



FALL 2015

# PERSPECTIVES

A FINANCIAL & CHARITABLE PLANNING GUIDE FROM LANCASTER MENNONITE SCHOOL

## Continuing a Legacy

**John H. and Thelma Wolgemuth, Mount Joy, discuss their family's decision to create an endowment to help keep tuition affordable for future generations.**

The John H. and Thelma Wolgemuth family recently established an endowment to support Christian education and the Lancaster Mennonite School system. "My concern has been that tuition is becoming higher than the average family can afford," John said.

"When I was on the board of Kraybill Mennonite School, we often discussed endowments, but with the school's need for operating and capital funds, we didn't see how we could give to endowment, too. Now that we are a little older, we felt we had resources we didn't need."

The Wolgemuth endowment will support the general operation of Lancaster Mennonite School, thereby helping to keep the cost of education lower for students and families.

John and Thelma Wolgemuth are partners in a fifth-generation family farm that currently raises swine, poultry and general crops in northwest Lancaster County, where they attend Mount Joy Mennonite

Church. "We were in the process of transferring our farm to the next generation," John explained, "so we had extra income from that and, at the same time, could offset some of the taxes through a charitable gift." John and Thelma are still partners in the farming operation, but are divesting themselves of the real estate.

The Wolgemuth's have a strong historic connection with Lancaster Mennonite School, especially the Kraybill Campus, which John's father, John K. Wolgemuth, helped to found in 1949 when John Henry was in fourth grade.

John became very active in the school when he had his own children, serving on the Kraybill board from 1974-1988.

"I always thought that Christian education was a good thing," said John. "It helps for children to have a Christian influence in addition



to home and church. A child is in school more hours than at home or church."

All of John and Thelma's children attended Kraybill, and all but one child graduated from LMS. Thier children are Randall '83, married to Elizabeth; Kris Kauffman '87, married to Lee; and Debra Ritchey '91. Son, Doug, who served on the Kraybill board from 1995-2004, is married to LMS alumna Sharilynn Beiler '83. All of their grandchildren attended one of LMS' current campuses, mostly Kraybill, where their youngest grandchild is currently enrolled.

"We were blessed that we can afford to help," John concluded.



## Gifts that cost you nothing today

Sometimes it's difficult to be as charitable as you want to be when your budget is tight and the future is uncertain—after all, your family comes first. But by utilizing your long-term plans, you can make a gift to Lancaster Mennonite School that will benefit our future without affecting your income today. Here are three ways to make your gift:

### 1. A gift in your will or revocable living trust.

Known as a bequest, this form of giving is accomplished simply by including a few sentences in your will or living trust. If you've already created your will, your estate planning attorney can easily make an amendment to your will, called a codicil.

### 2. A gift of a percentage of your retirement plan assets.

One of the most tax-wise ways to support our mission after your lifetime is to name LMS-Endowment as the primary or contingent beneficiary of a portion of your retirement plan. (The portion that you leave to family members could eventually be taxed at rates up to 39.6 percent, and even higher if estate taxes are assessed, whereas charitable organizations such as LMS-Endowment receive your gift without owing taxes.)

### 3. A gift of a percentage of your life insurance death benefits.

You already know you can use life insurance to make sure your family is financially secure if anything should happen to you. But did you know you can meet this goal while also using a portion of your policy to benefit our work?

Consider naming LMS-Endowment as a partial beneficiary for a percentage of your policy, while retaining ownership of the policy (and thus the right to change the beneficiary designation at any time during your life). For example, you might consider designating 90 percent of the death benefit to your family and the remaining percentage to LMS-Endowment.

### Learn More

Want to learn more about these simple and smart ways to extend your support of our work? Contact Heidi Stoltzfus, CPA, CFRE at [stoltzfushe@lancastermennonite.org](mailto:stoltzfushe@lancastermennonite.org) or 717.509.4459 x 308.



# IRA rollover update and legislation news

The Senate Finance Committee recently approved legislation (S. 1946) that would reinstate a package of expired tax provisions for the 2015 and 2016 tax years. The bill includes the IRA charitable rollover and if enacted, the tax extenders package would retroactively renew 52 expired tax provisions through the end of 2016.

The bill now moves to the U.S. Senate for consideration. It was introduced to the Senate on Aug. 5, just before the August recess. Now that the Senate is back in session, hopefully they can address this important piece of legislation.

If House and Senate leaders can agree on a path forward, there is a chance that the IRA charitable rollover could be extended this fall. The reaction from the White House remains unclear. President Obama indicated he would veto the

permanent extension bills that do not include revenue-raising offsets.

Another bill worth mentioning is H.R. 3407. This bill was referred to the House Committee on Ways and Means on July 29. The American Taxpayer Relief Act of 2012 reinstated the Pease provision that placed limits on itemized deductions, including the charitable deduction, on incomes above a certain threshold. It has a long way to go, but if enacted, H.R. 3407 would remove the deduction for charitable contributions from the overall limitation on itemized deductions.

## Quick Tip

**If this law is extended and you have not yet taken your required minimum distribution, the charitable IRA rollover gift can satisfy all or part of that requirement up to \$100,000.**



**Join John and Thelma today in keeping Christian education accessible to students. Make a gift to an endowment.**

Gifts can be added to any existing endowment, such as the John H. and Thelma Wolgemuth Family Endowment.

Other endowments include;

- Betty Hershey Newswanger Endowment (early childhood education support and scholarships)
- Glenn Lapp Memorial Endowment (minority student aid)
- Noah G. Good Endowment (science support)
- Music Endowment
- Kristin Palazzo Memorial Art Endowment

## Did you know?

Elementary tuition is  
**\$6,780.**

High school tuition is  
**\$8,034.**

**44%**  
of LMS students receive  
significant financial aid.



# Join the Iron Bridge Society

The Iron Bridge Society is a group of people that is passionate about leaving a legacy of Christian education for generations to come. These friends included LMS in their planned giving and/or estate plan. Members are invited to select school events and receive estate planning and planned giving tips.

Gerald R. '72 & Rose Ann Baer  
E. Robert & Elva Bare  
George M. & Lois Beck  
Katie B. Beiler  
Mark B. & Roseanna Boll  
Lena '52 & Michael R. Brown  
Robert L. '65 & F. Lois Brubaker '64  
John R. '56 & Miriam '55 Buckwalter  
J. Paul '57 & Esther Clymer '57  
John H. & Debbie Denlinger  
Daniel L. & Joanne Dietzel  
Peter A. & Marian Dimmig  
John W. Eby '58  
Charles F. & Beulah M. Frey  
Jay Richard '64 & Janet Landis Frey  
Leon W. '60 & Elaine W. Good '62  
Lois M. '59 & Carl L. Good  
Dale B. & Joyce E. Graybill  
Aaron L. & Anna Groff  
Florence Beiler Groff '53  
Marlin G. '74 & Sue A. Groff  
Mary Ellen '65 & Harold M. Groff '62  
Ellen E. '69 & Robert Gunning  
Joyce E. '78 & J. Richard Haller  
David M. '49 & Florence Harnish  
J. Alex Hartzler '86  
Daryl F. '88 & Charlene Heller  
J. Eby & Kathryn Hershey  
Marlin R. '67 & Barbara Hershey '67  
Noah L. & Parmalle C. Hershey  
Ernest M. '60 & Lois E. Hess '60  
Mervin W. & Nora L. Hess  
Marcy & Rick High  
Virginia O. Hoover

Erma L. '59 & Carl Horning  
Lorene '65 & Earl Horst  
Gerald R. '65 & Linda Horst  
Grace E. Horst  
Pluma Y. Hostetter '48  
Miriam M. Housman  
Chad G. '91 & Coleen M. Hurst '92  
George M. & Lois Jean Hurst  
Louetta W. Hurst '62  
Naomi W. Keiper '56  
Lois R. Kennel '50  
Dorothy J. King '53  
Laurence S. '49 & Shirley A. King  
Nathan '56 & Melba King '57  
Simon P. & Mary Jean Kraybill  
Gail M. & Raymond D. Lanas  
Ivan B. '50 & Mary E. Leaman '54  
Patricia '66 & J. Harold Leaman  
Lola M. Lehman '59  
Ray A. '71 & Teresa E. Long  
Esther H. '66 & Lewis M. Martin  
Irvin S. '63 & Rachel G. Martin '64  
Lew K. '94 & Kayleen Martin  
Ernest S. '59 & Esther J. Mast '59  
Harold R. '65 & Ruth E. Angstadt Mast '66  
Katie B. & Albert Mast  
Robert S. & Barbara Mathews  
Mrs. Jan M. McDowell  
Lorraine Murphy '60  
Emerson R. Newswanger  
Richard J. & Lynne H. Palazzo  
Robert L. '73 & Lucinda Petersheim  
William K. '79 & Diane Poole '80  
Alta M. Ranck



Reba '60 & J.R. Ranck  
Merle R. & Ruth Ann Reinford  
Clarence H. Rutt '49  
G. Roger & Pamela Rutt  
John M. '55 & Rebecca C. Rutt  
John D. & Lisa M. Sands  
Norman G. '50 & Jean Shenk '50  
John C. Simkins  
Connie Heisey Stauffer '55  
Edgar Stoesz  
Harvey Z. & Lillian M. Stoltzfus  
Heidi '89 & Rodney Stoltzfus  
Virgil D. '50 & Doris G. Stoltzfus  
Joyce E. '69 & J. Richard Thomas  
A. Richard '56 & Ruth S. Weaver  
R. Todd '83 & Anne Kaufman Weaver  
Matthew A. '03 & Lindsay Weaver '05  
John S. & Janet F. Weber  
Clifford R. '79 & Carol A. Wenger  
Daniel L. Wenger '59  
Roy E. '55 & Esther S. Wert '56  
Clyde B. & Nancy L. Wissler  
Robert R. '61 & Naomi Wyble  
Dale R. & Joanne Z. Yoder  
Julia M. Yoder '47  
Miles E. & Dawnell F. Yoder  
Loren L. '65 & Helen Zimmerman '65  
Mark B. '59 & Karene Zimmerman  
Larry J. '80 & Dawn '79 Zook



## LANCASTER MENNONITE SCHOOL

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