

The GIFT PLANNER

INVESTING IN TOMORROW'S CHURCH

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Priest's gift honors his preaching instructor



Fr. Leo Hayes is the pastor of three parishes, including St. Elizabeth in Ava, IL, shown here.

To understand Fr. Leo Hayes, you have to know that he was born and raised in old East St. Louis, a place that has a reputation for being rough.

"When I grew up there, I fought my way to school and I fought my way home," Fr. Hayes explains. "It was like a fourth sport: baseball, basketball, football and fighting. So I've been a fighter all my life."

His fighter mentality and strong work ethic helped him through his education and, later on, in his prison ministry.

A major turning point for Fr. Hayes happened in the sixth grade, when he brought home a report card for his mother to sign. It was full of C's and D's and his mother wouldn't sign it until he showed his father. So he took it to his father, expecting to be reprimanded. His father took a look, folded it up and said, "It's good enough to dig ditches."

"I have never been so angry before nor since in my life," says Fr. Hayes. "And I'm saying to myself, 'I'll show him what I can do.'"

From that moment, Fr. Hayes started studying and hasn't stopped learning since.

He had the opportunity to go across the Mississippi River and study at the Jesuit preparatory school, St. Louis University High School, where he received the call to the priesthood in his senior year.

He studied at St. Henry Preparatory Seminary for two years before spending six years at Saint Meinrad. He was ordained on May 27, 1961.

"One of the things that made me who I am today is the fact that I never wanted to be a priest. I just answered the call," says Fr. Hayes. "I knew for sure it was God who wanted me to be a priest and I knew God was smarter than I was."

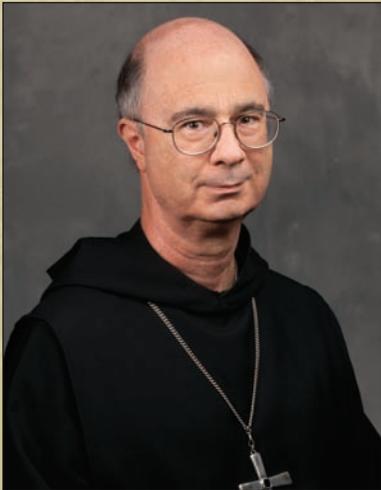
Fr. Hayes was assigned to three small parishes in the Diocese of Belleville, IL, on June 8, 1968. He's been there for 45 years, under six bishops.

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Saint Meinrad
Archabbey and
Seminary & School of Theology





**Rt. Rev. Justin DuVall, OSB
Archabbot of Saint Meinrad**

Dear Friends,

This year marks the 160th anniversary of Saint Meinrad's founding. The monastery was established to educate and form "good and everlasting priests" to pastor the German immigrants living in southern Indiana. The monks of Saint Meinrad have been privileged to serve the Catholic Church ever since, both here and around the world.

Some of the greatest blessings of our work are the many stories told by alumni and friends who have been impacted by Saint Meinrad. The particulars of these stories differ, but each is as meaningful and touching as the next.

Fr. Leo Hayes is a very telling example of someone whose life and vocation were changed by Saint Meinrad, in particular by Fr. Gavin Barnes, OSB. Fr. Leo recently chose to fund a charitable gift annuity as a way to express his gratitude.

I encourage you to read Fr. Leo's story and to reflect on the difference Saint Meinrad has made in your life. I ask you to consider a charitable gift annuity or another type of planned gift as a way to express your gratitude and commitment to our work, while furthering your own philanthropic goals.

May God bless you in all ways,

+ Justin DuVall, OSB

"I've found the secret of life here," says Fr. Hayes. "It's not climbing the ladder; it is to find a group of people whom you can love and they love you."

Fr. Hayes also served the Catholic inmates at Menard Correctional Center for 25 years, including the inmates on death row. He held the position of senior chaplain his last 10 years before retiring from there.

As he walked out of Menard for the last time, Fr. Hayes had the overwhelming feeling that "I'm leaving this place and I'm still alive."

"Being from East St. Louis is almost what saved me," he explains. "I was as tough as anyone there, or at least I believed it."

At age 78, Fr. Hayes has been making some important end-of-life decisions.

"I've got my coffin, got my tombstone up and the only thing you can take with you is what you've already given away," says Fr. Hayes.

He started looking around to where he could donate money, especially to those who have educated him. He decided to fund a charitable gift annuity with Saint Meinrad in honor of Fr. Gavin Barnes, OSB, who was his homiletics professor when he was in the seminary.

"Out of 95 classroom teachers over 22 years of schooling, Fr. Gavin has given me my most practical education as a preacher, which I've always considered my primary duty as a Catholic priest," explains Fr. Hayes.

Fr. Gavin provided a formula for his students to enhance their public speaking. It's a formula Fr. Hayes has used for more than 2,600 Sundays.

After looking at all the options for giving, Fr. Hayes chose a charitable gift annuity because he says it's the perfect deal.

"You get hesitant about giving things away because you might need it later on," he explains. "I might live to be 98. I might run out of money. But if you fund an annuity, something's always coming in."

He also likes the fact that his annuity payments can be directly deposited into his bank account.

"Later on, when I get dementia, it will still keep coming automatically," says Fr. Hayes. "I don't have to remember to cash that check or where I put it. It will be there."

As Fr. Hayes makes his end-of-life preparations, the time he spent at Saint Meinrad sticks with him. He plans to be buried in an Abbey Casket from Saint Meinrad, wearing the biretta he wore while in seminary. On his tombstone, it will read *In medio stat virtus* – In the middle stands virtue – a saying from St. Thomas he learned at Saint Meinrad.

Through his charitable gift annuity, Fr. Hayes has, in a very special way, expressed his thanks to Fr. Gavin and the others at Saint Meinrad who played such an important role in his education and formation. ♦

Gift Annuities: Are they right for you?

The charitable gift annuity is a remarkably simple and flexible planning idea that can assure you of a good income, a large tax deduction and the satisfaction of helping Saint Meinrad Archabbey. In exchange for a gift of cash or appreciated securities, we will pay you a certain fixed-dollar annuity for the rest of your life.

A charitable gift annuity can be tailored to meet a variety of personal needs and financial objectives:

- You can receive your annuity payments annually, semiannually or quarterly.
- You can have the annuity paid to yourself or to another as a single life annuity; you can have it paid to both yourself and another as a joint and survivor annuity.
- You can fund the annuity with cash or securities.
- You can have the annuity payments start any time during the first year after your gift or you can have them deferred, starting at a later time in your life.

Your charitable gift annuity may be funded with investment assets as well as cash. Many donors who fund a gift annuity with

assets prefer to use securities that have gone up in value. The reason: such an arrangement is a good way to minimize and defer the capital gains tax.

Typically, any securities you own that have appreciated in value will be subject to capital gains tax when you sell them. Furthermore, the entire amount of the tax must be paid when you file your next tax return.

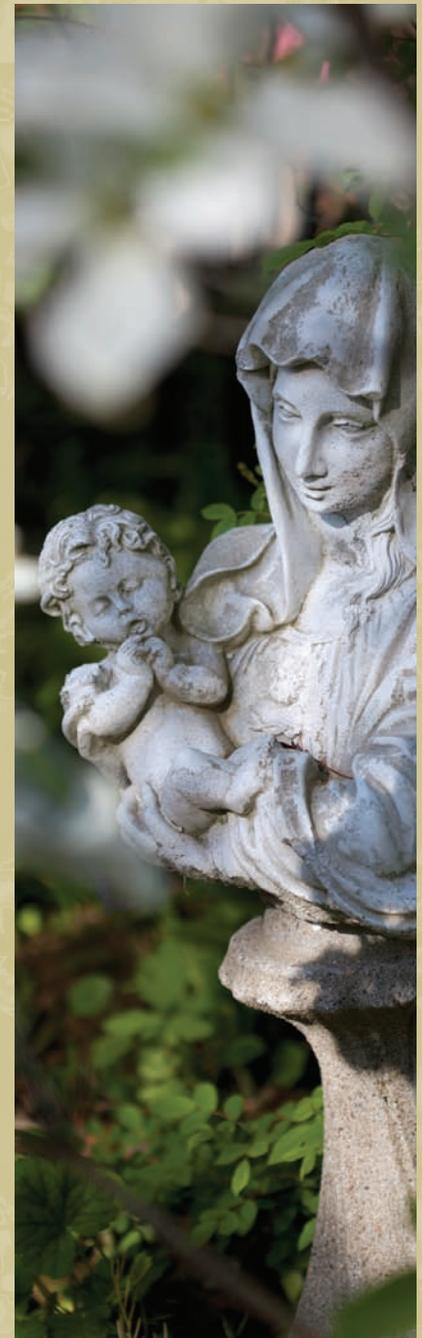
But what if you use the securities to fund a charitable gift annuity? First, because the transfer of securities for a gift annuity is considered to be part gift and part purchase of an annuity, some of your capital gain escapes taxation.

Second, as a donor, if you are the sole annuitant or one of the annuitants in a two-life annuity, your remaining capital gain will be reported ratably over your life expectancy.

Because of these tax advantages, it often makes good financial sense to fund a charitable gift annuity with appreciated securities. Of course, whether you decide to make a transfer of appreciated property or cash depends on your personal situation. ♦

“Charitable gift annuities offer donors a special way to express their generosity to Saint Meinrad without compromising their financial security. More information is available at your request, including calculations that would clearly define how a charitable gift annuity might work for you.”

Barbara Balka, Director of Planned Giving



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Benefits of a Charitable Gift Annuity for \$10,000*

Age	Recipient's Annual Payment	Tax-Free Portion	Taxable Income	Charitable Deduction	Effective Payout Rate **
60	\$ 440	\$276	\$164	\$3,356	5.8%
65	\$ 470	\$309	\$161	\$3,848	6.3%
70	\$ 510	\$353	\$157	\$4,377	7.0%
75	\$ 580	\$420	\$160	\$4,791	8.2%
80	\$ 680	\$513	\$167	\$5,181	9.8%
85	\$ 780	\$622	\$158	\$5,772	11.5%
90	\$ 900	\$741	\$159	\$6,369	13.6%

* The \$10,000 figure is merely a convenient multiple. We will be glad to provide you with tax and financial results for any size gift.

** The "effective" rate takes into account the donor's charitable deduction tax savings and the benefits of the tax-free income in a 28% federal income tax bracket. Deductions vary according to current interest rates.

For further information, contact Barbara Balka at:
 Development Office
 Saint Meinrad Archabbey and
 Seminary & School of Theology
 200 Hill Drive, St. Meinrad, IN 47577-1301
 (800) 682-0988
 (812) 357-6501
 (812) 357-6759 (fax)
development@saintmeinrad.edu
www.saintmeinrad.edu

