

# **PRATT COUNTY**

## **Intergenerational Transfer of Wealth**

- Statewide \$598 Billion expected to transfer by 2060
- Expected transfer of wealth in Pratt County by 2060 - **\$1,287,787,150**
- Expected transfer of wealth in Pratt County by 2020 - **\$234,216,730**
- Retaining 5% of the transfer leaves **\$11,710,837** in the county
- Estate Planning that includes charitable giving is the key to retaining assets in Pratt County
- Endowment funds retain it permanently for the benefit of Pratt County
- Endowment funds award 5% annually - **\$585,542** granted to Pratt County every year

## **Definition of Endowment Funds**

When donations are designated for an endowment fund, it means the donation is invested, (not spent), and the earnings are used to support charitable organizations or causes.

## **Reasons Donors like Endowment Funds at Community Foundations**

- When a donor has more than one charitable interest, they can make one gift to an endowment fund and name several organizations as recipients of a portion of the annual distribution.
- Endowment funds are expected to grow over time.
- Donors like endowments to be an arms-length away from the organization they want to benefit.
- Some organizations do not have the capability of handling complex charitable gifts (land, commodities, business interests).
- Some organizations do not understand the endowment (never spending the principal) concept.
- Most organizations do not have estate-planning expertise.
- Resources stay in the community