



# Create Your Legacy

## Guide to Gift Planning





**We are confident that our endowment will be used wisely and in a responsible manner to support local nonprofits. We are very proud to be a part of this wonderful organization.**

– Bob and Millie House  
Legacy Society members

## Creating Your Legacy

Creating your legacy is one of the most meaningful decisions you can make. The goal of gift planning is to help you plan your estate and charitable giving to benefit the causes you care about, as well as you and your family. With careful planning now, you can be assured your resources will be directed according to your wishes and have peace of mind knowing your values will be communicated beyond your lifetime.

The mission of the Community Foundation for Monterey County (CFMC) is “to inspire philanthropy and be a catalyst for strengthening communities throughout Monterey County.” We are here to assist and advise you with any of your charitable interests. Whether you give now or through your estate, the CFMC can help you design and reach your unique philanthropic goals.

### Benefits of Gift Planning

You can design a gift in many ways.

- Support the causes you care about.
- Honor your family or a loved one through a named fund.
- Build a legacy of family philanthropy for your children and grandchildren.
- Maximize the financial advantages available.
- Defer or reduce estate taxes.
- Make gifts that “give back” to you, providing income for you or a loved one through a life-income gift.

### Guidance & Stewardship

Our Philanthropic Services team can meet with you to help plan your giving and provide information on local needs, nonprofits and initiatives such as the Monterey County Gives! campaign. By creating your gift plan in partnership with the CFMC, you can make a difference now and in the future.

Cover photo courtesy Chris Burnham Photography

## Fund for Monterey County

The Fund for Monterey County responds to the changing needs of our community. It is a permanent, endowed fund of the CFMC, invested to grow and grant in perpetuity. Made up primarily of estate gifts, it serves as a “community chest,” giving the CFMC flexibility to fund a wide variety of causes over time. The Fund for Monterey County is made up of unrestricted and field of interest funds.

**Unrestricted Funds** You make a gift that allows the CFMC to evaluate all aspects of community well-being and make grants to the community’s most pressing needs, today and tomorrow.

**Field of Interest Funds** You identify the causes of most importance to you. The CFMC awards grants through a competitive process to nonprofit organizations working in your areas of interest.

**Donor Advised Funds** Creating a donor advised fund simplifies your giving, allowing you to recommend grants to the nonprofits of your choice in Monterey County and beyond. These funds also make an excellent vehicle for an estate gift.

**Designated Funds** You direct your fund to benefit specific nonprofit organizations.

**Scholarship Funds** You can create opportunity for aspiring college students by focusing your fund on specific criteria or contributing to College Futures Monterey County for students with the greatest need.



### Tip: Gifts of appreciated stock are some of the most tax-efficient ways to give.

If you donate securities that have increased in value, you not only receive a deduction based on the full appreciated value, but also avoid the capital gains tax due had you sold the shares. Please give us a call at 831.375.9712 or email [legacy@cfmco.org](mailto:legacy@cfmco.org) for transfer instructions.



“

**It’s reassuring to know that my legacy gift will be secure and my wishes fulfilled properly and professionally. Working with the CFMC has been a true gift.**

– Tonya Antle, Rick and Tonya Antle Fund  
Legacy Society member

You can make a bequest, establish a named fund or add to a current fund with a wide variety of assets including:

- Cash, stocks, bonds and mutual funds
- Real Estate
- Life Insurance
- IRAs and other retirement assets
- Closely held securities and business interests
- Tangible personal property
- Mineral, timber, and distribution rights

# Giving Options

## Gifts at a Glance

There are several ways you can make a difference, enjoy tax savings and create income benefits.



“

**We want to give  
people hope  
and opportunity  
they wouldn't  
otherwise have.**

– Marti and Steve Diamond  
Marti and Steve Diamond  
Charitable Foundation Fund  
Legacy Society members

Type of Gift	Benefits	How does it work?	What are the tax advantages?*
<b>Gift of cash or money</b>	You enjoy the opportunity to see your gift going to work right away supporting our community.	You make a gift of money with your check or credit card.	You get an immediate income tax deduction.
<b>Gift of stock or appreciated property</b>		You make a gift of appreciated property. The CFMC sells the property and uses the proceeds to support the causes or nonprofits of your choice.	You avoid capital gains taxes in addition to getting an immediate income tax deduction for the value of the property.
<b>IRA Qualified Charitable Distribution (IRA Rollover)</b>		If you are at least 70½, you can direct a distribution directly from your IRA to the CFMC to benefit the causes or nonprofits of your choice with a single gift.	You avoid income tax that would have been due on a withdrawal and may reduce your required minimum distributions.
<b>Charitable Bequest</b>		You include a gift in your will or trust to be made to the CFMC to support the causes or nonprofits of your choice.	Your estate may receive an estate tax deduction.
<b>Retirement Plan Beneficiary Designation</b>	You retain the flexibility to modify or eliminate your gift in the future should your circumstances change.	You direct your retirement account to make a gift to the CFMC to support the causes or nonprofits of your choice.	The value of your taxable estate is reduced, potentially saving estate taxes.
<b>Charitable Remainder Trust</b>	You secure a stream of income for you or someone else while supporting our community.	You contribute money or property to a trust. The remainder benefits the causes or nonprofits of your choice through the CFMC.	You receive a partial income tax deduction. Some of the income paid may be taxed at lower rates.
<b>Charitable Gift Annuity</b>	You secure a lifetime stream of fixed payments for you or someone else while supporting our community.	In exchange for your contribution, the CFMC issues a contract promising to pay a lifetime annuity to one or two individuals.	You receive a partial income tax deduction. A portion of the annuity payments may be tax free.

*\*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.*

## Gift Details

Retirement plans, life insurance policies and bequests allow you to provide for your loved ones and community needs without impacting your current finances. Donor advised funds and IRA QCDs are excellent vehicles to benefit multiple nonprofits through a single gift.

## Retirement Plans/IRAs

Designating the Community Foundation for Monterey County as the charitable beneficiary of your IRA or retirement plan is a simple and effective way to give. We can work with you to create customized instructions for how the gift will be distributed. Retirement assets can be an ideal way to meet philanthropic goals because they may be heavily taxed if left to heirs, but tax free if designated for charity.

## Gifts of Life Insurance

You can name the CFMC as the 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 are commonly referred to as bequests. Bequests can help simplify your estate planning by designating a portion or specific assets of your estate directly to the CFMC, which will distribute grants according to your instructions.

You or your attorney can 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 at [cfmco.org/Bequests](http://cfmco.org/Bequests).

## Donor Advised Funds

A donor advised fund is simpler, more flexible and less costly than a private or family foundation. You recommend grants to the nonprofits of your choice and CFMC staff provides personalized service to help you meet your philanthropic goals. Your fund can also be named in your charitable estate plans.

## IRA Qualified Charitable Distributions (QCDs)

The IRA QCD (charitable rollover) allows distributions of up to \$100,000 per tax year to an eligible charitable organization from individuals age 70½ or older. The amount is not subject to income tax and reduces the taxable balance of the IRA in your estate. A single IRA gift to the CFMC can be directed to multiple nonprofits of your choice.



“

**We don't just make it on our own, we're standing on the shoulders of others. We would like to create broad shoulders for those that come after.**

– Michael Reid  
Michael E. Reid and  
William E. Robnett Family Fund  
Legacy Society member



## Tip: Flexible Planning at No Cost

These giving options allow you to update your wishes at any time without the expense of an attorney. Call us at 831.375.9712 or email [legacy@cfmco.org](mailto:legacy@cfmco.org) to find out more.

# Gifts that Provide Income



The late Jim Valentine entrusted the CFMC with a gift of commercial real estate to create a CRT and donor advised fund. He found it very fulfilling to know that his gift would create a fund to benefit the local nonprofits of his choice.

Learn more: [cfmco.org/Valentine](https://cfmco.org/Valentine)



## Tip: Compare Gift Options

Call us at 831.375.9712, email [legacy@cfmco.org](mailto:legacy@cfmco.org) or visit [cfmco.org/calculator](https://cfmco.org/calculator) to run a personalized gift illustration.

Income-producing gift vehicles offer different benefits and options. Benefits include tax savings, charitable deductions, and regular payments to you and your spouse, partner or other beneficiary.



Create a supplemental source of retirement income



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



Increase your income from low-yielding stocks or other assets

## CHARITABLE REMAINDER TRUSTS

With a Charitable Remainder Trust (CRT), you can establish a charitable fund at the CFMC to support the causes or nonprofits you select while first providing income for yourself or others.

### How it Works

- You create a trust with the assistance of your legal/financial advisors. CRTs are their own legal entity.
- You can give cash, appreciated stock, closely held stock, real estate or other assets into the trust.
- You may avoid capital gains tax and receive a charitable income tax deduction in the year you make gifts into the trust.
- You receive annual, quarterly or monthly payments during your lifetime, a portion of which may be taxed at favorable rates. 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 permanent fund at the CFMC that benefits the causes or agencies of your choosing. The fund can benefit the Fund for Monterey County to support community needs or create a donor advised fund that your heirs or designee can oversee. The fund can be in your name or in honor of any person you choose.
- CRTs at the CFMC are expertly administered by TIAA Kaspick.



## CHARITABLE GIFT ANNUITIES

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 CFMC.
- You or a beneficiary receive guaranteed fixed payments for life, regardless of market conditions, and an immediate tax deduction for the charitable portion of your gift. A portion of the income may be tax free.
- We handle all the administrative details, issuing annuity payments to you or a beneficiary for life.
- Upon your death, the remainder establishes an endowed fund to benefit the causes of your choice.

### Charitable Gift Annuity



### CGA Benefits

A CGA may yield more interest and dividends than you earn from other investments. You or a beneficiary 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 CFMC, and is guaranteed.

### How much income will my CGA generate?

A CGA produces a fixed source of income for life, based on the amount of the gift and your age (or the age of the beneficiary) when you establish it. Visit [cfmco.org/calculator](http://cfmco.org/calculator) to create a personalized illustration.



“

I feel peace of mind knowing that even if I'm not here, I will have left behind a small part of me for my son. I was pleasantly surprised by how fast and easy it was to set up a CGA. I'm really glad this organization is here.

– Maria Salazar Segovia  
Legacy Society member



“

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

– Bertie Elliott, The Buffet Fund  
Legacy Society member

## 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.

### JOIN US!

We would be honored to work with you, your family and professional advisor to create the best solution for you and lasting benefit for others. There is no minimum estate gift amount required.

If you have included the CFMC in your estate, or would like to make a legacy gift, please contact us so we may recognize your generosity. Legacy Society members may also choose to remain anonymous. Legacy Society Members are invited to an annual appreciation luncheon to hear about the impact legacy giving creates.

[cfmco.org/Legacy](https://cfmco.org/Legacy)



831.375.9712 | [legacy@cfmco.org](mailto:legacy@cfmco.org)  
2354 Garden Road  
Monterey, CA 93940

## Take the Next Step

To learn more, please give us a call to explore the many options available. We look forward to helping you create your legacy.

**HEALTHY, SAFE, VIBRANT** Communities