



Fort Foundation Focus

by Fred A. Rose, Volunteer Publicist

www.fortfoundation.org

As I observed in the last Fort Foundation Focus column (January 26, 2007), the combination of its wise original organization, its generosity, and its prudent and creative methods of analyzing the worthiness of projects sets the Fort Atkinson Community Foundation apart from a majority of community foundations. I concluded that column by saying, "We have a treasure here in Fort Atkinson that deserves the support of every citizen." So in this column I would like to outline some of the many ways you might consider providing that support.

But before going into those details, I would like to impress you with the list of projects funded, in whole or in part, by the Foundation recently.

- \$1,900,000 for the Hoard Museum renovation/expansion
- \$107,000 grant to the Library for property purchase
- The picnic shelter in Lions Park
- Start-up costs for the Fort Atkinson Boys & Girls Club
- The Read 180 program at the Middle School and the High School to assist troubled readers
- Trees at Barrie School playground
- 2/3 of funding for the High School Bell Tower memorial
- Holiday street light decorations for the outlying areas
- Electronic sign at the Chamber of Commerce Building
- The Jefferson County Ready-Kids-for-School program
- Informative signs in Mush-Ko-Se-Day park
- The Literacy Council's Family Literacy project
- Tree planting & care along the Glacial River Bike Trail
- Rockwell School Outdoor Learning Center

The Foundation's by-line is, *Where gifts today build better tomorrows* and they certainly do that! And this list is just since July 2005. Rather impressive!

Now, to the "how to" part of making *better tomorrows*. The first and most obvious one is, of course, cash. Many donors make an annual contribution, and such donations are both appreciated and a very valued source of funds for the Foundation's work. Small amounts from many people add up to funding major projects. You feel good, and it connects you more deeply to the community!

But there are many other ways to contribute, some of which are less obvious. A gift of appreciated stock is a wise method that is attractive to some people. If you donate appreciated securities, you take as a tax deduction the full value of the stock, including the appreciation. Appreciated real estate can have the same kind of tax advantage, so please consider these options. Any bank's trust department can advise you on how to do this.

Another method of giving support which is sometimes overlooked is to leave a portion of your estate to the Foundation in your will or trust, either a specific amount or a percentage. In that vein, you might consider making the Foundation the beneficiary of a life insurance policy.

Another strategy for estate related gifts is called a *charitable remainder trust*. In this case, you create a trust, usually managed by a bank's trust department, and you specify what percentage of the assets you will receive each year. At your death, the remainder is paid to the Foundation. The year in which you donate to the trust you may take a deduction determined by IRS actuarial tables, and this can easily be a major portion of the amount donated. For example: male donor, age 69; market value of assets placed in trust, \$100,000; annual payout, 6%; charitable donation allowed for tax purposes, \$46,000. This deduction can offset up to 50% of adjusted gross income, and if not fully used that year, carries forward. Ask your attorney, financial planner, or tax advisor about these options when you next meet.

Something that appeals to some is a *donor advised fund*. In this case, a fund is set up within the Foundation to which you and other family members can contribute. During your lifetime you suggest projects that you would like the Foundation to sponsor from your fund. You can designate relatives or others to suggest projects to the Foundation Board after you pass. Of course, the ultimate approval of projects is the legal responsibility of the Foundation Board, but they take your recommendations very seriously. You get a tax deduction in the year you put the money into the Foundation without waiting for the funds to flow to a project.

By the way, don't forget about the possibility of endowing a scholarship: A great way to perpetuate your name or the name of a person special to you.

I will end by mentioning a somewhat esoteric consideration. Just this year, and if you are 70½ or older, there is a significant tax advantage for a donation from an IRA. If you are 70½ or older you must make a certain minimum withdrawal from your IRA, and of course, you pay tax on the amount withdrawn. However, if that withdrawal, or a portion thereof, is given directly to the Foundation, there is no tax on the portion donated. By the way, whatever your retirement plan is, you can withdraw from it, put the funds in an IRA, and make such a donation from that account.

Please consider making the Fort Atkinson community even stronger than it is now by adding your contribution. All of these methods are mentioned in the Foundation's brochure, which you can obtain by requesting it or by stopping into the Foundation's office at the Chamber of Commerce building. If you need more information you can always contact Helen Rose, Program Administrator, at 920-563-3210 (office), 920-563-4926 (home), or visit the Foundation's Web site at www.fortfoundation.org.