

The 2019 Annual Report

to the congregation of River Road Church

As 2020 begins, the River Road Church, Baptist Endowment Fund has a balance of approximately \$9.7 million. Today's fund is a valuable resource for our church's ministries as we look to the future. We have this resource today due to the foresight and dedication of church members who believed practicing Christian stewardship should include establishing an endowment fund and contributing to its growth, primarily through planned giving (estate gifts). We are grateful to those River Road Church visionaries and to all whose contributions and planned gifts have grown and will continue to sustain this fund for future generations.

In 2019 the fund began the year with total investments of approximately \$8.6 million and ended the year with investments of approximately \$9.7 million. The fund's investments are managed by TIFFF (The Investment Fund for Foundations). In 2019, the fund took approximately \$443,000 in distributions from TIFFF to support grants and necessary cash reserves, and investment appreciation accounted for the remainder of the change in value. The fund's investments had an annual return of 18.39% in 2019. Since the inception of the TIFFF account in 1995, the fund has had an annualized positive total return of 7.54%. The positive investment performance of the TIFFF account was a welcome change from the negative investment return in 2018 due to market conditions and is more in line with the longer-term investment expectations for the fund.

TIFFF's investment philosophy, which is consistent with the policy of the fund's board, is to invest with managers that look at the long-term total return on invested funds to provide for an annual spending rate plus inflation protection. This year's returns reflect the continued strength in both the economy and the performance of the stock market.

We thank those who have remembered the church and the Endowment Fund in their estate plans, as well as those who have made donations to the fund to further its goals. We are grateful for such generosity. This year, we received one legacy gift contribution, and we received memorial gifts directed to the Endowment Fund as well as unrestricted memorial gifts given to the church during 2019 totaling approximately \$2,600.

During 2019, the fund paid out approximately \$360,000 in grants. This amount included grants of \$327,000 to the operating budget of the church, which have been allocated to fiscal years 2020 and 2021. Also funded were grants related to the Choral Scholars program, the Board of Missions, and the replacement of the sanctuary worship banner (funded from a restricted fund set up for such needs). The fund also supported the faculty severance efforts for Baptist Theological Seminary at Richmond (BTSR) faculty who lost their jobs when BTSR closed. Endowment Fund expenses were less than \$15,000 for the year.

Our grant policy is to spend a set percentage of the balance of the fund's investments (currently 4%), with a **goal of supporting current initiatives while also preserving the spending power of the fund and increasing it by at least the amount of inflation.** This allows for intergenerational support over time. The fund is also subject to certain annual spending requirements set forth by the IRS, and the board analyzes and adjusts our annual grant levels if necessary to be in compliance with those requirements.

In 2019 board member Eleanor Nurney notified the president of her decision not to stand for re-election at the completion of her term. At the May 20 annual meeting, the board elected Oliver Way to fill the vacancy. The board is grateful for Eleanor's six years of valued service to the fund and its board and for her dedication to River Road Church.

We are blessed as a church family to have this fund. As the general needs of our church and the scope of its ministry continue to grow, we hope the fund's support of the church can grow as well. To this end, we urge all members of River Road Church, regardless of age and stage in life, to consider the Endowment Fund in their vision of Christian stewardship.

Respectfully submitted,

Ransone Hartz, President

January 26, 2020

(Over, please)



The Endowment Fund, chartered in 1967, exists solely for the long-term support of River Road Church. Administered by a 12-member board of directors, the Endowment is intended to be a permanent funding source directly benefiting ministries and programs that typically cannot be funded through congregational giving or other sources. In this way, the Endowment supports the church in envisioning and accomplishing ministries—at home and around the world—that otherwise might not be possible. To learn more about the fund, visit www.rrcb.org/endowment-fund.

LEAVING A LEGACY GIFT:

What It Means, Why It's Important, and How It Works

In the same way we plan to reach the goals of this life—paying for a child's or grandchild's education, buying a home, enjoying retirement—at some point we must also consider how we want to pass along the resources in our care to be used and enjoyed after our lifetime. Making those plans for the future—estate plans—will not only provide comfort to those who will mourn our passing, but will also speak a legacy of love to and about those persons and causes most important to us in life. When you consider such plans yourself, we invite you to leave a legacy to River Road Church through planned giving to the Endowment Fund.

Here are a few questions we've been asked about making planned gifts—or legacy gifts—to the church's Endowment Fund:

1 Only the very wealthy leave gifts to the Endowment Fund, right?

This is a common misconception. Indeed, **everyone's gifts—ALL gifts of ALL sizes**—are valued, important, welcome, and encouraged. All of us who love River Road Church are urged to make planned gifts from our estate resources in whatever amount we are able. In this way, with thanks to a generous God, we can help ensure the ministries of our future church as those before us have done for the church of today.

2 Do I have to make a new will to arrange a gift to the Endowment Fund?

Not necessarily. While we should all review our wills from time to time with trusted legal and tax advisors, you can also consider designating gifts by adding a simple **codicil to your will**, or by adding or amending **a beneficiary designation on a financial or brokerage account**. In most cases, beneficiary designations are easily accomplished by completing and returning the required beneficiary forms provided by the financial institution. Beneficiary designations should be reviewed on an ongoing basis and may be amended in line with changing circumstances.

If you do choose to make arrangements in your will—or to add a codicil to your will, when appropriate—you may choose to leave a share of your estate in the form of **cash, specific assets, or a percentage** of your total estate, for example, to the Endowment Fund. Before making a decision, you are encouraged to consult your personal tax and legal advisors to maximize the income and transfer tax benefit to you, your heirs, and your estate.

3 What other options do I have for making a gift?

As mentioned, arranging a legacy gift can be as simple as naming the Endowment Fund as a sole beneficiary—or one of several—of an insurance policy or of a bank or investment account. Estate gifts from an **individual retirement account (IRA)** may also be arranged by naming the River Road Church, Baptist Endowment Fund as a beneficiary.

Additionally, IRAs offer the option of making tax-free gifts during your lifetime. Those aged 70½ by the date of the gift may designate any amount up to \$100,000 from an IRA tax-free in any given tax year to one or more charitable organizations, which can also satisfy the minimum distribution requirement. Please consult your tax advisor concerning your personal situation.

Many charitable organizations and causes you may support—museums, colleges and universities, and other nonprofits—will encourage you to consider planned giving in support of their efforts. Whenever you are arranging such plans, we hope you will consider making a **gift or an estate commitment to the River Road Church, Baptist Endowment Fund** in support of our future ministries. Thank you.

THE ENDOWMENT FUND

is a resource and a blessing made possible only through the gifts, large and small, of many faithful visionaries over the years, and is sustained through our continuing support.

If you have questions about the Endowment Fund or about including the church in your estate plans, please contact us by email at endowment@rrcb.org or leave your message with the church office, (804) 288-1131.



In addition to supporting church ministries through the annual budget, 2019 Endowment grants supported mission efforts in nearby communities and in Panama, funded replacement of the worship banner, and provided funding for additional programs.

To read more about Endowment Fund support of the church over the years, visit www.rrcb.org/endowment-fund.



RIVER ROAD CHURCH
BAPTIST

ENDOWMENT FUND

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