

Univest Foundation Forum

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Special points of interest:

- An example of how one of Univest Foundation's donors used planned giving to support their charitable wishes and save money on their taxes.
- Univest Foundation is partnering with Not-for-Profit Organizations in Bucks and Montgomery Counties. Find out how we can help your organization.
- Meet Univest Foundation's Executive Director and staff.

Case Study

Donor: Herman and Elizabeth

Age: 59 and 45

Family: Married; twin daughters, age 14 and another daughter, age 12. (All attend private school.)

Herman and Elizabeth have been married for 16 years. Herman's first wife died as a result of cancer. There were no children from that marriage.

Herman had been the Chief Financial Officer of a regional corporation until a foreign corporation acquired it. Knowing that he was facing considerable education costs for his daughters, Herman had hoped to continue working for another 8 to 10 years. While he had invested in the stock market, Herman had not done well, losing one-third of the \$1,500,000 he had invested. Herman had always hoped to provide a fitting memorial to his first wife. Last year he donated \$50,000 to the local hospital



for its new cancer wing, and he had hoped to donate an additional \$200,000 over the next several years in memory of her. Although he received a generous severance package and has obtained a new position, he doubts that his new income level will allow him to fulfill his philanthropic dream. He wonders if the stocks in his portfolio will ever break even, let alone show a profit. He also is concerned that he will not be able to meet the rising education costs for his

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Indian Valley Public Library Partnership

Welcome to Indian Valley Public Library, as they join our group of Not-for-Profit Partners. IVPL has chosen to offer a Charitable Gift Annuity program to the public with Univest Foundation's help.

Indian Valley Public Library is the 3rd busiest library in Montgomery County and is

supported with funding from the six municipalities of the Souderton Area School District. Sixty-five percent of the community uses this library which is open seven days a week all year long. IVPL offers many programs and services to all age groups including: internet access and

classes, culture festivals, book discussions, story times and educational workshops.

In 2003, they completed phases III and IV of their expansion plans including the Children's Storyhour Room, Conference Room and storage areas. The expansion of

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Case Study Continued...

daughters. (Having enough for retirement is also on his mind.)

Herman was advised by a friend to meet with Greg D'Angelo, Vice President of Univest Foundation to see if there was a way that he could make his desired charitable gift to the hospital and provide for his daughters' education, despite his new income situation.

After reviewing Herman and Elizabeth's current financial needs, including a hefty income tax bill resulting from the large severance package, Greg told

Herman that he could still meet his philanthropic goal, have the funds for his daughters' college education, and reduce this year's federal income tax.

Greg suggested that Herman put his \$1,000,000 of stocks into a four-year grantor charitable lead trust. The trust would pay \$50,000 to the hospital annually for the next four years, thus allowing him to honor his first wife's memory. Herman would receive a sizable charitable income tax deduction for the year the trust was funded, which would reduce the income tax resulting from the severance package. The trust would sell the appropriate stocks and begin to reinvest for long term growth. The cash for the distributions would come from dividends earned and proceeds from the sale of stock. At the end of the four years the trust would terminate and the assets would revert back to Herman. (It should be noted that in a grantor lead trust, since the assets will be returned to the donor at the termination of the trust, the donor must report on his annual income tax return the income and capital gains earned by the trust, even though he does not receive it. In Herman's case, the capital losses

**Names and personal information changed to protect privacy*

from the sale of his original stocks will offset any capital gains recognized by the trust and reduce some of the income; therefore he may have little to report. Any income tax that he would incur as a result of this reportable income would be more than offset by the income tax he saved when the trust was set up.)

IVPL Partnership Continued...

the library is important since they have nearly doubled their collection of books, videos, DVDs and audiobooks over the last ten years to 124,925 items.

The library sponsors a Summer Carnival and a Fall Dance each year for fundraising. Since the state legislation plan will cut aid to public libraries by 37%, IVPL hopes their new Gift Annuity program will one day grow to alleviate some of their future budget constraints.

Indian Valley Public Library's gift annuity program will benefit the donor while securing IVPL's financial future. The donor will not only receive payments for life; it will make estate planning easier and provide each donor with a nice tax deduction. A gift annuity provides both the donor and IVPL with the best of both worlds. A gift annuity helps the library during the donor's life and after their death. And because the payments are made systematically, it enables IVPL to plan for future donations accordingly.

For information about Indian Valley Public Library's gift annuity program please call Linda Beck at (215) 723-9109 x11 or Univest Foundation at (215) 721-8379.





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Challenged to Build a Stronger
Community

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Univest Foundation has increased its staff. **Timothy Swartley** and **Gregory D'Angelo** have recently joined Univest Foundation to help donors help the community. Learn about the members of our team who are available to assist you with advanced planning techniques or to support not-for-profit planned giving programs. We are happy to welcome both Greg and Tim to our team and look forward to introducing them to you.

TIMOTHY V. SWARTLEY, CFP®

Executive Director

Tim has been involved in the financial services industry for nearly eight years, all with Univest Corporation. After working for three years in the Commercial Lending Department of Univest, Tim moved to the Trust Department in 1999. In addition to serving as Executive Director of Univest Foundation, Tim is a Vice President and Trust Officer for Univest, heading up the Institutional Trust Services Team which provides Charitable Trust Services, Endowments, Corporate Retirement Plans, and Financial Planning. He is a Certified Financial Planner and is licensed to sell mutual funds, variable annuities, life and health insurance. He holds a bachelor's degree in Business Administration from Eastern Mennonite University, Harrisonburg, VA. Tim and his family reside in Harleysville.

GREGORY J. D'ANGELO

Vice President

Greg joined Univest Foundation with 33 years experience in the trust banking and not-for-profit communities.

He spent 21 years in trust banking, including 9 years with First Pennsylvania Bank, where he managed the \$650 million charitable trust unit. While there, he also oversaw the management of the John G. Johnson Art Collection, which consists of 1250 paintings, and is the largest private collection at the Philadelphia Museum of Art.

Greg also spent 12 years working within the not-for-profit community, first as president of his own consulting company, the Charitable Sense Group, and later as Director of Planned Giving at La Salle University and Director of Development for the Dominican Sisters Congregation of St. Catherine de'Ricci.

Greg is a graduate of La Salle University with a B.S. in Finance. He is widowed, has four children and calls Jenkintown home.

Greg is a member of the Philadelphia and Delaware County Estate Planning Councils, the Delaware Valley Planned Giving Council, and the Association of Fundraising Professionals. He is also an honorary member of the Probate and Trust Law Section of the Philadelphia Bar Association. He has served on the Board of Advocates at the Fox Chase Cancer Center, the Bilingual Domestic Violence Advisory Board at Lutheran Settlement House, and the President's Council at Manor College.

STACIE E. MORENA

Charitable Planning Officer

Stacie has over 8 years of experience at Univest, including preparing court accountings and marketing for the Trust Department's products and services. She is currently responsible for charitable advising to both Not-for-Profit organizations and donors. She is a graduate of the Central Atlantic School of Trust & Investment Management at Bucknell University and Arcadia University. Stacie also has attained her securities licenses. She is a board member at Bucks County Audubon Society and has been a mentor for Big Brothers Big Sisters of Montgomery County. Stacie and her husband reside in Warminster.

