



the
BAPTIST FOUNDATION
OF ALABAMA

Giving. Growing. All for God's Glory.

2014
Annual Report

NEW LOOK. SAME MISSION.

It is a privilege to present the 2014 annual report on behalf of our staff and board of directors. You will notice a new look in this year's annual report. After much prayer and study we adopted a fresh new logo. In a meaningful way, the logo represents our renewed effort to provide Christ-centered practical estate planning services to all interested Alabama Baptists.

One method for sharing this service is through conducting "legacy conversation" seminars in churches. I encourage you to contact The Foundation by calling me at 334-394-2006 or emailing me at bbledsoe@tbfa.org to learn more about this opportunity.

For challenging words from Alabama pastors, please see the video found at <https://vimeo.com/124431063> or scan the bar code below. Our deep desire is to serve you and your church in this largely overlooked area of faith based estate planning. When correctly understood, this service is a valuable help to believers as they make wise plans for both their family and their faith. More than four hundred Alabama Baptist couples have now been served through the Foundation's estate planning ministry during the last four years. One Alabama Baptist remarked: *"I believe we all dread the prospect of drawing up legal papers with end of life directives...The Baptist Foundation of Alabama rendered my fears unfounded by making the process simple, easy and quick; and, I achieved my goal of leaving a Kingdom Legacy for those that follow."*

As you read through this annual report, I trust you will detect our heartfelt desire to serve our Lord faithfully through the various ministries of the Foundation. If we can be of service to you or your church in any way, please contact us.



Barry Bledsoe, President
The Baptist Foundation of Alabama



Scan to see Alabama pastors' thoughts on legacy planning.

Other TBFA videos can be found at <https://vimeo.com/tbfa>



Barry Bledsoe joined The Baptist Foundation of Alabama in April 2001 as President, where he has overall responsibility for leading the Foundation. Barry earned his undergraduate degree from what is now the University of West Alabama in 1973. He earned his law degree from Samford University's Cumberland School of Law in 1978. Barry enjoyed a varied career in law and trust banking prior to coming to the Foundation. Immediately prior to joining the Foundation, he served as an executive vice-president for Regions Bank's trust department. Before joining Regions Bank's trust department in 1986, Barry was in private practice of law for approximately five years. His first job out of law school was with the US Treasury Department where he worked for the District Counsel's office and represented the Internal Revenue Service in various legal matters, including Tax Court. Before going to law school Barry was a high school football coach for two years in Prattville, Alabama. Barry is married to the former Judy Reed of Cullomburg, Alabama. Barry and Judy have three sons and six grandchildren. Barry and Judy are active members of First Baptist Church Montgomery.

THE BAPTIST FOUNDATION OF ALABAMA


2014 HIGHLIGHTS



587 **SCHOLARSHIPS** awarded through TBFA by generous donors

38 Churches and Entities engaged in **LEGACY PLANNING** with TBFA

faith kids gifts family work home
LEGACY
conversations
relationships | expertise | resources

 Over **450** **CHURCH INVESTMENT FUNDS** managed by TBFA

80 **COUPLES** 

COMPLETED LEGACY PLANNING WITH TBFA RESULTING IN

 Over **\$230** million **IN ASSETS** managed by TBFA

\$31.5 **MILLION** in potential future gifts to **LOCAL CHURCHES AND MINISTRIES** 

2  **the BAPTIST FOUNDATION OF ALABAMA**
Giving. Growing. All for God's Glory.

NEW LOOKS Logo & Website

Approximately **\$9** million distributed **TO BAPTIST** ministries/entities 

211 acts of service completed for 33 TBFA Eldercare clients



THE BAPTIST FOUNDATION OF ALABAMA

INVESTMENT PROCESS

Past performance is no guarantee of future return. Actual performance may vary based on cash flow and time periods.

One of The Baptist Foundation of Alabama's main objectives is to achieve the desired investment return of various accounts while incurring the least amount of risk possible. Investments are screened to avoid companies that are involved with alcohol, tobacco, gambling, pornography and abortion related goods and services. The Foundation reviews the risk (or loss of capital) associated with each asset class as it implements various portfolio allocations. Our investment process is founded upon three core principles:

- Asset allocation (or how the investments are mixed) is the most crucial decision in structuring any investment portfolio
- Downside protection is important in every portfolio
- Transparency in all areas of investing, this includes management and associated fees

With these core principles and the assistance from an institutional consultant, The Foundation utilizes multiple professional money managers to structure investment portfolios available to clients. This investment process makes The Foundation as academically sound as any secular institution or endowment providing similar services.

INVESTMENT MANAGERS

CERES PARTNERS

Asset Class: Farmland / HQ: South Bend, IN

COURAGE CAPITAL MANAGEMENT

Asset Class: Special Situation Hedge Fund / HQ: Nashville, TN

DIMENSIONAL FUND ADVISORS

Asset Class: US Core/Intl/Emerging Core Equity / HQ: Austin, TX

INTERNATIONAL FARMING CORPORATION

Asset Class: Farmland / HQ: Kinston, NC

PRIVATE ADVISORS

Asset Class: Long/Short Equity Hedge Fund / HQ: Richmond, VA

REINHART PARTNERS

Asset Class: Fixed Income / HQ: Mequon, WI

RESOURCE MANAGEMENT SERVICE

Asset Class: Timberland / HQ: Birmingham, AL

SSI INVESTMENT MANAGEMENT

Asset Class: Convertible Bonds / HQ: Beverly Hills, CA

STONEBRIDGE ADVISORS

Asset Class: Preferred Equities / HQ: Wilton, CT

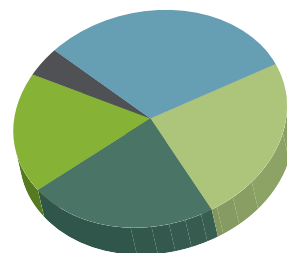
WEAVER BARKSDALE & ASSOCIATES

Asset Class: Fixed Income / HQ: Nashville, TN

INVESTMENT FUNDS

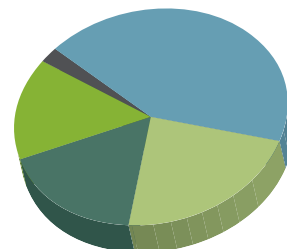
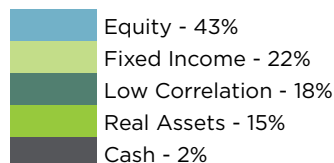
Equity Fund

A diversified portfolio of stocks invested in long-only U.S. and international companies. This fund is managed for total return.



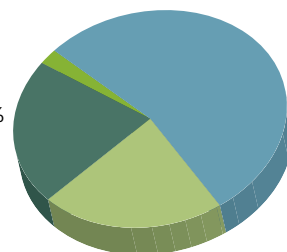
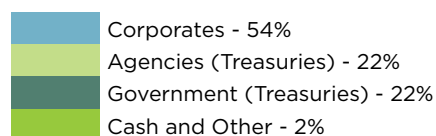
Balanced Fund

A diversified portfolio of stocks, bonds and alternative investments suited for long-term investors such as individuals, churches and endowments requiring annual spending, but seeking real growth over time.



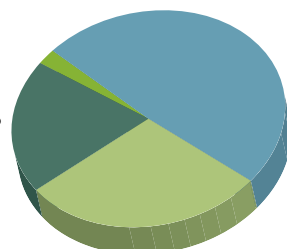
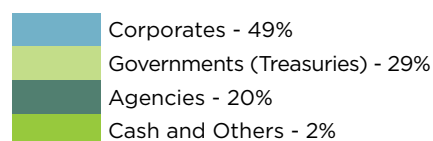
Income Fund

A diversified portfolio of bonds invested to earn income while combating risk to principal. This fund is an alternative to traditional money market funds and short term CDs.



Bond Fund

A diversified portfolio of government and corporate bonds invested in intermediate maturities. This fund focuses on income and return of principal.



STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2014* AND 2013

*At the time of printing the annual report, audited statements were not available for 2014. When completed, audited copies of the financial statements are available upon request.

ASSETS

	2014*	2013
Cash and cash equivalents	\$ 238,594	\$ 610,369
Accounts receivable	47,142	33,464
Bequests receivable		250
Investments	53,022,633	53,169,255
Investments held in charitable remainder trusts and gift annuities	159,120	171,356
Investments held for others	180,977,524	180,056,539
Property and equipment, net	2,075,054	2,120,218
	\$236,520,067	\$236,161,451

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	\$ 455,071	\$ 403,279
Liabilities associated with charitable remainder trusts and gift annuities	53,042	58,572
Investments held for others	180,977,524	180,056,539
	181,485,637	180,518,390
Net assets		
Unrestricted	24,550,668	24,626,172
Temporarily restricted	6,030,778	6,600,782
Permanently restricted	24,452,984	24,416,107
	55,034,430	55,643,061
	\$236,520,067	\$236,161,451



FINANCIAL DISTRIBUTIONS

In 2014, The Baptist Foundation of Alabama distributed almost \$11,000,000 to more than 685 charitable causes and beneficiaries including those shown at the right.

The generous past and present gifts and bequests made by faithful Alabama Baptists continue to impact Baptist churches, students, ministries and children throughout our state, country and beyond.

Through the support of local churches, The Foundation's team has been able to reach more church members through estate stewardship and legacy planning workshops.

2014 DISTRIBUTIONS HELPED SUPPORT:

- Cooperative Program**
- Entities of the Alabama Baptist State Convention**
- Local Churches**
- Baptist Associations**
- Scholarship Funds**
- International Missions**
- North American Missions**
- Individuals**
- Cemetery Funds**

BOARD OF DIRECTORS

(as of date of printing)

Larry Newman <i>Chairman</i>	Birmingham
Chuck Ashley	Montgomery
Phyllis Boone	Birmingham
William T. Coplin	Demopolis
Morrell Dodd	Birmingham
Clifford L. Eubanks	Troy
Rick Gibson	Tuscaloosa
Bill Harper	Montgomery
Diane Kennedy	Mobile
Spencer Knight	Prattville
Forrest S. Latta	Mobile
Michael Lytle	Birmingham
Vicki Martin	Dothan
Reyn Norman	Montgomery
Doyle Powell	Montgomery
David Puckett	Birmingham
Lawson Swearingen	Fairhope
Janet Teer	Northport
Scott White	Mobile

OUR NEW LOGO & WEBSITE



The Baptist Foundation of Alabama's new logo is a modern take on the traditional Cross of Christ, symbolic of our commitment to serve our Savior and fellow Christians with our very best. The logo also signifies the protection and security of a shield, reflecting the responsibility that TBFA takes to administer gifts given for the growth of God's Kingdom. Our new tagline, "Giving. Growing. All for God's Glory", summarizes this mission well.

While our logo may have changed, our purpose remains the same. TBFA's brand is about much more than a new logo. We are blessed to play a daily role in the lives of many churches and individuals seeking to honor God with their financial resources. Whether through investment management, fund administration, legacy planning, or stewardship of Big Jar assets to fuel God's ministry work, it is our privilege to serve.

In addition, please visit our completely redesigned website. We think you will like it!

www.tbfa.org

STAFF MEMBERS

Barry Bledsoe
Jennifer H. Ogburn
John E. Ashworth
J. Rodney Bledsoe
William M. McCrary
J. Thomas Randall
Paula K. Smith
Donna E. England
Nathan R. McCarthy
Joseph N. Hocutt, II
Sarah Snell
Marie Norrell
Robbie Willis
Stephanie Coston
Constance Westover

President
Chief Financial Officer
Chief Administrative Officer
Chief Development Officer
Vice President, Church Relations
Vice President, Ministry
Vice President, Trust Operations
Assistant Vice President, Trust Operations
Investment Officer
Development Officer
Client Services Officer
Executive Administrative Assistant
Ministry Administrative Assistant
Administrative Assistant
Development Administrative Assistant

bbledsoe@tbfa.org
jogburn@tbfa.org
jashworth@tbfa.org
rbledsoe@tbfa.org
bmccrary@tbfa.org
trandall@tbfa.org
psmith@tbfa.org
dengland@tbfa.org
nmccarthy@tbfa.org
jhocutt@tbfa.org
ssnell@tbfa.org
mnorrell@tbfa.org
rwillis@tbfa.org
scoston@tbfa.org
cwestover@tbfa.org

The Baptist Foundation of Alabama

P.O. Box 241227
Montgomery, AL 36124-1227

7650 Halcyon Summit Drive
Montgomery, AL 36117

Phone: (334) 394-2000
Fax: (334) 394-2039
www.tbfa.org | tbfa@tbfa.org



Serving Alabama Baptists Since 1940