



# ESTATE PLANNING BASICS

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This class is to improve basic knowledge of estate planning vehicles. The goal is to help you make an informed decision regarding the practical impact of having a plan in place.

If you have estate tax concerns and/or asset protection goals, you may benefit from the utilization of more advanced legal techniques.

*This event does not constitute legal or tax advice. Please discuss your individual situation with your advisors.*

# THANK YOU FOR BEING HERE TODAY!

## Introductions

- » Connection to the Y
- » Favorite thing about Y
- » Something about your family
- » What you hope to learn today

# Our Agenda

- » Pre-Class Survey Results
- » Estate Plan Components
- » Discussion topic: Family aspirations & intentions
- » Legacy Club at the YMCA of Pierce and Kitsap Counties
- » Questions and Resources



# **SURVEY RESULTS**

# Questions from the Survey

TBD

# ESTATE PLANNING ACROSS THE US

## National survey

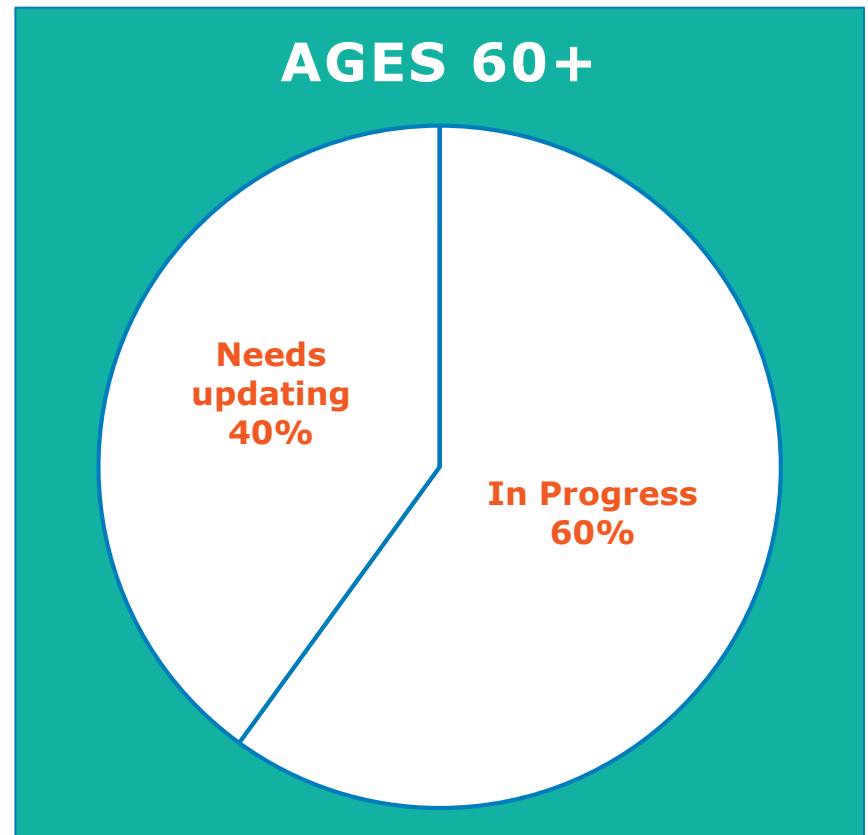
**Ages 60+, 60% report having no plan in place**

**Ages 75+, 45% don't have a plan**

**70% of those under 55 with kids have no estate plan.**

## YMCA Survey

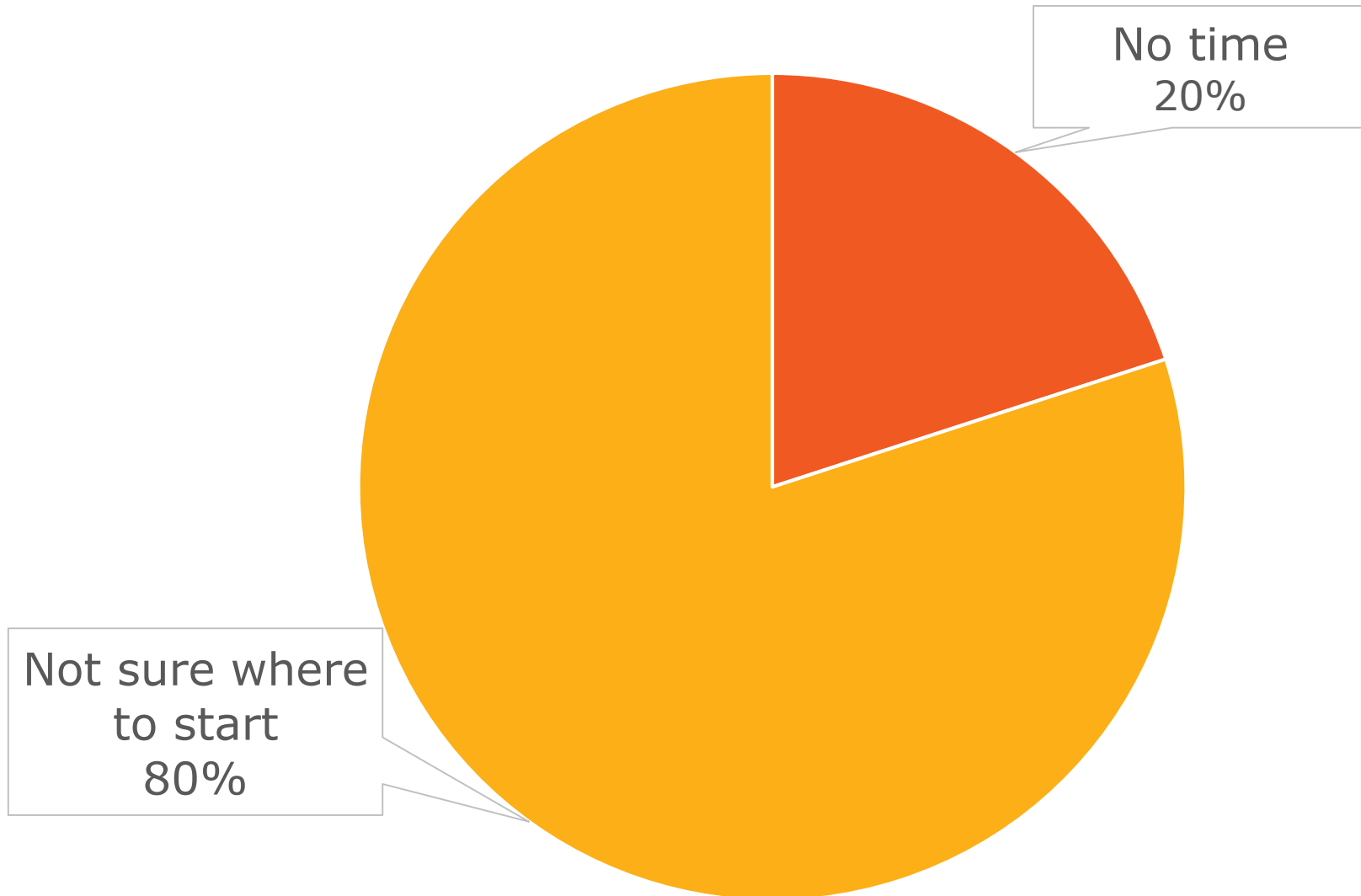
**AGES 60+**





# WHAT'S THE BARRIER?

Of the 100% who don't have a final plan



# LARGEST TRANSFER OF WEALTH IN HISTORY

- » \$68 Trillion in assets changing hands worldwide, \$30 Trillion in the United States alone
- » What are the implications?
- » Are successive generations prepared to handle what is passed down?
- » Rockefeller and Vanderbilt comparison



**LET'S GET STARTED**

# THE FIVE KEY COMPONENTS OF AN ESTATE PLAN

Last Will and Testament

» Carries out your final wishes without court intervention

Revocable Living Trust

» Assets are titled in trust for ease of distribution at death, plus more

Living Will

» Your end of life wishes

Financial Power of Attorney

» Handles financial matters when you are unable or unwilling

Health Care Power of Attorney

» Speaks on your behalf for medical needs

# LAST WILL AND TESTAMENT

To be valid in Washington State, at a minimum, the document itself must be:

- » In writing;
- » Signed by you in front of two competent witnesses, AND;
- » The two witnesses must either sign the will or a “self-proving affidavit” in the presence of a [notary](#).
- » The notarized self-proving affidavit aids in submitting to courts upon death.

# SOME FEATURES OF A WILL

A will can direct your Personal Representative to take specific actions, such as:

- » Create guardianships or trusts for minor children
- » Gives control on who gets your assets
- » Can specify burial plans
- » Can make specific gifts of jewelry or 'words of wisdom'

**Without a Will, these are left to chance**

# REVOCABLE LIVING TRUST

Trust is a legal entity established to carry out the instructions of the Grantor.

The parties in a trust are;

- » Grantor, Trustee, and the Beneficiary
- » When you initially establish a “Revocable Living Trust” you can be all three
- » You retitle your taxable accounts and while you are living and they transfer at death without probate

# SOME FEATURES OF A REVOCABLE LIVING TRUST

- » You are the initial trustee and have full control!
- » Provides incapacity and successor trustee language without a power of attorney.
- » Like a Will, it directs who will receive financial and non-financial assets.
- » Can also establish other Trusts that activate on death.



# A WINNING COMBINATION – Trust and Will

**Trust** holds majority of property during life

- » Manages assets in case of incapacity
- » Dispositive provisions at death
- » Bypasses probate and is private
- » Can continue on in new trusts

**The Will** – designates executor to represent your final business matters at death. It is a “drip pan” for any asset that may have been left out.

**More powerful than a Will or Trust**

**ASSET TITLING**

# DETERMINE OWNERSHIP OF YOUR ACCOUNTS NOW

Your Will and Trust can be over-ridden by how bank accounts and other assets are titled of if they have beneficiary designations.

Common ownership types are:

- » Tenants in Common
- » Joint Tenants with Right of Survivorship
- » POD (Pay on Death) and TOD (Transfer on Death) accounts

# BENEFICIARY DESIGNATIONS

IRA's and insurance are usually the largest asset people have – make sure they are up to date!

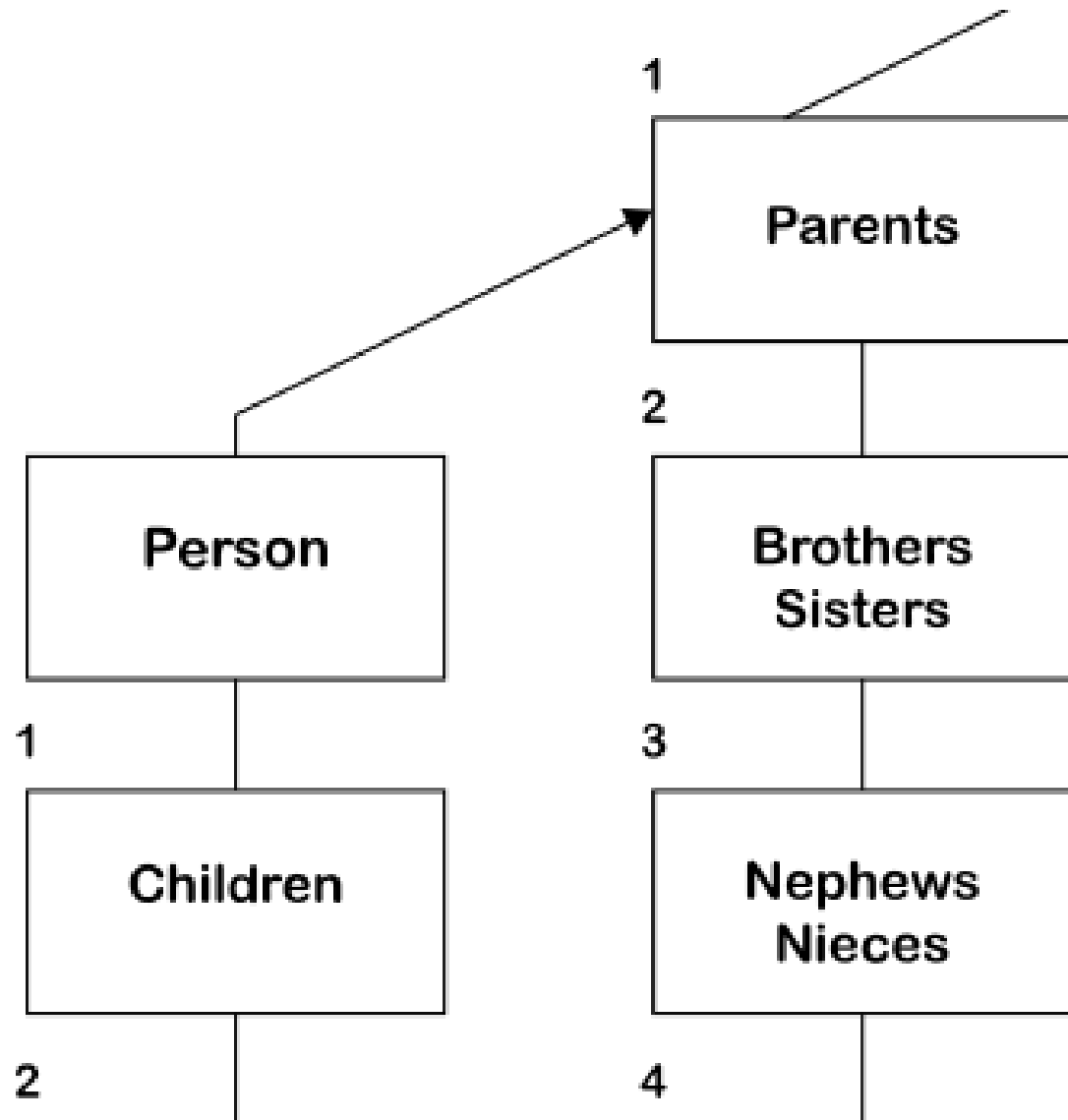
- » Beneficiary Designations of an IRA, 401k
- » Life Insurance Policy beneficiaries

TIP:

Request your actual form and review – don't leave it to chance.

# THE "WASHINGTON STATE ESTATE PLAN" FOR THOSE WITHOUT A WILL

After assets have transferred through a beneficiary designation, the rest goes by "family tree".



# **FINANCIAL AND HEALTHCARE POWERS OF ATTORNEY**

# **REQUIRED FOR SURGERY, TERMINAL ILLNESS, ACCIDENTS, EVEN COLLEGE KIDS!**

## **A LIVING WILL**

With a living will you record your preferences with regard to medical procedures.

## **DURABLE MEDICAL POWER OF ATTORNEY**

The durable medical power of attorney is used to name an agent who would be authorized to make health care decisions in your behalf.

# DURABLE FINANCIAL POWER OF ATTORNEY

- » Legal document where you designate someone to act on your behalf for financial matters.
- » Banks, credit card companies, car lenders generally would need to see this if you couldn't talk to them on your own.
- » Durable means it becomes effective when signed. Does not require a doctor to attest to incapacity.



**CREATING YOUR LEGACY**

# WHAT DO YOU WANT TO ACCOMPLISH? FAMILY PYRAMID

Will you be able to give back to the community or to charities?

Is my community okay?

Once you are "okay" what does it mean for your family to be "okay"?

Is my family okay?

You've succeeded in so many ways. But you may still wonder, "How much do I need to protect my lifestyle?"

Am I okay?

**YMCA of Pierce and Kitsap Counties**

# **LEGACY AND ESTATE PLANNING**

# 1883 LEGACY SOCIETY

The YMCA ` Legacy Society was named to recognize the year we were founded and the longevity of support.

It recognizes those key supporters who have included the YMCA of Pierce and Kitsap Counties in their estate plans. In doing so, you ensure the services of the Y will continue to meet the needs of our community for the next 140 years.

As you make your estate plans, please consider joining the 1883 Legacy Society.



# BUILDING SUSTAINABILITY FOR THE YMCA

- » Investment in the YMCA community.
- » Endowment gifts provide income to support essential operations and programs.
- » Your donations will continue to grow through prudent investing.

We invite your participation in the Legacy Club to create a lasting impact for future generations.

# ESTATE PLANNING SERVICES

## Preserving Your Values

- » Clarify values and intentions
- » Determine your legacy
- » Complimentary
- » Confidential
- » No obligation
- » No sales pitch or solicitation

“I think people don’t get involved with estate planning because they don’t know what to expect. With this process, there is nothing to fear.”

Randy Rushforth  
Legacy Club Member

**HOW THE YMCA CAN HELP**

# RESOURCES FOR YOU

**Individual Estate Planning Advice** Our gift planning team can meet with you individually to see which avenue makes sense for you.

**FreeWill** The YMCA has partnered with an organization named FreeWill who prepares basic estate documents online.

**A community service provided as part of our charitable mission** This is our gift to you and we hope it helps you consider the options available as you begin your planning. In the information we send you after the class, there is a link to access our page.



**QUESTIONS**

# Contact



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