

Mission Statement

The mission of the Nebraska United Methodist Foundation is to **support** the ministries of the Nebraska Annual Conference of the United Methodist Church through the **development** of gifts and the **stewardship** of resources entrusted to the Foundation in support of God's work.

Nebraska United Methodist Foundation **2002 Annual Report**

Webster's Dictionary defines the word partner as "one who shares" and "playing on the same team as another." During the past year, it was our privilege to "share" the Foundation's resources with our many partners in the Conference. In fact, were it not for our partners, there would be no resources to share.

As a Conference and as "teammates," the opportunities and possibilities for the future are endless. By working hand in hand and focusing on what we want to be as a Church, we can energize existing ministries, begin new ones, better serve the needs of our current members and provide an exciting, welcoming, Christ-centered environment for all those who want God at the center of their lives.

Like none before us, we have an opportunity to provide hope for the future, to build healthy churches and to serve the needs of a changing society.

More and more, Conference churches and agencies with whom the Foundation has partnered are looking to the future through the creation of endowment funds, planned gift programs and the stewardship of assets through a long-term investment plan. They are looking forward to what their future can be through visionary planning rather than backward maintenance.

During the past year, the Foundation provided incentive and support to seminary students through the distribution of more than \$47,000 in scholarship funds. More than \$41,000 was distributed in the form of grants. Distributions to churches and agencies exceeded \$266,000. Lifetime income distributions were over \$114,000. In addition to financial support, Foundation staff delivered stewardship sermons one out of every three Sundays and were in churches and church members' homes more than 200 times for the purposes of creating endowment funds, capital campaign planning, gift and estate planning, and investment of church funds.

Sharing is partnering. Partnering is teamwork. Teamwork is togetherness. Together, we can accomplish so much. We embrace what the future can be, and we look forward to continuing and growing our partnerships in ministry.



Opportunities for Helping Others Through the Foundation Grant & Scholarship Program

Life Insurance

Many persons own life insurance policies intended to protect family members who no longer need such protection. By making the Foundation the "Primary Beneficiary" of the policy, the proceeds will pass to the Foundation at the insured's death free of estate taxes and probate and will then be distributed for grants, scholarships or other uses as designated by the donor. If the Foundation is named as the "Owner" of the policy during the insured's lifetime, a charitable income tax deduction may be available. Future premiums paid on the policy can also qualify for a charitable deduction. Donors should contact their tax accountant or the Foundation for further clarification of the tax laws.

Cash Gifts

Cash gifts, usually in the form of a check, are the most common charitable gifts. A charitable income tax deduction is available for donors who itemize their deductions on their federal income tax return.

Charitable Remainder Trusts

Donors transfer property (cash and/or other assets - usually stocks and real estate) to the trust and receive income that usually exceeds the income previously earned by the transferred asset. When appreciated assets are gifted, the donor avoids capital gains taxes. A charitable deduction is available for donors who itemize their deductions on their federal income tax return. After the donor's lifetime, or after a term of years if so desired, the trust assets are distributed to the Foundation or other charitable beneficiary.

Charitable Gift Annuities

Donors make a charitable gift of cash or other property to the Foundation in exchange for a guaranteed, lifetime annuity payment for themselves or for others. The payments are determined at the time the gift is made and will never change, regardless of how long the income beneficiary lives. Following the income recipient's lifetime, the remainder value of the original gift is distributed to the Foundation or other charitable beneficiary.

Wills

Wills are a vitally important part of an estate plan. A well-planned will can reduce or eliminate estate taxes, assures that a person's assets are distributed in accordance with their wishes and allows for assets owned at the time of death to be distributed to the Foundation or other favorite charity.

Gifts of Real Estate, Stocks and Other Property

Property that has appreciated in value since its purchase is a tax-wise gift. Such gifts will either avoid capital gains tax or will receive preferred tax treatment. It's important that the property itself be gifted. Do not sell appreciated property with the intention of gifting the sale proceeds. To do so will void the tax advantages otherwise available. Usually, a charitable deduction for the current market value of the gifted asset is available to donors who itemize their deductions on their federal income tax return. In some instances, only the donor's basis in the property is deductible.

Donor-Advised Funds

Donors make a gift of cash or other property, receiving the tax benefits available for such gifts. The Foundation awards grants from the Fund based upon the Foundation's mission and suggestions provided by the donors as to preferred charitable beneficiaries. These Funds are popular among donors who wish to support multiple institutions and organizations but prefer to do so through a single gift.



“Inasmuch as you have done it unto one of the least of these my brothers, you have done it unto me.”
- Matthew 25:40

Leaving Her Legacy

If you asked some people, they would say Evelyn Stewart McLarty has seen more than her share of sadness in her lifetime – losing three children to cancer, her first husband to Alzheimer’s and her second husband to a heart attack and stroke.

If you asked Evelyn herself, she would say she has seen more than her share of blessings.

“I’m so lucky to have had two men in my life who possessed the strength of character as Clarence and Paul did,” says Evelyn. Clarence was “her rock,” and it was his strength that helped her cope with losing three of her five children to cancer. With her second husband, Paul, Evelyn says, “We had so much fun!”

It was important to Evelyn that her children recognize they, too, have been blessed. “You don’t destroy anything in this world. You make a difference while you are here, and you leave things in better condition.”

It is also important to Evelyn that she share her blessings. Evelyn has set up three Charitable Gift Annuities with the Foundation, each benefiting a different church or ministry. “The Nebraska United Methodist Foundation is the only Foundation I would think of using now. I have such a good feeling about it, and I can designate exactly how the funds are to be distributed.”

The first Annuity benefits the Ceresco United Methodist Church, her hometown church. The second Annuity benefits Camp Fontanelle, supporting her daughter’s passion as well as future generations of Nebraska children. The third Annuity benefits St. Mark’s United Methodist Church in Lincoln, the church she currently attends. “The best of my life is now,” Evelyn says.

Evelyn is a wonderful example of stewardship, sharing and caring. She is able to leave her legacy to Nebraska’s children and the Church. The Foundation is very pleased to be her partner in ministry.

Today’s Gifts Are Tomorrow’s Future

More and more, non-profit institutions and organizations without well-funded endowments are finding it increasingly difficult to maintain or grow their programs. In 2001, the Foundation established the **“Gifts From the Heart” Endowment Fund** to provide an opportunity for persons and churches with an interest in ensuring the preservation of the ministries of our Nebraska Annual Conference for generations to come.

Four specific needs, along with one fund to be used for unrestricted purposes, were initially identified as high-priority: Missions, Youth & Camping, Pastoral Education & Support, Extension (Congregational Development) and Greatest Needs.

The **“Gifts From the Heart” Endowment** will serve the Conference in two distinctly different and positive ways:

1. Laity, clergy, youth, children, churches and agencies will all benefit from the programs, services, grants, scholarships and other kinds of support that would otherwise be unavailable.
2. Financial assistance bestowed by the Endowment can alleviate the financial strain placed on annual budgets in times of economic downturn and emergencies and provide funding for ministry opportunities otherwise unattainable.

The **“Gifts From the Heart” Endowment** provides the opportunity for existing members of the Nebraska Annual Conference to leave a legacy that will attest to their care and concern for the betterment of others. Even though our lives on earth will end, our good deeds can continue on forever. Ways to make gifts include:

- A single gift or multiple gifts of any size to one or more of the designated funds;
- Cash, securities, real estate or other types of property;
- A pledge of \$5,000 or more, payable over a five-year period or less, qualifying the donor(s) for the “Five Hearts Society;”
- Gifts of \$25,000 or more, which will provide support that will be awarded in the donors’ names;
- Building toward a “named fund” by stating intentions to do so and by making regular, periodic gifts to the Fund.

Donors at the “Five Hearts Society” or named gift level through 2002 are:

Dr. Alva H. Clark, Omaha · Tom & Kim Dinsdale, Grand Island · Randy Fleming, Springfield
Rev. Leonard F. Hartwig, Lincoln · Jim & Elda Heller, Lincoln · Rev. Marv Koelling, Kearney
Alice Kruse, Blair · Dwight & Bette Trumble, Springfield · Keith & Retha Wycoff, Lexington

To schedule a visit to discuss gifting options and opportunities, please contact our offices.

2002 In Review

Scholarship Funds distributed by the Foundation to seminary and undergraduate students during 2002 totaled \$47,094. New named scholarship funds created during the year included:

- The Alice Kruse Ministerial Scholarship Fund
- The Floma Taylor Scholarship Endowment Fund
- The Rev. Richard E. Atherton Memorial Scholarship Fund
- The Loomis United Methodist Church Memorial Scholarship Fund

Grants distributed by the Foundation during 2002 totaled \$41,568. New named endowment funds created during the year included:

- The Kevin Koelling Memorial Counseling Fund
- The Leonard F. Hartwig Freedom From Hunger Fund
- The Willis & Mildred McDonald Apportionment Fund
- The Odgers Camp Fontanelle Endowment Fund
- The James G. Rector Donor Advised Fund

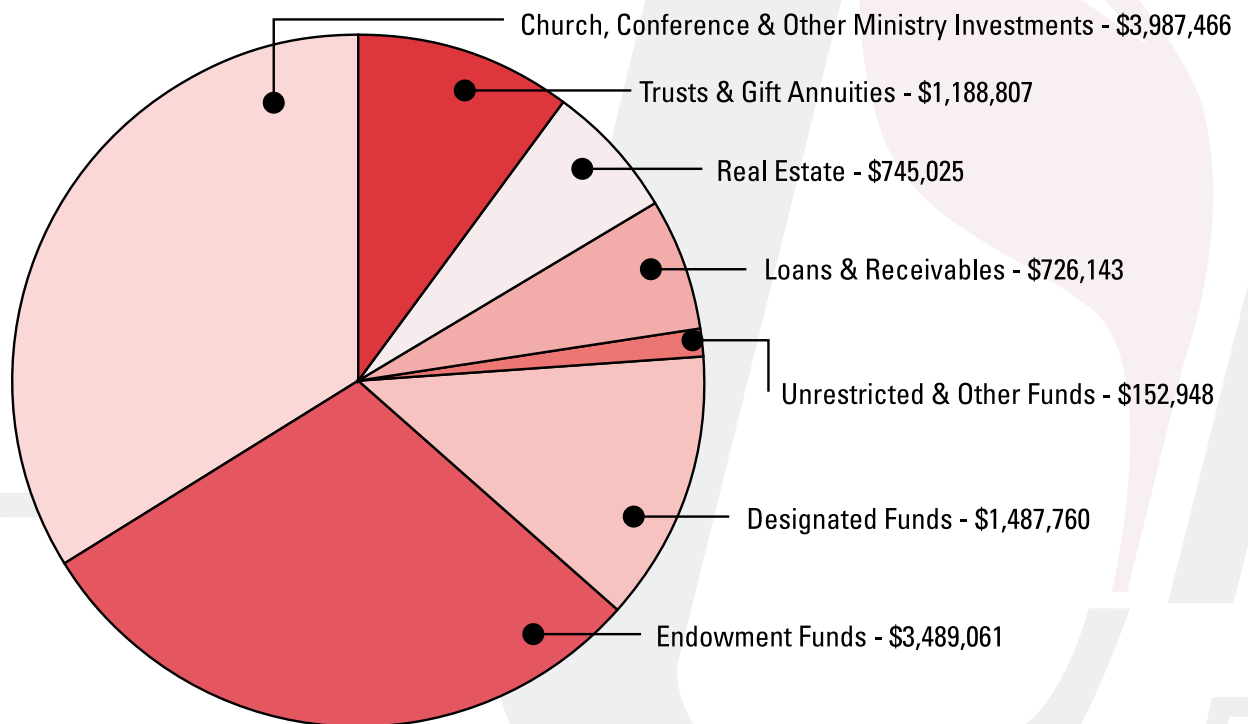
Gifts and Deposits into the Foundation's Investment Services Funds totaled \$1,153,259. The Foundation now manages investment funds of \$9,717,597 in 243 accounts on behalf of Conference churches and agencies.

Distributions to churches and agencies during 2002 totaled \$266,092.

"Giving is one of the most selfish things you can do because it makes you feel so good."
- Mary Jo Misner, Vice President, Commerce Bankcard Center, Kansas City, Missouri

Assets Held by the Foundation

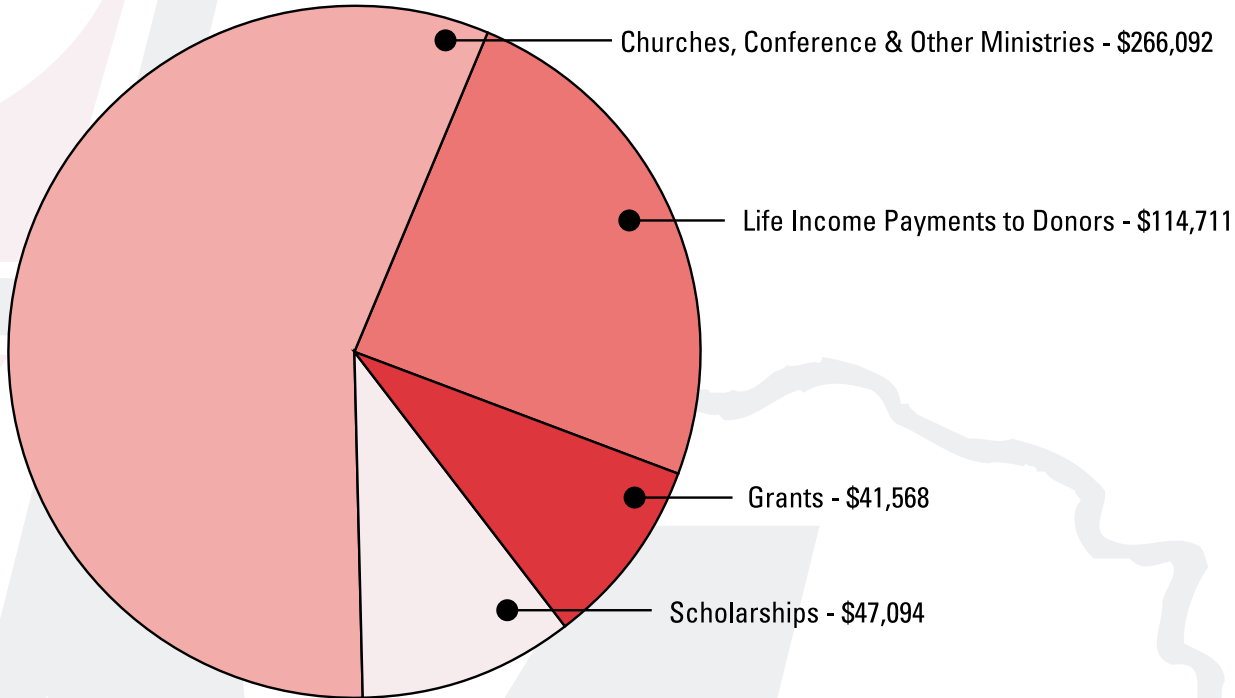
on 12/31/02 - \$11,777,210



2002 Financial Information

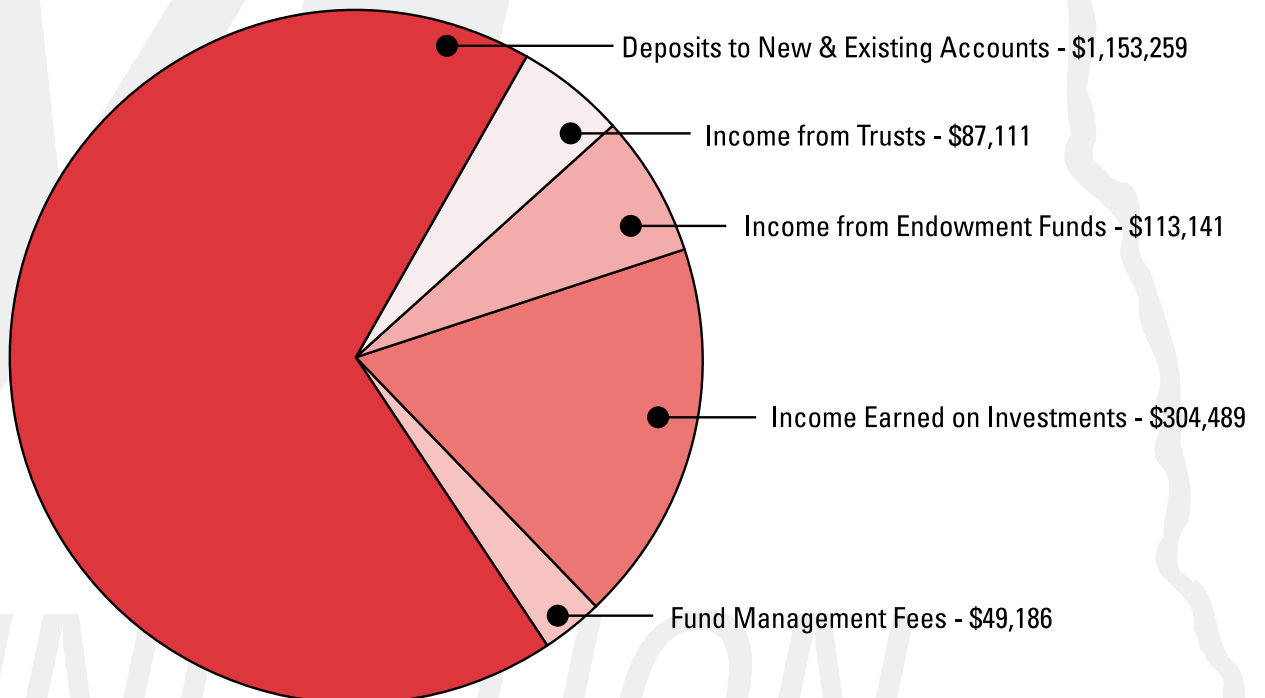
Funds Distributed

During Year 2002 - \$469,465



Income Received

During Year 2002 - \$1,707,186



*Figures compiled prior to year 2002 audit.

2002 Board of Directors & Administration

Elected Members

Back row: Dwight Trumble, Springfield; Rev. William Deahl, Gretna; Merv Schliefert, Kearney

Middle row: Sharon Martin, Pleasanton; Ed Loutzenheiser, Hastings; Bob Dickinson, Gretna; Doug Friedli, Nebraska City

First row: Kim Dinsdale (*Vice Chair*), Grand Island; Jim Cook, Lincoln; Rev. Dr. Alva Clark, Omaha; Jan Einspahr (*Board Chair*), Norfolk

Not pictured: Mel Andrews, Albion; Mary George (*Secretary*), Kearney; Rev. Ray Norris, Ogallala; Dave Pankonin, Louisville; Rev. Richard Savage, Central City



Appointed Representatives

Steve Voigt, Kearney - *Board of Trustees*

Gene Crump, Lincoln - *Board of Laity & Discipleship*

Rev. Joyce Savage, Central City - *Board of Mission Outreach*

Rodney Conser, Omaha - *Congregational Development Committee*

Jeri Winkelmann, Omaha - *Conference Treasurer/Director of Administrative Services*

Rev. Casey Karges, Lincoln - *Conference Director of Connectional Ministries*

Bishop

Rhymes H. Moncure, Jr.

Investment Managers & Banking Relationship

Union Bank & Trust Co.

Certified Public Accountants

Strain, Slattery, Barkley & Co., P.C.

Legal Counsel

M. Douglas Deitchler

Baylor, Evnen, Curtiss, Grit & Witt

Foundation Staff

Rosanne McClarnon - *Financial Administrator*

Jim Heller - *Executive Director*

Sarah DeLong - *Foundation Assistant*



Nebraska United Methodist Foundation

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