Giving advice on charitable giving

Professional advisors find themselves at the convergence point of two dramatic forces in society today: the enormous increase in personal wealth and the renewed concern for community.

Regardless of economic fluctuations, the number of households with investable assets of $500,000 or more will rise from 11.2 million to 33.5 million from 1995 to 2005, respectively.

At the same time, people from all economic backgrounds are giving back to community in record numbers. Community-based philanthropy is in the front ranks of this movement. In 2000, total annual gifts to community foundations increased to over $4 billion—a 13 percent increase since 1999.

These trends are affecting professional advisor practices in two significant ways. First, advisors are incorporating charitable giving as an integral component in their financial and estate planning activities—including the question “do you have charitable giving interests?” is standard planning practice for many advisors today. Charitable giving advice is a value adding element in an advisor’s portfolio and a service welcomed by clients who expect an integrated approach to their wealth management. Second, advisors are incorporating community foundations as trusted resources in delivering charitable giving knowledge and products to their clients.

PCCF PROFESSIONAL ADVISORS COUNCIL MISSION:
The mission of the Phelps County Community Foundation’s Professional Advisors Council is to effectively establish, develop and maintain relationships within the Phelps County advisor community so that we can better serve advisors and their clients. The Council will provide its members with opportunities to exchange charitable giving ideas, learn about new issues in philanthropy and establish new relationships with other advisors.
Planning for the future—for you and your community

Charitable Remainder Trust

Giving through a Charitable Remainder Trust allows you to receive income for the rest of your life, knowing that whatever remains will benefit your community.

A gift that pays James Assad was retired and in his late seventies. The stocks he owned had high market values, but they paid limited dividends. In addition to increasing his personal income, James was interested in giving to the community in which he had lived his entire life, so he decided to transfer the securities to a Charitable Remainder Trust that eventually would create a fund with his local community foundation. “The income I receive from the trust is more than what I was collecting in annual dividends—by thousands of dollars. If I would have sold the stocks, I’d have paid a fortune in capital gains tax,” says James. James also receives an immediate charitable deduction and pays less tax on the trust distributions. “Plus,” he says, “I know that when I pass, I’ve done something good.” In time, James’ gift will create the Assad Family Unrestricted Fund to address ever-changing community needs.

ELIMINATE your Client’s Headaches, Hassels and Stress with One Simple Phone Call

Setting up and maintaining a private foundation can be a never-ending ordeal. If a private foundation is something that interests your client, you have a better answer. Working with your local community foundation, your client can enjoy the benefits of having a foundation without all the aggravation. Your client supplies the passion and ideas. The community foundation supplies the expertise and infrastructure. And you get the credit for supplying the perfect solution.
Nebraska Prairie Museum

The Phelps County area has always taken pride in its agricultural and family history, and nowhere else in our area is this more evident than at the Nebraska Prairie Museum. The entire Museum is made up of gifts. Gifts have come in all sizes – large and small and include monetary, gift-in-kind and real property. These gifts allow the museum to expand displays and offer educational program services in order to give back to the community that has so graciously entrusted us with their family treasures.

The Museum's Shrock Ag Room is a great example of what can be accomplished when both a donor and the recipient share a common objective. The Anderson House, which now sits on the museum campus, is part of a wonderful example of a most generous estate gift. The house, along with 258 acres of irrigated farm land and 39 acres of dry land were willed to the museum. The Phelps County Historical Society’s Ag Committee, oversees the day to day farm management that helps us be good stewards of our land. The rent income is most welcomed and has kept us afloat during lean years. Phelps County has a lot to be proud of, and the Nebraska Prairie Museum is a fine example of a worthwhile cause to invest in.

A Message from the Professional Advisors Council:

The Professional Advisors Council is committed to “doing our part” to further the prosperity of Phelps County. In other words, we want to meet the needs of our clients as well as the needs of our communities.

We hope to enhance careers by keeping you up to speed on charitable planning advice. While there may be a gap between the Foundation and Professional advisors we hope to create great learning opportunities that allow each of us to become more valuable to our clients while helping them to achieve their charitable goals.

Our goal is to share information with you in these quarterly newsletters that will help to deepen your conversations with existing clients while attracting new clients.

In the future, the Professional Advisors Council will bring educational opportunities your way as well as social, networking opportunities. The Foundation is creating a ‘Professional Advisors’ tab on their website that will offer more great resources. We will let you know when that is up and running.

If you would prefer not to receive these newsletters, please reply to the e-mail asking to be taken off of the list. If you know of someone who might enjoy this newsletter, please feel free to pass it on. Also, if there are topics you would like to see addressed or you find an article that you would like to share, please forward it to the PCCF Professional Advisors Council at: admin@phelpsfoundation.org.

Thank you for all you do for Phelps County.

The PCCF Professional Advisors Council