

Kingdom Giving



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Firm Foundation

by Leah Honnen

My husband and I are of the generation that was told to take out student loans because the job market was ripe with opportunities. Although we recognize that it was a choice to take out student loans and do not blame the system for our decisions, by the time we both graduated, those jobs were not as available as we hoped they would be. Because of this, the journey to our current jobs hasn't exactly been financially-freeing.

On November 8, 2014, we were married. Later that same month, our first student loan payment was due. What a great wedding present.

After two years, we prayerfully started trying to grow our family. In time, we realized that we needed help to get pregnant. So, we sought medical help for two more years and created debt we did not originally plan for. After that journey, Owen was born May 31, 2019.

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Owen's arrival helped us see our need for a will and testament, but we have done so much more than that with the Baptist Foundation. Working with Doug enables us to budget well, so that we can not only get out of debt, but be good stewards of what God has given us. We have a set plan for the future, not only for our son, but for any other gifts God may bring.

Here are couple things we have learned:

1. We are able to get out of debt sooner than we ever thought on our current income. It may seem simple, but tracking our income has been eye-opening.

2. Looking at the plan we put together with Doug helped us to see how our current spending impacts our future goals. When we skip saving now, we miss out on the compound interest that could be shared later in life.

God has given us all we need to impact our world for His glory. In our marriage, we decided to take initiative so that each aspect of our lives, especially our finances, will be used to share the name of Jesus for a long time after we are gone.

Giving from an IRA - and perhaps more than you thought

by Larry Douglas (Doug) Morrow, Jr.

Two recent changes to federal tax law may have an impact on how (and perhaps how much) someone can give to charitable causes.

Although qualified charitable distributions from IRAs have been with us for a few years now, they have been increasing in popularity each year. And although a December 2019 law change raised the minimum age for mandatory distributions from an IRA to 72, at 70.5 years old individuals can give up to \$100,000 annually from their IRA, avoiding the income tax they otherwise would have to pay. This may be an especially dramatic savings. Avoiding the tax prevents being bumped into a higher tax bracket.



BFI has an online tool that can help you process most QCD gifts at Freewill.com/BFI/QCD.

Second, larger gifts are being impacted by the December law change, dubbed the Secure Act, by raising the deductible amount from 50% to 60% of adjusted gross income. This too, can have significant impact for givers. For example, if previously the maximum charitable deduction on a \$75,000 AGI was \$37,500, now at 60% that number moves to \$45,000. Additionally, it's still possible to carry a charitable deduction forward for up to five years, helping ensure you can take the maximum deduction allowable, even if you have lower income levels.

For specific information about your situation, consult your regular accountant or give us a call at 217.391.3116.

BFI Year End Report

Baptist Foundation of Illinois encourages Illinois Baptists to respond, both individually and corporately, to God's call of stewardship upon their lives, connecting them with ministry opportunities that transform the world with the Gospel of Jesus Christ.

Total Funds Under Management: \$48.2 million

Five Divisions of BFI

Life Stewardship: Generosity and great stewardship are not singular events. They are best developed and grown over a lifetime of obedience to God's leadership.

BFI is working to develop a video and print curriculum that provides in-depth training in this area in 2020.

Educational Scholarships: BFI's scholarship program connects generous Illinois Baptists with Illinois Baptist students pursuing an Associate, Bachelors, or Seminary based degree. This year, BFI awarded just under \$80,000 to 37 students.

Custodial Saving/Investing:

Investment Options:	Annual Percentage Yield (APY):
Cash Management	.75% AP
BFI Bonds (1-5 year)	1.25% to 4.25% APY
Church Loan Term Investments	1.65% to 2.55% - Exact rates change monthly
Fixed Income Pool	5.01% - Average historic return last 9 years in excess of 5% (net)
Blended Fund	7.16% - New fund in 2019, target yield is 7.5%
Endowment	5.08%

Church Capital Loans: Throughout 2019, BFI has provided church building loans to nine churches in Illinois.

Church Legacy Program: Through 2019, 25 congregations have gone through BFI's Legacy Program, preserving and celebrating what God has done and preparing for His next great work through their church resources.

We remain delighted to serve Illinois Baptists. This partnership for the Gospel, expressed in the great stewardship of God's people, is a high honor - and we are grateful for your confidence.

BFI Bond Issue Available

BFI Bond Issue 2020A supporting the expansion of a Southern Illinois church is now available. Interest rates range from 4.25% APR for 5 year bonds to 1.25% APR for 1 year bonds. Call 217.391.3116 or email Sheila.Jessen@BaptistFoundationIL.org for more information

Scholarship Reviewers Needed!

Your help is greatly needed to ensure a fair and efficient process in selecting scholarship winners from over 100 applicants.

Scholarship review day is Saturday, March 7, 2020
at Tabernacle Baptist Church in Decatur.

Call 217.371.3116 or email
Sheila.Jessen@BaptistFoundationIL.org to volunteer!