

# MEMORANDUM

To: Southwest Conference Annual Meeting Delegates  
Southwest Conference Executive Board  
The Rev. Dr. William Lyons, Conference Minister

From: SWC Endowment Committee, Scott Greenwood, Chair

Date: March 25, 2021

Re: Endowment Committee Update

The Southwest Conference Endowment Committee is pleased to report to the Annual Meeting a summary of its work in the past year.

The Committee met six times at regularly scheduled meetings (February, April, June, July, November) throughout 2020 and continuing into the current year. Along with its prescribed oversight of the management of the Conference endowment, the Committee proactively took steps to ensure that the endowment would robustly mitigate the profound effects of the SARs-CoV-2 pandemic, and provided recommendations and input to the Board and the Conference Minister regarding our revenue streams and assets held or coming into the Conference's stewardship.

Although the pandemic created significant turbulence in the markets in the first and second quarters of 2020, the Committee is pleased to report that the Endowment's performance exceeded expectations. On February 28, 2020, the Endowment's corpus was \$3,719,860. One month later, it had lost 11% of its value, in a period in which similar funds with heavy positions in equities suffered 20-40% loss of value. Throughout the most volatile periods during 2020, the Endowment's advisers at Alliance Bernstein kept in constant contact with Committee and Conference leadership. On December 31, 2020, the Endowment was valued at \$4,257,956, for a gain of \$538,096, or 14.4%. The growth in the Endowment permits an annual draw that now represents 20-25% of the Conference's annual budget and allows the funding of increased mission and ministry.

The Committee also made recommendations to the Board and Conference Minister regarding a number of gifts and plans for assets coming into the Conference's stewardship. These include a generous gift from our covenantal partner Rincon Congregational UCC, which was the result of a bequest, as well as an equally generous accelerated gift from longterm members' charitable trust. Consistent with the intentions of these donors, the Committee recommended, and the Board concurred, that these should become part of the endowment to provide for the future needs of the Conference. The Committee has also made recommendations for recent and probable

future conversions of Conference real property to endowment funds to support current and future ministry in the Conference.