

4 2023 brought a few changes to the ministries of the United Methodist Foundation of Indiana, Inc (UMFI) and IN Loan &
 5 Savings Ministry, LLC (LSM). At the end of 2022, two staff members retired, allowing Jenni Walker to move to a full-time
 6 position as the Office Administrator and George Davis to be hired as the new loan officer. Both ministries also responded
 7 to the new reality we all are living. Even with all the changes we have navigated this year, the ministries have continued to
 8 serve congregations and clergy.

9 **CLERGY SUPPORT**

10 The Foundation provides support to active and retired clergy in Indiana. This year, UMFI distributed over \$60,000 to retired
 11 clergy experiencing financial struggles. Often these grants go for hearing aids or other health related issues, but this year
 12 we saw more extreme needs, providing support to clergy struggling with significant changes in their lives.

13 Our newest clergy also received support from UMFI in the form of scholarships and debt reduction grants. Fourteen students, both undergraduate and graduate students received over \$83,000 in scholarships. In addition to the direct financial support, UMFI offered several opportunities for clergy to engage with their peers or in educational seminars. Retired clergy gather in the spring and the fall for fellowship lunches which also offer a time to present information on issues relevant to retirees. In addition, UMFI provided almost \$300,000 in support for retired clergy health insurance support.



Retiree lunch



Innov8 25
26

The Foundation sponsored a jurisdictional event for mid-career clergy named Innov8. Eighty-one clergy from across the North Central Jurisdiction, including 3 Bishops, gathered in Indianapolis in early September to discuss how to develop and implement innovate ministry in their context. It was amazing to listen to all the stories they each shared and how similar so many of the challenges they faced were, even with the disparate situations in which they ministered. New connections were created, and creative ministry ideas shared between the many



Indiana Conference Participants

27 participants during Innov8.

28 **CONGREGATIONAL SUPPORT**

29 Both UMFI and LSM provide support to congregations in Indiana. In 2023, LSM worked with five congregations in
 30 developing loans for a wide variety of projects in their ministry needs. These range from basic needs, like new boilers, to
 31 the fulfillment of long held dreams, such as University UMC experienced with the expansion of their fellowship area and
 32 creation of a welcoming entrance. The number of loans made this year was down significantly due to limited funds
 33 available as disaffiliating churches and members withdrew deposits from LSM. Currently 66% of the church loans are with
 34 United Methodist churches but due to the changing affiliations of the deposit base, we are unable to currently identify the
 35 allocation of deposits.

36 In 2023, UMFI awarded over \$850,000 in grants and scholarships. Eighty-four different
 37 churches, missions or ministries received grants, and six individuals received scholarships for
 38 their first mission trip. All the grants and scholarships distributed were from the earnings of the endowments and trusts managed by UMFI. Grants are made to a diverse group of ministries, ranging from Kanadaa International Ministry Center project to heating and cooling repairs. The Kuandaa International Ministry Center is an interesting ministry. It serves to equip pastors and church leaders for more effective ministry. They offer leadership training events, church planting training and support, women's empowerment training and support for educational institutions and orphan homes primarily in East Africa, particularly Uganda and Kenya.



Kuandaa

1 Another exciting ministry supported in 2023 was the Peacemakers Academy with Alive Community Outreach. Their
2 mission is to cultivate a community of nonviolence through relationships and education. They provide support to families
3 affected by homicide and equipping and empowering youth to be peacemakers in their schools and communities. The
4 most exciting part of this ministry is that they are seeing real progress in the reduction of violence in their communities.

5 UMFI manages endowment and trust funds on behalf of our donors, and we appreciate their trust. It is our donors that give
6 us the opportunity to support your congregation with these grants. While we cannot list everyone who has donated in the
7 past, we can share those who made donations in 2023 as gifts to UMFI, gifts to create endowments or trusts with UMFI, or
8 to support the Bishop Trimble AU initiative. These donors supported a wide variety of ministries throughout our state and
9 the world. Some recognized people from the past who inspired them, some remembered friends or loved ones that have
10 passed recently, and some are passionate about helping others. This year friends and family memorialized the passing of
11 Zebulon Maiko, Dennis Payton and Dale Waltz through gifts to the Foundation.

Russell Abel	Beverly J Graf	Larry R Price	David and Cheryl Wilson
Joy Ahlemeyer	Robert Grimm	Julia Pritchett-Gonzales	Janice Wilcox
Philip Amerson	Marilyn Griffith	Doreen Grayless	John Young
Gregory & Kimberly Arnott	Ken Grubb	Ellyn Pruitt	
James and Vicki Austen	Maurice Hahn	Jonathan Pryor	Aldersgate UMC, Evansville
Steven Bahrt	Kristen Hanson	Mike Reed	Allman Johnson Company
Douglas & William Barber	Constance T Haqq	Cynthia J Reynolds	Brookville UMC
Janet Beaty	Sandra K Harlan	Jennifer & Scott Rice-Snow	Clunette UMC, Leesburg
Beverly Biehr	Thomas Heck	David Robinson	Cross-Wind UMC, Logansport
Kristen Bisciglia	Tanya & Eric Hess	Ann Rollins	Decker Chapel UMC
Charlotte Blinn	Marty L Hissong	Margaret O. Saunders	Dicken Donor Advised Fund
Ginger Booker	Patricia Hodgson	Lisa Schubert Nowling	Epworth UMC, Indianapolis
Chiyona Bourne	Rita Horn	Tom Shafer	Dan & Marilyn Evans Donor Advised Fund
Karen Bray	Robert Johnson	D. Manet Shettle	First UMC, Mooresville
Louise B Buchanan	Shelley Johnson	Dennis Shock	First UMC, North Vernon
Lori L Burk	Julie Kamboures	Jacqueline Givens Simmons	First UMC, Plymouth
David & Rebecca Byrum	Terri Lynn Keirman	Eileen Meyer Sklar	Grace UMC, Rochester
Donald Dean Carpenter estate	Will Robb Kell	Joanne J Solomon	Honey Creek UMC, Middletown
Velma E Chaffee	Eva Kelly	Larry Stevens	IN Loan & Savings Ministry, LLC
John Clay	Warren Kirk	Sandra Stewart	Indiana University Health
Michelle Cobb	Chris Kosary	Robert C Stone	Ligonier UMC
Sylvia Coleman	Catherine Koziatek	Diane Stott	Lilly Endowment - Matching Gift
Teresa Coolman	Chris and Andrea Lantz	David & Shannon Stringer	Main Street UMC, Boonville
Marsha L Coyner	Ernest S Lyght	Gail Thomas Strong	Methodist Temple UMC, Evansville
Marilyn E Culler	Saneta Maiko	Johnetta Sturdivant	Milan UMC
Darren Cushman-Wood	Angelo Mante	Ann C Thomas	Milber Kendall Trust
Paul Davis	Paula Mayberry	Douglas E Tingley	Mt Olive UMC, Princeton
Trent Deckard	Tan Mayhall	James Trimble	Nashville UMC
Mark & Barbara Dicken	Jeannette A McLean	John Trimble	Newburgh UMC
Denise Ecker	Jennifer McQueen	Julius & Racelder Trimble	North Central District Celebration Day
Sharon A Ellett	J Patricia Meyer	Julius Trimble	Ooltic UMC
James Farrer	Bishop Middleton	Marybelle P Trimble	Petersville UM Women
Edwin Fenstermacher	Patrick & Glenda Murray	Thomas L True	Plainfield UMC
Julie Flint	James Need	Barbara Vandermuellen	Ridge UMC, Munster
Sandra & Gregory Fletcher	Lynn Nelson	Joseph S Wagner	Rycroft Family Charitable Gift Fund
Richard & Denise Frank	Gregory O'Connor	Candace Wake	Trinity UMC, Kentland
Aleze M Fulbright	June Owen	Peggy Waltz	Trinity UMC, New Albany
Patricia Garrity	David VW Owen	Teresa M Waltz	Trinity UMC, Rensselaer
Lynda Gathing	Jeananne Park	Lora Ward	UMW of North Central District
Jeremiah Gibbs	Richard Philip	Jennifer Weaver	Wisconsin UM Foundation Inc.
Mitchell & Tamara Gieselman	William Poland	Jacquelyne K White	
Robert Girard	Karen Powell	Lori White	

1 **INVESTING**

2 While the endowments UMF1 manages provide funding for grants, management fees charged by UMF1 to the endowment
3 and investment funds are used to support the operations of the ministry. The operational costs are associated with managing
4 and maintaining the investment and endowment pools, as well as the educational and training programs offered to
5 congregations, so essentially these fees are invested back into the congregations and ministries around the state.

6 The investment market improved significantly in 2023. While not all of the economic concerns smoothed out this year, there
7 was enough stability to allow the markets to recover a significant portion of the losses from the prior year. Most of the
8 disruptions from the disaffiliations had also smoothed out by the end of 2023, which allowed UMF1 to reflect a net increase
9 in funds under management by the end of the year, gaining more new accounts than closed accounts.

10 **LEADERSHIP & ADMINISTRATION**

11 UMF1 is an independent ministry which supports the mission and ministry of the Conference and LSM is an LLC with UMF1
12 as the single member. Neither ministry received title support from the Indiana United Methodist Annual Conference. The
13 operations of the UMF1 are supported by the management fees of the various services provided and donations to support
14 operations. The operations of LSM are funded through the interest margin of deposits versus loans. Total gross revenues
15 generated through operations of both ministries from fees, interest and donations was \$2,256,443, but the gain in
16 investments increased the total revenues to \$5,416,408. Expenses totaled \$2,839,801 which included \$1,001,684 in grants,
17 charitable remainder trust and charitable gift annuity distributions. The grants provided are funded solely from endowments
18 and donations made for those purposes; none of the fees are used for grants. A copy of our audit is available upon request
19 and more information about UMF1 and LSM is available in our Annual Report.

20 UMF1 and The Indiana Annual Conference of the United Methodist Church share a covenant agreement. As part of that
21 agreement the Annual Conference affirms a slate of incoming board members and has representation on the UMF1 board.
22 The board is made up of between 15 to 21 members. Currently there are seventeen voting members on the board of
23 directors with an additional three ex-officio members without vote. The board manages both UMF1 and LSM, which has
24 allowed for higher efficiency and a closer alignment of these ministries.

25 Our by-laws limit the number of clergy serving on the board to no more than 30% of the board members and require that at
26 least 70% of the members be United Methodist. Currently 29% of the at large board members are elders or appointed local
27 pastors in our Conference and 94% of the members are associated with the United Methodist denomination. With the
28 incoming slate, we will have 28% clergy members and 89% of the board members are associated with the United Methodist
29 denomination.

30 Members are elected for a three-year term and members can only serve three consecutive terms. This year the ministries
31 will lose the leadership of Dave Berry from the board. I personally would like to thank Dave for his service, he always offers
32 thoughtful comments that push us to be better in ministry. I would note, next year we will lose five board members, so if you
33 are interested in connecting more deeply with these ministries, please contact me. This year's slate includes three members.
34 Larna Spearman will be returning for his second term with the board of directors, and we will be adding two new members
35 to the board, Curt Edmonson, and George Wild. George has served on the Investment Committee for several years. Curt
36 Edmonson will be new to the leadership of the ministries.

37 **I respectfully submit for affirmation by the Indiana Annual Conference the following slate for the class of 2024-2027**
38 **for the Board of Directors of the United Methodist Foundation of Indiana, Inc.:**

39 Curt Edmonson, Larna Spearman, and George Wild.

40 In conclusion, a quick sneak peek into 2024. In 2023, the Board elected to rebrand the Loan and Savings Ministry logo and
41 to create a more cohesive appearance with the two ministries by renaming the Foundation to Heartland Methodist
42 Foundation and the Loan & Savings Ministry to Heartland Methodist Financial. The UMF1 logo will remain the same, but the
43 LSM logo will be a variation of the UMF1 logo. The three cups in both logos represent the Wesleyan concept of Earn all you
44 can, Save all you can and Give all you can. UMF1 and LSM offer resources to support each of these areas. Come to our
45 booth at Annual Conference to see the new logos.

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47 D. Manet Shettle
48 President