



UNITED METHODIST
F O U N D A T I O N
ROCKY MOUNTAIN CONFERENCE

Endowments

Gift Planning

Investments

Loans

2006 Annual Report

Our Mission:

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

2006 Highlights

- Total assets under management for churches and agencies of the Rocky Mountain Conference: **\$15,245,921.**
- Total new funds received: **\$1,584,155.**
- Over **\$973,109** of interest and principal returned to churches at their requests to further their ministries.
- **Seven** capital improvement loans made.
- Staff conducted over **50** seminars, training sessions and consultations with local churches relating to services of Foundation.
- New Planned Giving Director and Financial Education Director hired.
- New Planned Giving website added: www.umchurchlegacy.com
- New electronic Planned Giving newsletter implemented.
- Two new gift annuities established to benefit local churches in the future.



Marilyn M. Bierbach
Executive Director

Dear Friends,

We hope this 2006 Annual Report gives you a good idea what the UM Foundation can do for you, your local United Methodist Church and the Rocky Mountain Conference.

The creation of custodial (deposit) accounts and endowment fund accounts in local churches has a specific goal. The financial yield on these accounts invested in our Foundation socially responsible Investment Funds helps broaden and strengthen Christian ministry across our Conference.

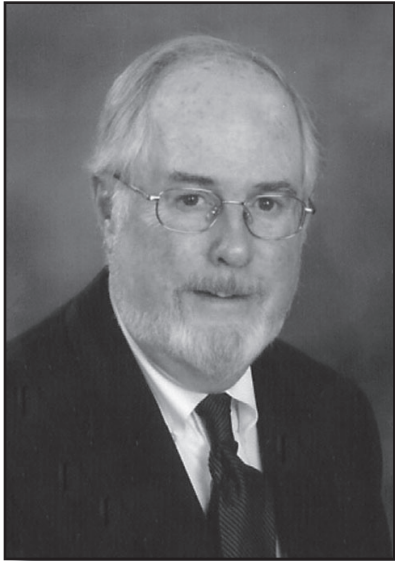
Our "Methodists Helping Methodists" Loan Fund helps churches with much needed capital improvement projects. Individuals enjoy investing in this Fund and seeing their dollars at work locally.

Our planned giving services to congregations and agencies of the Church assist them in creating the "giving environment" that encourages future gifts and bequests.

It is gratifying to be of continued service to the churches and agencies of the Rocky Mountain Conference.

Marilyn M. Bierbach
Executive Director

Message from the President



Dick Vickery
Board President

The year 2006 proved to be a strong and stable year for your Rocky Mountain Conference United Methodist Foundation. 2006 is my last year serving on the Board of Directors of the Foundation. It has been good to be a part of such an alive, growing and exciting endeavor for Christ and the Church over the last nine years. I am pleased to endorse the reports on each of the services of the Foundation as follows.

We deeply miss among us Board Members John Boyle and Susan Pymell who passed on in 2006.

The Board of Directors continues to take its fiduciary and governing responsibilities with great seriousness and intentionality.

Welcome additions to the Board in 2006 include, Joe Mossa and Richard Spong.

Thanks is expressed to the 2006 Executive Committee team: Andy Dunning, President-Elect; Charlie Ledbetter, Charlie Miller & Doug Slaughter as Vice-Presidents; Betty Bradford, Secretary; and Peg Newell, Treasurer; along with "Methodist Helping Methodist Fund" Chair, Mark Cummins; Planned Giving Chair, Max

Coppom; Board Development Chair, Gene Dobrzelecki.

We are grateful for Marilyn Bierbach as she completes her fourth year in her role as full-time Executive Director of the Foundation and her fourteenth year with the Foundation.

We are blessed by the addition of Linda and Carl Gardner as Planned Giving and Financial Education Directors in 2006.

Other staff includes part-timers: Account Manager, Martha Friedrich, Administrative Assistant, Heather Radoevich and Contract Consulting CPA, Paul Smith.

Marilyn Bierbach and the Gardner's are available for local church presentations and consultations as your church seeks financial strength and future planned gifts to its ministries and mission.

Grace & Peace,
Dick Vickery, Board President

Methodists Helping Methodists Fund *Report*



Vicki Rapp
Chair, MHM Fund

The Methodists Helping Methodists Fund (MHM Fund) exhibited strong core growth in 2006. Investor deposits increased from \$3.2 million to \$3.6 million. Forty-four new accounts were added in 2006, for a total of 220 accounts held by 128 investors. Investors come in all ages and types, from grandchildren to seniors, from trusts held by agencies to churches. They like seeing their short-term investments supporting the connexional system.

The Fund originated seven new church loans totaling \$511,721 in 2006: new windows at Mountain View UMC, Boulder; day care center improvements at Fruita UMC; new roof at DeBeque Community UMC; new boiler at Wheat Ridge UMC; new sound booth at First Grand Junction UMC; refinanced parsonage loan at Korean American UMC, Colorado Springs and new windows at First UMC, Glenwood Springs.

These are great 2006 numbers. As a retired banker, I am proud of this performance. As an active Methodist, a MHM Fund investor,

and Chair of the MHM Fund it's about much more than the numbers.

There is the support of the local United Methodist mission throughout the RMC. There is the competitive return we provide our investors and the great service they receive from the Foundation. There are loyal investors who make the decision every year to include the MHM Fund in their investment choices. There are churches large and small being helped with loans to better serve their communities. And there is great joy in knowing the MHM Fund loan is often at a better rate and term than available elsewhere for churches.

Please consider increasing the diversity of your portfolio with an investment in the MHM Fund. You'll see the return is much greater than the interest rate. We don't give airline mileage or giveaways but the Fund is making a difference in the life of United Methodist Churches. We just share Methodist love with Methodist money through the MHM Fund.

Vicki Rapp
Chair, MHM Fund

Planned Giving Services *Report*

We are pleased to announce during 2006 the Foundation contracted the services of Linda L. Gardner, CPA, Gift Planning Director, and Carl Gardner, Financial Education Director in 2006. They will be traveling around the Conference to provide assistance in setting up endowment programs for churches, as well as, educational workshops on planned giving and estate planning.

They will also provide confidential no-cost consultations with prospective donors. Our hope is to serve you and your family with helpful information. We have an increasing number of friends who now are benefiting from life income gifts such as charitable gift annuities.

Two gift annuities were completed in 2006. Charitable gift annuities provide partially tax-free income for life to donors and a charitable deduction on their income tax. Donors may also avoid capital gain tax if the gift is funded with marketable securities. Secondly, at the passing of the donor, 80% of the remainder is returned to their designated United Methodist Church or UM agency.

Ray Allison of Longmont shares his story at the right. We are privileged to partner with the Allisons and many others in the Lord's work to build church permanent endowment funds through these types of planned gifts.

Max Coppom, Chair
Planned Giving Committee

Meet our newest charitable gift annuitants



Ray and Martha Allison

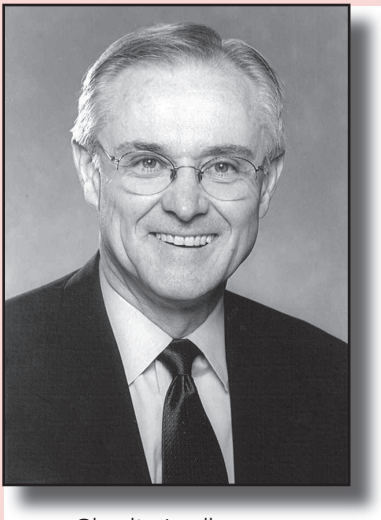
While I have been aware of Charitable Gift annuities for many years, it was an article published by the United Methodist Foundation recently that helped me realize that this was an instrument which could satisfy several of my desires at one time.

My wife and I owned a large number of shares of my former employer's stock, which had appreciated significantly in value over the years. I wanted to reduce our holding in that one company to improve the diversification of our portfolio, but I didn't want to pay the large capital gain tax that would be due if I sold it. In addition, the stock was paying only about 1% per year in dividends and I wanted a higher income to supplement our retirement.

I already had a feature in my will to provide a donation to our local church upon my death. So, I thought, why not arrange for that donation now, via a Charitable Gift annuity. That way we get a tax deduction now, a higher income for life (part of which is tax exempt), and my church will receive a substantial donation when I die. Now, that's a Win-Win-Win situation, if I ever saw one!

Ray Allison

Investment Funds *Report*



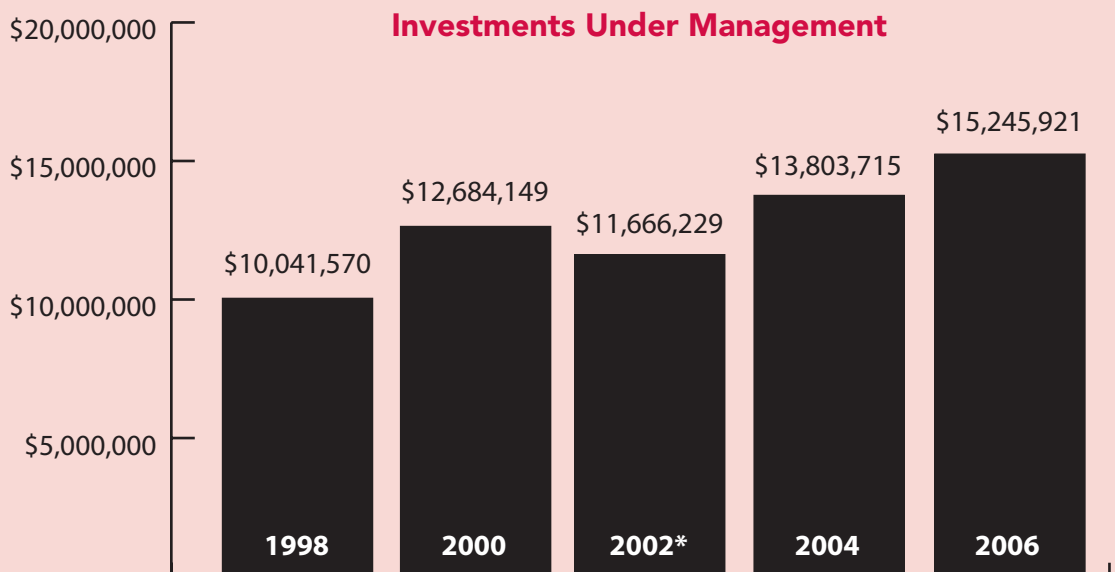
Charlie Ledbetter
Investment Committee Chair

INVESTMENT FUNDS

The Foundation offers investment funds to churches within the Rocky Mountain Conference. These funds reflect the socially responsible investment policies set out in the Social Principles of the United Methodist Church. The screening for social principles is combined with the Foundation's policy of seeking long-term growth for equity investments and income with preservation of principal for income oriented investments.

Many churches find investing through the Foundation as an easy and convenient way to meet their needs. The Foundation offers

specialized experience and the avoidance of any conflicts of interest. Sub-account reporting allows smaller investments by the churches than might be commercially unavailable. We believe the local church and the Foundation together are stronger than either would be standing alone. This also allows the Foundation to keep its costs and expenses competitive. All of these factors have allowed the Foundation's investment portfolios to serve more and more churches for almost two decades. Below is an historical graph of the continued growth of investments under management.



*reflects downturn in stock market

EQUITY GROWTH FUND

The Foundation has offered this type of investment Fund since 1993. The total return numbers for the Foundation EQUITY GROWTH FUND are compared with the U.S. equity investments as measured by the S&P 500 composite index and the broader market measured by the Russell 2000 growth index. Please note that the Foundation's return is net of fees and expenses while index returns do not have such fees and expenses. Also, Foundation Funds meet social principles of the UM Church while indexes do not. Total assets under management in this Foundation Equity Fund at year's end were \$4,670,801.

	1 year return	3 year return	5 year return
Foundation Equity Growth Fund	12.88%	7.22%	3.06%
S & P 500	15.78%	10.43%	6.19%
Russell 2000	13.35%	10.51%	6.93%

FIXED INCOME FUND

This Foundation Fund has been in existence since 1987 and is designed to meet the income needs of many churches. The Federal Reserve continued to raise short-term interest rates during the first half of the year and then held rates stable for the remainder. **This led to the downturn in the value of Bond Funds.** The Foundation Fund is compared below to the Lehman Aggregate Bond Index. Total assets under management in this fund at year's end were \$8,898,113.

	One year return	3 year return	5 year return
Foundation Fixed Income Fund	3.99%	2.48%	4.56%
Lehman Aggregate Bond Index	3.99%	2.79%	4.33%

MONEY MARKET FUND

The Money Market Fund offered a 2006 average return of 3.52%. This improved some from previous years and reflected the rise in short-term interest rates during the year. The total assets under management in this fund at year end totaled \$ 1,629,428.

New investments and additions to all three Funds totaled \$1,584,155 for 2006. Withdrawals of \$931,109 were processed to meet the needs of churches. Also accounts in the Fixed and Money Market funds earned over \$521,959 in interest income.

On the next two pages you will find a listing by category of churches who invest in the Foundation's socially responsible Funds. Please note that many churches have multiple accounts and not all are listed.

Charlie Ledbetter
Investment Committee Chair



Investors

The following churches and agencies invest in the Socially Responsible Investment Funds of the Foundation:

Bequest/Trust

Cody UMC Cody, WY
 Community UMC Ogden, UT
 First UMC Salt Lake City, UT
 Montclair UMC Denver, CO
 Park Hill UMC Denver, CO
 Torrington UMC Torrington, WY
 Trinity UMC Loveland, CO
 Wesley UMC Pueblo, CO

Building

Christ UMC Casper, WY
 First UMC Grand Junction, CO
 First UMC Rocky Ford, CO
 First UMC Casper, WY
 Wesley/Trinity UMC Pueblo, CO

Camps

Hygiene UMC Hygiene, CO
 RMC Buckhorn Camp Bellvue, CO

Capital Management

Applewood UMC Lakewood, CO
 Community UMC Ogden, UT
 Emmanuel UMC Denver, CO
 First UMC Ogden, UT
 First UMC Salida, CO
 Simpson UMC Arvada, CO
 First UMC Aurora, CO
 First UMC Castle Rock, CO
 St. Paul UMC Colorado Springs, CO
 Trinity UMC Colorado Springs, CO
 Wheat Ridge UMC Wheat Ridge, CO

Conference

Campus Ministries
 David Woodyard Trust
 Endowment
 Greeley District
 HMEP Reserve
 Northern Colorado Wesley Foundation
 ROSIC Fund
 Telecommunications

District

Commission on Archives & History
 Commission on Archives Knudsen Fund

Denver Metro Ministries
 Peaks and Plains District New Ministries
 Sunshine District

Education

Englewood UMC Englewood, CO
 Palisade UMC Palisade, CO

Endowment

Applewood Valley UMC Golden, CO
 Berthoud UMC Berthoud, CO
 Brentwood UMC Denver, CO
 Brighton UMC Brighton, CO
 Brush UMC Brush, CO
 Burns Memorial UMC Aurora, CO
 Calvary UMC Colorado Springs, CO
 Cameron UMC Denver, CO
 Christ UMC Salt Lake City, UT
 Christ UMC Sterling, CO
 Community UMC Ogden, UT
 Crossroads UMC Grand Junction, CO
 Delta UMC Delta, CO
 Emmanuel UMC Denver, CO
 Estes Park UMC Estes Park, CO
 Evergreen UMC Evergreen, CO
 Father Dyer UMC Breckenridge, CO
 First UMC Berthoud, CO
 First UMC Casper, WY
 First UMC Douglas, WY
 First UMC Grand Junction, CO
 First UMC Greeley, CO
 First UMC Longmont, CO
 First UMC Newcastle, WY
 First UMC Ogden, UT
 First UMC Rocky Ford, CO
 First UMC Salt Lake City, UT
 Fruita UMC Fruita, CO
 Ft. Morgan UMC Ft. Morgan, CO
 Grace UMC Denver, CO
 Granada UMC Granada, CO
 Green Mountain UMC Lakewood, CO
 Haxtun UMC Haxtun, CO
 Highlands UMC Denver, CO
 Holly UMC Holly, CO
 Home UMC Rye, CO
 Jefferson Ave. UMC Wheat Ridge, CO
 John Collins UMC Denver, CO

Lamar UMC Lamar, CO
 Mountain View UMC Boulder, CO
 Palisade UMC Palisade, CO
 Park Hill UMC Denver, CO
 Parker UMC Parker, CO
 Phillips UMC Lakewood, CO
 Simpson UMC Arvada, CO
 St. Paul's UMC Colorado Springs, CO
 St. Paul's UMC Denver, CO
 Sunrise UMC Colorado Springs, CO
 Torrington UMC Torrington, CO
 Trinidad UMC Trinidad, CO
 Trinity UMC Colorado Springs, CO
 UMF Endowment Denver, CO
 UMF MHM Endowment Denver, CO
 United Methodist/Presby Church Rifle, CO
 University Park UMC Denver, CO
 Valley Vista UMC Denver, CO
 Vineland UMC Pueblo, CO
 Washington Park UMC Denver, CO
 Wesley Foundation Boulder, CO
 Wesley UMC Pueblo, CO
 Westminster UMC Westminster, CO
 Wheat Ridge UMC Wheat Ridge, CO
 Yukio Yamasaki Endowment Fund Arvada, CO
 Washington Park UMC Denver, CO

Foundation

Cody UMC Cody, WY
 Pine Bluffs UMC Pine Bluffs, WY

Investment

Central U.M.C. Colorado Springs, CO
 Park Hill UMC Denver, CO
 Wheatland UMC Wheatland, WY

Landscape

Burns Memorial UMC Aurora, CO

Memorial

Holly UMC Holly, CO
 Niwot UMC Longmont, CO
 Community UMC Park City, UT
 Park Hill UMC Denver, CO
 Price UMC Price, UT
 Simpson UMC Arvada, CO
 Wesley/Trinity UMC Pueblo, CO

Missions

Mountain View Boulder, CO
 United Methodist Church Lamar, CO

Music

Cody United Methodist Church Cody, WY
 First UMC Windsor, CO
 Grace UMC Denver, CO
 Lamar UMC Lamar, CO
 Park Hill UMC Denver, CO

Other

Bethel UMC Boulder, CO
 Calhan UMC Calhan, CO
 Christ UMC Denver, CO
 Cody UMC Cody, WY
 Community UMC Olney Springs, CO
 Community UMC Park City, UT
 Crawford Community UMC Crawford, CO
 Deer Park UMC Pine, CO
 Emmanuel UMC Denver, CO
 First UMC Montrose, CO
 First UMC Newcastle, WY
 First UMC Salida, CO
 First UMC Salt Lake City, UT
 First UMC Casper, WY
 Fowler UMC Fowler, CO
 Grand Valley UMC Parachute, CO
 Hope UMC Greenwood Village, CO
 Lakewood UMC Lakewood, CO
 Palisade UMC Palisade, CO
 Peoples UMC Colorado Springs, CO
 Price UMC Price, UT
 Rinn UMC Longmont, CO
 Rush Community Church Calhan, CO
 Son Rise Church Pueblo, CO
 St. Andrew UMC Centennial, CO
 St. Paul UMC Colorado Springs, CO
 St. Pauls UMC Denver, CO
 St. Vrain Coop Parish Erie, CO
 Sundance UMC Sundance, WY
 Tri-Lakes UMC Monument, CO
 Trinity UMC Colorado Springs, CO
 United Church Fredonia Kanab, UT
 United Church Walsenburg, CO
 United Methodist Church Ovid, CO
 Valley Vista UMC Denver, CO
 Vineland UMC Pueblo, CO

Wheat Ridge UMC

Parsonage

Bethany UMC
 Brush UMC
 Edgewater UMC
 First UMC
 First UMC
 First UMC
 First UMC
 First UMC
 First UMC
 First UMC
 Grace UMC
 Jefferson Ave.
 Manzanola UMC
 Park Hill UMC
 Simpson UMC
 Wheat Ridge UMC

Reserve

Midwest Community UMC
 Phillips UMC

Savings

Brighton UMC
 Deer Park UMC
 First UMC
 First UMC
 Jefferson Ave.
 Wesley UMC

Scholarship

Cody UMC
 Edgewater UMC
 First UMC
 First UMC
 First UMC
 First UMC
 Haxtun UMC
 Louisville UMC
 Park Hill UMC
 Parker UMC
 Simpson UMC
 Sundance UMC
 Sunrise UMC
 Wesley Foundation Boulder

Trust

Calvary UMC
 Christ UMC

Wheat Ridge, CO
 Denver, CO
 Brush, CO
 Edgewater, CO
 Berthoud, CO
 Castle Rock, CO
 Greeley, CO
 Pueblo, CO
 Salida, CO
 Salt Lake, UT
 Cheyenne, WY
 Wheat Ridge, CO
 Manzanola, CO
 Denver, CO
 Arvada, CO
 Wheat Ridge, CO

Midwest, WY
 Lakewood, CO

Brighton, CO
 Bailey, CO
 Golden, CO
 Longmont, CO
 Wheat Ridge, CO
 Pueblo, CO

Cody, WY
 Edgewater, CO
 Gillette, WY
 Grand Junction, CO
 Greeley, CO
 Longmont, CO
 Haxtun, CO
 Louisville, CO
 Denver, CO
 Parker, CO
 Arvada, CO
 Sundance, WY
 Colorado Springs, CO
 Boulder, CO

Edgewater UMC
 Estes Park UMC
 Fowler UMC
 Hygiene UMC
 Pine Bluffs UMC
 RMC UM Women Evans Trust
 Warren UMC

Trustee

Englewood UMC
 First UMC
 Las Animas UMC
 Meeker UMC

UM Women

First UMC UMW
 First UMC UMW

Youth

Community UMC
 First UMC
 Lamar UMC
 Park Hill UMC
 Simpson UMC

United Methodist Foundation

(The following accounts are held in trust by the Foundation for the benefit of local churches and/or their communities.)

Acott Memorial
 Harney Benevolence Fund
 Helen Bryan Memorial Trust
 Helen Strait Memorial
 Doling Scholarship
 Knapp Scholarship
 Wilbur Hall Scholarship
 Earl E. Crum Trust
 Anonymous Trust
 Pooled Income Fund

Our Leadership

Board of Directors



United Methodist Foundation Board of Directors and Staff

Back row: Marilyn Bierbach, Andy Dunning, Gregg Anderson, Mark Cummins, Doug Slaughter, Richard Spong, Charlie Ledbetter, Bob Kula, Max Coppom, Richard Vickery.

Front row: Steve LoRe, Peg Newell, Rahn Porter, Gene Dobrzelecki, Betty Bradford, Martha Friedrich, Linda Gardner, Carl Gardner. Not pictured: John Crouse, Joe Mossa, Debra O'Neill

Officers 2006

President, Richard Vickery, Jr.
President-Elect, Andrew Dunning
Vice-Presidents, Charlie C. Ledbetter,
Charlie Miller and Doug Slaughter
Secretary, Betty Bradford
Treasurer, Peg Newell

Finance/Budget Committee

John Crouse, Chair
Peg Newell
Debra O'Neill
Rahn Porter

Board Development Committee

Eugene Dobrzelecki
Betty Jo Bradford
Gregg R. Anderson
Bob Kula

Investment Committee

Charlie C. Ledbetter, Chair
Stephen K. Lo Re
Joe Mossa

Strategic Planning Committee

Andrew Dunning
Betty Jo Bradford
Debra O'Neill
Charlie Miller

MHM (Loan) Committee

Mark D. Cummins, Chair
Richard Vickery
Vicki Rapp
Charlie Miller

Planned Giving Committee

Max Coppom, Chair
Doug Slaughter
Richard Spong

ExOfficio

Bishop Warner Brown
Jack Ford, Conference Treasurer

Emeritus

Joe Akiyama
Darl Hobson
Don P. Strait

Office Staff

Marilyn M. Bierbach, Executive Director
Martha Friedrich, Account Manager
Linda L. Gardner, Gift Planning Director
Carl Gardner, Financial Education Director
Paul Smith, CPA—Consultant

BOARD OF DIRECTORS ANNUAL MEETINGS



The Board of Directors of the Foundation meets twice a year to govern and conduct the business of the organization. Committee meetings are held, annual budgets are approved and financials are discussed. Board educational seminars and/or board orientation are conducted each year.



The **Board Development Committee** meets to discuss the duties and responsibilities of the newly formed committee. This committee will be charged with orientation and continued education of new board members, as well as evaluating the work of all board members.

From left to right: Bob Kula, Gene Dobrzelecki, Marilyn Barber, Betty Bradford, Richard Vickery and Andy Dunning.



At the board meeting held September 2006, special recognition was given to retiring board members: **Rahn Porter** for 2 years' service (left); **Richard Vickery**, 9 years (right) and Marilyn Barber for 10 years of service (see photo below).



Marilyn Barber (center) is honored for her ten years of service with the Foundation by the Founding President of the Foundation, **Darl Hobson** (left) and Foundation Board President **Richard Vickery** (right). She served on the board, as staff, as a consultant and co-creator of the Methodists Helping Methodists (Loan) Fund. During her reign at the Foundation as Loan Fund Director, the MHM Fund increased from \$600,000 to \$1.9 million. Before dedicating her time to the Foundation, she served Churches of the Conference for over 10 years with her late husband, Pete Barber, as Capital Campaign Consultants.

*Support,
Revenue,
Expenses &
Change in
New Assets*

Year ended
December 31, 2006*

Annual audits conducted
by Capin Crouse, LLP,
Colorado Springs, CO

***Support and Revenue**

Conference Support	\$12,340
Investment Management Fees	\$76,680
Return on Investments	\$4,036
Loan Fund	\$75,183
Gifts	\$11,620
Restricted Income for Others	\$32,460
Other Income	\$933
Total Support & Revenue	\$213,252

Expenses

Loan Fund	\$61,272
Office	\$24,006
Other	\$8,170
Program	\$2,972
Professional Fees	\$8,210
Salaries and Taxes	\$76,345
Travel	\$7,603
Beneficiaries	\$32,029
Total Expenses	\$220,607
Increase in net assets	-\$7,355
Net assets 1/1/2006	\$519,242
Net assets 12/31/2006	\$511,887

***Assets, Liabilities and Net Assets**

	Foundation Accounts	**Investments Under Management
2006 Assets		
Cash	\$1,046,069	
Investments	\$644,488	\$14,655,450
Notes Receivable	\$2,577,171	
Other	\$36,273	
Total Assets	\$4,304,001	\$14,655,450
Liabilities		
Long-term Liabilities	\$278,350	
Client Deposits	\$3,513,764	\$14,655,450
Equity	\$511,887	
Total Liabilities and Equity	\$4,304,001	
Net Assets		
Restricted	\$358,959	-0-
Unrestricted	\$152,928	-0-

*Unaudited. Completed audit available by calling Foundation office.
** Investments administered for others, not assets of the Foundation.



3333 South Bannock Street
Suite 205
Englewood, CO 80110

**UNITED METHODIST
FOUNDATION**
ROCKY MOUNTAIN CONFERENCE

NON-PROFIT ORG
US POSTAGE
PAID
ENGLEWOOD, CO
PERMIT # 87