

**Peace UCC Foundation
2013 Annual Report**

The Peace United Church of Christ Foundation’s Endowment Fund was established by a trust agreement in January, 1988, and overseen by elected trustees. In 2008 the trust was transformed into a public benefit corporation known as the “Foundation,” and new By-Laws were approved by the Congregation. Trustees are elected to staggered 3 year terms. The trustees have the responsibility to monitor investment of the funds and set a spending formula each year, based on the average fair market value of the fund of the preceding 16 quarters. The distributions are to be used for the “operation and support of Peace United Church of Christ and its related activities.”

Five Year Financial History of the Foundation

Year	Beginning Balance	Gift Income	Transfer to Gen Funds	Ending Balance	Market Value
2009	118,083.72	7,500	7,122.00	125,583.72	169,014.52
2010	125,583.72	100	7,738.14	125,683.72	180,974.05
2011	125,683.72		7,894.97	125,683.72	171,065.32
2012	125,683.72	484,519.88	11,844.21	610,203.60	689,665.31
2013	610,203.60	100	18,391.63	610,303.60	756,212.21

Trustees

The current trustees are:

Terms end 12/31 of respective years* **

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|------------------------------|------|
| • Laura Bardelmeier* | 2013 |
| • Loretta Haggard | 2014 |
| • Doug Cormack (Chairperson) | 2014 |
| • Bob Karr | 2015 |
| • Mickey Clarke (Secretary) | 2015 |
| • Bob Risk** | 2017 |
| • Peg Sant’ Ambrogio*** | 2017 |

*Laura Bardelmeier will not seek reappointment.

**Bob Risk appointment to be ratified at February 2014 Congregational meeting.

***Peg Sant’ Ambrogio will run for election at the February 2014 Congregational meeting to fill the position that will be vacated by Laura Bardelmeier.

****In practice Trustees continue to serve past the end of their term until their successor is elected at the Annual Meeting of the Congregation in February.

Motion: To approve the nomination of Bob Risk and Peg Sant' Ambrogio to serve as Trustees of the Peace Foundation for three year terms, to expire in December 2017.

Contribution Rate

Income from the Foundation Funds is used to support the General Fund. For 2013, the trustees set the spending rate at 4.8% of the average fair market value of the Fund over the preceding 16 quarters This formula resulted in a transfer of \$18,391.63 from the Foundation to the General Fund. The trustees have set a spending rate of 4.7% for 2014.

The purposes of using a 16 quarter rolling average are:

- a) to minimize the impact of stock market fluctuations on annual income to the church;
- b) to facilitate gradual growth in income to the church regardless of the amount or frequency of gifts; and
- c) to assist in preserving the corpus of the gifts over time.

Foundation Actions in 2013

The following activities or actions reflect the work product of the Foundation Trustees in 2013.

1. Change to Moneta Group as Investment Advisor to the Foundation

The Trustees made a decision early in 2013 to consider a change in investment advisor. In considering this move, the Trustees' primary objective was to continue to be fiscally responsible to our duty to maximize the return on investment and preserve the corpus of the Foundation assets. A subcommittee was formed to aid in the selection process. The selection process included consideration of the ability of locally available investment consultants who would work actively with the trustees to grow the Endowment's investment returns and assist in an active campaign to increase giving to the Foundation. The Trustees made the decision to use the services of the Moneta Group, a Clayton, Missouri based group with over \$14 billion in assets under management. In addition to working with individual and corporate clients, Moneta also provides services to many endowment organizations like the Peace Foundation. Moneta is able to offer a range of socially responsible investment vehicles. Prior to choosing Moneta, the Trustees discussed the firm and its capacity with several individuals with ties to PUCC who have had positive relationships with this group.

2. Adoption of investment policy

As part of the move to Moneta as the investment advisor, the Trustees adopted an Investment Policy. This will guide in the selection of investments and the operation of the Foundation. A copy of the policy may be requested from the Foundation.

3. The appointment of a treasurer for the Foundation

The change in bylaws approved in 2012 allowed one additional trustee to be appointed, and created the position of Treasurer for the Foundation. Don Hubatka was appointed as Treasurer. He subsequently resigned from this appointment and from the Trustee position. Bob Risk has agreed to accept appointment as Trustee, pending approval by the Congregation at the 2014 Annual Meeting. The Trustees will hold an internal election subsequent to the Annual Meeting to organize their governance.

4. Standardization of quarterly transaction

The Trustees adopted a standard procedure for end-of-quarter reconciliation and designation of the amount of funds to be transferred to the General Fund of the Church.

5. Draft of Policies & Procedures for The Foundation

The Trustees continue work on a policies and procedures to provide guidelines for current and future trustees in the execution of their obligations and duties to the Foundation and members of PUCC.

Gifts and Contributions

Sharing Your Good Fortune

The main reason people make charitable gifts is to benefit the organization or individual who receives them. Yet, there is another benefit as well. It's the peace of mind and joy experienced when you make a gift, with proper planning, that can significantly help others. In some cases charitable gifts can provide valuable tax advantages which can help you retain more of your own personal assets, meaning more financial security for you- and for your loved ones.

Gifts to the Foundation will provide continued support to the ministry of our church through the annual support provided the General Fund. The annual support continues while preserving the book value of the gift. The donor(s) and God will "still be speaking" long after the contribution is made to the church.

Basic Giving Strategies

Gifts of Cash

Making a Bequest

Designating a Charity as a Life Insurance Beneficiary

Naming a Charity as a Beneficiary of Your Annuity contract or IRA/Qualified Plan Assets

Giving a Life Insurance Contract

Transferring Ownership of Investments

The Foundation Trustees encourage any member(s) or friends of the congregation to consider making a gift to the Endowment Fund. Gifts may be unrestricted or designated for a particular purpose. For more information contact one of the Trustees.