The funds are to support environmental justice initiatives focused on improving air quality and education about air pollution and its adverse health effects in the areas around PSEG’s power plant, specifically East Shore, Annex and Fair Haven.

We are committed to transparency in everything we do. Please contact us with any questions.

Respectfully submitted,

Aaron Goode
Treasurer, Greater New Haven Green Fund
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