

WCC Endowment:

BY JEFF PAGE, CHAIR, FINANCE COMMITTEE



Elton Trueblood once said, “A person has made at least a start on discovering the meaning of human life when he plants shade trees under which he knows full well he will never sit.” A healthy endowment can help ensure that the work and mission of Wayzata Community Church will be faithfully advanced for generations to come. Endowment giving encourages members to leave a legacy by responding thankfully to God for our abundant blessings, by giving a legacy gift that will benefit others long after it was given and then experiencing the joy that comes through sharing.

Over the past 50 years, many efforts have been made to build an endowment to help fund the ministries of Wayzata Community Church. Below is a summary of some of the significant endowment milestones over the years (the past), changes currently being made to our endowment efforts (the present), and our goals going forward (the future).

Past: Endowment Milestones Over The Past 50 Years

1968 – WCC ENDOWMENT: A group of forward-looking members began efforts to build an endowment. Over the next 20 years, \$140,000 was raised.

1988 – WYMAN GIFTS: Jim and Betsy Wyman started giving to the WCC endowment annually, with the desire to build an endowed amount that would generate enough income annually to continue their annual pledge in perpetuity. By 2010 the endowed value from their gifts had grown to \$300,000.

1996 – JAMES HUMPHREY FOUNDATION: WCC was named as a beneficiary of a trust from the Wyman’s grandparents. WCC’s beneficial interest in the trust was valued at \$1.5 million in 1996.

2005 – HERITAGE FOUNDATION: A group of dedicated members began a planned giving effort, forming the WCC Heritage Foundation. Over 70 people became members of the Heritage Foundation, signifying that their estate plans include a gift to either WCC or the WCC endowment. The Heritage Foundation’s work continues and has since been renamed the Legacy Society.

2015 – PRESERVATION GOAL: During the Raise the Roof capital campaign, feedback was received from members that WCC needed to build an endowment to help fund needed building maintenance efforts on an annual basis. A 2015 Church Council resolution set a goal of building an endowment that could distribute \$1 per square foot of our building (approximately \$135,000) per year for this effort. At a 4.5% distribution rate, this would require a \$3 million endowment.

Past, Present, Future

We are happy to report that the WCC endowment is now at a record high of \$2.7 million, thanks to the efforts of many dedicated members over the years! We still have much work to do, and are working to reach our short-term goal of \$3 million to help fund needed building preservation efforts into the future. We would appreciate any support you may be able to provide, either with an immediate gift to the endowment and/or with a planned/estate gift.

If you would like to discuss the endowment, contribute to the endowment fund or to get more information about including WCC in your estate plans, please contact Jeff Page at 612-812-0511 jeff.page@comcast.net or Laura Janckila at 952-473-8877, ext. 215 ljanckila@wayzatacommunitychurch.org.

Present: Changes to the Endowment

Over the past two years, a renewed effort has been made to restructure and grow our endowment. Three changes were made to facilitate this.

NEW LEGACY ENDOWMENT FUND: The new Legacy Endowment Fund was created and assets from all the previous efforts were combined into the new fund, with a total endowment value of \$2.2 million as of 12/31/2018.

NEW ENDOWMENT POLICY: A new endowment policy was approved by the Church Council with the goal of having investment returns help the endowment grow over time. As is common with many endowments, the endowment will now distribute a fixed rate of 4.5% per year, and with average market returns being 7%, the endowment will grow over time as it retains investment returns. Annual distributions from the first \$3 million will be used to fund the preservation goal stated in 2015.

NEW SEGREGATED ACCOUNT: All endowment funds have been placed in a separate endowment account at Vanguard. This will help facilitate the new policy, as investment returns help the endowment grow. Investments will continue to be managed by the WCC Investment Committee.

Future: Endowment Goals

SHORT TERM GOAL: In 2019, efforts were undertaken to close the gap between the \$2.2 million balance and the \$3 million preservation goal that had been established by the Church Council. Thanks to (1) generous donations from members, (2) new estate gifts and (3) investment income, the endowment grew to a record high of \$2.7 million in 2019! Efforts will continue in 2020 to close the gap and reach the \$3 million milestone.

LONGER TERM GOAL: A common benchmark goal for the size of an endowment is two times the organization's annual operating budget. For WCC, this would be a goal of a \$9 million endowment (twice our annual operating budget of \$4.5 million) to help fund the many ministries of Wayzata Community Church. Both direct endowment gifts and planned giving/estate gifts will be key to achieving this goal in the long run.