

# Focus on the Foundation

Summer 2009

Volume 9 Issue 1

*A Report of the United Methodist Foundation to the Wisconsin Annual Conference*

## Hang on for the Ride!

I am not a fan of roller coasters. I've ridden them a few times to be a good sport when I was younger and I could recover quickly. The older I get, the sooner I need an adjustment from my chiropractor when I'm done! I imagine some day my grandchildren will get me to go on one, but probably not very often once they've outgrown the kiddie rides!

I wish the roller coaster ride we've recently experienced in the financial markets could be as easily re-adjusted as my neck and back! There is no quick fix. There is no crystal ball, and there is no magic wand!

Nevertheless, as the entire world remains anxious about the economy and the turmoil in the markets, we at the Foundation remain hopeful in our long-term investment strategy. In 2008 the stock market indexes declined by 34-45%. During that same period of time Option 1 of our Common Fund, which is invested 50% in equities and 50% in fixed income instruments, had a net return of -15%.

While we wish we could have provided a positive return for our partici-

pants, we are grateful that overall our professional equity managers outperformed the benchmarks in their specific asset class by as much as 15%.



*Rev. Jean Ehnert Nicholas with Lily, age 2, and Tyler, age 1*

What do we suggest to our participants in these trying times? First, wait and see. If your investment funds at the Foundation are long-term or permanent funds, you don't want to move them now and miss the opportunities for increased growth when the market recovers. Studies have shown that each time a new bull (up) market begins, 29% of the total lost in the prior bear (down) market is recovered in the first 40 calendar days. About 46% of total losses were earned back in the first 12 months. The reality is that the optimal time

to buy stocks is when prices are down, and it looks like the worst idea ever!

Second, if you are concerned about preserving the principal investment in your accounts, you might switch your distribution option from a percentage of the market value each year (or from a specific dollar amount) to earnings only. This means that you only withdraw the interest and dividends earned in your account and allow the capital gain (or loss) to remain invested in the fund.

*See Roller Coaster - Continued on page 2*

# Services Provided by WUMF to Circuits and Churches

*Roller Coaster - Continued from page 1*

Finally, if your church is receiving new income for a long-term fund, such as a building fund, you might consider opening a second companion fund invested more conservatively than your current account until we have some sense that the market has stabilized.

Our Board of Directors has approved opening up investment options to new church accounts, for churches that might wish to invest more conservatively than 50/50.



As always, we stand ready to provide stewardship consultations and planned giving resources and seminars to all circuits and local churches free of charge. It is helpful to us when a circuit or group of churches collaborates in presenting these resources to their congregations. This allows us to be the best stewards of our time and resources.

Jesus never promised the disciples a smooth ride when he called them to follow. He required them to carefully examine their priorities and trust him to lead them into the future unafraid. May we continue to carefully examine our priorities as individuals and congregations as we follow Jesus on this current roller coaster ride through life.

Blessings,

*Jean Ehnert Nicholas*

Rev. Jean Ehnert Nicholas

Vice President of Programs and Resources

## Grant Applications Due September 1

The application form for 2010 Grants are now available online. The application deadline (your grant application must be either postmarked or received in our office with all required signatures) is September 1, 2009. Check our website at [www.wumf.org/grants](http://www.wumf.org/grants) for guidelines, a current application and past recipients.

## WUMF Offers:

**Investment** Service for local United Methodist Churches. We provide a careful and conservative investment approach for church money, competitive returns, accountability, and permanency.

**Capital** Campaign Fundraising Services done in two phases; Pre-Campaign Evaluation Study followed by the Intensive Phase.

**Endowment** Services for churches to develop permanent funds and raise awareness of how contributing to these funds can enrich ministries.

**Mortgage** Loans designed for qualifying churches, offering low interest rates and flexible terms.

**Grants** to churches or agencies for developing new and creative ministries throughout the Wisconsin Annual Conference.

**Planned** Giving Services to individuals so they can make a lasting impact on ministries that are important to them. When meeting with individuals, our first question is, "What are your goals?"

**Stewardship** Services to help congregations develop a year-round stewardship program that will secure the financial resources required to continue and expand ministries.

**Training** to create a year-round wills, memorials, and estate planning program in your church.

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## Capital Campaign and Church Loan Programs

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### Foundation offers Capital Campaign Services

The goal of the Capital Campaign Service of the Wisconsin United Methodist Foundation is to provide any Wisconsin United Methodist congregation with a successful, positive, "faith-centered" campaign at minimum cost! We provide a proven process which is adapted to your church's situation. Our Capital Campaign process includes two phases. We begin with a Pre-Campaign Evaluation Study, which involves 25-30 interviews with various members of the congregation. The goals of the Pre-Campaign Evaluation Study are to:

- ... Identify potential campaign leadership
- ... Identify potential major gifts and "pace-setting" donors
- ... Determine manageable goals for the campaign
- ... Uncover attitudes of church leadership and potential donors toward the proposed project
- ... Secure information concerning probable support for the campaign

This initial stage is followed by the Preparation and Intensive Campaign Phase. Foundation staff provide a detailed, individualized manual of instruction, on-site assistance during the preparation phase, and presence and leadership by Foundation staff at key events such as worship, preaching, visitor training, etc. An individual fee quote will be made to each local church based upon data provided in an initial questionnaire form.

For more information call Lenore Geisthardt at 1-888-903-9863.

### Welcome New Church Loans

As we celebrate the completion of our loan program's seventh year, we encourage United Methodist Churches to consider the benefits of a Foundation loan. With our competitive interest rates and flexible terms, you may be able to save thousands of dollars in interest payments that can be redirected to support your church's ministry and mission.

We welcome the following churches that have recently committed to a Foundation loan to refinance current debt, or to pay for building repair projects: Racine: Trinity UMC, Sheboygan Falls: Faith UMC, Jackson: Still Waters Community UMC, Reedsburg UMC, Marshfield: Zion UMC, Yorkville UMC, Greenville: Faith Community UMC and Stevens Point: St. Paul's UMC.

For more information call Ellen LaWall, Loan Officer at 1/888-903-9863.



*Sheboygan Falls: Faith UMC completes a siding project on their church building*

#### Interest rates for the week of May 26, 2009

**5 Year 4.125%**

**10 Year 5.25%**

## Charitable Gift Annuity

### FAQ's about Charitable Gift Annuities

#### Q: What is a Charitable Gift Annuity?

**A:** A Charitable Gift Annuity, or CGA for short, is a way to make a gift to your favorite charity, and still receive an annuity payment for yourself or others. It is a contract under which a charity, in return for a transfer of cash or other property, agrees to pay a fixed sum of money over one or two lives. The person who contributes an asset for the annuity is called the "donor", and the person who receives payments is called the "annuitant" or "beneficiary." Usually, the annuitant is also the donor, but this is not always true.

#### Q: What will my annuity rate be?

**A:** The Foundation offers CGA rates based on the rates suggested by the American Council on Gift Annuities. Rates are based on the age of the annuitant(s) at the time the Charitable Gift Annuity is established. For current rates, please see the chart to the right.

#### Q: Will my annuity rate change?

**A:** Payments from a charitable gift annuity are fixed from the outset. They will neither increase nor decrease, regardless of what happens to interest rates or the stock market. A charity is contractually obligated to make the payments, even if it has to dip into its general funds to do so. In the case of a joint or two-life charitable gift annuity, the annuity payments will remain the same for the second annuitant after the first annuitant dies.

#### Q: What are the benefits of having a CGA?

**A:** Gift annuity donors may want to increase their cash flow, seek the security of guaranteed, fixed dollar-amount payments, and the security of knowing a gift will be made to their church or other ministries upon their death no matter what happens to the remainder of their estate.

#### Q: How can I find out more information about a CGA?

**A:** Call Jean Nicholas or Bill Helwig at the Foundation at 1-888-903-9863. We will prepare an individualized computer illustration, at no obligation to you. Call us today!

#### *Selected Charitable Gift Annuity*

#### *Rates*

*(Valid rates effective February 2009)*

<u>One Life</u>		<u>Two Lives</u>	
Age 60	5.0%	Both Age 60	4.6%
Age 65	5.3%	Both Age 65	4.9%
Age 70	5.7%	Both Age 70	5.2%
Age 75	6.3%	Both Age 75	5.6%
Age 80	7.1%	Both Age 80	6.1%
Age 85	8.1%	Both Age 85	7.0%
Age 90+	9.5%	Both Age 90	8.3%

**Call 1-888-903-9863 today to take advantage of the current rates.**

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## Charitable Gift Annuities

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### Like Mother, Like Daughter

Jann Brockmann and her daughter Kathy are committed to giving through their ordinary income to the operating budget of their local church, and to a variety of ministries through gifts that keep on giving. By establishing a Charitable Gift Annuity, they are able to set aside gifts that return income to them — both now and in the future — and simultaneously establish a gift to be made in their name to a variety of ministries and charities at the time of their deaths.

Jann says “I took out my first Charitable Gift Annuity (CGA) in 1998 with a deferred payment arrangement to start when I turned 65. One of my hopes was that after the initial four years, the principal would grow and in the future would leave a larger remainder. After the 10% net remainder to the Foundation, 90% is designated for the Grants Fund. As an employee of the Foundation at that time I was looking for ways to give back to them.

Since 1998 I have added four additional CGAs. As a widow who does not have a good pension, I need to have income I can count on. For me, the CGA is the perfect answer. I have received excellent tax benefits in the years I took out the annuities. Steady income comes quarterly and a portion of that is tax free.

More important to me, however, is the aspect of having the ability to make charitable gifts that I could not make with my current

income. Some day, these last four annuities will help the Grants Fund, my local church, Evergreen Manor’s Care Assurance Fund, the UM Camp Endowment, my local Girl Scout Council, and the UMW’s Mabel Heil Scholarship Fund. I will continue to make use of Charitable Gift Annuities whenever I am able.”

Kathy Brockmann says “My mother had been suggesting deferred gift annuities to me for several years. I had hesitated because I wasn't sure I could decide today where I would want to make gifts in the future. Or whether I could afford to set aside the contribution.

Once I really understood how it worked, I appreciated how it provides current and future benefits to me while also allowing me to make a financial commitment to several organizations that matter to me. I received a tax deduction this year, and will receive known income when I

retire. Since it is deferred, I know that the money I have set aside today will be growing until I retire and hopefully provide a larger gift. My only other concern was how to change my beneficiaries should my wishes change between now and retirement. All I need to do is contact the Foundation.”

Call 1-888-903-9863 for information on how you can establish a Charitable Gift Annuity today!



*Kathy and Jann Brockmann*

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## From the President...live, GIVE, love beyond all expectation

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*Rev. William Helwig,  
President*

### Have you explored all your possibilities to share?

One of the greatest “life lessons” I learned, occurred when I was about 19 years old. A dear friend of mine, also 19, died unexpectedly in an automobile accident. Up until that moment I had never experienced the death of someone

close. I heard the news of his death on the morning radio station as I was driving to work. I didn’t know what to do. So for two days I went about my business as usual, pretending nothing had changed. I knew I should call this young man’s mother and sister to express condolences but I was afraid to make that call. Just thinking about it made me uncomfortable and unsure. Finally, I gathered up the courage to attend the visitation at the funeral home the evening before the funeral. As I walked to the front of the chapel where my friend’s mother was standing to greet visitors she

saw me and reached out to greet me with a hug, and whispered words in my ear that I will never forget ... “Bill, you were one of Jim’s closest friends and I have been waiting for you to call. Would you be willing to serve as a pallbearer at the funeral tomorrow?” I said, “Yes” and vowed never to hold back again because of fear.

Each of us has many gifts to share with others in their moment of need. Don’t let uncertainty, fear, or lack of courage prevent you from giving all that you have the possibility to share. Your gift will make all the difference in the world. While the current difficult economy can cause a reluctance to be generous, I dare you to give “beyond expectation.” And we will be here at the Foundation to help you make the best gift possible!

*William J. Helwig*

### Pine Lake Stewardship Retreat for Clergy and Lay

Take the time to develop your 3-5 year stewardship plan. Earn 1 CEU.

August 19-20 noon to noon

We encourage a team of at least one or two lay leaders from the church or charge to join your pastor on this 24 hour working retreat. You will leave Pine Lake with a plan for your stewardship ministry that fits the needs of your congregation. We have the entire facility at Pine Lake reserved. Those who register first will be given rooms in the new Retreat Center.

Contact the camping office at **1-877-947-2267** for more information on registration for this event.



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## Fall Stewardship Seminar Announced

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### David Bell is coming to a city near you!

Rev. David Bell, author of the Guidelines for Leading your Congregation: Stewardship 2009-2012 will be our guest leader for the annual fall stewardship seminar. The 2009 Seminars will be held:

**September 18**, 9 am—3:30 pm at **Black River Falls UMC**;

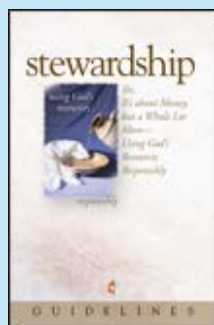
**September 19**, 9 am—3:30 pm at **Appleton: Emmanuel UMC**;

**September 20** from 1:30-5:30 pm at **Elm Grove: Community UMC**.

Pastors, lay leaders, stewardship committees, finance committees, and interested church council members are encouraged to attend this workshop.

Registration materials will be available soon. The cost will be \$25/person with a \$50 maximum fee per church or charge. A copy of the Stewardship Guidelines will be provided to each participant. Earn .5 CEU.

Mark your calendar today!



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## Giving Anonymously Makes a Difference

On Sunday, March 15, The Family Church (TFC) of Neenah-Menasha worshiped for the first time in its own building! It has been a long journey to this point. A visionary team started working in January 2001 with a plan to create a new faith community that would include entire families in worship and would empower parents to be the spiritual leaders of their children. Part of that vision was to have families worshipping together around tables in an informal environment, and an interactive service that would serve the entire family with lively music, puppets, skits, and even healthy snacks throughout the entire worship. After stints of worshipping in a school and then a Lutheran church, The Family Church now has its own building.

Through the Wisconsin United Methodist Foundation, The Family Church has been receiving the support of an anonymous giver who has been challenging TFC members by matching their giving up to \$5000 twice a year. The United Methodist Foundation has been making this process possible for the giver and the church. The anonymous giver has been an incredible blessing for the new church, helping it to grow in stewardship and bringing a renewed enthusiasm in its giving. It has been a gift twice given!!

Call the Foundation to see how you can be a blessing to others through your gifts, anonymously or publicly.



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### **FREE PRESENTATIONS AVAILABLE TO YOUR CIRCUIT!**

Call us at 1-888-903-9863 or email us at [wumf@wumf.org](mailto:wumf@wumf.org) if you'd like Jean Nicholas or Bill Helwig to come to your circuit to lead one of the following presentations:

- « Investment Services of the Wisconsin U.M. Foundation
- « A Charitable Gift Seminar – sharing the variety of ways donors can make gifts to the church using assets other than cash in the offering plate
- « Improving Stewardship in the Local Church
- « Types of Financial Stewardship Programs: “What might work best for us now?”
- « Life Income Gifts: “How can we give money or property away and still receive income from it for the rest of our lives?”
- « The Charitable IRA: “What can folks 70-1/2 and older give in 2009 that no one else can?”
- « Leaving a Legacy through Endowments: “How do I establish a gift that keeps on giving forever?”