

Forest County, Pennsylvania Report

Our Transfer of Wealth Opportunity

September 2015

Development is a Local Responsibility. Every American community must assume primary responsibility for its own community and economic development. While outside resources such as government programs, foundation grants and corporate gifts can help, successful communities are able to muster their own resources to support desired and critically needed development efforts.

Community Philanthropy is Key. In today's fiscally challenged environment, with constrained government and corporate funding, communities are increasingly turning to community philanthropy to find the dollars needed to invest in community betterment projects and programs.

Your Community's Transfer of Wealth (TOW) Opportunity. A significant yet underdeveloped financial resource for community betterment is your community's transfer of wealth (TOW) opportunity. ***TOW is the transfer of household wealth from one generation to the next and the country is in the midst of the largest intergenerational transfer of wealth in our entire history.*** At the heart of capturing a portion of the TOW Opportunity is the idea that individuals and families could treat their hometown like an heir. There is a well-established practice of people giving wealth to family members, churches, their alma mater, or other charitable causes. Increasingly, people are giving back to the hometown or place that helped them create their wealth in the first place.

Community Giveback. Community philanthropy is *not* something residents are required to do; people are motivated to give back because they love their hometown and want to see a brighter future. Across the country, the "JUST 5%" goal is catching on and helping community philanthropy to become a real movement in communities like yours.

Your TOW Opportunity. The Center for Rural Pennsylvania commissioned the national Center for Rural Entrepreneurship to prepare 10-Year and 50-Year TOW Opportunity Scenarios for the state and each county. Here are the relevant numbers for your county:

Forest County, Pennsylvania TOW Opportunity

2015 Wealth	10-Year TOW Opportunity	50-Year TOW Opportunity
2015 household current net worth for this community: \$1.12 billion	10-Year TOW = \$120 million 5% Giveback Goal = \$6 million 5% Annual Payout = \$300,000/year 10-Year Potential = \$3 million	50-Year TOW = \$774 million 5% Giveback Goal = \$36.7 million 5% Annual Payout = \$1.8 million 50-Year Potential = \$18 million

Just imagine if your community reached a 5% giveback goal and had over \$3 million to invest in community betterment over the coming decade. What difference could that make? Our estimates are conservative and your TOW opportunity is likely to be greater when you include former residents and outside business interests as candidates for community giveback.

Rural Pennsylvania

The TOW Opportunity Scenarios for **rural Pennsylvania** (as defined by the Center for Rural Pennsylvania – www.rural.palegislature.us) are shared below:

2015 Household Current Net Worth = \$704 billion
10-Year TOW Opportunity = \$68 billion
5% Giveback Goal = \$3.4 billion
5% Annual Payout Potential = \$169 million
50-Year TOW Opportunity = \$568 billion



Imagine the difference an additional \$1.7 billion in investment to support community betterment would make in the communities of Rural Pennsylvania over a 10 year period!

Pennsylvania

The TOW Opportunity Scenarios for **Pennsylvania** as a whole are shared below:



2010 Household Current Net Worth = \$3.1 trillion
10-Year TOW Opportunity = \$310 billion
5% Giveback Goal = \$15.5 billion
5% Annual Payout Potential = \$775 million
50-Year TOW Opportunity = \$2.6 trillion

Imagine the difference an additional \$7.8 billion in investment to support community betterment work could make in communities across the Commonwealth over a 10 year period!

United States

America's transfer of wealth opportunity is estimated at...

2010 Household Current Net Worth = \$67.4 trillion
10-Year TOW Opportunity = \$7.1 trillion
5% Giveback Goal = \$355 billion
5% Annual Payout Potential = \$17.8 billion
50-Year TOW Opportunity = \$84.2 trillion



The Center promotes and sustains the vitality of Pennsylvania's rural and small communities by sponsoring research projects to identify policy options for legislative and executive branch consideration and action; collecting data on trends and conditions to understand the diversity of rural Pennsylvania; publishing information and research results to inform and educate audiences about the diverse people and communities of rural Pennsylvania; and participating in local, state and national forums on rural issues to present and learn from best practices.

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