

**Foundation of the Episcopal Diocese of East Carolina
2020 Annual Report
February 11, 2021**

During 2020 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 2020 with total assets in its portfolio of \$ 15,879,057 (a 13.8% increase over 2019).

\$ 7,855,732 of this is held and invested by the Foundation on behalf of the 17 churches, Diocese and Trinity Center who have entrusted the investment of their funds with the Foundation.

\$ 1,225,031 of this is managed by the Foundation to provide an annual source of income to various churches in the Diocese.

\$ 5,147,852 represents Foundation assets that are used to fund a portion of the Diocesan budget each year including Trinity Center.

The remaining \$ 1,650,442 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 Raymond James, meets quarterly each year to review its portfolio. Although 2020 was a year many of us would like to forget, the Foundation's accounts performed very well in 2020 and our investment return was 15.62%. After a 30% drop in the stock market in March 2020 the market began to recover as the CARES Act was passed. The combination of economic stimulus and science related to the COVID vaccine gave investors hope that we would eventually get through this pandemic. In February and March, we added some well capitalized technology companies to our portfolio that we thought would be well suited to weather the pandemic. We thought that working at home and staying at home would create a bigger demand for their services, and we were rewarded well. We continue to stick with a prudent allocation as spelled out in our Investment Policy Statement.

The Foundation awarded \$ 71,332 for grants in 2020 to Church of the Good Shepherd Wilmington, Trinity Center, Trinity Church Lumberton (Christian Care Center), Christ Church Newbern (Merci Clinic), St. Joseph's Fayetteville, Holy Innocent Seven Springs, Church of the Servant Wilmington (Bargain Box ministry) and St. Phillips Holly Ridge.

The Foundation awarded \$ 64,546 for grants in 2021 to St. James Belhaven, Church of the Servant Wilmington and Trinity Center.

The Foundation approved \$ 222,707 from its designated funds to supplement various programs and expenses in the 2020 Diocesan budget. The Foundation has approved \$ 201,174 in support of the 2021 Diocesan budget. These distributions represent a 5% and 4.5% distribution respectively calculated on an average of fund balances over a 12-quarter period to smooth the highs and lows of the funds.

As stated previously, we have 17 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 Raymond James. 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 Hodges Hackney, Foundation President

**EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2020 FUND REPORT**

<u>DESIGNATED FUNDS</u>	12/31/2020 Balance
<u>George Jeffreys Memorial Fund</u> Designated for maintenance and improvements at Trinity Center	\$ 395,049
<u>Bishop Wright Fund</u> No specific restriction-per convention journals	13,908
<u>Price N Poe Memorial Fund</u> Designated for building and rebuilding church buildings in Diocese and for training men and women for Christian work	380,514
<u>R.A. Williams Fund</u> Designated for education of Episcopal ministers	58,873
<u>Mary Smith Fund</u> Designated for theological education	30,991
<u>Bishop Strange Fund</u> Designated for missionary work in the Diocese	9,896
<u>Anne Shepard Graham Building Fund</u> Designated for capital improvements of missions, camps, conference centers, schools and other properties operated by Diocese	174,827
<u>Priest Education Fund</u> Designated for domestic continuing education for clergy	69,024
<u>Louis Alston Fund</u> Designated for theological education, religious work among college students and to supplement salaries for lower paid clergy	2,730,020
<u>Therapeutic Support Fund</u> Designated for therapeutic support of clergy	96,903
<u>S. Williams Family Fund</u> Designated for charitable causes with priority to programs providing food clothing or shelter to those in need.	116,538
<u>Clergy Foreign Travel Fund</u> Designated for clergy foreign travel	136,072
<u>Smithson Fund</u> Designated for Trinity Center	379,159
<u>Youth and Young Adult</u> Designated for youth, young adult and campus ministries	32,677
<u>Trinity and Beyond Capital Campaign Endowment</u> General endowment portion of Trinity and Beyond Capital Campaign designated for Trinity Center maintenance and improvements	151,115
<u>Seale Trinity Center Permanent Maintenance Endowment</u> Separately named endowment portion of Trinity and Beyond Capital Campaign designated for Trinity Center	329,823
<u>Willie S. Grimes Fund</u> Designated for use by Bishop to provide for those in need	42,463
TOTAL DESIGNATED FUNDS	<u><u>\$ 5,147,852</u></u>

**EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2020 FUND REPORT**

<u>OTHER BENEFICIARY FUNDS</u>	<u>12/31/2020 Balance</u>
<u>FUNDS HELD ON BEHALF OF CHURCHES AND DIOCESE:</u>	
St. Thomas Episcopal Church, Windsor	\$ 89,030
St. Thomas Episcopal Church (Memorial), Windsor	73,382
St. Thomas Episcopal Church, Windsor	22,018
St. Francis By-The-Sea (R Seale Match), Salter Path	151,463
St. Francis By-The-Sea (N Seale Match), Salter Path	60,249
St. Francis By-The-Sea Episcopal Church, Salter Path	129,542
Grace Episcopal Church, Plymouth	186,562
St. Thomas Episcopal Church, Ahoskie	413,641
Trinity Episcopal Church (Endowment), Lumberton	188,282
Trinity Episcopal Church, Lumberton	222,162
St. Thomas Episcopal Church, Bath	330,146
St. Paul's Episcopal Church, Greenville	940,889
St. Paul's Episcopal Church (Huber Fund), Greenville	268,725
St. James The Fisherman, Shallotte	176,653
Church of the Servant, Wilmington	259,663
St. Luke's/St. Anne's Episcopal Church, Roper	53,280
Holy Trinity Episcopal Church (Endowment), Fayetteville	825,280
Holy Trinity Episcopal Church (Dr. Robert King Fund), Fayetteville	14,114
Holy Trinity Episcopal Church (Melissa Gardner Fund), Fayetteville	32,055
Holy Trinity Episcopal Church (White Bequest Fund), Fayetteville	16,737
Holy Trinity Episcopal Church, Hertford	701,336
William & Phyllis Walker Fund (Bishop's Discretionary Fund for Diocese)	185,658
John Wood Foreman (Trustee Fund)	578,786
Trustees of Diocese of East Carolina	782,206
Holy Trinity Episcopal Church, Hampstead	54,677
Trinity Center Endowment Fund, Trinity Center	69
Trinity Center Bishop's Chapel, Trinity Center	37,513
St. Georges, Engelhard	123,520
St. Christopher's, Havelock	182,270
St. Paul's Beaufort	451,461
St. Andrew's. Morehead	304,363
	<u>7,855,732</u>
<u>FOUNDATION ASSETS WITH SPECIFIED BENEFICIARY:</u>	
Helen Mardre Memorial Fund-annual income to St. Thomas Episcopal Church, Windsor	50,660
W. H. Ward Fund-annual income to Grace Episcopal Church, Plymouth	311,707
Winslow Merrick Fund-annual income to St. Mark's Episcopal Church, Wilmington	33,403
L&N Lastinger Fund-annual income to Trinity Episcopal Church, Chocowinity	88,343
Lucile M. Marvin Fund-annual income to St. Andrew's On-The-Sound, Wilmington and Bishop's Discretionary Fund	23,517
Edward Forbes Fund-annual income to Christ Church, New Bern and Diocese	235,679
Susan S. and Wallace C. Murchison Fund-annual income to St. John's Wilmington	481,722
	<u>1,225,031</u>
TOTAL OTHER BENEFICIARY FUNDS	<u>\$ 9,080,763</u>

**EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2020 FUND REPORT**

UNDESIGNATED FUND

**12/31/2020
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 Murchison 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

\$ 1,650,442

EPISCOPAL FOUNDATION OF THE DIOCESE OF EAST CAROLINA
2020

<u>DESIGNATED FUND</u>	<u>2020 BUDGET</u>	<u>2020 ACTUAL</u>	<u>2021 BUDGET</u>
George Jeffreys Memorial Fund	17,079	17,079	15,283
Bishop Wright Fund	550	550	505
Price N Poe Memorial Fund	16,782	16,782	15,013
RA Williams Fund	2,561	2,561	2,297
Mary Smith Fund	1,287	1,287	1,178
Bishop Strange Fund	436	436	392
Graham Building Fund	7,752	7,752	6,939
Priest Education Fund	2,983	2,983	2,678
Louis Alston Fund	123,298	113,696	109,728
Therapeutic Support Fund	3,846	3,846	3,522
S Williams Family Fund	5,163	5,163	4,623
Clergy Travel Fund	5,473	5,473	5,009
Smithson Fund	16,343	16,343	14,629
Youth/Young Adult	1,342	1,342	1,228
Willie Grimes	1,837	1,837	1,677
Seale Trinity Center Permanent Maintenance Endowment	10,091	10,091	10,822
Trinity and Beyond Capital Campaign Endowment	5,884	5,884	5,652
	<u>222,707</u>	<u>213,105</u>	<u>201,175</u>