

Activities to Date Updated as of May 15, 2025

The Committee uses three investment advisors including Alesco and, starting in 2025, Clark Capital and Westpath. It receives investment reports from the advisors at each quarterly meeting and each advisor meets in person with the Committee at least twice per year. The Committee monitors advisor performance against benchmarks, and performance against benchmarks varies quarter by quarter among the advisors. Early in the quarter, all Restricted Fund assets previously advised by Canandaigua National Bank were transferred to Westpath, and all assets previously advised by Manning & Napier were transferred such that the General Endowment was evenly split between Alesco and Clark Capital.

In the first quarter of 2025, the general endowment decreased by \$34,694 after \$72,825 of distributions were made. The Restricted Funds decreased by \$41,965 after \$36,503 was distributed. At quarter end the General Endowment equaled \$6,727,951 and the Restricted Funds equaled \$3,045,121.

The Committee distributes 4.5% of the 20-quarter average balance of each fund (or the rough equivalent for newer funds) for the Annual Operating Plan, capital funds and restricted fund-designated purposes. This strategy is generally accepted by endowments as a method of smoothing distributions through market swings but also providing for long term principal growth sufficient to cover inflation and current distributions. Thus, when the market spikes distributions do not correspondingly increase, and when the market turns down, distributions are not decreased as much. The Committee has approved continuing distributions at the 4.5% level for 2025, but continues to monitor whether the 4.5% rate used remains appropriate for future years.

In 2025 an aggregate of \$423,000 distributions from the General Endowment and Restricted Funds will be made. The Committee noted that this is the equivalent of 210 average pledges to the Church.

Several years ago, the Committee established a Dreamscape Goal of an aggregate of \$10,000,000 for endowment and restricted funds. The funds currently are again slightly above the goal taking into account bequests being deposited after the end of the quarter. The Committee continues to note the importance of planned gifts in achieving long-term goals of sustainable distributions sufficient to support Asbury ministries.

The Committee continues to monitor general trends in the portfolio related to ESG (Environmental, Social and Governance) investments and is looking at various measurement tools. The Committee also is considering possible use of risk metrics for the portfolio.

The Committee devoted a separate meeting to review and clarification of documentation related to use of certain charitable remainder trust funds not yet received.