

Endowment Committee report for **Fall 2024**

Endowment Committee members as of October 6, 2024 are:

Bill Worley – Conference Minister Ken McDowell - Conference Treasurer
Tammie Wisniewski- Conference Finance Operations Manager
Mark Johnson Bill Buskirk Scott Muirhead Beth Walker

Throughout 2024 the Pennsylvania Southeast Conference (PSEC) Endowment Committee continued to meet quarterly to review the performance of the PSEC investments. The stock market recovery continued during the first half of 2024, and the endowment account value increased by 8.5%, compared to the 14.5% gain in the S&P500 index during the same 6-month period. As of June 30, 2024 the PSEC endowment balance was \$2,338,792.84. The quarterly statements with account values as of September 30 have not yet been received and summarized, but the overall stock market continued to increase during Q3, so our endowment balance probably also increased during Q3.

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. We have been withdrawing a total of 3% per year for the past several years.

Currently two-thirds of the entire endowment is in one fund at United Church Funds. That fund holds roughly 62% in equities and 38% in fixed income and cash. We are continuing to look at whether having two-thirds of the endowment in just one fund is adequate diversification, and starting to discuss the idea of moving some money to another fund that is more equity focused to improve the overall return for the endowment fund. During our meeting in July, we had a presentation by a representative of United Church Funds to discuss these questions, but have not yet made any decision to change our mix of investments.

Bill Buskirk
Endowment Committee Chair