

THE 5% SOLUTION

For good...

For Missouri...

Forever.



COMMUNITY
FOUNDATION
of the OZARKS

Connecting passion to purpose.



PHOTO COURTESY SPRINGFIELD-GREENE COUNTY PARKS DEPARTMENT

Before she died in 2010, Kay Finnie enjoyed spending time with her grandchildren, including Warren and Reese. Her husband, Tom, established a Dogwood Grove at Nathanael Greene Park in southwest Springfield as a legacy to her love of the spring bloomers.



PHOTO COURTESY TOM FINNIE

By the numbers:

Estimates for how the transfer of wealth could impact both Missouri and the Ozarks region over the next 10 and 50 years.

	OZARKS	MISSOURI
2010 Current Net worth	\$162.03 billion	\$517 billion
10-year Transfer of Wealth	\$47.2 billion	\$134.9 billion
10-year capture of 5 percent	\$2.3 billion	\$6.7 billion
5 percent annual payout	\$118 million	\$337 million
50-year Transfer of Wealth	\$565.2 billion	\$1.5 trillion
50-year capture of 5 percent	\$28.2 billion	\$75.5 billion
5 percent annual payout	\$1.4 billion	\$3.8 billion

**THE
5%
SOLUTION**

*Transfer of Wealth
Translates to
Community Betterment.*

Thanks to the late Arthur Tesar’s decision to leave a portion of his estate for a scholarship fund, John Gray became the first member of his family to graduate from college.

Thanks to retired Springfield City Manager Tom Finnie’s decision to honor his late wife, Kay, visitors to Nathanael Greene Park in southwest Springfield will enjoy a grove of Kay’s favorite dogwood trees for many years to come.

Both men participated in a transfer of wealth, not just to their heirs or to the IRS, but to better their communities. Their contributions were highlighted with the CFO’s introduction of the statewide Transfer of Wealth study prepared for the Alliance of Missouri Community Foundations, thanks to a matching grant from the U.S. Department of Agriculture.

The nation as a whole is experiencing the largest intergenerational transfer of wealth in history, as members of the greatest generation and baby boomers decide how to leave the estates they built largely after America’s post-World War II boom.

Imagine taking the generous acts of people like Arthur Tesar and Tom Finnie and multiplying that by millions. That’s the impact the Transfer of Wealth Study could make for



John Gray, a recipient of the Arthur G. Tesar Scholarship, works as a credit-review specialist for U.S. Bank in downtown Springfield.

Missouri, if more residents subscribe to “The 5% Solution.” The theme urges Missourians to consider leaving 5 percent of their estates to charitable causes to benefit their communities, after they take care of their families and the IRS.

If Ozarkers did that, it could mean an additional \$118 million a year for charitable causes in 10 years; or a staggering \$1.4 billion a year in 50 years.

There are several reasons this study is so important at this point in time, CFO President Brian Fogle stresses in presentations about the transfer of wealth. Philanthropic funding takes on greater influence as traditional funding sources have decreased, particularly since the Great Recession. And demographics are changing: America is more mobile and more young adults choose to move away from their hometowns. Those children who

inherit the money may not choose to support their hometown churches or charities as their parents did.

“If we don’t use this historic opportunity to encourage the people who built our communities to help sustain them for the generations that follow, we stand to lose resources that will never be replaced,” Fogle says. “Keeping wealth achieved in the Ozarks for the future benefit of the Ozarks fits well with our culture of self reliance.”

And then there are the reasons like John

For more information:

To learn more about the transfer of wealth study, or review the actual study, visit: www.cfozarks.org/transferofwealth.

A short video on “The 5% Solution” is available at: <http://vimeo.com/cfozarks>

Anyone interested in scheduling a presentation on the Transfer of Wealth Study can contact CFO President Brian Fogle at (417) 864-6199 or bfogle@cfozarks.org.

Gray, who grew up in the Norwood community in Wright County.

“I knew from a very young age I wanted to attend college, but the chances of that were always slim due to my family’s socioeconomic circumstances,” Gray said at the event to release the Transfer of Wealth Study in June.

He received a four-year, \$5,000 Arthur G. Tesar scholarship to attend Missouri State University. After graduation, his first job in banking took him to Charlotte, N.C.

“In fact, this gift and the connections that I made in receiving it are a major part of why I’ve returned to the Ozarks to continue to pursue my career in banking,” he explained. “Charlotte, N.C., is a wonderful place to live, but my connections with those in the Ozarks are ones

withstanding a lifetime. We in this community understand the need for hard work and an education to better ourselves and ultimately better the community in which we live.

“Beyond the formal ‘educational’ benefits I received by this scholarship, I’ve been given the chance to build a beautiful life that I can be proud of and absolutely love.”



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Stockton
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Truman Lake
West Plains
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Hello—

Our community is fortunate to have people who cared enough to create a local public charitable foundation back in 1973, which is what we now know as the Community Foundation of the Ozarks.

Over its 40 years of serving Greene County and then the Ozarks region, the CFO has grown to include 44 affiliate foundations across central and southern Missouri. Its assets of \$1,500 in 1973 have grown to \$233 million as of Sept. 30, 2013. More significantly, it has made grants and distributions of more than \$150 million back to the Ozarks.

The CFO also is a member of the Alliance of Missouri Community Foundations, which is promoting a statewide study called the Transfer of Wealth that could transform philanthropy in Missouri.

This study, produced with support from the U.S. Department of Agriculture, combines aggregate data from tax returns with demographic information to see how Missouri will fare during our nation's largest-ever intergenerational transfer of wealth over the next 10 to 50 years. Ozarks members of the Greatest Generation who returned from World War II to rebuild America and their Baby Boomer heirs will pass on an estimated \$47.2 billion in accumulated wealth over the next 10 years.

However, we are more mobile than ever now, and sometimes people who grew up in Springfield end up living elsewhere. It's possible—even likely—that accumulated wealth will follow families away from here. That's why the Alliance is advocating "The 5% Solution."

If Missourians will consider leaving just 5 percent of their estates to charitable causes in their communities—churches, schools, nonprofit services, parks, whatever they cherish about their hometowns—the accumulated impact could be \$2.3 billion in 10 years, just in the Ozarks. That's the power of endowments where a corpus of money stays intact to pay out annual distributions. And that's transformative.

Helping provide for ourselves fits our independent Ozarks nature. Philanthropy is really just a fancy word for what we've always done in the Ozarks, which is take care of our neighbors. It also lets local residents make local decisions on how we can best help each other.

So, please think about the impact you could make by considering your own 5 percent solution. Take care of your family, take care of Uncle Sam, and then leave a little for your community. If we all do the same, that adds up to a lot.

—Brian Fogle
CFO President