All Souls Episcopal Church
Endowment and Investment Board
2025 Annual Report

This annual report is presented in accordance with Article II, Distribution and Reporting Procedures, of the All Souls Episcopal Church Endowment and Investment Board Charter. The report:

a) summarizes the Fund performance for the three years ending September 30, 2025
b) provides the Board's Fund transfer percentage for the 2026 calendar year
c) lists management fees paid in connection with the Fund
d) lists expenses of the Board
e) acknowledges donor restrictions, if any, and
f) other matters, if any

A. Endowment Fund Performance

Year ended	Balance	Average *time-weighted* **total** rate of return **Equity & Fixed**	S&P 500
9/30/2023	$2,732,189	13.79%	+21.62%
9/30/2024	$3,087,219	21.12%	+36.35%
9/30/2025	$3,240,760	10.19%*	+17.60%

Equity Returns	S&P 500	**Permanent Fund**	**Quasi Fund**
Fiscal Yr. 9/30/2025	+17.60%	+12.05%	+9.83%

Fixed Returns	Treasuries	Bonds	**Permanent Fund**
Fiscal Year 9/30/25	+4.47%	+2.88%	+5.21%**

*Blended average of Permanent and Quasi Funds (Permanent Total Return +10.97%; Quasi Total Return +8.38%)
** UBS does not distinguish between bonds and treasuries for Endowment fixed returns.

By definition, the S&P 500 is a capitalization *weighted* stock index that includes 500 of the largest companies traded on American stock markets. While the S&P 500 is growth focused, Endowment assets are more diversified and composed of numerous dividend stocks within various ETFs, mutual funds and fixed income holdings.
Despite large withdrawals from both Rectory and Quasi for mainly budget shortfalls in 2025, the total Endowment balance increased 4.97% from last year's ending balance (page 1, A).

Balances as of 9/30/2025 in the Permanent, Quasi and Rectory Funds:

Permanent Fund:	$2,267,651
Quasi Fund:	$973,109
Total Endowment:	**$3,240,760**

Rectory: **$393,196** **Return: +7.44%**

The fixed income investments comprise a mix of: Certificates of Deposit, Corporate Bonds, U.S. and Federal Treasury Notes and Bonds. Corporate Bonds must be investment grade or higher.

Review and Outlook:

We have maintained a disciplined approach to equity diversification among many sectors. When appropriate, adjustments are made when market conditions change. However, there was and has never been any attempt to try to time market moves either upward or downward. The equity portfolio has always been more conservatively positioned to take less risk than the S/P 500. Investment objectives are to measure results over a longer time horizon with proven winners and fund managers.

This past year positions were added in the following: Gold ETF (GLD), an additional hybrid ETF (CGBL), and a small position in a responsibly invested ETF (ESGU).

While interest rates are expected to continue to decline, there are many factors that may influence returns, such as ongoing conflicts in many parts of the world, tariffs, and Federal Reserve policy.

A. 2026 Fund Transfer Recommendation:
Three year rolling average of Consolidated Endowment Fund (P + Q) = $**3,020,056**
Maximum 4% withdrawal **= $120,802**

B. Expenses of the Board:
The Board incurred no direct fees or expenses, unless individual securities were sold as donated by parishioners.

C. Fees:
No fees were incurred for the management of the Fund

D. Donor Restrictions: None

E. Other Matters: None

On Behalf of the Endowment Board

James Solomon, Chair, Investment Advisor