Foundation of the Episcopal Diocese of East Carolina
2025 Annual Report

During 2025 the Foundation continued to fulfill its mission of investing and managing funds entrusted to it. We continue to be blessed by the many individuals who have made the decision to include the Diocese in their estate planning over the years. These endowments have continued to grow and are providing an annual source of income to many programs in the Diocese. The Foundation ended 2025 with total assets in its portfolio of $ 26,565,838.

$ 17,049,444 of this is held and invested by the Foundation on behalf of the 20 churches, Diocese and Trinity Center who have entrusted the investment of their funds with the Foundation.

$ 1,616,854 of this is managed by the Foundation to provide an annual source of income to various churches in the Diocese.

$ 5,987,061 represents Foundation assets that are used to fund a portion of the Diocesan budget each year including Trinity Center.

The remaining $ 1,912,479 is used to fund grants throughout the Diocese each year based on grant requests submitted.

The Foundation board of directors along with its professional investment manager, Paul Elam of Cordgrass Capital, meet quarterly each year to review its portfolio. 2025 was an interesting year for investors. The continued buzz around large cap technology stocks and artificial intelligence propelled stocks higher early in the year, until tariff uncertainty took its toll in March and April. Fear quickly paralyzed markets, and stocks fell -19% from the highs until a 90-day moratorium was announced in April. After that, stocks generally moved higher as the market became more comfortable with the tariff negotiation and the Federal Reserve began cutting interest rates again in Q4. The S&P 500 ended up with a double-digit gain (+16% in 2025) for the third year in a row. The Diocese portfolio participated in the gains as well. The accounts were up +13.78% in 2025 and have averaged nearly +12.5% per year over the last 3 years. It has been a remarkable recovery after 2022 when investors faced double digit losses in both stocks and bonds. With stocks now fairly expensive on a relative basis, many investors are wondering if the good times can continue. There is some difficult historical precedent to overcome. Three consecutive years of double-digit returns for the S&P 500 has only occurred 5 times in history. A fourth would be exceedingly rare. Additionally, 2026 is a midterm election year, and the last two midterm election years brought about bear markets (2018 & 2022). On the other hand, we have recently seen signs of the market broadening out beyond the narrow technology names. That is a sign of a healthier stock market and economy. Tailwinds like lower inflation and lower interest rates appear on the horizon for 2026, and that combination is almost always good for businesses and the stock market. For 2026, we have moved to a more neutral stance by selling some equities and rebalancing the accounts closer to investment policy targets. We remain overweight equities but have reduced our overexposure and have diversified into other asset classes. We aren't expecting a dramatic downturn but always want to be prepared for any change in sentiment.

The Foundation awarded $ 64,154 for grants in 2025 to St. Joseph's Fayetteville, St. Mark's Wilmington and St. Christopher's Havelock.

The Foundation awarded $ 71,731 for grants in 2026 to Grace Episcopal Plymouth, St. Christopher's Elizabethtown, St. Joseph's Fayetteville, St. James the Fisherman Shallotte and St. Andrew's Goldsboro.

The Foundation approved $ 224,661 from its designated funds to supplement various programs and expenses in the 2025 Diocesan budget. The Foundation has approved $ 231,152 in support of the 2026 Diocesan budget. These distributions represent a 4.0% distribution for 2025 and 4.5% distribution for 2026 calculated on an average of fund balances over a 12-quarter period to smooth the highs and lows of the funds.

We have 20 churches, the Diocese and Trinity Center that have elected to invest their funds with the Foundation taking advantage of the investment expertise and low fee structure we are able to offer through Cordgrass Capital. Please contact us if you have any interest in investing your funds with us. The Foundation has a $50,000 minimum to manage an independent church fund. The Foundation has a link on the Diocesan website where our investment management document is posted that describes this program and includes all the required forms. We have also posted our investment policy statement and quarterly investment reports.

We can continue to grow only through the graciousness of our Diocesan family. We encourage everyone to consider the Foundation in their estate planning to provide a perpetual source of income to the wonderful programs being done in our Diocese throughout eastern North Carolina.

Respectfully submitted by Jordy Whichard, Foundation President

EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2025

DESIGNATED FUNDS	**12/31/2025 Balance**
George Jeffreys Memorial Fund	$ 439,934
Designated for maintenance and improvements at Trinity Center	
Bishop Wright Fund	15,562
No specific restriction-per convention journals	
Price N Poe Memorial Fund	424,371
Designated for building and rebuilding church buildings in Diocese and for training men and women for Christian work	
R.A. Williams Fund	69,201
Designated for education of Episcopal ministers	
Mary Smith Fund	34,598
Designated for theological education	
Bishop Strange Fund	10,728
Designated for missionary work in the Diocese	
Anne Shepard Graham Building Fund	194,772
Designated for capital improvements of missions, camps, conference centers, schools and other properties operated by Diocese	
Priest Education Fund	78,864
Designated for domestic continuing education for clergy	
Louis Alston Fund	3,056,814
Designated for theological education, religious work among college students and to supplement salaries for lower paid clergy	
Therapeutic Support Fund	128,653
Designated for therapeutic support of clergy	
S. Williams Family Fund	130,514
Designated for charitable causes with priority to programs providing food clothing or shelter to those in need.	
Clergy Foreign Travel Fund	186,619
Designated for clergy foreign travel	
Smithson Fund	422,504
Designated for Trinity Center	
Youth and Young Adult	37,482
Designated for youth, young adult and campus ministries	
Trinity and Beyond Capital Campaign Endowment	171,041
General endowment portion of Trinity and Beyond Capital Campaign designated for Trinity Center maintenance and improvements	
Richard C and Linda G Seale Trinity Center Permanent Maintenance Endowment	537,133
Endowment designated for Trinity Center maintenance	
Willie S. Grimes Fund	48,271
Designated for use by Bishop to provide for those in need	
TOTAL DESIGNATED FUNDS	$ 5,987,061

EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2025

OTHER BENEFICIARY FUNDS	**12/31/2025 Balance**
FUNDS HELD ON BEHALF OF CHURCHES AND DIOCESE:	
St. Thomas Episcopal Church, Windsor	$ 124,056
St. Thomas Episcopal Church (Memorial), Windsor	102,765
St. Thomas Episcopal Church, Windsor	31,338
St. Francis By-The-Sea (R Seale Match), Salter Path	181,980
St. Francis By-The-Sea (N Seale Match), Salter Path	68,243
St. Francis By-The-Sea Episcopal Church, Salter Path	171,294
St. Francis By-The-Sea Episcopal Church, Salter Path (B&G Fund)	62,198
Grace Episcopal Church, Plymouth	233,452
St. Thomas Episcopal Church, Ahoskie	509,983
Trinity Episcopal Church (Endowment), Lumberton	234,780
Trinity Episcopal Chuch, Lumberton	326,549
St. Thomas Episcopal Church, Bath	572,414
St. Paul's Episcopal Church, Greenville	2,134,894
St. Paul's Episcopal Church (Huber Fund), Greenville	300,855
St. James The Fisherman, Shallotte	243,184
Church of the Servant, Wilmington	173,514
Church of the Servant (Bargain Box), Wilmington	131,363
St. Luke's/St. Anne's Episcopal Church, Roper	62,224
Holy Trinity Episcopal Church (Endowment), Fayetteville	638,112
Holy Trinity Episcopal Church (Dr. Robert King Fund), Fayetteville	14,272
Holy Trinity Episcopal Church, Hertford	902,744
William & Phyllis Walker Fund (Bishop's Discretionary Fund for Diocese)	376,480
John Wood Foreman (Trustee Fund)	651,146
Alice Hoffman Fund (Trustee Fund)	3,677,281
Trustees of Diocese of East Carolina	942,512
Holy Trinity Episcopal Church, Hampstead	79,266
Trinity Center Endowment Fund, Trinity Center	-
Trinity Center Bishop's Chapel, Trinity Center	53,215
St. Georges, Engelhard	223,928
St. Christopher's, Havelock	176,197
St. Paul's Beaufort	829,087
St. Paul's Beaufort (Cullman Fund)	802,650
St. Mary's, Burgaw	57,510
St. Andrew's, Morehead	245,283
St. Phillip's, Southport	690,264
St. Phillip's, Southport	548,528
Trinity Episcopal Church, Chocowinity	475,883
	17,049,444
FOUNDATION ASSETS WITH SPECIFIED BENEFICIARY:	
Helen Mardre Memorial Fund-annual income to St. Thomas Episcopal Church, Windsor	56,904
W. H. Ward Fund-annual income to Grace Episcopal Church, Plymouth	348,463
Winslow Merrick Fund-annual income to St. Mark's Episcopal Church, Wilmington	35,349
L&N Lastinger Fund-annual income to Trinity Episcopal Church, Chocowinity	101,425
Lucile M. Marvin Fund-annual income to St. Andrew's On-The-Sound, Wilmington and Bishop's Discretionary Fund	26,795
Edward Forbes Fund-annual income to Christ Church, New Bern and Diocese	280,125
Hugh Cullman Fund-annual income to St. Paul's, Beaufort	233,244
Susan S. and Wallace C. Murchison Fund-annual income to St. John's Wilmington	534,549
	1,616,854
TOTAL OTHER BENEFICIARY FUNDS	$ 18,666,298

EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2025

UNDESIGNATED FUND	**12/31/2025 Balance**

The Foundation maintains one undesignated fund to account for funds contributed with no designated purpose. These funds are generally used to provide grants throughout the Diocese. Contributions to the undesignated fund consist of gifts from:

Bequest of Elizabeth P. Gilliam
Bequest of William Carlyle Powell
Bequest of Waverly C. Broadwell
Bequest of William G. Gaither
Bequest of Lucile Murchison Marvin in memory of her husband, Walter R. Marvin
Gifts in memory of Rt. Reverend Alfred Augsutine Watson (Bishop of Diocese)
Bequest of Fanny Murchison Curtis
Gifts of Mrs. Lucile Murchison Marvin and bequest in memory of her parents Lucy Giles and David Murchison
Gift from Charlotte Thompson
Bequest of Fanny Murchision and Jennie Atkinson Murchison in memory of their sister Lucy M. Mallett
Gifts of the Sarah Graham Keenan Foundation
Gifts from various donors for Future Ministries
Bequest of Mary W. Ralph
Bequest of Thurman Williams
Bequest of Gertrude S. Rosevear
Gift of Margaret U. Griffin
Bequest of Sherry Tabb
Gift from Ray Tait

TOTAL UNDESIGNATED FUNDS	$ 1,912,479

EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2025

DESIGNATED FUND	2025 BUDGET 4.0%	2025 ACTUAL 4.0%	2026 BUDGET 4.5%
George Jeffreys Memorial Fund	15,065	15,065	16,702
Bishop Wright Fund	535	535	591
Price N Poe Memorial Fund	14,750	14,750	16,364
RA Williams Fund	2,342	2,342	2,633
Mary Smith Fund	1,212	1,212	1,349
Bishop Strange Fund	382	382	422
Ann Shepard Graham Building Fund	6,794	6,794	7,530
Priest Education Fund	2,699	2,699	3,013
Louis Alston Fund	106,353	106,353	117,953
Therapeutic Support Fund	4,369	4,369	4,532
S Williams Family Fund	4,533	4,533	5,031
Clergy Foreign Travel Fund	5,708	-	6,621
Smithson Fund	14,462	14,462	16,038
Youth and Young Adult	1,259	1,259	1,408
Willie S Grimes Fund	1,909	1,909	1,930
Richard C and Linda G Seale Trinity Center Permanent Maintenance Endowment	16,482	16,482	19,795
Trinity and Beyond Capital Campaign Endowment	5,846	5,846	6,482
Edward Forbes Fund (portion allocated to Diocese)	2,306	2,306	5,263
	207,006	201,298	233,657