

# IOWA UNITED METHODIST FOUNDATION

1st Quarter Report 2025

## H.E.L.P. LOANS OPEN JUNE 1

Pastors can save by  
refinancing student debt  
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## Are you a pastor with student loan debt?

A HELP loan may be able to do just that—help! The Foundation offers loans to pastors through our Higher Education Loan Partners program. In this program, the Foundation refinances your student loan debt (up to \$50,000) at a **low rate of 1.5%**. According to *studentaid.gov*, students in 2024 paid on average 6.53% interest on their undergraduate loans and over 8% on their graduate loans. Refinancing through the Foundation could therefore save you hundreds, if not thousands, of dollars in interest payments! Many students have loans currently in deferment or forbearance, which means interest may still be accruing. Refinancing into a HELP loan is a great way to stop accruing interest and start paying down debt.

Applications for HELP loans are accepted annually from June 1st—September 1st and are available on our website - <https://iumf.org/help-loans/>. Learn about the criteria for loan consideration on page 2.

With over half a million dollars already refinanced, the Foundation is ready to help YOU with a HELP loan!



# HELP LOANS

*More Information*

## Criteria for HELP Loan Consideration:

- Applicants must be serving in the Iowa Annual Conference and have served for at least one year (3+ years preferred).
- Recipients must have completed or agree to complete the Foundation's financial education course (currently offering *Saving Grace: A Guide to Financial Well-Being*).
- Applicants must agree to IUMF's loan terms, including acknowledgement that HELP loans are not reported to credit bureaus and thus not eligible for government forgiveness.
- Applicants must plan to serve in the Iowa Annual Conference for the length of the loan.
- If a loan recipient transfers conferences or leaves the ministry for reasons other than disability, their loan is due in full unless an agreement on modified terms is reached and approved by IUMF's Board.
- Loans are available for \$5,000 (minimum) up to \$50,000 (maximum).
- Loans with higher interest rates will be prioritized for refinance.
- Recipients must agree to pay via automatic withdrawal.



Questions  
about  
HELP?

Contact us at  
[info@iumf.org](mailto:info@iumf.org)

# CARMA MOHLER GRANTS

*Providing Hunger Relief to Iowans*

Carma Mohler, former member at Grace United Methodist Church in Brooklyn, established a fund with IUMF in the hope of eliminating food insecurity across Iowa. We are proud to help carry out her wishes by offering annual grants to organizations fighting hunger in their communities. Applicant organizations must be affiliated with the United Methodist Church (preferred) or operate as a non-profit. The types of projects that receive funding include community gardens, food education (such as “Eating Healthy on a Budget”), food pantries and meal programs.

We invite your organization to apply this year. Applications will be accepted July 1st—October 1st. You could join the 100+ previous recipients working to make Iowa hunger-free!

For more information and to download the application, visit <https://iumf.org/carma-mohler-grant/>.



# OUR GIFT TO YOU

## *Estate Planning Support*

*Do you have questions about your will or estate plan?*

Ask an expert—confidentially and at no cost to you!

Creating or reviewing your will and estate plan is important to ensure your documents appropriately reflect your current situation. The Foundation is providing complimentary assistance with reviewing or developing your will through meetings with renowned estate planning lawyer Johni Hays of *Thompson and Associates*. These meetings are between you and Johni—no Foundation representatives are present.

If you decide to continue with the process after your first meeting with Johni, it generally takes 5-6 monthly sessions. The process often provides clarity, peace of mind and an incredible sense of significance—you leave knowing your comprehensive estate plan tells your story, reflects your values and supports your loved ones. You can also use your meeting time to simply ask a question; there is no obligation to continue. There is also NO obligation to leave a gift to anyone.

To set up a time for your complimentary conversation with Johni, contact us at [info@iumf.org](mailto:info@iumf.org) or 515-974-8927. To learn more about the Our Gift to You program, visit <https://iumf.org/services-for-individuals/our-gift-to-you/>, or to learn more about Johni, visit <https://ceplan.com/family/johnihays>.



# FUND PERFORMANCE REPORT

*As of March 31, 2025*

Investments were made according to the Social Principals (Book of Discipline Paragraph 717) and were focused on high quality bonds and value stocks. Please contact us if you would like to review your investments.

## The actual net returns for each of the funds as of March 31, 2025

	March	QTD	YTD	Trailing 12
Balanced	-1.64%	1.38%	1.38%	2.85%
Bond	0.23%	1.83%	1.83%	4.95%
Equity	-2.99%	0.58%	0.58%	1.40%
STI	0.33%	0.97%	0.97%	4.42%

## Benchmark average gross returns for each of the funds as of March 31, 2025:

*(Please note—The benchmark includes higher risk/junk bonds and growth/higher risk stocks, so we aren't quite comparing "apples to apples." The benchmark does not include management or administration fees, which are included in the actual net returns above.)*

	March	QTD	YTD	Trailing 12
Balanced <sub>1</sub>	-2.02%	0.66%	0.66%	5.50%
Bond <sub>2</sub>	0.46%	2.45%	2.45%	6.21%
Equity <sub>3</sub>	-3.50%	-0.41%	-0.41%	5.08%
STI <sub>4</sub>	0.47%	1.62%	1.62%	6.43%

<sup>1</sup>24% MSCI EAFE / 24% S&P 500 / 12% S&P 1000 / 30% Barclay's Government Credit / 10% ML US High Yield BB 1-10 yr.

<sup>2</sup>75% Barclay's Government Credit / 25% ML US High Yield BB 1-10 yr.

<sup>3</sup>40% MSCI EAFE / 40% S&P 500 / 20% S&P 1000

## Average annual calendar returns (2020-2024):

PERFORMANCE	2024	2022-2024	2020-2024	BENCHMARK	2024	2022-2024	2020-2024
Balanced	5.38%	1.02%	5.26%	Balanced	9.95%	3.37%	6.66%
Bond	2.82%	0.92%	0.99%	Bond	3.82%	0.07%	1.34%
Equity	8.00%	2.98%	7.98%	Equity	14.09%	5.33%	9.72%
STI	3.20%	-0.10%	0.47%	STI	5.03%	1.58%	1.34%

# BALANCED FUND

*As of March 31, 2025*

This fund seeks to balance the objectives of long-term capital appreciation and present income. Therefore, the Balanced Fund is invested in a diversified portfolio of fixed income securities, equity securities (including those of foreign issuers and small capitalization companies), cash and cash equivalents and other alternative investments. The Product Mix and Diversification shall strive for a 40/60 balance between equity and fixed income investments.

## RATE OF RETURN—2025

	March	QTD	YTD	Trailing 12
Actual*	-1.64%	1.38%	1.38%	2.85%
Benchmark	-2.02%	0.66%	0.66%	5.50%

## RATE OF RETURN—2020-2024

	2024	2022-2024	2020-2024
Actual*	5.38%	1.02%	5.26%
Benchmark	9.95%	3.37%	6.66%

## BALANCED FUND BOND:

Sector:	% of Portfolio
Treasury	17.69%
Corporate (IG)	63.13%
Corporate (HY)	18.98%
Mortgages	0.00%
Cash	0.20%

## BALANCED FUND EQUITY:

Sector:	% of Portfolio
Large Cap	38.90%
Mid Cap	16.00%
Small Cap	5.50%
International	39.20%
Cash	0.40%

## BALANCED FUND BOND

### CHARACTERISTICS:

Duration	3.17
Average Credit Quality	BBB+

\*Net of fees

# BOND FUND

*As of March 31, 2025*

This fund's primary investment objective is to maximize present income. The fund's holdings will consist primarily of fixed income securities. Rounding out the portfolio is a small allocation to cash and cash equivalents.

## RATE OF RETURN—2025

	March	QTD	YTD	Trailing 12
Actual*	0.23%	1.83%	1.83%	4.95%
Benchmark	0.46%	2.45%	2.45%	6.21%

## ASSET ALLOCATION BOND

Cash	0.34%
Investment Grade	65.05%
High Yield	19.33%
Treasury	15.28%

## RATE OF RETURN—2020-2024

	2024	2022-2024	2020-2024
Actual*	2.82%	0.92%	0.99%
Benchmark	3.82%	0.07%	1.34%

# EQUITY & SHORT TERM INCOME

*As of March 31, 2025*

**EQUITY:** This fund's investment objective is to seek long-term capital appreciation. Current income is a secondary objective. The fund pursues its objectives by investing primarily in common stocks and securities convertible or exchangeable into common stocks, including warrants and rights.

## RATE OF RETURN—2025

	March	QTD	YTD	Trailing 12
Actual*	-2.99%	0.58%	0.58%	1.40%
Benchmark	-3.50%	-0.41%	-0.41%	5.08%

## RATE OF RETURN—2020-2024

	2024	2022-2024	2020-2024
Actual*	8.00%	2.98%	7.98%
Benchmark	14.09%	5.33%	9.72%

**SHORT-TERM INCOME:** This fund's primary objective is to provide an investment vehicle for shorter term funds seeking to earn a better rate of return than a traditional savings account or money market fund.

## RATE OF RETURN—2025

	March	QTD	YTD	Trailing 12
Actual*	0.33%	0.97%	0.97%	4.42%
Benchmark	0.47%	1.62%	1.62%	6.43%

## RATE OF RETURN—2020-2024

	2024	2022-2024	2020-2024
Actual*	3.20%	-0.10%	0.47%
Benchmark	5.03%	1.58%	1.34%

\*Net of fees

# MARKET SUMMARY

*1st Quarter 2025*

Despite the broader stock market downturn in March, IUMF's quarterly performance remained positive, outperforming many indices during a challenging period. This positive result can be partially attributed to the rebalancing of the Equity Fund in 2024. Last year, IUMF took steps to mitigate risk by re-weighting the Equity Fund, including selling some of the 'Magnificent Seven' tech stocks. These stocks, while historically strong performers, were showing extremely high price-to-earnings ratios, suggesting they may have reached their peak. By divesting from these positions, we positioned ourselves for greater resilience in case of a market correction.

## EQUITY FUND

The theme for this year is volatility. For the second year in a row, equities have been priced significantly higher compared to their earnings, which is generally unsustainable over the long term. With government policies in flux and economic confidence on the decline, the environment remains uncertain. The re-weighting of IUMF's Equity Fund is designed to cushion the portfolio against anticipated economic downturns and market corrections.

## BOND FUND

The short term economic data along with US political shifts have caused the Bond market to remain unsettled.

The Foundation's commitment to the **long-term** health of your congregation's investments remains steadfast. While the short-term market conditions are uncertain, our focus on long-term sustainability means that we are not swayed by short-term volatility. Every decision is made with the goal of securing stable returns for the future.

We encourage you to reach out with any questions or concerns. Additionally, if you'd like to explore how these economic challenges can create opportunities for the future, we would be happy to discuss with you.



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