

Endowment Committee Report for Fall 2023

Endowment Committee members as of September 30, 2023 are:

Bill Worley – Conference Minister	Bob Fogal - Conference Treasurer	
Tammie Wisniewski- Conference Finance Operations Manager		
Bill Buskirk	Scott Muirhead	Beth Walker

The Pennsylvania Southeast Conference (PSEC) Endowment Committee continues to meet quarterly to review the performance of the PSEC investments. The stock market has recovered somewhat during 2023, although August and September have been down.

PSEC's endowment fund has also recovered somewhat during 2023. As of March 31, 2023 the PSEC endowment balance had increased to \$2,603,432.82. As of June 30, 2023 the comparable total was \$2,626,295.20, even after the draw that was taken in June 2023. That was an increase of nearly \$275,000 since October 2022, but still around \$100,000 less than it had been at the end of March 2022.

We have started to distinguish between investments that are really long term “endowment” funds and investments that are really shorter term “general savings” in which the entire account is readily accessible. More work remains to be done in this area. We will then develop a plan to align the endowment investments more closely to the target asset allocation defined in the endowment fund policy that was approved by Consistory in May 2022. It should be noted that roughly \$500,000 of our endowment funds are managed by external financial firms, in accounts where PSEC does not have the authority to control how the assets are invested.

The numbers above included roughly \$822,000 of short term “general savings” which are now starting to be reported separately from the endowment accounts. As of June 30, 2023 the total value of the endowment accounts was \$2,055,647.50. That number still includes roughly \$207,000 in two short term general savings accounts, but the large CD with a market value of \$570,644.70 as of June 30, 2023 is no longer classified as an endowment account.

Withdrawals from the Endowment Fund must comply with PA Act 141. That law calls for withdrawals to be a percentage (between 2% and 7%) of the total value of the fund, based on a rolling average over the most recent 3 to 5 years. PSEC uses a 3-year rolling average and normally takes withdrawals in June and December. For 2023 the PSEC budget is based on withdrawing 1.5% in June and 1.5% in December.

Bill Buskirk
Endowment Committee Chair