



## Example of a Land Trust Endowment Fund

### Margarete Tumbach Agricultural Stewardship Endowment Fund

*"Established in memory of Margarete Tumbach - a TLC staff member who died in a tragic hiking accident - proceeds from this fund help preserve BC's precious agricultural lands, and support TLC's agricultural stewardship programs."*

The Land Conservancy of BC, 2022 <sup>4</sup>

To learn more about the specific endowment fund opportunities in your community please contact your local Land Trust or The Land Trust Alliance of BC.

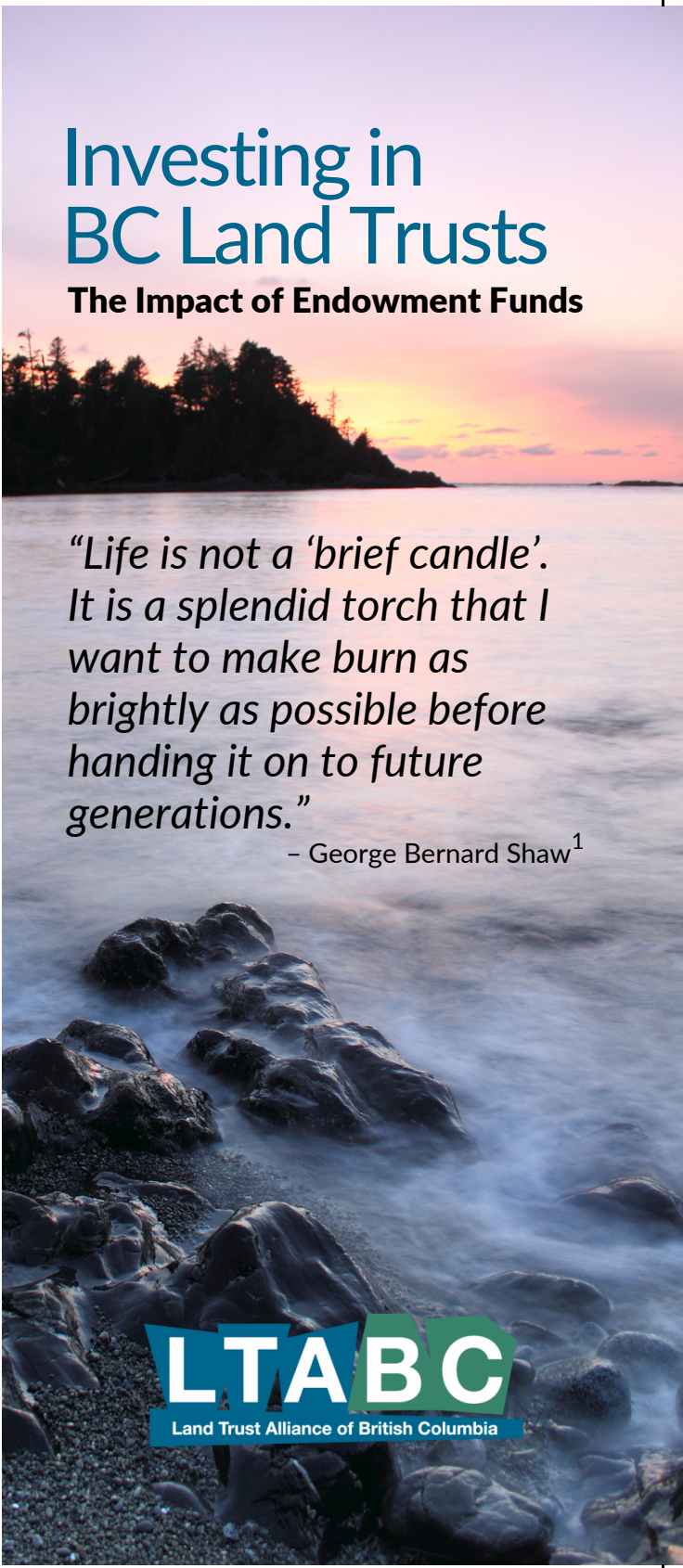


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#### FUNDING

Capacity Building: Land Trust Conservation Fund & Province of BC Gaming Branch



# Investing in BC Land Trusts

## The Impact of Endowment Funds

*"Life is not a 'brief candle'. It is a splendid torch that I want to make burn as brightly as possible before handing it on to future generations."*

– George Bernard Shaw<sup>1</sup>







Endowment funds are critical to the long-term financial success and stability of Land Trusts. They provide a consistent and dependable annual flow of income, allowing for resilience during tough fiscal years and for program expansion and maintenance during strong ones. They are an excellent option for **donors who believe in the future of their Land Trust and who wish to leave a strong and lasting legacy in their community.**

### What is an Endowment Fund

An Endowment Fund is like an investment account. When a donation or gift is made to an endowment, the principal is invested in perpetuity. In time, the investment grows, but only a portion of the earnings from the principal is used annually. The original donation amount remains **untouched, protected and invested**, ensuring that the **donor's wishes are carried out for generations to come.**

### Why are Endowments Important for Land Trusts?

- Purchasing land or conservation easements requires strong financial stability.<sup>2</sup>
- Endowments support operating and stewardship initiatives forever.<sup>2</sup>
- Endowments create a buffer through rough financial years and can make the difference between sustained financial viability and hardship.<sup>1</sup>
- Endowments can be used to manage unexpected legal costs to defend and protect easements in perpetuity.<sup>3</sup>

### How are Endowment Funds put to Use?

Donors decide if they would like their endowment to be restricted or unrestricted. A restricted endowment sets the terms, parameters or specific projects for which the funds can be used for. An unrestricted endowment gives the Land Trust the freedom and authority to use the funds in the most beneficial way they see fit at the time, which may include:

- Ongoing land acquisition & stewardship
- Restoration & monitoring projects
- Office operations & staffing
- Education & outreach

REFERENCES

1. Newman, D. S. (2005). Non Profit Essentials: Endowment Building. John Wiley & Sons, Inc.
2. Clark, S. (2007). A Field Guide to Conservation Finance. Island Press.
3. Watkins, M. J. (2007). The Management of Private Conservation Lands by Land Trusts in Canada. Guelph, Ontario: University of Guelph.
4. The Land Conservancy of BC. (2022, January 21). Endowment Funds. Retrieved from The Land Conservancy of BC.

### Why Consider Donating to an Endowment?

- Perpetuate your values and/or the values of loved ones forever.
- Create a sense of immortality through perpetual giving.
- Gratification of making a lasting contribution in your community that will benefit generations.
- Flexibility in the type and timing of endowment contributions. (See options below)
- Tax advantages & lifetime income benefits through split interest gifts.
- Leave a personal or family legacy in your community.

### Options for Endowment Fund Contribution <sup>1</sup>

| Immediate (Outright) Gifts   | Deferred gifts*   |
|--|---|
| <ul style="list-style-type: none"><li>• Cash</li><li>• Monthly Donations</li><li>• Stocks, bonds &amp; securities</li><li>• Real Estate</li><li>• Tangible Property</li><li>• Bargain Sale</li><li>• Charitable Lead Trust</li></ul> | <ul style="list-style-type: none"><li>• Bequests</li><li>• Life Insurance Options</li><li>• Retirement Assets</li><li>• Split Interest Gifts<ul style="list-style-type: none"><li>• Charitable Remainder Trust</li><li>• Charitable Gift Annuity</li><li>• Pooled Income Fund</li></ul></li></ul> |
|  | <small>*Naming the Land Trust as a beneficiary thereof</small>  |

Outright gifts made to an endowment fund are highly desirable since they offer immediate options for the Land Trust to invest and utilize the earnings for ongoing programs and practices. Deferred gifts give donors the option to retain all, or portions, of their assets during their lifetime, and for the Land Trust to secure funding in the future.