



Saint Philip's IN THE HILLS

4440 N. Campbell Avenue + P.O. Box 65840 + Tucson, AZ 85728-5840
Phone: (520) 299-6421 + Fax: (520) 299-0712 + Email: office@stphilipstucson.org

MINISTRY and ENDOWMENT FUNDS TRUST

2025 ACTIVITY

The Ministry and Endowment Funds Trust (MEFT) was originally formed by the Vestry to provide a vehicle for parishioners and others to donate funds to support the long-term needs and financial stability of Saint Philips. Unlike the money pledged and donated during stewardship campaigns, donor money given as an endowment to Saint Philips, whether designated for a specific purpose, such as the Kautz Family Music Fund and the Dexter Fund (Pastoral Care), or as undesignated funds for the long-term needs of the various ministries of Saint Philips, is intended to be invested in order to last in perpetuity. Similarly, the money paid to Saint Philips for a niche in the Columbarium is generally invested for the long term, although estimates are made for potential short-term needs, including the care of the Columbarium garden.

The primary duties of the Trustees are to oversee the management of the Funds by our investment manager (BMOHarris), and to determine the distribution to be made each year from the various Funds to Saint Philips for budget support, taking into account our role as Fiduciaries to maintain the various endowments in perpetuity.

While 2023 and 2024 had very strong stock market growth, they only succeeded in recovering the losses from 2022. The 2024 yearend balance for all 4 Funds in MEFT was \$3.6 million, only slightly higher than the 2021 yearend balance of \$3.5 million. As a result, the Trustees decided not to increase the MEFT distribution to the church, maintaining the total distribution at \$100,000, the same as in 2024, to ensure the best chance of future growth in the Funds. In May, we did vote to transfer an additional \$20,000 given the market growth to date and the unexpected expenses incurred by the church.

The growth in the MEFT Funds in 2025 (year end balance \$4 million, an increase of 11.3% over 2024) due to strong stock and bond markets, following 2 prior years of growth, along with a reduction in the inflation rate, and the budgetary needs of the church, led the Trustees to significantly increase the MEFT distribution to the church to \$155,000 for 2026. However, the fact that we felt secure in distributing the maximum in the current year does not guarantee a similar decision in future years given our primary fiduciary responsibility to grow the Funds.

If anyone desires more details, or has any questions, please contact me at ncatherton@gmail.com, or call/text me at 520-269-0699.

Respectfully submitted,
Nancy Atherton, Chair