



BUILDING A PERPETUATING ENDOWMENT FUND
FOR
CAMBRIAN PARK UNITED METHODIST CHURCH

THE PERPETUAL ENDOWMENT FUND

WHAT IS IT?

The Perpetual Endowment Fund was established as a permanent fund under the authority of our Church Conference in 1994. The Endowment Funds provide a means for those who have a long-term interest in our church programs to support them on an ongoing basis.

THE PRINCIPAL OF THE FUND IS PRESERVED AND ONLY THE INCOME GENERATED FROM ITS INVESTMENTS ARE SPENT ANNUALLY FOR SIX SPECIFIC AREAS OF OUR MISSION:

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| 1. FUTURE | Unrestricted |
| 2. FACILITIES | Restricted to support long-range maintenance and repair of our buildings. |
| 3. CHILDREN | Restricted to support programs for younger children |
| 4. YOUTH | Restricted to support programs for our youth |
| 5. MUSIC | Restricted to support music programs of our church |
| 6. OUTREACH | Restricted to support community service and worldwide outreach through our congregation |

For the past several years the earnings on the Endowment Music Fund with some direct contributions have supported the entire Music Program. Only the salaries of the Music Director and the Organist are charged to the General Fund.

HOW DOES IT WORK?

Members of our congregation who have a long-term concern for the financial support of these programs have made regular contributions to the Endowment Funds over the years. Some have also provided for the church in their estates.

The Parsonage was purchased in 1995 and a loan was secured for the shortfall.

The roofs of all the buildings were replaced and the parking lots were refurbished in 1998 and a loan was secured for that.

As the Endowment Funds accumulated money it began buying those notes with the result that payments are circulated back to the church.

In March of 2008 the Endowment Funds lent our church money to install central air conditioning in the Parsonage.

Not a Penny of Endowment Principal has ever been lost.

Authorized forms of investment are:

1. Federally insured Certificates of Deposit
2. U.S. Treasury Securities
3. Loans to Cambrian Park United Methodist Church

In June 2008 payment of principal was temporarily deferred to assist with CPC's cash flow. The notes are currently on an interest-only basis.

YOU DECIDE

Many of us have feelings for some area of worship or activity that has been part of our experience at CPUMC.

You may see hope in the bright faces of Children and Youth starting their faith journey with firm footing not found elsewhere. Perhaps Music brings you special inspiration, or you feel the facilities are an important part of our mission.

Whatever your feelings, you direct your Endowment Gift with your HEART in your area of interest through the above funds.

THE PERPETUAL ENDOWMENT FUND

WHY IS IT?

As we look to the future, it is clear we will benefit from additional sources of income. We know that we must take action now to continue our good work.

Our Endowments give us a stable financial base and enables our mission to continue even through highly unpredictable times in the future. It also provides a means – not always available through our annual giving – to extend the mission of our church.

Your perpetual gift goes beyond financial resources. It is an act of faith in the future, an extension of our roots to ensure growth. We do well to remember that using our resources to create a legacy of hope is one of the greatest opportunities we have.

THE PERPETUAL ENDOWMENT FUND HOW CAN I MAKE A DIFFERENCE?

You can make a difference by giving now or through your will or trust. Here are some specific ways in which you can give:

CASH GIFTS provide income tax deductions in the year of the gift, with possible carryover deductions for up to five (5) years.

GIFTS OF MARKETABLE SECURITIES are simple to make and the donor receives a charitable income tax deduction for the full market value including any appreciation. Generally, neither you nor the church is subject to any capital gains tax on the amount of the appreciation.

REAL ESTATE GIFTS made outright have advantages similar to gifts of appreciated securities or any other marketable property. You may continue to live in a residence and still get a sizeable deduction.

A LIFE INSURANCE POLICY that is paid up and no longer needed to protect a family member may be an inexpensive gift. You may also transfer ownership of a policy to the church, after which the premiums given to the church qualify for income tax deductions.

BEQUESTS are gifts made at one's death. After a lifetime of generous giving, church members often exercise faithful stewardship beyond the years. A percentage of real estate, specific amount, a bequest contingent on the death of a family member and the residue of your estate are common forms of bequests.

LIFE INCOME gifts enable a person to make a more generous gift to CPUMC because the gift is first invested to provide you or another person with income for life or a specified number of years. CPUMC receives the assets after the death of the lifetime beneficiary. A life income gift generates an immediate income tax deduction and provides a reduction in the size of your estate. It is particularly advantageous for use with long-term appreciated assets such as a home, securities or other marketable assets. You may thus avoid tax on the sale of the appreciated asset, which is given while receiving income based on the full-appreciated amount (Charitable Remainder Trust).

PLAN NOW FOR THE FUTURE

As the family of CPUMC we are indeed blessed – both financially and spiritually. We are a truly caring and generous people preparing for the church that is yet to be, a gift of faith to future generations.

MAKE YOUR COMMITMENT NOW TO THE PERPETUAL ENDOWMENT FUND

QUESTIONS?

The members of the Endowment Committee invite you to contact them. We can also refer you to an appropriate professional, and we encourage you to consult your advisor on estate and tax matters.

ENDOWMENT COMMITTEE KEY CONTACTS:

- **Dick Stackhouse, Chairman**
- **Karen Trydahl, Financial Secretary**

To contact Dick or Karen, please call the church office at 408-377-8155 or e-mail office@ambrianparkumc.org.

Thank you for your support!