



Our Guiding Principles: Wise Financial Policies Are Integral to the Foundation's Structure and Consider All Generations

*For the Lord is good; his steadfast love endures forever,
and his faithfulness to all generations.*

-Psalm 100:5-

First Methodist Church of Fort Worth Foundation, Inc., is a dedicated and permanent source of financial support for FUMC. With wise financial policy as one of our guiding principles, the endowment's investment returns help make our Church one of the top Churches in Methodism today, focusing not just on current stability but also on a financially healthy future.

The Foundation is made up of 24 funds invested as a single entity. Each year, a portion of the income generated by those investments is distributed to the Church for them to use as they see fit: to support the Church's operating budget, maintenance and repair of the Church facilities and many of wonderful programs and ministries. The distributions are a critical source of funding. In fact, since 1964, the Church has received funding in excess of \$46 million from Foundation investments.

One common misconception is that foundations, including our Foundation, exist to provide funding for anything needed, as long as funds are available. Foundation distributions, called "Foundation spending," are limited by the fact that donations must be maintained in perpetuity and according to our donor's wishes. This attribute, the enduring aspect of the donations, is actually the beauty of any foundation's structure. Gifts to the First Methodist Church of Fort Worth Foundation are intended to benefit both current and future generations of our Church. As a result, the Foundation is required to preserve the purchasing power of these gifts by spending only the income derived from the gifts. Spending more than that over time, would benefit the present over the future in a manner inconsistent with the Foundation's fundamental purpose of maintaining intergenerational equity.

Inflation erodes the value of the Foundation's assets over time. To keep pace with inflation, the dual qualities of thoughtful investment policy and conservative spending rate are paramount to wise financial management.



To meet the demands of a thriving and growing Church, the Foundation must also continue to grow so that funds exist in ratio to the size of the Church's needs.

For more, we have a handout entitled "How the Foundation Works" that we would be happy to provide to you, if you are interested. Send an email to sid.johnston@fmcfoundation.org to request a copy.

We are honored to share with you how the Foundation began, evolved and continues today through a series of videos posted on our website. We invite you to take a look at the decade 1994-2004, narrated by Dr. Lamar Smith. It's been a beautiful journey. And we're watching the horizon to assure it continues, always aware of our traveling companion and sole beneficiary, First United Methodist Church.

This article is another in the series in which we share the guiding principles of the organization.

Our goal is increased understanding about what the Foundation does.

We want to assure transparency in communications and are hoping that no question goes unanswered about why the Foundation exists or how it operates in the best interest of our Church. We hope you enjoy the messages.