What will your legacy be?

CATHEDRAL OF THE PINES represents Mount Olivet's future.

In the fall of 1948, Reuben Youngdahl, then senior pastor of Mount Olivet Lutheran Church, learned that lakeshore property on Caribou Lake in northeastern Minnesota was for sale. Rumor has it that he immediately envisioned a youth camp and promptly sold the idea to the church council. The next summer, the camp opened its doors to the first of thousands of campers.

Camping season in 1949 consisted of two weeks. Today, there are 19 different sessions of varying lengths. Camp is open from late May to late October and welcomes 132 campers every session, ranging in age from the third grade through high school. Other camping sessions are offered to families and Mount Olivet Church groups. Adults are welcome as volunteer cooks, health professionals, or simply guests at the evening and Sunday chapel services. The majority of campers are Mount Olivet members, but there are some openings for non-member campers.

COP has seen the beginning of many new friendships—even some lifetime relationships. Both Pastor Kurt Kalland and Angie St. Dennis, confirmation director, met their spouses at camp.

Kristi Youngdahl, Mount Olivet's director of COP, credits the camp's consistency for its long-term appeal. "The fact that COP has not changed much is a comfort to parents sending their kids to camp," she said. "They know their children will be singing the same songs, playing the same games and learning about the same unconditional love from God that they learned as campers."

Despite the need for consistency, many improvements have been made to the camp over the years including a new Cooks' Cabin, a new Rumpus Building, refurbishing of camper and staff cabins, and many other improvements to camp buildings.

COP is many things to many people, but its most important role is to nurture the spiritual growth of Mount Olivet's youth. To understand that is to understand Mount Olivet.

If you have made a planned gift in your estate plan, or for more information, e-mail or call Mari Carlson, Director of Development, at 612.821.3150 or mcarlson@mtolivethomes.org.

LEAVING A LEGACY

Mount Olivet Church and Its Affiliated Organizations

GIVING RETIREMENT ASSETS

Mount Olivet Lutheran Church

Mount Olivet Day Services

Mount Olivet Rolling Acres

Mount Olivet Conference & Retreat Center

Mount Olivet Careview Home

Cathedral of the Pines

Mount Olivet Home

Giving Retirement Assets

Leaving a legacy to charity can take many forms. One tax-efficient option to consider is using retirement plans to fund your charitable bequest.

Why is it a tax-efficient option? Retirement plans such as pensions, profit sharing, 401(k)s, 403(b)s, SEP-IRAs, SIMPLE IRAs and Traditional IRAs are considered "income in respect of a decedent" (IRD) property, which is subject to both estate and income tax. You receive favorable income tax treatment during your lifetime because you do not pay taxes on the amounts contributed into the plan. Your account accumulates and grows on a tax-deferred basis. At the time of distribution, amounts distributed will be treated as ordinary income and taxed to the individual receiving the distribution. At the time of death, any balance left in your qualified retirement plan generally will be included in your gross estate for estate tax purposes.

If a qualified charity is the beneficiary of a retirement plan, both estate and income tax are avoided. A charity does not pay income tax, so the charity will receive 100% of the amount of the retirement benefit since none is lost in paying income tax. An individual beneficiary, on the other hand, may only receive $.65 on the dollar of the retirement benefits he or she inherits, depending on his or her income tax bracket. In terms of estate tax, as with other testamentary transfers to charity, leaving retirement assets to charity allows the estate to take a charitable deduction on the federal estate tax return based upon the value of the charitable bequest. Given the potential for double taxation from estate and income tax, retirement plans are an attractive source of charitable bequests.

How do you go about leaving retirement benefits to charity? You can designate retirement benefits to be paid to your favorite charity either during your lifetime or after your death. Most retirement plans allow the account owner to carve out a specific percentage for charity, or, you may be able to set up a separate retirement account for a charity by splitting up an existing account or creating a new account.

"Over the past forty years, I have had the good fortune to be gainfully employed in positions that have taken me all across the world. During that time, the beautiful spirit that is Mount Olivet always traveled with me and welcomed me home. Experiencing health problems prompted me to finalize my estate plan. I firmly believe that God speaks to each of us in different ways. My illness helped to bring clarity of thought. Without hesitation, I knew that part of my estate—my life's good fortune needed to go to support one of my greatest blessings—Mount Olivet's endowment fund and its music ministry."

Robert J. Have

DURING YOUR LIFETIME:

IRA Charitable Rollover: Congress made the IRA Charitable Rollover permanent in 2017. This rollover allows an individual aged 70½ or older to transfer annually up to $100,000 tax-free directly from an IRA (other than from SEPs and SIMPLEs) to a charity. The amount rolled over will count towards the individual's required minimum distributions (RMDs). Because the gift passes directly to a charity, it will not increase the individual's adjusted gross income. This is a wonderful opportunity if you are charitably inclined and if you do not utilize your required RMDs for living expenses. Absent this rollover, your required distribution is included in income for tax purposes.

Give your RMD to charity: As a participant in a retirement plan, you must begin taking your minimum required distributions (RMDs) after you reach age 70½ (or retirement in some cases). If you do not need your RMDs for other purposes, consider using your RMDs from your retirement plan as an after-tax source for funding your charitable gifts.

FOLLOWING YOUR DEATH:

Charity as primary or contingent beneficiary: The easiest way to leave retirement assets to charity is to directly name the charity as primary beneficiary on the plan's beneficiary designation form. If you are married, or if you desire to leave your plan balance to children or other individuals, you can name the charity as a contingent beneficiary. Because benefits are paid directly to the charity under the beneficiary designation form, income tax is avoided and the estate tax charitable deduction is available for the full value of the charity's interest.

Charitable Remainder Trust (CRT): Another option is to name a charitable remainder trust (CRT) as primary or contingent beneficiary to receive the balance of an IRA or other retirement plan at your death. A CRT is a trust which pays out an annual income stream to one or more noncharitable beneficiaries either for life or for a term of years (not to exceed 20 years). At the end of the life or term of years, the remaining trust assets are paid to your designated charity/ies. The benefit of leaving your retirement plan assets to a CRT is that the benefits paid are not subject to income tax on the transfer from the retirement plan to the CRT because of the CRT's tax exemption.

Charitable Gift Annuity: A third option to explore is a charitable gift annuity. This allows you to leave retirement assets to a charity, with the charity agreeing to pay a fixed income to an individual beneficiary for life. Your estate would receive an estate tax deduction for the value of the retirement benefits left to the charity, less the value of the annuity (all determined using IRS tables) and the benefits are paid to the charity free of income tax.

For more information, contact Mari Carlson, Director of Development, at 612.821.3150 or mcarlson@mtolivethomes.org.

See history of Cathedral of the Pines on back.