

FIRM FOUNDATIONS

IN UM Loan & Savings Ministry, Inc.
2018 Annual Report





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**IN UM Loan & Savings
Ministry, Inc.**

**BUILDING
MINISTRY FOR
TOMORROW**

President's letter

The IN U.M. Loan & Savings Ministry, Inc. has been committed to building the future of ministry in Indiana since its inception. It has served the state of Indiana through the merger of the two Conferences and continues to make loans and receive deposits from around the state. The current conflicts and struggles within our denomination have had little impact on this ministry. We continue to work with churches that are expanding their ministry.

To better align our ministries and to be better stewards of the time and talents of our staff and board members, the Loan & Savings Ministry board and the United Methodist Foundation of Indiana board have merged into one board of directors serving both ministries. While those not on the board of directors will see little to no change, those serving on our boards and committees have a broader understanding of the total ministry and how we support the congregations in Indiana.

In this annual report, you will find stories of United Methodists serving our Lord in their communities. This past year, IN U.M. Loan & Savings Ministry has enjoyed partnering with churches as they grow their ministries. Thank you for being a partner in this ministry.



D. manetshettle,

Manet Shettle
President

LOAN Center Chapel UMC, Marion

Center Chapel United Methodist Church has ministered to the farming community just east of Marion, Indiana for more than 130 years. The original church was built in 1887. One hundred years later, in 1987, they expanded the building. In less than half that time, they needed more space to house their expanding ministries.

The congregation had been talking and praying about a building addition for around nine years, until they knew the time was right. They had been “making do” by offering two services. They were still growing and soon realized that these services were not enough. They desperately needed more worship space and classrooms. The new addition, a 6,500 square foot multi-purpose space, which they call a ministry center, will host a fellowship hall, a kitchen, a nursery, a classroom, restrooms, and storage. This expansion will create space for additional classrooms.



The new addition will be used for community events and other life groups meeting at the church several times a week. In addition, their Celebrate Recovery Ministry, a Christ-centered 12-step program, has also been growing and needed more room.

The Loan & Savings Ministry is proud that we could play a small part in helping this church fulfill its missional dream with this new addition.

LOAN Old North UMC, Evansville

Every church has its own special story. The story of Old North United Methodist Church is unusual as the original church building started not as a church, but as a multipurpose building. In 1831 the people in the community did not want to have to travel the long distance to Evansville to go to church, go to school, or convene a community meeting. Since they did not have enough money to build three separate buildings, their solution was to bring together community members from all denominational backgrounds to work together to build a meetinghouse. That building, the one now called Old North Chapel, was used for church, school, and community meetings.



Original structure built in 1831



Reforestation project to provide green space in an urban setting

When 18 acres adjacent to the church property were put on the market, church members met to consider the purchase. To preserve the green space and maximize future options for expansion and development, the church decided to purchase the plot. The church named the acreage Old North Woods.

The Indiana UM Loan and Savings Ministry partnered with Old North UMC to make it possible for the church to take advantage of this one-time opportunity to acquire adjacent land which currently serves as a natural green and wooded preserve.

With proud roots in the first part of the 19th century, Old North remains a vibrant community resource in the 21st century, serving the United Methodist faith community, the Evansville community at large, and reaching out globally through missions.



Historic Old North Chapel, Evansville

GRANT First United Methodist Church, Gas City

The members of the Loan & Savings Board believe strongly in stewardship. They see the many blessings God has granted this ministry and they wanted to show their gratitude. Responding to God's call to be good stewards in everything they do, they choose to tithe 10% of the net income of the Loan & Savings Ministry each year towards ministry support. They created a fund with the United Methodist Foundation of Indiana to provide grants to United Methodist congregations and agencies in Indiana for facility improvements or repairs.



These grants focus on safety and security issues as well as handicap accessibility. The Foundation provides the expertise in processing the grant applications and promotes the grants throughout the state. This year two churches received grants from the \$8,667 distributed in 2018. First UMC in Gas City was one of those churches. They created a new space for their youth ministry.

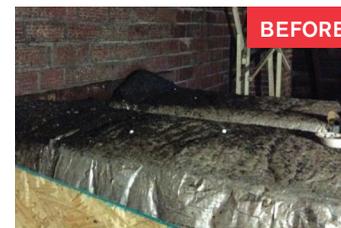
The saying is "a picture is worth a thousand words", so let us tell this story through pictures.



GRANT Sellersburg United Methodist Church

The Sellersburg United Methodist Church building (circa 1925) houses a caring, thriving congregation. It has many outreach ministries, church-life and community groups that meet regularly in its building, including youth, music and liturgical arts programs. Until last fall the church was also the home to hundreds of bats in the upper attic!

Like many of our U.M. churches, it is an older facility that needs extra care. When pastor Joe Sanford came to the church last July, he learned this congregation was facing some major financial challenges. Not only was there a dangerous bat infestation, but its 25-year old boiler was also on its "last leg."



Clearing the bat infestation, cleaning the area (a hazmat situation), and sealing off the bats' access was going to cost this congregation over \$45,000. It was a lot at once, but this congregation got resourceful. By working together they were able to replace the boiler and pay for the bat infestation remediation. Pastor Joe shared what an inspiration it was to see how the congregation came together. This was the motivation to get some other projects completed. Thankfully, one less group now meets in Sellersburg United Methodist Church!

In 2018, the IN U.M. Loan & Savings Ministry and United Methodist Foundation of Indiana funded \$8,667 in facility grants for two Indiana United Methodist Churches. We were pleased to be able to help Sellersburg UMC and First United Methodist Church, Gas City with grants to help with these projects.

Loan & Savings Ministry investors receive both the benefit of outstanding returns on their deposits and knowing their money is being used to generate and expand ministry within Indiana. The Loan & Savings Ministry continues to perform solidly, building a stable foundation with excellent lending practices. To date, there have been no defaults on any loan made since our inception.

Statement of Financial Position

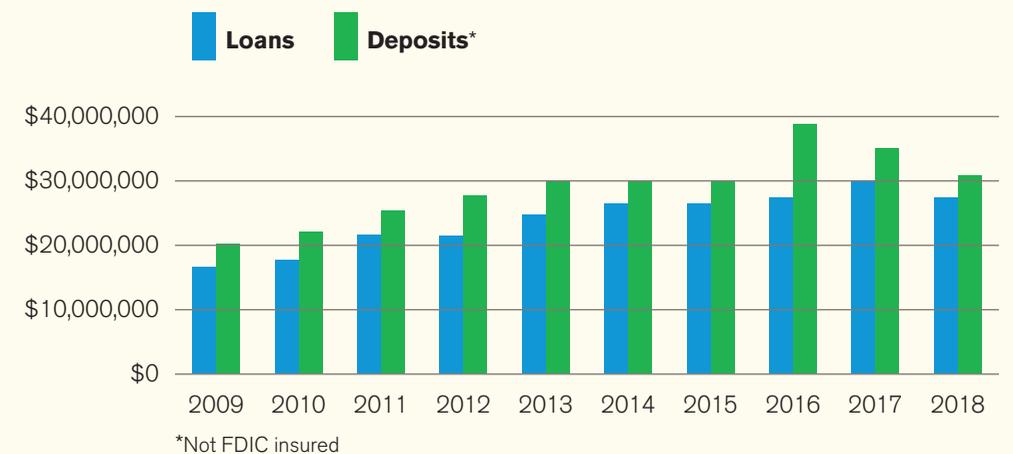
	12/31/2018	12/31/2017
Loans	\$ 26,872,702	\$ 29,331,525
Cash	417,130	251,198
Investments	5,118,722	7,025,212
Other Assets	163,053	81,201
TOTAL ASSETS	\$ 32,571,607	\$ 35,689,136
Deposits	\$ 30,828,339	\$ 34,999,840
Other Liabilities	278,172	302,206
TOTAL LIABILITIES	\$ 31,106,511	\$ 35,302,046
Unrestricted Net Assets	\$ 1,465,096	\$ 1,387,090
TOTAL LIABILITIES & NET ASSETS	\$ 32,571,607	\$ 36,689,136

Footnotes, which provide significant information concerning the financial condition of IN U.M. Loan & Savings Ministry, have not been included.

For a copy of the complete report of the audited financial statements please contact the Loan & Savings Ministry.

Statement of Activity for 2018

	12/31/2018	12/31/2017
Mortgage Interest Income	\$ 1,242,402	\$ 1,283,632
Investment Income	71,567	80,158
Other Income	19,478	12,075
TOTAL INCOME	\$ 1,333,447	\$ 1,375,865
Interest Expense on Deposit	\$ 749,575	\$ 819,654
Personnel	182,539	152,795
Shared Expenses with UMFI	206,258	206,476
Grants	8,667	4,669
Administration	108,402	161,375
TOTAL EXPENSE	\$ 1,255,441	\$ 1,344,969
CHANGE IN NET ASSETS	\$ 78,006	\$ 30,896



This is not an offer to sell our savings accounts or certificates of participation to you, and we are not soliciting you to buy our savings accounts or certificates of participation. We will offer and sell our savings accounts and certificates of participation only in states where authorized. The offering is made solely by our Offering Circular.

Board and staff

Board

Dave Berry
Karla Elliott
Jim Gentry
Scott Green
Jeff Lorentson
Jim Need
Manet Shettle*
DeVon Yoho

Office Staff



Sue Cunningham



Tammy Foster



Tamyé Hendricks

Field Staff

Chuck Armstrong
Marla Dernay
Becky Kammeyer
Todd Outcalt
Dave Rees



Lisa Higgs



Glenn Howell



Chris Jacobs



Brian Phillips



Manet Shettle



Susan Stach

*Ex-officio without vote





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The IN U.M. Loan & Savings Ministry, Inc. is a non-profit organization that promotes the growth and development of United Methodist churches and agencies. We provide loans to UM churches and agencies throughout Indiana for new construction, remodeling, and refinancing of churches, parsonages, and other facilities.