

# Toward More Financial Independence Legacy Endowment for Children and Families

Family Service Greater Waterbury, Inc. will celebrate its 100<sup>th</sup> anniversary in 2009. Countless thousands of clients have been helped, and in some cases “saved,” by the Agency from abused and neglected children to families afflicted by personal problems, addiction and divorce to parents and individuals needing help with finding and keeping employment. The good news is we are good at what we do thanks to talented, dedicated and professional staff. The Agency’s reputation for quality services regularly exceeds expectations throughout the community and, indeed, the State of Connecticut.

At the present time, the Agency’s operational expenses exceed \$3.2 million dollars of which the endowment and related external perpetual trusts support \$31,700, or less than 1%, of our total operational revenue. Over 81% of the Agency’s support is derived from state funding and other non-governmental monies. We are extremely vulnerable to the ebbs and flows of public funding, sometimes with or without any notice. To underscore this, Chapman House, our safe home for children, annually requires over \$600,000 to operate, of which 99% of the funding is provided by the Department of Children and Families.

To ensure that programs will continue providing the absolutely necessary uninterrupted services to our clients, we urgently need financial stability or, put another way, more financial independence. Our current endowment’s market value approaches one million dollars. Using a common 5% spending plan, an endowment of \$5 million would annually generate income of \$250,000. An endowment of \$30 million would produce \$1.5 million, far short of the \$3 million plus needed to operate Family Service of Greater Waterbury, Inc., but certainly a respectable underpinning toward financial stability. As stated above, we are a people business and heavily rely on well-trained, highly qualified and motivated staff in order to help others in need of help. We need the resources, the money, to attract, develop and keep talented, professional staff.

It is our turn to provide the means necessary for the protection and safeguarding of the Agency’s programs and goodwill throughout the community. Individuals from all socio-economic levels have sought and benefited from the high-quality services delivered during the past hundred years, but unexpected negative financial reversals beyond our control may irreparably undermine crucial programs long taken for granted.

How may we attain more financial independence? Help us make serious strides toward the creation of a multi-million dollar endowment. This may be achieved by easily donating appreciated stock, remembering the agency in your will, or considering the agency in a life insurance or pension program. You will personally benefit in several ways. First you will enjoy the gratification knowing that your gift will help the Agency in perpetuity. Second, your gift will avoid substantial estate and income taxes as well as probate fees and legal expenses, which are significant in Connecticut. This is particularly true with regard to inheritance transfers of wealth involving Individual Retirement Accounts (IRAs), or 401(k) or 403(b) pension plans. Changing a beneficiary designation in a life insurance policy or pension instrument is the easiest and least costly way to fund a legacy gift. Adding a simple codicil to your will is also an easy way to remember the Agency.

Thanks to a partnership with the Connecticut Community Foundation, life income gifts with associated tax advantages are available. These are particularly attractive for individuals who would like to make a significant contribution to the agency but still need the income stream from the asset. For example, as of April 2006, a charitable gift annuity consisting of an appreciated stock donation for someone who became seventy would effectively yield 8% income including tax deductions for the remainder of the donor’s life. For more information, please contact the development office at your earliest convenience.

Anyone taking this bold and wonderful step of remembering the agency in his or her estate plan will be acknowledged as a member of The 1909 Legacy Society. The Society’s membership is growing and will become a force in the stability of the Agency’s financial health. You are cordially invited to join and, if you wish, may remain anonymous.

For your convenience, here is some sample language you may wish to fold into your estate plan. You are encouraged to share the following with your own counsel for inclusion in your estate documents.

*To Bequeath a Percentage:*

"I give, devise, and bequeath to the Family Service Greater Waterbury, Inc, a charitable not-for-profit 501(c)3 corporation located in Waterbury, Connecticut, \_\_\_\_\_% of my residual estate, both real and personal, in support of its mission to strengthen families and individuals through quality services, community collaboration and social advocacy."

*To Bequeath a Specific Amount:*

"I give, devise, and bequeath to the Family Service Greater Waterbury, Inc, a charitable not-for-profit 501(c)3 corporation located in Waterbury, Connecticut, the sum of \$\_\_\_\_\_, in support of its mission to strengthen families and individuals through quality services, community collaboration and social advocacy."

*Contingency Bequest*

In the event the beneficiaries of bequest and devises herein predecease me, or, in the case of institutions, cease to be organizations described in section 501(c)3 of the Internal Revenue Code, I, \_\_\_\_\_, hereby give, devise, and bequeath remainder of my estate to the Family Service Greater Waterbury, Inc, a charitable not-for-profit 501(c)3 corporation located in Waterbury, Connecticut to be used at their discretion.

All contributions are tax deductible to the extent allowed by law and may be restricted by the donor for the:

- Endowment for Children and Families Program Fund
- Facilities Care Endowment Fund
- General Endowment Fund

**It is our turn** and our responsibility as individuals, community leaders and philanthropists to ensure that the work of the Agency, a safety net for everyone, continues unabated now and in the future. It will take years to diminish our dependence on significant external funding but, with everyone's help, your legacy gift will have a significant impact on what the Agency will be able to offer future generations.

David Elton Trueblood captured the meaning of legacy giving writing:

"People have made at least a start at understanding the meaning of life when they plant trees, under which they know full well they will never sit..."

Thank you.

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