

The Alabama - West Florida United Methodist Foundation (ALWFUMF)

Our mission is to encourage generosity as a way of life, foster planned giving, develop successful endowment programs, and manage funds in order to strengthen the work of Christ's church. Our AWF Development Fund also supports church growth by providing loan services for building, renovating, or purchasing property.

Our purpose is to help individuals and the church by encouraging generosity through education, consulting, development, and financial services.

Services

AWF Development Fund Services:

- Loans (3.5% rate)
- Deposit Accounts for individuals and churches (1.0% rate)

Foundation Services:

- Generosity Development/ Workshops
- Consulting
- Fund Administration
- Investment Services
- Church Endowment Programs
- Digital and Printable Resources
- Marketing Resources
- Quarterly Newsletters
- Monthly Eblasts

UNITED METHODIST
DEVELOPMENT
FUND

ALABAMA • WEST FLORIDA

Generosity Matters

"Giving, not getting, is the way. Generosity begets generosity." Luke 6:38 (MSG)

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UNITED METHODIST FOUNDATION | WINTER 2018

Transformational, Not Transactional

We view everything we do as a ministry of generosity, and **our goal as an AWF Conference agency is to see lives changed, generosity increased, churches grow, and ministries expand.** We are in the transformational, not transactional, business.

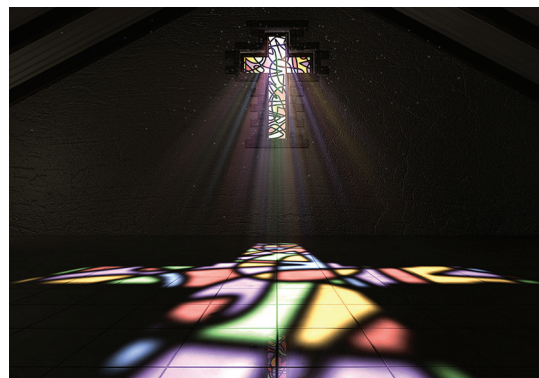
Below are just a few ways the Alabama-West Florida United Methodist Foundation can partner with your church to transform lives.

Does your church need a loan with favorable interest rates for a church building/expansion project?

The current loan rate at the Foundation is 3.5% for local church building projects and land purchases.

Would your church or church members like to earn higher short-term rates and participate in church growth?

Short-term savings rates at the Foundation (1.0%) are higher than most commercial money market rates. While your account earns interest, your money will work to help churches and ministries receive loans for building projects and land purchases.



Are you looking for better returns on endowment investments and more personalized service?

The Foundation's customized investment funds are expertly diversified by type and managers, providing excellent returns and on-site review meetings upon request. You are provided with comprehensive reports for each individual account, and our knowledgeable staff is available to walk you through any questions.

Does your church need a way to receive legacy gifts to sustain vital ministries?

In 2017 the Foundation opened twenty-one new account relationships with churches and ministries. These funds are helping to sustain current ministries and are acting as new income streams for the local church.

Rather than take a 'one size fits all' approach to each account relationship as a whole, we track individual accounts

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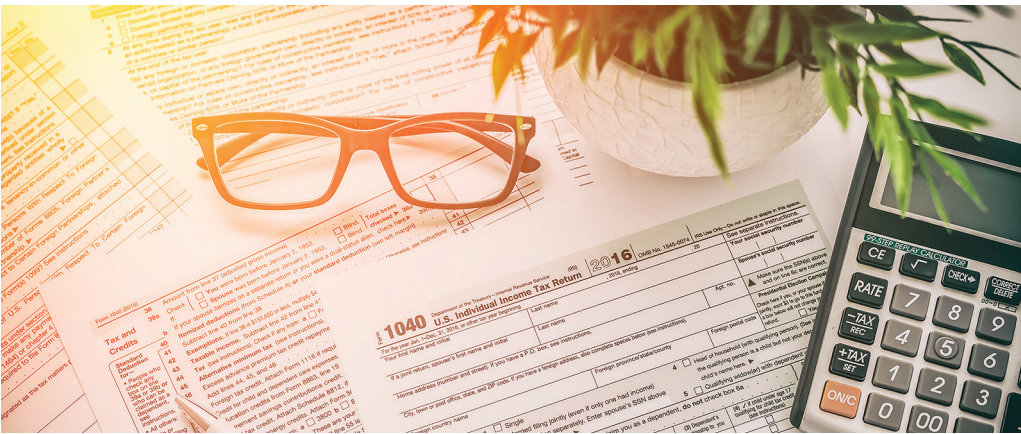
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TIPS • TOOLS • RESOURCES

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How Will the New Tax Law Affect Charitable Giving?



Charitable gift changes. Deductions for charitable gifts of cash were changed from 50% to 60% of adjusted gross income (AGI), while gifts of appreciated property have stayed at 30%.

Gift tax, estate tax, and generation-skipping taxes are unchanged at 40%. Estates can still benefit from unlimited estate tax deductions for charitable gifts.

Tax-advantaged gifts to consider are securities, real estate, IRA rollover, and larger gifts that rise above the standard deduction.

“Tax policy can influence philanthropic behavior, but taxes don’t drive the philanthropic impulse” (Tax Reform and Its Impact on Planned Giving, PG Calc, 2018).

The new tax reform law, officially named “Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for the fiscal year 2018,” has many individuals and charities concerned about how charitable giving will be affected.

This analysis contains some of the changes in the new law and best practices for donors to continue making planned gifts:

Individual tax brackets are reduced. There are only slight changes in most of the tax brackets, but the top bracket was reduced from 39.6% to 37%.

Standard deductions are increased for simplified filing. The new deduction levels are \$24,000 for married couples, \$12,000 for individuals, and \$10,000 for state and local tax deductions. This will not eliminate, but will greatly decrease, the number of people who submit itemized lists of deductions.

In light of the new tax reform law, we believe that donors can easily, and should, continue to faithfully support and strengthen charities and non-profits. Generosity is a way to share a legacy and is not entirely based on tax benefits.

Contact your attorney or financial planner to find out how the new tax law will individually affect your charitable giving.

Article credit to PG Calc and Crescendo Interactive

United Methodist Foundation Funds

United Methodist Foundation Investment Performance				
Investment Funds	1 Year	3 Year	5 Year	Since Inception
Equity Fund	19.3	8.0	11.1	7.7
Income Fund	1.5	1.4	1.1	4.9
Balanced Fund	13.4	5.7	8.0	6.9

Preliminary annualized returns as of 12/31/17, net of fund fees. Past performance is not an indication of future results.

Equity Fund: The goal of the Equity Fund is long-term growth with a low emphasis on income. This fund is invested in equities, convertibles, Master Limited Partnerships (MLPs), and equity alternatives listed on any of the national stock exchanges.

Income Fund: The goal of the Income Fund is to produce the most income with the lowest risk. This fund is invested in U.S. Government and Agency bonds, AAA-rated mortgage-backed securities, and corporate bonds rated “A” or higher.

Balanced Fund: The goal of the Balanced Fund is reasonable, long-term growth with an emphasis on current income. This fund is invested in a combination of approved equities and bonds, with the current target allocation at 75% equities and 25% bonds and money markets.

Generous Resolutions for the New Year

"You must each decide in your heart how much to give. And don't give reluctantly or in response to pressure. 'For God loves a person who gives cheerfully.' And God will generously provide all you need. Then you will always have everything you need and plenty left over to share with others."
2 Corinthians 9:7-8

A mindset of generosity is formed by one generous decision after another.

This year, why not start thinking small by finding a new charity to support, upping your annual gifts, or thinking of a new way you can support the church. **Leaving a legacy of generosity begins with a daily choice to be generous** with your time, talents, gifts, money, and possessions. Choose to think generously this year.

New Year's Resolutions to Consider

- Create a bequest to your church or charity in your will
- Create a living trust to protect you,

your assets, and your heirs

- Create an endowment fund that will support your church or a ministry for life
- Invest in the Foundation's Development Fund to earn interest and help churches and United Methodist ministries receive loans

If you are interested in setting up one of these generous gifts, call us at 334-793-6820 or email us at foundation@alwfumf.org.

Ways to Give in the New Year

Revocable Living Trust

- Give after your lifetime
- Select a trustee and successor trustee
- Can be real estate, stocks and bonds, collectibles, vehicles, etc.
- Avoid probate costs

Endowment Fund

- Give now or after your lifetime
- Support a ministry, building expansion, or create a scholarship fund
- Decide how ministry funds will be used

Outright Gift

- Quick and simple gift
- Donate cash, securities, or personal property
- Income tax deduction and avoid capital gains tax

Bequest in a Will

- Give after your lifetime
- Name your church in your will
- Federal estate tax donation exemption

Charitable Gift Annuity

- Contract to give after your lifetime and receive annual fixed payments now
- Current and future tax exemptions

A Spirit of Generosity

As a child, my sister and I each got one dollar a week as an allowance. Our parents encouraged us to give a dime back to the church each Sunday as a tithe (a tenth). I didn't quite understand why I had to give away part of my money. That was less money I was able to use at the store for candy! Regardless, every week I obediently tore out my offering envelope from a booklet, enclosed a dime, brought it to church, and placed it in the offering plate as it passed by.

What I didn't quite understand then is that my parents were not just teaching us how to use and save money, but how to faithfully and generously live as a Christian.

Through the years, my attitude towards giving has changed. God has slowly revealed that what I have is not mine, but His. He has blessed me throughout life with so much, and I aim to make Him proud and honor Him as I give my money, time, talents, and gifts above all else.

Today I continue to hold tight to the principles of generosity that were instilled by my parents. It is not always easy, but God continues to bless me through continued faithful giving and making ends meet in ways I can't explain.

At the Foundation, generosity is not just a way of life, but a ministry. Find more ways to be generous with your gifts at alwfumf.org.



Written by Foundation staff

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Printable Newsletter

Be sure to display our newsletter in your church to promote generosity and watch your email for a printable version. To sign up for our digital newsletter, please email foundation@alwfumf.org

Find us on  **ALWFUMF**

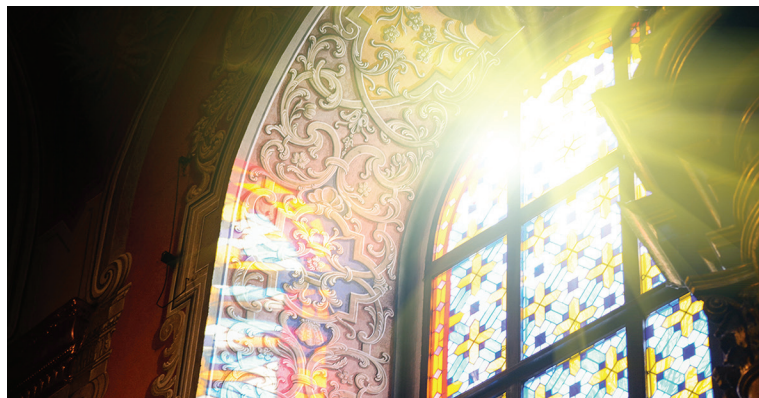


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within each church or agency and apply tailored disbursement and investment options to each account. This helps churches and ministries with multiple funds have more control and customized service.

Would you like to offer financial workshops to your leadership and members?

Our staff can schedule a meeting or workshop with your

leaders and larger groups regarding endowment programs, planned giving, estate planning, and investments. These encouraging talks can accompany your church strategy to promote generosity and legacy giving. You can request a free workshop by calling or emailing the Foundation.

We are honored to have been part of distributing over **\$3 million** in vital funds back to local churches and conference agencies in 2017 as needed by these ministries. These funds help to support ministry and transform lives in their community, Conference, and beyond. We work tirelessly as your partner in ministry to not only be your fund manager but to also provide valuable guidance alongside free resources, consultations, and workshops to help your ministry thrive for generations to come.

Please call us at 334-793-6820 or email us at foundation@alwfumf.org for more ways we can help your church, to schedule a meeting with our staff, or to schedule a free workshop.



*Join our email list for more resources to help your church win!
Email foundation@alwfumf.org or scan the QR code on the right.*

