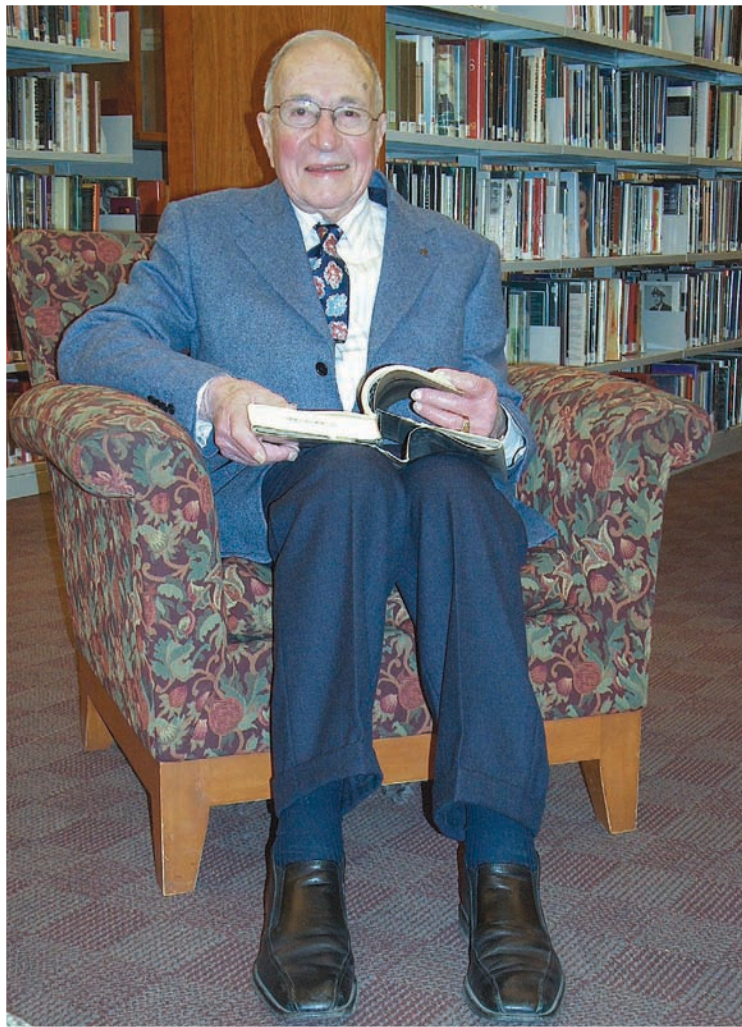


Win/Win



By Jeri Zeder

Everyone knows that the Library's the go-to place for books, movies, music, and more. But now, it's also the place to go for financial investments—with a charitable twist.

Last year, the Cary Memorial Library Foundation, the Library's fundraising arm, started up a new way to support the Library. It's called a charitable gift annuity, and it allows you to make a financial contribution to the Library in exchange for the receipt of quarterly payments for the rest of your life, or the life of your beneficiary. Charitable gift annuities (CGAs) are commonly used to support colleges and universities, and are a growing mechanism for supporting other entities that rely heavily on donations, entities

as diverse as opera companies, nature conservancies, religious organizations, senior retirement homes—and public libraries.

"Gift annuities are becoming a more popular source of fundraising with charitable donations and the donating public," says Lindsay L. Lapole III, who chairs the board of directors of the American Council on Gift Annuities, an Indianapolis-based nonprofit. The ACGA is known for establishing actuarially determined charitable gift annuity rates, which are widely adopted by charities across the country.

It seems that the very first CGA in history was established by a gentleman named Joseph Keith of Enfield, Massachusetts, in 1843. He donated \$500 to the American Bible Society in exchange for an income

**In an historic first,
Claude Brenner establishes
a charitable gift
annuity to support
Cary Memorial Library.**

stream of \$30 annually. Following in his footsteps, Claude Brenner has become the first person to establish a CGA to support Cary Memorial Library. Brenner is a 38-year resident of Lexington, frequent library visitor, and long-time library philanthropist who serves as a director on the board of the Cary Memorial Library Foundation. He created his CGA last June, just before his 80th birthday.

"In my circumstances, I found a charitable gift annuity to be the perfect instrument for ensuring my support for institutions that I have favored in my lifetime after I'm gone," Brenner says. "It's a great instrument because it locks in support after my death and gives me a nice stream of income."

Norman Cohen, chair of the Library Board of Trustees, says, "Claude has been a generous supporter of the Library for a number of years. By being the founder and the founding donor of the Library Foundation's charitable gift annuity program, Claude has paved the way for others to support the Library in this special way." Cohen is also chair of Lexington's Board of Selectmen.

Brenner says he prefers the CGA as a method of "planned giving"—the practice of making charitable contributions through estate planning—over leaving a bequest through a will. In a will's hierarchy of distributions, there is often nothing left over for the institutions that the decedent intended to provide for. With a CGA, the gift is made during the donor's lifetime. "That secures the gift for the institution," Brenner says.

Here's how the Library's CGA program works. For a minimum gift of \$10,000, the Cary Memorial Library Foundation agrees to make quarterly payments to the beneficiary, usually the donor, for a fixed dollar amount for the rest of the donor's life. Under current rates (which are expected to change in July), a donor who establishes a charitable gift annuity at the age of 60 will receive

an annual yield of 5%. A 70-year-old will receive an annual yield of 5.7%. A portion of the initial gift is tax deductible, and a portion of the annuity payments is tax-free. After ten years, the quarterly payments become fully taxable. When the donor dies, payments stop, and any residual amount of the original gift goes to benefit the Library according to the wishes of the donor.

During the donor's life, the gift is deposited into the Library's endowment investment account. State Street Global Advisors, which manages the endowment for the Town, issues the quarterly payments to the donor, and "charges" them against the gift. By the time the donor dies, about half the gift typically remains for the Library.

"It's a win-win," says Kerry Brandin, the Library Foundation's president. "It's guaranteed income for the donor, and donors are acknowledged for the gift in their lifetime."

Foundation board member Peter Culman worked closely with Brenner and the Library Board of Trustees to establish the program. Culman is a Chartered Financial Analyst and owner of Culman & Company, a Lexington-based investment planning and management firm that's registered with the Security and Exchange Commission. He notes that a CGA can be a nice investment, provided the investor is willing to permanently donate the "principle" to the Library. "It measures up very attractively as compared to bonds that are available in the investment market place," Culman says. "The yield is higher. Depending on your age, you get 5% to 7% with absolute assurance. Those payments are guaranteed by the Library's endowment."

Older people on fixed incomes interested in securing a regular income stream are generally considered the standard audience for CGAs, but there is actually no age limit. If you're old enough to execute a contract, you're old—or young—enough to have a charitable gift

annuity. Culman says that a CGA can appeal to anyone with a portion of their investments in fixed income securities, such as bonds, certificates of deposit, or treasury bills, especially because the rate of return on a CGA is so much higher than these other financial instruments, and because of the tax advantages. In the case of a CGA, however, the "principle" is permanently given away to the Library. Culman says, "Your charitable inclination is an essential ingredient to this whole equation."

That was certainly Brenner's inclination. He notes that public libraries are always at risk for budget cuts in overrides and tight economic times. "The Library is an easy target and that's part of why I contribute to it and have left an irrevocable gift for it," he says. "We all benefit from the Library. Not only is it a broad source of information, it's a resource for entertainment, for study, for relaxation. You can read everything from the daily paper to all twenty volumes of the unabridged Oxford English Dictionary. I think that it's vital that people have free access to the deep well of information that is available in a library of Cary's quality."

Born in South Africa in 1928, Brenner left with his family on his 11th birthday for a two-year visit to this country, arriving in New York on August 21, 1939, and then traveling to Chicago. Ten days later, Hitler invaded Poland, and the planned two years ultimately became nine. He went to public schools in Chicago, won a two-year scholarship to nearby Lake Forest Academy, and matriculated at

MIT at age 15 in 1944. There, also with sustained scholarship support, he studied aeronautical engineering, earning a bachelor's degree in 1947 and a master's degree in 1948.

Despite growing up in this country and developing a great fondness for it, he was still drawn to his native land and returned to Johannesburg after graduate school. Quickly finding that there were no opportunities for aeronautical engineers there, he left for England, where he joined the aerodynamics staff of de Havilland Aircraft Company and worked on the design and flight test of their Comet, the world's first transatlantic commercial jet, and on other civil and military aircraft in their inventory.

A combination of circumstances brought him back to Boston in 1950, and he has been here ever since. He has enjoyed a broad career as engineer, manager, and executive in the local high-technology industry in a broad number of fields, from aircraft research to nuclear weapons effects, laser printing systems for newspapers to renewable energy. He settled in Lexington in 1970, and now says he wouldn't live anywhere else.

Asked when he retired, Brenner replies instructively: "I'm not retired. I'm just between engagements."

Though his South African and British roots are still very much a part of him, Brenner says, "I'm happy here. I don't think I would have had the opportunities I've had in this country elsewhere. I've been marvelously fortunate in this country."

Where There's A Will...

The tradition of Lexington citizens providing for the Library in their wills and estate plans dates back to the 19th Century and continues to this day. In 2007, the Cary Memorial Library Foundation established the Maria Hastings Cary Legacy Society, named for the Library's founder, to recognize this special form of giving, and to honor donors who choose to make their legacies part of the Library's future. Legacy Society members receive special notice of selected Library programs and invitations to an event planned each year in their honor.

There are four ways to leave a planned gift to Cary Memorial Library:

- by including the Library Foundation in your will

- by designating the Foundation as an IRA beneficiary
- by naming the Foundation as a beneficiary of your life insurance policy
- by investing in a charitable gift annuity.

To join the Mary Hastings Cary Legacy Society, contact Director of Development Kathryn Benjamin at 1874 Massachusetts Avenue, Lexington, Mass., 02420; 781-862-6288 extension 322; cmlfoundation@caryllibrary.org.

The Foundation is a 501(c)(3) charitable organization. Established in 1999 at the behest of the Library's Trustees, the Foundation serves as the primary fundraising organization for the Library. Contributions are tax deductible.

Here To Help: Cary Library Professional Advisors

The professionals listed below are members of the Cary Library Professional Advisors: lawyers and financial planners who have agreed to provide one hour of free consultation to anyone seeking advice about making a planned gift to the

Library. Those interested in pursuing this form of philanthropy are, of course, not limited to the professionals listed here, and may always consult a professional of their choice.

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Inclusion on this list does not imply special expertise on the part of the advisors or their endorsement by Cary Memorial Library or the Cary Memorial Library Foundation. Lawyers and financial advisors interested in joining the Cary Library Professional Advisors may contact the Cary Memorial Library Foundation at 781-862-6288 extension 322, or cmlfoundation@caryllibrary.org.