

Omaha World-Herald

BUSINESS

A rural wealth success story

■ As Nebraskans transfer billions between generations, a Shickley foundation keeps some of those assets in the community.

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Shickley, Neb., is one of the elite five in rural Nebraska's 5-year-old effort to keep some of the money that leaves with city-dwelling native sons and daughters as they drive out of town

after their parents' funerals.

Shickley is 25 miles south of Interstate 80 in south-central Nebraska. It has raised cash and commitments equal to 5 percent of the wealth in its area that is expected to be transferred between generations over a 10-year period.

Statewide, \$258 billion is to move to the next generation over a 50-year period, according to a 2001 analysis based on a Boston College study. That study said \$41 trillion would be transferred nationwide.

The Nebraska Community Foundation is concerned about \$94 billion in 86 counties outside of the Omaha and Lincoln areas. That figure includes bank accounts; stocks, bonds and other investments; businesses, houses, farms and ranches; and who knows what else.

The foundation, which is pushing the idea of keeping 5 percent (\$4.7 billion) of that wealth in rural Nebraska, is seeing good results, according to Jeff Yost, executive director.

"We've got some of these places making tremendous progress," Yost said. "There are other places just getting started."

The peak period for passing of the wealth in 62 of the 86 counties that Yost is concerned with is 2014 to 2039. In the other 24 counties, the peak period is now

until 2014.

Shickley's effort started before the 5 percent plan was laid out in 2001. In 1999 the Wilkins family, brothers Bill and Hugh and their sister Beth, owners of banks in Shickley and Geneva, promised \$105,000 if it could be matched by other donors within three years.

The drive started with a mailing to everybody in the Shickley school district, the gathering of a list of potential big donors and then visits by two-person teams

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from the local foundation. By the end of 2001, the foundation had raised \$160,000.

The Wilkins family gift and later fundraising have raised the endowed fund to \$335,000. Another \$1.4 million is promised. The foundation continues to raise money and pledges.

Richard Walter, president of the Shickley foundation, credited Yost and his staff with providing expertise in fundraising and with educating people on ways to set up donations from their estates. Walter and his wife, Darlene, who own an insurance business, made their gifts to the foundation through retirement accounts and life insurance.

The foundation has given \$15,000 to schools, 4-H, parks, playgrounds and the like. None has gone specifically for economic development. Gifts come from the fund's earnings; the principal is not touched.

Community foundations around the state are giving to projects such as hospitals, libraries and parks, Yost said. He did not know how much goes specifically to economic development.

Many efforts are aimed at

making communities good places to live, so young people return to rural Nebraska, Yost said. The big economic issue in rural areas is the loss of young people.

The Nebraska Community Foundation has helped groups in other states start similar programs. It is continuing that effort in a three-day Rural Philanthropy Conference, which ends today in Nebraska City. About 100 people, most of them Nebraskans, are attending, Yost said. Thirty-five are from 12 other states.

Yost and his 10-employee staff at the Nebraska Community Foundation handle the administration of 179 small foundations, 84 of them community-based like Shickley's. The community foundations' combined endowments and confirmed future gifts total \$31 million, triple what they were five years ago.

Is that on target?

"To be honest, I don't know if we know where we expected to be," Yost answered. "I'm not convinced we know how much we should raise."

He said he is pleased so many communities are joining the effort.