IOWA UNITED METHODIST FOUNDATION

2nd Quarter Report 2025

Summer Opportunities from IUMF:

Hunger Relief Grants

The Carma Mohler Fund at IUMF supports efforts to end food insecurity in Iowa. Annual grants are available for United Methodist-affiliated and nonprofit organizations working to fight hunger in their communities.

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HELP Loans

Iowa pastors with student loan debt—consider applying for a HELP loan to reduce your interest rate and ease your financial burden. The Foundation will refinance up to $50,000 of existing education debt at just 2.5%! All applications must be submitted by September 1st, 2025.

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Estate Planning Guidance

Imagine the peace of mind you'll feel knowing that your will and estate plan are not only finished, but accomplish your goals for your family and future. The Foundation has partnered with a nationally renowned estate planning lawyer to offer this to you!

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CARMA MOHLER GRANTS

Combating hunger in Iowa

Thanks to a generous gift from Carma Mohler, former member of Grace United Methodist Church in Brooklyn, Iowa, IUMF is proud to offer annual grants to organizations working to eliminate food insecurity across the state. These grants honor Carma's vision of a hunger-free Iowa by supporting programs that directly address food access and education.

Grants are awarded to organizations affiliated with the United Methodist Church (preferred) or operating as non-profits. Past recipients have included food pantries, community gardens, summer lunch programs and food education initiatives like "Eating Healthy on a Budget." Some examples include:

Grace Garden at Ottumwa Grace Fellowship, which provides fresh produce to Ottumwa's food insecure residents and local food pantries. The garden uses an economical and sustainable watering system to provide thousands of pounds of vegetables to the community each year.

Free Community Meal at Grace UMC in Des Moines, which is held every Tuesday evening and is open to anyone looking for a hot meal and a place to relax. While the meal is served, a free medical clinic is open, offering basic health services to guests.

The Food Nook at Waterloo First UMC, serving residents in the Church Row neighborhood—an area where many live below the poverty line. One community member called the pantry "a beacon of hope for those struggling with food insecurity."

Applications for the 2025 Carma Mohler Grants are open until October 1st. If your organization is actively working to reduce hunger in your community, we encourage you to apply and become part of the growing network of over 100 grant recipients across Iowa making a difference. Learn more and download the application at: *https://iumf.org/carma-mohler-grant/*.

HELP LOANS

Refinance your student loans

New in 2025:
HELP loans now eligible for post-ordination debt!

What is a HELP Loan?

HELP stands for Higher Education Loan Partners. Through this program, IUMF helps pastors refinance existing student loans at a fixed interest rate of just 2.5%. Over time, this lower rate can translate into thousands of dollars in interest saved.

Who Can Apply?

HELP loans are available to clergy who meet the following criteria:

- Serving in the Iowa Annual Conference with at least one year of service (three or more years preferred).
- Willing to complete the Foundation's financial education course, *Saving Grace: A Guide to Financial Well-Being*.
- Committed to remain in ministry in the Iowa Annual Conference for the life of the loan.
- Able to make payments via automatic withdrawal.
- Aware that HELP loans are not reported to credit bureaus and thus are not eligible for federal loan forgiveness.

Those with higher existing interest rates will receive priority consideration. HELP loans range from $5,000 to $50,000, depending on need and current debt levels. Applications are open only once a year—from June 1 to September 1—so don't miss your opportunity in 2025. Visit *https://iumf.org/help-loans/* for all HELP loan information and to download an application.

OUR GIFT TO YOU

Estate planning support

Through the *Our Gift to You* program, the Foundation provides confidential, no-cost estate planning guidance in partnership with Johni Hays of *Thompson & Associates*. Johni is a nationally respected estate planning attorney with decades of experience helping individuals and families navigate the important decisions that come with legacy planning.

What to Expect

Your first conversation with Johni is a no-obligation opportunity to ask questions and explore your planning needs. Whether you need a full estate plan or just want a second opinion on existing documents, Johni is here to help. Should you choose to continue, the process typically includes 5–6 monthly meetings, all personalized and confidential. The result? A thorough, values-based plan that brings clarity, confidence and peace of mind.

No Strings Attached

There is absolutely no requirement to leave a gift to any organization or to involve the Foundation beyond connecting you with Johni. This service is truly *our gift to you*—a way to support your financial well-being and legacy planning.

Get Started

Interested in learning more or scheduling a complimentary conversation with Johni? Contact us at *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/*.

FUND PERFORMANCE REPORT

As of June 30, 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 June 30, 2025:

	June	QTD	YTD	Trailing 12
Balanced	2.28%	5.14%	6.58%	9.35%
Bond	1.15%	1.89%	3.75%	6.33%
Equity	2.98%	7.04%	7.68%	11.04%
STI	0.32%	0.97%	1.96%	4.16%

Benchmark average gross returns for each of the funds as of June 30, 2025:
(Please note—The benchmark includes higher risk/junk bonds and growth/higher risk stocks, so we aren't quite comparing "apples to apples." This also does not include management or administration fees.)

	June	QTD	YTD	Trailing 12
Balanced[1]	2.69%	7.10%	7.80%	11.94%
Bond[2]	1.23%	2.13%	4.63%	7.59%
Equity[3]	3.67%	10.47%	10.01%	14.97%
STI[4]	0.61%	1.19%	2.83%	6.73%

[1] 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.

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

[3] 40% MSCI EAFE / 40% S&P 500 / 20% S&P 1000

Average annual calendar returns (2020-2024):

IUMF	1 YEAR	3 YEAR	5 YEAR
Balanced	6.58%	1.02%	5.26%
Bond	3.75%	0.92%	0.99%
Equity	7.68%	2.98%	7.98%
STI	1.96%	-0.10%	0.47%

BENCHMARK	1 YEAR	3 YEAR	5 YEAR
Balanced	7.80%	3.37%	6.66%
Bond	4.63%	0.07%	1.34%
Equity	10.01%	5.33%	9.72%
STI	2.83%	1.58%	1.34%

BALANCED FUND

As of June 30, 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

	June	QTD	YTD	Trailing 12
Actual*	2.28%	5.14%	6.58%	9.35%
Benchmark	2.69%	7.10%	7.80%	11.94%

RATE OF RETURN—2020-2024

	1 YEAR	3 YEAR	5 YEAR
Actual*	6.58%	1.02%	5.26%
Benchmark	7.80%	3.37%	6.66%

BALANCED FUND BOND:

Sector:	% of Portfolio
Treasury	16.19%
Corporate (IG)	65.46%
Corporate (HY)	17.71%
Mortgages	0.00%
Cash	0.64%

BALANCED FUND EQUITY:

Sector:	% of Portfolio
Large Cap	39.00%
Mid Cap	14.70%
Small Cap	6.20%
International	39.70%
Cash	0.40%

BALANCED FUND BOND CHARACTERISTICS:

Duration	3.15
Average Credit Quality	BBB+

***Net of fees**

BOND FUND

As of June 30, 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

	June	QTD	YTD	Trailing 12
Actual*	1.15%	1.89%	3.75%	6.33%
Benchmark	1.23%	2.13%	4.63%	7.59%

RATE OF RETURN—2020-2024

	1 YEAR	3 YEAR	5 YEAR
Actual*	3.75%	0.92%	0.99%
Benchmark	4.63%	0.07%	1.34%

ASSET ALLOCATION BOND

Cash	0.13%
Investment Grade	66.32%
High Yield	18.63%
Treasury	14.92%

EQUITY & SHORT TERM INCOME

As of June 30, 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

	June	QTD	YTD	Trailing 12
Actual*	2.98%	7.04%	7.68%	11.04%
Benchmark	3.67%	10.47%	10.01%	14.97%

RATE OF RETURN—2020-2024

	1 YEAR	3 YEAR	5 YEAR
Actual*	7.68%	2.98%	7.98%
Benchmark	10.01%	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

	June	QTD	YTD	Trailing 12
Actual*	0.32%	0.97%	1.96%	4.16%
Benchmark	0.61%	1.19%	2.83%	6.73%

RATE OF RETURN—2020-2024

	1 YEAR	3 YEAR	5 YEAR
Actual*	1.96%	-0.10%	0.47%
Benchmark	2.83%	1.58%	1.34%

***Net of fees**

MARKET REVIEW

2nd Quarter 2025

MARKET REVIEW

The past two quarters have been marked by extensive uncertainty. Some of the changes have been fast-moving, while others have been open-ended. Unemployment claims are increasing, with multiple layoffs in several sectors.

STOCKS

IUMF has been finding opportunities in diversification and in the earlier decision to re-weight stocks. Economic growth is continuing to stall due to the uncertainty of US trade policy.

BONDS

We continue to emphasize risk management with high quality/short duration bonds. With corporate income spreads at near-record lows, and with elevated levels of inflation, it is unclear whether interest rates will change. The Fed may pause their rate cut cycle into the fall.

Congratulations Scholarship Winners!

IUMF recently announced our 2025 scholarship recipients. We are thrilled to support 80 students across Iowa with scholarships totaling over $430,000 for the 2025-26 school year!

Visit our website to see the full list of recipients: *https://iumf.org/scholarships/2025-2026-scholarship-recipients/*

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