

## **THE LAKE OF THE WOODS CHURCH ENDOWMENT FUND**

### **The Lake of the Woods Church Mission Statement:**

The mission of The Lake of the Woods Church is to worship God; witness to God's saving love in Jesus Christ; teach and preach the Gospel to all ages effectively; be a ministering community through Christ reconciling mankind to God and to each other in all the world, and particularly in Lake of the Woods and the surrounding community.

### **The Endowment Fund:**

Sharing your faith and material gifts is a means of demonstrating the true meaning of Christian stewardship. The Endowment Fund provides a way for members and friends of The Lake of the Woods Church (LOWC) to make special gifts during their lifetime and at the end of their lives, to carry on the ministry of the Church in future years. Gifts will be held as **unrestricted** unless otherwise designated by the donor.

### **Purpose of the Fund:**

The purpose of the Lake of the Woods Church Endowment Fund is to provide perpetual financial support for our Church's mission of "Making Christ Known". The Fund will be separate and apart from the annual operating budget. Income from the Fund will be utilized by the Board of Elders as appropriate or as designated by the donors.

### **How to Make a Gift:**

Gifts may be made in a variety of ways as described below:

#### **1. Cash Gift:**

Checks may be made payable to The Lake of the Woods Church Endowment Fund and can be mailed to:

The Lake of the Woods Church,  
One Church Lane,  
Locust Grove, VA. 22508.

#### **2. Bequests:**

A bequest is a convenient way of making a significant gift to The Lake of the Woods Church. The bequest may be in the form of cash, securities, real estate, tangible personal property, or other assets. You may provide such a bequest for LOWC by creating a new will, adding a codicil to your present will, including LOWC as a benefactor in your revocable trust, or designating LOWC as a beneficiary of your retirement plan.

### **3. Appreciated Securities:**

Many people make their gifts from their investment portfolios because of unique tax savings that may be realized when donating appreciated securities. Securities could include individual stocks, mutual funds and bonds. Commonly gifted are those securities that have appreciated considerably during the donor's period of ownership. Under current tax laws, if such securities were sold by the owner in order to gift the proceeds as cash, the owner would be required to pay capital gains taxes on the amount of the appreciation, thus lessening the amount of the gift. However, when the securities themselves are gifted, there is no tax liability to the donor on the gain, and in addition, the donor could be eligible for a charitable tax deduction for the full market value of the securities on the date of the gift.

- **For more information or instructions on gifting of appreciated securities, please call the Church Office at (540) 972-9060 and request a transfer instruction form.**

### **4. Real Estate**

Real estate such as a home, commercial property, land, a farm or a condominium, can be donated outright to The Lake of the Woods Church. Gifts of real estate can be made either through a bequest or by a direct transfer.

### **5. Planned Giving**

Planned Gifts enable you to make a substantial gift to The Lake of the Woods Church while also providing benefits to you and your family. These gifts include bequests, gifts of real or personal property, naming The Lake of the Woods Church as beneficiary in a retirement plan or in a paid up or partially paid up life insurance policy. Before establishing a planned gift it is important to speak to your financial advisors to discuss the gift that best suits your overall financial plan.

### **6. Charitable Remainder Trusts:**

Charitable Remainder Trusts allow you to provide a gift to The Lake of the Woods Church while still meeting your specific needs. These types of Trusts combine charitable giving with other financial goals, such as allowing income to be paid to you or your spouse for life or to another beneficiary for a specified term of years after which time the principal remaining in the Trust becomes a gift to the Church.

- **To ensure that your exact intentions are carried out wills, codicils, and trusts should be prepared by or with the advice of your attorney.**

### **Suggested Will and Codicil Language:**

The following are examples of language that can be included in your will or trust and tailored to address needs that may not be foreseen today.

**1. Unrestricted Bequest:**

I give to The Lake of the Woods Church, located in Orange County, Virginia, for its general purposes, the sum of \_\_\_\_\_dollars (or \_\_\_\_percent of my residuary estate).

**2. Restricted Bequest:**

I give to The Lake of the Woods Church, located in Orange County, Virginia for capital improvements, educational and spiritual enrichment, mission, etc., the sum of \_\_\_\_\_dollars (or \_\_\_\_percent of my residuary estate).

**Estate Tax Implications (as of 2006)**

A bequest to The Lake of the Woods Church is not subject to federal estate tax. The value of the bequest is deductible in determining the taxable estate, and there is no limit on the amount of the deduction. A bequest will reduce the size of the taxable portion of your estate and thus the size of the federal tax liability. Your heirs accordingly may benefit from the tax savings while LOWC benefits from the full amount of the bequest.

- All questions regarding taxes and legal implications of a gift should be discussed with your financial advisor or an attorney.

**The Endowment Fund Committee**

The Endowment Fund Committee shall be a Standing Committee and shall consist of not less than three and no more than five members all of whom shall be members of The Lake of the Woods Church, nominated by The Chair of the Board of Elders and approved by the full Board. The term of each member shall be three years. No member shall serve more than two consecutive terms. The members of the committee may include an Elder, a Trustee, a Sr. Pastor or other members from the congregation at large.

The committee shall meet no less than four times per year or more frequently as deemed necessary in the best interest of the Fund. The Committee shall be responsible for the general oversight of the Fund and shall report to the Board of Elders on a regular basis. The members of the committee shall elect a Chairperson who will be responsible for the overall operation of the Fund.

**Investment Management**

The Endowment Fund Committee, with the approval of the Board of Elders, may seek professional counseling on investments, accounting or legal matters as it deems necessary to be in the best interest of the Fund and at the expense of the Fund. All assets shall be held in the name of The Lake of the Woods Church Endowment Fund.

**Income:**

The income from the Endowment Fund investments shall be transferred to The Lake of the Woods Church general operating account each year, at the discretion of the Board of Elders and Trustees of The Lake of the Woods Church.