

May 2011

Dear Church Family Member,

We're writing to let you know or remind you of the wonderful, sometimes-taken-for-granted work that is done by our church's endowments, and we hope you will join us in contributing to one of our endowments sometime during each year – in honor or memory of a loved one or simply because you would like to “plant” a contribution (seed) that will live forever to glorify God.

Sometimes in talking about endowments, various questions are raised. Frequently asked questions, with answers, include:

What is an endowed fund? A gift to an endowment provides a funding source for years to come because an endowed fund uses only interest earned on the principal gift. This Interest earned can be spent each year in accordance with the criteria of the fund, but the principal is never touched in a permanent fund, thus creating a gift that lives in perpetuity. It's like sowing seeds – for perennials, not annuals.

What are the benefits of an endowed gift? A gift to one of our endowments is an excellent way to honor or memorialize a loved one or friend. And as with other gifts to our church, your gift to an endowed fund represents a charitable contribution for IRS purposes.

When one gives to an endowment, does that compete with our General Fund? Giving to endowments is extra and separate from giving to our General Fund. Gifts to our endowments most often are memorials because a family or individual requested contributions to that fund in memory of a loved one. Many of the contributions come from friends and family outside the church membership.

Is there a simple explanation for how endowments work? Yes, if you have a savings account, but only spend part of the interest your savings earn, that's how our endowed funds work; consequently, the savings continue to grow, and there's always interest to be spent for worthy causes. If our Heritage Endowment were worth \$1,000,000 and had 5% annual earned income, we would receive \$50,000 each year for our property needs; if our Benevolence Endowment or others were worth \$1,000,000, we could receive \$50,000 each year for missions and ministry; and the principal amounts would remain and grow.

Who can answer questions about our church's endowments? Financial Secretary Susan Hinson, Pastor Jason Haas, or a member of the Endowment Committee can find the answers to your questions. Also, the Presbyterian Church has the resource of the over-200-year-old Presbyterian Foundation with whom most of our endowments are invested. We have a regional development officer, Dale LeCount (704-379-7909), who assists our church with his expertise.

How has the recession affected our endowed funds? Just as the interest rate has fluctuated with savings accounts, CDs, money markets, mutual funds, and other investments, the interest rate has fluctuated with our endowed funds; however, the Presbyterian Foundation uses a 20-quarter or five-year average funding formula to determine the earned income that the funds produce; therefore, one low-interest year or a year of loss does not mean a year of no interest from our endowed funds. Also, the Foundation For The Carolinas that manages two of our endowments has experts who professionally and effectively invest our endowed funds for income and growth. →

How many endowed funds or investments does our church have, and why so many?

We have eleven, because eleven different families have chosen to glorify God and honor loved ones in a special way. Though there are eleven, they cover only five main categories: benevolences (helping others), Christian education (within our church and Preschool), college scholarships (for our members and staff), music (within our church), and property needs, including our stained glass windows. Our investments include the following: the Brown & Brown Dunstan Memorial Fund, FPC Benevolence Endowment, FPC Heritage Endowment, FPC Music Endowment, Helms Scholarship Fund, Henderson Scholarship Fund, Morrison Endowment for Christian Education, Norwood Charitable Trust, Ormand Stained Glass Endowment, Richardson Memorial Fund, and the Willis Memorial Scholarship Fund.

What good was done by our endowed funds in 2010? Several broad programs received funding from earnings generated by our FPC endowments:

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| • Benevolences | \$12,000 |
| • Christian Education equipment/programs | 6,000 |
| • Preschool program | 5,000 |
| • Music program | 5,000 |
| • College scholarships | 4,000 |
| • Property needs | 1,500 |

The above grants totaled over \$33,000 and all of the needs were met from interest earned on our endowments, not from special offerings or our General Fund budget

What/who has benefited from funding? A few examples are the church's new commercial dishwasher, replacement of cloudy windows, dry marker boards, a proposed projection system for the Fellowship Hall, our Preschool children, fourteen college students, international hunger (rice meals), local children's shoes, and many local charitable agencies that help fulfill our church's Mission to love and serve Jesus Christ.

How do you give to one of our endowments? Make your check payable to First Presbyterian Church and denote if your gift is in honor or memory of someone and to which endowment you wish to contribute. Mail the check to the church to the attention of Susan Hinson, Financial Secretary, or place it in the Sunday offering.

When is the best time to give? Remember our endowed funds throughout the year and contribute in honor or memory of others, or on your birthday, or ask your family to contribute for your birthday. As you think about your personal estate planning, remember that your friends, family, and business associates may like to contribute in your memory through one of our endowments. Tell your family your main interest: benevolences, scholarships, music, Christian education, stained glass, or property needs.

How much is enough to give? Always know that any amount – small or large – will be important, and it will be combined with the gifts of others. Your gift will remain and grow forever . . . because you'll be "planting seeds."

Thank you for your interest and support for the important work of our church's endowments!

Most sincerely, from the *Endowment Committee*:
*Gloria Baker, Mark Bell, Bobbie Brown, Fred Hargett, Lynda Keziah,
Joanne Kitchin, John Milliken, Judy Morrison, Lane Ormand, and Hayne White*