

Our Golden Opportunity

Transfer of Wealth in Nevada

The TOW Analysis was funded by the following co-sponsors:



1885 South Arlington Avenue, Suite 103, Reno, NV 89509
Phone: 775-333-5499 • Chris Askin, Director
e-mail: caskin@cfwnv.org



300 South Fourth Street, Suite 1009, Las Vegas, NV 89101
Phone: 702-892-2326 • Chuck Salter, Acting President
e-mail: chuck@nevadacf.org



108 East Proctor Street, Carson City, NV 89701
Phone: 775-687-4325
Joe Locurto, Rural Economic Development Director
e-mail: jlocurto@bizopp.state.nv.us

Please contact any of these co-sponsors to learn more about Transfer of Wealth in Nevada, community foundations, affiliate programs and endowments to help preserve and improve the quality of life in your community.
www.wealthtransfernevada.com



The Transfer of Wealth (TOW) Proposition

In 1999, Boston College researchers conservatively estimated \$41 trillion of wealth in the U.S. would transfer from the current generation of families and individuals to heirs, charities and foundations before 2050. This is a staggering figure and points to the wealth Americans have created, invested and multiplied since World War II.

Intrigued by the Boston study, the Nebraska Community Foundation and the RUPRI Center for Rural Entrepreneurship examined the wealth transfer in their state and individual counties. The Nebraska TOW analysis quickly led to community, regional and statewide conversations that resulted in decisions to pursue endowment building for long-term and sustainable community development and enhancement. Their research findings created a heightened interest in this topic among a dozen more states... including Nevada.

Nevada launched its Transfer of Wealth Analysis in October 2007 and released the final report, *Wealth Transfer in Nevada* in April 2008. This knowledge will enable individuals to make informed decisions about charitable endowment building for long-term and sustainable community development and enhancement. The full report is available for downloading at: www.wealthtransfernevada.com.



Wealth Transfer is Happening Now

The World War II and Baby Boomer generations are already in the wealth transfer planning stages. Following tradition, most of this wealth transfer will go directly to their immediate heirs. But if these individuals are approached and those assets are cultivated now, they can be tied to Nevada communities in the future.

The Nevada TOW project has set a reasonable goal of converting 5 percent of local wealth transfer into charitable assets. These assets are endowed through community foundations and affiliate programs to fund future local development efforts.

This could serve as a powerful force in your hometown or adopted hometown in Nevada.





Just how powerful is TOW in Nevada?

- Nevada's Net Worth in 2005 is an estimated \$273.99 billion
- Nevada's 50-year TOW estimate is \$383.33 billion
- During the decade of 2005 to 2015, there will be an estimated \$32.47 billion TOW
- If just 5% of that decade's TOW were captured for endowments through community foundations, it would equal an estimated \$1.6 billion.
- Assuming a conservative 5% payout rate on the \$1.6 billion in endowed funds, an estimated \$81.17 million would be available annually for community betterment projects – statewide – forever.

How does charitable giving contribute to community betterment?

Those with a passion for the Silver State need to invest in its future. Planned charitable giving will help our Nevada communities survive, thrive and will improve the quality of life for today's generations and beyond. By utilizing the locally controlled, non-profit community foundation and affiliate program approach for charitable giving and endowment building, TOW funds are used to meet current priorities and prepare for tomorrow's challenges. The distribution of funds is determined by those who live and work in the communities and donors can establish flexible endowments or direct their funds to specific projects such as:

- Children's and school programs
- Family resource centers
- Entrepreneurial and small business development
- Art and cultural museums
- Parks and public open spaces
- Health and safety programs
- Community enhancement programs
- And many others

As you make financial plans for the future, consider your community as an heir. Your own heirs will thank you for it in years to come. For more information about how to help preserve and enhance the quality of life in Nevada, visit: www.wealthtransfernevada.com.

Frequently Asked Questions

What does Transfer of Wealth (TOW) mean to Nevada?

TOW that is captured and set aside into community endowments helps communities survive and thrive. Endowments channeled through community foundations help distribute funds to improve the quality of life for current and future generations. Funds are directed locally and are used for all kinds of community projects and ensure a better tomorrow for all Nevadans.

How do we know the wealth transfer numbers are right?

Simply put, we don't. The wealth transfer is a scenario, not a precise prediction. It tells us there will be a significant wealth transfer in Nevada. The RUPRI study uses the best data and analysis available and was continuously reviewed by a 16 member technical advisory committee of experts throughout Nevada. Remember, the wealth transfer scenario is based on conservative estimates for growth.

Do I have to give?

Giving is always a personal decision. If you feel passionately about the work of a community organization, we hope you will consider supporting that group now and/or in your will or estate plan. Charitable investments will help assure our communities and state offer the best living conditions possible. You can make a difference and help enhance the quality of life in your community. Talk about it with others.

Why give through Community Foundations?

Community Foundations are non-profit, local organizations with deep roots in the communities they serve. Governed by a voluntary board of directors and staffed by knowledgeable professionals, community foundations are an important mechanism that receive charitable funds from individuals and corporations and in turn makes grants to meet current and future community needs.

Where else has this research been done?

The Nebraska Center for Rural Entrepreneurship has completed this research in Nebraska, Wyoming, Wisconsin, Montana, Indiana, Ohio, Illinois, Michigan, South Dakota, Northeastern New York and parts of North Dakota. They are currently conducting and planning research in Pennsylvania and Kansas.



Who determines how the grants are awarded?

Those who live and work in Nevada's communities help determine where and how monies are spent. Donors also play a role in directing funds for specific community needs such as children's programs, small business development and others.

How can a community start a foundation?

Most of the communities in Nevada have yet to create charitable community foundations. In this case, communities might opt to establish an Affiliate program with an existing community foundation.

What are Affiliate programs?

Affiliates are local area advisory boards that are components of an existing community foundation and created through a working agreement. Affiliate boards are established to assess community needs and opportunities, to implement their own asset fund development, determine grant making and program priorities, encourage program partnerships and to initiate and sponsor activities and programs to enhance the community in their service area. Though many decisions are made locally, the existing community foundation handles administrative functions such as fund accounting, investment management, tax reporting, non-profit organization compliance and other affiliate support services. Funds generated through an affiliate program are only used by the affiliate program.

