



13816 PROFESSIONAL CENTER DRIVE, SUITE 100, HUNTERSVILLE, NC 28078
PH 704.817.3990 | TF 888.450.1956 | FX 980.422.0390

UMFWNC.ORG



2017 ANNUAL REPORT PIVOTAL MOMENTS

UNITED METHODIST FOUNDATION OF WESTERN NORTH CAROLINA, INC.
"Building the Church for Generations to Come"

OUR MISSION STATEMENT

The United Methodist Foundation of Western North Carolina, Inc. is a ministry of the Church for the Church whose mission is to build the Church for generations to come. We fulfill this mission by investing in people, churches and related institutions, and innovation. We envision a church where people live out their discipleship through the faithful stewardship of their God-given resources.

OUR PRESIDENT'S MESSAGE: WITH DEEP GRATITUDE

Dear Friends in Christ,

When I greet partners in ministry throughout The Western North Carolina Conference, often one of the first phrases out of my mouth is "Thank You!" Sometimes it catches them off-guard and they respond, "You are thanking me? For what?" Without hesitation my response for the past 17 years has been, "For allowing the Foundation to be in ministry with you!" I offer these words with the utmost sincerity and cannot speak them enough on behalf of myself, the staff and board of directors of the Foundation.

As you will read in this Annual Report, the Foundation has grown and reached many milestones this past year and for that, because of your trust and confidence, we are very honored and grateful.

Many believe the Foundation's ministry is solely about managing money. While the management of monies entrusted to us is a huge part of our ministry, the Foundation is much more:

- We **encourage** endowment development and lead planned giving workshops.
- We **teach** personal and corporate stewardship.
- We **offer** clergy leadership training programs that are modeled throughout United Methodism.
- We **care** for our clergy by offering the Clergy Debt Reduction Loan Program, offered in partnership with The WNCC Board of Pension & Health Benefits and The Duke Endowment.
- We **welcome** our brothers and sisters in Christ from throughout the conference as we serve as a meeting place where ministries can be discussed and plans can be made.
- We **give** grants that not only help financially support ministries, but also scholarships that help fund the education of United Methodists throughout The Western North Carolina Conference.

The following pages share highlights of how we encourage, teach, offer, care, welcome and give. We hope you can see that everything we do is to serve The Kingdom, and to promote and support the United Methodist Connection. It is through all of these Foundation ministries that we, daily, live out our tagline of "Building the Church for Generations to Come."

Most gratefully,

David A. Snipes

David A. Snipes
President and CEO



REVS. MARK BARDEN
& DAVID SNIPEs

A MESSAGE FROM THE BISHOP

Dear Colleagues:

This year's theme by the United Methodist Foundation, "Pivotal Moments," was extremely appropriate in a number of ways. First, our United Methodist Foundation continued to move forward as one of the strongest Foundations within our denomination, reflected by exceeding the \$200 million threshold in managed assets, and actually closing the year at more than \$226 million. Truly a Pivotal Moment! Second, and equally important was the recognition of Chris Davis' leadership and the change in Board leadership to Tom Jordan. Third, our Foundation continued to receive new clients and partnerships that will allow us to serve the church. The annual offerings of stewardship training; clergy and lay leadership; and the growing commitment to the mission of the church, all contribute to significant milestones and capture our theme, "Pivotal Moments."

I personally want to acknowledge and express my appreciation for the spirit of hospitality and partnership embraced by the staff of our

Foundation. The Western North Carolina Conference of The United Methodist Church has utilized numerous invitations to use the beautiful and spacious rooms of the Foundation, allowing us to work on the mission, vision, and values of ministry, while also inviting many clergy and laity into the Foundation which extended the visibility of our work and strengthened the partnership with the mission of our Conference United Methodist Foundation. Indeed, Pivotal Moments!

With gratitude,

Paul L. Leeland, Ed.D.
Resident Bishop
Western North Carolina Conference



BISHOP PAUL LEELAND

LEADERSHIP TRANSITION: CHRIS DAVIS TO TOM JORDAN

One of the pivotal moments of 2017 was the transition in Board Leadership at the Foundation, when we celebrated the ceremonial "passing of the gavel" from Chris Davis to Tom Jordan.

Chris Davis served as Chairman of the Board from 2011 – 2017. During his leadership tenure, the Foundation aggressively grew, in scope and staff. The Foundation managed approximately \$110 million in assets when Chris became Board Chair. We were excited to announce at the August Board meeting, in which the leadership transitioned from Chris to Tom, that we surpassed \$200 million in managed assets.

In reflecting on his service to the Board, Chris said, "Ever since I attended my first UMF Investment Committee meeting in 1987 at the age of 32, this organization has given me far more than I could ever return to it. It proves to me the old adage, 'You cannot out give God.'"

Tom Jordan has served on the Foundation Board since 2008 and was a natural successor to Chris. Tom's passion for the Foundation's mission and vision are apparent, and his heart for service is tremendous. When asked about his reason for serving the Foundation, Tom answered, "Because of the impact it can have on local churches and their growth in God's world." Furthermore, it is very important to him that everyone who partners with the Foundation know how very appreciated they are. He says, "Thank you for being a partner with us in moving the Kingdom of God forward."



CHRIS DAVIS



TOM JORDAN

\$200 MILLION CELEBRATION: MORE MONEY = MORE MINISTRY

The United Methodist Foundation of Western North Carolina manages more than \$200 million in assets, a milestone reached in July, 2017.

Since its founding in 1967, the Foundation has grown from less than \$100,000 in assets to where we stand today. We thank our clients for your confidence in allowing us to take good care of your assets. It's a win-win proposition: By investing with the Foundation rather than in a non- or low interest-bearing bank account, churches and institutions can grow their money. More resources mean more opportunities to grow ministry. With your support, the Foundation, in turn, can expand its reach through more fund management, loans and grants, leadership development, planned giving and more.

In the Parable of the Three Servants (Matthew 25:14-30), Jesus' disciples are called to use their gifts and talents in service to God, that they might multiply in pursuit of the greater good. The words ring familiar and true, today and tomorrow: "For to all those who have, more will be given..."

Past Board Chair Chris Davis says, "The journey of the Foundation has been in lockstep with the journey of faith in our conference. What appears to be assets, really, is responsibility to help build the Church for generations to come." Incoming Board Chair Tom Jordan says the growth reflects the trust that churches and individuals have placed in the Foundation to help them do God's work – with more partnering to come. "It's exciting. It's a continuum on the path. It's not the end goal."

To Tom's point, The Foundation closed the year with continued growth, managing in excess of \$226 million.



WITH HEARTS FOR SERVICE



"The servant-leader is servant first. It begins with a natural feeling that one wants to serve..." ~Robert Greenleaf

SUSAN COTHERN - DIRECTOR OF CLIENT RELATIONS

Susan joined the Foundation on August 1, 2017. When Susan began, she was no stranger to the Foundation. She served as Executive Director of Development at Brevard College – one of The WNCC's five Methodist-related colleges – for almost 16 years. Her many years as a "happy Foundation client" is what led her to joining the Foundation team.

Susan is passionate about meeting the Foundation's current and prospective clients, and learning how to best support their various ministries. From Fund Management, to Endowment Creation and Planned Giving, to overseeing the UMF Development and Loan Program, Susan believes there is a way the Foundation can serve and support every United Methodist organization in our Conference. She says, *"I want to learn about the unique ministries and needs of all of The WNCC United Methodist churches and organizations and, in collaboration with their leadership, figure ways to best support their mission and ministry!"*

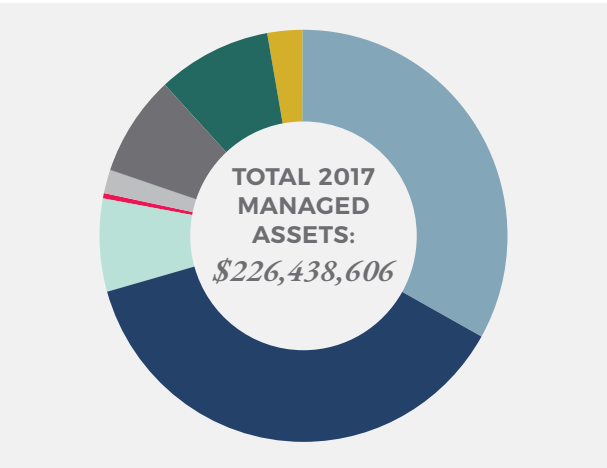
CAROLINE COX - ASSOCIATE DIRECTOR OF REYNOLDS MINISTRIES

Caroline joined the Foundation as Executive Assistant in July 2015 and transitioned to the role of Associate Director of Reynolds Ministries in October 2017.

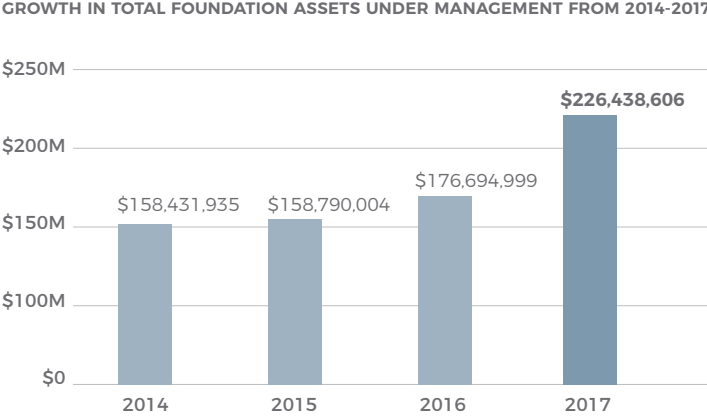
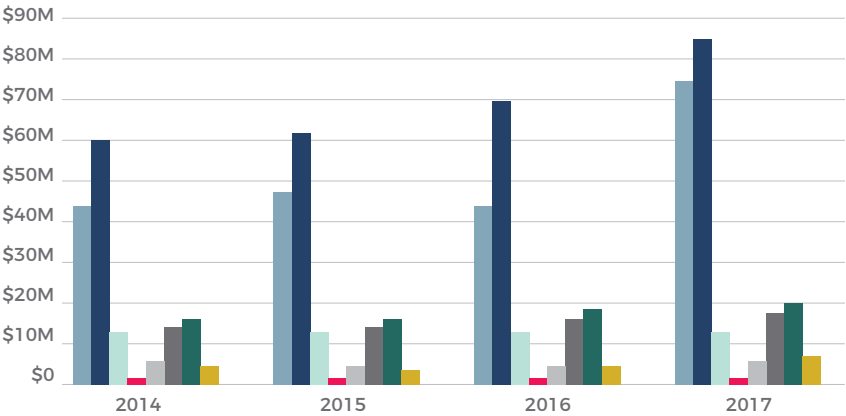
With regard to her transition into this position, Caroline said, *"I am humbled by the opportunity to serve as Associate Director of Reynolds Ministries. The marriage between the mission of the Foundation and the generous spirit of Mr. and Mrs. Reynolds allows for such fruitful ministry in this Conference and beyond. I believe that I have been called to serve the Church, help build it for generations to come, and play a part in cultivating leaders who will make disciples for Christ."*

FOUNDATION ASSETS UNDER MANAGEMENT IN 2017

Local Church Funds	\$74,783,236	33%
WNC Conference Funds	\$84,974,574	38%
Church Related Institutions	\$16,946,642	7%
Charitable Gift Annuities	\$632,272	< 1%
Charitable Remainder Trusts	\$4,182,414	2%
Managed Endowments	\$18,109,023	8%
UMF Development Fund	\$20,622,205	9%
Foundation Assests	\$6,188,240	3%



FOUNDATION ASSETS, GROWTH FROM 2014 - 2017



NEW FOUNDATION CLIENTS IN 2017

The Foundation welcomes and thanks our new partners, these 25 churches and institutions that entrusted us with their assets, and became new clients over this past year:

- Bethlehem Community Center | *Winston-Salem*
- Brookstown United Methodist Church | *Pfafftown*
- Central United Methodist Church | *Canton*
- Danbury Community Chapel | *Danbury*
- Dilworth United Methodist Church | *Charlotte*
- Faith Harbor United Methodist Church | *Surf City*
- First United Methodist Church | *Murphy*
- Flat Rock United Methodist Church | *Stokesdale*
- Fletcher United Methodist Church | *Fletcher*
- Grace United Methodist Church | *Charlotte*
- Grace United Methodist Church | *Salisbury*
- Mount Pleasant United Methodist Church | *Liberty*
- Mount Shepherd Retreat Center | *Asheboro*
- Muir's Chapel United Methodist Church | *Greensboro*
- New Goshen United Methodist Church | *Greensboro*
- New Hope United Methodist Church | *Denton*
- Northern Piedmont District of the Western North Carolina Conference
- Rehobeth United Methodist Church | *Greensboro*
- Ruffin United Methodist Church | *Ruffin*
- Salem United Methodist Church | *Albemarle*
- St. Andrew's United Methodist Church | *Charlotte*
- Stokesburg United Methodist Church | *Walnut Cove*
- Weaverville United Methodist Church | *Weaverville*
- Wesley Foundation at East Market, Inc. | *Greensboro*
- Wesley Memorial United Methodist Church | *High Point*



OUR FUND MANAGEMENT: THE PROCESS AND SUCCESS

The Foundation offers four managed funds that have equities exposure:

CONSERVATIVE:
30% Equities, 70% Fixed Income

BALANCED:
50% Equities, 50% Fixed Income

DIVERSIFIED:
70% Equities, 30% Fixed Income

ALL EQUITY:
100% Equities

The Foundation believes in a tried and true process of sound money management that helps the church fulfill its long-term fiduciary responsibility. We invest in socially responsible investments as it relates to the Social Principles of The United Methodist Church. Our managed funds are governed by our Investment Policy Statement. Callan, a nationally known investment consulting firm, works with our Board Investment Team and staff to ensure prudent investment practices that help our clients best steward the money entrusted to them, and as with any monies entrusted to the Foundation, our clients retain control of their funds.



Central United Methodist Church Denton

INVESTMENT TEAM BOARD MEMBERS:

Charlie Smith, Team Leader	Jimmy Saine
Anne Martin	Steve Wilson
Allen Squires	Dave Guilford
Lacy Baynes	Tom Jordan, Ex-officio
	Mark King, Ex-officio

WE ARE VERY PROUD OF OUR FUND MANAGEMENT GROWTH IN 2017:

New Managed Accounts opened:	New Managed Account Deposits:	Existing Managed Account Deposits:	Total of New Managed Accounts:
111	\$17,094,082	\$15,412,904	\$32,506,986

UMF DEVELOPMENT FUND: AVAILABLE TO INSTITUTIONS AND INDIVIDUALS

The Foundation offers the UMF Development Fund, an investment option that has no exposure to equities. It is the only fund open to individuals for investment as well as institutions, and is a great alternative to investments in instruments like Certificates of Deposit (CDs) because of our competitive rates of return, with no penalties or fees for early withdrawal. Investment in the UMF Development Fund is open to individuals and institutions who reside in North Carolina and South Carolina.

BENEFITS OF THE UMF DEVELOPMENT FUND:

- Minimum of only \$1,000 investment
- Interest is compounded monthly
- Adjustable rate of interest is paid semi-annually
- Simple application and investment paperwork
- No penalties or fees for early withdrawal

UMF LOAN PROGRAM

The Foundation offers variable rate, low-interest loans to United Methodist churches and related institutions in North Carolina and South Carolina. Because our loans are funded with deposits from the UMF Development Fund, interest rates are variable and are evaluated quarterly. Loans are available for:

- Land acquisition
- Existing loan refinancing
- Renovations
- Building expansion
- New construction

The Foundation charges no loan origination fee. (However, all costs associated with the loan are the responsibility of the borrower.) There is no prepayment penalty. We encourage our borrowers to pay their loans early – the less you pay in interest, the more you can turn those dollars into ministry!



Assurance United Methodist Church Huntersville



North Morganton UMC, Morganton

ENDOWMENT CREATION

Cleveland and Marlene Ellison have given the gift that will last for generations, setting an example for all who want to leave a legacy of Christian love.



Cleveland and Marlene Ellison

Retired educators from Eden, N.C., they established the Cleveland and Marlene Ellison Endowment Fund through the Foundation. The permanently restricted endowment will be used to pay the Conference apportionment on behalf of their longtime church home, St. John United Methodist Church. *“What does my church mean to me?”* Cleveland, 80, asks. *“It’s my life, my happiness, my joy. It’s everything.”*

The Foundation welcomes the opportunity to work with churches and individuals to set up an endowment that can benefit a church or other United Methodist-related institution through missions, capital needs, scholarships or other avenues, all in service to Christ. An endowment can be created as an unfunded entity, and funded in the future.

The Ellisons intentionally started their endowment small, with plans to grow it steadily. It is a way to express their love of Christ, to affirm what their parents taught them about giving back, and to take comfort in knowing they will make a difference to the church and the world long after they are gone. *“The church,”* says Cleveland, *“needs to grow even after your death.”*

PLANNED GIVING

“I would like to give more.”

This is a sentiment commonly shared when people talk about supporting their church or favorite United Methodist institution. The good news is that, through planned giving mechanisms, people often can give more! The Foundation leads Planned Giving Seminars and Workshops to educate people on the ways these gift instruments.

WE OFFER:

-  Educational materials
-  Seminars and Workshops
-  Individualized gift illustrations
-  A strategy to create a long-term Planned Giving program

REYNOLDS MINISTRIES

Reynolds Ministries are made possible by the vision and funding from Royce and Jane Reynolds of Greensboro. Mr. and Mrs. Reynolds have, for many years, supported disciple-making on an extraordinary level. In keeping with the Reynolds’ vision, the team is able to annually award grants to ministries in Western North Carolina and beyond. In 2017, the Reynolds Ministries Team was able to award over \$470,000 to 25 initiatives.

The Royce and Jane Reynolds Program in Church Leadership, a joint effort of the Foundation and the Center for Creative Leadership, graduated 24 pastors from the Western North Carolina, North Carolina, Virginia, South Carolina, North Georgia, and Florida Conferences in May. At that same time, a new class of 24 more pastors was formed. One of these new class members, Reverend Sara McKinley, said, *“It is an opportunity to become the leader you were meant to be... to become who God called you to be and to do that with excellence.”*

The participants of the other Leadership Development programs which fall under the umbrella of Reynolds Ministries, the Royce and Jane Reynolds Leadership Academy for Evangelism and Discipleship, and the Royce and Jane Reynolds Academy for Campus Ministry on Evangelism and Discipleship, spent 2017 learning best practices from innovative ministry leaders who are creating new believers, transforming lives, and shaping disciples for Jesus Christ.



Reynolds Grant Recipients



Reynolds Participants praying over Reverend Mike Slaughter



Reverend Sara McKinley

To learn more about Reynolds Ministries, please contact Caroline Cox at ccox@umfwnc.org.

FOUNDATION LEADERSHIP

FOUNDATION STAFF

David Snipes | President and Chief Executive Officer
Elizabeth Coppedge-Henley | Chief Operating Officer
Susan Cothorn | Director of Client Relations
Caroline Cox | Associate Director of Reynolds Ministries
Brad Crossley | Controller
Sonji Farrell | Executive Assistant to the CEO & COO
Tammy Lehman | Chief Financial Officer
Scott Lucas | Staff Accountant
Janey Wooliever | Receptionist & Administrative Assistant

HONORARY DIRECTORS

Lacy Baynes | Greensboro, NC
Harley Dickson | Asheville, NC
Royce Reynolds | Greensboro, NC

CORPORATE OFFICERS

Tom Jordan | Chairperson
David Snipes | President
Rob Byrd | Vice President
Elizabeth Coppedge-Henley | Assistant Vice President
Anne Martin | Secretary
Susan Cothorn | Assistant Secretary
Steve Wilson | Treasurer
Tammy Lehman | Assistant Treasurer

BOARD OF DIRECTORS

Mark Bailey | Pisgah Forest, NC
Rob Byrd | Charlotte, NC
Brad Chapman | Mocksville, NC
Chris Davis | Davidson, NC
Dave Guilford | Charlotte, NC
Tom Jordan | Greensboro, NC
Tom Latimer | Jamestown, NC
Ken Lyon | High Point, NC
Anne Martin | Lake Junaluska, NC
Bill Mileham | Charlotte, NC
Wanda Musgrave | Charlotte, NC
Will Rucker | Shelby, NC
Jimmy Saine | Catawba, NC
Charlie Smith | Charlotte, NC
Cindy Thompson | Whitsett, NC
Steve Wilson | Davidson, NC

EX-OFFICIO DIRECTORS

Amy Coles | WNCC Assistant to the Bishop
Mark King | WNCC Treasurer
Glenn Kinken | WNCC Finance and Administration
Paul Leeland | WNCC Resident Bishop
Tony Orsbon | Legal Counsel
Caroline Wood | WNCC Director of Missional
Engagement and Connectional Relationships

We would like to offer a heartfelt THANK YOU to all of the churches, institutions and individuals who put faith in the United Methodist Foundation of Western North Carolina, Inc. Your trust and confidence means the world to us, and enables us to continue our ministry.

We are a ministry OF the church, FOR the church, created BY the church. We offer numerous services to support the churches and United Methodist related institutions in Western North Carolina.

We invite you to contact us, to learn of the ways that we can partner and help you make the most of your own ministry.

THANK YOU.