



# **2012 Annual Report**

**Washington County Community Foundation**

**“Building the Community You Want!”**



# **Our Mission is to meet charitable community needs through leadership, grants, and services.**

The Foundation achieves its missions by:

- **Building permanent endowments which can benefit local communities**
- **Inspiring and enabling donors to fulfill their charitable desires**
- **Facilitating prudent management and care of funds**
- **Increasing the capacity of nonprofit organizations to fulfill their individual missions**
- **Advocating for issues which promote community philanthropy**
- **Facilitating grants, awards, and scholarships**

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# Letter from the Board Chairman...

Dear Friends:

It is hard to believe another year has passed by so quickly. We continue to be excited as we watch the Washington County Community Foundation (WCCF) grow and prosper. The efforts put forth by the Board Members and our Founders have begun to pay dividends as we observe the building of our Foundation.

I was once told that being patient, persistent, and dedicated to the mission put in front of oneself that rewards would abound in the end. We are still a newly formed Foundation, but if adhere to this advice; our Foundation will continue to flourish and achieve the objectives as set by the board and advisors.

Personally, I continue to believe the rural way of life is one of the best kept secrets in the world today. However, preserving this life for our children and others will not come without the efforts of those dedicated, persistent, and patient individuals willing to share their vision and love for the communities where they reside.

The WCCF is and wants to be a large piece of this puzzle. Maybe it was best said by Zig Ziglar, and I quote, “You don’t have to be great to start, but you have to start to be great.” The Foundation has started to build as we continue to work to educate founders, donors, organizations, communities, and other individuals of the WCCF mission which is: To meet charitable community needs through leadership, grants, and services.

Our Foundation has a wonderful opportunity to succeed at its mission through the matching grant awarded the Washington County Community Foundation by the Kansas Health Foundation Grow II initiative program. This is a \$300,000 matching grant over six years. Now it is up to us to enhance our Foundation through this program.

I would like to thank our donors over the past year, because without your generosity, our Foundation would not be able to offer the grants made available over the past two years. Your investment in our Foundation is an investment in the future of Washington County. In addition, my gratitude goes out to the organizations, communities, business’, and individuals who have organized and set up funds within the foundation. We appreciate the confidence you have placed in the WCCF.

In closing, I would like to share with you a short story: “The Wise Woman’s Stone”, Author Unknown.

A wise woman who was traveling in the mountains found a precious stone in a stream. The next day she met another traveler who was hungry, and the wise woman opened her bag to share her food. The hungry traveler saw the precious stone and asks the woman to give it to him. She did without hesitation. The traveler left, rejoicing in his good fortune. He knew the stone was worth enough to give him security for lifetime. But a few days later he came back to return the stone to the wise woman.

“I’ve been thinking, he said, “I know how valuable the stone is, but I give it back in the hope that you can give me something even more precious. Give me what you have within you that enabled you to give me the stone.”

Thanks again for all your generous contributions as we strive in “Building the Community You Want!” I am looking forward to another great year.



Randall L. Wyatt-Chairman

## Helping Build Communities!



Rick Samland, fire chief of Washington County Rural Fire District 10 in Hanover, accepts a check for \$935 from Jim Scheetz, a WCCF Board Member for new radio equipment.

### 2011-2012 Board of Directors

Randall Wyatt,  
*Chairman*  
Larry Mueller,  
*Vice Chairman*  
Janet Elliott, *Treasurer*  
Lori Huber, *Secretary*  
A.J. Goeckel  
Elizabeth Baskerville Hiltgen  
Deb Kruse  
Steve Pierson  
Jim Scheetz  
Karen Stewart  
Mary Tate

## Ten reasons to help build the Foundation

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### One

We are a **local organization** with deep roots in the community.

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### Two

We are an affiliate with the Greater Salina Community Foundation who has staff with **broad expertise** regarding community issues and needs.

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### Three

We provide **personalized service** tailored to each individual's charitable and financial interests.

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### Four

Our funds help people **invest** in the causes they care about most.

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### Five

We accept a wide **variety of assets**, and can facilitate even the most complex forms of giving.

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### Six

We partner with **professional advisors** to create highly effective approaches to charitable giving.

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### Seven

We offer maximum **tax advantage** for most gifts under federal law.

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### Eight

We **multiply the impact** of gift dollars by pooling them with other gifts and grants.

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### Nine

We build **endowment funds** that benefit the community forever and help create legacies.

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### Ten

We are a **community leader**, convening agencies and coordinating resources to create positive change.

# Charitable Bequests:

## Start building your legacy now

Charitable bequests are the most frequent type of planned gift made to charity. They can be created with different types of assets including land, retirement assets, or insurance. The estate receives a charitable deduction for the full amount given, so heirs pay no estate tax on the gift.

Charitable bequests are a great way to build your legacy at the Foundation while still maintaining control of needed assets during your lifetime. A bequest may be made to the Foundation in several different ways:

- Gift a percentage of your estate
- Gift of a specific dollar amount or asset
- Gift from the balance or residue of your estate

### 3 steps to a bequest

1. Update your will, trust or beneficiary designation to the Washington County Community Foundation. We can provide your professional advisor with recommended language to make this a seamless process.
2. Determine your charitable legacy— education, your church, the arts, human services, etc... The options are endless.
3. Contact the Foundation to fill out a Fund for the Future fund agreement. This simple two page agreement can be revised over the years through our office without any attorney or court fees.



# Building Funds for Tomorrow...

## 2011-2012 Donors

The Foundation could not exist without donors and is blessed every year with a multitude of generous donors. These gifts are contributed to a variety of funds here at the Foundation and touch several different charitable causes. Some gifts are large and some are small, but they all help build not only the Foundation, but our community!

Dr. Roger & Diane Baskerville  
Russell & Diane Behrends  
Bruna Brothers Implement, LLC  
Citizens State Bank  
Clark, Mize & Linville, Chtd.  
Wayne & Valeria Converse  
Duane R. Durst  
Norman & Janet L. Elliott  
First National Bank of Washington  
Friends of Hollenberg Station, Inc.  
A.J. & Alisha Goeckel  
Chad Hiltgen & Elizabeth  
    Baskerville Hiltgen  
Berdean Holle & Family  
Charles & Lori Huber  
Kansas Health Foundation  
Doug & Dianne Kramer  
Allan & Deb Kruse  
Brice Leonard  
Everett & Margaret Lutjemeier  
Tim & Jan Matlack

Grace Mueller  
Larry & Pat Mueller  
Bill & Chris Pannacker  
Terri & Craig Parry Charitable  
    Foundation  
Steve & Denise Pierson  
Lois Prell  
Calvin & Merry Roop  
Jim Scheetz  
Dr. James H. & Billie Jo Smart  
Nadine Smith  
Clifford & Karen Stewart  
Mary Tate  
Mark & Jackie Traylor  
United Bank & Trust  
Scott & Janece Vathauer  
Washington County Hospital Foun-  
    dation  
Charles & Mary Weikert  
Randy & Tiffany Wyatt

### Memorials

A memorial given to the Community Foundation in the name of a loved one will benefit the community forever. Memorials can be directed to any established fund, or can be added to the Washington County Opportunity Fund to meet ongoing community needs. Last year, gifts were received in memory of:

Jerry Heuer  
Robert Holle  
Willis Holle  
Alvin J. Kieffer

Kenneth Martin  
Donald Mathy  
Harold & Shirley Wiemers

# A Solid Base: Our Founders

The Founding Donors built the base on which the Foundation's success stands on today. We are forever grateful for the support of these generous donors who heard the story and believed in the vision of the Washington County Community Foundation. Because of them, we are truly building a better community.

## Individuals & Families

Dr. Roger & Diane Baskerville  
Russell & Diane Behrends  
Valeria Mueller Converse &  
LTC (R) M. Wayne Converse  
Norman & Janet L. Elliott  
Chad Hiltgen & Elizabeth  
Baskerville Hiltgen  
Charles, Lori, Jesse & Orin Huber  
Dale & Lila Keesecker  
Brice E. Leonard  
Tim & Jan Matlack  
Charles & Grace Mueller  
Steve & Denise Pierson  
Calvin & Merry Roop  
Jim Scheetz  
James H. Smart, DVM & Billie Jo  
Smart  
Mary Tate– TATE, LLC  
Dennis & Sally von Waaden  
In Memory of Harold & Shirley  
Wiemers

## Business Entities

Bruna Implement Company  
First National Bank of Washington  
J & N Elliott Construction, Inc.  
Landoll Corporation  
United Bank & Trust– Linn &  
Washington, KS



## Building Community Resources!

The Hanover Senior Citizens received a \$350 grant from the Washington County Opportunity Fund to help purchase a new speaker system for the Hanover Kloppenberg Center.

The new speaker system will provide better audience satisfaction and be more audible for the senior population.

The Center provides regularly scheduled free programs for Hanover area seniors and the general public as well as a meeting space for other local organizations.



Irene Laue, president of the Hanover Senior Citizens receives grant check from WCCF Vice-Chairman, Larry Mueller.

## Foundation Funds & Grants

\* Denotes a new fund

### Washington County Opportunity Fund

This unrestricted grant fund allows the Foundation the flexibility to meet current community needs. Grants are awarded throughout the year through a competitive grant process. Since inception, the Washington County Community Foundation has awarded over \$2,000 in unrestricted community grants.

Funding for this grant program comes from donations, memorials, and other gifts to the Washington County Community Foundation. Gifts of any size are welcome additions to this important community grant fund and will help earn a 50% match from the Kansas Health Foundation's GROW II matching grant program.

#### **\$478—City of Washington:**

To purchase two observation benches at the swimming pool.

#### **\$350—Hanover Senior**

**Citizens, Inc.:** To help purchase a microphone and speaker system for the Kloppenberg Center.

**\$500—KSDS, Inc.:** To help provide accessible housing for students' and graduates' needs.

**\$935—Washington County Rural Fire District #10:** To help purchase new two-way radios.

## **Organization Funds**

The Foundation partners with nonprofit charitable organizations which are making a difference in our community through direct service to our neighbors. Charitable organization can establish endowments in the Foundation that provide an income stream back to them to further their charitable work, or continue to grow for future needs. Contributions to these funds come from donors and from the organizations themselves.

### **Current Funds**

The Friends of Hollenberg Station  
Washington County Hospital Foundation\*

## **Scholarship Funds**

Scholarship funds allow donors to provide educational opportunities for graduates of certain schools, for specific funds of study, or for study at particular institutions. With guidance from Foundation staff, donors can outline eligibility and selection requirements.

### **Current Funds**

Columbus, Vera & Morris Jones Memorial  
Scholarship Fund

### **Scholarship Fund 2012 Grantees**

*Total grants: \$500 (Paid from July 1, 2011 through June 30, 2012)*

Ryan Fiser, *Kansas State University*

## **Designated Funds**

For donors who know exactly what or whom they want to support, Designated Funds are the answer. Donors establish an endowed fund for their favorite charity or charities. The Foundation administers annual grants from the fund in the donor's name, forever. In the event a designated charity no longer exists the Foundation ensures that annual gifts are redirected to an appropriate charitable need, all the while keeping in mind the donor's original intent.

### **Current Funds**

The Kansas Health Foundation Operating Fund for Washington County\*

# Foundation Funds & Grants (cont'd.)

## Field of Interest Funds

Field of Interest funds allow donors to designate a specific issue or geographic area for grant making, but not specific organizations. Grants are made through an application process administered by the Foundation. Sometimes an advisory group with expertise in the field of interest is utilized in the grant review process.

## Current Funds

The Clifton Community Fund\*

The Hanover Community Fund\*

The Kansas Health Foundation Fund for Washington County\*

## Other Funds

Washington County Administrative Fund

Our administrative fund is the engine that keeps the foundation going and is used for operating costs as well as to provide the community with educational opportunities such as nonprofit workshops, professional advisor workshops and estate planning seminars. Supporting this fund enables us to continue our mission to improve Washington County.

## Building Communities with Field of Interest Funds!

Community field of interest funds have both been set up by local donors to benefit their hometowns of Hanover and Clifton, KS. The donors in these communities are using the Foundation as a vehicle to provide a permanent source of charitable assets to meet emerging, as well as existing needs in those communities. Does your community have one? If not, talk to us about setting one up.



### Hanover Community Fund Donors:

Above: (L-R): Grace Mueller, Jim Scheetz

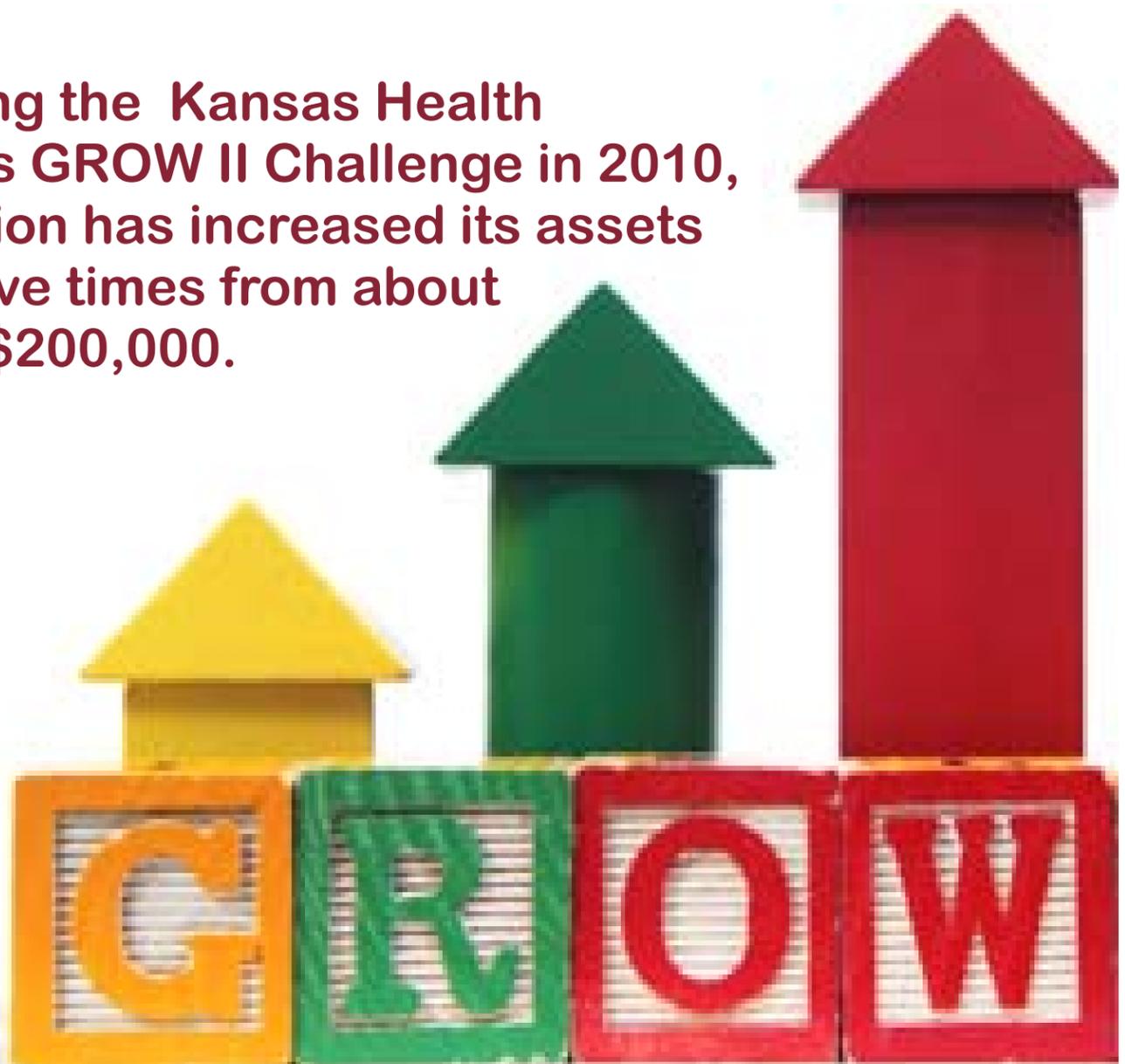
Far Left: (L-R): Larry Mueller, Stephen Hendrickson, Steve Pierson & Jim Scheetz

# Partnering with the Kansas Health Foundation to Build Communities

After a successful first year in the Kansas Health Foundation's GROW II program, WCCF was awarded \$45,056.07 in matching dollars from the KHF to establish two new funds— The Kansas Health Foundation Fund for Washington County, a public health fund, and The Kansas Health Foundation Operating Fund for Washington County, an endowed operating fund. They were also awarded a \$10,500 operating grant for meeting certain benchmark requirements.

Grants from the Kansas Health Foundation Fund for Washington County will support public health initiatives for Washington County that promote healthy lifestyles, behaviors and environments. Grants from the Kansas Health Foundation Operating Fund for Washington County will help support WCCF's annual operating expenses.

Since starting the Kansas Health Foundation's GROW II Challenge in 2010, the Foundation has increased its assets more than five times from about \$37,000 to \$200,000.



# Gift of Grain... Building Stronger Communities One Bushel at a Time!

Making a charitable gift of grain is an easy way to help build our communities while also reaping certain tax benefits. By giving grain to WCCF, you *avoid including the sale of the grain in your farm income*. There is no charitable deduction for donated grain because no income is recognized on the donation.

## When you donate bushels instead of the cash for the sale of those bushels:

- The value of the grain is not included on Schedule F
- The expenses related to the production of that grain stay on Schedule F in the year paid.
- Federal, state, and self-employment tax are not paid on the value of the donated grain.
- Your yield records are unaffected by a gift of grain, preserving your baseline for years to come.

**To receive the tax breaks** and comply with tax code rules and regulations, the grain must be given to the community foundation before the sale takes place. The community foundation will then turn around and sell the grain.

**In a nutshell...** Take your crop to your grain buyer, tell the company how much of the grain you want to put into an account for WCCF. The grain buyer notifies WCCF, which will then sell the bushels. The amount received for the bushels will then be put into an endowed fund of your choice and will continue to grow and help build stronger communities.

**Please consult** with your professional advisor for legal and tax advice on how a gift of grain to WCCF may apply to your circumstances.



# A GROWing Opportunity!

The Washington Community Foundation is in its second year of a **\$300,000 matching grant** challenge through the Kansas Health Foundation's Giving Resources to our World (GROW II) Healthy Kansas Initiative. New endowed gifts to qualifying funds at WCCF through the end of 2016 will help earn either a **50% or a 25% match** from the Kansas Health Foundation. Matching dollars earned by WCCF will go towards a public health fund to benefit Washington County as well as an administrative fund to support the Foundation's efforts.

## How can you participate?

A donation of any size will earn a match from the Kansas Health Foundation. No gift is too small. Gifts of \$25, \$10, or even \$1 can be made to any of the below funds and help Washington County **GROW!**

I would like to be part of this **GROWing** opportunity with a \$\_\_\_\_\_ donation to the following fund(s):

### To earn a 50% match...

- \_\_\_ Washington County Opportunity Fund
- \_\_\_ Washington County Administrative Fund

### To earn a 25% match...

- \_\_\_ The Clifton Community Fund
- \_\_\_ The Friends of Hollenberg Station Fund
- \_\_\_ The Hanover Community Fund
- \_\_\_ Washington County Hospital Foundation Fund

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

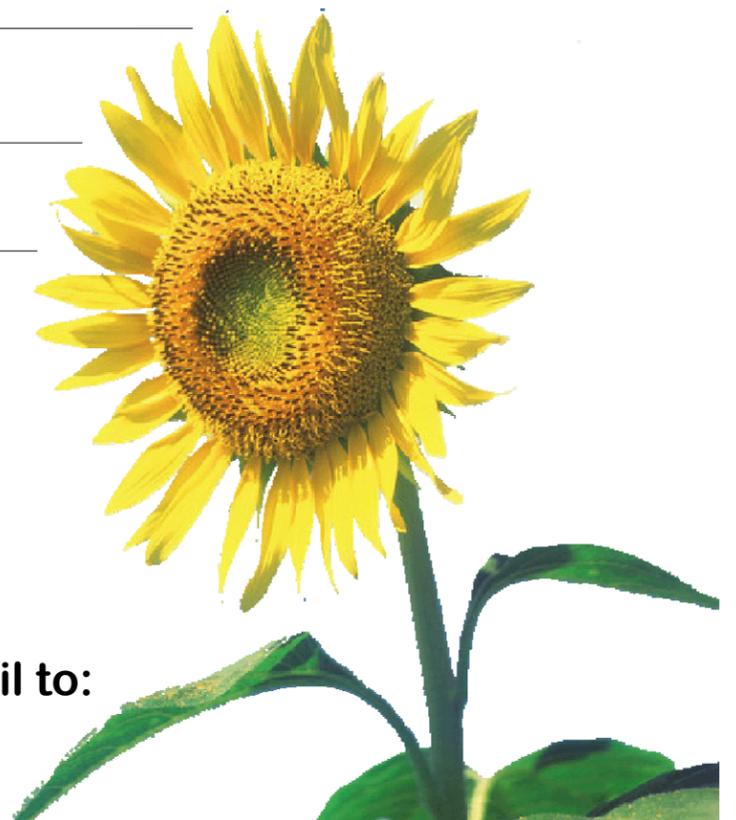
\_\_\_\_\_  
(City, State, Zip)

\_\_\_\_\_  
(Email)

\_\_\_\_\_  
(Phone)

I wish to remain anonymous.

**Please make checks payable to WCCF and mail to:  
P.O. Box 24, Washington, KS 66968**



## Investment Info

The Foundation believes the best long-term performance will be achieved through a balanced portfolio consisting of 75% equities and 25% fixed income and cash.

As an affiliate of the Greater Salina Community Foundation (GSCF), the funds at the Washington County Community Foundation are pooled together with all the funds held by GSCF and their affiliates. The funds are invested with Vanguard and governed by a local Finance Committee at GSCF.

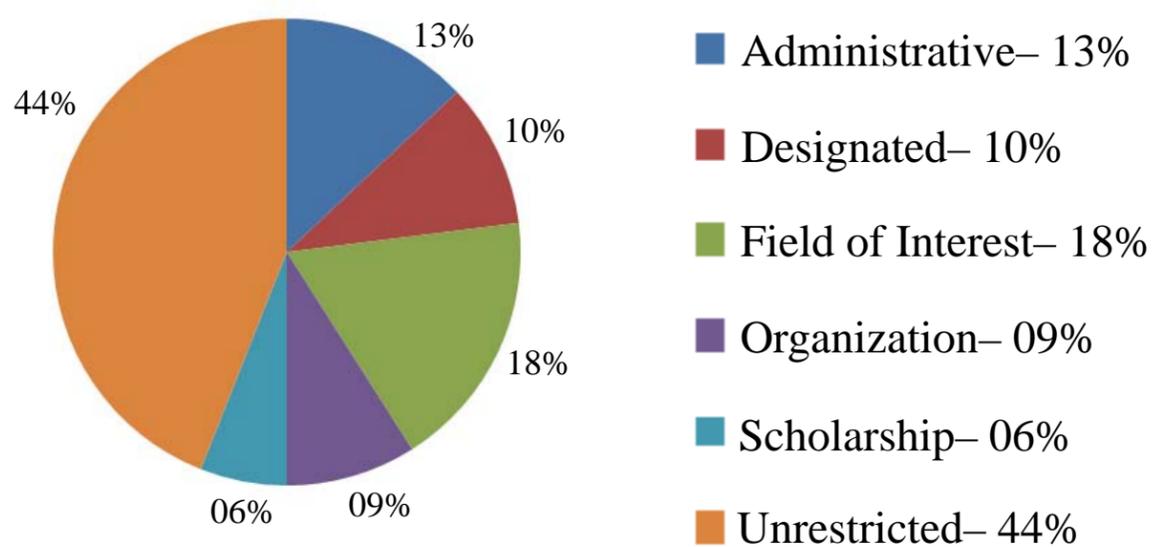
We are confident in our performance and rate well when compared to other investment pools. Our 5 year annualized return is 1.71%, which rates higher than the 75% S&P 500 Stock Index + 25% Barclays Intermediate Bond Index of 1.67%.

# Foundation finances

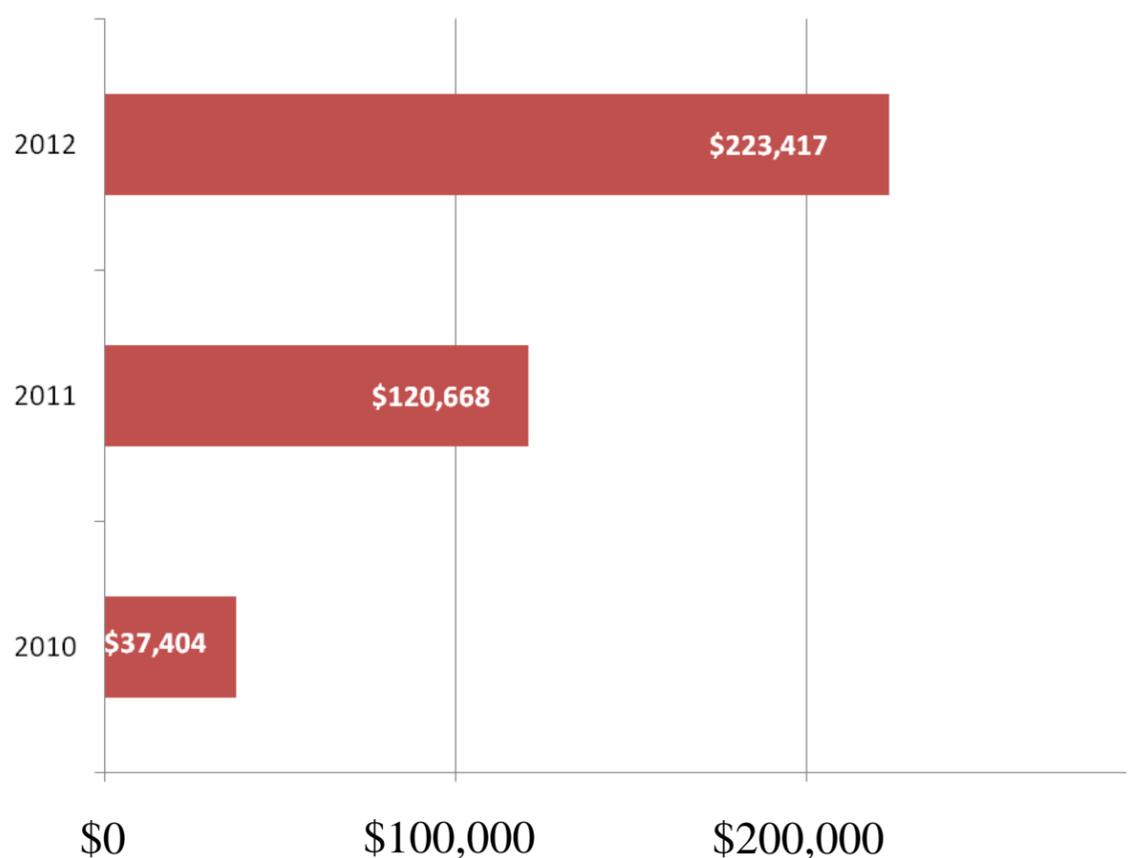
## GSCF Investment Portfolio

2nd Quarter 2012	- 3.06%
Trailing 1 Year	+ 0.65%
Trailing 3 Years	+46.16% Absolute +13.49% Annualized
Trailing 5 Years	+ 8.85% Absolute + 1.71% Annualized
Inception to Date (12.5 years)	+69.18% Absolute + 4.29% Annualized

## WCCF Assets by Type



## WCCF Total Assets



## Statement of Financial Position

June 30, 2012

### **ASSETS**

Wells Fargo CMM	\$9,038
Pooled Investment— Vanguard	214,380
<b>Total Assets</b>	<b>\$223,417</b>

### **LIABILITIES**

Accounts Payable	\$4
<b>Total Liabilities</b>	<b>\$4</b>

### **FUND BALANCES**

Fund Balance—Principal	\$192,985
Fund Balance—Income	29,795
Fund Balance—Spendable	634
<b>Total Fund Balances</b>	<b>\$223,413</b>

<b>Total Liabilities and Fund Balances</b>	<b>\$223,417</b>
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## Statement of Activities

Year Ended June 30, 2012

### **REVENUES**

Gifts & Bequests—Principal	\$97,578
Gifts & Bequests—Income	10,500
Dividend Income	2,594
Realized Gain on Investments	264
Unrealized Gain on Investments	(3,699)
<b>Total Revenues</b>	<b>\$107,237</b>

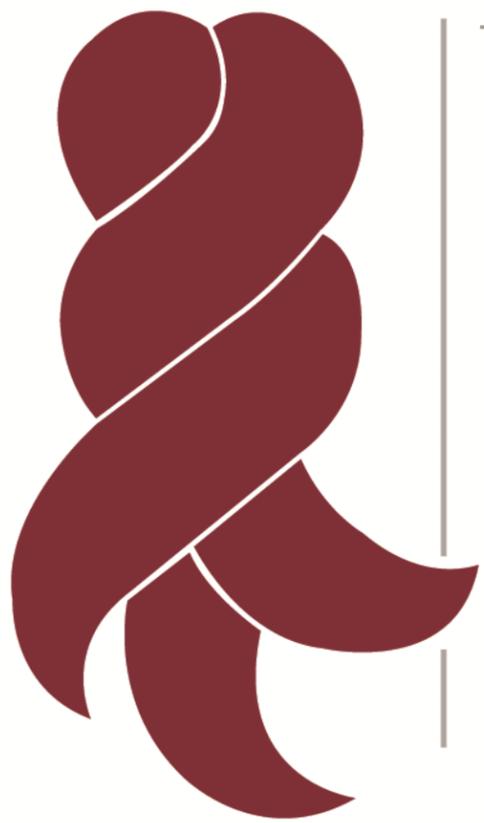
### **TRANSFERS**

<b>Total Transfers</b>	<b>\$0.00</b>
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### **EXPENSES**

Grants Authorized	\$2,763
Foundation Administrative Contribution	870
Operating Expenses	858
<b>Total Expenses</b>	<b>\$4,491</b>

<b>Net Activity</b>	<b>\$102,746</b>
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# Washington County Community Foundation

An affiliate of the  
Greater Salina Community Foundation

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P.O. Box 24, Washington, KS 66968

Tel: (785) 325-2202

Email: [washington@gscf.org](mailto:washington@gscf.org)

[www.washingtoncountycf.org](http://www.washingtoncountycf.org)

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