

## INCREASE YOUR INCOME

A Charitable Gift Annuity with the New Mexico Conference Methodist Foundation may help you increase your annual spendable cash, cut your current income taxes, and make a significant gift to your favorite United Methodist institution and/or congregation. The annuity rate is determined by your age at the time you create your gift annuity.

Here is a sampling of current rates and benefits for a single life gift annuity created with \$10,000 cash:

| Age | Payout Rate | Annual Income | Tax-free Portion | Charitable Deduction | Effective Return Rate * |
|-----|-------------|---------------|------------------|----------------------|-------------------------|
| 60  | 5.7%        | \$ 570        | \$271            | \$3,438              | 7.47%                   |
| 65  | 6.0%        | \$ 600        | \$308            | \$3,826              | 8.06%                   |
| 70  | 6.5%        | \$ 650        | \$364            | \$4,172              | 8.96%                   |
| 75  | 7.1%        | \$ 710        | \$432            | \$4,602              | 10.08%                  |
| 80  | 8.0%        | \$ 800        | \$523            | \$5,030              | 11.68%                  |
| 85  | 9.5%        | \$ 950        | \$675            | \$5,347              | 14.26%                  |
| 90  | 11.3%       | \$1,130       | \$842            | \$5,788              | 17.39%                  |

\* This rate represents an equivalent, fully taxable yield in the 28% bracket calculated with the Applicable Federal Rate for May 2007. Actual numbers may be slightly different, depending on federal discount rates at the time of the annuity's creation.

Note: These rates are recommended by the American Council on Gift Annuities. Rates for a two-life gift annuity are lower and are available upon request.



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# THE CORNERSTONE

...helping United Methodists build for the future

The New Mexico Conference Methodist Foundation Newsletter

Vol. 6, No. 2

## Can a Church Survive without an Endowment Fund?

Asbury United Methodist Church in Odessa has decided that the answer is no!

For the past two years (2005-2006), Asbury has been in the process of developing a comprehensive plan for the church through the Connected in Christ ministry sponsored by the New Mexico Annual Conference. A part of the plan is to assure the financial future of the church. This was driven



home by the seminar (also sponsored by the Conference) conducted by Dr. J. Clif Christopher of Horizons Stewardship Co. Dr. Christopher commented, "A church without some type of endowment program/process will probably not be in existence in 20-25 years!" For years, Asbury has had a program of "designated funds" that individuals gave for various purposes, but not necessarily for any in-real-time identified need of the congregation. Charles Cotten, Lay Leader at Asbury and Chair of the Endowment Fund Committee stated, "This money was just sitting there neither earning any type of return nor available to be used if a crisis occurred outside the 'designated' criteria."

Given this background, Asbury contacted The New Mexico Conference Methodist Foundation in

2006 and asked Sanford Coon to come help establish an endowment program. Asbury held several planning meetings, and a plan was developed. At the 2006 Church Conference, Asbury presented to the District Superintendent a plan of action, "Stepping Forward in Faith as We Grow into the Future: A Three Year Action Plan for Ministry and Service," and a resolution to create a Permanent Endowment Fund Committee to establish and oversee our program. Subsequently, Asbury has developed a charter and will

*"A church without some type of endowment program or process will probably not be in existence in 20-25 years!"*

be calling a charge conference soon to approve the charter and then forward it to the New Mexico Conference Methodist Foundation.

Asbury's first effort to promote the en-

dowment fund was at the end of 2006 with the creation of a "Giving at Year-End" brochure. The New Mexico Conference Methodist Foundation provided the brochure, and it was personalized for Asbury. (The Foundation has several other brochures available that can easily be personalized to meet the requirements of any church in the Conference.) The response

to the brochure was and continues to be very gratifying. This year, Asbury is in the process of developing new promotional material and conducting training programs for the congregation.

Charles Cotten noted that "creating and maintaining an endowment fund is an ongoing process of education and marketing; however, in today's world it is a necessity if the church is to continue to grow and reach out to those in need of God's word and healing touch. Endowments allow churches to plan for the future and at the same time provide a comfort level so if disaster does strike, the resources will be there to lighten the load." He added that Asbury highly recommends all congregations have endowment funds with the Foundation!

## ABOUT YOUR FOUNDATION

### Board Highlight

#### Roberto Gonzales



Roberto Gonzales was elected to the Foundation Board of Directors in 2004.

Roberto is a member of Trinity-First United Methodist Church in El Paso, Texas. He was born in Chihuahua, Mexico, and is Partner and President of Genesis Global Solutions in El Paso.

Roberto and his wife, Araceli Andrade, met at their workplace in 1994 and were married May 20, 2001. They are currently attending and serving the Hispanic Service at Trinity-First. Roberto and Araceli have two children, Roberto Giovanni (4) and Leonardo Gianni (19 months).

The family loves to travel and spend weekends in the outdoors as a family.

#### Board Members Bid Farewell to Secretary Don Bonner

Mr. Don Bonner joined the New Mexico Conference Methodist Foundation Board in 1998 and brought with him a strong background in business. In his seven years as secretary of the Board of Directors, Don served as a member of the Executive Committee.

The Board expressed appreciation for the work and wise business counsel Don provided through the years of his service on the Board.

#### Foundation Welcomes Two New Members and Elects Executive Board

The Board of Directors is pleased to announce its two newest members.

**Toby Rue** is Financial Advisor for Morgan Stanley in Las Cruces. He and his family are members of St. Paul's UMC in Las Cruces

**Finn Smith** is President of Watson Truck and Supply. He and his family attend First UMC in Hobbs.

The Board of Directors elected its 2007 Executive Committee at the annual meeting on February 24. Those in the offices of President, Vice President, and Treasurer were re-elected. **Barbara Bauernfeind**, an attorney in Odessa and Board member since 2005, was elected to the Executive Committee as Secretary.

Members of the New Mexico Conference Methodist Foundation Executive Committee of the Board of Directors are elected annually.

Visit the Foundation website for more Board information ([www.nmcmfi.org](http://www.nmcmfi.org)).

**Foundation Officers & Board Members**

**Officers**

**President**  
Nancy VanDevender  
Albuquerque

**Vice President**  
LaDoyce Lambert  
Odessa

**Treasurer**  
Richard Wallace  
Albuquerque

**Secretary**  
Barbara Bauernfeind  
Odessa

**Board Members**

Roberto González  
El Paso

Michael Kelly  
Albuquerque

Rev. Jeff Lust  
Albuquerque

Max Myers  
Santa Fe

Richard Olson  
Roswell

Toby Rue  
Las Cruces

Rev. Martha Singleterry  
Carlsbad

R. Finn Smith  
Hobbs

Thomas Toeys  
Albuquerque

**Ex-Officio**

Bishop  
D. Max Whitfield  
Albuquerque

District Superintendent  
James Hawk  
Albuquerque

Director of Mission &  
Administration  
James E. Large  
Albuquerque

**Take Charge of Your Plans!**

A well-planned will is often the centerpiece of an effective and thoughtful estate plan. When preparing or revising a will, one makes important choices that make it possible to fulfill personal wishes, such as:

- Distributing cash, investments, real estate, and personal property to your family and other loved ones.
- Providing property management for your heirs who may not be prepared to manage their financial affairs.
- Reducing taxes and estate settlement costs that could otherwise be due.
- Making “gifts of a lifetime” to your church or other favorite charitable interests.

By preparing and maintaining an up-to-date will, you may save your heirs from problems that can arise when you fail to plan. In spite of this, more than half of adult Americans reportedly do not have a will. Following are answers to some frequently asked questions concerning wills.

**Who Needs a will?** In most cases, those who own property and are concerned about who ultimately receives it need a will. Regardless of your age or financial standing, it is important for you to take charge of deciding who will one day enjoy the property you have accumulated over your lifetime.

*For a useful tool in expressing your preferences to your loved ones, please contact the Foundation office (505-255-8786 or 800-678-8786, ext. 120) and request “Information for Loved Ones.” Or better still, invite Marilyn Large to speak at your church, and she will bring some with her.*

**Do both spouses need wills?**

Yes. Husbands and wives share the same need for making wills, even if much of their property is held jointly.

**Is it possible to create a trust in your will?** Yes, especially if you want to provide for asset management for one or more heirs, delay distribution of property to minors until they are of age, or address the special needs of other heirs. Some people also make use of what is known as a “living trust” in combination with a will to help accomplish their planning objectives--both now and in the future. You may also wish to include special trusts in your will designed to help reduce or eliminate state and federal taxes. This can result in passing the largest amount possible to your heirs.

**What if you have a will that no longer meets your needs?** Your will should be reviewed periodically and updated to reflect changes in your life--marriages, births, deaths, financial gains or losses, and your personal goals. Tax law changes may also prompt a review of your plans. Minor changes can be accomplished with a *codicil*, a simple amendment to your existing will. More substantial changes may require the drafting of a new will. Whether the changes are minor or extensive, always consult with your attorney when considering a revision, as handwritten changes may completely invalidate your will.

**How can a charitable bequest benefit your charitable interests as well as your loved ones?**

Some would like to make charitable bequests but are also concerned about providing for the financial security of a surviving spouse or others. There are many ways to make gifts to church while first providing for others. It is possible to arrange income for life or another period of time for a spouse or other loved ones while your church receives whatever eventually remains.

**Estate Planning--Definitions You Need to Know**

**Gross Estate** Your gross estate includes all cash, personal property, and real property that you own at your death.

**Estate Tax** The federal estate tax is assessed on your taxable estate when you pass away. Estates over \$2 million may be subject to an estate tax of as much as 46% in 2007.

**Marital Deduction** The Tax Code currently permits you to make unlimited gifts to a spouse during life or at death without paying gift tax.

**Annual Exclusion** You can gift up to \$12,000 (or \$24,000 if married) per person per year without paying gift tax.

**Lifetime Exemption** You can make up to \$1 million in accumulated gifts during your lifetime, tax free.

**A Note from the Executive Director CHOOSING TO LEAVE A LEGACY**



Sanford Coon

In a few years, I'll officially conclude my ministry with retirement. As time passes, fewer people will recognize my name or any role I had in shaping the ministry of the Foundation. A few years beyond that, my name and my ministry will fade from any recognition. A few years beyond that, only my immediate family will remember particular contributions I made to their lives. A few years beyond that, no one can say that he or she knew me. So, the question is: What kind of legacy do I want to leave?

Certainly, when I pass from this life, I hope there will be a few who will be glad that our paths crossed. I hope family members will recall moments in which love and devotion have been shared. I hope there will be some family and friends who will sense a spiritual connection that will exceed our physical sharings.

Some choices about the legacy have to be made over and over again; they have to be renewed quickly and sometimes unexpectedly. These are the relational legacies. I can't expect anyone to remember me as a loving person if I do not behave lovingly to them in this moment...and the next...and whenever our lives connect.

Other choices about the legacy I leave require one, or maybe a few, decisions. This is true about how my wife and I want our estate to be managed following our deaths. We have a will and a living trust that will make it easy for our family to know and implement our primary wishes.

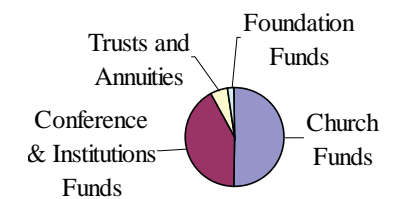
We want to use a part of what God has

provided us to create a financial legacy not only to our children, but also to the church. We're establishing an endowment to provide in perpetuity a source of income that will help fund a particular ministry. It will be quite modest in size, but long after our physical lives have concluded, a particular expression of our faith will persist, and ministry will be funded, and lives will be changed. Our names will not be important. Our intent to serve God as good and faithful stewards will be evident.

That's one way an endowment can be funded and how it can function. Maybe you and your family will choose to join us. And if you're not clear how this might be done, contact us at the Foundation office. We'll guide you through the process without any obligation.

**New Mexico Conference Methodist Foundation, Inc. Funds Under Management December 31, 2006**

|                     |                        |
|---------------------|------------------------|
| Church Funds        | \$18,697,556.34        |
| Conf. & Inst. Funds | \$15,837,128.49        |
| Trusts & Annuities  | \$ 2,032,877.56        |
| Foundation Funds    | \$ 840,917.94          |
| <b>Total</b>        | <b>\$37,408,480.33</b> |



Special thanks to Molly Emkes, Executive Assistant, for providing these statistics for our edification.

**Scholarship Ministry in Motion**

The Board of Ordained Ministry plans to award the following scholarships at this year's Annual Conference:

- Goode Ministerial Scholarship Endowment Fund (Approx. \$6500)
- Daniel Phillips (Approx. \$1400)
- Marty Singleterry (Approx. \$1500)

If you have any questions about any of these scholarships, please call Rev. David Okerberg (505-243-5646) or Carol Kaemper (505-255-8786)

**Some Ways the Foundation Can Assist Your Ministry ...**

**Finance Committee Training.** The Foundation assists congregations in equipping Finance Committees to fulfill their responsibilities for planning and overseeing the financial condition of the church.

**Stewardship Development.** The Foundation provides consultation with congregations to build distinctive comprehensive stewardship programs and annual stewardship campaigns.

**Estate Planning Seminars.** The Foundation provides leadership for Estate Planning Seminars and Wills Seminars.

**Financial Consultations.** Assists congregations in evaluating their current financial condition and chart short- and long-term strategies for financial growth, including projections for debt management loans. On a limited scale, loans for capital improvement projects to enhance provision of ministry.

*For more information on any of the above services, please contact the New Mexico Conference Methodist Foundation (505-255-8786 or 800-678-8786, ext. 120). You are invited to visit the Foundation websites (www.nmcmfi.org and www.nmcmfigift.org).*

Member of the National Association of United Methodist Foundations

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**STAFF TO SERVE YOU**

Sanford Coon  
Executive Director

Molly Emkes  
Executive Assistant

Marilyn Large  
Director of Communication and Outreach

Shirley Baker  
Communication Assistant

Dear Sanford

I am interested in receiving further information about the following:

Making a Will  Estate Planning  Donor Advised Funds  
 Establishing an Endowment for:  My Church  A Specific Ministry

Advantage of Giving Appreciated Stock (Securities) and Property

I am interested in receiving the free eNewsletter, "GiftLegacy"

I wish to receive **The Cornerstone** Newsletter

Please send information on the IRA Rollover

I have a request:

Name: \_\_\_\_\_ Date: \_\_\_\_\_  
E-Mail: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_  
State: \_\_\_\_\_ Zip: \_\_\_\_\_