

Library Endowment Fund

Q&A

What is the Library Endowment Fund?

The Library Endowment Fund is a Field of Interest Fund with The Homer Foundation, a local 501(c)(3) community foundation. Established in 2020, the Fund offers people who care about access to information, literacy and life-long learning in our community the opportunity to make a major tax-deductible gift to ensure the legacy of the Homer Public Library continues for everyone and forever.

Why does the Library need an Endowment? Doesn't the city budget cover all the Library's expense?

The Homer City Council funds the operation of City departments, including the public library. Over the years, individuals have supplemented those funds with donations to the Library for numerous reasons -- in appreciation, to build a new building, to enhance services, to acquire materials, and more.

Many public library systems across the nation, including those in Fairbanks, Juneau, Seward and Sitka, have found that an endowment fund is a simple and effective means to accommodate such financial assistance and ensure gifts are used for their intended purpose.

The Library Endowment Fund also creates a mechanism to bridge funding gaps that could occur during an economic downturn or due to an unplanned need. This helps ensure the sustainability of a top-notch library collection and high-quality library services over time.

How does the Library Endowment Fund work?

The principal of the Library Endowment Fund was initially funded by the City of Homer from gifts made to the library over time. More donations have been made to add to the principal through The Homer Foundation. The principal value of the fund will be kept intact and invested. Each year, investment income from the fund is distributed to the library or reinvested in the fund, based on the needs of the library. This creates a permanent and continuous stream of supplemental funds for the library.

Who decides how the money is spent?

Guidelines for how income from the Library Endowment Fund is spent were established at its founding. Donations supplement materials for the library's collection, purchases or upgrades for library equipment, and improvements or repairs to library facilities and services. The Library Director, in consultation with the Library Advisory Board, directs the earnings within these guidelines.

Is there a goal in mind for the endowment?

The goal is to establish a principal of \$100,000, which will generate an annual supplemental income stream to the library of several thousand dollars. The response to the Library Endowment Fund has been strong, and we already are 40% of that goal. The principal and resulting income will continue to grow over time.

The Friends of the Library have an endowment, too. What's the difference? How do I decide which to give to?

Both endowments through The Homer Foundation benefit the library. Donations to the Library Endowment Fund supplement materials for the library's collections, purchases or upgrades for library equipment, and improvements and repairs to library facilities and services.

Donations to the Friends of the Homer Public Library Endowment Fund benefit the Friends' mission to support library programs and services, enrich the library experience, and promote use and enjoyment of the library.

You can be confident that a donation to either fund is tax-deductible and will greatly benefit the library.

How do I make a donation?

To make a gift to either the Library Endowment Fund or the Friends of the Homer Public Library Endowment Fund, visit The Homer Foundation (<https://www.homerfoundation.org/give-now/>), click the black Donate button, and select the fund your donation is for from the drop-down menu.

Can I give in installments?

[Need to get an answer for this]

Can I make a gift from my estate and know it will go to the library?

Through a bequest, you can establish an enduring commitment to the library and the Homer community. A bequest helps ensure the things you supported and cared about can continue. A bequest can be made easily by naming the "Library Endowment Fund at The Homer Foundation" or the "Friends of the Homer Public Library Endowment Fund at The Homer Foundation" as a beneficiary in your estate planning documents. This ensures that your wishes are honored. For more information and to get started, visit <https://www.homerfoundation.org/planned-giving/>