

Endowment Fund Annual Report

May 2018



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A WORD FROM OUR RECTOR

Dear brothers and sisters in Christ,

The critic Kenneth Burke once suggested that literary works could serve as “equipment for living,” to mean that reviewing or reading ancient texts can help us make sense of new times and situations. To put it another way, something may happen so frequently over time that we develop words for it, and by revisiting those words we are influenced to make the best decision in a new day. We go to the Bible, for instance, in hope or confidence that ancient words and stories might guide us in the here and now of daily life.

I suggest that what we call an “endowment” is a financial word for any church’s “equipment for living.”

The numbers that you see in the following pages are for St. Andrew’s “equipment for living.” That is, many faithful people like you have given money to St. Andrew’s over the years in an intentional way, so that future generations who worship Christ and serve in his name will have a wonderful foundation on which to build upon, and to exercise ministry in a new day and for new people.

Endowments are a way you leave a legacy, new equipment for living, and for you to declare what is important for our common life in God’s kingdom. In gratitude for your gifts and the privilege to serve St. Andrew’s as rector, I am

Faithfully yours,

A handwritten signature in black ink that reads "Tim Heflin" with a small cross symbol at the end of the name.

The Very Reverend Tim Heflin

THE ST. ANDREW'S ENDOWMENT FUND

The Vestry of St. Andrew's has established an Endowment Fund to encompass the individual endowments which have been made in the past, and such endowments as may be created in the future. The Endowment Fund Board was established in 2001 to manage the Endowment Fund. Under the oversight of the Board, the assets of the Fund are to be invested with the same care and diligence that a prudent person would exercise. The Board also develops and coordinates the planned giving program.

In January, 2006, the Board decided to transfer the Endowment Funds to the Trustees of the Funds (TOTF), the investment vehicle provided and administered by the Episcopal Diocese of Virginia. The funds in the St. Andrew's Endowment Fund remain in the TOTF at this time.

Types of Giving

Gifts to the Endowment Fund may be of two varieties—a gift *In Memoriam*—given to honor the memory of a loved one, or a *Living Endowment*—a gift in perpetuity; or of affection, appreciation, recognition or thanksgiving; or to mark important occasions—such as births, baptisms, confirmations, or anniversaries. It should be noted that major endowments (\$15,000 or more) can be designated by the donor to a specific ministry purpose. Other gifts will be applied as the Board directs. Additionally, once established (a minimum initial donation of \$100 is requested), endowments, especially living endowments, may be added to at any time.

Methods of Giving

- Outright donation of cash, securities, real estate or other property.
- Outright bequest or bequest of a residence, farm or other real estate, reserving the right to use and enjoy.
- Bequest wherein the Fund is named as contingent beneficiary.
- Creation of a lifetime trust, reserving an annuity or unitrust interest.
- Bequest naming the Fund as terminal beneficiary after the expiration of an annuity.
- Proceeds of Life Insurance Policies wherein the Fund is named beneficiary.

Performance from December 31, 2016 through December 31, 2017

During the period from December 31, 2016 to December 31, 2017, the value of the Endowment increased from \$1,074,570 to \$1,190,826 (11%). Contributions to the funds during 2017 totaled \$1,125. The market value of invested funds increased by \$160,131 and \$45,000 was withdrawn and provided to the Vestry for use by the church in accordance with the directives in place for use of each fund. At its meeting in November, the Board concluded that it was possible to make \$47,000 available to the Vestry in 2018 if it so requests. This is consistent with the total returns principle that guides the use of endowment funds and with the objectives of the individual donors.

IN MEMORIAM

In years past, gifts to the Fund have been made in memory of the following persons¹.

<i>Mary Adams</i>	<i>Jack Denslow</i>	<i>Jim Krehmeyer</i>	<i>Robert Ridpath</i>
<i>Sandra Adams</i>	<i>Norma Dietz</i>	<i>Winkie Krehmeyer</i>	<i>Ann Reeder Riggs</i>
<i>Bud Aldrich</i>	<i>Sam DiMisa</i>	<i>Robert Leavitt</i>	<i>Victoria Samander</i>
<i>Muriel Ellis Anderson</i>	<i>Gerry Dobson</i>	<i>Duane Lee</i>	<i>Jane Sanders</i>
<i>Eugenia Bunetzkaya</i>	<i>Mary Alice Duncan</i>	<i>John Lewis</i>	<i>Clarisse Schroeder</i>
<i>Edmund Berkeley</i>	<i>Barry Fink</i>	<i>Nancy Lewis</i>	<i>Kazim Shams-Davari</i>
<i>Mary Louise Berkeley</i>	<i>Erik Fink</i>	<i>The Reverend Don Little</i>	<i>Mualla Shams-Davari</i>
<i>Norman Blaylock</i>	<i>Helene Frazier</i>	<i>John Lawrence Mansfield</i>	<i>Fran Shurnitski</i>
<i>Alverta Boeshore</i>	<i>William Frazier</i>	<i>Mary V. Massey</i>	<i>Randolph Smith</i>
<i>Tom Brown</i>	<i>Grace</i>	<i>John McKenzie</i>	<i>Derry Sparlin</i>
<i>Helen Budd</i>	<i>George Hart</i>	<i>Ruth Mensch</i>	<i>Anita Stead</i>
<i>Osborne Budd</i>	<i>James Hawkins, Sr.</i>	<i>Charles Merchant</i>	<i>Bill Stead</i>
<i>Richard Budd</i>	<i>Michael M. Harman</i>	<i>William N. Millward, Jr.</i>	<i>Janet Stemple</i>
<i>Martha M. Ricketts</i>	<i>Elise Heald</i>	<i>Nancy Millward</i>	<i>Verda Stoy</i>
<i>Burdette</i>	<i>Norman Heaton</i>	<i>Peter Morgan</i>	<i>Carol Clausen Thomas</i>
<i>Dorothy Burroughs</i>	<i>Sally Hershey</i>	<i>Carol Murphy</i>	<i>Mary Ellen Tolsdorf</i>
<i>John Burroughs</i>	<i>Dick Hibbert</i>	<i>Charles Robert Murphy, Jr.</i>	<i>Noel Turner</i>
<i>Tina Busseau</i>	<i>Libby Hillenbrand</i>	<i>Nolan O'Leary</i>	<i>Frank Van Aken</i>
<i>Drew Breen</i>	<i>John Franklin Hume</i>	<i>Kenneth Otis</i>	<i>Mildred Van Aken</i>
<i>Marta Ann Carlson</i>	<i>Ruth Hume</i>	<i>Alma Palmer</i>	<i>Jack Van Niman</i>
<i>Arnold Carpenter</i>	<i>Harriet James</i>	<i>Ruth Peterka</i>	<i>Phyllis Van Niman</i>
<i>Lee Carpenter</i>	<i>Karl James</i>	<i>Constance Plaag</i>	<i>Paul Umberger</i>
<i>Stephan Cleaver</i>	<i>Grant Jerding</i>	<i>Judy Polant</i>	<i>Mollie Vogel</i>
<i>Homer Conrad</i>	<i>Frank & Virginia Jewett</i>	<i>Eva Mildred Porter</i>	<i>Jeanne Wagar</i>
<i>Jean Conrad</i>	<i>John E. Johnson, Jr.</i>	<i>Arthur T. Prentiss, III</i>	<i>Jack Woodard</i>
<i>Manny Cutroneo</i>	<i>Paul Kelley</i>	<i>Roger Prior</i>	<i>Linda Woods</i>
<i>Rose Cutroneo</i>	<i>Janet Kelly</i>	<i>Myra A. Purdom</i>	<i>Sue-Ellen Woolfolk</i>
<i>Nicole Cumberland</i>	<i>Tene Klar</i>	<i>Richard Nelson Rhodes</i>	
<i>Mary McGarraugh Davis</i>	<i>Richard Klix</i>	<i>Glinda Richardson</i>	

In Memoriam 2017

In 2017, gifts were made in memory of those listed below with the donors of those gifts².

Jeanne Haskins by Christine Umberger

Ted Scott by Sandra Mansfield, Christine Umberger

TOTAL CONTRIBUTIONS IN 2017:

\$125.00

LIVING ENDOWMENTS

Gifts in thanksgiving were given in years past by the following persons.

*Alice Barney
Lisa Barney
Jesse & Debra Bendahan
Scott & Laura Bresnahan
Robert L. & Sheri L. Bullard
Barry & Peggy Fink
Margaret J. & William A. Flynn
Todd & Heidi French
Glenn & Roberta Fugate
Roberta Fugate
Erinn & Bennett Gray
Robert S. Gregorits
Amy Griggs
Doris James
Brenda & David Jessel
Carol Keil
Bob and Jane Knight
Travis Knight*

*Bruce McWilliams
Karen Molnar
James & Mary Mulvenon
Matthew & Sharon Oliveri
Kathryn Payne
Carolyn Powers
Kristen Blaylock Reed
Robert & Marguerita Stead
Robert & Emma-Jo Staton
Donald & Marlene Taggart
Anne Turner
Paul & Christine Umberger
Jack and Vivian Walton
Sara W. Warren
John & Betsy-Ann Wyatt
Darren & Debra Williams
Sharon K. Winstead*

Living Endowments 2017

The following additions were made to existing endowments in 2017:

The Memorial and Thanksgiving Endowment Fund

TOTAL GIFTS IN 2017:

\$1,000.00

MAJOR ENDOWMENTS

Major Endowment gifts (exceeding \$15,000) included within the Fund are the following:

In Memoriam

Established

Ralph A. McIninch Endowment Fund	October 16, 1988
David L. and Mary M. Purdom Memorial Endowment Fund	November 1992
The Emma Stevens Endowment Fund	October 1989
The Charles R. Murphy, Jr. and Carol Anne Deitz Murphy Endowment Fund	April 2006

In Thanksgiving

Established

Michael and Virginia Halus Endowment Fund	March 2, 1993
The Derek and Sue Wimmer Thanksgiving Endowment Fund	June 1996
Undesignated Endowment Fund ³	August 2015

Ministry

Established

St. Andrew's Memorial Endowment Fund for Worship	June 10, 1996
St. Andrew's Endowment Fund for Outreach	March 1998

THE ST. ANDREW'S ENDOWMENT FUND BOARD

This Board consists of five members in good standing in the church who are not members of the Vestry. The Rector and the Senior Warden are ex officio, non-voting members of the Board. The Endowment Fund Board meets at least quarterly and reports to the Vestry quarterly. An account of the status of the Endowment Fund is made to the Congregation annually in this report.

The Endowment Fund will be managed to preserve and enhance the value of its assets to make available funds to support the purposes of the gifts to the Fund and to serve the mission of St. Andrew's. The Board has engaged the services of investment advisors and professional money managers through the Trustees of the Funds of the Episcopal Diocese of Virginia to manage fund investment.

Funds will be made available from the Endowment Fund to support the mission of St. Andrew's Episcopal Church and the objectives of the individual donors when specified. It should be noted that the Board will honor the specific direction of the donor with regard to the use of the donation (in excess of \$15,000) in perpetuity. Expendable funds will be determined on the basis of a total return principle and will not be dependent upon income generated through interest or dividends. The funds made available for distribution during any one year will be limited to a percentage of a three-year rolling average of the market value of the fund. The exact percentage of the corpus to be made available will be determined each year by the Endowment Fund Board but the average since 2001 has been between 3 and 4%. It will be the goal of the Board to grow, or at least maintain, the purchasing power of the Fund.

Tax Considerations

The St. Andrew's Endowment Fund is structured so that it affords the maximum tax advantage to donors as provided by law. In cases of major tax considerations concerning bequests, prospective donors are urged to consult their own counsel. St. Andrew's will cooperate with these professionals, but, of course, cannot offer any legal advice.

By contributing securities, which have significantly appreciated in value, it may be to a donor's advantage to establish a major endowment that can be added to periodically thereafter. Securities are valued at their average market value on the day of the transfer and are routinely converted to cash (sold) within ten days of the transfer.

The 2017 Endowment Fund Board

Pat Brown, Chair	May 2015 - May 2018
Anne Brannam	May 2015 - May 2018
Ann Edmonds, Secretary	May 2013 - May 2016 (<i>graciously served through February 2017</i>)
John Jaskot	May 2014 - May 2017
Thomas Longin	May 2015 - May 2018

Ex officio

The Very Reverend Tim Heflin, Rector
Barbara Klix, Senior Warden
Joseph Conrad, Parish Treasurer/Treasurer for the Endowment Funds

¹ *Some records are simply missing; others are not clear. Therefore, we apologize in advance for any errors, duplications, or omissions, which may have occurred. Donors inadvertently not mentioned or incorrectly listed are invited to call attention to the error to either the Rector or a member of the Endowment Board.*

² *These records are accurate according to the data we have accumulated. Donors inadvertently not mentioned or incorrectly listed are invited to call attention to the error to either the Rector or a member of the Endowment Board.*

³ *This donor wishes to remain anonymous.*