



2010 ANNUAL REPORT

The Foundation was established by the Rocky Mountain Annual Conference in 1987, as recommended by the Book of Discipline of the United Methodist Church ¶2513, for the purpose of securing and conserving gifts for the future of all United Methodist Churches of the Conference.

Our Core Values

- Accountable fiduciary responsibilities - fulfilled with integrity, transparency and accountability.
- Respectful treatment of clients - with respect, confidentiality, and compassion.
- Client focused success.
- Spirit-led and Mission driven - prayerfully led by the Spirit of God, we are driven by our mission statement and the Social Principles of the United Methodist Church.
- Inclusive in outreach.
- Responsible stewardship of our financial, physical and human resources.

2010: The Year In Review

- 8.2% increase in total deposits
- \$16.3 million invested in the socially responsible investment funds
- \$4.3 million invested in the Methodists Helping Methodists Fund
- \$498,000 new loans to churches for capital projects
- Changed investment manager to Wespath, a division of the General Board of Pensions and Health Benefits of the United Methodist Church
- Created a new Balanced Fund investment option
- Provided free planned giving and endowment programs to churches
- Elected six new members to the Board of Directors
- Bid farewell to the retiring Executive Director, Marilyn Bierbach
- Hired a new Executive Director, Kristi Kinnison

Our Mission Statement

To enhance the ministries of United Methodist churches and related agencies by providing services that help strengthen their fiscal base and promote faithful financial stewardship from members.

7350 E Progress Pl, Suite 205
Greenwood Village, CO 80111
303-778-6370
www.RM-UMF.org
director@RM-UMF.org

Message from the Executive Director

Dear Friends,

I am blessed to serve the Foundation as your new Executive Director. I was hired in October to carry on where Marilyn Bierbach left off after her 18 years of service to the Foundation.

I bring to the Foundation 22 years of business experience including manufacturing, the mortgage industry and non-profit management with degrees in Mathematics and Business Administration. Furthermore, I have been a United Methodist almost all of my life and have enjoyed serving on Finance and Stewardship ministries in my church. It is amazing that work experience, education and faith should merge at this moment in my life. I am truly thankful to serve God in this way.



My first day on this job, I knew I had crossed over into something very special. I attended a committee meeting in which the first agenda item was prayer! Those of you coming from the secular world understand that this was a complete paradigm shift. At the Foundation, every meeting includes prayer and every business letter ends with a reminder of our Creator.

This is why I believe in the Foundation. We are constantly reminded that God's gifts surround us. Through the work of the Foundation, we can make the world a better place and help ensure a future for God's Holy Church. The Foundation is now in its 24th year of making this a reality.

- We invest \$20 million using Socially Responsible Investment Principles that positively impact the world. (*Investment Funds and Methodists Helping Methodists*)
- We provide churches with financial tools to ease the burdens of this world's financial realities. (*Investment Funds, Loans, and Broker Services*)
- We help churches establish endowments to help ensure their future for many generations to come. (*Planned Giving Programs for Churches*)
- We teach people how to leave a legacy through estate giving, ensuring that they will leave a lasting gift in love for their church, and providing a powerful example of faith for their heirs. (*Planned Giving Programs for Individuals*)
- We show people how they too can use their own investments to make the world a better place, provide gifts to their churches and earn income all at once. (*Methodists Helping Methodists Fund, Charitable Gift Annuities and Planned Giving Programs*)

This 2010 Annual Report offers a snapshot of God's abundant grace in action through the work of the Rocky Mountain United Methodist Foundation. On behalf of the Foundation staff and Board of Directors, we give thanks for the opportunity to serve in this field of finances.

In God's Service,

A handwritten signature in cursive script that reads "Kristi Kinnison".

Kristi Kinnison

Foundation Statement of Financial Position, audited by Capin & Crouse, LLP

	December 31,	
	2010	2009
Assets		
Cash	\$18,072	\$23,147
Investments	106,363	134,195
Accounts Receivable & Other	13,677	15,867
Gift Annuity Assets	229,341	244,626
Assets held for churches	15,676,073	14,101,713
Methodists Helping Methodists (MHM)	4,301,623	4,274,231
Endowment Assets	413,447	403,558
Total Assets	\$20,758,596	\$19,197,337
Liabilities		
Accounts Payable & Accrued Expenses	\$17,134	\$17,241
Annuity Liabilities	216,481	224,523
Assets held for churches	15,676,073	14,101,713
MHM Fund-investor amounts payable	4,177,661	4,194,627
Due to beneficiaries	153,258	142,178
Total Liabilities	\$20,240,607	\$18,680,282
Net Assets		
Unrestricted	\$121,204	\$113,311
Temporarily Restricted	33,044	42,530
Permanently Restricted	363,741	361,214
Total Net Assets	\$517,989	\$517,055
Total Liabilities and Net Assets	\$20,758,596	\$19,197,337

Foundation Statement of Financial Activities, audited by Capin & Crouse, LLP

	2010	2009
SUPPORT & REVENUE:		
Contributions and principle additions	\$10,450	\$10,467
Contributions from conference	10,000	10,320
Management fee income	73,544	70,455
MHM Fund income	193,202	215,916
Interest and dividends	13,384	24,789
Net realized and unrealized gains	23,814	34,417
Change in value of annuities	(26,626)	(24,623)
Total Support and Revenue	\$297,768	\$341,741
EXPENSES:		
Program services:		
Foundation	\$138,019	\$85,529
MHM Fund	89,547	116,106
General & Administrative	69,268	86,832
Total Expenses	\$296,834	\$288,467
Change in Net Assets	934	53,247
Net Assets, Beginning of Year	517,055	463,781
Net Assets, End of Year	\$517,989	\$517,055

Investment Report

This year, the Investment Committee completed its tri-annual investment manager review, and determined that the investments of the Foundation would be better served by Wespath, a division of the General Board of Pensions and Health Benefits of the United Methodist Church. This agency of the United Methodist Church has been serving investors for 102 years and manages a diversified portfolio valued at approximately \$16 billion. Partnering with Wespath will enable the Foundation to offer a more diverse investment portfolio and a broader world influence in socially responsible investment practices.

In partnership with our new investment manager, the Foundation will continue to make a “conscious effort to invest in institutions, companies, corporations, or funds whose practices are consistent with the goals outlined in the Social Principles” (¶1716, The Book of Discipline 2008) to uphold Church values, influence corporations and support its participant’s financial security in their investments.

- Portfolio Screening – we use five negative screens which reflect core United Methodist values: alcoholic beverages, tobacco-related products, pornography, gambling-related products or services, and weapons and weapons-related components and systems.
- Proxy Voting – a proxy ballot is a powerful method of directing or influencing a company’s governance and business practices.
- Shareholder Engagement – our investment manager interacts directly with companies through letter writing, shareholder resolutions and corporate dialogues to influence environmental, social and governance issues.
- Positive Social Purpose Investing –this is accomplished by helping people in their local communities, where they live and work, through lending in affordable housing, community development and microfinance.

Fund Performance – Investments for Churches and related agencies, ministries and institutions*

Total Return as of December 31, 2010

Fund	One year	2 years	3 years	5 years
UMF Balanced Fund**	14.60%	20.07	2.12	5.60
Compared to a blended index	13.32	19.06	0.69	4.67
UMF Fixed Income Fund	3.58	5.70	4.30	4.12
Compared to Barclays Int. Govt./Corp. Index	5.89	5.56	5.40	5.53
UMF Equity Growth Fund	13.10	19.94	(2.19)	0.25
Compared to S&P 500 Index	15.06	20.63	(2.86)	2.29

UMF Short Term Fund	2010	2009	2008	2007
	2.47%	1.95	3.87	4.92

*The Investment Opportunity Booklet, which includes policy, performance, portfolio and procedures, is available on the website at www.RM-UMF.org or by calling the office at 303-778-6370.

**The Balanced Fund performance data is compiled based on existing investments through Wespath, a division of the General Board of Pensions and Health Benefits. Performance stated is based on historical performance if the fund had been in place. This fund was established by the Foundation in November 2010.

Planned Giving

67% of Americans do not have a will.

Endowment Committees are charged with making sure that their church members have a will; the committees are also charged with making sure that everyone is invited to leave a legacy through their final wishes (§2533.3-4, The Book of Discipline 2008).

The Foundation provides programming to address the needs of endowment development, planned charitable giving, and estate planning. This was the original mission of the Rocky Mountain United Methodist Foundation.

This mission is what attracted Linda Gardner to serve the Foundation. Linda has served the Foundation for 23 years by conducting programs for churches and providing guidance and wisdom to the Foundation. Today, Linda teaches church members how to create a will, leave bequests and make the most of their abundance through faith-based financial tools. For committees, her programs help start or revitalize endowments.



*Linda Gardner,
Director of Planned Giving*

Stock & Mutual Fund Gifts

An excellent way to benefit the United Methodist charity of your choice is to give appreciated marketable securities. The Rocky Mountain United Methodist Foundation is pleased to assist individuals in donating securities to any United Methodist church, organization or affiliated institution. Contact the Foundation for simple instructions: 303-778-6370

A Gift that Pays You Income – Charitable Gift Annuities

The Foundation continues to offer this valuable service for Church Members.

You can make a significant gift to your favorite United Methodist church or charity and receive fixed income for life. Your Rocky Mountain United Methodist Foundation makes it easy. Current rates range from 4.6% (at age 60) to 9.3% (at age 90+).

Make an IRA Gift in 2011

Once again, Congress has renewed the legislation allowing persons over age 70 ½ to make gifts directly out of an existing IRA to charity. This transfer does not count as income and, therefore, does not create a tax deduction. It does, however, count toward your required minimum distribution (RMD).

This can be a very helpful option if you:

- Do not itemize deductions
- Do not want to take the RMD as income
- Have a large IRA and wish to do significant charitable giving. Each individual may transfer up to \$100,000 this year.

This can be a great way to fulfill an annual or capital campaign pledge at your church or another favorite United Methodist charity. Simply send your IRA administrator a letter with instructions regarding the distribution. A sample letter is available from the Foundation office and on our website: www.rm-umf.org

Tithe your will

Methodists Helping Methodists Report

This year, the Methodists Helping Methodists Fund provided loans to help supplement the capital needs of three additional churches.

- St. Paul UMC in Denver, Colorado (Metropolitan District) completed a stained glass window renovation funded with a combination of member donations, Historic Society grant money and a loan from the Methodists Helping Methodists Fund.
- Meeker UMC in Meeker, Colorado (Western Colorado Sub-District of the Rocky Mountain Annual Conference) completed work on its new sanctuary paid for by a very successful capital campaign along with a loan from the Methodists Helping Methodists Fund.
- Mountain View UMC in Boulder, Colorado (Peaks Sub-District) completed an extensive energy renovation funded with individual contributions and a loan from the Methodists Helping Methodists Fund.

Simply by our presence in the Rocky Mountain Conference, three churches were able to get better deals at their commercial banks by just mentioning the Methodists Helping Methodists Fund. These churches will save more than \$100,000 in negotiated rates and fees. The Rev. Bill Gamble from People's UMC in Colorado Springs reported that he went to his church's bank and said he was going to refinance with the Methodists Helping Methodist Fund; one week later, his church received a letter from the bank lowering the interest rate from 7.00% to 4.25%!

*Mountain View UMC's
Solar Panels consecrated
May 1, 2011.*



*Meeker UMC's new sanctuary was
dedicated on February 6, 2011*



Meeker UMC's old sanctuary



A Tribute – Maryan Twyman and Janette Trimble

The Foundation gives tribute to Janette Trimble and Maryan Twyman who both went to rest with the Lord in 2010. Both ladies were life long United Methodists and long time investors in the Methodists Helping Methodists (MHM) Fund administered by the Foundation.

Their lives were similar in many other ways, both born and raised in the mid-west, college educated. They both lost husbands before their time and raised their children with the help of their church community. Both were blessed with a multitude of grandchildren.



Maryan Twyman, standing in front of her church's stained glass windows.



Janette Trimble

They believed in the United Methodist connectional system and worked in the church most of their lives. Janette worked in children's education for several churches. Maryan was a United Methodist minister's wife with all that involves. Her husband was the senior minister at St. Paul UMC in Denver during the 60's.

How fitting it was for Maryan that the Foundation's MHM Fund approved a loan to the St. Paul UMC in 2010 to help the church complete their grant requirements to replace and repair their historical stained glass windows.

It is powerful to know these two ladies trust and faith in the MHM Fund over the many years with their investments helped fund this project, as well as, many others.

The MHM Fund, originally known as the Rocky Mountain Conference Church Extension Loan Fund, was transferred to the Foundation in 1997. Since that time 90 loans have been funded.

For more information on how to invest in the Methodists Helping Methodists Fund contact the Foundation office at 303-778-6370.



Historic stained glass of St. Paul UMC.

Board Corner

Staff –

Kristi Kinnison, Executive Director
Linda Gardner, Director of Planned Giving
Martha Friedrich, Account Manager

Board of Directors –

Richard C. Spong, President
Rev. Keith E. Watson, Vice President
Rev. William R. Gamble, Secretary
B. Douglas Roth, Treasurer

Richard H. Krening, Chairman Investment Committee
Vicki Rapp, Chairperson Methodists Helping Methodists Fund
Janet W. Hazlett, Chairperson Development Committee

Dorothy Anderson
Robert Bailey
Rev. Jerry Boles
Rev. Steve Burnett
Mark Frasier
Steve Horesh
Noreen Keleshian
Rev. Dr. Kay Palmer Marsh
Joe Mossa
Bob Seymour
David C. Stephens
Jan Thornton



Foundation President, Richard Spong acknowledges Marilyn Bierbach for her 18 years of service at the fall 2010 Board meeting. Marilyn started working for the Foundation in 1992 as a part-time bookkeeper, becoming the Managing Director in 1999 and the Executive Director in 2003. She intends to pursue her volunteering interests more fully and winter in Arizona with her husband.



At the November Board meeting, 6 new board members were elected to office. Pictured from left to right are Dave Stephens of Greenwood Village, Bob Bailey of Colorado Springs, and Bob Seymour of Fort Collins. Not pictured: Jan Thornton of Denver, Rev. Dr. Kay Palmer Marsh of Longmont, and Dorothy Anderson of Murray, Utah.



The Investment committee of the Board discusses the decision to move the Foundation assets under management to a new Fund manager. Eight proposals were reviewed and evaluated.



A Tribute to Joe Akiyama

This December, we bid farewell to our friend and former board member Joe Akiyama.

Joe served on the Foundation's Board of Directors for eight years. He took on the position of Treasurer, and every month, came into the Foundation office to sign all the checks.

Joe believed in the work of the Foundation, and led his own church by example. He was instrumental in building and investing the endowment funds at Simpson United Methodist Church in Arvada, Colorado, and left a sizable bequest to his church, establishing a legacy and a powerful example of faith.

Joe was a Colorado Native. He was born and raised on a farm near Fort Lupton. He went on to serve his country as an interpreter in the US Army during World War II. After the service, he became a United States Postal worker and then an elementary school teacher and counselor in the Cherry Creek School District.

Joe was a devoted husband, brother and uncle. He was preceded in death by his wife, Kiko who passed away in 1986.

We honor the contribution that Joe made to the Foundation and know that his legacy will live on through his work as Treasurer and dedicated servant of God.

God bless you Joe.