

MEMORANDUM

To: Southwest Conference Annual Meeting Delegates
Southwest Conference Executive Board
The Rev. Dr. Altonette Hawkins, Transitional Conference Minister

From: SWC Finance Committee, Scott Greenwood, Treasurer

Date: April 25, 2024

Re: Finance Committee Update

The Southwest Conference Finance Committee is pleased to report to the Annual Meeting a summary of its work in the past year. This committee is the successor to the Endowment Committee, in recognition of the focus and responsibilities it increasingly took over the past two years providing advice and counsel to the SWC Executive Board and Conference Minister.

The Committee met four times at regularly scheduled meetings throughout 2023 and three times so far in the current year. Going forward, the Committee will continue to meet on a quarterly basis and as needed. Along with its prescribed oversight of the management of the Conference endowment, the Committee proactively took steps to ensure that the assets of the SWC would remain stable and protected, given the profound effects of both the Russian invasion of Ukraine and the SARs-CoV-2 pandemic in the capital markets, 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 2023 and to date, we worked with our partners at Your Part-Time Controller to ensure that the SWC's finances were and remain in order. Our balance sheet remains strong — as of March 31, 2024, the SWC has assets totaling \$6,921,942. Much of our asset base consists of our Endowment. Our advisers at Alliance Bernstein kept in constant contact with the Committee and Conference leadership throughout the year as well. On March 31, 2024, the last ending date currently available, the Endowment was valued at \$4,388,251, with an increase from the beginning of the fiscal year of \$239,440. The secondary, restricted funds held in accounts established by the Executive Board to support ministry and mission from the conversion of legacy real estate had a value of \$1, 638,116 on that date. In these, as with most equity-based accounts, there continue to be fluctuations due to the continued volatility in the capital markets and inflation caused by Russia's two-year invasion of Ukraine, Israel's war against Hamas, and the lingering impact on supply chains caused by the pandemic. Our advisers have guided us to 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 continues to have faith in the dedicated service and performance of our Bernstein team.

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.

With this Annual Meeting, my service to the SWC as Treasurer, Executive Board member, and finance committee chair will come to an end. I thank you all for the trust and confidence in me that you have shown since I first joined the finance committee's previous incarnation as the endowment committee at its outset back in 2017. I wish the SWC and our covenantal partners all a future made more vibrant and financially stable through the committee's work, and I am honored to have led those efforts. Thank you.