

**2008 FACT SHEET  
COUNCIL ON DEVELOPMENT  
WEST OHIO CONFERENCE OF THE UNITED METHODIST CHURCH  
CHARITABLE GIFT ANNUITY FUND**

**History**

Since 1978, the West Ohio Conference of the United Methodist Church (the "Conference") has been accepting income retained gifts, which provide a fixed quarterly annuity to the donor or a designee for life, with the remainder of the fund applied to support the charitable mission of the Conference. The Charitable Gift Annuity Fund currently has 139 beneficiaries, and as of December 31, 2007, the Market Value was \$4,456,855. Since 1995, two hundred twenty-one (221) gifts from supporters of the ministry of the Conference have contributed in excess of \$6,406,500 to the Fund.

The Conference was established in 1969 by merger. The organization is governed under the direction of its Board of Trustees, comprised of 16 persons who are elected for staggered 4-year terms. Day-to-day management and operational responsibilities for the Fund are carried out by the Office of Development. The Office of Development operates under the supervision of the Council on Development, consisting of 22 persons selected to serve from time to time. The Bishop of the Conference serves as chair of the Council on Development. The Conference is included as a qualified charity under section 501(c)(3) of the Internal Revenue Code.

**The Conference Stands Behind Annuity Obligations**

Charitable gift annuities are issued pursuant to an annuity agreement, which guarantees payments for life of amounts specified in each individualized document. These payments are a general obligation of the Conference and they are backed by all of our assets. At December 31, 2007, the Conference and affiliate's total invested assets exceeded \$30,038,617 (market value) and were principally invested in Federal Agency bonds, money market funds, federal government debt obligations and equities. At December 31, 2007, the Conference and affiliate's net assets were (\$35,736,294). Included in the Conference and affiliate's liabilities is \$73,014,657 representing post-retirement benefit obligations to clergy. The complete financial statements of the Conference and affiliates may be found at its web-site, <http://www.westohioumc.org>, and are updated each July.

The post-retirement benefit obligations are a moral but not a legal obligation of the Conference, the payment of which would be subordinate to the Conference's contractual annuity obligations. At December 31, 2007, the Conference and affiliate's net assets, exclusive of this retirement benefit obligation, were \$37,278,363\* of which \$7,576,420 was restricted.

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\* Comprised of (\$35,736,294) financial statement net assets, plus \$73,014,657 benefit obligations.

## Fund Assets

The proceeds of assets, which are irrevocably gifted to the Conference to establish a charitable gift annuity are placed in the West Ohio Conference Charitable Gift Annuity Fund (the "Fund"). Fund assets are fully segregated from all other assets of the Conference and are not used for payment of day-to-day expenses during the life of the annuitant. A portion of the Fund may be placed in a gift annuity reserve that is invested in accordance with the laws of those states in which we offer gift annuities, which require that assets be held in particular types of investments.

The Fund's investment objectives are to earn a total return consistent with its asset allocation and level of risk; to maintain the purchasing power of the Fund; and to create a stream of investment returns to fund adequate and systematic payments to the beneficiaries in accordance with the Fund's contract obligations to them. To effectuate these objectives, the Council on Development has imposed the following restrictions:

Maximum equity exposure	20 percent
Minimum fixed income exposure	75 percent
Minimum cash equivalents allocation	5 percent

Limitations are also imposed on types of securities in which the Fund may be invested. These investment objectives are subject to change by the Council on Development, with the approval of the Board of the Conference. Currently, Fund assets are invested primarily in government debt obligations, mortgage-backed agency agreements, corporate bonds and notes, and equity securities.

**The return paid to an annuitant will be in the amount stated in the agreement, will be set for the life of the annuitant, and will not be based upon the results of investment of the Fund.** As described in the accompanying brochures, the fact that you are making a charitable gift may entitle you to income, gift and estate tax deductions. The Council on Development follows the rates established and maintained by the American Council on Gift Annuities.

## Minimum Gift

The minimum gift to the West Ohio Conference Charitable Gift Annuity Fund is one thousand dollars (\$1,000.00).

## Administration

The Delaware County Bank & Trust Company (The "Bank") provides administration and management of the Fund, including accounting and reporting payments to the annuitants and monthly reports to the Conference, for an annual fee of .3 percent of the average net fair market value of Fund assets, determined monthly. The fee is not deducted from the annuitants' quarterly payments. Annuitants receive income tax reporting 1099-R forms by January 31<sup>st</sup> of each year.

*This fact sheet is intended to help you understand some of the practical aspects of the Fund. It speaks only as of December 31, 2007; and the Conference has no obligation to update the information contained herein based on events subsequent. It should be read in conjunction with the brochure entitled "Charitable Gift Annuities". The 2007 Annual Report and the forms of Agreement, which you have been given concurrently and which, together with this fact sheet, serve as a disclosure statement to comply with the Philanthropy Protection Act of 1995. If you wish to review the Financial Statements of the Conference or the Fund or if you have any other questions, contact Greg Traucht, Executive Director of the Council on Development, at the Conference's offices located at 32 Wesley Boulevard, Worthington OH 43085 (telephone 614 844-6200).*

**INDIVIDUAL STATE DISCLOSURE**

Residents of \_\_\_\_\_ are required to read the following language and  
(STATE)  
acknowledge below.

\_\_\_\_\_  
LEGEND (VARIES BY STATE)  
\_\_\_\_\_

*I/We certify that I/we have read and understand the above information and that this information was presented to me/us at the time this application was completed.*

\_\_\_\_\_  
Donor Signature

\_\_\_\_\_  
Joint Donor Signature (if applicable)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date