



A NEWSLETTER BY VIRGINIA BAPTIST HOMES | VBH.ORG | SPRING 2015

Community *Matters*

ANNUAL REPORT EDITION

*Like pebbles in a pond,
your gifts spread waves
of kindness to seniors
and their families.*



Benevolence at VBH

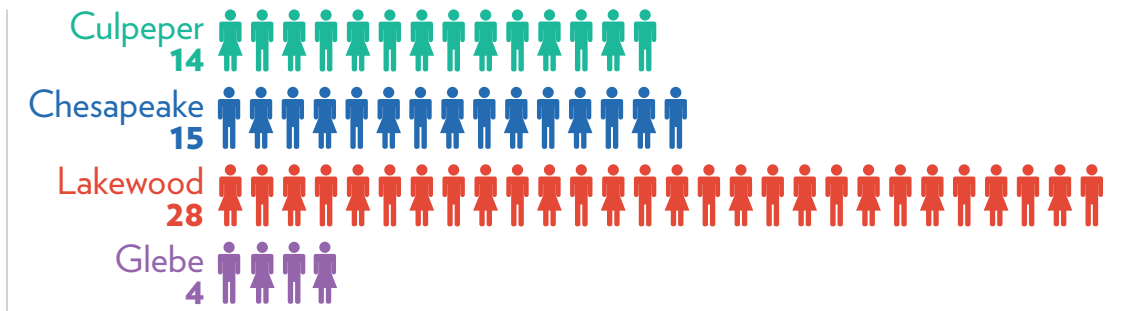
As we look back over the generations, care of our elders was often provided by families. Today, with families living thousands of miles away, career and family obligations, and the differences between the lifestyles of the senior adult and their adult children and grandchildren, this support is often difficult, sometimes impossible, and can result in tremendous stress on family relationships. VBH's family of continuing care retirement communities provides a stimulating, safe, and secure home for seniors in a loving Christian environment.

Most of our residents have saved enough to pay for their care. But some have outlived their financial assets and are unable to continue paying for their care. Some have served their faith as ministers or missionaries and have needed assistance to move into one of our communities. Each case is different, but each individual deserves our help. It is for these individuals that the [VBH Foundation](#) raises funds...and it is for these individuals that you, our loyal donors, have shared your generous support.

We are sincerely grateful for the many acts of benevolence—from easing financial burden of a resident to the offering of a helping hand—through the Christian love shown by those who support this ministry, enabling VBH to continue our mission and ministry.



61
TOTAL RESIDENTS
RECEIVING SUPPORT



Benevolent Assistance Provided

	Total	Culpeper	Chesapeake	Lakewood	Glebe
Monthly Fees	\$904,681	\$213,609	\$246,235	\$404,417	\$40,420
Hair Care, Meals & Ancillary Services	7,669	0	0	7,669	0
Medical Expenses	39,028	0	0	39,028	0
Total Benevolent Assistance Provided	\$951,378	\$213,609	\$246,235	\$451,114	\$40,420

Benevolent Funding Sources

	Total	Culpeper	Chesapeake	Lakewood	Glebe
Support from Gifts, Trusts & Estates	\$1,044,522	\$314,065	\$596,602	\$78,123	\$55,732
Support from Endowed Funds	414,742	0	17,458	406,398	(9,114)
Total Gift & Endowment Support	\$1,459,264	\$314,065	\$614,060	\$484,521	\$46,618

J. T. Edwards Society as of December 31, 2014

In 1996, the JTE Society was formed to honor those who have included [VBH](#) in their estate plans. Bequests, charitable gift annuities, trusts, and gifts of life insurance or retirement accounts are the most common ways that JTE members provide benevolent support for our residents. We celebrate 68 generous individuals and couples who have chosen to create their own legacy to help others at [VBH](#)!



Mr. and Mrs. R. Daniel Arnold
 Mrs. Geneva S. Ashe
 Mr. John W. Behnken †
 Ms. Martha Anne Bledsoe
 Mr. James C. Bradley
 Mr. and Mrs. V. Curtis Brooking
 Ms. Jacquelyn K. Brooks
 Rev. Richard Bruce
 Mr. Bruce H. Cantrell
 Mr. Floyd T. Clark, Jr.
 Rev. and Mrs. Hilary G. Claypool
 Mrs. Judith G. Cooke
 Dr. and Mrs. Robert T. Copenhaver
 Mr. and Mrs. Al daCosta
 Mrs. Anne M. Downs
 Ms. Carole Edwards

Mr. and Mrs. Edmond B. Fitzgerald III
 Mrs. Martha O. Fleming
 Dr. and Mrs. Franklin T. Fowler
 Mr. and Mrs. Lyle R. Fritts
 Mrs. Ann I. Gurkin
 Mr. Garland D. Haddock
 Mr. and Mrs. J. Ellis Hall
 Miss Monica Hillery
 Mrs. Alice Hurst
 Mr. and Mrs. Wales B. Ingram, Jr.
 Mr. and Mrs. Peyton G. Jefferson, Jr.
 Mr. and Mrs. Donald C. Johnson
 Mr. and Mrs. L. Ralph Jones, Jr.
 Mr. and Mrs. Michael E. Keck
 Mrs. Jane C. Kulikowski
 Mrs. Murrell T. Landrum

Mrs. Mary E. Ligon
 Mr. and Mrs. Thomas F. Mabe
 Dr. and Mrs. Guy D. Mattox, Jr.
 Ms. Anne B. Mitchell
 Mrs. Rachael D. Mothena
 Ms. Barbara W. Murphy
 Mrs. Merton D. Nugent
 Ms. Mary Odom
 Mrs. Margaret J. Oliver
 Mrs. Mary Paulson
 Mrs. Marie C. Piper
 Mrs. Doris S. Pritchard
 Mr. and Mrs. M. Hunter Riggins, Jr.
 Dr. and Mrs. Randall Robinson
 Mrs. Martha M. Rose
 Mrs. Helen Rusher
 Miss Mildred M. Savedge
 Mr. and Mrs. Edwin Shelton
 Mr. and Mrs. John F. Slack
 Mrs. Mary K. Small
 Mr. and Mrs. William A. Sprague
 Mrs. LaVora M. Sprinkle
 Mr. and Mrs. Presley Thompson
 Mrs. Violet C. Varner
 Dr. Catherine B. Walker
 Ms. Clara Webb
 Mr. and Mrs. Robert L. Weikle
 Ms. Jacquelin A. Werb
 Mrs. Romona Williams
 Mrs. Lois L. Wolf
 6 Anonymous Donors

† Deceased

J. T. Edwards Society Legacy Gifts

50 donors made their ultimate gift to [VBH](#) through estate gift planning. Some of these gifts were expected because the donor created a trust that provides income every year. Some of them were bequests—most of those total surprises to us. We are humbled by their generous expressions of faith. While their passing saddens us, we are reminded of the way they lived—with love and kindness for others.

Mary Louise Old Andrews Trust
 Hatcher Broadus and Therma
 Valentine Baxter Living Trust
 Inez Duff Bishop Charitable Trust
 Alma P. Bryan Trust
 Estate of Margaret H. Crane
 Estate of Edd Nichols Dallas
 Estate of Joan Ellena Eanes
 Alton Carlton Elder Trust
 Estate of Elizabeth H. Ellett
 John W. and Ruth B. Elmore Trust
 David J. & Edith Evans Trust
 Mr. and Mrs. R. E. Graves Trust
 Trust of Myrtie McCray Graves
 Edward Russell Gray Memorial Fund
 Woodford B. Hackley Trust Fund
 Estate of Maxine H. Hager
 Estate of Virginia H. Hall
 John T. & Mamie Harris Trust
 Laura J. Harris Trust
 Lizzie Harvey Trust
 Charlie Hatchel Living Trust Fund
 Samuel W. Holdcroft Trust Fund
 Ira C. and Bertha Johns Hopkins &
 Nancy Hopkins Bryan Fund
 C. Kenneth Horner Trust
 Mary B. Hudson Trust Fund

Edith H. Ingram Trust
 Estate of Claud B. Jenkins
 Estate of Virginia M. Johnson
 Ora Jones Trust
 The Joanna E. Kaiser Irrevocable Trust
 Yvonne Stewart Kelly Fund
 Alice Ruth and Willie Parr Lewis Trust
 Estate of Catherine H. Mahoney
 Estate of Julia B. Monaco
 Lloyd C. and Ruth C. Moore Trust
 Estate of Elizabeth A. Nalley
 Estate of Nancy Parker
 Estate of Robert N. Parker
 Estate of Issac O. Perkins, IV
 James M. and Ida F. Rose Trust

Waller J. Rucker and Sallie M.
 Rucker Trust
 Loraine Russell Trust
 Estate of Floyd W. Smith
 J. Robert Stiff Memorial Trust
 Hubert T. Thornhill Trust
 Robert Treakle Trust
 James T. Tunstall Trust
 Estate of Bernard C. Williams
 Georgia T. Witt Fund



2014 Giving Circles help us to analyze annual gift income so that we know how to spend the Foundation's time most effectively.

2014 Founder's Circle

Founder's Circle donors provide leadership gifts that help to sustain our benevolent ministry throughout the year. They have made gifts of \$5,000 or more to current benevolence funds, to support the annual golf tournaments, or to the endowed funds for benevolence. In addition, they inspire others to give at a level of personal significance. We are blessed to have such generous philanthropists as friends.

2014 President's Circle

President's Circle donors provide sustaining gifts of \$1,000 or more during the year. These gifts are either immediately put to work helping residents who have outlived their financial resources to pay for their care at a VBH community or they are used in some other way according to the donor's wishes. We are grateful to our generous friends who help meet the needs of our residents.

2014 Executive Directors' Circle

Executive Directors' Circle donors provide gifts of \$500 or more to support our benevolent ministry through gifts to the annual fund or one of our golf tournaments. We are thankful to have so many generous donors who provide significant support during the year.

2014 Friends of VBH

We are sincerely grateful for all of those who make it possible, through their annual giving or participation in our golf tournaments, for us to fulfill our mission to provide *Dignity in Living™* to seniors in our communities.

2014 Tribute Giving

We are touched by the many donors who have made gifts as tribute to friends, family, and staff. Gifts in memory of or in honor of a loved one, is a touching way to support the VBH benevolent ministry.

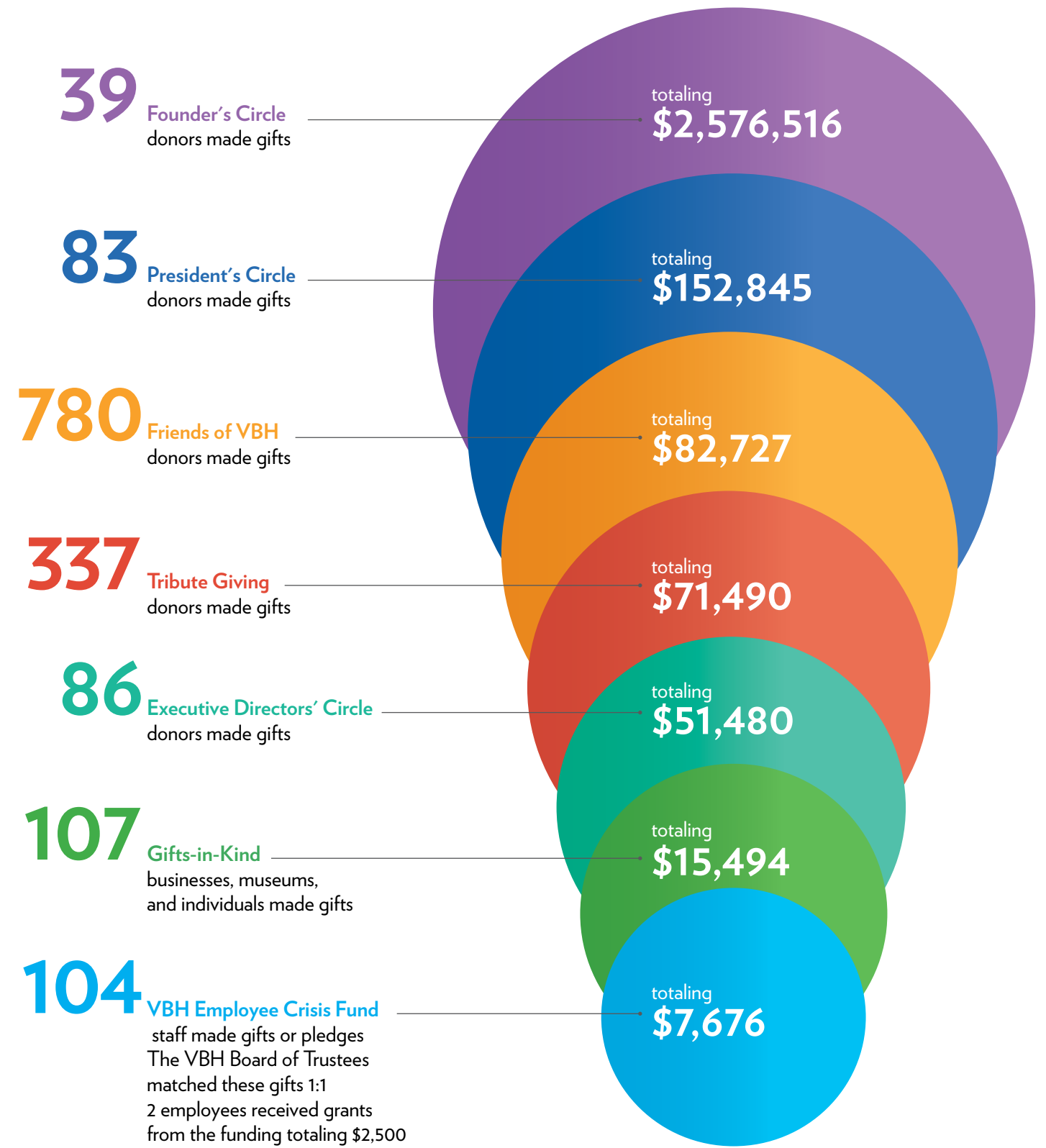
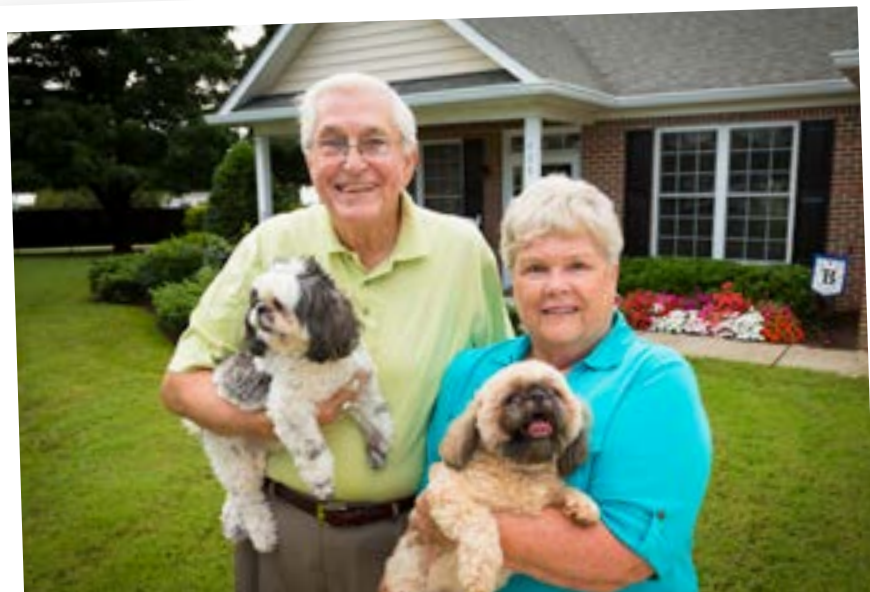
2014 Gifts-in-Kind

We are grateful for our business partners and local retailers who provide in-kind gifts and services throughout the year to support our annual golf tournaments and programs. Residents and their families also contributed artwork, furniture, and other items for the benefit of our communities.

2014 VBH Employee Crisis Fund

When people work together great things can happen! VBH employees often ask what they can do to help a fellow co-worker during illness or crisis...now they have an avenue to do just that.

The VBH Employee Crisis Fund helps staff members who face a financial crisis arising out of an unexpected incident outside of their immediate control. With a direct contribution or a regular payroll deduction, employees can make a tax-deductible gift to this fund that directly assists those around them in need. All staff except department directors and senior leaders are eligible to apply for assistance and awards are made by a committee of management and non-management staff.



Donors wanting to provide perpetual support for the VBH communities have given to one of our endowment funds. Gifts are invested and a portion of the endowment's earnings is made available for use annually according to a percentage established by the Investment Committee of the Board of Trustees. The Foundation gratefully receives gifts of any size towards established endowment funds. New named endowment funds can be established for a minimum gift of \$500,000.

Minister Benevolent Support Funds

- **J.E. and Beulah Carlton Memorial Fund**
Baptist Ministers at any VBH community
- **Cale Endowed Fund for Baptist Ministers and Spouses**
Ministers and spouses at Culpeper
- **Potter Endowed Fund for Baptist Ministers and Spouses**
Ministers and spouses at any VBH community

Benevolent Support Funds

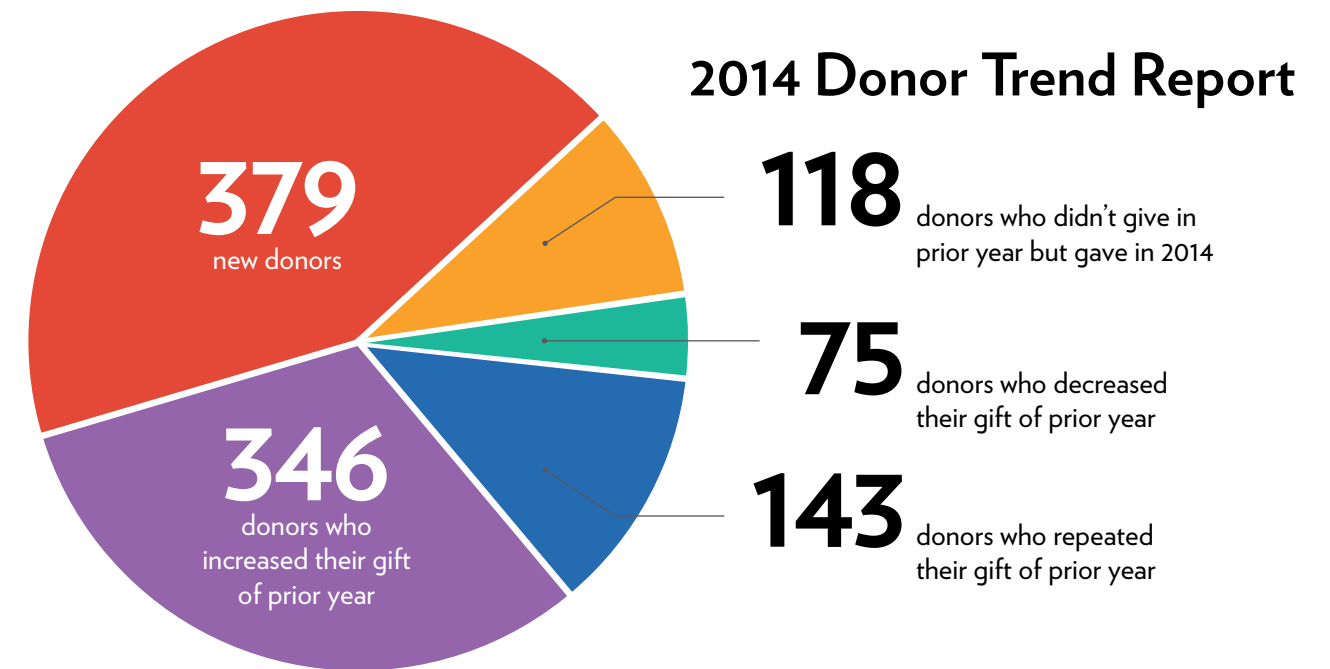
- **Community Specific Endowed Funds for Benevolence**
(One in each community)
Residents at the specific community
- **Richard and Caroline T. Gwathmey Endowment Fund**
Residents at Culpeper, The Chesapeake and Lakewood
- **Hearn Fund** (in memory of Charles Kendall, Lucy Etta Hearn, Residents at Culpeper Nellie Hearn Whitehouse and Lucy Kendall Hearn)
Residents at Culpeper
- **Richmond Baptist Trust Fund**
Female residents who are members of Richmond, Dover and Middle district Virginia Baptist churches

General Endowed Funds

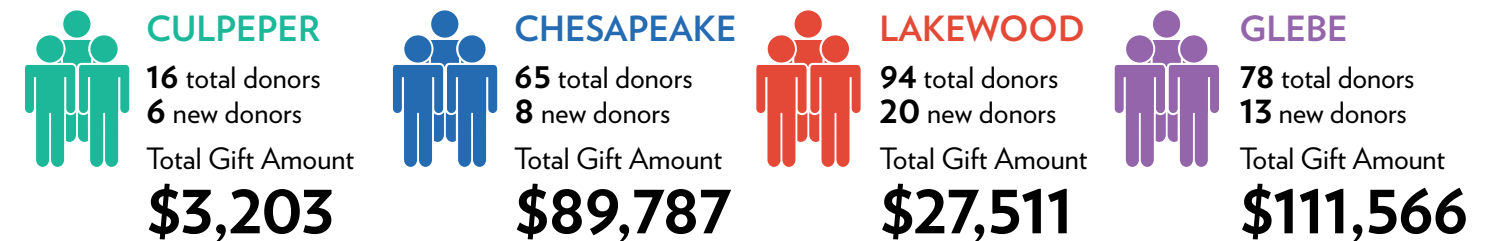
- **Community Specific Endowed Funds**
General use at the specific community
- **Samuel W. Holdcroft Endowment Fund**
General use at Lakewood
- **VBH Endowment Fund**
General use at any VBH community

Funds Managed by Others

- **The Virginia Baptist Foundation (VBF)**
Serves as the trust agency of the Baptist General Association of Virginia (Virginia Baptist Mission Board). Virginia Baptist Homes receives funding from several of the Donor-Advised Funds of VBF, which include several of our own residents. Gifts from these funds are used in accordance with the donor's wishes. VBF manages our Culpeper Endowment Fund and we have also received funding through their grant ministry, most recently in 2009 to support the expansion of Lakewood.
- **Bank of America: The Catherine Hughes Mahoney Charitable Trust**
Annual unrestricted funds are distributed to Lakewood (50%), Culpeper Baptist Retirement Community (25%) and The Chesapeake (25%).
- **U.S. Trust - Bank of America Trust of Samuel W. Holdcroft**
Lakewood receives annual distributions
- **Trust of Mary L. O. Andrews**
The Chesapeake receives annual distributions
- **Charitable Trust of Alton Carlton Elder**
Virginia Baptist Homes, Inc. receives annual distributions
- **SunTrust: Laura J. Harris Testamentary Trust**
Lakewood receives annual distributions that are directed to the Richmond Baptist Trust Fund for the benevolent care of Baptist women residing at Lakewood.
- **Wells Fargo Bank: Hubert T. Thornhill Trust**
Virginia Baptist Homes, Inc. receives 100% of the annual distributions
- **Garner T. Schillinberg Trust**
The Chesapeake receives annual distributions



Resident Giving



2014 Golf Tournament Report

	Culpeper	Chesapeake	Lakewood	Glebe
Sponsors	\$13,625	\$30,425	\$19,620	\$13,925
Players	2,722	4,875	6,297	5,820
Resident Sponsors	0	0	5,219	2,981
Staff Fundraisers	0	0	815	323
Total Income	16,347	35,300	31,951	23,049
Expenses	12,388	10,807	15,425	7,175
Net Income	\$3,959	\$24,493	\$16,526	\$15,874



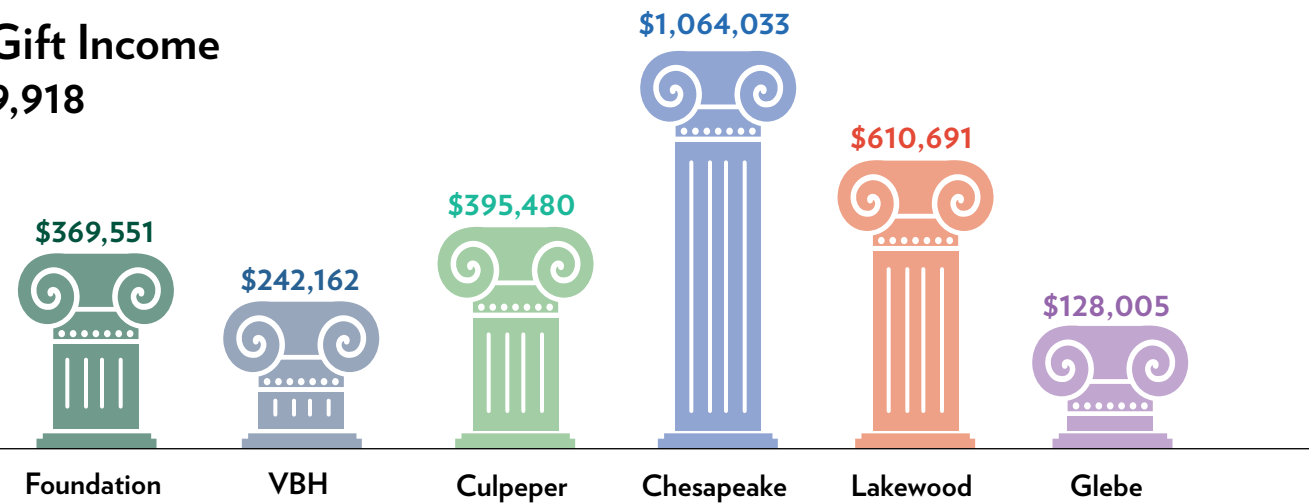
Unrestricted Gifts

	Total	Foundation	VBH	Culpeper	Chesapeake	Lakewood	Glebe
Bequests & Estates	\$1,567,630	\$176,744	\$110,360	\$294,613	\$985,913	\$0	\$0
BGAV Cooperative Program	37,786	0	37,786	0	0	0	0
Churches	59,981	5,549	52,344	2,089	0	0	0
Foundations & Businesses	4,600	2,000	1,600	625	302	75	0
Individuals	114,566	57,164	40,072	10,463	1,795	4,697	375
Total Unrestricted Gifts	\$1,784,563	\$241,457	\$242,162	\$307,790	\$988,010	\$4,772	\$375

Restricted Gifts

	Total	Foundation	VBH	Culpeper	Chesapeake	Lakewood	Glebe
Current Benevolent Funds	\$509,804	\$52,750	\$0	\$38,817	\$46,405	\$367,364	\$4,468
Endowment Funds for Benevolence	103,516	0	0	38,173	29,516	18,881	16,947
Richmond Baptist Trust Fund	19,309	0	0	0	0	19,309	0
Specific Purpose Funds	327,725	10,344	0	10,700	102	200,365	106,215
Gifts Annuities Received	65,000	65,000	0	0	0	0	0
Total Restricted Gifts	\$1,025,354	\$128,094	\$0	\$87,690	\$76,023	\$605,919	\$127,630

Total Gift Income \$2,809,918



	Total	Foundation	VBH	Culpeper	Chesapeake	Lakewood	Glebe
Permanent Endowments	\$3,512,499	\$2,336,944	\$0	\$0	\$0	\$1,175,555	\$0
Gift Annuities	1,228,831	1,228,831	0	0	0	0	0
Benevolence Funds	3,569,111	0	0	0	0	3,544,993	24,118
Specific Purpose Funds	2,748,691	0	970,798	1,334,823	76,842	346,234	19,994
Building Funds	220,357	0	0	0	0	220,357	0
Richmond Baptist Trust Fund	3,791,040	0	0	0	0	3,791,040	0
Endowed Funds for Benevolence	1,203,915	0	0	146,554	489,753	297,585	270,023
Total	\$16,274,444	\$3,565,775	\$970,798	\$1,481,377	\$566,595	\$9,375,764	\$314,135



Summarized Consolidated Balance Sheet

	December 31, 2014	December 31, 2013
Current Assets	\$27,076,089	\$23,593,250
Investments	15,376,721	15,513,478
Beneficial Interest in Perpetual Trust	6,131,510	6,127,260
Assets Whose Use is Limited	10,031,375	9,967,035
Property, Plant and Equipment	127,775,809	128,904,298
Other Assets	3,903,758	4,322,545
	\$190,295,262	\$188,427,866
Current Liabilities	\$15,000,641	\$12,968,097
Advance Fees	83,291,040	76,112,896
Annuities Payable	602,152	713,619
Future Service Obligation	0	0
Long Term Debt	123,662,746	145,597,813
Net Assets	(32,261,317)	(46,964,560)
	\$190,295,262	\$188,427,865



Summarized Consolidated Statements of Operations and Changes in Net Assets

	December 31, 2014	December 31, 2013
Resident Related Revenues	\$60,439,140	\$57,867,130
Contributions	1,109,101	1,287,460
Investment Income	1,735,269	1,123,726
Other Income	1,848,319	1,779,703
(Increase) Decrease in Future Service Obligation	0	0
	\$65,131,829	\$62,058,019
Salaries, Wages and Professional Fees	33,588,769	32,022,110
Depreciation and Amortization	10,186,454	10,017,262
Interest	7,203,437	7,600,268
Other Expenses	19,593,500	17,752,921
	\$70,572,160	\$67,392,561
Revenues Over (Under) Expenses	(\$5,440,331)	(\$5,334,542)
Other-than-temporary decline in value of investments	\$0	\$0
Gain on Refinancing of Debt	19,601,493	0
Gain/(Loss) on Extinguishment of Debt	(1,132,982)	0
Net Assets Released from Restrictions		
Used for Operations	151,850	242,234
Purchase of Equipment	1,290,167	6,598
	\$14,470,197	(\$5,085,710)
Unrealized Gain (Loss) on Investments	\$848,971	\$286,324
	\$15,319,168	(\$4,799,386)
Restricted Contributions and Other Increases	\$849,558	\$1,540,800
Change in Present Value of Perpetual Trusts	(23,466)	364,872
Assets Released From Restrictions	(1,442,017)	(248,832)
	(\$615,925)	\$1,656,840
Increase (Decrease) in Net Assets	14,703,243	(\$3,142,612)
Net Assets at Beginning of Year	(\$46,964,560)	(\$43,821,948)
Net Assets at End of Year	(\$32,261,317)	(\$46,964,560)

The goal of any business is to generate a return on investment. A significant distinction exists between how for-profits and nonprofits allocate that return. For-profit companies exist to return the profit to shareholders and nonprofit organizations must use their funds to support the mission for which they were formed—to benefit the greater good of the community or society.

This means nonprofits like [Virginia Baptist Homes](#) must invest surplus revenue back into the business to cover the costs necessary to fulfill the mission. This leads to a delicate balancing act in the nonprofit world between focusing on mission and margin, a question that is usually settled by asking: “What’s in the best interest of the residents?”

Both for-profit and nonprofit senior housing operators strive to run efficient businesses. However, a priority for the for-profit is keeping operating costs as low as possible in order to return a profit to investors. In a CCRC, the difference between for-profit and nonprofit can easily be seen in the long term nursing services and care.

Another key difference in for-profit communities and nonprofit CCRCs is that eligible residents of the nonprofit CCRC who deplete their financial resources through no fault of their own receive benevolent assistance and can continue residing at the community. The funds raised by the [VBH Foundation](#) helps

to pay the CCRC residents fees for those receiving benevolent assistance. Virginia Baptist Homes awarded almost \$1 million in 2014 for benevolent assistance to 61 residents at our four CCRCs. For-profit rental communities are not responsible for subsidizing the care for residents. The for-profit rental model does not require financial qualification or the payment of an entrance fee because there is no assumption that the residents will be provided care for the duration of their life, should they outlive their financial resources.

By consistently providing more hands-on care and creating innovative wellness and care-delivery models, nonprofits set the standard for high quality care throughout the country. VBH is grateful for our donors, our volunteer Board of Trustees, and others who partner with us to fulfill our mission of providing the highest quality care available to our residents, making it possible for them to live with dignity throughout their lifetimes.



A study from 2009 titled “Quality of care in for-profit and not-for-profit nursing homes: systematic review and meta-analysis” in which the authors reviewed 82 research studies examining for-profit and nonprofit nursing homes the following was concluded:

- Nonprofit organizations had better outcomes on four key measures of quality:**
- More or higher quality staffing
 - Lower prevalence of pressure ulcers
 - Lower prevalence of restraints
 - Fewer government-cited deficiencies

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Richmond, VA

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Charlottesville, VA

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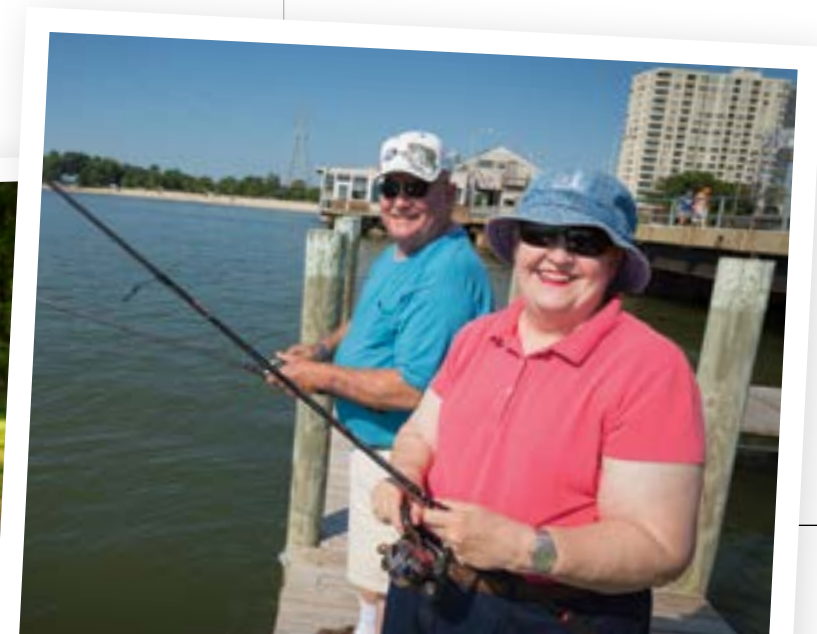
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Virginia Baptist Homes Foundation
Patricia S. Morris, MPA, CFRE
VP





The funds that we raise help eligible residents who outlive financial resources needed to cover the cost of their care. During the first quarter of 2015, we provided almost \$500,000 to 54 residents in our four communities.

Virginia Baptist Homes (VBH) operates four exceptional communities that welcome people from all faiths and share the steadfast mission of providing *Dignity in Living*.

For more information about Virginia Baptist Homes and our communities, visit www.vbh.org.

Culpeper
(800) 894-2411

Daleville
(877) 994-5353

Newport News
(800) 345-0474

Richmond
(866) 521-9100

