

# COMMUNITY VOICES, COMMUNITY CONNECTIONS

Fall/Winter 2021



## Your charitable giving can do exponentially more through GTCF

In this edition of Community Voices, Community Connections, you'll discover people, information, and perspectives that can make a difference in our community right now. From income-generating philanthropic tools to equity-focused philanthropy, from the power of face-to-face conversations to the value of non-cash assets, we hope you'll be inspired to discover all the ways you can help Pierce County thrive.

One exciting new insight comes from GTCF's recent Transfer of Wealth study. Data reveal that in the next decade \$48.6 billion will be transferring generations in Pierce County. Over 50 years, that number will be \$482 billion. Imagine the positive impact on Pierce County if even a small percentage of this generational wealth transfer was invested back into the community.

GTCF partners with professional advisors to offer Legacy Planning services to clients, free of charge. Fund Advisors benefit from GTCF's Philanthropic Advising as well. We also support nonprofits with endowments and receiving complex gifts from dedicated donors.

You can entrust your assets to GTCF to support the community in many ways. Through one-time gifts or endowments which provide support forever, you can:

- Give to your favorite nonprofits through GTCF.
- Support specific issues like the Environment or Opportunities for Women and Girls.
- Amplify impact through GTCF's trusted role as community connector, catalyst and knowledge hub.

Reach out to GTCF's Philanthropy Team for advising and resources to help your generosity fulfill its greatest potential, now and for generations to come.



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# Complex Gifts Can Simply Transform Communities

*The late Marydale Brooks, pictured here in 2016*

*“Sometimes the most important stuff is not all about the money.” – Marydale Brooks*

The late Marydale Brooks believed the “important stuff” happened “when everyone starts pitching in with their talents, resources, or pure grunt work to get the job done.” A longtime Buckley resident, she was unassuming in her demeanor, community-minded, and collaborative in her giving.

According to Evelyn Ryberg, GTCF’s Senior Director of Philanthropic Services, Marydale was a devoted philanthropist who started early. She knew her community well and was purposeful about “layering” her giving. “She started with cash available and eventually involved securities,” Evelyn says. “As her estate planning evolved, she began to include gifts of real estate.”

Marydale’s “complex assets” in real estate became

“complex gifts,” allowing her to establish the White River Hometowns Fund through GTCF.

“Understanding what assets beyond cash can do is an eye opener,” Evelyn says. Complex gifts might include real estate, closely held or restricted stock, intellectual property or royalties, insurance, virtual currency, privately held interests, business interests, artwork, and valuable collections.

Even though such complex non-liquid assets make up the bulk of most of people’s wealth, they don’t always pop into donors’ minds when charitable goals are considered, Evelyn says. GTCF’s Complex Gifts Committee works with donors and their professional advisors to manage such transactions. The committee also can help donors make gifts to the nonprofits they support who may not have the expertise to accept such gifts on their own.



## *“Understanding what assets beyond cash can do is an eye opener.” – Evelyn Ryberg*

“Complex gifts can reduce or eliminate estate taxes,” Evelyn says. “And they can open some amazing doors toward greater philanthropic impact.”

*The community—true to Marydale’s “important stuff” logic—has pitched in.*

The impact of Marydale’s philanthropic giving has been a catalyst for her community. She’d be thrilled, for example, to hear Buckley residents Jan and Gary Burley talk about the weekend food program her fund helps make possible.

In 2011, the Burley’s church, Community Presbyterian in Buckley, began sending food home on weekends with students whose families were in need. Before COVID-19,



they delivered 115 meals each week. Today, they purchase, package, and deliver weekend meals to 258 children in White River School District, thanks in part to a grant from Marydale Brook’s White River Hometowns Fund.

The community—true to Marydale’s “important stuff” logic—has pitched in. Gary and Jan, who have served as coordinators of the program for six years, say, “It takes a village.” In their community—where there is no grocery store or pharmacy and social services are thin—individuals, businesses, schools, PTAs and other churches provide everything from food

donations and collection to finances, deliveries, and administrative support.

It can come as a surprise that you don’t have to be wealthy to make a huge impact

“Nobody wants to think of a hungry child spending a weekend with no food,” Gary says, recounting the times fellow shoppers, eyeing their overflowing carts of food, start asking questions and end up pulling out their wallets. He and Jan can tell dozens of stories of community members—many of whose friends or family have taken advantage of the program—who get involved. Their float in the Buckley Log Show parade compelled the owners of the Firehouse Pub to hold a fundraiser. The Hops N’ Drops in town makes a donation from every kids’ menu purchase. “It’s like a snowball effect,” Marydale once said of the way her community pitches in.

Marydale Brooks was special to her community. She lived simply and found joy in sharing her resources with the people and places she loved.

*“It can come as a surprise,” Evelyn Ryberg says, “that you don’t have to be wealthy to make a huge impact. You may be able to attain a new level of giving by widening the scope to include assets you’d never considered before.”*

The Burleys and the weekend food program are proof of the catalyzing power of giving. They remember one child, pre-COVID, who met them at the door of the school as they were making a delivery. “Oh boy, thank you so much!” he said. “You have no idea how much this has not only helped me, but also helped my family.”

“It makes you want to do more,” Gary says. Which is exactly the “important stuff” Marydale had in mind.



GTCF

# COMPLEX GIFTS

## What are Complex Gifts?

CHARITABLE CONTRIBUTIONS OF ASSETS OTHER THAN CASH AND MARKETABLE SECURITIES



Closely Held C-Corp  
or S-Corp Stock



Partnership or  
LLC Interests



Life Insurance



Real Estate, including  
Retained Life Estates



Art and Collectibles



Promissory Notes



Intellectual Property  
and Royalties



Cryptocurrency

## GTCF Helps You Maximize Your Philanthropic Impact

Complex gifts are a creative way to make large contributions with benefits for donors, nonprofits, and the community. Because non-cash or illiquid assets are involved, they take careful planning to execute. Greater Tacoma Community Foundation (GTCF) has the expertise to transform these assets into philanthropic gifts.

Most people discover their opportunity to make a complex gift when they establish their estate plan, prepare for a business transition, sell real estate, or encounter a significant taxable event.\*

Complex gifts can be used to make a philanthropic impact through a variety of gifting vehicles. Gifts can be structured in order to provide the maximum benefits to nonprofits and to donors. Gifts can be contributed through a Donor-Advised Fund, Charitable Lead Trust or Charitable Remainder Trust.

GTCF also supports nonprofits that may not have the expertise, time, or capacity to accept complex gifts, allowing them to capture more assets for their organization.

## What are the benefits of complex gifts?

- Donors receive the maximum tax deduction allowed by law.
- Because the non-cash assets are sold by GTCF, donors generally do not encounter capital gains taxes. As a result, there are more resources to give to charity.
- Donors without liquidity can use illiquid assets for their charitable giving.
- Donors potentially reduce or eliminate estate taxes.
- Creating a donor-advised fund in as little as one transaction enables donors to provide immediate and ongoing support to multiple charities or causes.

## How GTCF accepts Complex Gifts

### WE HELP YOU EVERY STEP OF THE WAY

- GTCF's staff has the expertise to accept complex gifts.
- GTCF's Complex Gift Acceptance Committee, made up of financial professionals, approves and navigates complex gift acceptance.
- GTCF works with donors and their professional advisors to ensure that complex gifts align with financial goals.

### CONSIDERATIONS

- GTCF conducts thorough due diligence prior to acceptance of complex gifts.
- All transfers of assets are irrevocable.
- Subsequent sales of assets must not be prearranged.

- Recent qualified appraisals are required for all gifts other than cash or publicly traded securities in excess of \$5,000.

- Independent reports, surveys, or evaluations may be required depending on the asset.

- In most cases, our policy is to liquidate the asset as quickly as possible.

### SET UP AN ENDOWMENT

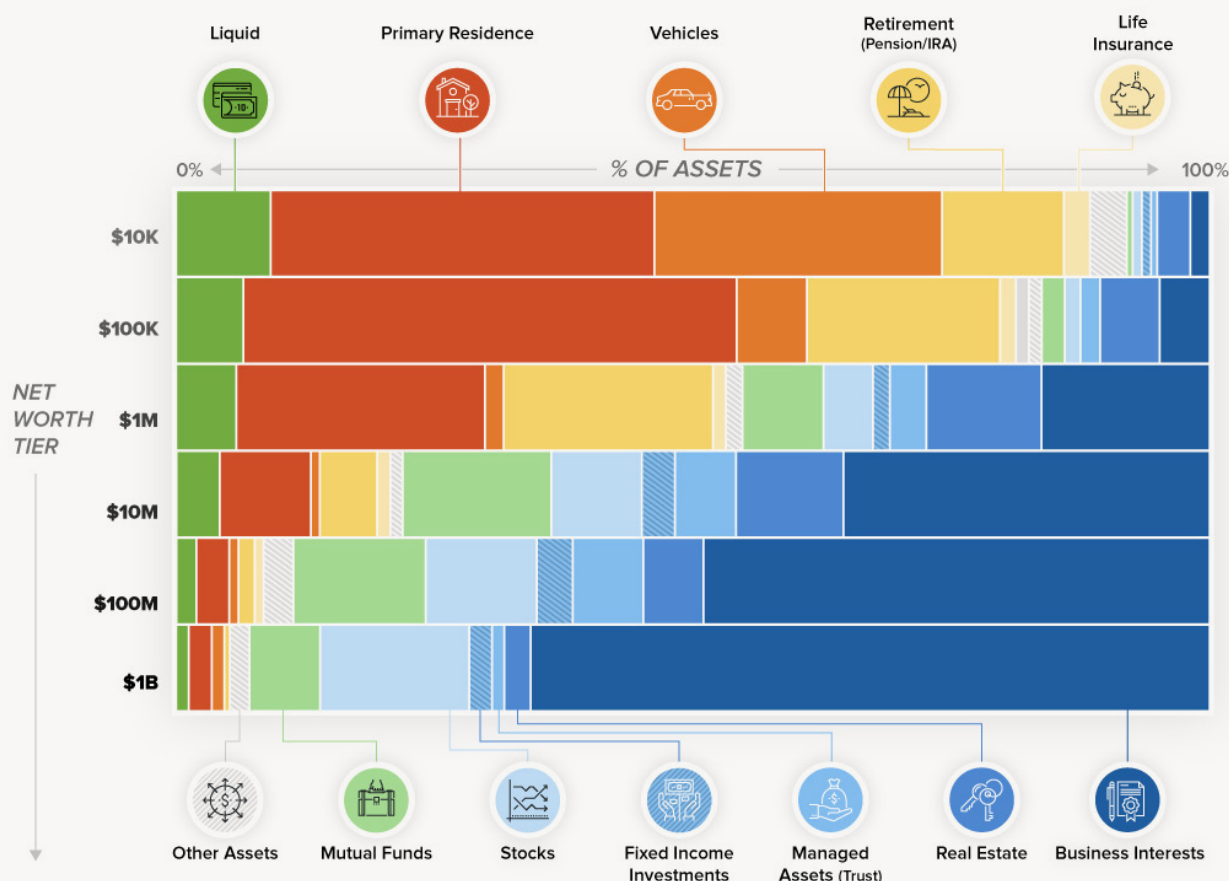
GTCF can establish an endowed fund with complex gifts that can support your favorite nonprofits in perpetuity.

Endowment funds at GTCF are carefully monitored by objective, well-established professionals who understand how to steward, protect, and manage assets.

*\*Note: Greater Tacoma Community Foundation and its staff do not provide legal, tax or financial advice. Donors should seek their own legal, tax, and financial advice in connection with gift and planning matters.*

## What Assets Make Up Wealth

### A LOOK AT ASSET DISTRIBUTIONS BASED ON NET WORTH TIERS







# A Face-to-Face, Family-to-Family, Friend-to-Friend Approach to COVID-19 In Pierce County

*TPCHD Trusted Messenger Dianna Sullivan is director of family support for Boys & Girls Club of South Puget Sound. She lives in Midland, where her kids attend Franklin Pierce School District.*

The Tacoma-Pierce County Health Department held a vaccination clinic on Key Peninsula a couple weeks ago where they vaccinated eighteen people and saw that as a success.

*She asked many questions and got good information and then made her decision when she felt like it was an informed one for her.*

"In the beginning you expected to vaccinate 300 or so people at each clinic, but that just isn't where we are now. It is a different situation and we and our partners are no longer working with the 'early adopters', but rather individuals with various perspectives and whom I believe are still on their 'vaccine' journey", says Marcy Boulet, the Community Liaison/Community Focus Coordinator for [Tacoma-Pierce County Health Department](#) (TPCHD).

"I know a woman who just got vaccinated the other day with quite a bit of hesitancy after an eight-to-nine-month journey of considering her options. She felt like the vaccine was rushed. She wanted to wait for FDA approval. She asked many questions and got good information and then made her decision when she felt like it was an informed one for her."

*I think it is important not to lump all of those who are vaccine hesitant into the same bucket.*

Marcy believes this woman represents a lot of people in our community: people who are not fundamentally against vaccination but who believe personal choice is very important, people who want to make that choice in their own time and through their own process, people who have concerns about the vaccines for whatever reason.

"I have even heard from several people of instances where individuals have gotten vaccinated but did not tell their families for fear of the backlash," says Marcy. She emphasizes that people need good, straightforward, and scientific information, sometimes many times over. She adds that it makes a difference to listen carefully and empathetically to people's concerns, "I think it is important not to lump all of those who are vaccine hesitant into the same bucket."

*Also shift our focus to eliminating the inequities that many communities experienced pre-COVID, that were only exacerbated with the pandemic.*

For this reason, as well as the overall impact of the pandemic on communities, many public health workers, health care professionals, and community-based leaders are advocating for an “overall health” approach in areas of Pierce County where vaccination rates are much lower.

“We have spent the last 18 months almost solely focused on COVID care, testing and vaccination,” said Sarah Dryfoos-Guss of [MultiCare](#). “And we’re at a point now where we need to continue to offer vaccination opportunities, but also shift our focus to eliminating the inequities that many communities experienced pre-COVID, that were only exacerbated with the pandemic.”

*We need to stay the course with vaccine opportunities but perhaps not lead with it.*

[The Prairie Ridge Community Coalition](#) and [White River Families First](#) support the health and human service needs of individuals, youth and families in their area. Coordinator Mary Beth Holmes says, “This issue is just so divisive in our communities. Many advocates for vaccination have faced really nasty backlash. We need to get back to being for and with all members of the community by not solely focusing on vaccination.”

Mary Beth believes COVID-19 vaccination is an essential part of overall health in our communities, but now, “it is time for us to make vaccine education and outreach ‘one’ aspect of our approach and to pair it with other health, social, and educational services. We need to stay the course with vaccine opportunities but perhaps not lead with it.”

*The best strategy is face-to-face. People who know one another. Family-to-family and friend-to-friend.*

Many community-based groups are organizing ‘casual and connected’ events that do not center on vaccines but bring more holistic services and information. The events celebrate back-to-school, community moments, and moments with an overall community health focus. And if people want to get vaccinated while they’re there, they can.

[The Children’s Home Society of WA on the Key Peninsula](#) offers its community tools to raise healthy, happy children. Key Peninsula Family Resource Center supervisor Gina Cabbidu says, “We need to continue to

find the right spokespeople in these communities who are trusted and share the same values and perspectives of our community members. Why did they choose vaccination? It is their message and perspective that has the best chance of connecting with others.”

Beth Ann Johnson of the [North Pierce County Community Coalition](#) agrees. The coalition mobilizes people and resources to promote the health and well-being of youth and families in the Fife, Milton, and Edgewood communities. Beth Ann discovered, “The best strategy is face-to-face. People who know one another. Family-to-family and friend-to-friend.”

*The whole reason we are doing this work is that we care about our neighbors, and we want to all live in a healthy community.*

In the peer-to-peer spirit, MultiCare created a [Vaccine Ambassadors Program](#). TPCHD is doing something similar with their [Trusted Messengers](#) campaign.

Mary Beth Holmes sums up a motivation shared by most organizations working in Pierce County, “The whole reason we are doing this work is that we care about our neighbors, and we want to all live in a healthy community. We have to find some common ground and deal with this reality that has turned all of our lives upside down. A good way to do that is to build trust by acknowledging and addressing other needs and concerns beyond COVID.”

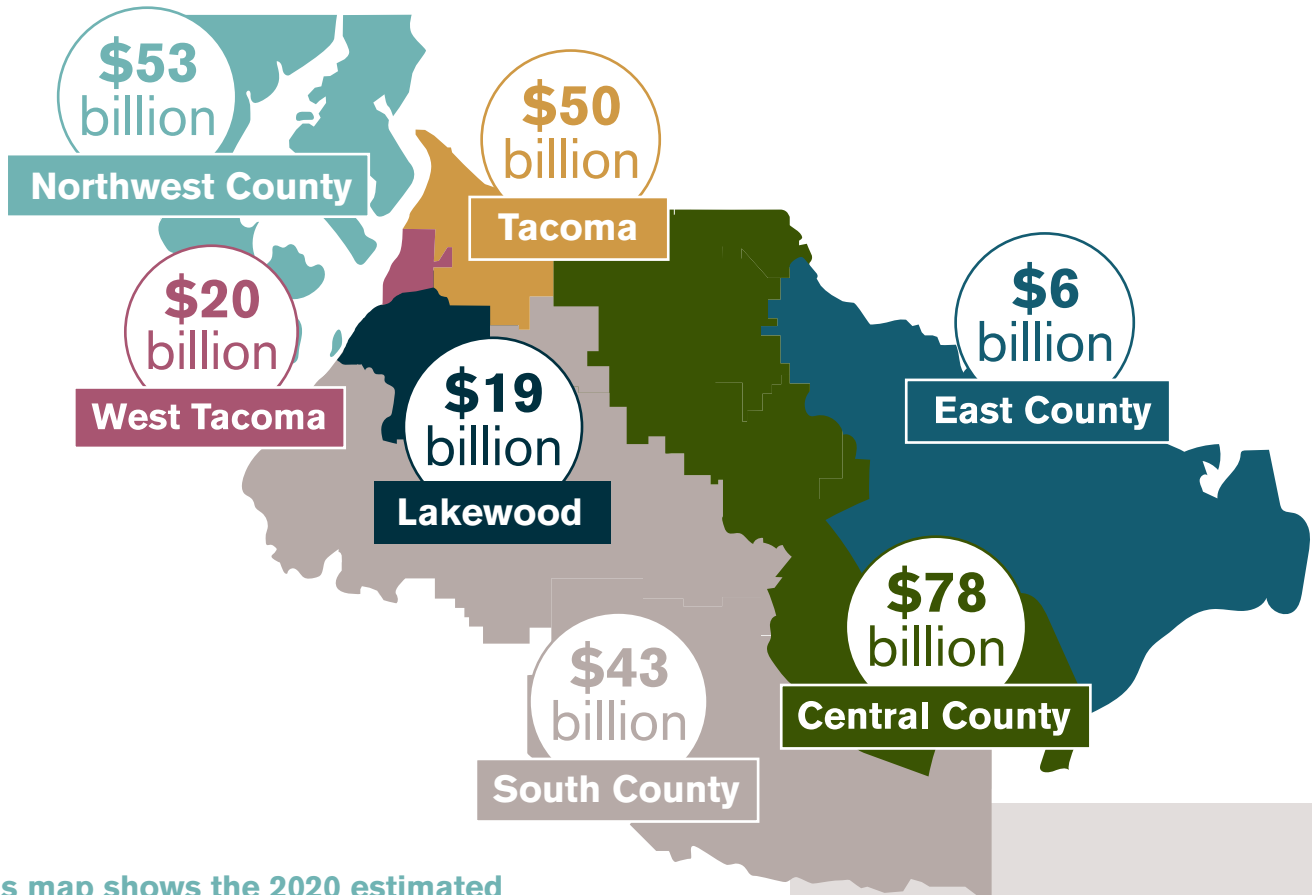
While the COVID-19 pandemic continues to affect large numbers of Pierce County neighbors, Marcy Boulet asks us to stay positive and to remember, “We have made great progress. We need to take a moment to appreciate our work, our resiliency, and one another. While we do that, we need to continue to explore both community, overall health, and solution-focused strategies. I think we can do all of that at the same time.”

**Greater Tacoma Community Foundation's PIERCE COUNTY CONNECTED fund distributed \$705,000 to 38 local organizations, including all those quoted in this story, to support accurate, culturally relevant COVID-19 vaccine information and access supports.**



# A Wealth of Opportunity

## GTCF Transfer of Wealth Report



This map shows the 2020 estimated net worth for seven regions of Pierce County, covering 57 zip codes.

- Northwest County: Gig Harbor, Fox Island, Key Peninsula
- Lakewood, Steilacoom
- South County: DuPont, JBLM, Anderson Island, Spanaway, Graham, Eatonville
- West Tacoma: University Place, Fircrest, Chambers Bay
- Tacoma
- Central County: Puyallup, South Hill, Lake Tapps, Bonney Lake
- East County: Buckley, Sumner, Carbonado

According to GTCF's 2020 Pierce County Transfer of Wealth Report, current household net worth is \$269 billion. This is the total value of assets in Pierce County –homes, businesses, investments. Over the next 10 years, \$48.6 billion of those assets will be transferring from estates to the next generation. \$482 billion is expected to transfer over the next 50 years.

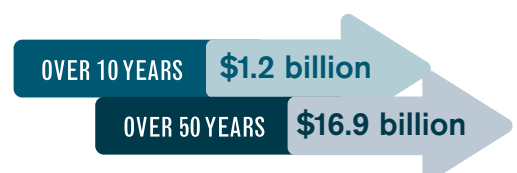
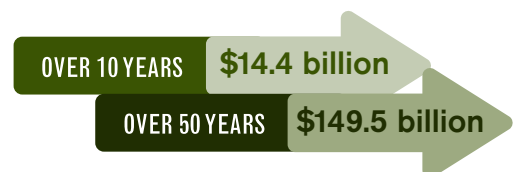
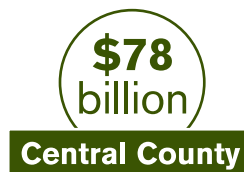
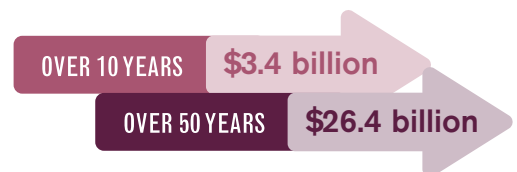
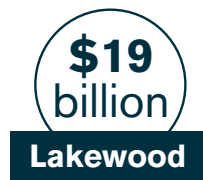
Visit [GTCF.org](https://www.gtcf.org) to read the full study and report.

# Pierce County 10-Year & 50-Year Transfer of Wealth

Looking across Pierce County, you can see some areas have greater wealth than others.

When wealth transfers from one generation to the next, there is an opportunity to address this growing wealth inequality.

Individual legacy giving, along with cross-community efforts by nonprofits, foundations, and others can provide catalytic philanthropic investment that fuel community transformation and help realize human potential.







# Why Giving Matters

Pierce County is a great place to live. More and more people are moving here to enjoy the quality of life, the natural beauty, and the diverse cultural and business opportunities.

What we are currently experiencing is a product of previous generations investing in the community. Investment in schools, housing, the environment, arts, museums, businesses, hospitals, and much more gave us the infrastructure and amenities we enjoy today.

When individuals and families of all means from across Pierce County invest in the future, our children, grand-children, and generations to come benefit from our long-range vision and generosity.

## DONOR ACTION

Talk to your professional advisor or a GTCF philanthropic advisor about including your community in your estate plans.

Consider leaving at least 10 percent of your estate to a charitable organization or cause you care about.

Consider donating to an endowment at your favorite nonprofit or creating a designated fund at GTCF that supports the causes you care about.

Establish a donor-advised fund as an alternative to a private foundation and incorporate the fund into your estate plans.



Repainting the letter "A" in the Parkland mural after it was damaged, Friday, Aug. 17, 2018. (Photo: PLU/John Froschauer)

## Toward Transformation: Equity-Centric Philanthropy In The Pacific Northwest

For the first time in her professional career, Elena Pullen-Venema can say that her personal racial equity values and those of her employer are coming into alignment.

Elena, who's been with the [Community Foundation of Snohomish County](#) since 2012 and now serves as Director of Gift Planning there, says the foundation began "deep-dive" equity discussions as a staff a few years ago. As Director of Gift Planning, Elena's work with professional advisors has grown to incorporate the Community Foundation's expanding commitment to racial equity. Creating equity-focused resources and opportunities for professional advisors and their clients has been one of Elena's top priorities in her work with financial advisors, attorneys, and CPAs. Her webinar, "Legacy with Impact: Using a Social and Racial Justice Framework in Estate Planning" as well as her podcast "Looking Forward. Giving Back." are playing important roles as she continues to build resources and respond to a growing awareness about racial and social equity in the community.

*We're asking how our mission of 'educating students for lives of thoughtful inquiry, service, leadership, and care' shows up for diversity, justice, and sustainability.*

Elena was part of a panel discussion with [Pacific Lutheran University's](#) George Zeno and [Washington Women](#)

[Foundation's](#) Maria Kolby-Wolfe at the September 24 [South Sound Philanthropy Summit](#). The panelists shared how a focus on equity and social justice has changed the way they talk about and conduct their work, and how they need donors to come along.

Part of what drew George Zeno to PLU in late 2020 were the diversity, justice, and sustainability goals embedded within the university's 2000 strategic plan. Now PLU's Associate Vice President of Advancement, George is involved with the most recent reaffirmation of the strategic plan.

"What I really appreciate about what PLU is doing," George says, "is that we're asking how our mission of 'educating students for lives of thoughtful inquiry, service, leadership, and care' shows up for diversity, justice, and sustainability."

Building on a full generation of PLU's commitment to equity, George is now bringing donors further into the conversation: "On the front line, 'charity' is not sustainable," he says. "We need to work with donors to be more intentional about long-term outcomes."

*We need organizations, especially in this predominantly white state, to bring people together and convene with diplomacy, active listening, and empathy.*



For instance, “The short-term outcome of a scholarship program is that student debt is reduced,” he says. “Long-term, so much more potential is unlocked because of the way those students are now contributing as members of the community.”

George and his PLU colleagues see the South Sound community as an “amazing lab: shoreline, urban, suburban, rural, native, military and veteran, and other communities, families who’ve migrated here. What if all of PLU’s resources—students, scholarships, internships, capstone projects, faculty research, undergrad research—were all aligned toward diversity, justice, and sustainability in this community and beyond?”

In the same breath, George emphasizes the power of, “equity-centric design. When we’re designing things and not centering community voice in that design, we are using the supremacy of our imagination, making assumptions about the nuances of people’s lives that we don’t understand because we don’t share the same experiences.”

“We need organizations,” he continues, “especially in this predominantly white state, to bring people together and convene with diplomacy, active listening, and empathy.”

*When we changed our criteria, the number of organizations we funded that were led by women of color jumped by five times. We’re public with that.*

George urges his fellow fund development professionals to “build a prototype, test it out, and ask those people it will impact most how not to create harm. Then evaluate from their perspective and take their insights back to your next cycle before you just reload.”

Maria Kolby-Wolfe might call that type of thoughtful inquiry and alignment, “putting your mouth where your money is.” Maria is the President and CEO of [Washington Women’s Foundation](#), where staff and board believe in asking tough questions of themselves around equity and not shying away from the answers.

She relates one example of how digging deeper into equity has worked in her organization: “When we changed our granting criteria in 2018, we found that in the 23 years we’d been granting, despite our passion for organizations that address need in our community, we had somehow managed to grant to only two organizations run by and focused on women of color. We were Washington White Women’s Foundation. When we changed our criteria, the number of organizations we funded that were led by women of color jumped by five times. We’re public with that.”

Maria goes a step further: “We were funding things but didn’t wanna make any noise about it. If we wanted to get serious about transformation, we had to get serious about advocacy.”

Maria says she and her staff, board and members believe, “If you’re not willing to get close enough to the problem to know what the issue is, you’re still working within the old paradigm of philanthropy. We must get to a place where our dollars are changing the need for us to even exist. We can’t do that if we don’t look at it differently.”

That shift is particularly needed here in the Pacific Northwest, where one of the biggest obstacles to making change stick, Maria says, is the white liberal, “who is convinced that ‘Because I vote this way and give money to certain causes, my giving can’t possibly be biased.’”

*Come in humble.*

“But your giving is just the first step,” she says, and then she quotes Dr. Martin Luther King: “Philanthropy is commendable, but it must not cause the philanthropist to overlook the circumstances of economic injustice which make philanthropy necessary.”

“The work we do is hard, but it is also joyful and honorable,” Maria says, adding that the only way to bring lasting change to the world is by building strong communities and working collectively. This is the advice she subscribes to, “Come in humble.”

*This work is all about growing trust and building relationships.*

Back at the Community Foundation of Snohomish County, a deeper collective understanding of and commitment to racial equity is changing how CFSC sees its role in the community.

That makes Elena’s job as liaison to professional advisors more satisfying and impactful than ever. “I now feel more comfortable vocalizing my bi-racial identity and commitment to racial equity, and it’s resulted in some really meaningful relationships,” she says. “And this work is all about growing trust and building relationships.”

She now routinely has conversations with advisors about their commitment to racial justice and related estate planning options for their clients. She has developed a reflective, resource-packed worksheet for professional advisors, and hosts a monthly podcast, [Looking Forward, Giving Back](#), for advisors and their clients. In the end, donors and fund advisors win, she says.

# CHARITABLE REMAINDER TRUSTS CAN GENERATE INCOME AND ACHIEVE PHILANTHROPIC IMPACT

## A CRT can be a good choice for those inheriting an IRA

- + In 2019, the SECURE Act made changes to the laws around retirement contributions and withdrawals, with significant alterations made to traditional IRA inheritance rules.
- + Prior to the SECURE Act, non-spouse beneficiaries could take required minimum distributions (RMDs) based on his or her own life expectancy, not the original owner. Now, RMDs must be taken within 10 years of the original IRA holder's death.
- + There are exceptions if the beneficiary is a surviving spouse, an eligible minor, or person less than ten years younger than the original IRA holder, disabled, or chronically ill.
- + A CRT allows for greater tax deferral and potentially more significant wealth accumulation in the account.

## What is a Charitable Remainder Trust (CRT)?

- + A CRT is a planned giving vehicle that provides immediate tax benefits and generates income for a term of up to 20 years or lifetime income for beneficiaries.
- + During the CRT term, the non-charitable beneficiary receives a percentage of the assets of the trust, a minimum of 5.0%, paid at least annually, but remains responsible for income taxes on each distribution.
- + CRTs must follow a number of rules which may limit their effectiveness as wealth transfer vehicles. Contact your financial advisor to evaluate all of your options.

## CRT SCENARIOS



ESTATE PLANNING



SALE OF BUSINESS



INHERITING AN IRA

*GTCF's Philanthropy Team can give you more detailed information about scenarios where a CRT can generate income while achieving your philanthropic impact.*



## Charitable Remainder Trust - How do they work?



### Who should consider a Charitable Remainder Trust?

Donors who want to generate income for themselves or loved ones, reduce taxes, and support the causes they care about the most. It could potentially be a good fit if the donor wishes to create a permanent fund through the trust.

### What are the benefits of a Charitable Remainder Trust?

- + You get the flexibility to choose income for life or a term of years, or both.
- + You can gift cash, real estate, securities, and other appreciated assets. The trust will sell your assets tax-free.
- + You have the potential to take a partial income tax charitable deduction when you fund the trust.
- + You can create income for yourself as well as for loved ones.
- + GTCF prepares Charitable Remainder Trust gift proposals and estimated deduction calculations for you and your advisor to review.

### How does a Charitable Remainder Trust Work?

- 1 Donor establishes a trust, and GTCF serves as trustee of transferred assets.
- 2 Donor and/or beneficiaries receive long-term income from the trust.
- 3 Upon the death of the beneficiaries, or termination of the trust, the remainder is used to establish an endowed, charitable fund which will benefit the donor's designated charity/charities in perpetuity.

### Learn More About Achieving Your Philanthropic Goals

GTCF's Philanthropy Team is skilled in advising fundholders on philanthropic strategies to achieve their goals.

Email [faservices@gtcf.org](mailto:faservices@gtcf.org)

Call 253.345.4174

Look inside to learn how legacy giving  
can transform the future of Pierce County

