



Communicué  
Extra

# Director's COMMUNIQUE



CARLTON L. COON, SR.

## “David’s Estate Plan!”

Pastors, pay attention—what is shared here is of more value to the local church than to the General Home Missions Division or anyone else.

The *Director’s Communiqué* is consistently focused on providing a resource to benefit the local church. This *Communiqué Extra* is no different. What is discussed here has significant possibilities for your church and God’s kingdom in the earth. At first glance, this may not seem relevant to you. I’m asking you to read it all anyway. There may be some hidden nuggets of truth you can apply.

What is discussed here is a call to action, rather than a call to contemplation. I’m asking you to join me and others in making decisions that will have a positive effect for the kingdom of God for the long term. The force of what I’m asking you to help with will not likely benefit during the time I serve as Director of the General Home Missions Division. But at this moment, you can plant a tiny acorn that will become a mighty oak. Our collective investment can become a forest of sustainable benefit.

Growth costs. A growing church takes more money:

Evangelism costs.

Discipleship costs.

Adding staff costs.

Youth ministry costs.

Children’s ministry costs.

Rent costs.

Buildings cost.

Maintenance costs.

For most local churches, the struggle to pay the bills is perpetual. A vast majority of United Pentecostal churches exist *offering to offering*. We are like a family surviving “payday to payday.” An icy weekend quickly depletes the account balance. This model is a way to survive, but not a way to thrive. Surviving in the moment likely inhibits progress.

### **A Failure to Envision?**

Through the years when one suggested putting some funds back or having a long-term plan of investment, some were hesitant and said, “Jesus is coming soon. We need to spend every penny that comes in—hold none in reserve. How will He judge us if we have significant funds in a church account?”

Is it possible He would judge us as *wise*? In addressing money and stewardship, Jesus said, “The children of this world are in their generation wiser than the children of light” (Luke 16:7-9). Did not

the same master who said, “I come quickly,” also instruct those to whom He delivered ten talents, “Occupy till I come?”

A principle we neglect to our own detriment is that resources beget resources—money begets money. The UPCI has benefited greatly from a farm property trust granted to the fellowship in the 1970s. Unfortunately this significant contribution has been an exception rather than the rule. Other groups have made different decisions regarding estates and the continuous investing of resources. The Mormons are reported to have property valued conservatively at above \$60 billion. The same group holds over 300,000 acres of land in Florida near Disney World, 95,000 acres in Alberta, Canada, and other property for a total of over 925,000 acres in North America. No wonder the Mormons can send thousands of young men on yearlong missions trip. Resources are available to do such.

The Roman Catholic church, the Assemblies of God, Methodists, and others benefit from funds that produce an ongoing rate of return. Imagine what a difference the proceeds from a Home Missions endowment of \$10 million dollars would make to our current Home Missionaries. What I am calling for is not an instantaneous endowment from one well-to-do individual, but the collective intentional investments of many.

### **A Failure to Equip?**

Perhaps we have failed to educate our people about planned giving that could make an impact beyond the short term—at both the local church and to plant churches across North America. Our saints love Jesus, they love the work of God, and they are quite committed. Denominational pastors are usually amazed at the high percentage of United Pentecostal Church saints who tithe. For our people, giving is a way of life. Yet the vast majority of the precious saints of God graduate to eternity not having included God’s work in their estate plan. Why did so few of the people I pastored not intentionally include the church in their estate plan?

- *Planned Giving* was not discussed. What is not talked about does not get thought about or acted on!
- No teaching or workshops were provided on this sort of giving.
- Lack of providing a vehicle—an endowment fund designed to bless the local church.
- There was no call to action for our church or for the Home Missions Endowment Fund.
- In this context, I did not lead. How so? By not incorporating God’s work into my estate plan and then encouraging others to do the same. I cannot ask others to do things I have not done myself.

Let’s get specific. I’m talking about our failure to recognize the potential such planned giving has to bless the local church and Home Missions. Estate planning, wills, donor-directed funds, annuities, etc. can all be vehicles to bless God’s work.

Planned giving can make a huge difference in effectiveness in the local church and for planting new churches. Jesus consistently taught “kingdom-motivated decisions.” A kingdom-motivated decision is based on: “What is best for the kingdom of God?” In looking toward one’s death, the question should be asked, “In considering the resources or property I’ve accumulated, what would be best for the kingdom of God? What legacy do I want to leave? How could my life accomplishments be of long-term benefit to God’s work?” This way of thinking has not been part of Pentecostal culture. Is it time for a change?

## How do we Change the Culture?

Four things seem important:

- (1) Educate.
- (2) Equip through workshops.
- (3) Lead by our own actions and then make others aware of the actions we have taken.
- (4) Celebrate every step forward.

David had a vision for God's work. There was one particularly grand thing David wanted to accomplish. It was not to be. David's explanation to his son Solomon: ". . . it was in my mind to build an house unto the name of the LORD my God: But the word of the LORD came to me, saying, Thou hast shed blood abundantly, . . . : thou shalt not build an house unto my name, . . ." (1 Chronicles 22:7-8). What did David do? The next best thing:

Then David said, This is the house of the LORD God . . . . And David commanded to gather together the strangers . . . and he set masons to hew wrought stones to build the house of God. And David prepared iron in abundance . . . and brass in abundance without weight; Also cedar trees in abundance . . . And David said . . . the house that is to be builded for the LORD must be exceeding magnificent, of fame and of glory throughout all countries: I will therefore now make preparation for it. So David prepared abundantly before his death (1 Chronicles 22:1-5).

David established an endowment fund.

- What David could not himself do, he prepared the way for Solomon to do.
- David prepared abundantly before his death.
- Self-interest was not David's motivator. David prepared for a building he'd never view, a dedication he'd not participate in, glory He'd never see, and honor for God that He'd get no credit for.

Think about those who could have enhanced the future of God's work before they died. What would your church missions budget be if every deceased saint had included the church in their estate? Might you be able to afford additional staff? Would the building possibly be paid off? In most instances, I'm not talking about the church being the primary beneficiary. Imagine if each saint tithed of their estate and those funds were put in an endowment with the interest earnings available to use for evangelism.

Roderick Brown planted a church in Mitchell, South Dakota. He pastored a good man, who was saved in the 1950s under the ministry of Home Missionary Mack Carpenter. The man's sacrificial spirit blessed the congregation in Mitchell. In conversation he'd tell Pastor Brown, "When I die, I want to be sure our church is blessed." In April of 2007, the man died. Based on the earlier discussions about "blessing the church," Bro. Brown assumed a will would stipulate the local church and other ministries of the UPCI to benefit from this man's giving spirit. Such was not the case. After a thorough search, it was determined no will existed.

What a shock! A man diligent in business had not prepared for the disposition of his estate. A fellow who had spent over 50 years serving God—repeatedly expressing a desire for his investment to continue beyond his lifetime—had made no provision for such a thing to happen. In South Dakota where there is no will, the estate goes to family members. It eventually goes to first cousins and then on beyond to others even more distantly related. The result: because of a lack of preparation, a lifetime of faithfulness was delivered into the hands of cousins who would not have

known the man if they had passed him on the street. Distant relatives with no knowledge of this man's love for God and God's work determined that the church received little benefit from the estate. Sad story, isn't it? I've heard a similar story told in several ways.

What did it mean for the church in Mitchell? This brother's estate is worth \$1.5 million dollars. With those monies in an endowment, the church could have had a full-time pastor; a staff evangelist could have been hired, offerings to Home and Foreign Missions could have expanded dramatically, and the congregation could have been debt free. However, it did not happen that way due to a lack of preparation.

Through inadequate planning, a good man's intentions went unmet. He did not do as David and "prepare abundantly before his death." First UPC of Mitchell, South Dakota, was denied a tremendous blessing. Now think about your church. Have you had someone in your church express their intention to bless the church through their estate? Who do you pastor who might include the church in their will? Do your people have the base of knowledge and the necessary information to make those decisions? How many of us have experienced a similar denial as a result of not having someone come to our church to alert our saints to this opportunity to be a long-term blessing to Jesus' work? What similar tragic story is waiting to happen in the church you pastor—even if your church is relatively young, not overly large, or not blessed with wealthy people?

Pastor Roderick Brown observes, "It is vital that our teaching on finance include the stewardship of an individual's estate after death. If we do this, we can extend the influence of faithful servants of God beyond their life."

A philosopher might say, "The flowers of all the tomorrows are in the seeds of today." The future is a product of today's process. We can only reap tomorrow what is sown today. Now read slowly the following observation—then re-read it for emphasis: *The greatest "seed" for future financial blessing in the local church as well as Home Missions is in estate gifts.* However, for any seed to *take root downward and bear fruit upward*, it must be planted. We have to start somewhere. This idea of encouraging every saint to "prepare abundantly before their death" should be part of the DNA of every church—whether sixty years old or a new church plant. Let us wisely occupy until He comes.

### **Action Steps:**

1. At the least, make a copy of this *Communiqué* and give it to every saint in your church.
2. Schedule an *Estate Planning Seminar* and do it now. If you do not sow this seed with your people, people's good intentions will be left undone. These are the things that get left till "someday." Too often "someday" becomes never. The benefit of having someone from the Stewardship Department come in to do a seminar is their ability to answer questions. Also, at times people have a reservation about someone in the local church knowing their business.
3. Lead the way. I cannot ask people to do what I have not done. Sis. Coon and I have made the decision to include the General Home Missions Division in our estate. As our plans now stand, GHMD would not receive the bulk of what would today be a quite limited estate, but every additional investment moves the cause of General Home Missions ahead.
4. Today call Evangelist Stan Thrift who presents Home Missions Estate planning opportunities. Phone him at (318) 680-3208 or email him at [sthrift@upci.org](mailto:sthrift@upci.org). You could also contact Steve Drury ([smdrury@upci.org](mailto:smdrury@upci.org)) with the Stewardship Department regarding your interest in some form of planned giving. Perhaps you or someone you pastor has property which if sold would make the owner responsible for significant capital gains tax. There are many benefits to donating such property to the church.

# News and Views

**Local Church Impact** – Some voice concern that a presentation on *Estate Planning* will draw monies away from the local church. That concern does not stand up to scrutiny. As of this writing, those who have developed an estate plan have allocated \$12,202,047 in future gifts to their local church and \$2,377,703 to various Home Missions causes. Of course, these gifts have no current impact on either the local church or the cause of Home Missions. The greater danger—one experienced by Pastor Brown as noted in the *Director's Communiqué*—is a person who intends to include your local church in their estate plan but never gets around to actually taking the proper actions.

**Supporting the Infrastructure** – Pastor Roy Barnhill of Lumberton, NC, recently had an occasion to visit the North Carolina State United Methodist Church Retirement Complex and Convention Center. Complexes like the one Pastor Barnhill visited are not cheap. Neither is the infrastructure for the General Home Missions Division or for any aspect of the United Pentecostal Church International. The day Bro. Barnhill dropped by, the group was preparing for an upcoming meeting. A printed financial report was openly available. Bro. Barnhill picked one up and looked it over. The North Carolina State UMC Financial Report showed the group having \$117,000,000.00 (Yes, that is \$117 million.) in endowments available to sustain the work of their complex. This endowment fund testifies to the legacy of people who cared enough about under-girding the infrastructure of their campground that they left funds to sustain the effort.

**Impacting for the Long Term** – In 2006 the largest single contribution to the General Home Missions Division came from the estate of a lady from Salinas, California. Her contribution is part of the *Home Missions Endowment*. It will continue to impact for generations to come. Her impact on the Kingdom lives on until the Lord returns.

## Investment Options to Consider

**Donor Advised Funds** – Donors establish a perpetual fund for giving to a favorite ministry or area of need. They have the flexibility of continually deciding where their gifts should go. We have one couple who oversee directing funds into Church-in-a-Day projects. Another elder established a “Donor Advise Fund” to direct as he and his family wishes. Through these Donor Advised Funds, many Home Missionaries and the churches they establish will be impacted. You could develop a Donor Advised Fund for the purpose of funding Home Missionaries in a particular district or metropolitan area. Having the opportunity to remain directly involved in overseeing the contribution may appeal to you or some in your church. A Donor Advised Fund is at times considered a family or personal foundation fund without having to go through the expensive legalities. Some Donor Advised Fund suggestions:

- Planting Churches in a certain city such as New York, Chicago, Seattle, Montreal, etc.
- Assisting church planters in a district such as Newfoundland, Quebec, South Texas, etc.
- Evangelists Emergency Funds
- Home Missions Literature – provide literature to Home Missionaries
- Evangelists to the Missions Field – funds to send an approved evangelist to a Home Missions work

The options for a Donor Advised Fund are only limited by one's imagination.

**Charitable Gift Annuities** – This investment tool provides a person a high fixed return guaranteed for life or the lives of the investor and spouse. There are special tax benefits for a Charitable Gift Annuity. At the death of annuitants, the balance of the funds in the annuity goes directly to the General Home Missions Endowment or are used as specified and directed by the annuitants.

**Charitable Remainder Trusts** – A donor gives an asset to a Charitable Trust. When the asset is sold within the trust, the proceeds from the sale are not subject to capital gains tax. The trust then provides income to designated beneficiaries (in this instance Home Missions or the local church) with additional tax benefits. This is particularly beneficial when one purchased an asset and has held that asset for some years; now the asset is worth many times the purchase price. If the asset is sold outside such a trust, the seller will pay significant capital gains tax. In this scenario for a Charitable Remainder Trust, the donor benefits from the sale, is not taxed, receives tax benefits, and at the end of the trust, blesses the General Home Missions Division.

**Charitable Lead Trusts** – A donor gives an asset to a Charitable Trust. The sale inside the trust is free of capital gains tax. The trust then provides income to the General Home Missions Division for a designated period of time. After that designated period of time, the balance goes back to the donor or to the donor's estate. A Charitable Lead Trust also has special tax benefits for the donor.

**Legacy Gifts** – A legacy gift is a memorial gift that honors a special loved one or friend through the giving of an offering or an asset to benefit the cause of Home Missions. On occasion we receive legacy gifts that are given in memory of a particular person. The simplest way to think of this is where one reads of “In lieu of flowers, a gift can be made to the General Home Missions Division.” Of course legacy gifts can also be much larger than the value of flowers.

**Retained Life Estate Gifts** – A donor can donate their home or farm and retain the use of the estate (or usage) for the remainder of his or her life. The donor receives income tax deductions now for the value of the gift and avoids the capital gains tax that would be owned if the property were sold.

**Life Insurance Gifts** – A person can name the General Home Missions Division Continuation Endowment managed by the United Pentecostal Foundation as the beneficiary of an insurance policy. A donor can also name the General Home Missions Division Continuation Endowment as the beneficiary and owner of their life insurance policy. This action can be taken with a policy that is already owned or a new policy can be purchased as a gift. The donor might receive an income tax deduction for the gift's value, and there are possible estate tax savings. The benefit of a Life Insurance Gift is the donor makes a significant gift with little direct out-of-pocket expense to the donor. Some families have insurance they once needed to protect their family and estate, but now the family no longer needs the benefits of that life insurance. The benefits are needed to help Home Missionaries.

**Retirement Plan Gifts** – A donor can name the General Home Missions Division Continuation Endowment managed by the United Pentecostal Foundation as a remainder beneficiary after his or her death. A retirement plan gift avoids income tax on the donor's retirement plan. It may also avoid possible estate tax. Donor's benefit by preserving the value of the retirement plan, which allows them to leave their heirs other assets that are less costly in taxes at their death.

**Gifts in Kind** – A donor may give any kind of property and claim an income tax charitable contribution deduction for the fair market value of the property. Donations could include antiques, automobiles, the boat used one time a year, a motor home that does not leave the storage site, etc. Pastor Warren Tryon in New Briton, CT, has connected with a firm that gathers automobiles from anywhere in the country and sells them as a gift in kind. These funds are put to use for World Missions. For more information, contact him at 860-229-2622.

**Gifts of Real Estate, Artwork, Collectibles, Closely or Privately Held Securities** – Donors can contribute real estate, artwork, collectibles, and closely-held or privately-held securities as gifts to fund the General Home Missions Division's endowment or a trust. As a pastor, on occasion we had

significant gifts of stocks made to the church. Any gift of this type is reviewed by the Planned Giving Committee of the United Pentecostal Foundation to determine if there would be any issues connected with accepting the gift.

**General Home Missions Continuation Endowment** – Currently the General Home Missions Division has two endowments. One is the General Home Missions Division’s Continuation Endowment. Proceeds from this endowment are managed by the Home Missions Administrative Committee. The profits from this endowment will eventually provide the infrastructure and operational funds for the General Home Missions Division. When this endowment is fully funded, not one cent of *Christmas for Christ* will be needed to sustain the General Home Missions Division. This endowment is permanently restricted; meaning the principal in the endowment cannot be used. The General Home Missions Continuation Endowment is primarily funded from the General Home Missions Division being included in a donor’s estate plan.

**Church-in-a-Day Endowment** – General Home Missions Division’s second endowment will provide long-term funds for building Church-in-a-Day projects. This endowment is also permanently restricted. The Church-in-a-Day Endowment is funded by estate plans, donor advised gifts, and direct gifts. Church-in-a-Day provides funds for churches less than ten years old to build church buildings. Distributions of interest are authorized by the Home Missions Administrative Committee.

**Endowments** – Are established by the General Home Missions Division, any other ministry or individual to support a particular purpose as specified in the endowment. The Home Missions Administrative Committee will establish other endowments to fund various areas of ministry.

**Gift and Estate Design Seminar** – The United Pentecostal Foundation provides a seminar to help church members analyze their needs and objectives, in light of their wishes and God’s plan of stewardship in their estate. The seminar will certainly benefit your local church. It is a great resource for familiarizing people with the options outlined above. The Gift and Estate Design Seminar includes information on:

- How to achieve confidentiality in estate planning.
- How to avoid probate with one’s estate.
- How to avoid taxation of an estate.
- Choosing guardians for minor children.
- How to avoid capital gains taxes on appreciated property.
- What establishing a trust will accomplish.

Contact persons for more information on any of the above or a Gift and Estate Design Seminar:

General Home Missions Division:

Brian Hord – [bhord@upci.org](mailto:bhord@upci.org) or (314) 837-7300 (Extension 367)

Stan Thrift – [sthrift@upci.org](mailto:sthrift@upci.org) or (318) 680-3208

Stewardship Department

Stephen Drury – [smdrury@upci.org](mailto:smdrury@upci.org) or (314) 837-7300 (Extension 309)

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Call Brian Hord at (314) 837-7300 ext. 367 or [bhord@upci.org](mailto:bhord@upci.org)



## Ministry Toolbox

## Increasing Funding For Your Church

Some time back, the General Home Missions Division hosted a Phone Conference Call designed to help Home Missionaries develop new converts into givers. It had benefit for all pastors. For a limited time we are making this available to any and all as a free download. It can be found at [www.HomeMissionsDivision.com](http://www.HomeMissionsDivision.com) under Media. Everything dealt with is as relevant for a church 50 years old as it is for a church one month old.

The trainer for the session was Stephen Drury who is Director of the Stewardship Department of the United Pentecostal Church International.

Bro. Drury leads one through the typical financial struggles and helps guide one to resources that promote financial stewardship and giving.

You will also be able to download Bro. Drury's lesson notes.