Keeping Wealth in Montana

How community wealth can inspire endowment building, empower communities and transform Montana
Montanans have the opportunity to create a legacy that could transform our state—if we step up and count our hometowns among our heirs

Over the next 10 years, Montanans will transfer billions of dollars to the next generation. It’s estimated that by 2020, $12 billion will pass from one generation to the next. The question is whether any of that wealth will stay behind in the communities that helped build it.

If only a small portion of this wealth—say 5%—was protected in permanent charitable endowments, millions of dollars would be available each year to invest in Montana communities and the charities that make them the places we love to call home. The Montana Community Foundation is helping people across the state achieve this vision. Can you imagine what could be done?

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<tr>
<th>10-Year Transfer</th>
<th>$12 Billion</th>
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<tbody>
<tr>
<td>If 5% Endowed</td>
<td>$619 Million</td>
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<tr>
<td>5% Granted (per year)</td>
<td>$31 Million</td>
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<table>
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<th>50-Year Transfer</th>
<th>$123 Billion</th>
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<td>If 5% Endowed</td>
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<tr>
<td>5% Granted (per year)</td>
<td>$307 Million</td>
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5% of $12 billion would create a $619 million endowment, which would generate $31 million each year for Montana communities.
What would you do with $31 million to improve your community?

“Buy a Bookmobile.”

“Improve the local food bank.”

“Build a walking and biking trail.”

“Promote local foods and farm-to-table efforts for our agricultural community.”

“New books for the library.”

“A disaster relief fund for the next flood or fire.”

“Repair the swimming pool.”

“Expand arts education.”

“Build a community center.”

“Invest in local entrepreneurship and small business training.”

“Clean up the riverbank.”

“Expand after school programs.”
Now is the time to act

For generations, Montanans worked hard and saved money for the future. Most lived their entire lives close to their birthplace. But many of the next generation no longer live in our state. If our communities are going to be places where young families can live and work, we need to invest in them. And we know there’s money available for these investments.

Montana is an aging state. By 2030, nearly 25% of Montanans will be 65 and older. Our aging population is driving the transfer of wealth opportunity and the urgency to begin preserving wealth now.

For counties in red, the peak years for wealth transfer are on the horizon.
Why endowment?

What makes preserving community wealth in an endowment so important? Because it’s permanent. When you give to an endowment, your gift is preserved as principal, creating a permanent source of revenue to support ever-changing needs. Who can forecast what opportunities our communities will have in 50 years? Wouldn’t it be great if there was money to take advantage of them?

One of America’s first philanthropists, Benjamin Franklin, understood the benefits of thinking in terms of forever. Through his estate, Franklin left 1,000 pounds of sterling—roughly $4,000—to the cities of Philadelphia and Boston. His will included detailed instructions to grow the funds over the long term, as well as generate annual earnings for the charitable activities he supported over his lifetime.

Franklin’s gift was unique, not for its size but for its structure, which guaranteed that the value of his bequest would more than keep pace with the growth and vitality of the cities he loved.

Today—more than 200 years after his death—Franklin’s bequests have grown into multi-million-dollar endowments that still fund scholarships, fire departments, libraries, job training and symphonies. Franklin demonstrated the capacity of a structured gift to provide a permanent link between a Founding Father and forever.

Sue’s Story

Sue Riley did not grow up in Montana, but she spent a memorable summer with her grandparents in Wibaux, MT as a child.

Her grandfather, E.F. “Ernie” Fox, owned one of the first businesses on Wibaux’s Main Street. In 1915, Ernie and his brother-in-law began to explore the idea that the land formations in eastern Montana indicated the possibility of oil under the surface. He was right, although his dream of discovering and drilling for oil would not come true for forty years.

Sue inherited part of her grandparent’s wealth and decided to use a portion of her own estate to create the Spirit of Wibaux Fund, which will provide permanent support for the Wibaux Endowment Foundation, an affiliate of the Montana Community Foundation.

“I was doing my estate planning and being very thoughtful about what I wanted to do. I wanted to provide for the people and things I love, and Wibaux is one of those things.”
Montana’s Local Community Foundations

The expansion of local community foundations is central to the work of the Montana Community Foundation.

Putting our money to work locally to build thriving communities—that’s the goal of Montana’s local community foundations. They are a response to Montanans’ history of watching wealth pour out of the state. These communities vary in size, geography and the challenges they face. What they have in common is local leadership committed to building a future for their hometowns.

Find your local community foundation and learn more about their efforts to preserve community wealth at www.mtcf.org.

🌟 Foundations affiliated with the Montana Community Foundation
🌟 Non-affiliated community foundations
We may not know exactly what our communities will need as they face future challenges and opportunities. Communities built by design, rather than default, are possible if we provide the financial resources and local leadership to plan for the future and maximize opportunities.

The Transfer of Wealth Study proves that capital is available to build and sustain Montana communities.

Now every Montanan—each one of us—needs to think about what’s possible if we harness the unprecedented opportunity of community wealth. We can all participate in keeping Montana-made wealth in Montana. We can all contribute to the future success of our hometowns.

### How You Can Help

- Think about what makes Montana special to you, and commit to give to your passion.
- Call the Montana Community Foundation, your local community foundation, or your favorite charity to learn about leaving a legacy for Montana’s future.
- Create an estate plan, or adapt it to help a cause that is important to you.
- Talk to others about the importance of remembering their community in their plans.
- Give at least 5% of your estate to the causes that matter to you, now and for future generations.
About the Montana Community Foundation

The Montana Community Foundation works with donors to build community wealth. We believe that building permanent endowments can empower communities and transform Montana. Our state has a long history of exporting wealth, but across Montana donors are creating legacies to support the charitable work that makes Montana a great place to live, work and raise children.

Founded in 1988, the Montana Community Foundation manages more than 500 endowment funds, with assets of $60 million. Because of the generosity of our donors, we award more than $2 million in grants and scholarships every year.

Learn More

Want to learn more about Montana’s transfer of wealth opportunity? Visit our website at www.mtcf.org to learn more about the wealth transfer in your county, find your local community foundation, or discover the many ways you can give back to Montana.

About the Study

The Montana Transfer of Wealth Study was sponsored by the Montana Community Foundation and authored by the RUPRI Center for Rural Entrepreneurship. The complete study report can be downloaded on our website, www.mtcf.org. We owe special thanks to the following individuals and organizations for their assistance with the study:

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