

CREATE YOUR LEGACY

GUIDE TO PLANNED GIVING



Here for Good

Community Foundation
for Monterey County



CREATING YOUR LEGACY

MISSION

To inspire philanthropy and be a catalyst for strengthening communities throughout Monterey County

VISION

Healthy, safe, vibrant communities



Our decision to be Legacy Society members was based on our knowledge of many years of outstanding work by the CFMC in supporting the charities of Monterey County. We are confident that our endowment will be used wisely and in a responsible manner on behalf of local charities. We are very proud to be a part of this wonderful organization.

– Bob & Millie House
Legacy Society Members



A MEANINGFUL GIFT

A planned gift is one of the most meaningful decisions you can make. With careful estate planning now, you can be assured your resources will be directed to the causes you care about most.

A Rewarding Investment

When you make an investment in the future of organizations you care about, you can have peace of mind knowing your values will be communicated beyond your lifetime. Whether you begin your giving now or through your estate, the Community Foundation for Monterey County can help you realize your unique philanthropic vision.

Benefits of Planned Giving

You can design a planned gift in many ways that benefit you, your family and organizations that make a difference.

- Make gifts that “give back” to you. Some gifts can provide extra retirement income.
- Support the causes you care about while maximizing the financial advantages available.
- Defer or reduce estate taxes.
- Honor someone special through a named fund.

Stewardship

The Community Foundation for Monterey County carries out each donor’s wishes so you can have peace of mind knowing your intentions will be honored in the future.

With a planned gift, you can partner with the CFMC to make a difference for generations to come.

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When you've been able to give to your favorite nonprofits over your lifetime, wouldn't it be wonderful to be able to continue to give long after you are gone? It's reassuring to know that our legacy gift will be secure and our wishes fulfilled properly and professionally. Working with the CFMC has been a true gift.

*– Rick & Tonya Antle
Donor Advised Fund Holders,
Legacy Society Members*

WAYS TO GIVE

The CFMC can accept a wide variety of assets. You can make a bequest, create or add to a fund with any of the following:

- Cash
- Publicly traded securities (e.g. stocks and bonds)
- Real Estate
- Life Insurance
- Retirement assets
- Closely held securities and business interests
- Tangible personal property
- Mineral, timber, and distribution rights
- Other complex assets

ACHIEVE YOUR GOALS

Please call us if you are considering any of these gifts. We can assist you and your advisor to ensure the process is efficient and best accomplishes your goals. Contact us at 831.375.9712 or learn more at www.cfmco.org/PlannedGiving.

APPRECIATED SECURITIES

An easy way to make an important gift. Stocks and gifts of appreciated securities, including appreciated shares of stocks and mutual funds are some of the most tax-efficient ways to give.

If you have securities that have increased in value, you not only receive a deduction based on the full appreciated value, but you also avoid the capital gains tax that would have been due had you sold the shares. Please give us a call at 831.375.9712 for transfer instructions so we can help you maximize your tax benefits.

PLANNED GIVING OVERVIEW

The goal of planned giving is to help you plan your estate and charitable giving in a way that benefits you, your family and the causes you care about. There are several ways you can make these planned gifts and enjoy tax savings and income benefits. Below is a brief summary of different gifts and their benefits.

“Working with the Community Foundation to plan a legacy of giving has given me great satisfaction and peace of mind. It’s very fulfilling to know that the CFMC will maintain my vision and my giving will benefit my favorite nonprofit agencies, in my name, into the future.”

— James Valentine
 Donor Advised Fund Holder,
 Legacy Society
 Member

| YOUR GIFT | YOUR GOAL | HOW IT WORKS | YOUR BENEFITS |
|---|--|---|--|
| Bequest | <ul style="list-style-type: none"> Maintain control of your assets during life Make a gift to charity at your death | You designate the CFMC as the beneficiary of your asset by will, trust or other instrument to establish a fund to support the causes you care about. | <ul style="list-style-type: none"> Estate tax charitable deduction Life use and ownership of your property |
| Charitable Gift Annuity (CGA) | <ul style="list-style-type: none"> Receive fixed income payments for life Avoid capital gains tax on the sale of your appreciated assets Enjoy the benefit of tax savings from a charitable deduction | You transfer cash or appreciated assets to the CFMC in exchange for fixed income payments (with rates based on your age) for the rest of your life. | <ul style="list-style-type: none"> Charitable tax deduction Fixed income payments for life Reduced capital gains tax A portion of your payment is tax free |
| Charitable Remainder Trust (CRT) | <ul style="list-style-type: none"> Transfer your appreciated property and assets without paying capital gains tax Enjoy regular income for life or a term of years Receive the benefit of tax savings from a charitable deduction | You transfer cash, appreciated property or assets to fund a charitable trust. The trust sells your property tax free and provides you with income for life or a term of years. | <ul style="list-style-type: none"> Charitable tax deduction Income for life or a term of years Possible income growth over time Avoidance of capital gains tax |
| Charitable Lead Trust (CLT) | <ul style="list-style-type: none"> Give cash, property or other assets to your family in the future Avoid substantial gift or estate tax | You transfer cash, property or other assets to fund a lead trust that makes a gift to us for a number of years. You receive a charitable deduction for the gift. Your family receives the remainder at substantial tax savings. | <ul style="list-style-type: none"> Gift or estate tax deduction Asset and appreciation passes to family at a reduced cost |
| Life Estate Reserved | <ul style="list-style-type: none"> Remain in your home for life Receive a charitable income tax deduction | You give your property to the CFMC but retain the right to use the property during your life. | <ul style="list-style-type: none"> Charitable tax deduction Lifetime use of property |
| Bargain Sale | <ul style="list-style-type: none"> Transfer your property and receive cash or debt relief without paying substantial taxes | We purchase your property for less than fair market value. You receive the cash and a charitable deduction for the difference between the market value and purchase price. | <ul style="list-style-type: none"> Cash from sale Charitable tax deduction Partial bypass of capital gain |

This information is not intended as tax, legal or financial advice. Gift results may vary. Consult your personal financial advisor for information specific to your situation.

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GIFTS THAT PROVIDE INCOME - Make Your Gift Work for YOU

Did you realize that you can make a gift to the CFMC and also receive income? There are several types of income-producing gifts, each with different benefits and requirements. Benefits of these gifts include tax savings, charitable deductions, and regular payments to you and your spouse or partner, for life.



Create a supplemental source of retirement income



Ensure a protected income for your spouse or other loved ones who survive you



Arrange funds to cover educational expenses for children or grandchildren



Increase your income from low-yielding stocks or other assets

CHARITABLE REMAINDER TRUST

Give now while enhancing your economic well-being. With a charitable remainder trust (CRT), you can arrange for the creation of a significant fund at the CFMC to support your favorite causes or nonprofits while first providing income for yourself or others.

How it Works

- You, as the donor, create a trust with the assistance of your legal/financial advisors.
- You can give cash, appreciated stock, closely held stock, real estate or other assets into the trust.
- You avoid capital gains tax and receive a charitable income tax deduction in the year you make gifts into the trust.
- You receive a stream of income during your lifetime, a portion of which may be tax free. Payments may be fixed or variable. The minimum annual percentage payout is 5%.
- The “R” in CRT is the remainder. Upon your death, the remainder creates a fund at the CFMC that benefits the causes or agencies of your choosing. The fund can also be unrestricted, meaning the asset will support general endowment grantmaking. It can also create a donor advised fund that your children or another designee can oversee. The fund can be in your name or in honor of any person you choose.
- The fund created is endowed (permanent) and a percentage of the fund is available for granting each year. It becomes a philanthropic resource helping to do good work forever.
- CRTs at the Community Foundation are expertly administered by Kaspick & Company.
- CRTs are their own legal entity. While not complicated, they should be set up by an attorney.



It's the people that count. We chose the CFMC because we felt they have the depth of experience and integrity to carry out our philanthropic wishes.

– Dena & Joel Gambord
Donor Advised Fund Holders,
Legacy Society Members



Charitable Gift Annuity



GIFTS THAT PROVIDE INCOME

CHARITABLE GIFT ANNUITY

Income for today, a gift for tomorrow

Giving through a charitable gift annuity (CGA) allows you to make a generous gift to your community while providing income you can count on for the rest of your life.

How it Works

- You establish a charitable gift annuity with the Community Foundation for Monterey County
- You receive a stream of income that is fixed, regardless of market conditions, and an immediate tax deduction for the charitable portion of your gift. A portion of your income is tax free.
- We handle all the administrative details, issuing annuity payments to you during your lifetime.
- Upon your death, the remainder establishes an endowment to benefit the causes or nonprofits of your choice.
- Your fund will be used to make grants addressing community needs, creating a permanent philanthropic resource and helping to do good work forever.

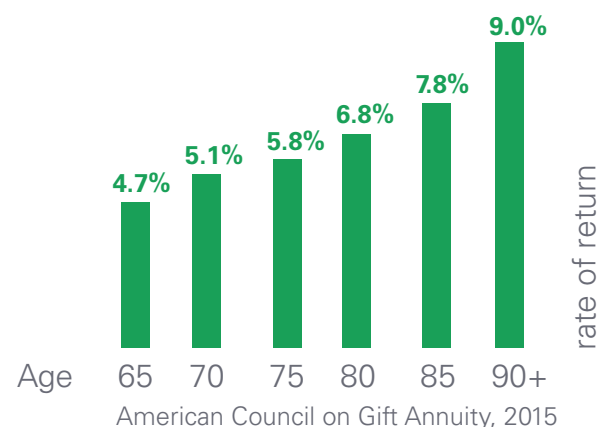
CGA Benefits

In an era of low interest rates, your CGA may yield more than the interest and dividends you earn from holding the assets. You can use this income to supplement your lifestyle, or that of someone else: a sibling, a dependent parent, a friend, or a former employee. You or a loved one can start receiving annuity payments immediately, or choose to defer them. A portion of the income may be tax free.

A CGA reduces estate assets which may decrease estate taxes. Plus, it's backed by the general assets of the Community Foundation for Monterey County, and is guaranteed.

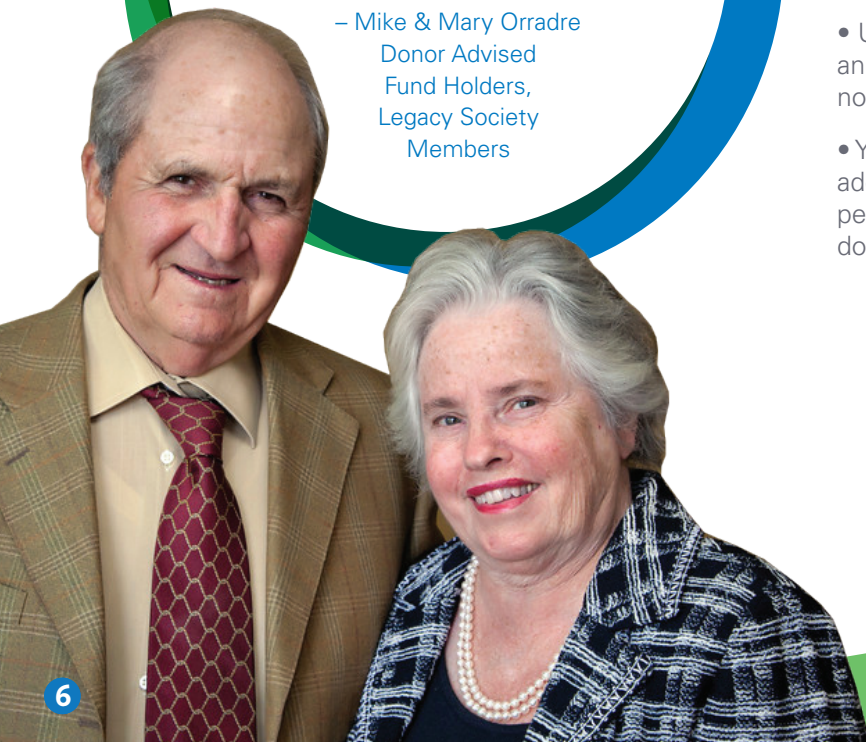
How much income will my CGA generate?

A charitable gift annuity produces a fixed source of income for life, based on the amount of the gift and your age when you establish it. Use the table below to see how much income your CGA could produce



Monterey County is very fortunate to have an organization like the CFMC. We appreciate their expertise and countywide focus. We know they will watch over our gifts so they will achieve our goals in the future.

– Mike & Mary Orradre
Donor Advised
Fund Holders,
Legacy Society
Members



RETIREMENT PLANS & ESTATE GIFTS

Estate planning is important to your beneficiaries. It can be a vehicle for giving and a convenient way to know that your assets will be directed according to your intentions. Retirement plans, life insurance policies and bequests allow you to provide for your family and community needs without impacting your current finances.

RETIREMENT PLANS/IRAS

Designating the CFMC as the charitable beneficiary of your retirement plan or individual retirement account (IRA) is a simple and effective way to give. Retirement assets can be an ideal way to meet philanthropic goals because they're heavily taxed if left to heirs, but tax free if designated for charity.

IRA ROLLOVERS

The IRA charitable rollover allows tax-free distributions of up to \$100,000 per taxable year to an eligible charitable organization, such as the CFMC, from individuals age 70 ½ or older. The amount will not be subject to income tax and also reduces the taxable balance of the IRA in your estate.

GIFTS OF LIFE INSURANCE

For an easy way to make a substantial gift, you can name the CFMC as the primary beneficiary of a life insurance policy or receive immediate tax benefits by designating the CFMC as the policy owner.

BEQUESTS

Gifts through wills or trusts, after your lifetime, are commonly referred to as bequests. They're popular because they're easy to arrange and can be changed at your discretion. They allow you to make a significant contribution to the CFMC while reducing estate taxes.

When considering a bequest, remember that life-income gifts – charitable gift annuities, pooled income funds, charitable remainder trusts, and charitable lead trusts – can be included in your will or living trust to take effect upon your death. Your attorney should contact our office prior to drafting your estate plans to ensure the charitable purpose of your bequest is properly described. Sample bequest language is available by calling 831.375.9712 or online at www.cfmco.org/Bequests.

DONOR ADVISED FUNDS

Giving While Living. Many people wish to enjoy the feeling of giving during their lifetime. A donor advised fund can be created quickly and easily.

A donor advised fund is simpler, more flexible and less costly than a private or family foundation. A fund can be established with a gift of \$5,000 or more, giving you an immediate tax deduction. Your fund can also be a vehicle through which to make an estate gift. With this option, your charitable wishes can be updated at no cost at any time. And, CFMC staff provide information and personalized service to help you meet your philanthropic goals.

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We first looked into establishing a family foundation. Instead, we choose a donor advised fund in which our daughters are co-advisors. It provides an ideal solution without any administrative burden. It helps us plan for ongoing giving and offered additional tax benefits, since we were able to contribute highly appreciated assets.

– Bill & Emmy Reese
Donor Advised Fund Holders



THE LEGACY SOCIETY

The Legacy Society honors those who have named the Community Foundation for Monterey County in their estate plans, created an endowed fund, or contributed \$25,000 or more to an endowed fund.

LEGACY SOCIETY

There is no minimum estate gift amount to be included in the Legacy Society. Endowed funds can be created with a gift of \$25,000 or more. Members are invited to an annual appreciation luncheon to hear about the impact legacy giving creates.

If you have included the CMFC in your estate, or would like to make a gift (through a bequest, trust, life insurance, charitable gift annuity or other means) please contact us so we may recognize your generosity. Legacy members may also choose to remain anonymous.



The Community Foundation means *trust*. It's this wonderful joy of feeling part of the future even after you'll be gone... The most joy comes from giving to what's closest to your heart.

– Bertie Elliott
Donor Advised Fund Holder,
Legacy Society Member

Take the Next Step

If you would like to learn more, we would be honored to help you create your philanthropic vision. Please give us a call at 831.375.9712 so we can explore the many choices available.

We will work with you, your family and professional advisor to create the best solution for you and lasting benefit for others.

We look forward to helping you create your legacy.

831.375.9712 www.cfmco.org/Legacy

Healthy, Safe, Vibrant
COMMUNITIES

The Community Foundation has consistently demonstrated integrity and competence. We have found the CFMC a wonderful place to establish a philanthropic legacy.

– David & Laurie Benjamin
(pictured on cover)
Donor Advised Fund Holders,
Legacy Society
Members