

## Mission Statement

The mission of the Nebraska United Methodist Foundation is to **support** the ministries of the local church and 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

## 2004 Annual Report

The Merriam-Webster Dictionary defines growth as "a process of growing especially through progressive development or increase." We couldn't more accurately describe the Foundation's year 2004 better if we tried. This past year, the Foundation experienced progressive development and increase on a number of levels, and that's exciting. Why? Because we know what it means for the local churches and ministries of the Nebraska Annual Conference.

It's exciting because more scholarship dollars were available to our seminary students to offset the substantial expense of obtaining a ministerial degree.

It's exciting because more individuals received tax and income benefits from charitable gift annuities and other planned gifts.

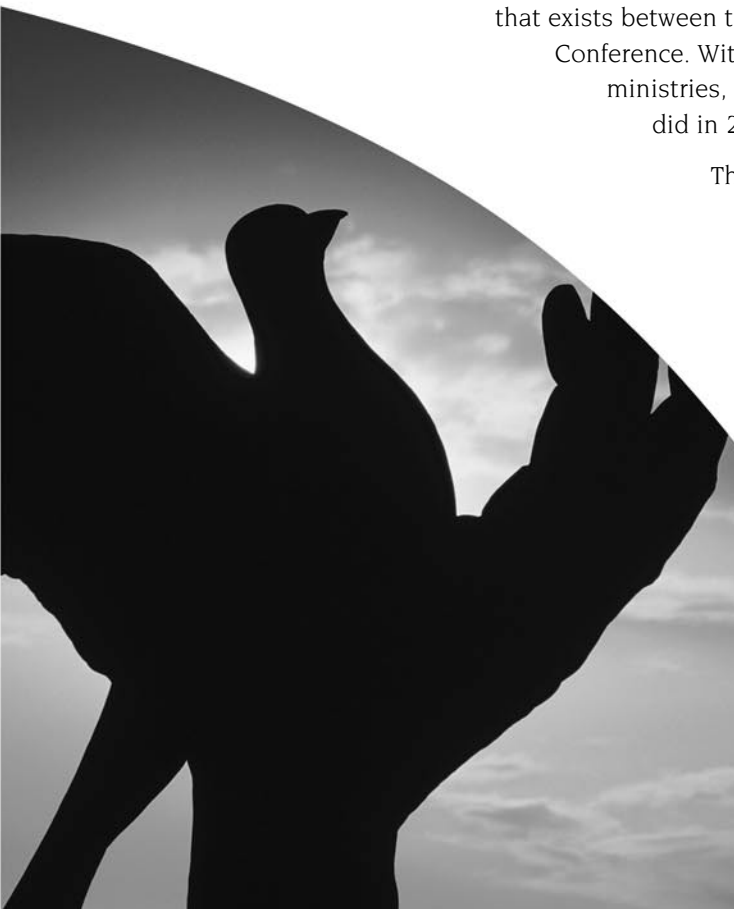
It's exciting because more donor-advised grants were available to help our churches and communities.

It's exciting because more investment and endowment funds were established to preserve the future of our churches, ministries, and members.

In 2004, the Foundation paid out distributions of almost \$458,000 to churches and agencies. Over \$28,000 in scholarships were provided to seminary students. More than \$85,000 was distributed in the form of donor-advised grants. Life income distributions to donors exceeded \$151,000.

Our "year in review" wouldn't be complete without recognizing the mutual support that exists between the Foundation and the organizations and members of the Conference. Without the participation of churches, individuals, and ministries, the Foundation wouldn't have experienced the growth it did in 2004.

The Foundation's purpose is to help our Conference churches and ministries grow and thrive well into the future. It is our privilege to be your partner in ministry.





**“Do your best to present yourself to God as one approved, a workman who has no need to be ashamed, rightly handling the word of truth.”**  
- II Timothy 2:15

## ***Giving Until It Feels Good***

At age 98, Alice Kruse still loves to do many things, such as read, keep up on current events, and study statistics. “I learn so much by studying statistics,” she says.

Another of Alice’s passions is mission, a passion she adopted early in life. Growing up on a farm near Clay Center, Nebraska, she was active in her church youth group and United Methodist Women. While attending Western Union College in LeMars, Iowa, she learned about the outreach of the Evangelical United Brethren Church. Following her heart, she headed for the secluded mountains of Kentucky Appalachia after graduation. Fourteen miles by mule back brought her to the Red Bird Mission where she taught English and Speech for 16 years. Her salary of \$40 per month allowed her to alternate summers furthering her studies and traveling back to Nebraska to visit family and friends.

While at the Red Bird Mission, Alice had many opportunities to speak at churches in the Midwest about outreach in the over-populated mountain area. She was also inspired to establish scholarships for ambitious Red Bird graduates to attend nearby colleges to prepare themselves to compete for good jobs in all parts of the world.

After leaving Kentucky, Alice returned to LeMars to teach English and coach Speech at

Westmar University, serving as head of the English Department until her retirement. Also during her tenure at Westmar, Alice wanted to learn more about her home state of Nebraska. So, she studied the Nebraska Annual Conference Journals and the statistics they provided. Because not much can be done about the ongoing changes in demography, Alice determined that the Nebraska Conference needed to be constantly alert to building churches where the people are.

Shortly before her move to the Crowell Memorial Home in Blair, Alice made her first major gift in support of congregational development in memory of her father, John H. Kruse, a man she says was “my greatest inspiration as a supporter of giving to missions.” Additional gifts from Alice helped support the startup efforts of Elkhorn Hills and St. Andrew’s United Methodist Churches in Elkhorn and Omaha, respectively.

In 1998, Alice established the first of six charitable gift annuities with the Nebraska United Methodist Foundation, all for the benefit of church extension.

She funded the “Alice Kruse Congregational Development Fund,” an endowment for the purpose of helping develop new churches in Nebraska, such as the Horizons United Methodist Church in Lincoln.

In 2002, Alice established the “Alice Kruse Ministerial Scholarship Fund” to provide financial aid to students pursuing their advanced degrees at a United Methodist seminary and who will be serving the Nebraska Conference in the future. To this day, Alice continues to contribute to these funds.

According to Alice, “What I really feel good about is the money I’ve given to missions. If people would realize earlier how they’d feel at the end of their lives about their money, they’d give more. You don’t give until it hurts; you give until you feel good.”

With regard to the Foundation, Alice remarks, “I have such a good feeling about the Nebraska United Methodist Foundation; I’m glad I found it. I would highly recommend the Foundation’s services to anyone.”

We at the Foundation have a wonderful feeling toward Alice. Her foresight, generosity, and passion have brought so much to our Conference. She has made a difference in so many lives to date, and her gifts will continue to make a difference in the future.

It’s been our honor to be Alice’s partner in ministry.

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## ***Operating Results and Highlights***

The Foundation’s 2004 operating expenses include:

### ***Services and Educational Programs - \$130,693***

- Gift planning seminars
- Gift planning with individuals
- Endowment fund development
- Investment services presentations and reviews
- Stewardship sermons
- Programs for church groups
- Related salaries and travel expenses

### ***Administrative Expenditures - \$107,328***

- Accounting
- Data management
- Funds management
- Printing
- Office rent, utilities, and insurance
- Audit and legal fees
- Correspondence and communications
- Related salaries and travel expenses

### ***Total Operating Expenses - \$238,021***

## 2004 In Review

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“Let your light so shine before men, that they may see your good works and give glory to your Father who is in heaven.”

- Matthew 5:16

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- **Total assets** under management increased by **22%** during the year to \$15,649,228, or **\$181.42** per Conference member.
- **Funds distributed** to churches, ministries, seminary students, and as grants grew from \$384,410 in 2003 to \$570,977 – a **49%** increase.
- **Investment results** for the three Funds available to churches and ministries provided an average **7.1%** rate of return, with the Long-Term Growth Fund, designed especially for endowments, earning 10%.
- **Operating expenses**, which increased less than 2.3% from 2003, averaged **\$2.75** per Conference member, while asset growth and distributions for ministries and programs totaled **\$41.10** per member.
- For the eighth consecutive year, the Foundation operated free of Conference financial support, **and** expenses were less than budgeted.

### Rosanne McClarnon

As the Financial Administrator, I am responsible for the day-to-day accounting of the Foundation, the cash management of the investment funds, preparation of financial reports we send to churches and donors, as well as preparation of financial reports for our board of directors, financial reports for the annual conference journal and financial reports required for our auditing firm.

It is very gratifying for me to be able to play a small part in helping United Methodists in their heartfelt support of their churches and other charitable organizations. It is also very important to me that we be good stewards of the monies that have been entrusted to us. For me, the Foundation is where life happens – Christian life, family life, and work life all rolled into one.



### Sarah DeLong

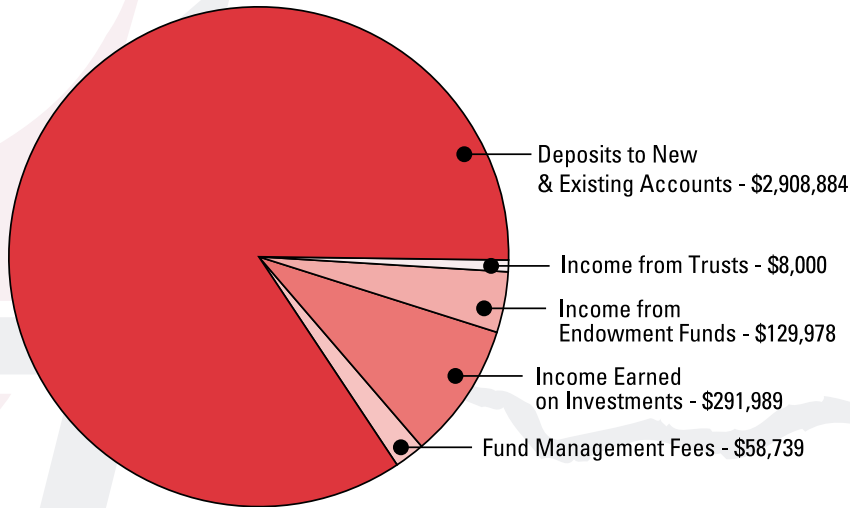
One of the best aspects about being the Foundation Assistant is that I'm responsible for a number of different areas. I manage our donor, investor, church, and pastor databases; help plan and implement our annual marketing campaign; maintain our web site; create the content, design, and layout of our internal and external print material and communication pieces; administer our scholarship funds; and anything else that may need to be done. Every day is something different, and I enjoy that!

At the Foundation, I'm able to blend my personal and professional lives for a union that evolves what I do from a "job" to a career filled with purpose and value. We help churches extend into their communities so they can cultivate and nurture people's relationship with God. It's very intrinsically rewarding for me to be a part of that process.

## 2004 Financial Information

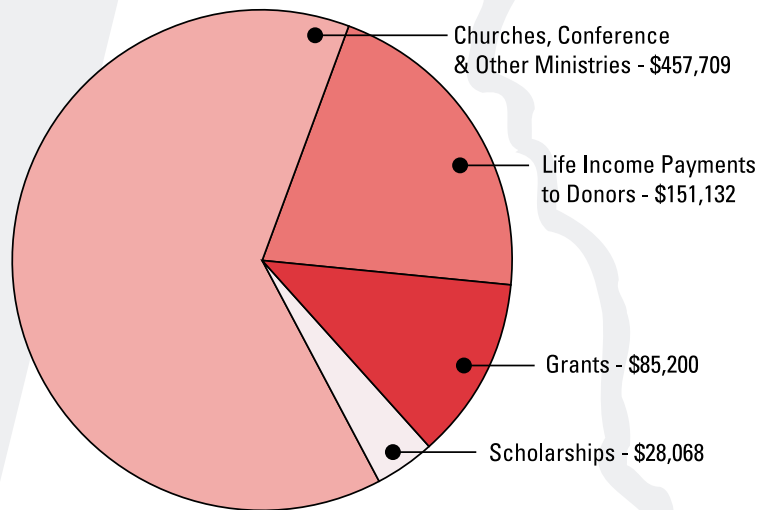
### Income Received

During Year 2004 - \$3,397,590



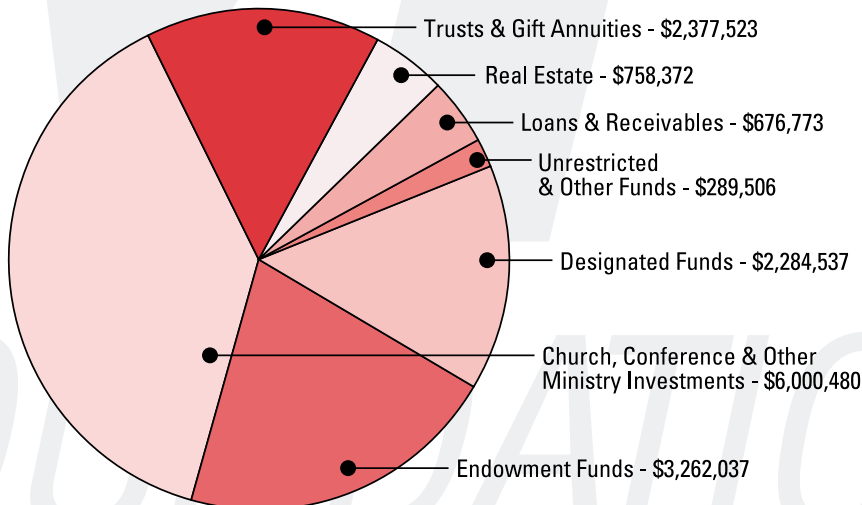
### Funds Distributed

During Year 2004 - \$722,109



### Assets Held by the Foundation

on 12/31/04 - \$15,649,228



\*Figures compiled prior to year 2004 audit.

## Help Is Where Your Heart Is

Throughout the year, the Nebraska United Methodist Foundation receives grant requests for a variety of different purposes. Such requests are not surprising since grant distribution is a significant part of the Foundation's mission.

What is surprising to most people is that almost 100% of the funds available from the Foundation for grants are donor-designated. That means the donors who provided the financial support for the grants have pre-determined the use of those gifts.

In 2001, the Foundation took steps to expand the scope of grant support throughout the Conference. That was the year we established the **"Gifts From the Heart" Endowment Fund**. The intent of this fund is twofold:

1. To provide an opportunity for churches and individuals to ensure the future of the programs and ministries of the Nebraska Annual Conference and its churches, and
2. To help ease financial strain and provide funding for programs that would otherwise be unattainable.

**"Gifts From the Heart"** provides members of our Conference the opportunity to increase the breadth of giving that will benefit others for years to come. Five endowment needs are identified as high-priority:

- Missions
- Youth & Camping
- Pastoral Education & Support
- Extension (Congregational Development)
- Greatest Needs (unrestricted use)

Donors to **"Gifts From the Heart"** can choose to have their gifts benefit one or any combination of the five endowments listed above. The ways in which gifts can be made 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 2004 are:

- Dr. Alva H. Clark, *Omaha*
- Shirley F. Crump, *Omaha*
- Kim & Tom Dinsdale, *Grand Island*
- Randy Fleming, *Springfield*
- Rev. Leonard F. Hartwig, *Lincoln*
- Jim & Elda Heller, *Lincoln*
- Dr. Marvin Koelling, *Kearney*
- Alice Kruse, *Blair*
- Ed & Cora Loutzenheiser, *Hastings*
- Mary Moore, *Tekamah*
- Dwight & Bette Trumble, *Springfield*
- Rev. Richard H. & Lois R. Urbach, *Grand Island*
- Keith & Retha Wycoff, *Lexington*

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



## 2004 Board of Directors & Administration

### **Elected Members**

Kim Dinsdale, Grand Island – Chair  
Ed Loutzenheiser, Hastings – Vice Chair  
Jim Cook, Lincoln – Secretary  
Rev. Rosalie Anderson, Lincoln  
Mel Andrews, Albion  
Dr. William Deahl, Jr., Hastings  
Bob Dickinson, Gretna  
Jan Einspahr, Norfolk

Lynn Flaming, Elsie  
Doug Friedli, Nebraska City  
George R. Kleen, Franklin  
Sharon Martin, Riverdale  
Dave Pankonin, Louisville  
Rev. Bill Ritter, Columbus  
Dr. Joe Scahill, Bellevue  
Dwight Trumble, Springfield

### **Appointed Representatives**

Rev. Alan Davis, Sidney - Board of Trustees  
Rev. Matt Fowler, Springfield - Board of Laity & Discipleship  
Dr. Charles Spences, III, North Platte - Board of Mission Outreach  
Rev. Wayne Alloway, Lincoln - Congregational Development Committee  
Jeri Winkelmann, Omaha - Conference Treasurer/Director of Administrative Services  
Rev. Casey Karges, Lincoln - Conference Director of Connectional Ministries

### **Foundation Staff**

Sarah DeLong - Foundation Assistant  
Jim Heller - Executive Director  
Rosanne McClarnon - Financial Administrator

### **Bishop**

Ann Brookshire Sherer

### **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



### **Nebraska United Methodist Foundation**

100 West Fletcher Avenue, Suite 100  
Lincoln, Nebraska 68521-3848  
402-323-8844 · 877-495-5545 · Fax: 402-323-8840  
info@numf.org · www.numf.org