



Wyoming Transfer of Wealth *Executive Summary*



Executive Summary

Some 20 years ago, the Wyoming Community Foundation (WYCF) created a Transfer of Wealth study for our state. At the time, there was significant buzz about its implications, especially in rural areas, as baby boomer wealth was inherited by GenX and millennials who migrated to more urban areas. Back then, the oldest boomers were just hitting 65, and there was little urgency surrounding the study. However, that is no longer the case.

Over the last five years, the topic has become mainstream. “The Great Wealth Transfer” now frequently appears as a headline in magazines, newspapers, and trade publications nationwide. Why? After all, there is nothing new in the idea of death and inheritance. And, for the vast majority of Americans, inheritance is measured in the tens of thousands or hundreds of thousands – not millions. For most, it consists of the family home, retirement accounts, insurance, and dishes—so many dishes. So, what’s different now?

The baby boomers are unique. They embody the post-World War II baby boom and have benefitted from strong economic growth and prosperity throughout their lives. Economists estimate that over the next 20 years, \$84 trillion will pass from boomers to GenX and millennials.

Community foundations across the country are leading efforts to capture just a portion of this wealth and build permanent endowments that will benefit communities today and meet future needs.

The new Wyoming Transfer of Wealth Report, prepared by the Center for Business and Economic Analysis at Laramie County Community College, quantifies the wealth transfer for our state and each of its 23 counties. In Wyoming, \$24 billion is estimated to transfer in the next 10 years.

Imagine what might be possible if just 5% of that wealth was reinvested in your community over the next decade.

At the Wyoming Community Foundation, we envision a future where our communities have the resources to thrive. We invite you to join us in our “5 to Thrive” campaign and commit to leaving just 5% of your assets to your community - for senior centers, preschools, libraries, pathways, outdoor spaces, wildlife museums, 4-H, higher education, animal shelters, community beautification – whatever you love or wish to improve. Together we can build it.

This is a call to action for all of us. Everyone, regardless of their means, can contribute to building a better Wyoming. You can secure the futures of your children, grandchildren, nieces, and nephews with 95% of your assets. Gift the remaining 5% benefit the community they will also inherit. Your family and friends will experience the impact of this gift for generations to come.



A handwritten signature in black ink, appearing to read "Samin Dadelahi".

Samir Dadelahi, President & CEO
Wyoming Community Foundation

Transfer of Wealth Study

Here are a few highlights from the study produced by Nick Colsch at the Center for Business and Economic Analysis (CBEA) at Laramie County Community College. You can access the full report at wycf.org.

Current Household Net Worth – WY



Transfer of Wealth Wyoming



Highlights

Wyoming has Assets

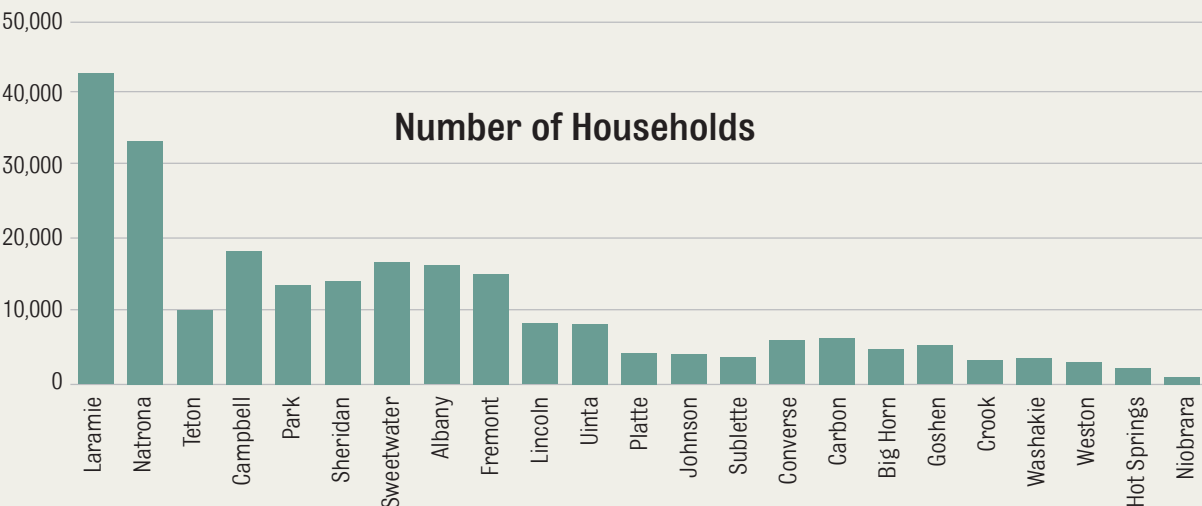
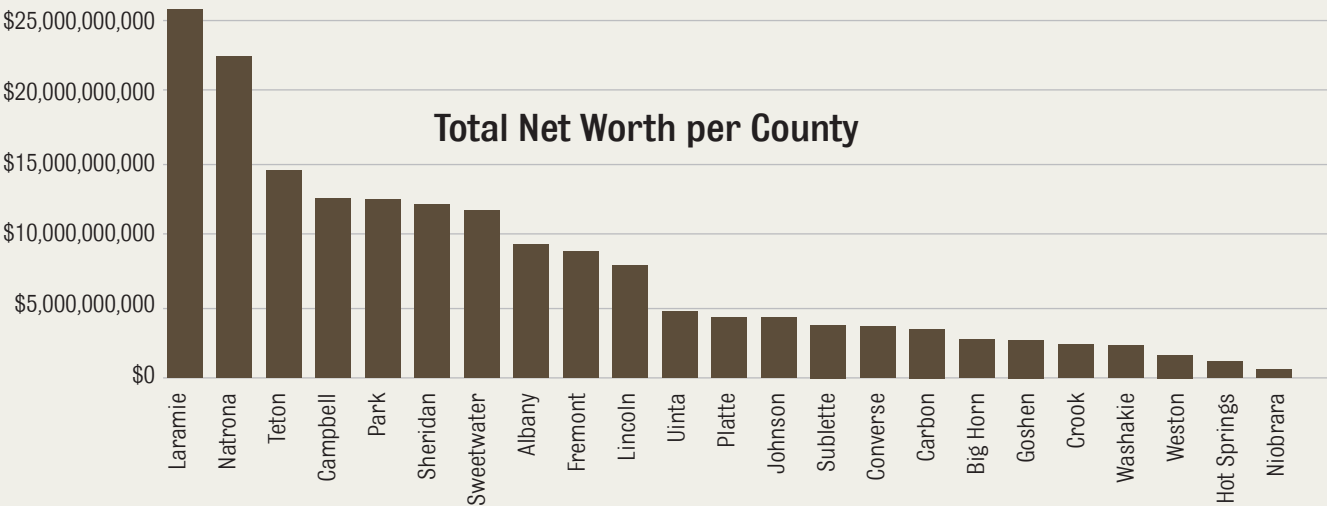
Household wealth is a measure of assets such as homes, businesses and investments. The study estimates the amount of household wealth that will transfer hands over the next 10 and 50 years.

- ▶ Wyoming has over \$173 billion in household wealth.
- ▶ Over the next 10 years, nearly \$24 billion of household wealth will transfer between generations.
- ▶ Over the next 50 years, that number will exceed \$210 billion in transferred wealth.

These numbers are inflation-adjusted, so a dollar in 2073 is the same as a dollar in 2023.

Wealth Distribution

The average household wealth in the state is just over \$725,000. However, Wyoming’s 23 counties do not have equal wealth. More than half of the counties (15) fell below the average. The spectrum of net worth per household ranges from the wealthiest area, Teton County, with an average net worth per household of \$1,469,805, to Goshen County, where the average net worth is \$524,856.



The Power of Endowment

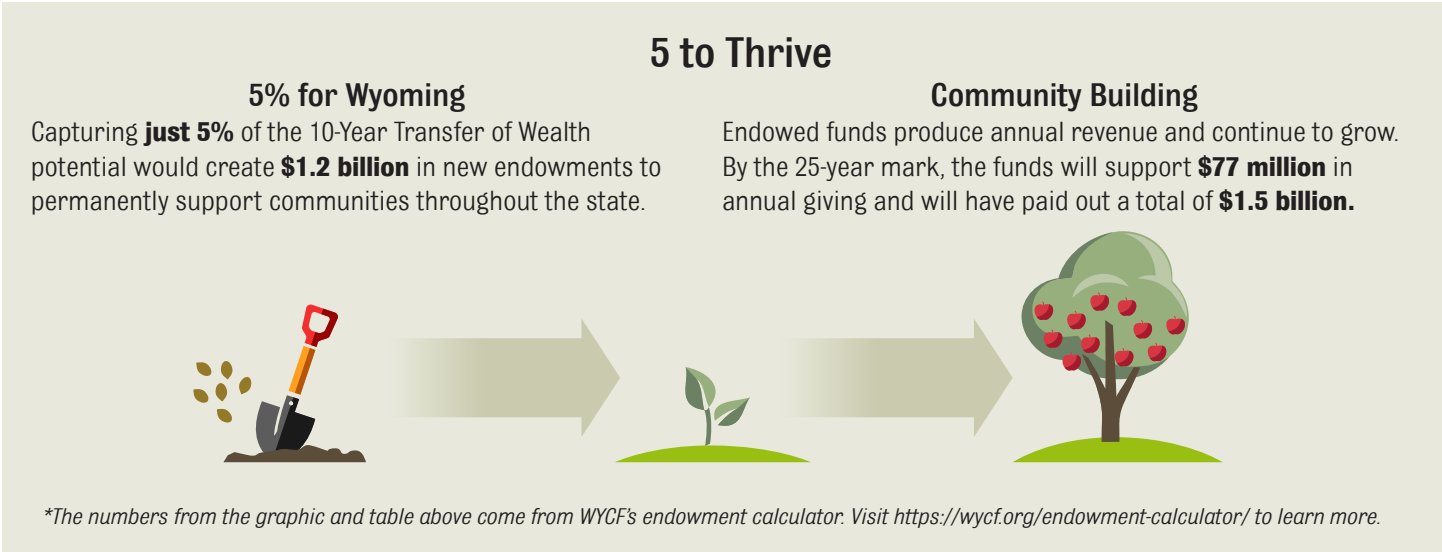
Wyomingites know the power of endowment because we have all benefitted from the Permanent Mineral Trust Fund, established in 1975. The Wyoming Community Foundation is familiar with the benefits of endowments. Since WYCF’s inception in 1989, we have seen many endowment funds pay out more than their original value while keeping and growing the principle through investment. Permanent endowments provide continuity and stability with reliable annual pay outs. Because these funds are held forever, the impact of this resource is far-reaching.

For example, if we created a \$1.2 billion endowment fund for Wyoming using just 5% of the wealth transferred in the next ten years, it could immediately begin paying out nearly \$50 million the first year to benefit Wyoming communities.

Example: 5% Capture Endowment Building

Year	Beginning Principal	Annual Earnings (7% Return Rate)	Annual Grants (4% Payout Rate)	Ending Principal
Initial Endowment	\$1,200,000,000	\$84,000,000	\$48,000,000	\$1,236,000,000
Year 5	\$1,298,918,592	\$90,924,301	\$51,956,743	\$1,324,896,963
Year 10	\$1,434,111,082	\$100,387,775	\$57,364,443	\$1,462,793,303
Year 15	\$1,583,374,515	\$110,836,216	\$63,334,980	\$1,615,042,005
Year 20	\$1,748,173,407	\$122,372,138	\$69,926,936	\$1,783,136,875
Year 25	\$1,930,124,699	\$135,108,728	\$77,204,987	\$1,968,727,193

Over time, our hypothetical endowment would grow and after 25 years, could pay out over \$100 million to Wyoming communities every year! But what if this wasn’t just a hypothetical? Help make this possible by giving “5 to Thrive”.



Generational Impact – Make a Difference Now

This study focuses on the next 10 to 50 years because wealth accumulation does not stop with one generation. It continues. People are living longer, and Wyoming will experience some population and income growth. In fact, estimated wealth is expected to rise from \$173 billion in 2024 to \$374 billion in 2073.

Additionally, over the next 50 years, Wyoming’s population will age. In more than half the counties, households with a head of household over age 75 will be the largest demographic by 2073. The number of 75+ household counts is expected to more than double over the next 50 years, from over 26,000 in 2023 to 58,000 in 2073.

While wealth will continue to transfer from parents to children, the next 10 years are crucial particularly in rural states where inherited wealth tends to leave the state. Once wealth leaves our communities, this opportunity leaves with it.

Additionally, charitable investing through planned giving takes time. Planning for the future for our families and communities is an important step in creating stability in our state.

The time is now to build a culture of philanthropy in Wyoming by leaving 95% of your wealth to those you love, and 5% to your community. With your help, we are paving the way for vibrant, healthy and long-lasting communities.

This new resource, now fully developed in and for Wyoming, is a long-term strategy for building community.

Take Action Now



1 Talk About It!

Join us in this effort to help build the promise of “5 to Thrive.” When we all use the same language and share ideas, we ensure action. Research shows that the average person needs to hear a message seven times before they act.



2 Participate!

Whether you chose to create a community endowment fund at WYCF or support your community another way, get involved! If you don't have a will, check out FreeWill on the WYCF website. Make your commitment, then start the conversation with your children, parents, grandparents, constituents, clients, or board members. Keep action item #1 in mind and keep the conversation going



3 Learn!

Learn which types of gifts make the most sense for you to leave to charitable nonprofits in your community. Some assets— such as taxable assets – can offer advantages to the 95% you leave to your heirs (for example IRA, trusts, appreciated stocks, property etc.)



4 Plan!

Work with a professional advisor to create a plan that meets your goal. If your financial situation is simple, you might consider using FreeWill on the WYCF website to create your plan. YOU decide how you want to give, and WYCF can help make it happen. Use our FREE gift planning tools on our website, such as sample bequest language, gift illustrators or giving toolkits. Take a look at our free resources on our website such as bequest language, a gift illustrator, or toolkits.



5 Work with WYCF!

Schedule a Transfer of Wealth presentation with the Wyoming Community Foundation and contact WYCF for more tools or resources to uncover the giving option that works best for your goals.



contact us today at:

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