Charitable Gift Annuities: The Gift That Keeps on Giving

Charitable gift annuities are popular giving opportunities and an example of planned giving here at Seabury. It involves a contract between a donor and Seabury, whereby the donor transfers cash, appreciated stock or property to the Foundation in exchange for a partial tax deduction and a lifetime stream of annual income. When the donor dies, the gift becomes part of Seabury’s endowment.

Seabury uses payout rates and policies defined by the American Council on Gift Annuities, which is considered the gold standard for regulatory guidance on gift annuities.

There are numerous tax benefits that come with a gift annuity, including the following:

- An income tax charitable deduction the year in which you make the gift (this can be carried over for up to five additional years)
- A portion of your annuity payments are tax-free for your life expectancy
- The partial elimination of capital gains tax when you use appreciated assets to fund an annuity
- At Seabury, residents who have the Plan C Entrance Fee (which is 67% refundable) can use any or all of their fund to purchase a gift annuity contract!

Annuities are also a great way to further the mission of Seabury Charitable Foundation—supporting Seabury, its residents and the communities we serve.

To discuss a potential gift to the Foundation through a charitable gift annuity, please contact Pegeen Sullivan, (860) 243-6026 or by email at pegeensullivan@seaburylife.org.
From the Chair:

What is Our Mission?

As the Seabury Charitable Foundation reboots after a few years of relative inactivity, a number of residents have questions about the organization. So, I thought I’d use this space to address some of those questions.

What’s the mission of SCF? For what purposes are we raising money?

Our published mission is:

To promote charitable giving to support Seabury, its residents and the community it serves.

What that means is that we raise money for the benevolent support of residents who have outlived their assets due to no fault of their own. But, that is by no means all we do!

The Foundation also provides support that furthers Seabury’s greater mission. For example, occasionally we fund non-budgeted items that enhance Seabury's community life. The Biodex machine, a low vision machine and the passenger van are three examples. We also consider requests that serve the community-at-large, such as our contribution to the Town of Bloomfield’s Annual Christmas Toy Drive.

In order to do this work, the Seabury Charitable Foundation raises money for our endowment in order to accomplish our multiple missions. Among the ways in which SCF receives funds are gift annuities, bequests, gifts in memory of someone (often by family members), appreciated stocks and contributions of the residual from IRAs. Your gift to the Foundation ensures your legacy.

Currently, the SCF endowment has $3.5 million in a portfolio managed by Webster Bank, a $2.5 million investment in property in Simsbury and $1.2 million in support of our annuity obligations. The Board of Directors is in the initial planning stages of an ongoing campaign to increase the endowment substantially over the coming years.

Of course, there are more questions than these. We look forward to an up-coming event when the donor wall will be dedicated as a time also to discuss the things you’re wondering about. Meanwhile, I hope this is helpful.

Inquiring Minds Want to Know

In our last newsletter we introduced you to the residents who serve on the Foundation Board of directors—Ken Brock, Marian Moore, Jim Trail and Ann Winship. As they travel through the community they are asked many questions about the Foundation and its mission.

Here are answers to a some of the questions they’ve been asked about Benevolent Support:

When a resident is in need of Foundation assistance, known as Benevolent Support, who should they contact?

They can contact the CEO, EVP or VP of Accounting. By limiting the number of staff involved in the process, Seabury ensures the privacy and dignity of anyone seeking or receiving financial assistance.

What criteria is used to determine eligibility for assistance?

The main criteria for a resident to be eligible for financial support is when he or she finds they have depleted their financial resources ‘through no fault of their own.’ The VP of Accounting reviews the resident’s initial application to Seabury and relevant financial documents to ensure there has not been misuse of assets.

Who is responsible for investigating the resident’s situation to determine if they meet the criteria?

The VP of Accounting conducts the review of financial documents and makes a recommendation for approval based on this review.

Who approves the request after reviewing the data?

The Foundation Board reviews and approves requests for benevolent support based on the recommendation of the CEO, EVP and VP of Accounting. It is important to note that Foundation board members DO NOT know the recipient’s name, only their financial circumstance.

Although the names are confidential, how many residents are currently receiving assistance from the Foundation?

At the time of this printing there is one resident receiving benevolent support. This number typically averages 3 to 5 residents in a given year.

Since its inception in 1996, Seabury Charitable Foundation has distributed $3,290,767 in benevolent support to resident who have exhausted their financial resources through no fault of their own.