



City of Homer

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Memorandum

Agenda Changes/Supplemental Packet

TO: LIBRARY ADVISORY BOARD
FROM: ZACH PETTIT, DEPUTY CITY CLERK I
DATE: MAY 21, 2024
SUBJECT: SUPPLEMENTAL PACKET

STAFF & COUNCIL REPORTS/COMMITTEE REPORTS

- B. Fundraising Report – Boardmember Kuszmaul
Slideshow Presentation regarding the Homer Foundation Library Endowed Fund

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The HOMER
FOUNDATION

Library Endowed Fund

HOMER FOUNDATION

(BACK OF THE NAPKIN)

- Since 1991
- Independent and locally governed
- Grants
- Scholarships
- Professional fund management
- Currently \$6.7M Total Assets
- FY24 Projected \$390,000 given out

Flexible Types of Funds

- Endowed & Non endowed
- Agency
- Donor Advised
- Field of Interest/Scholarship
- Pass through
- Fiscal Sponsorship

LIBRARY ENDOWED FUND (PURPOSE)

FIELD OF INTEREST FUND

Special Instructions: *(From the Fund Agreement)*

The City of Homer Library Advisory Board will advise the City Council on how to spend the Library Endowment Fund Revenue according to the following guidelines:

- a. Purchase of materials for inclusion in the library's collection
- b. Purchase or upgrading of library equipment
- c. Improvements or repairs to library facilities and services.

FUND GROWTH

- Established 2020
- \$10,000 City of Homer Library Funds
- Donations/Market Growth
 - Challenge Match
 - 12 Quarter Rolling Average
 - Spendable Amount (previously ATS) 4% each July 1st
- Currently \$59,669.14 including \$4,142.85 of spendable balance

WAYS TO GROW THE FUND

(SUBJECT TO CITY GUIDELINES)

LAB Opportunities

- Traditional Events
- Traditional “asks”
- Challenge Match
- QCD/RMD
- Bequest Gifts

Foundation Technical Assistance

- Brainstorming
- Speakers
- Unique Donation Portal
- QR Codes
- Envelopes

BEST SOURCES FOR NEW BEQUEST GIFTS AND NEW FUNDS?

Recent non-scientific survey with 67 community foundations responding.

- #1 Current Fund Donors
- #2 Referrals by professional advisors
 - CPAs
 - Professional Financial Planners
 - Estate attorneys
- #3 Website/Online
- #4 Other

WHY IS THIS A TOPIC OF INTEREST?

Intergenerational Wealth Shift

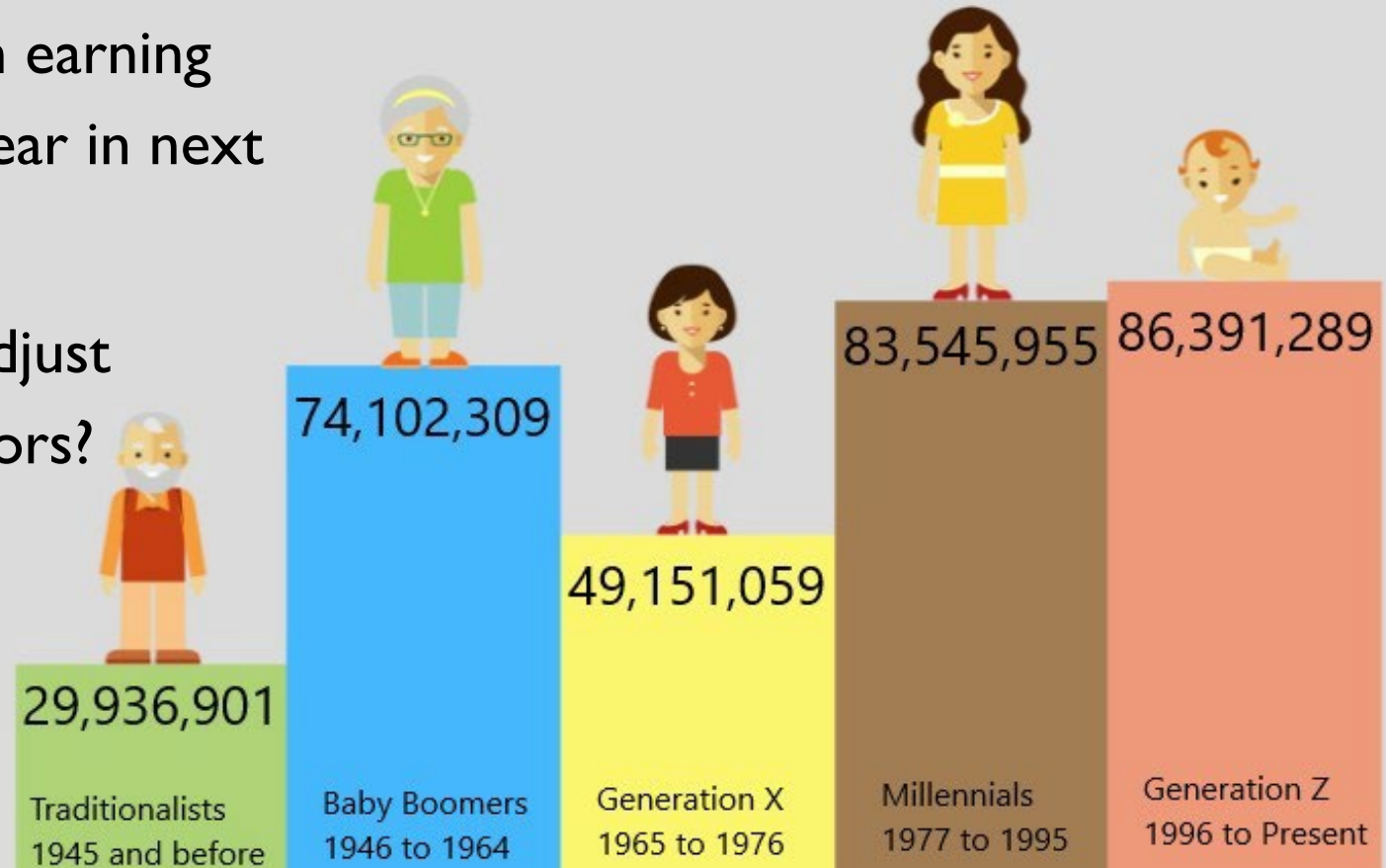
- Forbes Magazine: 2019

“The Greatest Wealth Transfer In History: What’s Happening And What Are The Implications”

- 2020-2040
- Baby Boomers, the generation of people born between 1944 and 1964, expected to transfer \$30 trillion in wealth to younger generations.

THE DONOR GAP

- Roughly 1/3 of the high earning donor base will disappear in next 15-20 years
- How will nonprofits adjust to having 1/3 less donors?
- Will take 15-20 years to recover.



WHO/WHEN: PLANNING FOR A GIFT

- Represents 10% of total giving
- Your current donors are the BEST source
- Women are more likely
- 80% making a bequest commitment are over 44 years old
- Average bequest is \$70,000
- Life events lead people to finalize estate plans

TYPES OF GIFTS

- Insurance Policies/Bank Accounts
- IRAs
- Valuable PP
- Property

WHAT ARE THE BENEFITS OF MAKING A BEQUEST GIFT?

- Control: You decide what to give and to whom.
- Charitable bequests come with tax benefits for the estate.
- Life insurance bequests offer tax benefits while living.
- You can help future generations
- You create your legacy

A SIMPLE PLAN

- Strength in numbers/collaboration
- Annual General Letter
- Newsletter
- Targeted Letter
- Targeted Personal Asks

SIMPLE LANGUAGE

Will/Trust

- I bequeath _____
(describe dollar amount, property to be given,
or portion of residuary estate) to the Homer
Foundation (EIN #92-0139183), a tax exempt
organization under IRC Section 501 (c)(3), to
be added to the Library Endowed Fund a
component fund of the Homer Foundation, and
I direct that this bequest become part of this
Fund.

Pay on death Beneficiary:

- Homer Foundation (EIN #92-
0139183), Library Endowed Fund

Questions & Comments?

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