

# The Century Connection

A Planned Giving Newsletter From Bishop Gadsden



Fall 2010

## Generous and Secure: Give a Gift that Pays You Income

*Finding ways to support charitable organizations we hold close to our hearts adds a certain meaning to our lives no other experience can. But the fluctuations of the economy in the past few years may have caused you to think twice about your ability to make a significant difference. Fortunately, there are several methods of giving that allow you to give back while also receiving payments in return, allowing you to ease your worries.*

Look over the following financial vehicles that can reduce your taxes, add to your income and help you support Bishop Gadsden, or another charitable organization. Take note, all of the following gift vehicles can be funded with cash or marketable securities. Thus, you don't necessarily have to worry about feeling the affects of giving straight-out-of-pocket.

### Charitable Gift Annuity

When you agree to make an irrevocable donation to Bishop Gadsden, we'll make immediate, fixed payments to you and one other person, if you choose, for life. What is left of your gift after your lifetime helps support our mission.

### Deferred Charitable Gift Annuity

When you set up a gift annuity today and put off the beginning date of your payments, you can increase the rate you receive at a future time that you choose. Plus, you still receive an immediate tax deduction.

### Charitable Remainder Annuity Trust

You can receive fixed income for the rest of your life from a trust you create. After the trust term is up, the remaining portion of the gift helps



build the Guerry Endowment. In addition, you'll reduce or eliminate taxes.

### Charitable Remainder Unitrust

You create a trust and choose the percentage of the trust assets you would like to receive. Your payments, usually distributed annually, will continue for the rest of your life or a fixed period of time up to 20 years. The amount of income varies each year based on the annual value of the trust.



### Calculate Your Benefits—Immediately!

Visit [www.bishopgadsden.org/giving/planned\\_giving.html](http://www.bishopgadsden.org/giving/planned_giving.html) to punch the numbers and see how you can benefit from these gift options.

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# Helping Others by Becoming a Member of the Century Society

*When it comes to supporting our long term future, the charitable gift annuity (CGA) is one method favored by many of our donors. When you set up a CGA with Bishop Gadsden, we'll provide you with lifetime payments that remain constant even with a fluctuating stock market. This offers you the opportunity to supplement your retirement income and continue to make a difference at Bishop Gadsden and the Guerry Endowment for Resident Assistance.*

All who set up a CGA with Bishop Gadsden become members of our Century Society, which was established in 1997 by the Bishop Gadsden Board of Trustees. Membership in this organization is obtained by thoughtfully establishing a planned gift, such as a CGA, or by naming Bishop Gadsden as a beneficiary in your estate plan. Individuals and families who have informed Bishop Gadsden of their future giving plans and those whose gifts have been received, become members of the Century Society. Membership in the Century Society is a perpetual honor.

## How Does a Charitable Gift Annuity Work?

A CGA is a simple contract between you and Bishop Gadsden (aka the Episcopal Church Home). You make a donation using cash or marketable securities, and we, in turn, pay you a fixed amount for life. With this type

of gift, you can feel secure knowing you can count on receiving stable payments for as long as you live.

Your age when the payments begin and the amount of your donation determine the size of your payment. The older you are, the higher your fixed rate. You receive payments for life, and, if you choose, can have the payments continue for the life of another person. After that, the remaining funds are used to build the Guerry Endowment for our Resident Assistance Program.

## Your Tax Benefits

Gift annuities offer additional benefits besides secure and stable payments. You can also receive an income tax deduction for a portion of your gift in the year you set up your CGA.

## For More Information

You can request a free, personalized calculation of how a gift annuity could benefit you and Bishop Gadsden by taking one of these actions:

- Contact Kimberly Farfone, Director of Development and Public Relations, at (843) 406-6334 or by e-mail at [kimberly.farfone@bishopgadsden.org](mailto:kimberly.farfone@bishopgadsden.org).
- Return the enclosed reply card.
- Use our online gift calculator at [www.bishopgadsden.org/giving/planned\\_giving.html](http://www.bishopgadsden.org/giving/planned_giving.html).

## Charitable Gift Annuity



You

Create a gift annuity with Bishop Gadsden

1

- Receive income tax deduction
- Receive fixed payments for life

2

Bishop Gadsden

Charitable Gift Annuity

3

Remainder to Bishop Gadsden after your lifetime



## Gift Annuity Case Study

Roger and Karen are both 75 years old and have watched their 401(k)s lose value. To secure their retirement income, they decide to create a CGA with Bishop Gadsden. In this way, they can make the \$30,000 cash gift they've always wanted and, in exchange, they will receive \$1,710 each year for as long as either one is living. Unlike most pension income, their gift annuity payments do not stop at the death of the first spouse.

In addition, approximately \$1,195 of each payment is income tax-free to them. (After 16 years, when they reach their combined life expectancy, the entire gift annuity payment then becomes taxable as ordinary income.)

They can also deduct approximately \$10,872\* as an income tax deduction when they itemize on their tax return. Roger and Karen are happy with their choice of a CGA—they are able to make a meaningful charitable gift to Bishop Gadsden's Guerry Endowment, benefiting our Resident Assistance Program, and they also become members of the Century Society.

\*Based on annual payments and a 3.4 percent charitable midterm federal rate.

## 4 Easy Steps To Creating a Charitable Gift Annuity

### Step 1 Finalize Your Charitable Goals

Think about your goals for your future and then determine what you wish to support. You may either specify your gift to benefit a particular program or leave the gift unrestricted, allowing our governing board to use your gift for our most pressing needs.

### Step 2 Determine Which Asset to Donate

You can fund your gift annuity with cash, or you can use stocks, bonds or another asset—it doesn't have to be straight-out-of-pocket. When making your decision, consider your asset's fair market value and cost basis. Also, compare the asset's income to the proposed gift annuity payments.

### Step 3 State Who Should Receive the Payments

Gift annuities make lifetime payments you can never outlive. You can also provide payments for another individual—typically your spouse, but could also be a parent, adult child, family member or friend.

### Step 4 Decide Your Payment Date

Your payments may begin immediately, or you can defer your payments into the future, such as five or ten years from now. Deferring your payments benefits you by increasing your annual payout as well as your income tax deduction. You must also decide if you want to receive your payments quarterly, semiannually or annually.

## Make a Gift and Reap the Benefits

Through a charitable gift annuity, you'll support Bishop Gadsden, receive fixed payments for life and obtain a sizable income tax deduction—all without having to deal with investment worries or responsibilities. To learn more, send for our FREE guide, *Feel Secure in Your Retirement Years*, by returning the enclosed reply card.

Feel Secure  
In Your Retirement Years

## A Growing Fund—The Guerry Endowment

*The Guerry Endowment was created as an opportunity to sustain our ministry of Residents' Assistance.*

It is a separate fund designed to function in perpetuity, making it possible to provide financial support to residents who, through no fault of their own, run out of funds, or who meet all the requirements for residency at Bishop Gadsden, except financial. The principal amount of the Guerry Endowment, which is restricted and cannot be spent, is invested in a manner that creates a steady return. The interest on this fund supplements our annual funds raised and is used to meet our ongoing residents' assistance needs.

The amount of the Guerry Endowment is presently \$1.4 million. Because of the importance of this fund, the goal is to significantly grow it to \$5 million. You can help us achieve this ambitious goal in several ways: By giving directly to the endowment, setting up a charitable gift annuity, or designating a bequest in your estate plans to go directly to the Guerry Endowment. Please know that when you give to the Guerry Endowment you are supporting our Residents' Assistance Program, the heart and soul of our ministry here at Bishop Gadsden, both now and for the future!

If you choose to give to the Guerry Endowment through your estate, you

will be honored by being included in Bishop Gadsden's Century Society. Society members are recognized at our annual donor function. If you have included Bishop Gadsden in your estate plans and have not informed us, please do so in order that we may properly recognize you as a Century Society member. If you have not, I hope you will please consider joining a growing number of your generous fellow residents by doing so. Our charitable mission is critical to the continued success of Bishop Gadsden.

## Thank You!

Your generosity supports our Guerry Endowment, benefiting our important Residents' Assistance Program.

*Because of people like you, our charitable vision and mission are possible. We truly appreciate your thoughtfulness and want you to know that no matter the size of your gift, you're making a big difference.*

With the help of recent gifts, in the past three months, we have been able to:

- Ensure that three residents are able to stay at Bishop Gadsden through the support of our Resident Assistance Program.
- Welcome two new members to our Century Society.
- Set up an additional gift annuity for a resident who already had one CGA with Bishop Gadsden.

*"This is great. Everyone should be aware of Bishop Gadsden's Gift Annuity Program. It is a win-win for myself and for BG."*

—2010 Century Society member

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### Our Mission

*Bishop Gadsden, a Life Care Retirement Community, embraces God's call to ministry.*

*We affirm positive living for all who live and work here.*

*We serve with integrity.*

*We exercise wise stewardship.*

*We reach out with a generous spirit.*

