

ST. PAUL'S

SENIOR LIVING COMMUNITY

A Legacy that Lasts ...



Frances Adams, who lived at The Colony from 1999 until her passing at the age of 90 in 2011, is still making a difference in the lives of the residents at St. Paul's today. In fact, her legacy will continue forever thanks to a planned gift she set up nearly two decades ago.

Frances grew up in Sheakleyville and graduated from Grove City College in 1941. She went on to have an illustrious 40 year career as an English and business teacher for the Hermitage School District. Frances was also active in the local community as a longtime member, deacon and trustee of the First Presbyterian Church in Greenville and a volunteer at UPMC Horizon.

In 2005, Frances established a Charitable Remainder Annuity Trust (CRAT) to benefit her four favorite charities - St. Paul's, Grove City College, First Presbyterian Church of Greenville and the United Presbyterian Church of Sheakleyville.

She used appreciated stock to start the trust, which helped her diversify her portfolio, avoid capital gains tax and claim a large charitable deduction. Each year, she received an income of 7% from the trust. After her passing, the remainder of the trust rolled into the Frances Adams Charitable Fund at the Community Foundation of Western PA and Eastern OH.

Today Frances' legacy gift provides annual support for the benevolent care fund at St. Paul's, which helps residents who exhaust their financial resources and cannot afford the cost of their care.

Would you like to make a lasting difference like Frances?

Please contact:

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Visit www.stpauls1867.org

**Check out the article
on the back to learn more about
charitable trusts like this!**

The Pros and Cons of Charitable Trusts

A charitable trust is a way to use your assets to benefit you, your heirs and your favorite charity at the same time. It can be set up during your lifetime or after, as part of your will. A charitable trust can be started with an outright gift of cash, real estate or appreciated securities.

CHARITABLE REMAINDER TRUST

Provides you or your designated beneficiary with an income from the trust for life or a designated term of years. After that, the remainder goes to the charities you choose like St. Paul's and your church.

There are two ways the income can be distributed - a fixed dollar amount from the trust each year or a fixed percentage of the principal each year.

CHARITABLE LEAD TRUST

Provides your favorite charities with an income from the trust for a designated number of years first. After that, the remainder returns to you as the donor or to the beneficiaries that you've designated, such as your children.

Like a charitable remainder trust, the annual income payments can be a set dollar amount or a set percentage of the principal.

PROS

- **Steady income** for you or your beneficiary
- **Financial support for your favorite charities** that can be counted on, even after your lifetime
- **Income tax deduction** for you in the year the trust is created, or spread out up to five years.
- **No capital gains tax** if you transfer appreciated stock to set up your trust.

Example: Jack owns stock worth \$100,000. He paid \$10,000 for it 20 years ago. If Jack sells the stock, he will owe capital gains tax on the \$90,000 profit. Instead Jack uses the stock to fund a charitable trust. He owes no capital gains tax AND he will receive an income for life!

- **No estate tax on the assets** that are in the charitable trust.

CONS

- **It's irrevocable** which means once you set it up, you can't change your mind and take your assets back. The only thing you can change is your beneficiaries.
- **You lose control and oversight of the assets** in the trust. However if you have a financial planner that you have confidence in, they can manage your trust for you.
- **There is a cost to set up** a charitable trust, depending on who does it for you. There is also typically a yearly management fee.

St. Paul's recommends that you speak to your financial planner and/or estate attorney to confirm if a charitable trust would be the right option for you and your unique financial situation.

St. Paul's offers FREE set-up of charitable trusts through our partners - the Community Foundation of Western PA & Eastern OH and the United Church Funds. The minimum gift to start a charitable trust is \$100,000. For more information, please contact Dawn Hartman, Director of Planned & Major Giving, at 724-589-4611 or dhartman@sp1867.org.