

The Foundation Ledger

Volume 5, Issue 1

Winter Edition 2024

In This Issue



Sound Footings

page 3



This Year's Grant Recipients

page 4

Sound Footings

page 3

This Year's Grant Recipients

page 4

DevCo Supports Upgrade

page 5

Render Unto Caesar

page 6

Fund Performance

page 7



804-521-1121 www.vaumfoundation.org



Timon Studler, courtesy of Unsplash

How the Church can Respond to the Growth in “Nones”

By the Rev. Tommy Herndon

VP of Legacy Giving & Stewardship Development

A “none” is a person reporting no religious affiliation. Nones are not atheists or agnostics. They may be spiritual but not religious. They may consider themselves secular people who choose not to participate in a religious community. They see religiosity primarily in terms of choice, and faith as a matter of preference.

Many churches tell me their attendance is not what it used to be. It is important for the church to not lose hope. We must continue to step out in faith and sow the seeds of love, grace and hope. Reinhold Niebuhr gave us sound advice for our church today and our response to Nones. “God, grant me

the serenity to accept the things I cannot change, the courage to change the things I can, and the wisdom to know the difference.”

While about 30% of Americans no longer affiliate with religion, just 16% of Americans do not believe God exists. The issue is not that interest

(continued on page 2)

(continued from page 1)

in spiritual matters has declined – it’s that people do not want to label themselves as Christian, Mormon, Muslim, Buddhist, etc.

People today like to have something “to hang their hat on.” When I pastored in Manassas, we started a food pantry. We started with a small crew and opened the food pantry for distribution on Saturday mornings. The longer we were open, the more people came to volunteer. People could come to our church and get groceries for the next week. They didn’t have to attend a worship service – they just had to have a need. We even offered Thanksgiving and Christmas meals, and people came by the hundreds. Many times we would need larger refrigerators or more money to operate, and the funding always came in. Today this ministry is still flourishing. People still show up to get their weekly food needs.

At another location in the state we had a church running a Clothes Closet out of their attic. The ladies who ran it carried the clothing up the steps and endured the heat and cold. They needed more space, preferably where they didn’t have to carry everything to the attic and a place where they didn’t have to brave the heat and cold. We searched and searched for the right location, and one day decided we’d have to build it. One of our members donated six modular units. We put together a giant building on one floor that was heated and cooled. Churches began drives to stock this new building, and once more, people came in droves. Last month they gave away 12,000 diapers and served several hundred families.

The “nones” may not fill a pew in your church every Sunday, but they often need support, and the church needs to be there to help. I am amazed at how many volunteers these two projects have who were once in need and then came back to help others. This is the story of what the church is all about. The “nones” in our community need to have a place to take up residence.

One of my favorite parables comes from Matthew where the farmer is trying to plant seed. Jesus wisely notes that some of the seed falls on ground where it



Christian Holzinger, courtesy of Unsplash

“Nones” are not atheists or agnostics. They may be spiritual but not religious. They may consider themselves secular people who choose not to participate in a religious community. They see religiosity primarily in terms of choice, and faith as a matter of preference.

cannot grow or even take root, while other seed finds fertile ground, takes root, and creates a beautiful harvest. This parable tells me that we of the church need to stop trying to control where the seed lands. The winds of secularization and polarization are swirling like never before.

Many times a good portion of the seed will fall on rocky ground where it will never yield a harvest. It’s easy to look at the church and say we are losing members. It’s easy to wonder what will happen to the church as attendance and membership continue to decline. It’s easy to give up hope. Paul said to the church in Galatia: “So let us not grow weary in doing what is right, for we will reap at harvest time, if we do not give up.” (Galatians 6:9)

Seed that expresses the love and the grace and hope of Jesus is never truly lost. Don’t give up!

Sound Footings

By Bo Bowden
President of the Foundation

Greetings, Virginia Conference members and affiliates!

In the Church, we often talk about mission as a going (or sending) out to achieve a specific purpose. The mission of the United Methodist Church is to make disciples of Jesus Christ for the transformation of the world. Local churches and extension ministries of the Church provide arenas through which disciple-making occurs. The mission of the Foundation is to help Virginia Conference churches and affiliates steward their God-entrusted assets.

THE #1 WALL STREET JOURNAL BESTSELLER

DON CLIFTON
Father of Strengths Psychology and
Inventor of the Clifton StrengthsFinder

STRENGTHS FINDER 2.0

FROM GALLUP

Tom Rath

Do you have a personal mission? Those who are called to work in the Church may feel their vocation is the way they fulfill their personal mission. But does a job description encapsulate the fullness of one’s personal mission? What makes one disciple different from another? In 1 Corinthians, Paul speaks to this by listing various manifestations of the Holy Spirit, such as faith, prophecy and language. He further describes our individual talents with the familiar metaphor of being the hands, feet and eyes of the Body of Christ.



Is defining a personal mission simply a matter of discovering one’s unique personality traits or talents? Today there are many popular tools that can help us understand the way we interact with each other, such as Enneagram and Myers-Briggs Type Indicator. Many churches and ministries have successfully used StrengthsFinder to reveal traits in their members (sometimes yielding surprising results). The Johnson O’Connor Research Foundation can help individuals discover their innate abilities, which may help them choose vocations and put their talents to their highest use.

Another way the talents we have been given by God are revealed is the joy we experience when we serve others. Have you ever noticed someone smiling while working feverishly at a physical task? Often I have seen it when working with others, and I can’t help but feel the fellowship being shared is a key contributor. Small groups sometimes choose projects that can help them get to know each other better and put their talents to use in service to others. Community gardens, farmers markets, food pantries, clothes closets and home repair/building projects are all ways we serve others and share fellowship with those around us. Within each of those projects are needs for unique talents.

If you haven’t done so recently, take the time to rediscover your personal mission, perhaps using some of the tests listed above. Try writing different drafts of a personal mission statement, limiting it to a single sentence. Once you’ve found one that fits, actively seek ways to pursue it.

Let’s help the Church remain the place where the world experiences the Body of Christ.



Bo Bowden
President, Virginia United Methodist Foundation



BIG ANNOUNCEMENT!

iStock Photo

Grant Recipients Announced: 21 Virginia Conference Ministries Chosen

Each year, the Virginia United Methodist Foundation awards a limited number of grants to Virginia United Methodist Churches and affiliated agencies of the Virginia United Methodist Conference.

The Virginia United Methodist Foundation (VAUMF) is pleased to announce awarding a total of \$64,875 in grants to 21 organizations. Since the grants program was launched in 2015, the Foundation has distributed a total of more than \$450,000 in grants to initiatives and nonprofits throughout the Virginia United Methodist Conference (VAUMC).

VAUMF grants fund a variety of projects which are run primarily by churches affiliated with

the Virginia United Methodist Conference. According to VAUMF President Bo Bowden, "The Foundation believes in giving back to the community and works diligently to enhance and expand these local ministries by providing grant funding."

The deadline to submit grant applications is October 31, 2024.

Fairlington United Methodist Church Chiller Project

By Randy Shelton
VP of Lending and Capital Development

Whether your church building is old or new, heating and cooling the facility can be a challenge. When the life of your church's HVAC expires and it's time to replace the unit, each church will have different needs and resources to continue to ensure that congregation members feel comfortable.

The first step is to devise a plan to evaluate the current situation, define the needs and consult an expert to help choose the right HVAC system.

Recently, the leaders at Fairlington United Methodist Church experienced the need to replace their HVAC chiller. Lana Hurdle, trustees chair, explains their steps in designing a plan to replace the old chiller system.

"In September 2021, Fairlington United Methodist Church (FUMC) found that one of the major parts of equipment in the aged air conditioning system for the sanctuary and the fellowship hall had broken beyond repair. After many months of research and planning, and contractor bid evaluations, FUMC began a project to replace the old air conditioning water-cooled chiller with a new air-cooled chiller, which is more efficient and does not use water. Working closely with the engineers and general contractor to plan for this upgrade, the team quickly realized that a major electrical upgrade would be needed to support the new equipment and to meet modern building code requirements, as the church building was built in the 1950s and 1960s. This added significant challenges to an already complex project and increased the costs substantially.

"FUMC reached out to DevCo to request assistance with a loan that would pay for some of the up-



FAIRLINGTON

front costs of this project. The loan helped FUMC by spreading the cost of the new chiller over a reasonable amount of time.

"After some material delays caused by the pandemic, the new chiller is in place and was fully operational throughout the summer of 2023. The equipment has expanded capabilities beyond the previous system and FUMC is still learning how to take advantage of all the efficiencies it can provide. Current industry standards predict this new chiller should continue to work well for 15-20 years, supported by the building-wide preventive maintenance contract. Perhaps just as important, the upgraded electrical platform that supports the church building is now up to modern code requirements."

If your HVAC system needs major repairs or replacement, DevCo's lending experts are here to help.

Please do not hesitate to contact us with any funding needs and questions regarding HVAC repairs and replacements.



Engin Akyurt, courtesy of Unsplash

Render Unto Caesar: Part IV

By Brad Duty
Foundation Services Advisor

Matthew, Mark, and Luke all report that Jesus said, “Render unto Caesar what is Caesar’s, and unto God what is God’s.” Notice that the guidance does not say give generously to Caesar, nor does it say give any more than Caesar requires or mandates.

If we interpret Caesar to be the US government, or more specifically the IRS, these verses seem to say pay what the law requires, but not a nickel more, because that belongs to God, not Caesar. If the tax law is written so that there are options allowing us to lawfully pay less, shouldn't we, as God's stewards, do that? This is the fourth in a series of brief articles that will each discuss a way to take advantage of the tax laws to minimize what we render unto Caesar (US government) so that more can be given to God.

Not all assets we leave behind are equal in the eyes of tax law. Some things like IRAs and 401(k) accounts, if left to family, will be taxed at the tax rate of the one who inherited. So, let's say Fred has \$1,000,000 in

assets when he dies, with \$100,000 in life insurance and \$50,000 in checking/savings accounts. He was in assisted living so had no house but his estate receives \$350,000 back from his deposit, and his 401(k) totaled \$500,000. He chooses to leave 25% to his church, 15% to his alma mater, and the rest to his two children. (His wife Wilma pre-deceased him in this example.) One of the kids is a highly paid attorney, the other works at a small non-profit for a below-average salary in the Midwest where the cost of living is low.

Scenario 1: When the estate is settled, everything is cashed out, and checks are written to each entity. That means the church gets \$250K, the college gets \$150K, and the lawyer child and non-profit child each get

Current Foundation Fund Performance

	Since Inception	Dec. 2023	2023	2022	2021	2020	2019	2018	2017
Balanced Fund	6.99%	5.05%	14.08%	(13.00)%	8.69%	12.65%	21.36%	(7.11)%	15.72%
Balanced Plus Fund	6.03%	4.03%	13.07%	(11.24)%	8.98%	9.45%	18.82%	(4.95)%	14.45%
Stock Fund	10.16%	5.55%	18.59%	(12.60)%	14.31%	15.14%	28.69%	(9.40)%	22.79%
Bond Fund	0.89%	3.50%	5.66%	(12.49)%	(1.96)%	5.99%	7.97%	(0.55)%	3.49%

\$300K. The church and college are happy, and receive the money with no taxes. Each child has to keep track of theirs because 50% or \$150,000 will be taxable, must be withdrawn over no more than 10 years, and will be taxed at their then current respective tax rates (35% for the lawyer, 13% for the non-profit employee). Not counting investment growth, they will pay \$52,500 and \$19,500 respectively, or \$72,000 in taxes of their combined total \$600K inheritance.

Scenario 2: Instead, had Fred planned more tax-efficiently, he could have left his taxable 401(k) money to the church and alma mater by naming them beneficiaries. That takes care of \$400K of the \$500K in the 401(k) account. The insurance money could have been designated to go 100% to the lawyer child as beneficiary. The remaining \$100K of the 401(k) could be left to the non-profit-employed child (as third beneficiary), along with an extra \$13,000 of the savings/checking cash to pay the incurred taxes upfront.

This leaves \$37,000 in checking/savings to be split evenly by each beneficiary and \$350K from the assisted living deposit return if they were also named as beneficiaries. Each child receives an additional

\$193,500 or a total of \$293,500 tax-free for the lawyer and after tax (\$13K the non-profit-employed child paid on his \$100K piece of the 401(k) for a total tax bill of \$13K. In this case, none of it would have to go through probate because the estate planning was all done by naming beneficiaries.

If your church does not have a brokerage account and therefore cannot accept stock donations, the Foundation can assist with stock transfers. We provide this service with no fee or commission and send the full value to the church. If your church or finance committee would like to learn more about such tax-efficient giving, please contact us. We offer to meet with a team or even hold an open session with interested church members and present how these options to give more tax-efficiently can be designed. As more and more people own stocks and mutual funds or have IRAs and 401(k) type accounts, we want, as good stewards, to provide them a way to legally give more to God and less to Caesar.

This article discusses certain aspects of the tax code, but it does not serve as official tax advice. For specific tax questions, you should always consult a qualified tax professional.