

## Investment Committee

The Investment Committee is a part of the Operations Team. Its purpose is to provide stewardship and governance for ABCORI's Pooled Fund. The committee consists of ex-officio officers (Executive Minister, Treasurer, Operations Chair) and at-large members (elected ABCORI representatives).

### ABCORI Pooled Fund

ABCORI's Pooled Fund (PIF) is a *Close-Ended* Investment Fund, established as an investment alternative for regional gifts, ABCORI member churches and select affiliates, and organizational endowed funds to meet the intent of *Dedicated* RI Baptists. The primary investment objective of the endowed assets is the preservation of principal and donors' corpus. The role of the committee is to set investment policy, determine asset allocation, coordinate activities with the financial advisor (Alliance Bernstein), custodial manager (Fradin & Co. CPAs), and ABCORI's financial manager (Nancy Faria) in meeting the requirements identified by ABCORI's annual budget.

### Performance

Throughout the past sixteen years our financial advisor has served the region in an exemplary manner in meeting the financial objectives of the PIF and in maintaining the value of the fund for the region and its members. During their tenure, our advisors have provided over \$4.3M in earnings, which have been critical to fulfilling ABCORI's mission. With each year the financial environment presents uncertainty that challenges a wealth manager's capabilities, as 2020 proved to be perhaps the most challenging—without exception.

As the market ended 2019 on an extremely positive note, the outlook was looking extremely optimistic, but an unforeseen disastrous event occurred at the end of the first quarter of 2020—worldwide pandemic. In just a matter of a few weeks, the market lost close to 17% of its value, and the value of the PIF dropped by some 15%. It has been 100 years since the occurrence of a global pandemic, and its impact will no doubt take years to recover from economically with the failure of many businesses and as the loss of lives in the U.S. continues to grow. Even today, ABCORI's operations have been dramatically reduced, severely affecting the region's income, but our *faith* remains strong! In addition to these challenges, our facilities at Canonicus are being threatened with the failure of the dam on Lake Adams.

However, like the early Christians who built their foundations on a rock and *not* on sand, we will persevere as we begin to see some improvement. The PIF has regained its value just prior to the beginning of the pandemic, and with the introductions of vaccinations we hope to see our operations start to resume in the second part of the year. Despite these misfortunes, our financial advisors were able to deliver a return on our investments (ROI) of just over 8% for the year. Most notably we are thankful for those donors and their gifts that comprise the PIF, which has helped to sustain and provide stability for ABCORI.

### **Outlook**

There is no doubt that 2021 will be dominated by the continuing threat of the pandemic and our ability to adapt. As a region, our church members face many obstacles with regards to meeting these challenges. We must remain vigilant in supporting the efforts of all those who serve our region and carrying on the mission of ABCORI.

Tom Archer, Chair