

The 2018 Annual Report

to the congregation of River Road Church

As 2019 begins, the River Road Church Endowment Fund has a balance of approximately \$8.6 million. Today's fund is a valuable resource for our church's ministries as we look to the future. That we have this resource at all is 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 visionaries and to all whose contributions and planned gifts have grown and will continue to sustain this fund for future generations.

In 2018 the fund began the year with total investments of approximately \$10.1 million and ended the year with investments of approximately \$8.6 million. The fund's investments are managed by TIFF (The Investment Fund for Foundations). The fund took approximately \$514,000 in distributions from TIFF in 2018, and investment depreciation accounted for the remainder of the change in value. In 2018 the fund's investments had an annual return of -10.27%, and since the inception of the TIFF account in 1995, the fund has had an annualized positive total return of 7.11%. The fund's investment philosophy is to invest with managers that look at the long-term total return on invested funds to provide for a spending rate plus inflation protection. As you can see, this year we did have negative returns due to the market volatility, but we would expect that in general we will continue to have positive returns over a period of years.

We are grateful to and 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. This year, we received contributions of legacy gifts, either as bequests or directly from church members, and we received both memorial gifts directed to the Endowment Fund and unrestricted memorial gifts given to the church during 2018 that totaled approximately \$24,000.

During 2018, the fund paid out approximately \$778,000 in grants. This amount included grants of \$325,000 to the operating budget of the church for each of the fiscal years 2018 and 2019 and approximately \$10,000 to the Fellowship Fund administered by the Board of Deacons. Also funded were grants related to the Choral Scholars program, the E. Carl Freeman Concert Series, the Board of Missions, and the support of technology and communications programs for the church.

The grant totals for 2018 are larger than usual. Our grant policy is to spend a nominal amount of the balance of the fund's investments with a **goal of supporting current initiatives, but 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 spending requirements set forth by the IRS. In 2018, the spending requirements were higher than usual due to the distribution of earnings on our investments by our investment managers and the impact of those distributions on the IRS required calculation amount. We do not anticipate making withdrawals from the fund's investments at these levels in the future unless required to so do by law.

As noted above, **the fund has made significant grants to the operating budget** of the church for the past few years. These grants have allowed the church to meet its operating budget, which could not be accomplished through pledges and other existing revenue streams alone in recent years. During the recent pastor search, the fund's Board of Directors committed to continuing this practice for a few years to allow the new pastor time to get to know the church, to identify staff and programming needs, and to assemble a ministerial team to assist him in engaging the congregation in growing our support of church ministries through gifts of time, talent, and financial resources. With these plans underway, it is the hope of the board that pledge funding will again be able to sustain the operating budget in the near future, which would allow the fund to provide for other initiatives in support of the church.

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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 the annual operating budget. 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.



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We are blessed as a church family to have this fund. We also recognize that the general needs of our church and the scope of its ministry will continue to grow, and we hope the fund’s support of the church can grow as well. 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 18, 2019



In addition to supporting church ministries through the annual budget, Endowment grants in 2018 funded mission work in Panama, new audio-visual installations in Fellowship Hall, Assembly Room, and Chapel Hall, and additional programs such as Choral Scholars and the E. Carl Freeman Concert Series.

Frequently Asked Questions about legacy gifts and the Endowment Fund

What is a legacy gift, anyway? To me, it sounds like a gift larger than I have, so I don’t think you’re speaking to me.

A legacy gift is simply a planned gift—one made as part of your estate plan. Such gifts allow us to extend our charitable giving beyond our lifetimes to those organizations and causes most dear to us. Gifts to the Endowment Fund come in all sizes and can be made in various ways. Perhaps the most important thing to know is: **each and every gift is valued, important, welcome, and encouraged.** Indeed, gifts of all sizes, carefully invested and managed, have grown to become the fund that supports the church today.

To understand the significance of each gift, please take a look at the contributors list on the back of the accompanying letter. About half of the gifts acknowledged there were made during the first 50 years of the fund’s existence—some given outright and some received as distributions after the donor’s passing. The remaining **approximately 50 legacy gifts are pledged to the fund from the donors’ estate plans**, which in future years will help sustain the Endowment Fund in continuing to support church ministries. In designating a legacy gift, any of us can extend our financial support of our beloved church beyond our years for the benefit of future generations.

A legacy gift is not a gift made today, although those are certainly welcome—it is a gift pledged from your estate’s future assets as arranged by you. Many organizations—museums, colleges and universities, and other nonprofits—encourage us to consider planned giving in support of their causes. Whenever you find yourself considering such plans, please know **your church invites and welcomes your support through the Endowment Fund.**

How does the Endowment support the church?

Each year, the Board of Directors considers opportunities to make grants in support of church ministries or other programs or causes the church would support if the annual budget allowed. In recent years the Endowment has made significant grants toward the annual budget, augmenting the congregation’s contributions to fund staffing and operating expenses. As the congregation’s support of the annual budget increases, more of the Endowment’s anticipated grant total each year would be available for new projects and ministries as identified by the staff and church family, expanding the impact of the church’s ministries in the years to come.

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

I’d be interested in including the church in my estate plans, but it all seems so complicated—and possibly expensive. What would I have to do?

Arranging a legacy gift can be as simple as naming the Endowment Fund the beneficiary of an insurance policy, or of an individual retirement account or brokerage account. In most cases, this is easily done by completing and returning the required beneficiary forms.

You may also choose to make arrangements in your will—or to add a codicil to your will, when appropriate—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.

Other options for designating gifts are possible as well. **To ask about giving opportunities, please send an email to endowment@rrcb.org or call the church office (804-288-1131).** A member of the Board of Directors will be in touch right away. Before making a decision, you may also want to consult your personal tax and legal advisors to maximize the gift and tax benefit to you, your heirs, and your estate.

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.



RIVER ROAD CHURCH
BAPTIST
+ thoughtful faith +

Board of Directors, River Road Church Endowment Fund

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