

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: April 13, 2022

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 four times at regularly scheduled meetings throughout 2021 and twice so far in 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 continue to mitigate the profound effects of the SARs-CoV-2 pandemic on our covenantal partners and ministries, 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.

Throughout 2021 and to date, the Endowment's advisers at Alliance Bernstein kept in constant contact with the Committee and Conference leadership. On February 28, 2022, the last ending date currently available, the Endowment was valued at \$4,409,949.00. The secondary, restricted funds held in a parallel, less aggressively invested account established by the Executive Board to support ministry and mission from the conversion of legacy real estate had a value of \$841,825.00 on that date. From inception through the last reported values of these two accounts on March 31, 2022 in the aggregate of \$5,232,071.00, these two funds have earned \$937,987.00 net of fees, or 21.8%. While the stability in growth through most of 2021 has taken an initial downturn in the first quarter of 2022, mostly due to the volatility in the markets and inflation caused by the Russian Federation's continuing invasion of Ukraine, our advisers expect a cautious and gradual return to stability. The past growth in these funds 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 continued its usual practice of making recommendations to the Board and Conference Minister regarding a number of gifts and plans for assets coming into the Conference's stewardship.